CONGRESSIONAL RECORD:

CONTAINING

THE PROCEEDINGS AND DEBATES

OF THE

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ALSO

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SENATE.

MONDAY, *May 24, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The VICE-PRESIDENT resumed the chair.

The Journal of the proceedings of Saturday last was read and approved.

PETITIONS AND MEMORIALS.

Mr. PERKINS presented petitions of sundry citizens of San Francisco, Oakland, Bay Point, Isleton, Collinsville, Vallejo, Los Angeles, Concord, and Martinez, all in the State of California, praying for the removal of the duty on hides, which were ordered to lie on the table.

He also presented a petition of the Chamber of Commerce of Oakland, Cal., praying that an appropriation be made to enlarge the federal building in that city, which was referred to the Committee on Public Buildings and Grounds.

He also presented a memorial of sundry farmers' unions, paper mills, sugar factories, grape and fruit growers, and wool growers, all in the State of California, relative to the duty on sulphur in its crude and refined state, etc., which was ordered to lie on the table.

Mr. LA FOLLETTE presented petitions of sundry citizens of Ironton, Algoma, Racine, Milwaukee, Viroqua, Eau Claire, Bangor, Mindoro, Dodgeville, Walworth, Bruce, Rice Lake, De Forrest, Waterford, New London, Baraboo, Elk Mound, Bristol, Strum, Mattoon, Rosendale, Portage, Barron, Chippewa Falls, Watertown, Green Bay, Tomahawk, Sparta, Alma Center, Randolph, Reedsville, Oconto, Adell, Washburn, Ashland, Almena, Gladden, Hillsboro, Richland Center, Marinette, Port Washington, Monroe, Rhinlander, Beaver Dam, Warrens, Plymouth, and Cascade, all in the State of Wisconsin, praying for the removal of the duty on hides, which were ordered to lie on the table.

Mr. HEYBURN presented petitions of sundry citizens of Whitney and Franklin, in the State of Idaho, praying that no change be made in the present duty on all grades of sugar, which were ordered to lie on the table.

Mr. ROOT presented petitions of Orwell Grange, No. 66, Patrons of Husbandry, of Orwell; of sundry citizens of Perch River, Three Mile Bay, Orwell, Denmark, Brooklyn, Oxford, Hastings upon Hudson, Waddington, Cazenovia, Tully, Onondaga, New York City, Newark, Pine Island, Amity, Pond Eddy, Buffalo, Rochester, Sodus Point, Limerick, Clayton, Ardonia, Clintondale, and Ballston Spa, all in the State of New York, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a memorial of Orwell Grange, No. 66, Patrons of Husbandry, of Orwell, N. Y., remonstrating against any increase being made in the duty on imported gloves, which was ordered to lie on the table.

He also presented a memorial of Local Union No. 52, Cigar Makers' International Union, of Elmira, N. Y., remonstrating against the free importation of cigars from the Philippine Islands, which was ordered to lie on the table.

He also presented a memorial of sundry citizens of Syracuse, N. Y., remonstrating against the imposition of an import duty on teas in bulk, which was ordered to lie on the table.

He also presented a petition of sundry citizens of New York, praying for the passage of the so-called "parcels-post" bill, which was referred to the Committee on Post-Offices and Post-Roads.

He also presented a petition of the Chamber of Commerce of Buffalo, N. Y., praying for the appointment of a permanent tariff commission, which was ordered to lie on the table.

He also presented a petition of the Board of Trade of Schenectady, N. Y., praying for the imposition of a low rate of duty on sugar imported into the United States, which was ordered to lie on the table.

He also presented a petition of the New York State League of Cooperative Savings and Loan Associations, praying for the reduction of the duty on materials entering into the construction of dwelling houses, which was ordered to lie on the table.

He also presented a petition of Typographical Union No. 149, of Saratoga Springs, N. Y., praying for a reduction of the duty on print paper and wood pulp, which was ordered to lie on the table.

Mr. SMOOT presented petitions of sundry bankers of Ogden; of sundry beet growers of Lewiston; of sundry merchants of Ogden; of sundry farmers of Warren, Kanesville, West Weber, Hooper, Richmond, Cove, Slaterville, Marriott, Ogden, Wilson, and Farr West, and of sundry citizens of Wampa, all in the State of Utah; and of sundry farmers of Teton, Rexberg, and Blackfoot, in the State of Idaho, praying for the retention of the present rate of duty on all grades of sugar, which were ordered to lie on the table.

Mr. LODGE presented a petition of sundry citizens of Boston and Cambridge, in the State of Massachusetts, praying for a reduction of the duty on wheat, which was ordered to lie on the table.

Mr. NELSON presented sundry papers to accompany the bill (S. 2322) granting an increase of pension to Carrie Engberg, which were referred to the Committee on Pensions.

Mr. DU PONT presented petitions of sundry citizens of Smyrna, Del., praying for the reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. RAYNER presented a memorial of Typographical Union No. 12, of Baltimore, Md., remonstrating against the imposition of any duty on news print paper and wood pulp.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DOLLIVER:

A bill (S. 2460) granting a pension to Harrison H. Vaughn; and

A bill (S. 2461) granting a pension to Benjamin C. Sparks; to the Committee on Pensions.

By Mr. HEYBURN:

A bill (S. 2462) granting an increase of pension to William G. Lewis (with the accompanying papers); and

A bill (S. 2463) granting an increase of pension to David C. Nigh (with the accompanying papers); to the Committee on Pensions.

By Mr. MONEY:

A bill (S. 2464) relating to claims before the Court of Claims and the testimony before same; to the Committee on the Judiciary.

By Mr. McENERY:

A bill (S. 2465) for the benefit of the Citizens' Bank of Louisiana;

A bill (S. 2466) for the relief of the Louisiana State Bank; and

A bill (S. 2467) for the benefit of the Citizens' Bank of Louisiana; to the Committee on Claims.

AMENDMENT TO THE TARIFF BILL.

Mr. DICK submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

COMMITTEE ON PUBLIC EXPENDITURES.

Mr. ALDRICH. I offer a resolution, which I ask may be read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

The resolution (S. Res. 50) was read, as follows:

Senate resolution 50.

Resolved, That the Committee on Public Expenditures be, and they are hereby, authorized and directed, by subcommittee or otherwise, to make investigations as to the amount of the annual revenues of the Government and as to the expenditures and business methods of the several departments, divisions, and branches of the Government, and to report to the Senate from time to time the result of such investigations and their recommendations as to the relation between expenditures and revenues and possible improvements in Government methods; and for this purpose they are authorized to sit, by subcommittee or otherwise, during the recesses or sessions of the Senate, at such times and places as they may deem advisable, to send for persons and papers, to administer oaths, and to employ such stenographic, clerical, expert, and other assistance as may be necessary, the expense of such investigation to be paid from the contingent fund of the Senate.

Mr. BEVERIDGE. The resolution is in the usual form except in one particular. It says that they may sit "by subcommittee or otherwise." That is not usual.

Mr. ALDRICH. It is usual.

Mr. BEVERIDGE. Not the words "or otherwise." What do you mean by "otherwise?" The full committee?

Mr. ALDRICH. The full committee. It follows exactly the usual language.

Mr. BEVERIDGE. We are all familiar with this kind of a resolution. Let it go to the committee, and it can be looked into.

Mr. ALDRICH. It goes to the committee.

The VICE-PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed and the Calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize

duties, and encourage the industries of the United States, and for other purposes.

Mr. OWEN. Mr. President, I have in my hands a very remarkable statement relative to the frauds perpetrated on the people of the United States by the so-called "sugar trust." This account points out one of the most evil and insidious consequences of the building up in this country of these gigantic organizations under protection from competition by this so-called "tariff," which has led to poisoning the fountain of information to the people of the United States, and which has led to the evil consequences by which even a fraud of this magnitude, where millions of dollars have been stolen from the people of the United States, is not mentioned by the leading papers of the city of New York, but, on the contrary, full-page advertisements of the American Sugar Refining Company appear in lieu of the truth which ought to be made known to the people of the United States.

I desire to have this statement read by the Secretary.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

THE CHASE OF THE SUGAR SMUGGLERS—STORY OF THE STUPENDOUS CUSTOMS FRAUDS IN NEW YORK—HOW THE SYSTEM WAS BUILT UP—HOW IT WAS DETECTED—SUGAR SCALES REGULARLY "FIXED"—SCHEME JUST DISCOVERED THE SEVENTH EMPLOYED TO CHEAT THE GOVERNMENT OF ITS REVENUES—TRUST HAS REPAID MORE THAN TWO MILLIONS.

[The Washington Times, Sunday, May 23, 1909.—By Allen D. Albert, jr.]

The United States Government has arraigned the American Sugar Refining Company as a smuggler. The American Sugar Refining Company has confessed its inability to clear itself. Wherefore, yesterday morning, the United States Government accepted from the concern the return of $2,135,486.32 as booty, and seven men stood before the bar of the Nation's court to answer, in the stead of an impersonal corporation, the charge of crime.

In all the varicolored story of trading on the seas there has been no smuggling like this. In all the transformation of business from a matter of barter hand to hand to a matter of an organization that in this instance seemed in power to rival the Government itself there has been no suit at law and no response to punishment like this. In all the cog-wheeling of men, whether among that people which in bondage under the Pharaohs was set to making bricks without straw or among them whose sweat bought the luxury of the Louis, there can have been no story more tragic than that of six of these seven.

They were men so insignificant in the roster of the great company they served that they did not even have names upon its books, but responded, as do convicts, to numbers. They are men who have imperiled future liberty, the name given to wife and son, and daughter, for $5 a week. They are men who did not share otherwise in a single dollar of the millions which were going—and, by the judgment of a jury, going unlawfully—into the coffers of their employers. Yet these men are also men, by the judgment of this same jury, who were making of every day for six years an ingenious living, pertinacious, shadowed lie.

TRUE STORY OF THE SMUGGLING CASES.

The signboards of the remarkable story which underlie this smuggling are these:

Just north of the Williamsburg bridge on the Brooklyn shore of the East River is the Havemeyer and Elder refinery of the American Sugar Refining Company. Here smuggling has occurred, according to the evidence and the finding of a jury, from December 1, 1901, to November 20, 1907. There is further evidence that similar frauds at these docks reach back beyond 1896.

The particular device in use when the discoveries were made and the agents of the refining company were arrested last November consisted of a corset steel set into the post of a platform scale. But this was only the latest of seven such devices introduced, detected, forbidden, but not punished, and discarded in turn for some more ingenious contrivance working the same result.

COMPANY FIRST SUED IN TEST CASE.

The company was sued for $134,000 as a test case. It has chosen, without formality of appeal, not only to pay that sum, but to pay also the aggregate of the Government's claims in other cases not even brought to trial—a total of more than $2,000,000. Had the Government sued for the forfeiture of all the sugar, any part of which was underweighed, and was under the law subject to seizure, the total involved in these actions must have exceeded $65,000,000. Not even counsel for the defendant company has suggested any means by which a single cent of the duties withheld could go to the workmen whose false weighing was the means of the fraud.

CASES DATE BACK TO 1904 AND WHITE HOUSE.

The inquiry into the practices at these docks and the suspicion that fraud was practiced there date back to 1904 and the White House in Washington. When this inquiry resulted in the arrests on the docks three years later and the news was carried to the president of the company, H. O. Havemeyer, that great financier was seized with an attack of heart trouble, sank rapidly, and in ten days died. The trial of the civil action for the recovery of the customs dues began February 5 last and ended an even month later in the award of every cent claimed by the Government. Yet, up to this time, only three partial statements of the cases have appeared, most of the newspapers in the city of the trial have published less about it than about single misdemeanors of only the mildest interest, and no single adequate study of the situation has even been attempted.

SMUGGLING OF AN OLDER DAY.

The smuggling of an older day was a brave lawlessness. Light craft with raking masts sailed down the very path of storms to land the master's stores in hidden coves. Hand on pistol stock, knife in belt, roaring songs in the open water and muffled oars offshore, lanterns darkened with broad felt hats, caves heaped high with West Indian rum, the rarest weaves of Cashmere and Cathay, the ivory of Africa, and the gold of Spain—these were the old mounting of the smuggler, the old setting of his little play at life. And he himself was the very fulfillment of individuality. As he was fearless, as he fought hand to hand with Her British Majesty's sailors, as by recklessness or impudence or dare-deviltry he slipped in and out the coast guard, he succeeded. Read of him where you will, in Scott or Stevenson, in Tennyson or Kipling, moralize as you may on his crime, there still will come the thrill of adventure as you visualize great galleon and little sloop, the dingy courtroom and moonlighted water.

OLD PIRATE SETTING NOT IN THIS.

But the warm color is gone out of the later picture. Here is no brave lawlessness, no fulfillment of individuality. Here is no singing and laughter. Here is no life in the open air, with the lungs filling deep and the heart pounding before a fight. See what is here.

The Havemeyer and Elder refineries overtop all Williamsburg. Only the new bridge towers above these ugly piles of blackened brick. In the upper floors, floors that look down on the masts of American ships of the line in the navy docks to the south, are processes so valuable and so secret they have not even been patented. Murky smoke hangs about the black windows. Out in the river shuttles the ceaseless line of tugs, ferries, freighters, tramps, and passenger craft. Every integer in the picture tells of its presence with noise. The boats toot incessantly. The refinery whirs. Down on the docks, dirty and gray as the view higher in the air, sounds the rattle of ratchet and chain, the puff puff of the donkey engine, the roll and quick jangle of the trucks as they drop on the iron platform of the scales, the grunted patois of workmen of a score of racial types, none of them American.

SHIPS FROM ALL THE NATIONS.

In the slips are ships from every country where sugar grows. They are not schooners. They are steel freighters with foreign and geographical names like *Strathyre* and *Chehuahua*, painted white and with utility stamped everywhere. Some come from Chile, some from Egypt, some from the Philippines, some from Peru, some from Java.

"This is the largest institution of its sort in the world," says counsel for the company. "The amount of sugar that is melted at that refinery in one year ranges from 1,080,000,000 pounds to 1,200,000,000 pounds." It must draw on all the world for its supplies, and it does.

The docks are several blocks long. They are not so long, however, that they are not kept piled high with fat bags of sugar. "Puff puff," goes the donkey engine on the ship. "Dump," fall the bags of sugar from the rope loop. "Rattle," go the trucks along the planks. "Clink clink," go the scales. Round and round the circle of Poles and Slovaks, trucks, and sugar winds and winds.

All day long it keeps up. All day long the men sweat and swear. All day long the scales are weighing 100 truck loads an hour. All day long the sugar is being dumped in piles, with here and there the brown coarse stuff oozing out of a hole and being immediately swept, with the dirt of the floor, into security from the slightest possible waste. And all day long over the whole landscape, upstairs and down, astream and ashore, hangs a smell like cooking molasses. Eyes, ears, and nose are all challenged and all perforce confess the domination of the view by this empire of business.

SCALES TO SHOW WHAT GOVERNMENT GETS.

Seventeen slips make up the docks. They stand away from the main buildings like teeth to a comb. At the base of each slip is a weighing house. There is seemingly nothing extraordinary about it. Anyone who has ever seen a ton of coal weighed will know how the scales look and will understand the process from platform to weigher's pad. But these balances have a particular use. Each one of the 17 has been provided by the American Sugar Refining Company, that the Government may know the amount of sugar imported at these docks, and so withdraw from funds deposited by the company with the collector of the port the amount of import duty to be charged. That is the only use of these scales. But near by are others of a very different type. They are old-fashioned open-air steelyards and they are in the hands of men employed by the sugar growers to determine the quantity of that product when it has reached the refinery. These steelyards are operated by contractors who are paid by the grower of the sugar and—though they have no official status whatever—are called "city weighers."

The case of the 17 holes is the case of these 17 little scale houses. In each scale house is a little hole. And it is the use to which that hole was put which withheld from the collector of the port the $200,000 now repaid.

HOW THE FRAUDS WERE BROUGHT ABOUT.

At one end of the seat in the scale house, the end nearer the door, sits the government weigher. His business is to determine how much sugar is in each truck load. He has exclusive control over the scale. But with him, at the end farther from the door, was allowed to sit a checker for the company. His business was to note the weight of each load, enter it on a pad, and then compare the totals of his page with the totals of the government page. That was at least supposedly his business.

The American Sugar Refining Company maintained 13 such checkers on the docks. Seven of them were subject to irregular assignment. But for ten years the other 6 have never lacked for work. If only 6 scales were to be used, these 6 checkers were assigned. If 6 scales were to be used the day through and others only part of the day, these 6 were set at the former benches. Their names are Kehoe, Voelker, Boyle, Coyle, Halligan, and Hennessy. Say them aloud to yourself, putting an "and" between Boyle and Coyle and pause a little after you say Halligan. You will never forget them, then, any more than the jury could forget them when the assistant district attorney had rolled them off, like a college yell, the first two or three times. The assertive personality of the 6 is that of Coyle. And Coyle, the other 5 of the "big six," and the irregular 7 were all under the direct charge of Oliver Spitzer, dock superintendent, and, in the term of the workmen, "the company on the dock."

TREASURY AGENT AND HIS SUSPICIONS.

As the result of three years of pugnacious hard work there stood on the dock of this refinery the morning of November 20, 1907, with what he believed to be a chance to "get the gang," one Richard Parr, special agent of the Treasury. He had come there by agreement with a former employe of the company, Richard Whalley. The latter had reported to Parr that whenever a draft of sugar was put upon the scales the company checker in the scale house dropped his left hand at his side in a peculiar way. The understanding between Whalley and the Treasury agent was that if the practice was observed next day a signal should be given.

Parr came with another agent, James O. Brzezinski. Almost immediately they received the signal from Whalley. Parr went roundabout and quickly to another scale house. He pushed open the door. Just after he entered another draft of sugar was weighed—which is a fact of great interest in view of what followed. In the meantime the two

truck loads just taken from the platform were called back and reweighed. Here is the result:

The draft which Parr had seen weighed tipped the scale at the figure in the weigher's record.

But of the two other drafts, one now tipped the beam at 14 pounds more than the records of three minutes before and the other indicated a corresponding increase of 18 pounds.

PARR DISCOVERS THE STRIP OF STEEL.

The company checker, Kehoe, was meanwhile crouching down in the dark corner of the scale house. His left arm was held in the corner. His face changed color, not once, but many times.

"What are you monkey-doodling with down there?" demanded Parr.

"Nuthin'," answered Kehoe.

But Parr ordered Kehoe out of the way, ran his own hand beside the stanchion in the corner of the scale house and his fingers fell on a thin strip of steel, wound with string to protect the fingers, protruding from the scale post.

Things happened quickly in the ensuing five minutes. Kehoe "ducked," stopped only when told he was under arrest, and then denied all knowledge of the spring which Parr held in his hand. Two of the company's checkers in other scale houses were immediately relieved. One vacated his post without waiting for a substitute. And that is the record of all the checkers at work that morning. When the three other scale houses were inspected, as soon as could be done without losing Kehoe, no springs were found. But holes were found, and there were abundant signs that these holes had held springs a good many months.

Spitzer was the man of authority on the dock. He had hired these men. He kept their records. He wanted to know what was going on. "What did he do?" was asked of Parr in the course of the civil action. The agent's answer was:

"Took me by the arm and walked with me a few paces and said, 'We will have to fix this thing up, and not expose this thing and get a lot of people into trouble.' I said that if there was any trouble it was their own fault, and he said that was all right, that we would have to fix it up; that there was a lot of Masons around here, and they would all be in trouble if the thing was exposed, and he talked along that line for some time.

TRIES TO BRIBE THE TREASURY AGENT.

"And he said that if I would report the scales out of order that I could name my own price; that he would hand me the money and no one would know anything about it, and no one would ever know how I got the money; that he would cut his right arm off before he would tell about it. I told him there was no chance. He said he had fixed up many a one before. I said I understood he was a good 'fixer,' but he could not do anything with me. He said: 'Send Brzezinski over to me,' and I said: 'Brzezinski won't leave the scale house.' I would not have him leave the scale house, and I walked away from him.

"At that time Mr. Hyatt (a government weigher) was just about approaching the scale house. Mr. Spitzer said that that was Mr. Hyatt, the government weigher, and I asked him if that was the scale expert, and he said no, he was a government weigher in charge of the district. And I said (to Hyatt): 'I have something to show you,' and Spitzer hurriedly came in and rushed right in between us and got in conversation with Brzezinski and shortly after—after he talked for an instant or so—I overheard him say: 'We are all Masons, and this thing has got to be fixed up,' and Brzezinski turned to me and says: 'Dick, this man says you are all right.' And I says: 'Nothing is all right with me; everything goes as it lies.' Mr. Spitzer left the scale house and I escorted Mr. Hyatt over to the far end of the scale and Brzezinski asked him—made some questions."

GOVERNMENT COUNSEL INTERRUPTS.

Counsel for the Government here interrupted with:

"What was it Mr. Spitzer said to you at that time?"

The answer was direct—

"He said: 'You're a damn fool you didn't take the money.' He said: 'My offer goes yet, if you lose the iron.'"

"Sure he used that expression, 'if you lose the iron?'"

"Yes—positive."

As far as is known, Spitzer had not seen the spring in Parr's pocket. Indeed, he himself testified that he did not see it until several months later. At any rate he was expeditiously tried for attempted bribery. A Brooklyn jury acquitted him chiefly because Brzezinski changed front on the stand. Parr held his ground, however, and in the course of the civil action against the sugar company flatly charged his former associate in the service with perjury. Brzezinski has in the meantime been dismissed from the employ of the Government.

Why was this "iron" so important to Spitzer? Let's go back to the scalehouse and find out. With Deputy Surveyor of the Port James P. Vail in Kehoe's place I stepped on the platform. My weight was read as 162 pounds. Then Mr. Vail called:

"Now watch!"

SHOWS HOW THE SPRING WORKED.

The beam oscillated vigorously, the weight was changed to balance it, and then the reading came:

"You're falling off. You only weigh 154 pounds."

The corset spring had been put to work. A pressure of one ounce from that little strip of steel on the inside had offset 48 ounces of weight on the outside.

On scales of this pattern the actual weight on the platform is balanced by the much lesser weight on the bar because of two intermediate walking beams or transmission bars. One of these is above the poise bar, the other below. This spring was inserted so as to engage the lower transmission bar and, while allowing it to swing a little, yet pressed down upon it. The effect was a reduction of each truck load on the entry of the government weigher by from 10 to 44 pounds.

There were 17 of the scales and there was a hole in each of them. Above the hole in most instances a cleat had been nailed for the apparent purpose of guiding the operator's hand as he reached down in the dark. In one case the hole had been reenforced with tacks after it had worn large. In another it had been plugged and bored new and then painted; and the remarkable thing about this post, which was introduced in evidence, was that even this coat of paint had had time to grow old and wrinkled.

CASE WOULD BE HARD FOUGHT.

On this showing the Government might have obtained the duty on the sugar that was meanwhile smuggled in; but the case would have been hard fought. The Six and Spitzer were immediately segregated. Kehoe, who is believed to be a devout Catholic, is said not to have been to church since the detection of the spring, in November, 1907.

So the attorneys set out to compare the government weighings with those at the steelyard scales. District Attorney Henry L. Stimson had taken into association with him Assistants W. T. Denison, H. R. Buckner, Robert Stephenson, and H. S. Demming. They were opposed by the firm of Parsons, Closson & McIntyre, John B. Stanchfield, H. F. Cochrane, and James B. Sheffield. If the latter group was to be overcome at all, it must be by virtue of a strong case strongly fought.

A score or more of accountants worked steadily for six months to complete this tabulation of the weights upon which the sugar company paid duty, with the rates upon which it paid the producers. At first the work had to wait upon information laboriously collected from the shippers. Then the Government was moved to issue a subpœna upon the company for its records.

But the company chose to do voluntarily what it could have been compelled to do, and so gave to the district attorney certain books which revealed this very comparison. They are called "pink books." They consist of two small diary-like volumes pasted together, and one of the smaller records is that of the checker in the scale house, while the other is that of the corresponding checker at the city weigher's balance. *In other words, for the entire period covered by the Government's claim the American Sugar Refinery had in its possession records which established every ounce of difference in these two weights.*

BOOKS SHOW HOW MUCH WAS LOST.

The parallel was never more deadly. It is before me as I write. *The column of instances where the duty weight equals or exceeds the purchase weight is practically empty. The column of instances where the weight upon which the company was to pay duty was less than the weight upon which the company was to base its purchase was practically full. The total of the discrepancies against the Government in the period covered by the suit was 6,272 tons. And these differences fell to normal the very day of Parr's discovery.*

Occasional exceptions to the general rule puzzled the government attorneys considerably. Thus, out of 59 cargoes unloaded in 1902, there were 2 which weighed slightly more on the government scales than on the steelyards; in 1903 there were 2 out of 49; in 1904 there were 2 out of 66; in 1905 there were no exceptions out of 57; in 1906 there was 1 out of 66; and to the date of the discovery in 1907 there were 15 exceptions out of 62 cargoes.

Well, Surveyor Clarkson and Deputy Vail were on the docks on the days of the 2 exceptions of 1902. One of the exceptions in 1903 is due to the fact that the sugar came in hogsheads which had to be scored with their weight, and it would obviously never do to let them go to the city weighers marked under their true volume. The 15 exceptions in 1907 were doubtless due to the more frequent visits of agents of the collector. And so on.

TRIAL FOUGHT LONG AND BITTERLY.

The trial was bitterly fought. But the jury was out only an hour and ten minutes. Perhaps the explanation lay as much in facts which were incidental to the main issue as to the story of the 17 holes, and the parallel columns of figures.

One such incidental was the testimony of *Mr. Havemeyer's confidential clerk, O. H. O. Schmelter.* In the charge of the court his contribution to the case was abridged in this form:

"In addition to that, Mr. Schmelter states that *Mr. Havemeyer on one occasion asked him to make out a list showing the differences in the two weighers' weights, and that he did so,* but that Mr. Havemeyer never asked him afterwards to see them. He states that at the end of each year, I think, or at the end when he made out his first lot of these lists, he spoke to *Mr. Heike (secretary of the company)* about it; showed them to him; told him what they were; and *Mr. Heike said he had better go on and keep making them out, and that he did so thereafter, and year by year, after making out these reports, took them over and showed them to Mr. Heike,* and *Mr. Heike made a brief examination of them.*"

Another incidental was the extra pay of the "Big Six." Coyle could get work anywhere there might be need for a hustler, but the others probably earned as much here as they could hope to get in New York. Nevertheless, these six were picked by the cashier, and paid beyond their fellows. Thus the indorsement on Voelker's envelope would be *"17½—$13.50," though it would be found to contain, and Voelker had long been accustomed to expect, $18 instead of the sum marked.*

HOW MEMBERS OF SIX WERE PAID.

Again, a witness of long and reputable experience in the customs service testified that when he came on the docks as head government weigher, Dock Superintendent Spitzer invited him to go every month to the cashier and get an envelope. *A former employee at the company's office swore that he had seen custom-house officials come to the sugar company's cashier and receive money "very many times,"* and the *cashier named was not called to deny the charge.* Most of this was, of course, contradicted by representatives of the company.

Further, in this connection, it was testified that too much activity on the part of the customs men had not been theretofore desired in the collector's office. A former weigher, who swore that he had noted a strange wobbling of the scale beam, was asked why he had not reported it. *"I did not want to commit suicide, did I?"* was his answer.

Another *significant incidental was the showing as to "invoice-weight" cargoes.* These are simply cargoes of which the weight set forth in the invoice is taken as the basis for the company's payment to the shipper, instead of weights taken anew from the city weighers in New York. In the case of invoice-weight cargoes, therefore, there could be no idea that the city weighers were in collusion to discredit the sugar company. Yet the parallel column made for the dock weighings might almost be transferred and applied to the invoice weights. *The result is an enormous excess over the government weight* up to the significant date of November 20, 1907.

UNIQUE DEFENSE BY COMPANY LAWYERS.

But the most impressive incidental to one who studies the record of the case is the defense put forth by such lawyers as Messrs. Parsons and Stanchfield. Here it is:

That the whole thing—a total equivalent to a dividend between 3 and 4 per cent on the capital stock of the company—is a tempest in a teapot. That the corset-steel and 17-holes story is a "plant" made up by Whalley and perhaps Parr to constitute a case. That the discrepancies are legitimate and due to more carelessness on the part of the government weighers than on the part of the city weighers; to the fact that the city weighers were paid by the hundred pounds weighed and the government weighers by the day; to the influence of the wind and tide and general confusion about the docks.

An abundant answer to all this is that the discrepancies due to the carelessness of everybody, to the different methods of pay, to wind and tide and general confusion have all disappeared since November 20, 1907. Finally, the attorneys fell back substantially on the declaration *that the officials of the company had nothing to do with the specified conduct of Spitzer and the "Big Six," and would make it mighty hot for anybody who said they had.*

But the wind theory deserves some special attention. The slips, said the attorneys, are so many funnels for the wind. It sweeps in from the river, blows itself underneath the docks, and then buoys up the scale platforms. The wind has reformed since November 20, 1907.

CERTAIN FACTS TO UNDERSTAND SUITS.

Certain facts outside the record must be stated for any full understanding of even the civil suit.

Water was thrown on the platform at one time when the tare weights were being calculated. This would dry before the sugar came along and distort the calculations of the Government by the weight of the water for every draft.

Another plan was to have the checker put his foot on the beam shown in the illustration and press down. This had precisely the effect of the corset steel.

Deputy Vail undertook, in 1902, to standardize the tare allowances for trucks on this dock. He fixed upon a pattern truck. It and its like were inspected and accepted only after proving to weigh uniformly 200 pounds each. Then the trucks were identified by being painted red. *Within a few days afterwards the red trucks were weighed again. They were found to have shrunk from 6 to 1¼ pounds each.* Since that day the Government has builded the trucks under its own supervision and stamped them with its seal.

Another happening had to do with the balance ball on the scales. The checker was the only person, save the weigher, near enough to that ball to touch it. *Yet the weigher found himself required to balance his scales anew every little while.* This was called "rolling the ball," and it gave the six—Kehoe, Voelker, Boyle and Coyle, Halligan and Hennessy—the name *"The Roly-Poly Six."*

KEHOE CAUGHT ONE TIME BEFORE.

Evidence was introduced that *in 1897 Kehoe was caught hanging a weight inside the scale house* for the purpose of bearing down the scale after the weigher had balanced it in the morning. The witness was a weigher named Conlon, and Kehoe admitted on the stand that Conlon had found such a weight, though he denied all personal knowledge of it.

The sixth method was simply to take the sweepings right under the Government's nose and *not weigh them at all.*

Each of these practices was discovered and corrected by the surveyor of the port, Gen. James S. Clarkson, or his deputy, Mr. Vail. The trucks were stamped with "U. S." *The balance ball was locked* in place. *Water on the platform* was occasion enough *not to weigh* upon it. *The transmission bar was encased* so that the checker's foot could not reach it. *Sweepings were watched. And now that the corset stay has been found through the Treasury Department, checkers are excluded altogether from the scale houses.*

Is it true that this apparent indulgence of the American Sugar Refining Company through seven practices questionable, to say the least of them, year after year, indicates compliance by United States authorities? It may. But on a diligent examination of the office of collector of the port, I am rather surprised that there has not been more compliance than that there should have been any. *The civil service has been "horn-smuggled." Influence was as potent inside the old customs house as outside.* Until this year the very office of collector has been the bait for every political worker who could flip himself hard enough to lunge at it.

TWO OFFICIALS, GOOD AND HONEST.

But there is no evidence that either the deputy or the surveyor was anything other than a good subordinate and an honest man. The service gets its policy from the collector and from the Secretary of the Treasury. If the sugar trust was not to be pressed too hard, it was not to be pressed too hard—that was all there was to it. So device after device was adopted to prevent what the attorneys for the company call "discrepancies," and nothing else much was done. The port of New York is a big port. The surveyor must be the outdoor executive in the collection of $220,000,000 a year. He can be kept busy with his subordinates without sitting around on a dock to watch every "Roly Poly Six" that somebody suspects. It is a pleasure to certify that General Clarkson and Mr. Vail are now giving loyal and resourceful support to a collector who means business.

But it is noteworthy that the latest light-fingering on the docks of the Williamsburg refinery was not discovered through the New York custom-house. On the contrary, the hunt was conceived in Washington and directed throughout from the White House. There is still an intimate knowledge of the case in the office of the President, and the force which refuses to be "buffaloed" still finds its source in the Executive.

PARR, BEGINNER OF THE CAMPAIGN.

Richard Parr was the beginner of the campaign. A chain of circumstances, largely personal, brought him, as an old acquaintance, to William Loeb jr., in the latter's office as secretary to the President, in the spring of 1904. The upshot of their talk was this:

That Parr had been a sampler on the docks of the sugar company; that he had entered the customs service through civil-service examination; that he felt he could not rise so rapidly there as in the capacity of a special agent of the Treasury; that, if he could be appointed special agent, he believed he could "get the dots" on a species of fraud being practiced on the sugar docks that meant millions to the Government.

Acting for the President, Mr. Loeb had Parr appointed as special agent. Mr. Roosevelt knew practically nothing about the customs branch of the Government, and he felt that his secretary, who had been a clerk in the New York custom-house way back in 1891, could better be trusted as to policies and methods for that service than he; but he followed the development of the situation with the keenest interest, noted that Parr had made a distinct success of his first assignment—the detection of certain smuggling across the Maine border—and was impatient that the Treasury Department found so much work for him to do elsewhere than on the sugar docks.

LOEB AND PARR WORK SIDE BY SIDE.

Mr. Loeb and Parr, in a certain sense, worked together. The Secretary to the President had brought down from New York rather clear ideas how the operation of the New York custom-house could be improved. With the idea that General Clarkson could help, he had been active in having that gentleman made surveyor, back in the days when Mr. Loeb was assistant secretary. Now Parr was probing frauds wherever he could find them, the weaknesses of the service were spreading themselves out for both men to see, and both of them were turning back as often as exceptionally busy programmes would permit, to Parr's plans to turn the light on the sugar docks.

At this stage Richard Whalley came across the horizon. In resentment because, according to him, the American Sugar Refinery would not pay him extra as a "roly poly" and for hanging a weight on the scale arm and for "histing" his foot on the transmission bar, he set out for Washington to inform the authorities. Assistant Secretary Beekman Winthrop joined hands with Mr. Loeb in the cause by appointing Whalley a special agent. The newcomer then set off, in November, 1907, to obtain employment on the docks as a representative of the shipowner whose cargo was being unloaded.

His task was to stand before one of the scale houses and count the bags as they came across the dock. In this position he claims to have noticed that the company's checker, Hennessy, would drop his left hand every time a draft was weighed. This led him to think that kicking the beam, rolling the ball, throwing water on the scales, hanging weights on the upright, substituting light trucks for heavy trucks, and slipping sweepings past unweighed had been superseded. So he arranged the signal which Parr and Brzezinski were to receive that eventful morning of November 20.

THE AGENTS WERE MARKED MEN.

After that Parr and Brzezinski were marked men. The former was attacked with every kind of ammunition. His life was threatened, his home was invaded, a putative record of earlier misconduct was produced, and his position in the Treasury service was endangered. Brzezinski has since been dismissed. It is unquestionable that immediately after the capture of "that iron" from Kehoe, the usefulness of Brzezinski abruptly ceased.

Meanwhile the whole New York customs department had taken on life with the coming of Mr. Loeb. "When did the reorganization of this bureau begin?" I asked one of the officials. "Just the day the new collector came," was the reply. It is true. From that day to this there has been more fire under the customs furnace in our greatest port than ever before. Mr. Vail found the cheese and fig smugglers. General Clarkson and Mr. Vail cooperated with Mr. Loeb's very capable deputy, Mr. Stuart, to rid the rolls of their ornaments.

When I was in New York the lasso was being thrown at still another class of offenders. Even New York—after Parkhurst, Seth Low, Lexow, and McClellan—is losing its breath. As one of the city officials put it: "My Lord, I did not know there was such an office as collector of the port before."

DISCOURAGED BY THE NEWSPAPERS.

A newspaper man finds it hard to write down that the greatest discouragement in all this fight came from his own profession. Yet that is the fact. A prime object of the prosecutions now pending has been that this kind of crime be made as contemptible as any other. A prime object in the civil action against the American Sugar Refining Company was that so rich and powerful a corporation might be made to answer before the bar of American public opinion. But both these objects have up to this time been strangely defeated.

Without attempting to explain the situation among New York newspapers, the reporter for this paper sets forth these facts:

That less was printed on the discovery of these dock frauds and the return of the verdict than on second-rate suits in city courts; that there were printed in several of the papers full-page advertisements reading simply, "The American Sugar Refining Company, Offices, Wall street, New York;" that only the New York Evening Post published such accounts of such a trial as it might have been expected to publish, and very brief accounts were expected of the Post; that only that newspaper and the Sun have undertaken since to set forth in review the facts theretofore omitted.

GREAT FIGHT ONLY BEGINNING.

The fight will go on with the newspapers of New York or without them. The "Roly-Poly Six" and Spitzer have already answered at the bar to criminal indictment. They will be tried as speedily as the suit against their employer for sequestered duties. There is no fear of the sugar trust in the office of the district attorney, in the office of the collector of the port, in the office of the President of the United States. Every official whose connection with these dock frauds can be traced will be haled into court, that the jury may determine how high up the crime reached. Honest newspapers, officials, jurymen, will alike find bulldog spirit for this case in this definition of the civil suit by Attorney Stanchfield, speaking for the company:

"The charge is that, over a period of years, the American Sugar Refining Company of New York has been systematically, in season and out of season, from 1901 down until the close of 1907, engaged in stealing from the United States."

The finding of the jury as to that charge was "Guilty." The work now ahead is to find out who it was that was guilty. There will be no smell like that of cooking molasses in the courts of the United States.

Mr. OWEN. Mr. President, this is a very remarkable record of the persistent fraud perpetrated upon the revenues of the United States by one of the greatest beneficiaries of the tariff. I congratulate the administration of the United States upon having detected and exposed this fraud. Human beings are much alike in the world, and frauds must occur under any administration whatever. I do not care to comment upon this particular fraud, although one of great magnitude, in any other aspect than to point out the fact that the so-called "sugar trust" is shown to be receiving benefits of between fifty and eighty million dollars a year from the people of the United States. Every child who eats a piece of candy pays a tax upon it to this organization. Eighty million dollars means a dollar per capita, because the consumption of sugar, where people are able to supply themselves with food, is distributed very uniformly among prince and peasant; among the very rich and the very poor. When this organization is permitted by our laws to tax the poor, and the extremely poor, at the rate of a dollar per capita for their private purse, which is already bursting with wealth, I think it is time for the Senate of the United States to observe this sugar schedule and to cut out from this schedule

that part of it which peculiarly serves this organization and does not serve the people of the United States; which does not even serve those who produce raw sugar in Louisiana, in Colorado, or in other States.

I want to ask why it is that the words "Not above No. 16 Dutch standard in color" are not stricken out of this bill? They ought to be stricken out. I ask that the Finance Committee shall consider and report to the Senate why those words shall not be stricken out of the schedule, and I make the motion that the Finance Committee report to the Senate why these words shall not be stricken out of paragraph 213, Schedule E.

Mr. TILLMAN. Will the Senator please repeat the words he desires stricken out?

Mr. OWEN. I desire to have stricken out the words, "Not above No. 16 Dutch standard in color," where they appear in Schedule E, paragraph 213, page 72.

The VICE-PRESIDENT. There is a pending amendment, which has not yet been disposed of.

Mr. ALDRICH. Regular order, Mr. President.

The VICE-PRESIDENT. The Secretary will state the pending amendment.

The SECRETARY. The pending amendment is an amendment offered by Mr. MCCUMBER to strike out paragraphs Nos. 197, 199, 200, 201, 203, 204, and 205, in Schedule D; also strike out all of paragraph No. 708, free list, after the word "planking," line 25, page 220, and insert in lieu thereof the following:

And all kinds of lumber, timber, laths, shingles, pickets, palings, staves of wood, clapboards, paving posts, railroad ties, and telephone, trolley, electric light, and telegraph poles of cedar or other woods, and all other lumber not specifically provided for.

The VICE-PRESIDENT. That amendment must be disposed of before any other amendment than an amendment to it can be considered.

Mr. OWEN. I was not aware, Mr. President, of the pendency of this particular amendment. At its conclusion, I shall offer this proposed resolution.

Mr. ALDRICH. I would state to the Senator from Oklahoma that the sugar schedule has not yet been reached. It probably will be reached this afternoon, or, I hope so anyway. Then the Senator's amendment will be in order.

Mr. OWEN. I offer no amendment. I offer a resolution of instruction to the chairman of the Committee on Finance.

Mr. BEVERIDGE. Hardly to the chairman, but to the committee.

Mr. OWEN. To the committee or to the chairman, who is the committee.

Mr. BEVERIDGE. That is true. Mr. President, has morning business closed?

The VICE-PRESIDENT. Morning business is closed.

Mr. BEVERIDGE. Out of order, then, I ask permission to introduce an amendment, which I send to the desk, and which I desire may lie on the table for the present.

The VICE-PRESIDENT. Without objection, the amendment will be received out of order, printed, and lie on the table.

Mr. BEVERIDGE. This, Mr. President, is an amendment placing licorice extracts, paste, rolls, and so forth, on the free list, where the House placed them. As everybody knows, I suppose, licorice is very largely used in the manufacture of tobacco; in fact, is absolutely indispensable; and yet the monopoly of licorice of that kind is now, I believe, entirely in the hands of the American Tobacco Company.

Mr. KEAN. I beg the Senator's pardon. There are independent factories in the State of New Jersey.

Mr. BEVERIDGE. We will discuss that question a little later on. The independent companies who manufacture tobacco are compelled, for the most part, to buy their licorice of the American Tobacco Company or to pay an exorbitant price for that which is imported. The House put this on the free list, but the Senate committee struck out the provision. To restore it to the free list is the object of my amendment.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from North Dakota [Mr. MCCUMBER], which has been stated.

Mr. ROOT. Mr. President, before the Senate disposes of the paragraph providing for a differential upon dressed lumber, I wish to ask that consideration be given to a great number of establishments and employees who are engaged in the planing and dressing of lumber along the American side of the water boundary between the United States and Canada. Early in the history of the building of the dwellings for our people all along the pathway of emigration to the West, there grew up along the southern borders of the Lakes a chain of lumber yards and lumber-dressing establishments to supply the wants of the moving and growing communities. When the lumbering camps were established in the forests of Michigan and Wisconsin, instead of establishing planing mills at the camps, the cheap Lake freights made it practicable to transport the rough lumber to points on the south of the Lakes nearer the points of distribution and to dress the lumber at those points. Accordingly, these establishments grew up, and as the lumber of Michigan and Wisconsin decreased the same establishments began to include Canadian lumber in their work; so that now they are engaged in the dressing of rough lumber, which is brought from our western forests and from Canadian forests, and the millions of feet of lumber which you see upon the "comparative statement" as imported into the United States during the past few years go chiefly to these lumber-dressing establishments, which are taking the rough lumber from the forests of Canada and manufacturing it into material fit and ready for use in building and in the various constructions where lumber is used. There are such establishments at Ogdensburg, on the St. Lawrence; at Tonawanda and Buffalo, near the outlet of Lake Erie; at Erie, at Cleveland, at Toledo, at Detroit, at Chicago, at Saginaw, at Bay City, and at many other points along the southern edge of the boundary waters. Many millions of dollars are invested and many thousands of men are employed in these planing and dressing mills. In Tonawanda and Buffalo alone there are over 10,000 men employed. Directly dependent upon them, it is fair to estimate, are fifty to sixty thousand people. Over $20,000 a day in wages are paid to them; that is to say, in the neighborhood of $7,000,000 a year.

At the other points which I have mentioned the number of men employed and the amount of the wages paid will probably come, upon a fair average, very near to the figures which I have given for Buffalo and Tonawanda.

This interest is plainly worthy of the careful attention of the Senate in applying the rule of protection to the construction of this tariff act. I do not ask, Mr. President, that there shall be any deviation from the rule upon which we are framing this act in behalf of the lumber-dressing interests of northern New York, but I do ask that for the protection of their manufacturing industry they have the benefit of the same rule which is applied to other industries in this bill.

I ask the Senate to consider the conditions under which this industry is conducted for the purpose of applying the rule, and the first consideration to which I call attention is the fact that, while the duties recommended in the Finance Committee report upon the products of these planing mills—that is to say, dressed lumber—amount to a little less than 12½ per cent ad valorem on an average, Canada, stretching along the northern border of the same water boundary, imposes a duty on dressed lumber of 25 per cent ad valorem; so that under the committee report, if that be adopted by Congress, it will be giving to this great industry less than one-half the protection that Canada gives to the same industry on the other side of the lakes and boundary rivers. Twelve and a half per cent upon dressed lumber will bar the planing mills of Canada from the markets which build up the growing communities of the United States, and 25 per cent, or double that barrier, will bar the American dressed-lumber mills from the market which is building up the growing communities of Ontario and the western Provinces of Canada.

The second consideration is that while these establishments are paying in every State high taxes upon their lumber yards, their mills, their machinery, and their stock on hand, for the support of our Government, Canada gives to every planing mill which will move across the border to the edge of her forests and establish this industry in her territory a remission of taxes for from fifteen to twenty-five years. So that the duty which we are imposing upon dressed lumber, if we adopt the committee report, is but placing upon the product that comes from Canada a burden for the support of our Government to balance off the tax that is imposed upon the property of our planing mills for the support of our state and municipal governments.

Nevertheless, if the conditions under which the industry is conducted are such that there is no occasion to make up for the difference in the cost of production—nevertheless, I say, there would be no ground for imposing a differential duty upon dressed lumber. But, Mr. President, the conditions are widely different. In the first place, the information which I have received—information coming from very trustworthy sources—indicates to me that the estimate of the cost of dressing lumber, as stated by the Senator from North Dakota [Mr. MCCUMBER], in his very interesting and impressive argument last week, omitted many elements of expense, and that the figures which he had been led to believe were the correct figures were altogether too low.

The actual cost of conducting the business of dressing lumber in the mills of the United States involves three different elements. In the forests of Canada there is no rent to be paid for the ground where the planing mill may be established. In

Buffalo, in Tonawanda, in Chicago, and in all the other places where these establishments have so long existed for the benefit of our people on our side of the line, the prosperity which has grown up under our system has resulted in the requirement that heavy rental be paid for the ground upon which the lumber yards are placed and upon which the mills stand.

The next element is that of handling the lumber. The lumber comes in mill runs from the Canadian and the western forests; that is to say, unsorted, just as it comes from the mill. It comes down in the lumber vessels, and when it reaches Buffalo or any of the other ports it has to be taken from the vessel, transported to the lumber yard, sorted, piled up each class and kind by itself, left to dry, and then carried to the planing or dressing mill, and from that mill after it is dressed taken to the car for transportation as dressed lumber.

Mr. HALE. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Maine?

Mr. ROOT. Certainly.

Mr. HALE. I desire to interrupt the statement which the Senator is making only to ask him, generally, what his view is as to the rate upon the different forms of dressed lumber. The Finance Committee, with regard to these different processes of dressing lumber and the duty applied to each, have followed, as the Senator knows, the House bill and running through the different forms of dressing lumber. The present law, the Dingley law, as to each one of these particular forms is higher than the House bill and higher than the Senate Finance Committee report, as found in this bill. I do not know but what the Senator has stated that; but is it his idea that for the protection of this most essential and large industry the present rates of the Dingley law or something like them should be maintained? Does he believe that this industry should receive more than either the House bill or the Senate bill, as reported by the committee, has given to it in their provisions?

Mr. ROOT. My impression, Mr. President, is that the differential of the Dingley Act is at just about the right point to maintain a healthy opportunity for business and a healthy restraint upon business.

Mr. HALE. That answers my question, Mr. President.

Mr. ROOT. That is to say, I do not think there can be a reduction from those differentials which would not result in the transfer of a large proportion of our planing mills to Canada, because I think that those differentials are no greater than necessary to enable the American planing mills to make a fair profit on their product, while I think that an increase of those differentials would withdraw the corrective and restraining effect of possible Canadian competition in case our planing mills should endeavor to charge too great a profit upon their product.

Mr. President, I was about to deal with the question of the cost of conducting the planing-mill business in the United States, and I had stated that the difference arises from the fact that heavy rental has to be paid upon lumber yards and mill sites here. With that, of course, comes the difference in taxation, arising from the fact that our mills have to contribute largely to the support of the Government, while in Canada they are free from that obligation. I also stated that there were various elements of cost in the actual dealing with the rough material and transforming it into the dressed material, one being the cost of handling. The next, of course, is the cost of dressing; and, as the Senator from Maryland [Mr. SMITH] has just suggested to me, the position of the mills on our side involves the necessity for carrying heavy fire insurance. Now, as to the actual cost of dressing——

Mr. McCUMBER. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from North Dakota?

Mr. ROOT. Certainly.

Mr. McCUMBER. May I ask the Senator from New York whether, to his knowledge, the cost of finishing lumber is any greater in the State of New York or anywhere along the Canadian boundary east of Michigan than it is west of that section? Is there anything in the handling that necessarily makes it cost any more? Has the Senator any information on that point?

Mr. ROOT. My information is that the eastern cost is higher than the western cost. The Senator from Maine can probably give better information upon that than I can. The general statement is made to me that in the northeastern part of the country the cost is very considerably higher on our side of the line than it is on the Canadian side of the line. As to the difference of cost between the eastern American mills and the western American mills I am not prepared to say.

Mr. McCUMBER. My reason for asking the question is that I have numerous communications from those who are engaged in the manufacture of lumber in Michigan, in Minnesota, and west of that line, and especially one in my hand from the Brooks-Scanlon Lumber Company, of Minneapolis, a lumber company that is manufacturing not only in Minnesota, but in the Southern States; and in speaking of this subject, the writer of this letter says:

> We are operating one large sawmill in Minnesota and two in Louisiana. The cost of finishing lumber in the planing mill at the Minnesota plant for the year 1908 was 48.7 cents per thousand feet and 45.8 cents per thousand feet at the Louisiana plants. This cost includes repairs and supplies and covers all lumber sent through the planing mill, but does not include lumber shipped in the rough.

Then he says:

> Our Minnesota cost is higher than the average cost for mills in that territory, due to the fact that our trade is a special one, which requires a large amount of work on the high-grade stock put through the planing mill.

Then he goes on to describe how the work is done, and says that they sell most of their cheaper lumber in the rough and only finish the higher grades; but he establishes the fact, according to his statement, that finishing even the higher grades does not, in any of the mills that he operates, exceed 45 cents per thousand, and that this is higher than the average. That is the reason I asked the Senator whether or not there was something in the peculiar method of handling that made the cost so much more East than in the West.

Mr. ROOT. Yes, Mr. President; there is a very marked distinction. I take it that the mills referred to in the letter just read by the Senator from North Dakota are mills at the forest.

Mr. McCUMBER. I did not understand the Senator's statement.

Mr. ROOT. I think they are mills which are in the lumber region, and the cost, which I understood to be 49 cents at one of the mills, probably fairly represents the cost in the Canadian mills. I have no reason to believe that it costs substantially more in a mill at the forest in Minnesota to dress lumber than it does in a mill at the forest in Canada. There may be differences in individual mills, but in general I think not.

Mr. HALE. Mr. President——

Mr. ROOT. Will the Senator allow me for one moment? But as between these establishments in Ogdensburg, Buffalo, Tonawanda, Erie, Cleveland, Detroit, and Chicago, around which have grown up great cities during the half century of their existence, and the mills, whether in Canada or the West, which are situated at the forest, there is a very wide distinction. The 10,000 men who are working in the mills at Buffalo and Tonawanda are not living upon lumber-camp supplies. They have homes and families and food and clothing and opportunities of life that befit American citizenship in American cities, and the cost of maintaining that labor under those conditions is necessarily higher than the cost of maintaining labor at the lumber camps.

Mr. HALE. Will the Senator permit me to make a suggestion?

Mr. ROOT. I shall be very happy to yield.

Mr. HALE. This is a suggestion brought out by the statement of the Senator from North Dakota. It struck me, as I think it must have struck the Senator from New York and any other Senator listening who is interested in this subject, as a remarkable thing that the correspondent of the Senator fixes one rate as the cost of finishing lumber—42 cents was it?

Mr. McCUMBER. The Senator is mistaken, although this is intended to include all lumber finished through those mills. It does not mean on one side or on two sides, but the average cost of the entire work.

Mr. HALE. As I said, what struck me with surprise was the Senator's statement that 42 cents—was it——

Mr. McCUMBER. Forty-four to 45 cents.

Mr. HALE (continuing). That 44 to 45 cents covered the cost, additional to rough lumber, of the entire process of manufacturing and dressing in different forms. That seemed to me a very remarkable statement, because all legislation heretofore has had, and the schedule made up by the House in its bill and by the Committee on Finance in its bill in accord with the House has, a very marked sliding and increased scale, according to the different processes that are put upon the rough lumber.

For instance, planed or finished on one side, $1.50 per thousand feet; planed or finished on two sides, $2 per thousand feet; planed or finished on three sides, $2.50; and on four sides, $3. If planed on one side and tongued and grooved, $2 per thousand feet; planed on two sides and tongued and grooved—another process—$2.50 per thousand feet.

I know something about the lumber business, having lived in a community largely interested in that article, and it is to me,

as I think it must be to the Senator from New York, a matter of surprise that any one rate, particularly so low as 42 to 45 cents, would cover all the processes that have been cared for heretofore in every bill, either passed by Congress or submitted for its decision by any committee, in a sliding scale. The Dingley rates are higher still, being $2 per thousand feet on lumber finished on one side, $2.50 on lumber finished on two sides, $3 on lumber finished on three sides, and $4 upon lumber finished on four sides.

Mr. McCUMBER. The differentials are the same.

Mr. HALE. And $3.50 for lumber tongued and grooved on one side or two sides. What I wanted was that the Senator from North Dakota [Mr. McCUMBER] should tell me, and tell the Senator from New York, and tell the Senate, whether he believes that this 40 to 45 cents, applied without regard to the nature and extent of the process, is claimed to be enough compensation for this great industry for all the work in finishing or dressing lumber. It seems to me a very remarkable statement that is made by the correspondent of the Senator.

Mr. McCUMBER. Mr. President, if I may take one moment of the time of the Senator from New York, to reply to the inquiry of the Senator from Maine, I will say that when I discussed the lumber schedule some time ago I attempted to establish the fact that the average cost of planing only one side of the lumber as it came from the saw was only about 15 cents per thousand, and of course there would be a little added to that, as it is planed on two sides, and a little more added to it, necessarily, as they groove one edge and tongue the other; but the information I have is that while these mills do all of this finishing, the average cost of finishing everything that the mill turns out is only about from 44 to 45 cents per thousand. Now, I might have gone further, I think, probably, in the same letter, and have shown that in some of the very highest or most complete finishing it runs as high as 60 to 75 cents per thousand, 75 cents being the limit, and that only in special cases; and that all of the ordinary finishing, such as would be used in flooring, in siding, and in lumber that is generally in use, which we call "finished lumber," and not finished for the purpose merely of spiking together to make a frame or something of that kind, could all practically come within the 50 cents per thousand limit.

Mr. ROOT. Mr. President, I think I will ask the Senate to indulge me in having read a brief letter from the president of the Amalgamated Woodworkers' International Union of America, giving the views of the men who do the work.

The VICE-PRESIDENT. If there be no objection, the Secretary will read the letter.

The Secretary read as follows:

AMALGAMATED WOODWORKERS'
INTERNATIONAL UNION OF AMERICA,
Washington, D. C., May 11, 1909.

Hon. ELIHU ROOT,
Washington, D. C.

MY DEAR SIR: Referring to statements made by several Senators in speeches advocating the elimination of that portion of the tariff schedule pertaining to *dressed lumber*, wherein it was asserted that it costs only 15 cents per M for dressing lumber. Speaking from many years' experience in operating woodworking machinery and an intimate practical knowledge of the subject—representing as I do the employees of all the larger planing mills in this country as president of the Amalgamated Woodworkers' International Union of America—I know it to be a fact that no lumber could be dressed at the low cost mentioned, not even surfaced on one side.

In the first place, it takes at least two men to operate the machine—one to feed it, receiving an average wage of 22 cents per hour, and the other to receive the lumber from the machine, or offbear, at an average wage of at least 15 cents per hour—making a total cost of 37 cents per hour wages for actual labor performed in handling the lumber.

It would take approximately one hour's time to grind the ordinary knives for surfacing and from 20 to 30 minutes' time to set the knives and get the machine ready to start. Each different pattern of lumber run through the machine requires a change of the knives or cutters, depending on the type, width, and thickness of the pattern. In filling orders for various kinds of lumber it is necessary to make frequent changes in the knives. It is also necessary to sharpen them three or four times a day, depending on the character of the material run, thus increasing the cost of labor above the 37 cents per hour paid to the men who actually operate the machine.

In addition to this, there is a general expense entailed of repairs to machines during the year, rebabbeting, supplies, cost of power, depreciation, general administration expense, insurance, taxes, etc.

I would consider, from my practical experience, *that 1,000 feet of lumber of average width, dressed per hour*, on the modern machine, to be a reasonable conservative amount; therefore proving conclusively that it would be utterly impossible to dress lumber with the most modern machinery at the low cost per M stated, *and I would consider a cost of at least 75 cents per hour to be a fair estimate on the general run of lumber.* On the complicated patterns of dressing, like ceiling, partition, drop siding, and on the more narrow lumber, like 6-inch and 4-inch strips (of which a large amount is dressed), the cost would increase proportionately.

I have attended many conferences in endeavoring to fix the wage scale between the owners of planing mills and the various members of our union, during which I have heard discussion as to the cost of dressing, and I know from my intimate and personal knowledge that the above figures are conservative as to the actual cost submitted to me at these different conferences.

Very truly, yours,

D. D. MULCAHY, *President,*
Amalgamated Woodworkers' International Union of America.

Mr. HALE. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Maine?

Mr. ROOT. Certainly.

Mr. HALE. Will the Senator let me right here, in connection with what has just been read, put in some figures given on this subject as to the cost of dressing lumber in the largest establishment in the State of Wisconsin?

Mr. ROOT. Certainly.

Mr. HALE. I will read it, because I have read it carefully:

Cost of dressing or planing lumber: There is an established price for planing and dressing lumber in Wisconsin, Michigan, and Minnesota in use by all manufacturers. At the present prices of labor it is hardly enough to cover the actual cost.

Then follows the list:

Surfacing one or two sides, 50 cents per thousand feet.
Dressing and matching, $1 per thousand feet.
Resawing, $1 per thousand feet.
Dressing and matching and resawing, $2 per 1,000 feet.
Planing mills in the cities that do custom work charge about double those prices.

R. E. MACLEAN.

He represents that very great industry, and I trespass upon the time of the Senator from New York to put this in, because it is in the line of the figures shown by him.

Mr. McCUMBER. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from North Dakota?

Mr. ROOT. Certainly.

Mr. McCUMBER. With the Senator's permission, I desire to say that what he has quoted there is not the cost of doing this work, but the price which is charged by a mill expecting to make a profit, of course, from the customer on any of the work done in those particular mills. There is a vast difference between the cost of producing a thing or doing a thing and the price that is charged for doing it.

While I am on my feet, I want to suggest to the Senator from New York that what his people are mostly interested in is the question of the differential. Now, has the Senator ever thought that he might make the differential a little greater by reducing the tariff upon the rough lumber, instead of increasing it upon the finished lumber, and that reducing it might give them the same differential?

Mr. ROOT. Mr. President, I quite agree with the suggestion made by the Senator from North Dakota, that what interests this chain of lumber-dressing establishments is the differential, and that it is of not so much consequence to them what the rate upon rough lumber is, because they are now and probably will more and more continue to be dressing rough lumber that comes from Canada, brought down by the cheap freight rates on the Lakes.

Mr. McCUMBER. The point I wanted to call to the attention of the Senator is that while the bill as it came from the House has reduced already the cost of the raw material in those mills one-half, it has not reduced, as I understand, the differentials in the Dingley Act.

Mr. ROOT. I so understand.

The Senator from North Dakota has given me two thoughts to work upon, and I will take them up one at a time. One was in his response to the Senator from Maine as to the figures the Senator from Maine gave with respect to the cost of dressing lumber, which the Senator from North Dakota suggests is the price charged by the planing mills for doing the work rather than the actual cost of doing it.

There came to me, among the many business men who were disturbed by rumors of a reduction of the differential and who anticipated the necessity of transferring their business to Canada, a number who were importing the rough lumber and dealing in lumber, but having it dressed by other establishments. I found by examining them that the prices which they paid to other establishments located in the same place ran along appreciably above the amount of the differential as arranged in the present Dingley tariff.

But, Mr. President, I happen to have at hand——

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Minnesota?

Mr. ROOT. Certainly.

Mr. NELSON. I wish to call the attention of the Senator from New York to the fact that the tables furnished us by the Finance Committee show that the average import price of rough lumber was $17.02 per thousand, while lumber planed on one side was $12.50 a thousand; planed on two sides, $17.40 per thousand; planed on one side and tongued and grooved, $15.71 per thousand, and planed on two sides and tongued and grooved, $17.26 per thousand, showing two classes of dressed lumber that are imported and sold at less than the price of lumber not dressed.

Mr. ROOT. If the Senator from Minnesota will permit me to deal with that subject later, I will come to it in a very few minutes. The explanation of it rests in facts which have already been stated by the Senator from North Dakota in his former remarks on the subject.

The second thing which I wish to say regarding the observation of the Senator from North Dakota as to the price of dressing lumber is that I happen to have on my desk very good evidence that in making those charges for dressing lumber the lumbermen of our Lake cities are not making an unconscionable profit. I say I have here evidence—and I think it is the best kind of evidence it is possible to have—that this business does not, under the existing differential, make any more profit than it is reasonable that it should make and that it is necessary that it should make if it is to continue in prosperity. That evidence is contained in a letter from the secretary of this same association—the Amalgamated Woodworkers' International Union. If there is anybody in the world who has an immediate interest to inquire into the profits a business establishment is making, it is the man whose wages are regulated by the possibilities afforded by the profits.

Mr. McCUMBER. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from North Dakota?

Mr. ROOT. Certainly.

Mr. McCUMBER. May I ask the Senator if he does not think that the books of the company itself would be better evidence of the profits and the cost in any particular line than the mere statement of the laborer who is doing the work?

Mr. ROOT. I think if we could have a master in chancery take up the books and spend six months over them and ascertain what was the basis of all the charges and credits, he might bring out a result which would be more satisfactory and trustworthy. But I do not think, situated as we are, with practically no opportunity to scrutinize the system of bookkeeping, that the statements in the books are quite so valuable as the practical conclusion reached by men who are trying to get their wages up as high as they can.

The secretary of this international union writes in a letter written from Chicago the 5th of May of this year:

On the 1st of last January, when a number of our contracts had expired—

That is to say, the contracts between the union and the mill owners—

On the 1st of last January, when a number of our contracts had expired, and in bringing up the question of new contracts for our employees for the year, after a thorough discussion of conditions, the employers showed us they could not possibly make us any further advances under present conditions. We are thoroughly familiar with the fact that if the extra duty which is added for dressed lumber is taken off, as practically all of the lumber shipped in here from Canada comes in the rough, allowing it to come in here dressed would necessarily take from our members just that amount of work. If the tariff on dressed lumber is retained, the lumber will continue to come here in the rough, giving to the members of our association the work of dressing it here.

Owing to the fact that in most cases the cost of living and cost of supplies is much less in Canada than in this country, also that the planing mills in Canada are located largely in small towns where the cost of house rent would be materially less than it is in the large cities of the United States, like Milwaukee, Chicago, Detroit, Cleveland, Buffalo, and North Tonawanda, where at least 80 per cent of the planing mills are located at which Canadian lumber is dressed when shipped into this country, naturally Canada can dress lumber for some less cost than this country, and, in addition to that, in shipping lumber by cars from Canada she would get a great advantage for the reason that by dressing lumber the weight is materially reduced.

Mr. President, that brings me to another element of difference, and that is that the cost of handling lumber is entirely caused by the establishment of these great lumber yards and dressing mills at points on the south side of the Lakes, and that cost is almost entirely absent where planing mills are set up at the forests and take the rough lumber as it comes from the sawmill. The cost of handling, of transporting, of storing, of piling, of assorting, of getting it from the vessel to the yard, from the yard to the mill, and from the mill to the car is estimated, by the gentlemen who have been bringing information to me upon the subject, at $2 a thousand. By carefully scrutinizing and comparing, my impression is that a dollar and a half a thousand is a fair and reasonable statement of the additional cost which is imposed upon the American dressing mills in the cities I have enumerated over and above the cost of dressing lumber in Canada, and that is in addition to the cost of the actual dressing, which is treated of in the letter which has been read from the desk.

Now, let me say a word about the reason why dressed lumber can be brought into this country cheaper than rough lumber. It is the reason for the extraordinary figures read by the Senator from Minnesota [Mr. NELSON], and the fact was mentioned with his customary fairness of statement by the Senator from North Dakota [Mr. McCUMBER] the other day. It is that lumber is transported at a freight rate which is fixed by weight and that the dressing of lumber reduces the weight so that dressed lumber can be brought from Canadian points to the New York market at from $1.16 a thousand feet to $1.47 a thousand feet less than the rough lumber can be brought.

The differential in favor of dressed lumber established by the railroads in fixing their freight rate to balance off against the differential which we establish in this bill to protect and save our own American lumber yards is as follows:

From Ottawa to New York, $1.16 a thousand; from Georgian Bay to New York, $1.41 a thousand; from Lakeville, Ontario, $1.25 a thousand; from Pembroke, Ontario, $1.34 a thousand; from Cache Bay, Ontario, $1.47 a thousand.

Mr. President, as the basis of these differentials to which we apply the rule of protection under this bill, the elements of difference in the cost of conducting the business in this country as compared with the cost of conducting it from Canada, you have, first, the greater cost of the actual work of dressing as established by the men who do the dressing themselves. You have, second, the cost of maintaining the lumber yards and lumber mills near the great centers of population along the southern shores of the Lakes. You have, third, the obligation to pay taxes for the support of our governments, from which the Canadian mills will be and are relieved. You have, fourth, the cost of handling, which amounts in this item alone to more than the tariff differential contained in the Dingley Act; and you have, fifth, the fact that the differential against the American mill owner and in favor of the Canadian mill owner in freight will amount to more than the average differential in the bill.

Under those circumstances, Mr. President, I want to call the attention of the Senate to the fact that these are no new industries built up to speculate upon the possibilities of the protective tariff. I have here a letter from the owner of planing mills in the city of Ogdensburg, on the St. Lawrence, who says, "I have conducted this business for fifty-three years." This great business was established as a necessity for the people of the United States to build up our country. These establishments furnished the outlet for the forests of the West. The thousands, the tens of thousands of men who are now at work in these mills ask for nothing but such legislation as will make the possibility of continuing to conduct a business that was established long before the Dingley Act or the McKinley Act, before the civil war, before the question of competition with Canada was heard of. For the necessity of some such protection I beg to ask the Senate to listen to the words of one of the leading mill owners of Ogdensburg, who states what I believe to be truly the condition of mind of the men who are conducting these great business establishments. He says:

There is not a doubt in my mind that we should have to abandon our plant in Ogdensburg if the proposed schedule—

That is a schedule which had been reported to reduce the differential—

There is not a doubt in my mind but that we should have to abandon our plant in Ogdensburg if the proposed schedule goes into effect, and other mills, such as those at Newport, Vt.; Rouses Point, N. Y.; Burlington, Vt.; Tonawanda and Buffalo, N. Y.; and many others similarly situated would be compelled to do likewise.

Personally, I have larger interests in Canada to-day than I have in the United States. I am a stockholder or a director in the following Canadian corporations:

Clanedish Lumber Company, at Lakefield, Ontario.
Tamagami Lumber Company, at Callender, Ontario.
Strong Lumber Company, at Toronto, Ontario.
Campbell-McLaurin Company (Limited), Montreal, Quebec.
Cache Bay Lumber Company, Cache Bay, Ontario.

And I should be benefited if the duty was removed completely on both rough and dressed lumber, or even if it was cut in half on both rough and dressed lumber, but, Mr. Hill, we have 500 men in Ogdensburg, many of whom with me have grown gray in the service of this company, and I can not see them turned out of employment without trying to help them. The times of the Wilson bill are so vividly impressed on my mind that I feel very deeply on the subject, and it is hard for me to see the philosophy of letting Canadians manufacture our lumber while our own men suffer in enforced idleness.

Mr. McCUMBER. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from North Dakota?

Mr. ROOT. Certainly.

Mr. McCUMBER. Possibly I did not catch everything that was in that letter, but, as I understand the position of the writer, it is that he would be benefited by the reduction one-half and he would be further benefited if there was no duty whatever. I wish to ask the Senator how the owner could be benefited unless those in his employment would also be benefited. In other words, I can not quite understand how that which would injure the employee would be a benefit to the employer.

Mr. ROOT. The Senator from North Dakota probably failed to observe what was said in the beginning of the extract that I read. It was that this gentleman has larger interests in Can-

ada than he has in the United States, and he enumerated half a dozen Canadian companies in which he is interested.

Mr. McCUMBER. I will state that I failed to hear that.

Mr. ROOT. I think, Mr. President, that that is true in a great many cases. I think that many of the capitalists, who are owners of these establishments on our side of the border, have gone to Canada and have obtained possession of large lumber interests there, and that the real interest to be protected here is the community that has grown up about every one of these establishments; and for the protection of those great industrial communities, that present as good a type of American citizenship as can be found anywhere in the United States, I submit to the Senate that we may afford to give a differential upon dressed lumber that will amount to at least one-half as much protection as Canada gives to the men who are dressing lumber on her side of the border.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. CRAWFORD. Will the Senator allow me?

Mr. HEYBURN. Had the Senator finished?

Mr. ROOT. I was intending to finish, but the Senator from South Dakota asked leave to ask me a question.

Mr. HEYBURN. Of course, I am not desirous of displacing the Senator from South Dakota. I gave notice on Saturday that I would resume my remarks this morning, but it is not material if the Senator from South Dakota wishes to ask a question.

Mr. CRAWFORD. I wish to ask only one question.

Mr. HEYBURN. All right.

Mr. CRAWFORD. The remarks of the Senator from New York are directed almost entirely to the question of an additional differential. The question I desire to ask is what reason there is for serious apprehension that some reduction of the differential shall be made when the present differential is practically prohibitive; that is, the importations of finished lumber under the present differential are very small compared with the importations of rough lumber. So it would seem to me that some reduction might be made which would not be ruinous, but would result in healthful competition.

Mr. ROOT. Mr. President, may I say two things in response to that question? One is that there is not an established business of dressing lumber to any general extent with which we have to compete in Canada. The thing we have to fear is the transfer of business or the building up of mills in Canada to supply our markets. The other point is that I am assuming the duty on rough lumber is going to be reduced by Congress, and of course that will be a reduction of the protection to dressed lumber as well as to rough lumber. The committee reports a fixed duty on rough lumber and a duty on dressed lumber, and the differential must be protection.

Mr. HEYBURN. Mr. President, I will informally take up the question that was just being discussed by the Senator from New York [Mr. ROOT] and supplement it by a statement that is necessarily a part of the question. I suggested on a previous occasion that the cost of dressing lumber did not consist alone in labor or in the investment or in the items that have been enumerated. I communicated with a man who is in charge of the work of dressing lumber, who is responsible for its performance and knows the facts. He writes me under date of May 12, in response to an inquiry which I made of him. After saying that on his return to his office he finds my letter on his desk, he proceeds:

> I have noted carefully what you say, and replying to same would say that we pay freight on the actual weight, and not on estimates, but I want to go into the matter a little further with you, in order to show you the loss we are to instead of the gain, in dressing lumber.
>
> While it is true that there is a gain in the dressing of lumber, that gain is not to us, but to the consumer, as we make prices f. o. b. here, with the freight added.
>
> Now, to start with, it does cost some labor to dress lumber, but that is only a small item in the expense of dressing lumber, for the waste that we have and the drop in grades is very much more important, and very much more costly by three or four times, than what the actual cost of dressing the lumber is. It would be a great advantage to the manufacturers of lumber if it could be shipped in the rough.
>
> When you take a dry board and surface it on two sides, if there is a knot in that board that is not absolutely tight and interwoven well into the fiber, it is sure to be knocked out of the board, which will drop that board out of No. 1 common to No. 3. Now, the spread in price between those two grades is about $8 per 1,000, and the drop from No. 1 to No. 3 amounts to about 17 per cent. The drop between No. 2 common and No. 3 is greater than between No. 1 and No. 2, and will easily figure up 25 per cent. While the spread in price is only about $3 per 1,000, still you can see what an immense loss there is in those two grades in dressing the lumber than in shipping it in the rough. You take matched lumber, which is dressed on four sides; the drop in grades would be almost twice as much as the lumber that was surfaced on two sides, and the spread in price would run between 75 cents to $1 per 1,000 more than the lumber surfaced on two sides.

I bring that in to supplement the items that were given by the Senator from New York. It will be seen that the necessity for compensating our lumber dealers upon dressed lumber is not based alone upon the question of wages or freights. I suggested on a former occasion that the grade of the lumber is frequently changed by the mere fact of the disclosures made by dressing it.

Mr. President, that goes to the question of differentials. I can not add much to what the Senator from New York has said upon that question, except that I carry on West the conditions and the arguments to be deduced from the conditions. The difference between the rough lumber and the dressed material west of the Rocky Mountains is greater than it is in the East. The conclusion of the Senator from New York is well founded, based upon the conditions existing along the St. Lawrence and the Great Lakes, but in the Pacific lumber regions every item enumerated by the Senator from New York is emphasized because of more expensive conditions as to labor, as to transportation, and as to stumpage.

Open an account on a thousand feet of lumber in Idaho and you have these items. It takes the labor of three and a half men to produce a thousand feet of lumber in a day. I have that from those who produce the lumber. I have it from actual pay rolls and actual names. It is not the estimate of some bureau nor of some theorists. That makes each thousand feet of lumber cost $9.30 in wages—that is, at the saw.

The stumpage in our country costs at a minimum $4 per thousand. The average freight on the lumber cut in Idaho to the place of use is $12.50. I have that from a table about which there can be no controversy. I have taken the freights that were actually paid to the average points of shipment. So I have that thousand feet of lumber charged up with $25.80 without counting anything for the use of money which represents the investment in the mills and in the timber.

I was asked recently the average price of lumber in Idaho. I stated that it was about $20 to $22 a thousand. I was then asked how we could pay $25 and sell it for $22. I am not at all surprised at that inquiry, because it would seem to come naturally. Our lumber is about two-fifths first grade and three-fifths lower grade. What we lose on the lower grades we make up on the high grades, because we have a great deal of lumber that is worth twice $20 a thousand. We have none that is worth less than $16 a thousand. The high grades make up the deficiency that would seem to exist between the cost of producing it and the price at which it is sold. In the white-pine forests in our State I think you may say that the timber that is being cut and has been cut for the last few years will average five cuts of commercial timber to the tree, 16 feet in length. Sixteen feet is the standard of length in our country. Of course, it is cut of all lengths.

Mr. McCUMBER. Mr. President——

The VICE-PRESIDENT. Will the Senator from Idaho yield to the Senator from North Dakota?

Mr. HEYBURN. Certainly.

Mr. McCUMBER. Another question that would naturally arise to one not acquainted with the lumber business is why certain grades of lumber should be continually sold for less than the cost and the difference be made up on the higher grades. In other words, why could not the higher grades be sold for a little less and the lower grades be also sold for a profit? That is a question that would naturally arise at least in behalf of the consuming trade. What is there in the lumber conditions that requires any part of the product continuously to be sold at less than its cost?

Mr. HEYBURN. The answer is obvious. No man, intelligent and thrifty, wants to engage in the cutting of trees under conditions which will involve leaving two-thirds of the tree lying on the ground unused. All business is made up on the basis of averages. There is no commercial business in the world that makes a profit on every item that constitutes the business. That is equally applicable to lumber. The tree must be cut down, and when you cut the first cut of it you cut all of it. You can not cut down a part of a tree. The tree being down, the question is, How are you going to realize the best advantage from that tree? We will say that it will cut lumber for 80 feet of its length. That divides it into five 16-foot cuts, and I use that because it is a common decimal. You take the first two cuts and you are apt to have clear lumber out of them that will sell away above the price that I have mentioned. The other three will cut lumber that must be disposed of according to the condition in which you find it when it comes from the saw. It may be very knotty or not very knotty; some of one grade and some of another. It is run through the saw, and the sorting takes place as it is borne from the saw. The clear lumber goes into piles by itself and the knotty lumber is put into other piles. The profits must be based upon a calculation of averages upon that tree.

Now, our lumber scale is white pine, about two and one-half to six million feet to the quarter section; that is, to the farm. They do not count the cedar; they do not count the spruce, nor the larch, nor other woods. They only count the white pine in estimating the value of the timber. It is always safe to say that the other timbers of value are probably as 3 to 5. The average varies.

I have found myself asking the question of the Senator from North Dakota, in my mind, frequently since I listened to his remarks, as to whether or not, having exhausted the timber of Canada in twenty years—which, I believe, is the limit given it—we would not be compelled to resort to our own timber at the end of that time. I have never heard the Senator suggest the condition that would exist after we had exhausted Canada's timber; and yet it seems to me that it must inevitably present itself to us, I hope within the generation of the Senator from North Dakota.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from New Hampshire?

Mr. HEYBURN. Certainly.

Mr. GALLINGER. I want to ask the Senator where he gets his statistics that lead him to suggest that Canadian timber will last twenty years? It is conceded that Canada has not more than one-third of the timber the United States has; and it has been contended here that our supply, if we get nothing from abroad, will not last more than from twenty to thirty years.

Mr. HEYBURN. Those are not statistics. I would not dignify those by calling them "statistics." I should have to invent a new name for that kind of prophecy; but I merely say, taking the statement as it is given, that we are to shut off the use of our timber and resort to the use of Canada's timber and exhaust it, and leave those poor wretches up there to freeze or to live in tents.

Mr. GALLINGER. Yes; but, Mr. President, what I meant to suggest to the Senator was that whether they are statistics or guesses—of course they are guesses rather than statistics—no one has yet suggested that Canada's lumber would last twenty years.

Mr. HEYBURN. I know; but I did not want to present the picture in its full horrors, you know. I wanted to put it mildly, and not to send out a message that would bring terror to the hearts of the Canadians at all.

Mr. President, assuming that within twenty years our present rate of the use of timber would exhaust the Canadian supply, then the Canadians will have to come down here to get timber. It would promote immigration from the north. They would be compelled to come down here and help us eat up our timber.

O, Mr. President, the whole picture that is drawn resolves itself into such a concrete mass of absurdity that no reasonable discussion can be based upon it. All that you can do is to hold it up and say: "Look at that picture!" That is all.

Mr. President, there is no more probability of exhausting the timber of this country or of Canada within any period that can be fixed by any person outside of an insane asylum than there is that air will be exhausted or vitiated. I have heard such prophecies. I went over and attended a meeting in the Congressional Library building here during the last session of Congress, and I heard a man stand up there and prophecy evil because of the escape of gases from the surface of the earth. He had it charted and platted and calculated, and he could tell you how the great supply of gases within the earth was being exhausted, as though it had commenced yesterday and he had discovered the leak, when, as a matter of fact, the conditions that he was picturing had been going on since the dawn of creation.

So it is true in regard to lumber and prophecies of the exhaustion of lumber. Trees grow, and always have grown. So we may drop out that question, and bring the question of a reasonable tariff upon lumber down to existing conditions, based upon the assumption that the conditions are going to exist. What element of nature has ever been exhausted in this world? Can any Senator name one? There are a number of them, an essential part of creation itself, upon which human life has depended. What one has been exhausted? What one has given any reasonable evidence of being exhausted? Have we just reached some period in the world's history that indicates the fading out of this great globe and the destruction of the human race? Such arguments are useful only for the purpose of diverting the minds of those who are called upon to consider them. The real issue, the question here is: Shall the people of the United States control the lumber industry, or shall it be controlled by the Canadians, who are not a part either of the Government or of the great human sympathy that constitutes our Nation? There are two sides to the Nation; there is the cold-blooded legal country, or nation; and then there is a sympathetic and patriotic nation. It is the last that protects the first.

Mr. President, our annual output of the Pacific slope, as I said the other day, is two thousand million feet. Are we going to bring that to an end and stop producing it? To what extent? How much would the Senator from North Dakota have us produce? A half, and send half of the wages to some other country? A quarter, and send only a quarter? Injure our people a little, or destroy them altogether? Where is the line to be drawn? At present we have a rate of duty that barely gives us the turn of the balance in our favor. The wages that men are receiving in the woods and in the mills are not claimed to be exorbitant, are they? Does anyone claim that the wages should be cut? If so, how much? Would you cut the wages of the men who work in the mills and in the forests?

I should like to have some statement. Is there any man bold enough in public or in private life to propose, without the existence of any extraordinary conditions, that you shall dock the wages of the lumbermen at all, or propose a rate to which you shall cut them? I think not. Is there anyone here so unacquainted with business methods as to suppose that you can compel men to continue to employ wage-earners against their will or upon a basis of profit fixed by law? Does anyone dare to introduce a measure here limiting the profits that a sawmill owner shall make, that the wholesale dealer shall make, that the retail dealer shall make, or to fix a price that the consumer shall pay? If you can not, if you dare not, propose that, then where are you going to fix the line? Is it somewhere in the indefinite cry of "reduce the tariff"—somewhere up in the air or down under the ground—or can you give figures for it, and say, "You shall sell your lumber for so much a thousand, you shall pay so much a thousand for stumpage, you shall pay so much a sack for flour, and you shall pay so much a day for wages?" Does anyone want to see this Government on that basis? Is there anyone here who can tell where to apply the knife to cut away what he claims to be the superabundant private benefit? Where will you do it? In the price of stumpage? You can not compel any man to sell it. In the price of labor to the man who cuts the tree? He will make his terms with you or he will quit work. In the profit of the mill? The mill will shut down, like the great Lewis mill in our country is shut down and standing idle to-day, and another one as great on Puget Sound, with boards nailed over the windows.

Mr. President, I am not making these remarks to go out to the country. The circulation of the CONGRESSIONAL RECORD is not great enough to reach to all corners of the country. The daily press does not appreciate the importance of public questions to that extent which tempts them to send out the discussion of this question. I prefer to talk to the Senators who are to consider and vote upon this measure, and I suggest that there is not a quorum of them present.

The VICE-PRESIDENT. The Senator from Idaho suggests the absence of a quorum, and the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Crane	Gore	Overman
Bacon	Crawford	Guggenheim	Page
Bailey	Cullom	Hale	Penrose
Beveridge	Cummins	Heyburn	Perkins
Borah	Curtis	Hughes	Piles
Bradley	Daniel	Johnson, N. Dak.	Rayner
Brandegee	Depew	Johnston, Ala.	Root
Briggs	Dick	Jones	Scott
Bristow	Dillingham	Kean	Shively
Brown	Dolliver	La Follette	Simmons
Burkett	du Pont	Lodge	Smith, Md.
Burrows	Elkins	McCumber	Smith, S. C.
Burton	Flint	Martin	Smoot
Carter	Foster	Money	Stephenson
Chamberlain	Frazier	Nelson	Sutherland
Clapp	Frye	Newlands	Taliaferro
Clark, Wyo.	Gallinger	Nixon	Tillman
Clay	Gamble	Oliver	Wetmore

The VICE-PRESIDENT. Seventy-two Senators have answered to the roll call. A quorum of the Senate is present.

Mr. HEYBURN. Mr. President, I was asking some questions, and there was no Senator present who seemed inclined or able to answer them. I thought, perhaps, with a larger attendance I might get an answer to the question as to what per cent of the $120,000,000 in wages paid in the lumber industry in this country you propose to eliminate, because the amendment to which the discussion is now directed certainly does propose to eliminate some part or all of it. I want to know whether you are going to take it off of the per diem or eliminate the individual factor in it.

I also inquired, in the absence of some of you, how many of these mills, and which ones, you were going to silence? Were

you going to silence the mills on the Pacific slope or the mills in the South or the mills in the North? The proposition will silence them, some or all; and I should like some one who stands sponsor for this measure to suggest how much of the wages paid are to be transferred to the Canadian mills and how much are to be retained, because the merchants in this country and the farmers in this country have got to adjust their next year's business to the conditions that will confront them, and if, instead of paying $120,000,000 in wages, you are only going to pay $50,000,000, they have got to reduce their business and their stock and their hopes, and they will reduce their bank account. If you are going to run a thousand mills, instead of three thousand, the men who have the money invested in those mills will be interested to know if they are among those to be eliminated from the field of active industry.

If you do not answer these questions here, you will have to answer them when the election day comes around and you want to hold up to the people the fruits of the Republican party and its methods of government.

I have been going up and down this country for thirty-six years, telling the people as the elections came around that the Republican party stood for protection, and for a measure of protection that would keep the foreigner out of the fields of competition. If $2 will keep him out, it does not follow that a tariff of a dollar and a half will do it. If you are voting for a dollar and a half, or going to, because you simply want to make a reduction without calculating the basis upon which you make it, you will afford no protection; and less than protection is as bad as none, not only in lumber but in every other field.

The Republican party objected to the horizontal cutting down of the tariff because it must inevitably in many schedules cut below protection. A duty of $4 is of no value at all if it takes $4.25 to constitute protection. Just dare go back to the American people, after the support they gave you last fall, and tell them that you have abandoned the principle of protection and have adopted the principle of compromise or something else.

Mr. President, the farmer will be inquiring "where is the market for my produce, the market that I had last year in the hundred thousand camps of men who were engaged in the lumber trade?" The lumber industry is the second largest item in the farmers' market, and when he asks "Where is this market that I had on election day?" and you say to him, as you must if you do this thing: "Why, those people are not at present engaged in any employment; they have no reserve with which to buy your products, and you will have to either carry them over or not produce them." He will respond: "I sowed this field of wheat, I planted these crops under the promise of the Republican party that it would maintain the conditions that would insure me a market." Then, what will you say? "Well, we only reduced the duty slightly; we only shut off your prosperity a little." You might as well be choking a man, and, merely because you do not choke him to death, excuse yourself for partially choking him because you do not completely do it.

Mr. President, I feel that the hour has come when those in this Chamber who stand for the principles of the Republican party, and not for experiments, have got to stand up and speak up for the Republican party and its principles.

A few months ago a great wail came up from off in the darkness and the dust of discontent, which always exists in the minds of the minority. Probably some one may have said, "What is that great clamor; what is all that noise about?" "Why, it is the shout of the people for a revision of the tariff." Well, they did not stop to inquire what people or what element of the people. Some one said, "It is a cry of the people;" and a few Republicans, then in temporary control, got scared; but those who had fought in the ranks of protection and Republicanism knew and told them that that cry came from the discontented Democracy, not discontented because the conditions of the country were not prosperous, but discontented because they were not in power and in office; and they were trying to scare the Republican party so that it would take to the woods and abandon Republican principles; and I saw then that the cause of that fear and dread, while it may seem harsh to say it, was that the offices seemed to be slipping from them. But I have been a good while in politics, and I think I may safely say that that cry found its echo first in the minds of those who were afraid that the Republican party was not strong enough or strongly enough inclined to keep them in office or to put them there; but the old stalwart wing of the Republican party——

Mr. BORAH. Mr. President——

The PRESIDING OFFICER (Mr. DOLLIVER in the chair). Does the Senator from Idaho yield to his colleague?

Mr. HEYBURN. I do.

Mr. BORAH. I do not want to be placed in the position of delaying the proceedings here, but I think this measure is important enough so that if we are to consider it at all, we ought to consider it all together, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Idaho suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Gallinger	Overman
Bailey	Crawford	Gamble	Page
Bankhead	Culberson	Gore	Penrose
Beveridge	Cullom	Hale	Perkins
Borah	Cummins	Heyburn	Piles
Bradley	Curtis	Hughes	Root
Brandegee	Daniel	Johnston, Ala.	Scott
Briggs	Depew	Jones	Shively
Bristow	Dick	Kean	Simmons
Brown	Dillingham	La Follette	Smith, S. C.
Burkett	Dolliver	McCumber	Smoot
Burnham	du Pont	McEnery	Stephenson
Burrows	Elkins	Martin	Sutherland
Burton	Flint	Nelson	Taliaferro
Carter	Foster	Newlands	Tillman
Clapp	Frazier	Nixon	Warner
Clark, Wyo.	Frye	Oliver	Wetmore

The PRESIDING OFFICER. Sixty-eight Senators have responded to their names. A quorum is present. The Senator from Idaho will proceed.

Mr. HEYBURN. Mr. President, when the absence of a quorum was suggested, I had started to say that the stalwart wing of the Republican party stands for no partial measures, stands for nothing less than protection that protects, stands for nothing less than a discriminating tariff that shuts the foreigner out of our market so long as our own people can supply it; and at Chicago, when that fear and fright came over those who were making the platform and caused them to promise, in the hour of their fright, that they would be good according to Democratic principles and the Populist cry, and said: "Oh, yes; do not strike us; let us have the power: we will call a special session even; we will do anything; we will promise you to revise the tariff"—and some of them have gone so far as to say that they promised to revise it downward—the Republican party was not all at that convention.

The stalwart Republican sentiment took up the banner that was unfurled by that convention, and carried it forward throughout this country to victory; not upon the promise that they would abandon Republican principles, but upon the promise that they would keep their pledges according to the faith and the measure of Republican principles.

Mr. CLAPP. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. HEYBURN. I do.

Mr. CLAPP. I simply want to ask the Senator now whether he wants hereafter to recall the suggestion that the promise in the platform was made through a sense of fear.

Mr. HEYBURN. Mr. President, I have had that celluloid question asked me about forty times, and I have answered it in my own way. I understand the question to be in substance, Do I intend to stand for the Republican platform?

Mr. CLAPP. No; I do not mean any such thing.

Mr. HEYBURN. Then I will be glad to hear the Senator's statement of it.

Mr. CLAPP. Nor do I ask now for the Senator's interpretation of that platform; but I ask him now, and call his attention to it, whether he wants hereafter to recall the suggestion that that promise was put in the platform from a sense of fear by the men in control of that convention.

Mr. HEYBURN. I do not care, Mr. President; I am not afraid of ghosts——

Mr. CLAPP. Very well.

Mr. HEYBURN. I do not care where I meet a statement of mine, in the day or in the night, or where or I meet it, if I have made the statement.

Mr. CLAPP. Mr. President, I hardly think that would bear analysis. The other day, in the heat of debate, the Senator did make the statement which, when it was challenged, he claimed the right in a measure at least to modify——

Mr. HEYBURN. The Senator is mistaken about that.

Mr. CLAPP. Now, if he means to stand by the proposition that that was put into that platform by the party managers from a sense of fear, I want him to realize it, because that is in the last analysis precisely what was meant by the statement.

Mr. HEYBURN. Fear of what?

Mr. CLAPP. I do not know or care.

Mr. HEYBURN. Very well, now; I will repeat my language as I used it, not as the Senator quoted it. I said: "Fear that

they would not get nominations, or that they would lose office. Whoever were responsible for it were either there, or supporting men who felt that way." Is that plain enough?

Mr. CLAPP. I will discuss the question later.

Mr. CLARK of Wyoming. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. HEYBURN. I do.

Mr. CLARK of Wyoming. The matter has been brought up several times as to the verdict of the people upon the revision of the tariff. I should like to suggest to the Senator from Idaho, if the verdict in the last election was not a verdict, that the tariff should be revised according to the Republican system of protection, rather than revised according to the Democratic system of a tariff for revenue only.

Mr. HEYBURN. Yes, Mr. President; and the verdict was something more. The verdict of the American people was "We will trust the Republican party; we will trust it according to the measure of its wisdom, in convention or out, and we know that when it comes to act responsibly, it has always given us good results;" and had the people in the convention promised other things in that platform, only a fraction of the Republican party was there, and the people knew the Republican party well enough to know that even though, inadvertently, it might make expressions that sounded badly, it could be trusted in the hour of its responsibility.

Mr. CLAPP. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. HEYBURN. Yes.

Mr. CLAPP. I want to remind the Senator that before this thing is through he will be confronted by the proposition that the people trusted the Republican party with a promise which, according to the Senator's own statement, was made from a sense of fear.

Mr. HEYBURN. I beg pardon. I was interrupted by a colleague, and did not hear the Senator's remark.

Mr. TILLMAN. Will the Senator allow me to ask him a question?

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from South Carolina?

Mr. HEYBURN. Yes.

Mr. TILLMAN. In this happy family which we find on that side of the Chamber, we discover that those people who have timber which they want to cut and manufacture into lumber are clamoring for a tariff, while those who live on the prairies and in the States where the timber is exhausted are clamoring for free lumber.

Mr. HEYBURN. I do not find it.

Mr. TILLMAN. Well, I find it; and I think the Senator will find it before he gets through.

Mr. HEYBURN. I do not find it.

Mr. TILLMAN. What is the matter with our friend from North Dakota [Mr. MCCUMBER]? Is it not because North Dakota has no trees?

Mr. HEYBURN. I think I will not become personal in regard to the Senator from North Dakota, because I can refer to my own State. More than half of it is not forest, but plains and valleys.

Mr. TILLMAN. I know that, but I am speaking about those States where they have no trees at all, practically.

Mr. HEYBURN. Yes. I think I will leave the Senator from North Dakota to make his own case. I am not here to attack him.

Mr. TILLMAN. I am not attacking him. I am just asking the Senator to explain the inconsistency in the Republican camp.

Mr. HEYBURN. The fact is, I am holding the floor for a few minutes, at least——

Mr. TILLMAN. It is really an antagonism of personal and local interests.

Mr. HEYBURN. Well, Mr. President, I have seen some evidence of that in the votes and action of other Senators besides those referred to. I am holding the floor, for the few minutes that I shall occupy it here, to express myself upon the question, What is the protection to which the Republican party is pledged? It is not to protect the individual who happens to be in a position to protect himself. It is protection that is universal in its application. It is not a local question, as has been said. It is a general principle, with local application, and that is true of every law that we have passed.

I know the vote that is to be taken is merely as to whether or not there shall be any duty on lumber, but I claim the privilege of occupying the attention of the Senate for a reasonable time upon these questions which seem to me important; and I make these remarks in order to recall to the minds of Senators the fact that because we are asked at this time to vote between free trade and protection there is behind it all, and there will be behind it within a few hours, the question What measure of duty will afford protection? It is my intention, so far as I may, to speak and vote for the retention of the existing duty on lumber. The people in that part of the United States who are most interested in it demand it. Even though at this time it is merely a vote as to whether it shall be free trade or some duty yet to be fixed, I have thought fit to present these ideas. I did not do it to attack the Republican party. I did it to sound the bugle call to bring real Republicans to the front—men who are Republicans from principle, always Republicans, and are never found fighting under any other banner.

Mr. President, I will defer any further remarks until this matter shall come before the Senate on a question as to what duties shall be levied upon lumber and the products of it.

Mr. BURKETT. Mr. President, before the amendment of the Senator from North Dakota [Mr. MCCUMBER] is put to the Senate for a vote, I desire to submit a few remarks in support of it. I have listened with a good deal of interest to the addresses which have been made on this subject for the last two or three weeks, and had I had opportunity earlier in the session I should have made more extended remarks upon this subject than I shall now. I am going to promise to the chairman of the committee, who I know is anxious to get a vote, that I will not detain the Senate more than a few minutes.

Mr. SCOTT. I suggest the absence of a quorum, Mr. President.

Mr. ALDRICH. I hope the Senator will withdraw that suggestion.

Mr. SCOTT. The Senator from Nebraska does not want to speak to empty benches.

Mr. BURKETT. Do not make the suggestion.

Mr. SCOTT. I withdraw it.

Mr. BURKETT. In my opinion, there is a quorum here. I would rather have the quorum that is here than to try to get some one else who would not stay.

Mr. President, while I listened to the Senator from Idaho [Mr. HEYBURN] to-day complaining of the attempt of some of us to place this article on the free list, I looked over the free list, and I found that that list has not been made according to the theory the Senator from Idaho suggested.

I find, if I can read the free list aright, that it is not made up according to any particular theory, but according to the exigencies of each particular case and the emergencies of the occasion. I find a good many things on the free list that come into competition with things that are manufactured and produced here. I wish also to call the attention of the Senate to the fact that even in this bill the committee have placed on the free list fence posts and kindling wood, which are very important items of lumber production.

I find also on the free list—and it has been there for a good many years—binding twine. We all know it comes into competition with our manufactures, and, in fact, has driven them out. But it has been because the Congress at some time have believed that it was for the best interest of the greater number that binding twine should be placed upon the free list rather than to protect a factory or two here or there which might be interested in manufacturing it.

I also listened to the remarks of the Senator from New York [Mr. ROOT] this morning, pleading for some local industries up in his State, and I realize their importance to the particular towns that the Senator from New York suggested. But while the Senator from New York was speaking upon the importance to those towns and to the men who were employed in those factories of having the rough lumber brought into America and here planed and dressed, I took out our book of imports and I found how insignificant, after all, was that little planing-mill industry to the great lumber industry of the country which we are considering in this bill.

I call attention to these facts, because in making a tariff bill we must consider the best interests of the greatest number of people of this country. In my opinion it is of more importance to the people, it will build up more industries, and it will enable the people to support more industries, if they can have their lumber cheaper.

As I listened to the remarks of the Senator from Washington [Mr. PILES] a few days ago——

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. BURKETT. Certainly.

Mr. BORAH. Would it inconvenience the Senator to state what industries it would start to take the duty off of lumber?

Mr. MCCUMBER. It would build homes.

Mr. BURKETT. I will say that I might not be able offhand to give a great number of industries which might be started. It would suffice nothing if I did. In making a general statement one may not always be prepared to particularize. But I do undertake to say that there are many articles on the dutiable list of this bill, where, if they could be admitted at better rates, more favorable rates, other factories would be started. Of course it may not always be advisable to do it. Free iron ore would start some iron factories. Of course, as has been suggested to me, we could at least perhaps build more homes if we would bring in more lumber.

Mr. BORAH. That is a generalization. There ought to be some facts submitted to support it.

Mr. BURKETT. Of course, I realize that it has been combated all the way through here that reducing the tariff would make cheaper lumber, and yet we have had on the free list for a long time logs. Why was that? Now, they propose, as I understand, to reduce the tariff on rough lumber. I am one of those who believe that by putting lumber on the free list it will reduce the price of lumber to the consumers in this country, and if it does not, I am here to ask the question which I asked the Senator from Washington several days ago, when he was making his speech: If it will not reduce the price of lumber, why are the people representing those States wherein the lumber is located so much concerned about the proposition to reduce the tariff?

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield further to the Senator from Idaho?

Mr. BURKETT. I do.

Mr. BORAH. The people of the Northwest are concerned for the reason that they would not get the price. The price would not be reduced, but it would be paid to Canadian manufacturers instead of American manufacturers.

Mr. BURKETT. Of course, that is only an assertion.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Minnesota?

Mr. BURKETT. I do.

Mr. NELSON. I desire to say to the Senator from Idaho that the price would be reduced, and it would not be reduced for the benefit of the Canadians. Our lumber manufacturers import logs from Canada and saw them in this country. They get them in free of duty, and they sell that lumber to us at just the same price that they ask for lumber made from our own logs.

Mr. BORAH. If the Senator will permit me for just a moment——

Mr. BURKETT. Certainly.

Mr. BORAH. The Canadian manufacturer has been shipping lumber into this country for the last seven or eight years, and has had the advantage of $7 or $8 a thousand, but he has been selling it to the American consumer for the same price that the American manufacturer has; and it is not fair to presume that he would cease to have that same ambition to put the money in his pocket if he had $2 more advantage of the situation.

Mr. NELSON. Will the Senator from Nebraska yield?

Mr. BURKETT. Certainly.

Mr. NELSON. I wish to tell the Senator from Idaho that on the northern boundary of our State there are mills that make a business of sawing our lumber and shipping it to Winnipeg and selling it in competition with Canadian lumber. The large share of the lumber sold in the city of Winnipeg, the metropolis of western Canada, is lumber made in the State of Minnesota.

Mr. BORAH. I am not concerned about what the man in Canada gets his manufactured lumber for. But the Senator fails to sustain his position that the American consumer will get it any cheaper. That is the only man about whom I am concerned.

Mr. NELSON. If he shall not get it any cheaper, what effect would the removal of the duty have?

Mr. BORAH. The duty keeps the operation on this side of the line instead of on the other side of the line.

Mr. SCOTT. Mr. President, I suggest the enforcement of the rule.

The PRESIDING OFFICER. To what rule does the Senator from West Virginia refer?

Mr. SCOTT. The rule that Senators shall address the Chair and get the permission of the Senator entitled to the floor before interrupting.

The PRESIDING OFFICER. The Senator from Nebraska had yielded to interruptions, as the Chair understood it.

Mr. BURKETT. I had yielded.

I have risen particularly to-day, I will say, to impress upon the Senate—and it is along the line I have tried to suggest a time or two heretofore—that in making this bill of 1909 we ought at least to bring it up to 1909. When I asked a question of the committee the other day as to why a certain rate was made, it was suggested that it was in the Dingley Act, and I insisted that that was not answer enough to satisfy me. Conditions might have justified the Dingley rates ten years ago that do not now exist. And in making a bill to-day, it seems to me, we ought to consider conditions as they exist to-day.

For example, logs are on the free list. We stopped bringing logs into this country long, long ago in any important quantity. Long ago the logs that could be cut and floated down into this country—and that is the only means of transportation that is practicable to bring them in here—were cleared away, and logs on the free list have not been of any consequence to the people for a good many years. A little later on——

Mr. ELKINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from West Virginia?

Mr. BURKETT. I do.

Mr. ELKINS. The importation of 782,000,000 feet of lumber for which we paid $15,000,000, American money, did not seem to affect the price one way or the other. The importation was at the rate of $19 a thousand, and that was the price in this country and it was maintained.

Mr. BURKETT. The importation of what—logs?

Mr. ELKINS. No; lumber.

Mr. BURKETT. Oh!

Mr. ELKINS. Rough lumber came into this country at $19 a thousand feet, and that was the market price.

Mr. BURKETT. Yes.

Mr. ELKINS. They paid the duty and must have made some money, or they would not have shipped it in.

Mr. BURKETT. Very little came in.

Mr. ELKINS. It did not reduce the Canadian importations of it, for which we paid $15,000,000. It did not reduce the price of lumber.

Mr. BURKETT. A very small percentage of what we use, as I stated a moment ago, and it cuts very little figure in the price. We have now gotten way beyond the proposition of rough lumber.

Mr. ELKINS. I hope the Senator will vote for a duty on rough lumber.

Mr. BURKETT. I will vote to reduce it on rough lumber and finished, too, I will say to the Senator.

Mr. ELKINS. On the rough lumber it is just as the Senator stated. He admits that it did not change the price. Why pay out this $15,000,000 of American money, good money, and take it away from the employment of thousands of people and prostrate American industries by giving up the $15,000,000 when the price did not go down? The price was $19 a thousand. You may look at all the statistics you want on the subject.

Mr. BURKETT. Mr. President, as I was about saying, when we put logs on the free list, and that was a good many years ago, it might have been possible to float them down the river, but conditions have changed since that time. By and by, instead of being able to float the logs down the river, when the timber got farther back from the streams, they had to manufacture it to meet the requirements of the transportation facilities. It was quite natural under the protective theory that the rate on finished lumber should be higher than on rough lumber. But to-day we have gotten as far away from the rough-lumber proposition as we are from the log proposition. There is scarcely any such thing as rough lumber any more. The dealers do not handle it, and the manufacturers finish it on one or more sides.

You can not buy a stick of rough lumber to-day in the retail yards of the Mississippi Valley, and that condition has prevailed for ten years. Why? Because the lumber manufacturers have found that it is more profitable to handle finished lumber than rough lumber. They have found that they save more in freight rates than it costs to finish it. So when you reduce the rate on rough lumber and leave a differential on finished lumber you are begging the entire question, because the rough lumber is not of any importance in the lumber controversy aside from a few localities like those the Senator from New York spoke of a few moments ago. There is no use reducing the tariff on rough lumber when nobody uses it or can buy it. If you want to bring the bill up to 1909 include in your reductions finished lumber—the kind we are now using.

In my opinion this differential on finished lumber is simply a humbug. Very plainly speaking, it is a travesty upon the entire proposition. If we are going to reduce the tariff on any sort of lumber, let us reduce it upon the kind of lumber we are consuming in this country.

The two great propositions that the Senator from Washington [Mr. PILES] raised in his remarks the other day have been carried through this entire debate by those who insist on keeping up this tariff. They are the only arguments that I have heard made in favor of the present schedules. The first was the cheap lumber waste bugaboo, and the second was the cheap labor competition that he says this country has to meet.

If I have been able to read the evidence contained in these hearings right, the men who are interested in this matter of a tariff on lumber are the men who own the stumpage in this country. As I stated the other day, the men who have appeared before the committee advocating a high tariff on lumber have mostly been stumpage owners. I believe I asked the Senator from Washington if that was not a fact.

Mr. PILES. Mr. President——

Mr. BURKETT. Perhaps I can anticipate the Senator's reply. He said that the State of Washington was a large timber owner also. Was that the question he was going to suggest?

Mr. PILES. I did not quite understand what the Senator said. I understood the Senator to say he asked me some question which I did not answer, and which has not yet been answered. I did not understand what the question was. I did not hear the Senator plainly. The Senator can tell me just what the question was. I did not hear him.

Mr. BURKETT. I asked the Senator from Washington the question whether or not it was not entirely a stumpage proposition in this country.

Mr. PILES. That is the question?

Mr. BURKETT. Yes.

Mr. PILES. I thought I answered the Senator very clearly when I submitted the resolution of the Shingle Weavers' Union, for instance, representing some 14,000 men; a telegram from the president or secretary of the State Federation of Labor, representing some 25,000 men; the resolution of the legislature of the State of Washington; resolutions from the commercial bodies of that State, in which it was shown that the removal of the duty would very greatly injure the business and the labor of the State.

Certainly it is not a mere contest between stumpage owners. It affects about 110,000 men in one State who are engaged at labor in the business, and some 500 ships that are fitted up on the Pacific Ocean to carry lumber. It affects the entire business interests of the whole country.

Mr. BURKETT. I thought I had at hand here, but I have not, a statement from a paper from the Senator's own State upon that exact point. Perhaps later on I will find it. It states that it is a stumpage question.

But I do not want to go into that. I was only referring to it in passing. As I have gone through the evidence that has been taken by the Ways and Means Committee upon this question, I have observed that practically every man who appeared before that committee has been interested in stumpage.

Mr. BORAH. Mr. President——

Mr. BURKETT. I will yield in just a moment. I doubt if anybody believes that whatever shall be done with this lumber schedule that our mills will not go on manufacturing lumber just as they have in the past. They may not be able to credit as much on their stumpage accounts as they would if they did not have competition with Canada, but in my opinion every mill will go on manufacturing lumber and every laboring man therein will be employed as fully and at as good wages as he has been given in times past.

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. BURKETT. In just a moment. Only two or three weeks ago, in coming in on the train, I met a man who is manufacturing lumber and interested in the lumber business in many ways and in many places throughout the country. He was interested in mills in at least three different sections of the United States.

He revealed to me the startling information that at that time his company was making lumber and selling it at less than the stumpage price; that the price of stumpage was forced up to such a point that they could make more money selling it as stumpage than as lumber. But they were compelled to keep the machinery going and to sell at the prevailing prices of lumber. Now I will hear the Senator from Idaho.

Mr. BORAH. I was going to say, in order to be exactly accurate as to the witnesses who appeared before the Ways and Means Committee with reference to the question of stumpage, it should not be overlooked that most of those who appeared against the duty own stumpage in Canada.

Mr. BURKETT. As I said the other day in a running debate I had with the Senator from Washington [Mr. PILES], I thought it very probable that this question was a good deal of a contest between the men who have stumpage in Canada and the men who have stumpage in America; but inasmuch as I believe by favoring the man who has stumpage in Canada we would help the consumer of lumber in this country, I am willing to help the man who has stumpage in Canada, if it does help him any.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. BURKETT. Certainly.

Mr. BORAH. The Senator has answered my question by saying, when it is between the Canadian and the American, he will vote to favor the owner of Canadian stumpage.

Mr. BURKETT. Yes; the Canadian stumpage owner.

Now, I want to read some letters in response to the first objection to reducing the tariff that has been made, and that is the cheap-labor bugaboo. When the Senator from Washington was making his admirable address the other day, I called attention to the testimony of some of the witnesses upon this question. But since the Senator's address I have had called to my attention several statements made from those who are working in mills to show the contrary to what the Senator said with reference to the employment of oriental labor in Canada and in the northwestern part of the United States.

On page 3130 of the hearing there is some evidence that I did not succeed in calling to the Senator's attention, and that is as to the effect that the interior or mountain mills of British Columbia have 60 per cent of the lumber-producing capacity of the Province, and out of 4,000 men in the mills, and perhaps 8,000 all told, employ not to exceed 400 Orientals.

I also had called to my attention by a prominent lumberman, after the close of the debate on that day, that the Fraser River Mills, at New Westminster, the largest in the Province and on the coast, too, about a month ago replaced all their Orientals with whites, and before that time only 13 per cent of their pay roll went to Orientals. The whites will be paid more money, but are considered cheaper in results.

I want, also, to read a letter which has come to a Senator upon this question. It is written by an employee in one of the mills and is in direct response to the statement of the Senator from Washington that there is no oriental labor employed in the mills of Washington and Oregon. I will state that he has requested that his name should not be made public, but the Senator can see the letter at any time he wishes. I will read it, but I will not use the name of the writer.

Mr. PILES. I have never said that there were no Orientals employed in the mills of Washington.

Mr. BURKETT. The Senator laid a good deal of stress upon the different kind of labor that was employed in the mills in America and the mills in British Columbia, and he said it was because of this oriental labor, the cheap labor that was used over in British Columbia that they could not use here in America, that we could not compete on an equality with the finished lumber coming into this country from Canada.

Mr. PILES. If the Senator will permit me right there, I will explain that situation to him. It is estimated by those who know that out of the hundred and ninety thousand men employed in the lumber and shingle business on the Pacific slope there are between 1,500 and 2,000 Orientals employed. There are, I am reliably informed, no Orientals employed in the mills in the cities of Washington.

Mr. BURKETT. Let me read to the Senator this letter, because it quotes what I recollect the Senator did say:

SIR: Seeing in to-day's Post-Intelligencer, of Seattle—

It was evidently published in the Senator's own town paper—

Seeing in to-day's Post-Intelligencer, of Seattle, that Senator PILES, of this State, yesterday made a statement that "only two mills in this State employed oriental labor," may I be permitted to offer my own personal experience?

I have worked in mills both inside and outside of the "association," as the monopoly is generally termed here, and the following mills are still employing Japanese help, viz: St. Paul and Tacoma Mill Company, Tacoma, Wash.; Wallace Lumber Company, Startup and Seattle (Mr. Startup, one of the owners, is a prominent association official); the Atlas Lumber and Shingle Company, McMurray and Seattle, Wash. (Mr. Patten, the owner in part of the Atlas Company, is universally detested by the white laboring men of this State on account of his Japanese proclivities. Besides being one of the foremost of the association, I think he is one of the high officials). These I know are association mills, whilst I can not say for the following: Page Lumber Company; Eagle Gorge Mill, King County, Wash.; Kent Lumber Company, Barneston and Seattle; the big mill at Mukilteo, near Everett, Wash.; the Hewitt & Lea Mill, at Wilburton, close to Seattle; the Minnesota Lumber Company, at North Avon, Skagit County, Wash., offices at Mt. Vernon, same county; a small mill at Fredonia, within 2½ miles of the preceding one; the big mill at Gold-Bar, near Startup, offices at Seattle; whilst the Puget Lumber Company, operating mills at Port Gamble and Port Ludlow, employ Chinese cooks and Japanese help in the kitchen. There

are also Japs working near Napavine on the Northern Pacific Railroad between Tacoma and Portland; also at Fidalgo Mill, near Anacortes, Skagit County, Wash. (I do not know if these two are working, but I know that all the above are really oriental propositions.) There are several more that I could give, but I have only given those which I can personally vouch for.

Now, I am handed another letter this morning, and I will say I will not give the name of the writer, but the Senator can see the letter. It is written in the handwriting of the author:

Senator S. H. PILES, of Washington, undertook to inform you that your information was incorrect, and that there was only two mills in the State employing Japanese. He undoubtedly knew that he was misrepresenting matters to you, or else he was woefully ignorant of the conditions in the State he is supposed to represent. There is no question but that a large number of the mills employ Japanese here, probably a majority of them, although I can not say positively. I will give you the names of a few concerns near to Seattle who I know do employ Japanese.

Then he recites here five different concerns that are employing all the way from 30 up to 200 Japanese in each mill. He proceeds:

If the lumbering interests of this State were afraid of the competition from the Canadians, is it not rather singular that this State should ship hundreds of cars of lumber to Winnipeg and northwest Canada annually and compete with Canadians in their own territory? The tariff on lumber has not benefited anyone but the few lumber mill companies, as the wages of lumbermen are lower in this State and Oregon than they are in British Columbia.

Then he finishes up the letter by stating that he is an employee.

Mr. PILES. Will the Senator permit me? In the remarks which I made to the Senate on the lumber question I do not recollect having said anything about the number of Orientals employed in the mills in the State of Washington. In interrupting some Senator who some days before had spoken upon this subject, I remember stating that there were, according to the information I had, but two shingle mills that employed Orientals in the State of Washington. I do not know how I am quoted, for I have never looked up my remarks in that interruption, but what I had reference to was shingle mills. It is admitted in the testimony before the Ways and Means Committee that there are some fifteen hundred or two thousand Orientals employed in the States of the Pacific coast out of the 190,000 men employed. It would be ridiculous to say there were only two mills that employ them. My information is that there is not a mill in any of the cities in the State of Washington that employs Orientals. They are employed to some extent in the outside mills. The mill the Senator has mentioned is not in a city. It is on land owned by the mill company, in Kitsap County. A number of the mills doubtless employ Chinese cooks and help around the camp, and in several of those mills they employ Orientals actually in millwork. There is no doubt about that, but that amounts to nothing as compared with the number employed in British Columbia.

Now, I have here an estimate of the number employed. It is insignificant as compared with what is employed in British Columbia. On that point I should like to read just one or two telegrams. Here is a telegram I should like to submit:

SEATTLE, WASH., *May 16, 1909.*

Hon. S. H. PILES, *Washington, D. C.:*

Less than 2 per cent of men engaged in lumber industry in this State are Orientals, most of these in cargo mills in competition with Canadian mills.

CHARLES R. CASE,
President Washington State Federation of Labor.

I assume the president of the State Federation of Labor ought to know all about this matter. It is his business to investigate and look into it. Since I made my remarks in the Senate on the subject of lumber, some days ago, he has, I should judge from the following telegrams, been investigating the question with considerable care:

VANCOUVER, BRITISH COLUMBIA, *May 19, 1909.*

Hon. S. H. PILES, *Washington, D. C.:*

Personally investigated lumber and shingle mills, Vancouver and New Westminster; 90 per cent of employees Orientals.

CHARLES R. CASE,
President Washington State Federation of Labor.

Here is another telegram, dated May 22, from Victoria, British Columbia, which I will read:

VICTORIA, BRITISH COLUMBIA, *May 22, 1909.*

Hon. S. H. PILES, *Washington, D. C.:*

Over 90 per cent of labor employed in sawmills on Vancouver Island are Orientals. No self-respecting white man can live or work in open competition with them.

CHARLES R. CASE.

Mr. BURKETT. Mr. President, in my opinion——

Mr. BORAH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Nebraska yield to the Senator from Idaho?

Mr. BURKETT. I do.

Mr. BORAH. Will the Senator give the name of the party who wrote that letter?

Mr. BURKETT. I said before I read it that the writer asked that his name be not made public. The Senator can read the letter, if he wishes to do so. I will not publish the name of the writer. He is employed, I will say, in these lumber mills, and he has not wanted his name made public. He is not in a position to have it done, and I will not take the liberty to give it out. I so stated before I read the letter.

But I was about to say, Mr. President, I have only referred to that, not intending to go into any particular discussion over it to-day, because we went into it at some length when the Senator from Washington was addressing the Senate two or three weeks ago. I read it only for the purpose of showing that, while there may be some oriental labor employed in Canada, there is also without doubt some oriental labor employed in the State of Washington. I only wanted to use it to impress the fact that the more you go through this evidence and the more information you get, it demonstrates the proposition that, so far as the cost of production is concerned, we can produce lumber here in the United States without any fear of any competition with Canada except alone from the one question of stumpage.

That brings me back to the statement I made a moment ago, that, in my opinion, the stumpage men are the people who are interested in this question, and if the tariff goes off of lumber it does not mean that a single mill is going to stop in this country; it does not mean that a single man is going to be thrown out of employment, but it does mean, perhaps, where there is cheaper stumpage in Canada to compete with the stumpage in America that the stumpage men on this side of the line are going to have to take something less for their stumpage.

A moment ago I tried to find a clipping from the Washington Herald, from the Senator's own State. I want to read it now. It is from a paper that advocates protection and from a paper that is interested, because it is in that section of the country and because it says it is interested in this lumber question. I want to read it to the Senate, as it shows exactly the position of one who writes there on the ground.

The Northwest is especially interested in the lumber-tariff issue, and there are lumbermen who are already telling what disastrous things will befall the lumber industry of this section if the new tariff schedule, consisting in the main of a reduction in the duty of 50 per cent, goes into effect. The Northwest certainly wants to see nothing done to injure the lumbermen, but we can see no sense in widespread calamity howling. If the policy of some of the lumbermen is to "throw a scare" into the Northwest, it is ill advised, for it only results in a feeling of industrial unrest and uncertainty that is disconcerting to all business interests, and, we believe, it is unjustified.

All residents of Everett and of the Northwest know what a few years have done to the loggers of this section. Logging has made more men wealthy in a shorter time than has any other branch of the lumber industry or any other business in which men of the Northwest are interested. The loggers, who have acquired much of their timber at low prices, are the kings of the lumber business. They have dictated prices, boosting them unceremoniously when they wished, and those mills buying in the open market, and that means the majority, have been compelled to pay the price or go out of business.

Then, omitting some, the article goes on to say:

Bearing that fact in mind, it is hard to see why the loggers can not easily absorb that tariff reduction, or at least the larger portion of it. Cheaper logs will mean cheaper lumber, that, if we are threatened with the Canadian product, will be able to meet the latter on the same comparative footing they hold at present. It can't be denied that lumber prices are high, and that is what has raised the cry of the Mississippi Valley States for free lumber. Let the loggers pay their share of the game and not seek to convert Washington's greatest natural resource into wealth in a few short years and the price of lumber will drop, we can stand the proposed tariff reduction, and the cry for free lumber from the Middle West will cease. It is a big question, but its solution along the line of the proposed tariff bill under no circumstances means the destruction of the lumber industry. At the worst it will bring about a readjustment. It is better for the Northwest to have a reduction in the lumber tariff now than be called upon to face a time when the great majority of the country, in a way that can't be refused, demand free lumber, and unless something be conceded at this time, that day will come.

While that article does not go as far as I should like to go and give free lumber now, nevertheless, coming from a paper published in that section of the country, and a Republican paper also, it does justify me in the position which I have taken, that the proposition which confronts us here is the proposition of the logging interests of this country.

Mr. SCOTT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Nebraska yield to the Senator from West Virginia?

Mr. BURKETT. I do.

Mr. SCOTT. I merely want to ask the Senator—I presume that his object is to get a lower rate on lumber for the people of the Northwest—does the Senator think if we should take the duty entirely off lumber that would accomplish that result or not?

Mr. BURKETT. In my opinion, it would; and what I have read, if the Senator recollects, from the article published in this paper in the State of Washington, also reenforces that state-

ment. There is in these tariff hearings—I am not going to take time now to read them, for I am not going to talk long—there is in these hearings abundance of evidence to show that the opening up of our markets to Canadian lumber does mean cheaper lumber to the consumer, at least it will help to prevent the greedy stumpage men from forcing lumber higher. But if that is not true, then I ask why this great lobby, which has been here in Washington trying to prevent the reduction of the tariff on lumber? If it will not reduce the price, why the opposition from the Senators from States representing those industries? As I said a moment ago, in my opinion, this is not going to close a single mill in this country. I should not want to see a mill closed.

But America is to-day competing with all the world. I have a list of countries here showing that we are sending lumber to all the world. We are competing with Canada everywhere else on earth; and yet we are afraid that we can not compete with her here in America. In my opinion, there is no logic in that sort of a proposition, and we can not sustain ourselves in making a tariff bill and imposing a high tariff upon things in which we can compete successfully, and are competing in all the markets of the world, with the very nation that we seem to be most fearful of.

The other great proposition that the Senator from Washington laid stress on was the question of low-grade lumber. His argument was that free lumber meant destruction of the forests; that we could not use the low-grade lumber, and that would go to waste. I submit to the Senate that until Mr. Pinchot came into this discussion with that letter of his, stating that protection was needed to conserve the forests, the free-lumber proposition was in great deal better shape, to say the least, than it has been since.

I want to suggest, however, that Mr. Pinchot occupies on this question exactly the same position that all the great stumpage owners occupy when they give their evidence. Mr. Pinchot controls the greatest amount of stumpage of any man in this country; he controls the greatest amount of stumpage of any man in the world. He has been here before Congress year after year asking for more appropriations to look after the great timber reserves. We have seen that proposition of his combated vigorously here on the floor of the Senate. Nevertheless we have granted him the money to care for the forests and extended his authority until to-day he controls more stumpage than any human being. Very naturally Mr. Pinchot wants to make a good showing, he realizes that he must accomplish something out of these forests that he has undertaken to control; and in his official position he is as anxious to get as much out of the stumpage he controls for the sake of his record in this matter as the men who privately own stumpage. So I say all of them, from Mr. Pinchot down to the State of Washington, down to the men who have testified in their private capacity, they are all stumpage owners, and they are interested in forcing up the price of stumpage in this country.

I have, however, been interested in observing how the press of the country received the judgment of Mr. Pinchot. I picked up the other day a paper from a town in Florida commenting upon the position that he took. I understand they are in favor of a tariff on lumber down there. But they considered his contention as a joke. Speaking of his article, the paper said:

FROM A TREE STANDPOINT.

Any idea that a man nurses all the time ultimately looks bigger to him than all else out of doors. Gifford Pinchot has written a letter on the tariff to Chairman Payne of the Ways and Means Committee.

Mr. BORAH. Mr. President——

Mr. BURKETT. Let me read this through. The article continues:

He holds that the fundamental question at issue in the lumber tariff is forest conservation. Mr. Pinchot is chief forest conservator. If it had been his business for years to take care of tadpoles, he would declare the fundamental question at issue in the drainage discussion was the conservation of tadpoles.

When Mr. Pinchot combats the idea that a removal of the duties on lumber would preserve our forests, he is fighting a windmill. Nobody who has thought of the subject thinks it would. Why, then, do men use such an argument for free lumber?

We do not know by what process of reasoning Mr. Pinchot arrives at the conclusion that a removal of the duty on lumber would not benefit the consumer. If this is true, it is strange that sawmill men are making such a fight to retain the duty. If a reduction of the duty would not reduce the price to the man who buys, surely it would not reduce it to the man who sells.

Now I will yield to the Senator from Idaho.

Mr. BORAH. I want to ask the Senator from Nebraska whether he takes the position that the duty on lumber, or the taking off of the duty, would conserve or not conserve the forests? As Mr. Pinchot's views are not answered, neither are they supported. I simply want to know the Senator's position.

Mr. BURKETT. Mr. President, if taking the duty off of lumber will bring lumber into this country, in my opinion it will save that much of the forests here. Of course I understand the position taken by the Senator from Idaho and the Senator from Washington. When the Senator from Washington was making his address the other day and was speaking of the fact that there would be so much waste low-grade lumber, I asked him the question: "What is going to prevent this low-grade lumber being manufactured? Is it competition in the same grade from Canada, or the reduction in price of what is produced in the United States?" And, Mr. President, that question never was answered. What is going to stop the manufacturing of low-grade lumber in this country? Is it going to be the competition of low-grade lumber from Canada, or is it going to be the reduction of the price in the United States?

The Senator undertook to say in reply that they had a different kind of process of buying stumpage in Canada; that they buy their stumpage according to what they use, and that in the United States they had to buy the whole tree. Therefore, if that means anything, in my opinion it means that they would only use the best part of the stumpage, because that is all they would have to pay for; they would only make the highest-priced lumber, and that is the lumber that we would have to compete with. In my opinion, one of two things is true: Either this is going to reduce the price of lumber to the consumer, or the people who are producing lumber in this country are not going to be injured either in the production of second-grade lumber or in the production of first-grade lumber.

Mr. President, I want to speak particularly on one point, and then I am going to close, and that is upon the matter of the differential. There may be a reason, perhaps, for putting a tariff on lumber; but, in my opinion, there is no longer a valid reason for putting a differential tariff upon finished lumber. That is only giving the manufacturer a bounty for doing what is profitable for him to do. For example, I have here some quotations of lumber prices of a certain lumber manufacturer. It quotes lumber to be shipped at a certain price, with freight prepaid. Then at the bottom of the price list there is a footnote, which adds this:

If you need rough lumber, add $2.25 to these prices.

This shows that the lumber manufacturers can furnish finished lumber cheaper, and would rather do it, than rough lumber. Yet we are imposing a differential, a higher duty on the finished lumber than we are imposing upon the rough lumber.

As I said a moment ago, originally the log was of importance in making up this schedule, and when we wanted to give the manufacturer a little advantage we excluded logs and put them on the free list. But now we can not bring in any logs. Then we wanted to force as much manufacturing to be done in this country as possible, so, away back in 1872, we put an additional tariff upon finished lumber; that is, we let logs in free and rough lumber in cheaper than finished lumber. But to-day finished lumber occupies the same position in the market as rough lumber did then. This has all been brought about by the manufacturer for his own benefit. Let me tell you how. I can remember, twenty years ago, when the lumber producer cut down the size of his lumber. The 2 by 4 he cut down to 1¾ by 3¾, or thereabouts. He cut down the 2 by 6 to 1¾ by about 5¼, and he made the same prices. He made money by saving lumber and selling those reduced sizes at the same prices.

It went on a little further, when the lumberman again wanted to raise his income without apparently raising his price. So he conceived the idea of selling lumber and prepaying the freight. Until about a dozen years ago, when a lumber dealer in a local town bought lumber, he bought it at the factory and paid his own freight to the point where he sold it. But about a dozen years ago the manufacturer changed his plan of selling lumber and agreed to ship it to the local dealer and prepay the freight. They added the price of the freight to the price of the lumber; and in order to make money on that operation they started to plane off one or two or more sides of that lumber. In doing this they reduced the weight and saved on the freight. As has been shown by the price schedule to which I have referred, it is worth two dollars and a quarter more to them to send lumber before it is dressed than it is to send lumber after it is dressed. They have done that thing as a money-making proposition. It is not a thing they have to do; it is not a thing that it is particularly desirable that they should do, to plane off the 2 by 4, to plane off the fencing, and dress the other lumber they have sent out; but they do it as a money-making proposition. In my opinion it is wrong; it is a travesty upon the justice of things to put on a tariff to protect those men in the doing of that on which they are already making from two to three dollars a thousand feet.

There is one question on which you can not fool the people. Every farmer who buys lumber in my State or in any other State realizes that he can not buy rough lumber if he wants to. He must buy planed lumber, and he knows he must buy it because it is of advantage to the men who produce the lumber to make that dressed lumber, and he knows that this higher protection is for doing a thing that the manufacturer is making money to do and which it is to his advantage to do. Therefore, I ask, why at the same time should we protect him two or three dollars in addition to the profit he already has by dressing this lumber?

Mr. President, I think I have nothing further to add to this debate. It has already extended over considerable time. I am not going to combat the Senator from Idaho [Mr. HEYBURN] as to what different men in their campaign speeches may have said with reference to the revision of the tariff. I suspect, from what I have heard here, that a good many different positions were taken upon the proposition of revising the tariff in the last campaign. Out in my section of the country I know we believed that revision meant a revision downward wherever we could do so, without injury to our American industries. I do not believe, however, that our people understood we were going to reduce the tariff to an extent that would distress our manufacturers or close any of our factories; but I do believe that our people understood that in the twelve years since the Dingley bill was enacted conditions had so changed that some industries that needed protection a dozen years ago would need less now; and that the revision of the tariff in the main was to be a revision downward. But I will not speak generally of it, because that would probably bring on a controversy.

I am going to say, however, that, so far as lumber is concerned, that one item, above all the other items of the four thousand included in this bill, was singled out in every county, in every town, in every campaign speech that was made during last fall, and our people did hope that the tariff on lumber should at least be reduced.

I took that position, not because I believed in free trade generally, but because I do not believe a reduction will hurt the industry, and because I believe that for the greatest interests of the greatest number in this country we ought to put lumber on the free list, just as our predecessors put binding twine on the free list, just as they put broom-corn on the free list, just as they put ice on the free list, and oil cake on the free list; and just as this committee themselves have put fence posts and kindling wood on the free list, and also cedar and lignum-vitæ and some other kinds of woods. In my opinion, responding to the demand of the greatest good to the greatest number, we ought, in justice, put all lumber on the free list up to the stage that it appears in the lumber yard for the use of the average consumer in this country.

Mr. TILLMAN. Mr. President, will the Senator from Nebraska inform me why it is, although we were told the other day that there were only five razor manufacturers in this country, that 80,000,000 Americans were compelled to pay those five fellows a tribute and increase the price of razors, if you are going to put lumber on the free list. I am going to vote to put lumber on the free list, but I just wanted to understand the contradictions in the reasonings and the arguments on that subject, if possible.

Mr. BURKETT. I did not understand the Senator's question, if it was a question.

Mr. TILLMAN. I say it was brought out the other day in the debate that there were only five men in the United States manufacturing razors, and yet the duty on razors was held in the bill by almost the solid Republican vote.

Mr. BURKETT. Mr. President, let me say with reference to the proposition of making razors, that the evidence showed that four-fifths of the razors that were consumed in this country were made over in Germany. When that is the condition with anything that America ought to produce and can produce, I would be in favor of putting a tariff on it and making them come to America to manufacture razors or anything else.

Mr. TILLMAN. What about the "greatest good to the greatest number?" That is all that provoked me to make the inquiry.

Mr. BURKETT. In my opinion, as I said a moment ago, it would be to the greatest good to the greatest number to put lumber on the free list.

Mr. BORAH. Mr. President, the question asked by the Senator from South Carolina [Mr. TILLMAN] of the Senator from Nebraska [Mr. BURKETT] illustrates the unfortunate position of the man who thinks as a protectionist and argues as a free trader. The great foes of the protective policy have always been within the ranks of protection—those who would make an exception in favor of or against a particular industry. Such men overlook the fact, or, seeing it, ignore the fact that, as I said the other day, unless the policy of protection is a system it can not be justified at all. There is no way either in constitutional law or in morals by which you can properly lay a tax to sustain an industry or to enable an industry to live when otherwise it could not live, and thereby, in a sense, to tax one individual for the benefit of another, except upon the theory that as a policy or system it develops our natural resources, diversifies our industries, gives employment to the different dispositions and desires of men, and creates and maintains a home market. Upon any other theory, the protective system is a privilege—a wrong, if not a fraud—and those who argue for the free-lumber schedule must do so with the full knowledge of the fact that they are presenting an argument which undermines the whole superstructure of protection.

If the farmer can ask for free lumber or free anything which he buys, the man in the mill, whether manufacturer or laborer, has the same right to ask for free articles which he purchases, because it must be a conceded fact that to single out any one particular industry and take off the duty is, in all probability, to lower the price of the product of that industry to the consumer. For further illustration, if good old New England, the home of protection as well as of culture and wealth, should so far forget herself as to demand free hides, the western rancher and the western farmer would have a right in return to demand free saddles, free harness, free shoes, and free everything else that is made out of hides; and we arrive pretty soon, Mr. President, at the point where the great French economist and the most subtle of logicians, M. Bastiat, would have placed us years ago, and that is a condition of freedom of exchange with each other and with all the world.

There are those who contend that, after competition has been driven from the field in a particular industry, protection should be taken away from that industry. I am inclined to agree with the proposition that you may maintain that position if you have the evidence to disclose the fact that competition has been driven from the field, because in such an instance the protection must necessarily to some extent be a burden, without the corresponding power of competition to lower the price to the consumer. But I would only follow that rule, Mr. President, in such instances as where the competition had been removed and where it was in all probability not to return.

Those who argue for free lumber, therefore, must do so upon some legitimate basis consistent with the policy of protection, or they must be satisfied to stand forth and argue for free lumber upon the same basis that nine-tenths of the schedules could be argued against so far as duties are concerned in this bill. The real question is whether or not the removal of the duty from lumber will lower the price to the consumer, or rather whether or not the lowering of the duty on lumber will still retain the industry and yet lower the price to the consumer.

The American farmer will not appreciate the eulogies which are delivered upon him here in this Chamber unless some result in a practical, positive way accrues to him, because the American farmer is a very practical citizen; in other words, he will not appreciate the eulogies which have been pronounced and the discussion of the denuded hillsides unless, as a result of that, he can maintain his home market and still have his lumber cheaper than he has it to-day.

Mr. President, there has been a peculiarity about this discussion upon the part of those who argue for free lumber. One class of the advocates of free lumber insist that it will conserve our forests.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER (Mr. CARTER in the chair). Does the Senator from Idaho yield to the Senator from North Dakota?

Mr. BORAH. I do.

Mr. McCUMBER. The Senator says that the northwestern farmers will not be satisfied unless they can have their lumber cheaper than they have it to-day. I think that I can speak for them, and I will say that they will be satisfied if they can hold the price down as low as it is to-day. They will not be satisfied if it again mounts to the price that it was two years ago, or three years ago, or four or five or six years ago. They are practically satisfied to-day; and their efforts are to conserve our own forests and to allow an amount of lumber to come in that will check the tendency to a very rapid rise in price the moment that we get back to normal conditions.

Mr. BORAH. Mr. President, I do not propose to indulge in a controversy with the Senator from North Dakota as to what the farmers really want, because I know he is an expert upon

that subject, and he perhaps is better informed than myself; but I am perfectly willing to present this matter upon the basis which he has just stated.

I was going to say, Mr. President, that the arguments of those who are contending for free lumber are involved and, if I may say so, with all due respect to the gentlemen, somewhat contradictory. One class of them insists that it will conserve the forests; that every time you cut down a tree in Canada it indicates that a tree upon the American side will be preserved; in other words, that the lumber interests here will not use up very much lumber, and the forests of the American side will not be used to such an extent as they will be if the duty upon lumber is maintained. That must necessarily, Mr. President, be upon the theory that the American forests are not going to be used; that the tree is going to be permitted to stand. If that is true, it necessarily reduces the source of supply, which is the basis of the argument of those who insist that lumber will be cheaper because we have broadened the source of supply.

The Senator from Minnesota [Mr. NELSON] presents the facts which show that free lumber will widen the source of supply and thereby reduce the price to the consumer. The Senator from North Dakota [Mr. MCCUMBER] presents the facts, equally conclusive as presented by him, that it will not reduce the price, but will have a tendency to conserve the forests.

In my opinion the facts are against them upon both those propositions. I might leave it by simply calling the attention of the Senate to the fact that you can not conserve forests and utilize them; and you can not reduce the price, in my judgment, unless you broaden the source of supply, unless you allow the competition which must necessarily exist between the American manufacturer and the manufacturer abroad.

The Senator from Minnesota, a few days ago, in speaking of this matter, used this language, and it is the basis of all other arguments which take that position:

> The people of the great Northwest, the upper Mississippi Valley, the heart of this continent, have been looking forward to a revision of the tariff; and whenever they referred to a revision of the tariff they meant a revision downward and never a revision upward.

Those who advocate a duty upon lumber in this Chamber do so under the strict interpretation of the Chicago platform. We do not ask for any deviation either from the letter or the spirit of that platform; and we are perfectly willing, in our contention here, to accept any and all interpretations of that platform which were placed upon it when the candidates for the high office of the Presidency were interpreting it before the people. No one will contend that anyone interpreted the platform adopted at Chicago to mean the destruction, the impairment, or the jeopardizing of any industry for which it was necessary to have protection in order to preserve it. I want to read here a statement from the President, made during the canvass, in which he said:

> I come now to the question of the tariff, its revision, and its relation to the unlawful trusts. The Dingley tariff was adopted immediately after the election of Mr. McKinley. Since that time we have passed through the Spanish war and have had a decade of prosperity and an increase and expansion of trade unexampled in the history of this or any other country. The Republican principle of the protective tariff is, as I understand it, that through the customs-revenue law a tariff should be collected on all imported products that compete with American products which will at least equal a difference in the cost of production in this country and abroad, and that proper allowance should be made in this difference for the reasonable profits to the American manufacturer. The claim of protectionists—and it has been abundantly justified in the past—is that protection secures a high rate of wages and that the encouragement it gives to the home industry operating under the influences of an energetic competition between American manufacturers induces such improvement in the methods of manufacture and such economies as to reduce greatly the price for the benefit of the American public and make it possible to reduce the tariff without depriving the manufacturer of needed protection and a good profit.
>
> The present business system of the country rests on the protective tariff, and any attempt to change it to a free-trade basis will certainly lead only to disaster.

Now, Mr. President, that was one of the noted speeches of the campaign, in which the platform upon which the candidate was standing was interpreted—as the President understood it; and in sustaining our position, as we can, we are perfectly willing to accept the platform in its literal interpretation, as that interpretation was made before the great masses of the people who passed upon it.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Will the Senator from Idaho yield to the Senator from New Hampshire?

Mr. BORAH. I will.

Mr. GALLINGER. Will the Senator permit me to read an extract from the speech of acceptance of the Republican vice-presidential candidate?

Mr. BORAH. I will.

Mr. GALLINGER. The distinguished gentleman who at present presides over this body was likewise on the Republican ticket as a candidate for the high office of Vice-President. This is his utterance when he was notified of his nomination:

> First, then, let me say that I am a protectionist. I am sufficiently practical to value the utility of a fact higher than the beauty of a theory. I am a protectionist because experience has demonstrated that the application of that principle has lifted us as a Nation to a plane of prosperity above that occupied by any other people. I especially commend that plank of our platform which promises an early revision of the tariff schedules. That pledge will be fulfilled in an adjustment based in every particular upon the broad principles of protection for all American interests; alike for labor, for capital, for producers and consumers. The Dingley bill when enacted was well adapted to the then existing conditions. The developments of industrial prosperity in a decade, which in volume and degree have surpassed our most roseate expectations, have so altered conditions that in certain details of schedules they no longer in every particular mete out exact justice to all. In this readjustment the principle of protection must and will govern. Such duties must and will be imposed as will equalize the cost of production at home and abroad and insure a reasonable profit to all American interests. The Republican idea of such profit embraces not alone the manufacturer, not alone the capital invested, but all engaged in American production, the employer and the employed, the artisan, the farmer, the miner, and those engaged in transportation and trade; broadly speaking, those engaged in every pursuit and calling which our tariff directly or indirectly affects.

I thank the Senator for permitting me to put this into the RECORD.

Mr. BORAH. A great deal has been said, Mr. President, in this Chamber and elsewhere with reference to the meaning of the Chicago platform. I am one of those who believe that the Chicago platform meant an honest and faithful revision of the tariff, and that that revision was understood in the public mind to be a revision downward, but always within the lines of sufficient protection to American industries and American labor.

This, Mr. President, did not mean, as was so often pointed out during the campaign by the President himself, but that there might be instances in which it would be necessary to raise the duty in order that the principle of protection might be preserved; but undoubtedly it did mean, in a general way, that when the duties could be lowered, within the policy and principle of the party of protection, that that should occur, and that rule should be adopted and carried out in good faith.

But, Mr. President, there was nothing better understood by the great mass of the American people during the last campaign than that there should be no injudicious, indiscriminate, or unfriendly attack upon the underlying and fundamental principles of the protective policy. There was nothing better understood than that whatever revision should take place by the American Congress should be within the light of that great principle and within the integrity of that principle. The people understood that just as fully and just as completely as they understood that they would take hold of the tariff and undertake to adjust irregularities and abuses which may have grown up in the last ten years. They had an opportunity to pass upon this question. It was directly presented. It was accentuated, not only by the platforms but by the candidates themselves. One of the candidates had been reared in the school of protection. He was pledged to the policy, and it was understood that whenever he directed the revision of the tariff it would be in the effort to preserve the protective policy with reference to all these industries.

The other candidate had been reared in the school of tariff for revenue only. Both candidates were pledged to revision. One of them was a friend of protection, the other was an enemy of protection; and the American people said, with an overwhelming voice, "Give us revision, but give it to us by the friends of the American protective policy, in order that it may be preserved as the Republican party has preserved it in this country in the last fifty years."

If they had been desirous of having a revision here which should ignore the protection of American industries, they had an opportunity to cast their votes in accordance with that desire. They did not do so, which meant, when there is fair interpretation of the platform, that the American people wanted revision; but above all and beyond all they wanted the great policy of protection preserved in the industrial system of the United States.

There never was a time, Mr. President, when the protective principle was so universally accepted, North, South, East, and West, as at the present time. We have our matters to adjust and conditions to meet; high prices, and those incidents and things which have been discussed here; but it is not yet the belief of the majority of the American people that you can meet those conditions and adjust those situations by tearing down the barriers and removing the walls, so that the foreign manufacturer may take possession of the American market.

There never was a time either, Mr. President, in my judgment, when it was so essential and so necessary carefully to guard the protective principle as it is to-day. All duties should be lowered which can be lowered and the policy and principle of protection

preserved; and so far as I am concerned, I am perfectly willing to meet this timber schedule, or any other schedule which is presented in this Chamber, upon that basis; but when it is contended that the American people understood that in this question of revision we should ignore that principle, an effort is made to insert in that platform something which was never there, and which no one ever conceived of. No man went into the country where I lived, or any part of it, and advocated the doctrine which has been advocated in this Chamber as the principle which should prevail in reference to revision; that is, that it should be downward, regardless of the principle of protection.

Mr. CLAPP. Mr. President——

The PRESIDING OFFICER. Will the Senator from Idaho yield to the Senator from Minnesota?

Mr. BORAH. I will.

Mr. CLAPP. I have spent a great deal of time trying to remain in the Chamber and have read speeches to which I did not listen, and have not yet heard anyone on this side insist upon any such claim. If there is any claim here that the tariff should be revised ignoring the principle of protection, I should like to have that claim located. It certainly has not been uttered while I have been in the Chamber, nor has it appeared in any speeches from our side that I have read.

Mr. BORAH. Well, Mr. President, of course I do not know just how the Senator interprets the language of the Senator from Minnesota [Mr. NELSON] when he said here a few days ago that the protective policy was building up the monopolies of this country and that timber should go upon the free list. I do not know how the Senator interprets the language of the Senator from North Dakota [Mr. MCCUMBER] when he says that an industry that employs 800,000 men should be turned over to the foreign manufacturer.

Mr. CLAPP. Will the Senator pardon an interruption?

Mr. BORAH. Always.

Mr. CLAPP. I have listened to the speeches of my colleague and to the speeches of the Senator from North Dakota, and I do not recall either of them suggesting that an American industry should be turned over to foreigners. It is true, and I think the Senator will agree to it, that if there are monopolies in this country, they may have grown up; and if they grew up within the last ten years, they may have grown up under an unduly high protective tariff. But this building up of a man of straw for the purpose of having the exercise of striking him down does not, in my mind, conduce to the settlement of the real question, and that is, How much tariff is needed in order to preserve, in the present instance, the timber industry or any other industry of the country?

Mr. BORAH. I would not refer to the colleague of the Senator from Minnesota as a man of straw. I think he made the statement I said he made, and any fair interpretation of it is to that effect.

Mr. CLAPP. I ask the Senator from Idaho if my reference to a supposititious case of striking down a tariff could be fairly interpreted as a suggestion from me that my colleague is a man of straw——

Mr. BORAH. Oh, no.

Mr. CLAPP (continuing). And warranted the response of the Senator from Idaho?

Mr. BORAH. Oh, no; not at all. I am aware that the Senator from Minnesota does not regard his colleague in that light at all. He referred to what I had said as being the building up of a man of straw, while I had drawn it from the lips of his colleague. He can draw his own inference.

Mr. BURKETT. Will the Senator permit me to ask him whether the fact that a Senator advocates putting the rest of lumber on the free list indicates that he is against the protective policy any more than putting fence posts and kindling wood and cedar and lignum-vitæ and mahogany and rosewood and the others that the committee have already put on there indicates that they are deserting the protective tariff policy? They have already put on over half of them, at least, by name on the free list. We are only insisting that they put on the rest, the lumber that we use. We do not use much rosewood in the Missouri Valley. We do not use much lignum-vitæ and mahogany out there; and by name they put on two or three times as much on the free list as we want to put there; and because we ask that the rest go on the free list we are branded as free traders and as abandoning the protective policy. Why should we thus be branded, when the committee themselves have done what they have, and yet disclaim that they are free traders?

Mr. BORAH. If the Senator from Nebraska will prepare an amendment putting those articles on the dutiable list, I will support it.

Mr. BURKETT. The Senator does not answer the question, but he turns around and asks something else.

Mr. ALDRICH. The Senator from Nebraska admits—of course he knows—that none of the woods to which he has referred is produced in the United States, and that no American industry is affected by their being on the free list.

Mr. BURKETT. The Senator from West Virginia brought in a box full of samples of some kind of woods which, I understood him to say, were included in this list.

Mr. ALDRICH. Brierwood for making pipes; but that is an entirely different proposition. These hard woods are already on the free list, and no American industry is affected by it, and the comparison made by the Senator he must himself admit has no relation to this matter.

Mr. BURKETT. We produce fence posts and kindling wood in this country, certainly.

Mr. BORAH. I do not object to the Senators proceeding, but they should do it in an orderly way, that I may keep run of it.

The Senator from Minnesota [Mr. NELSON] a few days ago said:

> My objection to the duties levied upon lumber rests upon the fundamental fact that it is fostering and building up one of the greatest and worst monopolies in the country.

I thought, Mr. President, when I heard that language that I had heard it somewhere before. I was like the member of the legislature, either in Massachusetts or Arkansas, or some other good State, who heard the Lord's prayer by the chaplain, when the session was opened, and said he was certain he had heard it somewhere before.

It has long been a contention in this country that the protective policy builds up monopolies. It has not usually come from this side of the Chamber. It has usually been presented with a great deal of effect from the other side of the Chamber. But I want to say that if that is true, if it does build up monopolies or if the legitimate result of it is to build up monopolies, this bill should be sent back to the committee and reconstructed upon a different basis entirely; and it will be very difficult after this doctrine, this new revelation by the Senator who has been lately to the island of Patmos, goes out to the American people to sustain the protective policy before the people of this country.

It has been advocated since the day when some people charged Alexander Hamilton with promulgating it for the purpose of protecting the moneyed interests of the country at that time. It has been advocated upon every political battlefield from 1860 to the 3d of November, 1908, and it has been as successfully met not only by the arguments of the men who do not admit, but as successfully met by the judgment of the great American jury—the men who vote in this country.

I turned back to find the source of this argument, which has been submitted from this side of the Chamber, and I find, among others, the statement of Roger Q. Mills in the great debate of 1888. He said:

> It builds up palaces; it concentrates wealth; it makes great and powerful magnates, but it distributes none of its beneficence in the homes of our laboring poor.

Mr. McMillin, discussing the proposition, said:

> While the Government has thrown up its tariff walls without, monopolists have joined hands within for the purpose of putting up prices and plundering the people through the devices known as "trusts," "pools," and "combines."

Mr. Wilson, who was afterwards the father of the Wilson bill—a bill which will be remembered in this country a good while after to-day, said:

> Similar trusts are springing up constantly in the articles protected by your tariff and beneath its favoring shelter.
>
> I have quite a list here which a friend has gathered from the columns of a single great paper—the New York Times—but I have no time to read them to-day.

I might quote indefinitely the arguments which were made in 1888, in 1894, and which to an extent prevailed in 1894. It was precisely the argument which the Senator from Minnesota has submitted against the second greatest industry in the United States.

Now, let us see the answer to that. Thomas B. Reed was one of the giant intellects of this country. He was not only an adept in legislation, but he was a statesman. He did not possess the art of popularizing himself as some men of lesser ability did, but even when he stood alone he was a host. And he answered that, saying:

> I suppose that during the ten years last past I have listened in this Hall to more idiotic raving, more pestiferous rant, on that subject than on all the others put together. And yet I do not regret it. What a beautiful sight it is to see the revenue-reform orator go into action against monopoly. Nelson, as he stood blazing with decorations on the decks of the *Victory* on the fatal day of Trafalgar; Napoleon at Friedland, as the Guard went cheering and charging by; Thomas Sayers, as he stripped for the championship of England when Heenan had crossed the lifting waters; the eagle soaring to his eyrie; the royal

man-eating Bengal tiger in his native jungle; nay, the very bull himself, the strong bull of Bashan, as he uplifts his bellow over the rocky deserts of Palestine, are all but pale reminders of one of these majestic creatures.

It is an old subject, an old principle, applied to the timber industry, the second greatest industry in the United States, with $800,000,000 invested, 800,000 men employed, 29,000 sawmills, and purchasing more of the farm products of Minnesota and Nebraska than any other industry in the United States.

It is not a question alone whether or not it will bring you cheaper lumber, but it is a question whether you will preserve that which is the basis of the protective policy, and that is the home market.

Idaho alone has 20,000 of her men employed at $3 a day in this industry. The Pacific coast pays $127,000,000 a year to labor in this industry. One hundred and ninety thousand men are employed in it upon the Pacific coast. That is only a portion of this great industry which has been built up by a $2 rate into a "vast monopoly"—$19 lumber, and yet they base upon that the proposition that it has been built up by a $2 duty. This duty could be sustained as a revenue duty, if it were necessary to do so.

The importations from Canada for the last seven or eight years have increased about 300 per cent. The price of lumber from Canada has increased about 100 per cent. It has not been undersold by reason of the fact that Canada sent it in. It was all sold at the same price. Only a few weeks ago there came into the harbor of San Francisco a ship laden with railroad ties. They had been cut in oriental forests. They had been hauled to the seashore, not by horses, but by human beings. They had been shipped across the ocean and paid the duty, and yet sold in the American market for the price at which American labor could not cut them and bring them to a railroad. You pass laws excluding the Orientals for the reason that we can not compete with them in this country, but what difference does it make to the American laborer whether his competitor stands upon American soil or upon oriental soil if the competition drives the men from the field of labor just the same? And unless you have that industry protected it must inevitably follow that it is subject to the same competition as every other industry and based upon the same principle.

The Senator from North Dakota, speaking a few days ago, said:

> First and superior to every other question is the question of protection. That stands preeminently far above the idea of revising downward, or on a horizontal scale, or revising upward. The first duty that is imposed upon the American Congress, if I understand the voice of the American people, is that this country shall still go forward under the banner of protection.

I agree with the Senator perfectly. The first duty that is imposed upon this American Congress, if I understand the voice of the American people, is that this country shall go forward under the banner of protection. That is good doctrine. It is orthodox. It is not only orthodox, but upon it rests the industries which have been built up in this country.

I want to say to the Senator from North Dakota that it can apply to the timber industry itself as effectually as it can to any other industry, and you can not take it away from the timber industry any more than you can from any other. The question of the protection of lumber is just the same as the protection of any other industry.

> The second proposition—

Said the Senator—

> and that is subservient to the first, is that we shall revise downward, but always maintaining a sufficient wall against foreign importations to protect the American manufacturer, the American farmer, and the American laborer.

Again the Senator said:

> The third duty that is imposed upon this Congress is to raise sufficient revenue to conduct the affairs of the Government as economically and properly administered.

Now, those are the three fundamental principles, well stated, succinctly stated, and they are controlling. What is the exception? Why is timber excepted? It is excepted, says the Senator from North Dakota, because we want to conserve our forests. Let us discuss that for a few moments, and then I will not detain the Senate longer.

In the first place, Mr. President, it appears that at least 20 or 25 per cent of our timber holdings are now in forest reserves. Unquestionably it is not necessary to take the duty off to protect that which is in forest reserves. That is under the control of Mr. Pinchot.

Mr. CLAPP. Mr. President—

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. BORAH. Certainly.

Mr. CLAPP. If the Senator will pardon a question, is it not a fact that—of course under regulations designed to conserve the timber, yet nevertheless under regulations which at the same time invite lumbermen—if conditions prove profitable, the timber is constantly being sold within the forest reserves?

Mr. BORAH. Exactly; but it is being sold under the control of the Government, and certainly the question of the tariff does not affect the Government in that proposition. The sale conserves the timber, I admit, as suggested by the Senator, and certainly the price of lumber is not controlled by the question of the duty.

Mr. CLAPP. That is true; nobody would suggest that the tariff had anything to do with that; but the suggestion was that the demand and the price for timber would find its relation in the effort to purchase the timber in the forest reserves.

Mr. BORAH. Mr. President, I do not understand how the question of a duty can have very much relation to this 25 per cent which is now under the control of the Government. It is constantly there. It may sell it at any price, or sell it as it chooses, or not at all; and it can not affect it, in my judgment, either in the matter of producing it or anything else. It is there under complete and absolute control.

The Senator from Minnesota says that the balance of timber outside of forest reserves has now been gathered up by these monopolies; practically, as he says, all of it. So we have, first, the timber which is in the possession of the State or the Government, and second, the timber which is now under the control of the monopoly. They argue, then, that by taking off this duty it will conserve or preserve the timber owned by these two great influences—the Government and the monopoly.

As I have referred to the timber in the forest reserves, I will now refer for only a moment to the timber in the control of those who are called "monopolists." Do you think that when you take the duty off of lumber, if there is a combination with reference to these prices, that you will confine it alone to the American side of the line? On the other hand, if there is a necessary reduction in the price of lumber, upon whom will it be visited? It will be visited upon the man whose wages are reduced in the mill. It will be visited, as it is in every instance where they are in control, as it is said they are in this instance, upon the man who does the work, because the profit will not be sacrificed by those who are in absolute and complete control of the situation if the two positions are correct.

Mr. President, I have occupied a longer time than I expected. I expect to return to this subject when we come to the question of the amount of duty upon lumber.

Mr. McCUMBER. Mr. President, I wish to take up a few minutes' time in replying very briefly to some of the arguments that have been given here in support of the old Dingley rates on lumber. There has been a great deal of discussion upon the proper construction to the Chicago platform. Everyone who has spoken upon the question of a high protective duty upon any article has insisted that the provision of the Chicago platform, standing first for protection, necessarily compels everyone who marched to the banner of protection to vote for a protective duty on every article that could be considered in these tariff schedules.

The Senator from Idaho has accused me, at least inferentially, of not following my own theories. I ask him what his opinion is about the necessity of a tariff upon binding twine? The committee has reported in favor of placing binding twine on the free list. Does his allegiance to the principles of protection require him to put that upon the protected list? Certainly he is just as much bound to vote to put that article upon the protected list as I am bound, being a protectionist, to vote to put lumber upon the dutiable list.

Mr. President, the underlying principle of the protective policy is that it compels the consumer to pay an additional sum to-day, compels the greater number to pay a greater price for a given commodity to-day by an assurance that it will pay a less price for it to-morrow. That is the Republican policy, and reduction in cost has been its result wherever it has acted upon the great products of this country. No man can deny for a single moment that if we had remained a free-trade country we would be paying two or three or four times as much for all of the great manufactured articles that we use in the country as we are paying to-day. But that does not necessarily mean that there shall be no free list upon the schedules that we are to pass upon.

Mr. President, nothing is ever gained in debate by a misstatement of the position of your adversary, and yet in nearly all of the discussion upon this lumber question very few of those who have favored the higher protective duties have correctly stated my position before the Senate.

Mr. BORAH. Mr. President——

Mr. McCUMBER. I tried to make myself absolutely clear in the very beginning of this discussion and to show why I believe that the timber lands in this country should not be further protected. I could repeat that.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Idaho?

Mr. McCUMBER. I yield, Mr. President.

Mr. BORAH. When I stated the position of the Senator from North Dakota, I read from the RECORD. I do not think he will contend that I misstated his position.

Mr. McCUMBER. If the Senator had stopped there, no complaint would have been made, but when the Senator goes further than that and says that my position is inconsistent, because I believe in closing up these mills and throwing these laborers out of employment for the benefit of the Canadian producer, then the Senator from Idaho very erroneously states my position——

Mr. BORAH. Mr. President——

Mr. McCUMBER. In one moment. Because, Mr. President, I have made it as clear as it is possible for the English language to make it, that in my candid judgment not a single mill will be closed.

Mr. BORAH. I stated the position of the Senator, and then I stated my conclusions from his position. I am aware that he contends it would not have that effect, but I did not myself draw that inference from his position.

Mr. McCUMBER. I said, and I state again, that the underlying principle of the policy of protection to-day has no application to the lumber industry in the United States. I think I gave the propositions the other day, in short statements, and as clear as I could express it. I will reread those particular propositions. I said:

> But whenever, by reason of the exhaustion of the raw material out of which any article is manufactured, the price must become more and more to the customer, the reason for the protection falls, and with it should fall the duty which is given that protection.

I further said:

> The third principle is that protection gives employment to our own people. But here again it can only be justified when such employment can either be increased by the protection or at least remain stationary.
>
> There is no economic gain which decreases the opportunity for future employment in an exact ratio to the increase of present employment. There is no principle of protection which will sacrifice the immediate future to the present.

I gave it as my opinion that the exhaustion of the lumber supply in this country had gone on to such an extent that the time had arrived in the history of the country when lumber should no longer be protected.

The senior Senator from Idaho [Mr. HEYBURN], in discussing this subject, of course, discusses it from a standpoint that the timber resources of this country are practically inexhaustible. If his proposition is true, there is not the slightest foundation for my argument. It seems to me that in a discussion of this matter we should consider the proposition made by our opponents fairly and honestly. The Senator from West Virginia insisted that anybody who thought that the lumber supply was going to be exhausted in thirty or forty or one hundred years or in two hundred years was laboring under a hallucination, and the Senator from Idaho, going one step further, and a pretty big step, insisted a few moments ago that there was no more prospect of exhausting the timber supply of this country than there is of exhausting the air that we breathe, and that anyone who takes a different view of that subject must be insane.

Mr. President, there are a great many people who argue this question upon the basis that anyone who disagrees with them to the slightest degree must be to that extent laboring under a hallucination, and if they disagree entirely they have certainly gone mad. Anyone who takes that position has reached a condition where his own sanity may be seriously questioned.

But I want to go over this statement for a single moment, because it all rests upon the proposition as to whether or not the lumber supply will practically be exhausted in a very short time. If it is inexhaustible, it may well be protected. If it is rapidly reaching a state of exhaustion, it should not be protected. I first call attention to Mr. Pinchot's testimony, and to what he says with reference to the lumber supply. The Senator from Idaho and the Senator from West Virginia may accredit it to his hallucination or insanity. I notice that whenever he says that a higher duty upon lumber will conserve our forests they give him credit for sanity. They then admit that he has lucid intervals.

Mr. President, I will assume that he is reasonably sane all the time and quote from his evidence upon the question how long the lumber supply of the country will continue. He says in these hearings:

> As to the growth on the total area of forest land in this country it is estimated at about 12 cubic feet per acre per annum. That is because so much of the forest is in bad condition. There probably would be 40 cubic feet per acre per annum if our forests were properly handled. We are cutting timber three and one-half times as fast as we grow it, and this is very rapidly reducing the supply.

I would ask the Senator from Idaho, Is that statement correct or incorrect, that we are cutting about three and a half times as rapidly as we are producing? That does not take in fire ravages or any other destructive agency.

Mr. BORAH. I do not know whether it is correct or not, but I am willing to admit, for the sake of this argument, that it is; and, being correct, it is all the more necessary that we shall establish a high protective tariff to induce the people to plant trees.

Mr. McCUMBER. That is, Mr. President, to make the lumber so extremely high that the people will plant trees for their crops instead of grain and other cereals. I hardly think the Senator can get very many to follow him in that argument. Mr. Pinchot says:

> Of all the forests in the United States about one-fourth of the acreage is held by the Nation and the States and three-fourths in private ownership. This three-fourths contain about four-fifths of the standing timber. It is safe to say that not to exceed 1 per cent of the privately owned timber is being handled in a conservative way; the rest is being cut without any reference to the future. About 18 per cent of the whole area, including the national and state forests, is being handled in a conservative way.

And yet the Senator from Idaho insists that all or practically all of these lumbermen are protecting the forests so that they may raise another crop of trees.

> The rest is being cut without any reference to the future. About 18 per cent of the whole area, including the national and state forests, is being handled in a conservative way. This means, briefly, that although our forests at present are producing only one-third of what we use, we are still taking no thought of the future and are allowing them to be destroyed, practically unchecked, except for the one-fourth of the total area that is in the government or state ownership, so that the forest situation is a most serious one. We use four or five times as much timber per capita as the other large nations. Our whole civilization has been accustomed to an enormous use of wood, and when the shortage comes, as it is coming, it is going to be a very serious one. The destruction of our forests will also have a very serious effect upon our water supply. We estimate now that there is in the neighborhood of 2,500,000,000,000 feet of timber in the United States.

And I am specially desirous, Mr. President, that those Senators who desire to consider this question from the standpoint of the conservation of our forests will at least have some idea of what timber we have and about how long it is liable to last.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Idaho?

Mr. McCUMBER. I yield, Mr. President.

Mr. BORAH. I should like to read here the position of one of the great foresters of the world in regard to what I stated a few moments ago, if I do not interrupt the Senator.

Mr. McCUMBER. I have no objection at all.

Mr. BORAH. Doctor Schenck says:

> The forest can be conserved only by the production of trees and by applying to the trees the rule of economic sense. The gigantic forests which now stand we do not mean to conserve them; that is not the idea. Those trees have reached their prime, and those trees must be cut as surely as wheat must be cut when it is ripe. So it is with timber. We have cut these matured trees, and what we want to conserve by national conservation is not the trees, but the productiveness of the soil; the production of trees and not the tree itself.

Mr. McCUMBER. There is no disagreement on that at all. I am not assuming that we will not cut those trees that are ripe, but I am assuming that we will cut them, and then I am estimating on that proposition and that argument, about how long before they will be exhausted, and then I can apply the same argument to the matter of reforesting and see how long it will take us to grow those trees.

Mr. BORAH. I understood the Senator to say that he did not take very much stock in the proposition of replanting.

Mr. McCUMBER. No, Mr. President; I do not take a great deal of stock in the matter of replanting; that is true. I take a great deal more stock, however, in the protection of that section which has already been partially denuded, keeping it free from forest fires, keeping it free from the ravages of the lumbermen who want to cut the trees as soon as they can make a scantling out of them; and if we can do that, we can, in a century or so, get pretty fair forests where they have already been denuded. Mr. Pinchot says, further:

> We estimate now that there is in the neighborhood of 2,500,000,000,000 feet of timber in the United States and that the total use of wood for all purposes is about 100,000,000,000 feet a year. At that rate our forests would be exhausted in about twenty-five years.

That is, even at the present rate of consumption.

As a matter of fact they will not be exhausted in that time, because of the growth which will take place and a lessened consumption caused by higher prices.

Now, that is right along the argument that I have been making. I do not claim that we are going to exhaust all of our lumber supply in twenty-five or thirty years. I have stated again and again that as we near the completion of the exhaustion, we will send the prices up so high that we will be compelled to find other sources of building material.

But there is no question in my mind that we are approaching very rapidly a position where we are going to suffer as a nation very seriously from a shortage of wood.

Now, this is by a government expert, whom I am assuming, for the purposes of this argument, to be absolutely sane.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. McCUMBER. I yield.

Mr. GALLINGER. I will ask the Senator if the 2,500,000,000,000 feet that the Senator speaks of is timber as contradistinguished from hard woods that are used for other purposes—for instance, for fuel?

Mr. McCUMBER. Mr. President, I understand it is intended to cover all; and the hundred billion includes lumber and wood used for other purposes.

Mr. GALLINGER. I have no doubt a hundred billion is relatively correct, although we use about forty billions of timber——

Mr. McCUMBER. About forty-two and a half billions, probably, this year.

Mr. GALLINGER. The matter that I am interested in is as to whether two billion five hundred millions included all the woods of the United States, because if that is an estimate, made even by a scientist, it seems to me he is very far short of the mark.

Mr. McCUMBER. The Senator is quoting the wrong figures entirely. The amount is given as two thousand five hundred billions.

Mr. GALLINGER. That is what I meant to say.

Mr. McCUMBER. Not two billion five hundred millions.

Mr. GALLINGER. I quoted the article correctly in the first place. I want to repeat it, and I want to say that, in my opinion, that must be far below the mark, if it includes all of the woods of the United States.

Mr. McCUMBER. I do not think it is far beyond the mark. I want to call the attention of the Senator from Idaho [Mr. HEYBURN] to another pretty good authority upon the question of the denudation of the forests, not only of this country, but of the entire world. The Senator from Idaho in his flight of oratory asked us to designate a single thing that had ever yet been exhausted in the world; and because we were not ready to immediately say that any one of these great natural resources has ever so far been exhausted, it necessarily follows that they never will be exhausted. The argument of forty years ago was that the great forests of Minnesota were inexhaustible.

The white pine is exhausted to-day, and the other pine is nearly exhausted in the States of Michigan, Wisconsin, and Minnesota. That, it seems to me, ought to answer the very optimistic idea of the Senator from Idaho, that there would be no immediate exhaustion of our timber supply.

Mr. President, every argument that has been made in favor of the protective policy as applied to lumber has been an argument based upon the inexhaustible supply of timber in the United States, and to that extent such arguments are without foundation. My argument, based upon the fact that the timber supply is about to be exhausted, has not been met in any single argument, but rather avoided.

Mr. CLARK of Wyoming. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Wyoming?

Mr. McCUMBER. I do.

Mr. CLARK of Wyoming. I understand that the United States has in its timber reserves at present something like 150,000,000 acres.

Mr. McCUMBER. It has about 25 per cent.

Mr. CLARK of Wyoming. Of this probably 100,000,000 acres is in fact timber land. Has the Senator from North Dakota any information as to the comparative amount of the timber land of Canada with the reserve timber land in the United States, leaving out of calculation the land held in private ownership in the United States?

Mr. McCUMBER. I understand, as a general proposition, that the timber supply of Canada is about one-third of what the timber supply of the United States is.

Mr. CLARK of Wyoming. Then, the conclusion would be that the entire timber supply of Canada would be substantially equal to, and possibly a little more than, the reserve timber supply of the United States. The reserve timber supply of the United States being in such condition that it is impossible of exhaustion, it comprises an indefinite and indeterminate supply for the indefinite future.

Mr. McCUMBER. Let us suppose that there are a hundred million acres of actual timber land that can not be entirely exhausted. That would not in fifteen years give us, at the present growing rate of consumption, one-tenth of the lumber that would be necessary in the United States.

Mr. President, the argument of the Senator from Idaho has been along the line—and all of his arguments have been along that line—that there was no necessity whatever of conserving our forests, and that the world has never been injured by the deforesting of any section. There was a conference held on the conservation of our natural resources at the White House on May 13, 14, and 15, 1908. One of the papers read was by Mr. R. A. Long. I understand that he is one of the men who has peculiar knowledge upon this subject, having made a great many reports upon it, and being thoroughly acquainted with the subject-matter.

Mr. GALLINGER. Where is he from?

Mr. McCUMBER. He is from Kansas City. I want to read a little of what he says. He first speaks of the timber supply of the cities of Tyre, of Sidon, and of Joppa. Then, speaking further on that subject, he follows with this statement:

The rain-bearing clouds still float above the mountains of Syria; but they pass on over the bare and heated rocks, and the brooks and small streams of Palestine no longer exist, and throughout Syria stone furnishes the only material for building, and wood is as precious as silver.

May it not be true that the destruction of Tyre and Sidon was in great part in consequence of the destruction of these forests, which has rendered that country a barren desert, supplying a scanty sustenance to the sparse population—its beauty, its fertility, its usefulness gone? So the physical geographers assure us.

In "Sinai and Palestine," by Dean Stanley, an authoritative record, appears the following:

"The countless ruins of Palestine, of whatever date they may be, tell us at a glance that we must not judge the resources of the ancient land by its present depressed and desolate state. They show us, not only that 'Syria might support tenfold its present population, and bring forth tenfold its present product,' but that it actually did so. And this brings us to the question which eastern travelers so often ask, and are asked on their return, 'Can these stony hills, these deserted valleys, be indeed the Land of Promise, the land flowing with milk and honey?'"

Speaking further on he says, referring to the ancient writers:

Plato writes that the consequences of deforestation is the "sickening of the country." Cicero, in one of his philippics, designates those engaged in forest devastation as the "enemies of the public interests."

Mesopotamia, one of the most sterile countries in the East, was once praised on account of its fertility, where, according to Herodotus, "the culture of the grape could not succeed on account of the moisture;" and the Euphrates River, once the source of an ample water supply, is swallowed up in this desert.

Greece shows the progress of a similar decadence. Sicily, once the never-failing granary of the Roman Empire, while it was well wooded, is now entirely deforested, and crop failures are the rule. Cæsar and other Roman writers describe the "vast forests" throughout the entire territory. Since then thousands of square miles have been deforested. Many countries, where the destruction has been most reckless, have taken systematic measures to control the destruction and secure the reproduction of exhausted areas. To this they have been driven, not only by the lack of timber and fuel, but also by the prejudicial effects exerted upon the climate and the irrigation of the country by this denudation.

China has paid absolutely no attention to the preservation of her forests; hardly a twig left in what was her great forest fields, while Japan, close by, has 59 per cent of her total area under forests, and the Government has reserved under its control a very large part of the whole. Compare the conditions of these two countries, side by side, and draw your own conclusions.

Mr. President, there is an answer—not one answer, but many answers, and vivid answers—to the question of the Senator from Idaho as to whether at any place in the world the timber supply has been exhausted.

The junior Senator from Idaho [Mr. BORAH] insists that a higher duty, by advancing the price of lumber, will necessarily protect the forests of this country. I think that I have shown almost conclusively that the higher the price of lumber the greater devastation among the younger trees in the forests; but if I have not made myself absolutely clear upon that point, I want to call attention to the testimony given before the Ways and Means Committee by one who seemed to be pretty thoroughly acquainted with the matter. I now read from page 3153 of the hearings the statement of Edgar H. Bucklin, of Ithaca, N. Y. He is dealing mostly with the lumber districts of Maine, Vermont, and New Hampshire, where it is claimed that we need the higher protective duty in order to utilize all of your larger trees and not leave some of them to rot upon the ground; and here is what he says:

Experience and observation show that when there is a demand for lumber of that (low) grade at a good profit there is also a demand

for lumber from small trees, and trees that should be left standing for the future supply are all cut into lumber, even trees of 5 inches diameter on the stump, and the forest is denuded.

Again he says:

One of the reasons of the large supply in the market of low-grade lumber is that, on account of the high prices that have prevailed, a large proportion of lumber has been cut that should have been left standing for future growth.

I think those extracts answer the claim of the Senator from Idaho. Again Mr. Bucklin says:

When only the larger timber was taken, several cuttings were made at different times from the same land, and the tops and stumps were finally used up, as has been done generally in the State of Michigan.

The tariff on low-grade lumber tends to increase the destruction and cutting of small trees and the consequent destruction of the future forest. Canada more wisely admits all those grades free of duty upon which our tariff is $2 per thousand in the rough and $3 per thousand if planed, like common house studding, joists, rafters, and general dimensions.

The result (of our policy) is that the public are forced to use at high prices a poor grade of lumber that will soon decay, and the future supply is exhausted in the destruction of the young trees.

Mr. Bucklin says that in New Hampshire 3-inch logs are cut, and that in New York hemlock is cut if it will make a piece 4 inches square and 10 feet long. "The cutting of small trees," he says, "is general throughout the eastern portion of our country, and, in a lesser degree, is taking place in the West."

This is an answer, Mr. President, to the arguments that high prices will conserve the forests.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from New Hampshire?

Mr. McCUMBER. I yield to the Senator.

Mr. GALLINGER. I think the gentleman from whom the Senator from North Dakota quotes is laboring under a misapprehension so far as New Hampshire is concerned. In New Hampshire we have a state forestry commission, and, in addition to that, we have a volunteer forestry commission, made up of public-spirited men of means, who are devoting their time, or a portion of their time, to solving this problem. The result is that in New Hampshire, under the direction of these two forestry commissions, our forests are being very largely conserved. In addition to that, we are reforesting to a very considerable extent. The forester of the state forestry commission, an educated forester, is giving a great deal of his time in that direction. Of course, there may have been instances where small trees have been cut in New Hampshire, as doubtless they have been everywhere, but the policy of the State is against lumbering in that way, and we are doing the very best we can to provide for the future by taking care of the younger trees.

Mr. ELKINS. Mr. President, I should like to ask the Senator a question.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from West Virginia?

Mr. McCUMBER. I yield to the Senator.

Mr. ELKINS. Mr. President, the theory of conserving the forests, according to the Senator's argument, would place the burden on the individual owner. It happens that the individual purchases these timber lands the same as the farmer purchases his farm lands, and he holds them as his only means of business, to help raise his family. Now, the Senator wants to put the burden of preserving or conserving the standing timber by having it free, so as to let in foreign lumber, as I understand him, the ultimate object being to prolong the life of the timber—in other words, conserve the same, make it last longer.

In all other countries the conservation of forests and natural resources is the concern of the state and not of the individual. The Senator's argument leads to the injury of the individual to the extent of confiscation of his property in the public interest. What does he propose when the lumber of Canada and Mexico are exhausted? If these countries are to supply us, this must happen soon. The State must meet the question of conservation and not the individual. We should not destroy the business of the timber owners, strip them of their industries and means of a livelihood by making foreign lumber free in order to conserve our forests. The duty of conservation of our timber rests upon the Government and not the timber owner.

I remember that in the Boer war, when England wanted to raise money to carry on the war, a duty of 1 shilling was proposed on all exports of coal. One of the arguments was that the coal would be conserved by an export duty. If our Constitution permitted, the Senator might be nearer right if he proposed an export duty on lumber rather than let the burden fall upon individual owners by making it free and foreign lumber take our markets.

Mr. GALLINGER. We can not have an export duty under the Constitution.

Mr. ELKINS. No; of course we can not lay an export duty, as it is against the Constitution; but that is the theory of other governments; but if we could, it would not be good policy, nor fair and just, because it would be placing a burden belonging to the Government on the individual.

Mr. CLAPP. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Minnesota?

Mr. McCUMBER. I yield to the Senator from Minnesota.

Mr. CLAPP. Waiving the constitutional difficulty of an export duty, I will ask the Senator if it is not a fact that, measuring the exportation of lumber from the United States to Canada in the last six years against the importation of lumber from Canada to this country, an export duty would not have brought more revenue to the Government?

Mr. ELKINS. We exported, if the Senator from North Dakota will allow me——

Mr. McCUMBER. I yield to the Senator.

Mr. ELKINS. We exported to Canada $15,000,000 worth of lumber last year, and that is a good deal. I do not know precisely what amount was imported from Canada, but I do not believe it was quite as much as that.

What I want to say is that the conservation of the forests is a matter of public concern, and properly so. Then why impose it on the individual? Men have invested all their fortunes in the lumber business, and why should we tell them now that they can not carry on their industry the same as their neighbors engaged in other business? It is right to tell them, "You are to prolong the life of timber by having your business made a languishing one, by which you can make no money?" Whenever you have a man in a position where he can not make money, he will abandon the business. That does not apply, I am willing to say, to all the lumber industries of the United States; but as to those bordering on Canada and Mexico, that would be the result if we had free lumber.

Mr. McCUMBER. Mr. President, it has never occurred to me in this debate that if I could secure the adoption of this amendment I was going to render homeless all the people who own timber land or that I was going to pauperize the Weyerhaeuser interest that owns about one-seventh, as I understand, of the entire timber supply of the United States, outside of what the Government owns, or that they would seriously suffer; nor do I believe that those men who bought their timber lands ten or fifteen years ago for about 15 cents per thousand and have seen them increase in value about 2,000 per cent, would be seriously injured if we should succeed in getting more lumber in from Canada.

I have stated again and again—and anyone who will study this question carefully will agree with me—that, considering the extent to which we are consuming our forests in the United States, considering the devastation of the forests in Canada, and the number of homes that are being built upon our western plains, under normal conditions in the next few years the demand is going to be greater than ever before, and that is itself a guaranty against a decreasing valuation of the lumber product. Those who have bought that product at almost nothing are not going to lose anything if we succeed in holding the price down to about what it is at the present time. Everyone of us know that the value of lumber for the last seven or eight years has been fixed, not entirely according to the question of supply and demand, but according to the limit of the ability of the American people to buy it. We were more prosperous from 1897 to 1907 than we had ever been before in our history.

Mr. DOLLIVER. Mr. President——

Mr. McCUMBER. Just a moment. We had more money than ever before; and, having more to spend and making more, we could still live and pay those exorbitant prices; but that condition could not continue forever; and even before the expiration of the year 1907 the price of lumber had already begun to go down, because it had got so high the people could no longer afford to purchase it.

Mr. DOLLIVER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Iowa?

Mr. McCUMBER. Certainly; I yield to the Senator.

Mr. DOLLIVER. I should like to ask the Senator from North Dakota upon what theory his amendment proposes to strike out section 199, which seems to be applicable to the tropical hard woods?

Mr. McCUMBER. I do not seek to strike it out. The amendment should not include paragraph 199.

Mr. DOLLIVER. If paragraph 199 is retained in the amendment, it would place on the free list tropical hard woods in all stages of manufacture.

Mr. McCUMBER. The amendment was not intended to cover that.

Mr. DOLLIVER. I should like to ask the Senator upon what theory he omits paragraph 202 from his amendment?

Mr. McCUMBER. That paragraph, Mr. President, covers articles upon which considerable labor has been expended.

Mr. DOLLIVER. More labor than on clapboards or shingles?

Mr. McCUMBER. I think so. "Hubs, for wheels, posts, heading bolts, stave bolts, last blocks, wagon blocks," I considered that that is not the lumber that is in general use.

Mr. DOLLIVER. On what theory do you put stave bolts on the dutiable list and put staves on the free list?

Mr. McCUMBER. I would state, Mr. President, that this matter is as it came over from the House. I have not tried to change it, because I did not consider that any of the articles mentioned there were of such general use as to require an amendment.

Mr. DOLLIVER. Staves on the free list did not come over from the House, but that change seems to be accomplished by one of the provisions of the Senator's amendment.

Mr. McCUMBER. I do not think the same rules apply to the articles mentioned in this provision that apply to all this other lumber that I have been discussing.

Mr. DOLLIVER. But you strike out the paragraph which provides a duty on staves, and at the same time leave the paragraph which preserves a very considerable duty on the material out of which they are made, which would seem favorably to affect the stave industry of some other country.

Mr. McCUMBER. I do not think that is correct.

Mr. DOLLIVER. Is it not true that your amendment puts staves on the free list?

Mr. McCUMBER. My amendment relates to paragraphs 197, 199, 200, 201, 203, 204, and 205.

Mr. DOLLIVER. Your amendment strikes out paragraph 204, which includes staves of wood of all kinds. That transfers them to the free list, if your amendment prevails; but you have omitted to put on the free list the materials out of which they are made.

Mr. McCUMBER. There would be nothing against that. That would be no criticism, certainly, that while the material might be admitted free the product should not come in free, after labor had been expended upon that material.

Mr. DOLLIVER. But the material has already had a good deal of labor expended upon it. The stave bolts are in the process of manufacture.

Mr. McCUMBER. Well, Mr. President, I suppose the wood is in the process of manufacture the moment the tree is cut down, but nevertheless it is not manufactured by being merely split into bolts.

Mr. DOLLIVER. I would like to ask the Senator another question. He seems to put staves on the free list, without disturbing at all the duties that are provided for barrels, casks, and the things manufactured out of staves.

Mr. McCUMBER. Mr. President, raw cotton is upon the free list and manufactured cotton is upon the dutiable list. The same reasoning would apply to this. I have cited the Senator to those cases in which there has been considerable labor expended, and I do not wish to take them off the dutiable list.

Mr. DOLLIVER. Mr. President, I have always understood that the putting of the duty upon the material out of which a thing is made naturally results in a somewhat higher duty upon the finished product. I think I have heard the Senator make that general observation. Yet I find that he has taken all these materials out of which barrels, casks, and boxes, and doors, sash, and blinds, and things of that sort are made, and conveyed them to the free list, and left these high rates of duty undisturbed on the materials out of which they are made.

Mr. McCUMBER. Yes, Mr. President; I have also included the lumber that goes into sash and doors and into many other manufactured articles, and have asked that it be put upon the free list; but I am not asking that the sash or the doors or anything manufactured from that lumber should be put upon the free list.

Mr. DOLLIVER. That is the very point to which I desire to call the Senator's attention.

Mr. McCUMBER. I understood the Senator——

Mr. DOLLIVER. The duties on sash, doors, blinds, and furniture and all that have been carefully and, as we supposed, scientifically, laid, in view of preserving certain duties on lumber as the product out of which they are made; but the Senator puts the material on the free list without giving attention, it seems to me, to the effect it might have on the propriety of the rate on the finished products.

Mr. McCUMBER. Mr. President, if the Senator was very desirous of maintaining a proper ratio between the raw product and the finished product, if we should adopt an amendment providing for the raw product, it would then be time enough to consider the proper differential for the manufactured product; but I propose to take only one proposition at a time; and then if this should be adopted, if the Senator thinks we should lower the other, he can present his arguments, and I for one will listen to them.

Mr. President, I do not know that there is any necessity of discussing the matter any further. I appreciate the fact that with the solid wall of protection on lumber which I find on both sides of this Chamber, the chances of the adoption of this amendment are not very bright, but I did wish to present my reasons for asking that lumber be placed on the free list, and I feel that all those reasons are absolutely valid.

Mr. DOLLIVER. Mr. President, if an amendment were presented here to put lumber on the free list, as that expression is understood in some sections of the country, it would appeal very strongly to me as a thing that might properly be considered; although I am bound to say that the amendment which has been offered by my friend from North Dakota [Mr. McCUMBER] reaches out in so many directions, covers such a great variety of things about which there has not been any public discussion, so far as I have heard, that I shall have very great difficulty in supporting that amendment in gross; and I desire to say a word or two about the lumber duties themselves.

The doctrine of protection, which has always been attractive to me, is national in its scope. There has never been any demand in the State of Iowa for any duty upon lumber.

Mr. CLAPP. Mr. President——

The PRESIDING OFFICER. Will the Senator from Iowa yield to the Senator from Minnesota?

Mr. DOLLIVER. Yes.

Mr. CLAPP. I want to suggest to the Senator that it strikes me that the proper place to begin with this thing is just where the Senator from North Dakota proposes to begin; and if that be adopted, there will then be abundant time to preserve or to develop a condition that will preserve the proper relation between those products of lumber and the lumber itself.

Mr. DOLLIVER. There is some force in that, but it is not probable that it will reach that stage.

Mr. CLAPP. It is not probable if it is not favored; but it does seem to me that it is hardly the way to get at it, to go to throwing bricks at the other end of the house.

Mr. DOLLIVER. I do not desire to throw any bricks.

Mr. President, I do not myself believe that the American people have made up their minds to do a harsh and injurious thing to any community in the United States. I have spent a good deal of time in studying the operation of our lumber tariff. There never was a time in the history of the Government, from 1842 until to-day, when lumber was dutiable at all, that it was not dutiable at a higher rate than it is now. The duties on lumber and the products of wood entered into the tariff of 1842 and, except under the Wilson bill, stayed there throughout the whole period of subsequent tariff agitations, now for nearly three-quarters of a century. I do not think those duties are needed now as they were in those early times, and yet there are corners of our country where they may be needed now.

There has never been an imported board brought into the State which I have the honor in part to represent. There never will be, whether lumber goes on the free list or not. No man can bring in a board from Canada or from any other section of the outside world and sell it, except through the mercantile organizations, which control the distribution of lumber in the United States. So I do not feel as if I could state to the public that putting sawed boards on the free list would operate to disturb the lumber prices which prevail in the community in which I reside.

Lumber was put on the free list in 1894, and I was so interested to observe the effect of that provision of law that I made long journeys to the frontier to see how the lumber duties were operating, or, rather, how the policy of free trade in rough lumber was operating. At the city of Duluth I found a bridge being built of lumber, connecting the city of Duluth with the city of Superior, a magnificent structure over a mile long, connecting two of the greatest lumber yards in America, but being constructed out of lumber brought in from Georgian Bay, notwithstanding the fact that grass and oats were growing on the tops of the most imposing piles of sawed lumber there that I ever looked at in my life.

Mr. CLAPP. I want to ask the Senator——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. DOLLIVER. Certainly.

Mr. CLAPP. I want to ask the Senator why that was? Does he not realize that that was done before the system had developed of bringing that long timber from the Far West which we now get?

Mr. DOLLIVER. I do not know, but I remember the impression it made upon my mind, that while it did not affect my own people in the community where I lived, it might operate

adversely to the people who were trying to conduct the lumber business along the Canadian frontier; and I have never been surprised that the people of Maine, Vermont, and New Hampshire have felt less inclined toward free lumber, notwithstanding the rapid disappearance of their own forests, than some other sections of the country have been.

I went out to the Pacific coast and there had an opportunity to see how free trade in lumber was working on that far-off boundary of the United States. I was impressed by the fact that the remnants of Canadian lumber yards in British Columbia, in queer-looking craft of one sort and another, were being carried into every harbor of our Pacific Ocean under a foreign flag, sneaking even into Seattle and Tacoma, into San Francisco, Los Angeles, San Diego, and down that shore, delivered to our people in the place of that which was for sale in lumber yards in all those cities, but which could not be sold in the face of this competition.

To-day, if lumber goes on the free list, it might seem that it would not seriously affect those good people in Washington and Oregon, and yet it must be evident that lumber taken out of Vancouver Island and out of British Columbia ports can be carried down the Pacific coast in cheap vessels under a foreign register, with a freight rate discriminating in their favor very largely compared with our own coastwise freight rates. We might create the very singular situation there of people living outside of the United States enjoying a rate for ocean transportation based upon the standard fixed by tramp steamers, taking lumber from Vancouver Island and from British Columbia into every seaport of the Pacific coast, to the disadvantage of our own people who are manufacturing lumber at Portland and Seattle and in northern California.

Mr. President, I have often said to our people that if I could see any distinct and certain advantage to them in putting lumber upon the free list, I would be very much inclined to help them without inquiring very closely into how it would affect other sections of the country. But the more I have thought about the lumber question the more I have come toward the conclusion that what is proposed to be done in the amendment which has been offered by my honored friend the Senator from North Dakota will probably do the people whom we try to serve no good or little good, and at the same time may be a harsh and injurious stroke against our friends who have gone out into the mountain country and into the Pacific coast country and have there built up this great industry.

It is the fourth industry of the American people—agriculture, the metals, the textiles, the manufactures based upon wood. It employs nearly a million men in the United States. It has invested nearly a billion dollars. It has a product which makes it the fourth industry of our people.

The census of 1900 shows that at that time it was the chief manufacturing industry of 31 States of the Union, including my own, and an important industry in every State of the Union and in every Territory and in all our islands of the sea.

I doubt very much whether we approach the problem with wisdom when we take this article, representing such an investment and such an employment of labor so widely scattered, and put it upon the free list, without any regard to the influences that afford either the labor it employs or the capital that is invested in it, and without any attempt to secure from Canada a corresponding concession. I confess that I am in very strong sympathy with those of our fellow-citizens who are trying to make their living in remote regions of our country. Many of them have gone to Idaho, Washington, and Oregon from my own State, and without exception they look upon this policy as damaging to them. They say that the market which they have on the Pacific coast is their basis of profitable operation.

It is that market which underlies the permanent and steady prosperity of their industry. They say that free trade in lumber would expose their local market throughout the whole length of the Pacific coast to an immediate and damaging invasion from the coasts of British Columbia.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from North Dakota?

Mr. DOLLIVER. I do.

Mr. McCUMBER. I desire to ask how that possibly can be, when those same sections are exporting to Australia and to Asia generally at least three times as much as the Canadians are exporting and are selling it in competition with British Columbia in all the foreign markets?

Mr. DOLLIVER. That is the exact question which I asked in more than 20 sawmills on the north Pacific coast. They said that the mills in Canada were sending to England and to their own eastern seaboard the first-class lumber which they produced, and the tragedy of the situation was that they were unloading on the coast cities of the United States the remnants of their lumber yards which they could not sell either in London or in Montreal. So we had the strange spectacle of our own industry prejudiced and in some cases totally destroyed, as they informed me.

Now, my doctrine of protection is as broad as this continent. If this doctrine is cast away where these scattered sawmills are concerned, it would be difficult to find any place for its application.

I do not propose, making an honest and conscientious study as I have tried to make of our industrial system, to intentionally expose to loss or injury even the humblest occupations of the American people; and hard as I have tried to get the consent of my own mind to it, I am not willing to take this industry, representing so vast an investment, representing the employment of so great an army of hard-working people, and put it in unconditionally upon the free list. It ought to retain a small duty at least, a duty large enough to be of consequence, when we seek, as we surely will at some time, a more reasonable trade relation with Canada than now seems probable. If a present of the revenue now derived from the lumber duties is to be made to citizens of Canada, we ought surely to accompany the gift with a request for reciprocal concessions on the same articles exported into the Dominion over duties very much larger than we now exact from these people.

The rates proposed are materially reduced from existing law, but not excessively cut down. I do not believe there is such a difference between the industrial situation on the two sides of the Canadian line as some have stated. Not only is the reduction of existing rates upon rough lumber possible, but a corresponding and well-considered readjustment of rates upon lumber in various stages of finishing ought to be made. I should like to see that done. I should like also, although I indulge in a very vain hope I am afraid, to see the duty upon lumber assessed upon the value of the product, so that we would not have the rates very high on some grades and very low on others. I should like to see carried out in the lumber schedule the principle for which I contend in all the great schedules of this tariff law—a reduction of rates, an equalization of rates, a modernization, if you please, of the system, so that it may stand the criticism that will fall upon it during the next ten years. I do not believe a step in that direction is taken when industry so universal as this is throughout this country is selected to be sacrificed.

I do not agree with those who think that the $1 rate fixed by the House is an excessive duty on lumber. I know that there is sold in Chicago lumber which pays the duty and pays a freight, and so small is the freight rate and so small is the duty that it effectually displaces sawed boards from all sections of the Southern States. But I do not intend to suggest that the rate of duty ought to be made so high that lumber from Louisiana can be put into Chicago on the same terms that lumber comes there now from Georgian Bay. Such a thing would not be practicable. But I wish this moderate duty, which is too low for full protection and too low even for maximum revenue, preserved as fixed by the House, so that the coast cities of America and the border line between us and Canada may not be subjected, in hard times, to the process of dumping the refuse of foreign lumber yards, which can not be sold advantageously in other markets.

Mr. CLAPP obtained the floor.

Mr. PILES. I wish to ask the Senator a question.

Mr. CLAPP. I yield for that purpose.

Mr. PILES. I wish to correct a statement made by the Senator from Minnesota for the benefit of the Senator from Iowa. He asked him the question if he did not know that in 1894 the mills on the coast were not in a position to furnish the long timber required.

Mr. CLAPP. Before that is answered I want to disclaim asking any such question.

Mr. PILES. What was your question?

Mr. CLAPP. I asked him if he was not aware that the system under which that long timber was brought into use had not been introduced.

Mr. PILES. We had mills on Puget Sound in 1894, and many years before that, prepared then, as they are now, to produce the long timber the Senator referred to. The Great Northern Railway Company gave us a rate in 1893, which was in force in 1894, which enabled us to transport timbers of the character referred to across the continent.

Mr. CLAPP. The dates furnished by the Senator agree with my view that the rate was to go into effect in 1893, but it takes time to develop a system by which you can bring that product across to the center of this continent. I live in that section and I saw the lumber, and it was only afterwards that the system was developed and that it was brought there to any extent.

Mr. President, I think the Senator from Iowa has laid down, for once, the correct rule upon which to base our judgment. If he believes, as he undoubtedly does, what he states as to the condition, then he is warranted in voting as he follows that judgment. I can not believe that. I want to remind the Senator from Iowa that he and I were together in a struggle in the Senate at a time when we were about all there was of it for a year or two, when men whose great success in life seemed to entitle them to be regarded as oracles in their business, as the success of the lumbermen to-day would entitle them to be regarded as oracles. They came here and the Senator from Iowa and myself heard the same story from those men, and with all the prestige of their great success they predicted disaster would follow as the result of our efforts. They undertook to enunciate that as an infallible statement upon their part, based upon their knowledge of the situation. The Senator knows that we went through that struggle, that month after month and year after year we gradually gained strength until finally we passed a law, and he knows that the predictions and prophecies of those men who claimed the right to prophesy, based upon their great success, and who would hardly permit humble men like him and me to challenge their judgment, failed after all. It may be, Mr. President, that to-day the men who have successfully managed the lumber business may be mistaken in that fear born of excitement incident to this tariff debate.

Mr. President, everything has a beginning, although it may sometimes look to us here as though some things will never have an ending. This tariff discussion had a beginning. I have been entertained somewhat in this Chamber. I have sat here and listened to arguments made for protection by those who are opposing us in our attempts at revision, and I have seen the nod of approval of Eastern Senators, as though those arguments were novel. They are not new, original, or novel. They are the arguments that have been made out in the Middle West for years, the arguments we have used.

I was somewhat interested by the senior Senator from New York [Mr. DEPEW], who told of the many years he had borne aloft the banners of protection, and how he conjured us to stand by the men who in all these years had borne aloft those banners, and he referred to my speech as an effort to differentiate between the producer and the consumer. It may sound egotistical, but I submit that my analysis here, made on the 7th day of May, that the interests of the consumer and producer were interwoven from one ocean to the other has not been surpassed in any of the outbursts of eloquence in defense of protection made here since that day.

While it is true that the Senator from New York may have held aloft the banners longer than some of us, he has not held them in the fray where we have held them aloft. It is one thing, sir, to talk protection to the people who, on the very first entry made upon their ledger, can see the advantage of protection and to talk protection to men who can only see that advantage as it comes indirectly to them in the widespread prosperity of a country a year or two years after the man who is the direct beneficiary of it sees that advantage.

The Senator from New York has preached protection where the very first entry on the ledger shows the advantage of protection. We have preached it where it took one and two years for the indirect benefit of protection to reach the people among whom we have held aloft the banner. I want to say, in all kindness to him, that I thought then, and I think now, it comes with ill grace from him to characterize himself as the life-long champion of protection and to make the suggestion that we have abandoned the principles of protection simply because we insist that the promise to revise the tariff shall be carried out in the spirit in which it was made and accepted.

I hear every day on this floor the assertion made that there are so many hundred millions of dollars invested in an enterprise; that there are so many thousand men employed in that enterprise. I witnessed last Saturday a strange spectacle to be witnessed within protection ranks. Two Senators were each claiming that he had voted for more things for the other than the other had voted for things for him. Mr. President, that is not my idea of protection. Unless protection can be as wide as the country it has no justification. The fact that men have invested in an enterprise is no warrant for a tariff unless that tariff is actually needed to preserve and maintain the integrity of that industry within our midst.

In 1897, after a long period of depression, the Republican party came into power, and they passed the Dingley tariff law. That, in connection with some changes in reference to our financial system, was followed by a marvelous development in this country. Prices bounded skyward as they never had bounded before, and that has continued during all the years that have passed; and to-day, despite the criticisms or the suggestions of others, I still maintain that it was that law which went far toward reviving the decayed and paralyzed industries of this country.

But, Mr. President, there came a time when the men who got the indirect benefits of this system began to see a great process not only by which great fortunes were made, but by which they began to feel here and there a limitation upon the individual activity and the individual rights of the American citizen, and then began this demand for a revision of the tariff.

Mr. President, it meant something. The great United States Steel Company was not demanding a revision of the tariff. The lumber interests of this country were not demanding a revision of the tariff. None of the great industries were demanding a revision. Then, from whom came the demand? It must have proceeded upon the theory that somehow in the growth of this great industrial life conditions had changed and a change was necessary in the tariff itself.

The national convention met last summer and made its declaration not in response to the demand of the great protected interests in this country, but in response, if in response to anything, to the demand of the people. The Senator from Idaho this morning suggested that there was nothing to respond to; that it was the product of a fear; but, anyhow, it came from a source other than the protected industries of this country, and it meant something.

I have watched for years the course of our President. I have seen him in almost every capacity that a public man holds, except that of legislator, and I yet have to see that man show any evidence of acting or making promises because of the shadow of a fear. That promise at Chicago was made in accord with his will and purpose, undoubtedly, because he was recognized then as the certain candidate of the party that made the promise.

He emphasized that promise upon the platform, and on the 4th day of March, if the senior Senator from New York had been here, he would have listened to the words of our President when he reviewed the question of the revision of the tariff. It was the plain, unmistakable import of those words that the spirit of that revision should be a downward revision. It was not to strike down American industries, for I do not believe there is a man on this floor who would uphold such a policy. I stand here in the presence of my Democratic friends and say I do not believe there is a man on the other side of this Chamber who would knowingly strike down an American industry. When we talk of revision within the limits of that promise we must remember that that promise all the time implies the protection of our industries within the limits prescribed in the platform, the difference in the cost of production here and abroad.

I shall not probably repeat that declaration. I shall sit here from this time on and let men float into this Chamber and make a set speech suggesting and perhaps broadly announcing that we have abandoned this principle, and probably I shall not reply to it, for I think perhaps little is gained by that kind of a discussion.

Let us apply this principle to the lumber industry and what do we find? We find that in 1897 under the stimulus of the combined activities of this country the lumber industry sprang up and developed as it had never developed before. We find in addition to that the price going skyward on lumber; and, gentlemen, we find in addition to that that we face a constantly decreasing supply.

Protection means not alone protection to the man who is operating a sawmill, but it means the application of that principle in its broad application to the American people. One element of that protection is the conservation of the forest products of this country. The Chief Forester has come to this body and the other with a suggestion that it will conserve the forest products of this country to stimulate the cutting of timber. It is a novel proposition, indeed, that you will conserve timber by making it important and gainful to the man who cuts the timber to cut all he possibly can of the timber.

It shows, Mr. President, one of the faults of our Government, and that is, vesting either by direct law or even in a quasi official capacity in any man outside of Congress the prerogative of advising Congress. I hold that man in high regard. I am a thorough friend to forestry, although I do believe that, differing in its relations to state lines from drainage and reclamation, it should in the main be the subject of state supervision. In this complex Government of ours we find excesses in the great cities, and we find extravagance in the central government. We find the best result of responsibility in the state government. While it may perhaps savor a little of heresy with reference to bygone

traditions, I am inclined to think that whatever a State can do it had better do, than to devolve the doing upon the Federal Government.

But to return to the proposition of conserving the forests, a new condition has grown up in the lumbering business that has been lost sight of in this discussion, and that is that the lumbermen themselves, the great lumbermen of this country, are beginning to recognize the importance of preserving their timber and to treat it as a continued investment, not only for them but for those who are to come after them. Already to-day some of the greatest lumbermen of this country are pursuing a policy of cutting out the timber which has passed the point where it will improve in value, and preserving and retaining the timber which will hereafter gain in value.

That is more potential as a principle, a factor in conservation, because that springs from the incentive of investment itself and not from any theory. Whatever we do to encourage that policy conserves forestry, and whatever we do to discourage that policy encourages the untimely cutting down of young and immature trees.

It does seem to me that there is an element which we are losing sight of. In the broad application of this principle we must recognize the interest to the American people of conserving the timber so far as it is practicable to do so, and we can not do that by stimulating the cutting down of the timber.

But some one says, "Well, you will lessen the production." Very little, indeed. I want to say to the Senate, I want to say to the Senator from Iowa—and he knows whatever I say I say in all graciousness of spirit and purpose—that with the growing demand in this country for building material, with the lessening supply from day to day of the timber of the country, there is no danger of a foreign invasion of lumber that will materially interrupt the present operation of the lumber industry.

My friend from North Dakota sounded the keynote this afternoon when he said that he did not expect to reduce the price of lumber, but, if possible, to prevent its advance.

Now, there is another thing, Mr. President, that I am going to take the liberty to suggest to the Senate. In the South there can not be any fear of Canadian competition. The only fear must be along the boundary line between the United States and Canada. We are peculiarly situated with reference to Canada. Wherever American timber touches Canada it touches Canadian timber. Wherever American mining interests touch Canada they touch Canadian mining interests, and all that separates them is an imaginary line.

I invite the study of Canada to every student of government and statesmanship. They have one of the best governments in the world to-day. Their government has been characterized by a standard of statesmanship absolutely unknown to us in the vast multitude of our products. In the vast sweep of the American zone, from the Gulf to that northern line, there has come to us a development, of course, far in excess of any that Canada has experienced; but when you get down to the basic principles of applying government to the development of a country, we may well take lessons from Canada.

They have so wisely administered their affairs that even with their narrow zone they are becoming a power which must be reckoned with. By wisely seeking their internal development instead of wasting their strength and resources in military expenses they are to-day ready with a loyalty which wins admiration and with a generosity which is commendable—ready to help the mother country.

There is another thing to be considered. Along this Canadian border, with nothing but an imaginary line to cross, it is idle in my judgment, and idle in my experience and observation, to talk about any great difference in wages on one side or the other. When a man, by a day's walk, can go from a mill on that side to a mill on this side, from a field on that side to a field on this side, that imaginary international boundary line will not maintain any very different scale of wages long upon one side or upon the other. And they are the same class of men. When we talk about a protective tariff and think of the overcrowded countries of Europe, of the cheap wage scale of Europe—when we realize that the wage-earner in Europe must and oftentimes has to borrow and incur a great expense to come to this country—there may be wisdom in attempting to maintain an artificial wall between his country and ours. But when we look to sparsely settled Canada, when we look to a class of men enjoying a wage scale practically the equivalent of our own wage scale, it seems to me that sooner or later the American people have got to recognize the impossibility of forever maintaining an artificial wall where there is no natural reason for the establishment or maintenance of that wall.

In dealing with Canada, we are confronted by two very peculiar conditions. One is governmental, and the other is economic. Under the government of Canada they can impose export duties. We can not. Under the government of Canada, with the various Provinces of that country, one Province may have a tariff and another may not have a tariff. We can have no such condition as that.

I want to say that what seems to be an advantage to America is Canada's advantage in the last analysis, and that is the greater wealth of the American manufacturer. Just as soon as he sees that it is advisable to cross that line and establish his factory there, he has the wealth with which to do it, as has been illustrated in the establishment on the Canadian side of agricultural-machine industries and investments. They have no such surplus capital with which to invade this side of the line with factories, and what at first blush would seem to be our advantage in our great wealth becomes a disadvantage when we realize that we must, by tariff legislation—and it has got to be wise legislation—guard against American investment going over there. Yet without that tariff wall built along an imaginary line, with no natural difference, the manufacturer would retain his business here.

Sooner or later, Mr. President, we shall have to recognize on a broader plane this natural relation to Canada. I predict here in the Senate to-day that the time will come when, even with the protective policy as firmly implanted as it is to-day in our general policy, yet in our tariff relation to Canada we will recognize that it must be limited largely to the basis of revenue as required by that country and this.

Mr. BEVERIDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Indiana?

Mr. CLAPP. With pleasure.

Mr. BEVERIDGE. I ask the Senator whether it is not a fact that that very cause has now operated to induce a great deal of American capital to go to Canada instead of remaining here?

Mr. CLAPP. It has caused some of that; and it has caused a great many others, who still retain their factories here, to go over there and build factories to supply the Canadian demand. It is an artificial line, and no genius can for any great length of time maintain that artificial line. Sooner or later we have got to recognize that fact.

Now, Mr. President, in regard to the lumber rate, applying what, to my mind, is the most satisfactory principle of all the evidence in this tariff discussion to the lumber question, I can see no necessity whatever for a tariff upon lumber, in view of the insignificant importation of lumber to this country and the vast production within our own midst. I want to tell the Senator from Iowa that a prominent lumberman once told me that Iowa itself was a market for more pine lumber than all the world outside of the United States. With that market to supply, with this timber in our midst, with our mills here, with our investments here, with the demand increasing and the supply diminishing, I do not believe that the American lumber interests will suffer one iota by taking off this duty. If I did, I would agree with the Senator. I would not stand here to strike down any industry.

But I want to remind the Senator that while the fact is urged that millions are invested in this industry, that fact, instead of being evidence of the necessity of retaining the tariff, would rather indicate the successful and permanent character of the industry and as no longer requiring this duty. It is more evidence, to my mind, of the ability of the industry to maintain itself.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Florida?

Mr. CLAPP. With pleasure.

Mr. FLETCHER. I should like to ask the Senator from Minnesota if it is not a fact that Canada imported into the United States more than four times as much lumber as the United States sent into Canada last year; and also if it is not a fact that the import duties of Canada are twice as great as the import duties of the United States?

Mr. CLAPP. As to the first question, I can not answer definitely. I can only answer it by saying that the total importations into this country would not menace one great lumber plant in the country. As to the second, I agree with the Senator from Florida; and I have been arguing that at some time and in some way we have need to meet Canada upon a different basis. With our population of 90,000,000 we may boast of our commercial superiority; but when we realize that we have the wealth to put into plants there and that they will go to Canada

if they are not operated here; when we realize that under their constitution they can impose conditions which we can not impose, we may as well open our eyes to the fact that we have got to meet this question, that we have got to get on a broad basis of dealing with Canada other than the narrow and artificial one upon which we deal with Canada to-day.

I say again, referring to the infinitesimal importation of lumber and the vast exportation of lumber from the Pacific coast to other points, the fact that the boundary line is absolutely imaginary, and if we undertake to maintain a higher scale of wages on this side, a day's walk would bring laborers to our mills—in view of these facts and circumstances, I do not believe that it is necessary or important to maintain this tariff.

When it comes to differentials, I invite the attention of the junior Senator from New York [Mr. ROOT] to the table of figures before me, which shows that the very first differential is in itself practically sufficient to minimize the importation of finished lumber from the Canadian side.

Mr. BAILEY. Mr. President, when this bill is passed, the protection clock strikes 12. The American Congress will never again, within the life of the youngest in this Chamber, be called upon to consider a tariff bill with rates approaching those specified in the measure now under consideration. The differences which have manifested themselves among Senators on the other side have been pronounced, and, in my judgment, some of them are irreconcilable. The difference between the high protectionist of New England and the moderate protectionist of the Middle West can not be accommodated by raising duties, and the only accommodation possible is on a basis of reduction.

Those differences themselves would have made division enough in the Republican party; but they might have been compromised, because both sides profess—and I will agree both sides are sincere in professing—themselves protectionists. Agreeing on the principle, it would not be difficult, perhaps, for New England's representatives to make concessions in rates that would measurably satisfy their Republican associates of the Middle West; but when the free-trade doctrine once finds a lodgment, as it has on the other side of the Chamber, then nobody can compute the trouble which they are destined to encounter.

Whenever one Republican reaches a point where he wants free trade in what he buys and protection on what he sells, the entire system is doomed. Our New England friends for many years have been gradually and effectively impressing upon their party associates the manufacturers' doctrine of free raw material, and while the Republicans of the West, the Middle West, and the farther West have steadfastly and sturdily resisted that, it has still made great progress, as is evidenced by the free list of the pending bill. Our friends of the Northwest have learned that free trade is an excellent thing for purchasers, and now they imitate the wisdom, not to say the selfishness, of their New England neighbors by demanding the right to buy what they need free of duty.

How long, Mr. President, can these warring factions live peaceably in the same party? Just as certainly as this bill passes—and it is as certain to pass as that time endures—it marks the hopeless division of the Republican party on the tariff question.

The Senator from Rhode Island [Mr. ALDRICH], if the newspapers are to be believed, will not be with us when we make the next tariff bill, for the report runs that he has resolved to retire and enjoy his well-earned rest.

So, when the next tariff bill is framed—in ten or twelve years, as will be the case, judging the future by the past—from his retirement he can witness the struggle, and he will witness the next struggle for duties very much lower than those for which the Republican protectionists of the Middle West now contend.

The country is resolved on that. That is the explanation of why there are so many revisionists on the other side. I do not mean to say that the people have made these Senators revisionists; but I am willing to say these Senators have made the people revisionists. It is not merely a response to public sentiment that induces so many Republican Senators to stand here and denounce these exorbitant duties, but it is an obedience to their own convictions; and it was in following those convictions that they have addressed their people and created a widespread and irresistible demand for this revision down.

Of course I would be better than human if I could find it in my heart to regret the division that exists among our friends on the other side, because out of that division will come many good results. First will come the success of an opposition party; and the success of an opposition party from time to time is desirable in this country. No party was ever, and no party will ever be, good enough to be trusted with the unbroken confidence of the American people for a long period. It is in the nature of men; if clothed with power for many years they will not remember their responsibility to the people.

The next good result undoubtedly will be a very great reduction in our tariff duties, and a corresponding relief for the consumers of the United States.

Mr. President, I have been somewhat entertained by the argument between our friends as to whether lumber was entitled to protection or not, and yet when I look at the rate of duty now imposed upon it I find that the duty on rough lumber is less than 12 per cent, and that that 12 per cent duty on lumber pours into the Treasury of the United States the splendid sum of $1,700,000. Upon the entire lumber or wood schedule—most of it lumber—the average duty will not be much more than 12 per cent, and on that moderate duty the Government collects more than $3,000,000.

Mr. CLAPP. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Minnesota?

Mr. BAILEY. I do.

Mr. CLAPP. I want to ask the Senator whether, in reaching that conclusion, he takes into account the proposed rate on finished lumber? It may be that he does. I ask it more to get the information than through any criticism.

Mr. BAILEY. Yes, sir; and, Mr. President, I want to say that, of course, the differential for which the distinguished Senator from New York [Mr. ROOT] contended this morning, and the differential for which other Republican Senators will contend, does not appeal in any degree to me. A differential duty is essentially and purely a device of protection. I can understand how no consistent protectionist could vote against it, but I can not understand how any consistent Democrat could vote for it. Our theory is to treat everybody alike; and if on a raw material worth $100 we levy a duty of 25 per cent, the importer pays to the Public Treasury $25.

If he takes it to his factory and then through a process of manufacture adds $100 to the value of the material, the duty ought still be 25 per cent; and the double value of the article would compel the importer to pay $50 to bring it in, and thus the manufacturer receives precisely the same return upon the value which he adds to an article as he paid on his raw material when he imported it.

I would not vote for any schedule which recognizes and establishes a differential, because, like the compensatory duty, it is essentially and purely a method of protection.

But Mr. President, I am not able to see how a Republican can contend that a duty of less than 12 per cent, yielding more than $3,000,000, is a protective duty; and yet our friends on the other side have absolutely ignored the revenue phase of the question. The only suggestion that has been made on this floor to-day was that of the Senator from Idaho [Mr. BORAH], who said that the duty was defensible, if on no other ground, for the sake of the revenue it yields.

I want to show my Democratic friends—of course they know it just as well as I do, and most of them know it better—that in the Democratic tariff act of 1846, about which Democrats speak so often and about which they are justified in always speaking, the duty on lumber was nearly double what it is in the existing law. Of course Senators all remember that the schedules of the Walker tariff act were not arranged according to the commodities or articles. There was no wool schedule, no metal schedule, and no earthenware schedule. The schedules in that act were arranged alphabetically and according to the rate of duty imposed, beginning with the Schedule A, which imposed the highest rate of 100 per cent, and that duty was laid on brandy and other similar luxuries. Schedule B, as I now recall, levying a duty of 40 per cent, was the next one.

The next was Schedule C, which levied a duty of 30 per cent; the next was Schedule D, which levied a duty of 25 per cent; and the next was Schedule E, which levied a duty of 20 per cent; and Schedule E, levying that duty of 20 per cent, included lumber. I will read it:

> Boards, planks, staves, laths, scantlings, spars, hewn and sawed timber, and timber to be used in building wharves.

This ideal Democratic tariff measure, whose duties were supposed to be adjusted with scientific precision from a Democratic point of view, levied a duty of 20 per cent on lumber; and yet we hear men say now that Democratic principle requires us to put lumber on the free list.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Montana?

Mr. BAILEY. Yes, sir. I know what the Senator has in his hand, but it has no terrors for me.

Mr. DIXON. I have been very much interested in the Senator's description of the apparent inconsistencies on this side of the Chamber, and I am frank enough to say, with some degree of truth, I think. But now, as the great expounder of Democratic doctrine, how does he at this time square his present declaration of a tariff for revenue on lumber with that provision of the Democratic national platform adopted at Denver last June, which declared:

We demand the immediate repeal of the tariff on wood pulp, print paper, lumber, timber, and logs, and that those articles be placed upon the free list?

Mr. BAILEY. I understand that, just as I do the declaration for free raw materials generally. I utterly refuse to be bound by it, because it is not a Democratic doctrine. I understand it was declared by a Democratic convention, but, Mr. President, yielding obedience, absolute and implicit obedience, to any declaration of principles which my party may make—and when I can not yield that obedience I will withdraw from membership in it—I yet refuse to allow a set of delegates, selected by the people absolutely without reference to a question of that kind, but selected almost solely with a view to the candidacies of men, to assemble in a convention and assume the function of legislators. The business of a national convention is to declare the principles of the party; and if they are not willing to trust the Senators and Representatives belonging to that party to apply those principles according to wise details, they ought to select some other Senators and Representatives, and they will have to do it in my case. That is my answer.

Mr. President, the Walker tariff act was the consummate wisdom of a Democratic Secretary of the Treasury, and perhaps the greatest Secretary of the Treasury the Democratic party ever contributed to the Nation; and I say that, admitting at the same time that I do not revere his memory. He sat in this Senate from my native State, whose people honored him as they would have honored one of their own flesh and blood, and yet, when that cruel conflict between the sections came, he bore the commission of the General Government to a foreign nation and libeled the people of Mississippi. I have not forgotten that, and I shall not forget it. But, holding his memory in abhorrence for that disloyal deed to the people who had loved, honored, and trusted him, I yet pay him the just and well-deserved compliment of saying that the Democratic party has never contributed to a cabinet created since the foundation of this Republic an abler man than Robert J. Walker; and, even among his adversaries, he is esteemed in intellect second only to Alexander Hamilton among the men who have occupied the high position of Secretary of the Treasury.

I prefer to accept the doctrine written in a Democratic bill upon the recommendation of the greatest of Democratic Secretaries of the Treasury, written there deliberately after weeks and months of consideration, than to surrender my judgment and my conscience to a national convention whose delegates were not authorized or commissioned to speak upon such matters of detail.

More than that, Mr. President, I have the satisfaction in this case of living up to the Democratic doctrine, without the suspicion of a desire to serve the people whom I have the honor in part to represent in this Chamber. It makes no difference to the people of Texas whether you impose a duty on lumber or put it on the free list, for freight rates make it impossible for Canadian imports to affect the price of lumber in Texas.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Will the Senator from Texas yield to the Senator from Rhode Island?

Mr. BAILEY. I will.

Mr. ALDRICH. I agree with the Senator from Texas in his admiration of Mr. Robert J. Walker. The Democratic party have twice since 1846 had the opportunity in the House of Representatives to frame a tariff bill. Once they had the control of both Houses and prepared and passed a tariff bill. Those bills were as unlike the act of 1846 as the act which is now pending in this Senate is unlike the first tariff bill passed in 1789.

Mr. BAILEY. That is true; and there is an explanation for that, but it would require more time than I now care to consume in making it, and, besides, it is not relevant.

Mr. President, having said what I did about Mr. Walker, I think I am required to be a little more specific than I was. I dismissed him with the statement that he had libeled the people of my native State who had honored and trusted him, and that statement needs some qualification. What Mr. Walker did do was this: As the agent of the Government of the United States in Great Britain, he told the British people that Jefferson Davis, once a Senator here, afterwards, and at the time Mr. Walker made the misrepresentation, president of the Confederate States, had advocated and secured the repudiation of the Mississippi state debt.

Walker did not have the excuse of ignorance for making that statement. He knew it was not true. He knew that when that Mississippi public debt was repudiated Jefferson Davis had not entered public life. He knew that a part of the time that the controversy raged Mr. Davis was an officer in the Army of the United States, from which he resigned; and when the question was at its point of decision, Mr. Davis was spending seven years of retirement in diligent study, in the quiet of his Briarfield plantation, and took absolutely no part in that controversy. And yet, with a knowledge of that fact, Mr. Walker, in order to prevent the sale of confederate securities, represented to the British people that Mr. Davis was responsible for the repudiation of Mississippi's public debt.

Now, Mr. President, I want to say, and I can not reiterate it too often—because no matter how much I reiterate it, it will be misrepresented—that a Democrat must vote for low duties which raise revenue and must not vote for high duties to afford protection. But when I state this Democratic maxim some shallow-minded men call me a "protectionist." They seem to think that a Democrat must vote for every motion to put any article on the free list, and when we point to a low rate, a good revenue, and fortify the low rate and abundant revenue with the authority of an ideal Democratic tariff act, they still say we are protectionists.

Mr. President, I would like to see a Democrat of that kind make a tariff act. What would he do? He would have nine-tenths of our imports on the free list and one-tenth on the dutiable list, and the more articles he would put on the free list the higher he would be compelled to make the duty on those left on the dutiable list, and it is the sagacity of our Republican friends, who understand that, which furnishes the explanation of such a long free list in the pending bill.

For the enlightenment of Democrats and Republicans alike, I want to show you that the shortest provision in the Walker tariff act was its first, and one of the shortest was its last schedule. The first was the schedule whose duties reached 100 per cent, and it was just three lines. I will read them:

Brandy or other spirits distilled from grain, or other materials; cordials, absinthe, arrack, curacoa, kirschwasser, liqueurs, maraschino, ratafia, and all other spirituous beverages of a similar character.

That was the shortest. Now, except for the provisos, one of the shortest schedules of that act was its free list, and that free list was largely confined to articles that were not for sale and were not brought into the United States for the purpose of selling them. And yet, when Mr. Walker was advising Congress how to construct a tariff act, he advised that if this act, as then framed, would not raise sufficient revenue, not to put a higher duty on any of the dutiable articles, but to take some articles off of the free list and put them on the dutiable list.

The philosophy of that is apparent. The more numerous the articles on which you lay a duty, the lower we can make the duty on every article.

To illustrate: Suppose you have 2,000 articles imported, and you have $300,000,000 of revenue to raise through your custom-houses. If you place 1,000 articles on the free list, you are compelled to make the other 1,000 articles raise the $300,000,000. In other words, under a tariff bill so constructed, a thousand articles must yield $300,000,000; whereas under a tariff bill where a duty was levied on every imported article, 2,000 articles would raise the $300,000,000. The more numerous the subjects of taxation the less onerous the tax can be made on every subject. That is elementary. That is so plain that the marvel is that any man has ever misunderstood it.

The free list is not a Democratic invention, except in rare instances. The free list is a Republican invention. They understand that by taking the duties off of those articles which they do not choose to protect, they can make an excuse for laying a higher duty on those things which they do choose to protect.

Mr. President, the Senator from Minnesota [Mr. CLAPP], at the conclusion of his very interesting address, indulged in a burst of generosity. I do not say that in any satirical sense, because he is both a just and a generous man; and while I do not agree with him upon the principle which underlies the construction of a tariff bill, I do pay him the compliment of saying that I believe he earnestly strives to do what he thinks is best for all the people. In a burst of generosity the Senator from Minnesota turned to us and said that there is not a man on this side who would strike down an American industry; and he is right. But, Mr. President, while no man on this side would strike down an industry, neither would any man on this side compel a thousand men to hold up any one man's industry. That is our objection to your protective tariff.

Mr. ALDRICH. Will the Senator yield?

Mr. BAILEY. Certainly.

Mr. ALDRICH. When did the doctrine of free raw material cease to be a Democratic doctrine?

Mr. BAILEY. When men like myself came into power in the Democratic party.

Mr. ALDRICH. Were there any exponents of that doctrine before the Senator from Texas——

Mr. BAILEY. Oh, yes.

Mr. ALDRICH. Or since, outside of the Senate Chamber? I have failed to observe them.

Mr. BAILEY. If the Senator from Rhode Island will read the Democratic platform of 1896 on the tariff question, he will find the renunciation of the old doctrine. I drew it, and I drew it with that distinct idea in my mind.

Mr. ALDRICH. But, Mr. President——

Mr. BAILEY. If the Senator will permit me, one of the purest and best men who ever occupied a seat in this Chamber, or who ever served this Republic in any capacity, offered it in the Democratic platform committee. I drew it at the request of the late John H. Reagan, who was, in that convention, a delegate from our State.

Mr. ALDRICH. But Grover Cleveland was still living.

Mr. BAILEY. And did not support the ticket.

Mr. ALDRICH. And the galaxy of brilliant men who made the Democratic party great in his time were then alive, and no one of them, and no leader of any conspicuous character except the Senator from Texas, at that time was courageous enough to say that the Democratic party proposed to abandon the doctrine of free raw materials.

Mr. BAILEY. The Senator from Rhode Island surprises me. About Mr. Cleveland I shall utter no word of censure. He has accounted in another place for the deeds done in his body, and, at least until the clods have settled on his grave, he shall be exempt from my reproaches; but without intending to suggest that he refused to support our party, though our party had three times supported him, the Senator from Rhode Island is not unmindful of the fact that Mr. Cleveland and the brilliant men who, he says, made the Democratic party, did not then support the Democratic ticket, and it was not merely on the money question, about which many men honestly differed, but it was also on the tariff question; because, while speaking in the name of Democracy, they spoke against the Democratic party and denounced us for having abandoned the Democratic attitude on the tariff question as well as for having assumed a false attitude on the financial question.

Mr. ALDRICH. There was one man who at that time was even perhaps more conspicuous in Democratic circles than Mr. Cleveland—Mr. William J. Bryan. He was then, as he is now, so far as we can judge by his platforms and his doctrines, in favor of free raw materials.

Mr. BAILEY. If that was true, it would not convince me. It is true that Mr. Bryan came into Congress under Mr. Cleveland's administration; or rather, Mr. Bryan was serving his second term when Mr. Cleveland was inaugurated the second time. It is true, and we make no concealment of it, as we make no explanation of it, except to state the fact, that at that time the Democratic party did advocate the doctrine of free raw materials. The Democratic party did not, as a party, believe in it. It was a matter of expediency with nearly all of them. In our southern country we were told that if we would agree to take all the burden off of the manufacturer's raw material he would agree to relieve us from some of the burdens imposed upon us when we purchased his finished product; and to that proposition we yielded our support; but it never convinced our judgment.

It was not only an absurdity, but it was the grossest absurdity that any set of men ever attempted to impose on any other set of men in the history of American politics. Think of it. For a hundred years the Democratic party had denounced protection as a special favor to manufacturers; for a hundred years the Democratic party had denounced the manufacturers as the advocates and beneficiaries of an unjust system of taxation; and yet, all at once, by some mysterious and unexplained and unexplainable power, we were persuaded to change our attitude and to solemnly announce that we would give the beneficiaries of the protective tariff the benefit of free trade. Denouncing protection as a robbery of the many for the enrichment of the few, denouncing it as a system of special favor, we were persuaded to agree that the very beneficiaries of protection in what they sold should be the only people in the United States to enjoy the advantage of free trade in what they bought. There never was anything more absurd and unjust. It was indefensible then; it is indefensible now; and in my judgment no real Democrat will ever again attempt to defend it as a policy of the Democratic party.

That men make mistakes I grant you. But I have the candor to repudiate in express and unequivocal language the mistakes which my Democratic predecessors have made, and it is a pity that the Senator from Rhode Island does not imitate my example.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Rhode Island?

Mr. BAILEY. When I finish the Senator will probably see the point. I have an income-tax amendment pending to this bill. The Republican party passed the first income-tax law. It passed it, I grant you, in a time of war, but it passed it when the Government of the United States was spending less money than it is spending to-day in these piping times of peace. Now, when they came to repeal it, in time of peace, the most distinguished Republicans resisted its repeal and declared that it was a sound and philosophic method of taxation. Why do you not say they were wrong, or else vote like they voted?

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Rhode Island?

Mr. BAILEY. I do.

Mr. ALDRICH. The Republican party, charged with the greatest responsibility ever placed upon any party, imposed, under the stress of those days, many onerous taxes. That constitutes, in my judgment, no reason why we should reimpose onerous duties at this moment.

Mr. BAILEY. That answer would suffice if we did not have an onerous government to support. But the Senator from Rhode Island can not forget that with eighty years of history behind us—eighty glorious years; eighty years of peace, contentment, and marvelous progress—when the rude alarm of that great war called this country to arms, the expenditures of the Federal Government were only about $60,000,000—a frugal government; a happy people, of simple tastes and habits—and we were expending the sum, then sufficient, now considered paltry, of $60,000,000. Eighty years we lived, we prospered, we were honored abroad and content at home, and yet the expenditures for the federal administration took but $60,000,000 from the energies and from the savings of the American people.

In these last fifty years or less we have multiplied that expenditure from $60,000,000 to $600,000,000, and, not content with that wasteful extravagance, we have now multiplied six hundred million by almost two.

As against the $60,000,000 which the Government was spending in 1861 we have a burden now of more than a billion every year, and yet the Senator from Rhode Island seems to forget that a burden can be as great in time of peace as it is in time of war. Who would have prophesied that the Republican party, born in a protest against what it called the arrogance and wealth of a class, would ever have so forgotten its primitive lessons that now its great leaders stand here and denounce those of us, or, if they do not denounce us, they denounce our protestations against this modern extravagance?

If the Senator from Rhode Island will go back to the earlier and the better, the simpler, and happier days of this Republic and retrench these expenses, I will agree to withdraw the income-tax proposition. In other words, if he will lift the burden under which the toiling and consuming masses are stooping to-day, I will not quarrel with him about how he lifts it. I protest against the injustice which lays upon the people who toil, and who toil, thank God, without much complaint, this enormous burden of a billion dollars every year.

Mr. President, if you will add what our towns, our cities, our counties, and our States are spending to the stupendous sum which the Federal Government is spending, it amounts to more than the value of our cotton and our wheat and our corn crops all combined. This vast sum would be too much for any kind of a government, and for the kind which you are now giving the people it is a criminal waste.

Let the Senator from Rhode Island and those associated with him in responsibility for this administration reduce this burden until the people can bear it without subtracting from their comfort and their happiness, and I will join him. But unless they retrench the expenditures until they shall reach a point where the people can endure them without serious inconvenience, I shall insist to-day and to-morrow and all the to-morrows that come, as long as I have the honor to remain a Senator, until an income tax is adopted as a part of our fiscal policy; and it will be advocated within the next ten years by Senators who will vote against it in this Congress.

Why, sir, the very argument—and I violate nobody's confidence when I say that—with which they are seeking now to persuade Republican Senators to vote against the income-tax

amendment is that they will try this bill, and if it does not raise revenue enough, they will have an income tax of their own. To some Senators they say they will frame a law agreeable to the opinion of the Supreme Court, but they select their man when they make that statement. They never make that to a lawyer who is entitled to a license to practice in any court, because there is not a lawyer in America entitled to admission to the bar who does not know that it is impossible to frame a law conforming to the decision of that court which could pass the Senate or any other body of sensible men that you could assemble in the United States; for the only law that would conform to the decision of that court would be a law that exempts the incomes arising from colossal fortunes and taxes only the incomes that arise from the exercise of brain and muscle. A good many people would escape the tax if it were laid on the exercise of brain who would have to pay it if it is laid on the income of property.

I am anxious for the vote, because I want to see how much progress they have made with that kind of persuasion. I do not call it an argument, for it is not an argument. When this measure was first introduced, we had a clear majority for an income tax. A vote will disclose if that majority has been converted into a minority. I am eager to see whether that is true, and the country wants to learn the truth.

So anxious am I, Mr. President, to know the result that I now ask unanimous consent that the Senate vote on the income-tax amendment to the tariff bill before it adjourns on Thursday next.

The PRESIDING OFFICER. The Senator from Texas asks unanimous consent that on Thursday next a vote be taken on the income-tax amendment.

Mr. ALDRICH. I have already suggested several times in the hearing of the Senator from Texas that I shall object to fixing any time for a vote upon the income tax or any of the other provisions of the bill until we can agree to take a final vote on the bill itself.

Mr. BAILEY. That is unreasonable. I am perfectly willing myself for the Senator to have a vote on his bill. I interpose no objection, and I only ask that I may have a vote on my amendment. When the vote is taken on my amendment, I will not object to the Senator's request for a vote on his bill; and if Senators on that side object, he can apply his discipline.

Mr. ALDRICH. I am in hopes that within a very short time we can get a general agreement, which will include everybody on both sides of the Chamber, for fixing a time to vote on the bill.

Mr. CLAPP. I wish to remind the Senator from Texas that the only time it came to the point of an objection, if I remember correctly, the objection came from his side.

Mr. ALDRICH. The Senator from Virginia [Mr. DANIEL] objected.

Mr. BAILEY. There was an objection before that on your side.

Mr. ALDRICH. I will compromise with the Senator from Texas by taking a vote on the pending amendment now, if that will be agreeable to him.

Mr. BAILEY. I want to give notice to this effect, that just as soon as the pending amendment is disposed of I shall offer the income-tax amendment. I give that notice in fairness and in justice to everybody, so that all Senators may know. Of course the better place for it would be at the conclusion of the bill. It could then be sectionized. But that is a mere matter of form and unimportant, because in the conference committee they can transpose it and insert it at the end of the bill, with the sections numbered without any trouble.

Mr. ALDRICH. We are now considering the dutiable list of the tariff, and I will assume that the Senate will not proceed to the consideration of a provision which is entirely foreign to that. I assume they will not.

Mr. BAILEY. Of course the Senator means to say by that that he will make a point of order that it is not germane.

Mr. ALDRICH. No; I will ask the friends of the bill, who are considering the bill by paragraphs, to go on with the consideration and not take up any extraneous matter.

Mr. BAILEY. I have agreed time and again, and every Senator on this side has agreed, that for the convenience of those in charge of the bill they might pass provisions, and they have gone from the first to the last, and then back to the first and then to the middle. All that has been done by common agreement, by unanimous consent, nobody attempting to impede it, nobody attempting to waste any time.

This matter must be voted on. I want to say, furthermore, and I say it so that everybody can understand it, the distinguished Senator from Iowa [Mr. CUMMINS] has also an income-tax amendment. If we can not adopt one, we shall try to adopt the other. If we can so arrange the provisions of one as to be acceptable to all friends of an income tax, we will do that. If we can not do that, then we will do the best we can in that direction.

If the Senator from Rhode Island will withhold his objection and allow us to take a vote on my amendment on Thursday, I think undoubtedly he will expedite the consideration of his own measure. Somebody else can object. I give notice to the Senator from Rhode Island now that if he objects to my request I will object every time he prefers a request to fix a day to vote on the bill. I do not make that as a threat, but I simply say that we are going to fix a time for a vote on this amendment before we will ever fix a time for a vote on the bill. I say, besides that, I will not couple them again. The Senator from Rhode Island will permit me to vote on this amendment before he ever gets unanimous consent to vote on his bill. That is the orderly way, and I hope the Senator will not interpose an objection.

Mr. McCUMBER. I wish to amend my amendment so that it will be limited somewhat. I move to strike out all after the word "measure," in line 8, page 69, paragraph 197, down to and including the rest of the paragraph. That simply leaves the paragraph read:

> Sawed boards, planks, deals, and other lumber of white wood, sycamore, and basswood, 50 cents per thousand feet, board measure.

It leaves in all of the other schedules except the part of paragraph 197 following the word "measure;" for instance, it leaves in paragraphs 199 and 200, paving posts and so forth; paragraph 201, clapboards; paragraph 202, hubs for wheels and so forth; and it also leaves in laths, pickets, and shingles.

Mr. ALDRICH. I ask that a vote be taken by yeas and nays on this amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from North Dakota.

Mr. McCUMBER. I offer it as a substitute for the former amendment.

Mr. ALDRICH. There is no objection, I take it, to the Senator modifying his own amendment.

Mr. McCUMBER. Very well; I withdraw the other amendment and substitute this amendment for it.

Mr. STONE. I ask that the amendment be read.

The SECRETARY. Instead of striking out all of paragraph 197, it is proposed to strike out all of the paragraph after the word "measure," in line 8——

Mr. McCUMBER. I am not affecting anything now but paragraph 197. I move to strike out all of paragraph 197, after the word "measure," in line 8.

Mr. DANIEL. I ask that the words proposed to be stricken out be read.

Mr. ALDRICH. The effect of the amendment, I understand, is to put rough lumber and finished lumber on the free list.

Mr. JOHNSTON of Alabama. I have a substitute that I desire to offer.

The PRESIDING OFFICER. The Senator from Alabama offers an amendment to the pending amendment.

Mr. JOHNSTON of Alabama. I offer as a substitute what I send to the desk.

Mr. BEVERIDGE. Is the amendment in order?

Mr. GALLINGER. Certainly, it is in order.

Mr. JOHNSTON of Alabama. It is not an amendment to a committee amendment.

The PRESIDING OFFICER. The Chair understands that it is a substitute for the amendment of the Senator from North Dakota.

Mr. ALDRICH. Which is an amendment to the provision of the House.

Mr. BEVERIDGE. And not an amendment to the committee amendment?

Mr. ALDRICH. It is not.

Mr. CULLOM. It is in order.

The PRESIDING OFFICER. The amendment proposed by the Senator from Alabama will be read for the information of the Senate.

The SECRETARY. It is proposed to insert as a substitute the following:

> Nothing contained in this act shall prevent the admission free of duty of the following articles: Lumber of all kinds, laths, shingles, doors, and door locks and hinges, window frames, window sashes, bricks, lime, cement, slate roofing, nails, carpenter's tools, common window glass not exceeding 16 by 24 inches, tin plate for roofs, linseed oil, and white lead.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Alabama [Mr. JOHNSTON] to the amendment proposed by the Senator from North Dakota [Mr. McCUMBER].

Mr. JOHNSTON of Alabama. Mr. President, I merely want to say that I suppose every Senator on this floor recognizes how important it is that our people should be enabled to make their homes. If we could have every family in the United States in possession of their own homes in fee simple, we would have the best security for peace and good order that could be obtained.

I propose in this substitute to put other articles than lumber on the free list, articles that go into the making of a home. I shall not detain the Senate or prevent the Senate from taking a vote, but I will ask leave to print in the RECORD a table of the duty on the articles suggested by the amendment to be placed on the free list. It was prepared by experts.

The PRESIDING OFFICER. In the absence of objection, the matter referred to by the Senator from Alabama will be printed in the RECORD.

The matter referred to is as follows:

Tariff on house materials for frame house—average ad valorem rates under the Dingley law in 1907 compared with the Aldrich bill.

Paragraph.		Article.	Rates of duty.		Average ad valorem rate.	
Aldrich.	Dingley.		Dingley.	Aldrich.	Dingley.	Aldrich.
					Per ct.	*Per ct.*
197	195	Lumber, per M feet	$2.00	$1.00	11.75	5.88
		Lumber, planed, tongued, and grooved, per M feet	$3.50	$2.50	19.10	11.46
201	199	Clapboards, per M feet	$1.50	$1.00	5.99	3.98
203	201	Laths, per M pieces	$0.25	$0.30	9.63	7.69
205	203	Shingles, per M	$0.30	$0.30	13.77	13.77
211	208	Manufactures: Doors, window frames, etc., per cent	35	35	35.00	35.00
107	113	Window sash, glass of chief value, per cent	45	45	45.00	45.00
82	87	Brick, per cent	25	25	25.00	25.00
		Brick, glazed or enameled, per cent	45	45	45.00	45.00
		Brick, glazed tiles, per square foot	$0.08	$0.08	46.37	46.37
85	90	Lime, per 100 pounds, weight of barrels included	$0.05	$0.05	20.55	20.55
84	89	Cement, per 100 pounds, weight of barrels included	$0.08	$0.08	25.25	25.25
112	117	Stone, except marble, per cubic foot	$0.12	$0.12	23.51	23.51
	118	Stone, hewn, dressed, or polished, per cent	50	50	50.00	50.00
115	120	Slate roofing, per cent	20	20	20.00	20.00
160	162	Nails, wire, per pound	$0.00½	$0.00¼	25.00	12.50
167	169	Screws, 1 to 2 inches, per pound	$0.06	$0.05	33.64	28.04
195	193	Tools, carpenter, etc., per cent	45	45	45.00	45.00
166	168	Saws, hand, per cent	30	25	30.00	25.00
97	101	Glass, common window, not exceeding 16 by 24 inches, per pound	$0.01⅞	$0.01⅞	71.59	71.59
100	104	Plate glass, cast, polished, finished or unfinished, not exceeding 24 by 30 inches, per square foot	$0.10	$0.12½	49.25	61.69
180	182	Above 24 by 30 inches and not exceeding 24 by 60, per foot	$0.22½	$0.22½	81.73	81.73
145	147	Lead, sheets, pipe, etc., per pound	$0.02½	$0.02½	48.99	48.99
195	193 159	Bathtubs, etc., article composed wholly or in part of steel, including plumbers' supplies and pumps, per cent	40	45	40.00	45.00
128	134	Tin plate for roofs, gutters, etc., per pound	$0.01½	$0.01½	46.25	32.39
51	55	White lead, per pound	$0.02⅞	$0.02⅞	46.13	46.13
49	53	Varnish, spirit, per gallon	[a]$1.32	[b]	104.23	35.00
33	37	Linseed oil, per gallon	$0.20	$0.15	49.67	37.25
411	402	Paper, hangings, per cent	25	25	25.00	25.00
403	394	Sheathing paper and roofing felt, per cent	10	10	10.00	10.00

[a] And 35 per cent.
[b] 35 per cent.

Average Aldrich rate on all lumber, and manufactures of, for frame house, 17.55 per cent ad valorem.

Average Aldrich rate on all brick, stone, etc., 29.46 per cent ad valorem.

Average Aldrich rate on all nails, hardware, etc., 32.63 per cent ad valorem.

Average Aldrich rate on glass for frame house, 71.70 per cent ad valorem.

Average Aldrich rate on plumbers' supplies used for frame house, 35.96 per cent ad valorem.

Average Aldrich rate on paints and varnish used for frame house, 39.46 per cent ad valorem.

Average Aldrich rate on paper hangings, etc., used for frame house, 17.50 per cent ad valorem.

Recapitulation of average rates on—

	Per cent.
Lumber, and manufactures of	17.55
Brick, stone, etc	29.46
Nails, hardware	32.63
Glass	71.70
Plumbers' supplies	35.96
Paints, oils, and varnishes	39.46
Wall paper, sheathing paper, etc	17.50

NOTES ON BUILDING MATERIALS USED IN FRAME HOUSES.

Only about 2 per cent of the federal customs revenue is derived from such material, the large tax on homes is therefore not justified by the little revenue produced.

The great advance in the price of building materials since the Dingley law went into effect has produced a great reduction in the ad valorem rate of duty on articles entered under a specific duty—for instance, on sawed lumber (under the general tariff) the duty is $2 per thousand. In 1895 the value of this class of lumber was valued by the government appraisers at $8.97 per thousand, and the ad valorem rate of duty was equal to 22.29 per cent. In 1907 the valuation was 17.02 per thousand feet, equal to an ad valorem rate of duty of 11.75. Thus all the specific duties have been reduced by the advance in values.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. JOHNSTON] as a substitute for the amendment of the Senator from North Dakota [Mr. MCCUMBER].

Mr. BEVERIDGE and Mr. OVERMAN demanded the yeas and nays, and they were ordered.

The Secretary called the roll.

Mr. CHAMBERLAIN. My colleague [Mr. BOURNE] is paired with the Senator from Oklahoma [Mr. OWEN].

Mr. BURROWS. I desire to state that my colleague [Mr. SMITH of Michigan] is paired with the junior Senator from Mississippi [Mr. MCLAURIN]. If my colleague were present, he would vote "nay."

Mr. SMITH of South Carolina (after having voted in the affirmative). I overlooked the fact that I am paired with the senior Senator from Wyoming [Mr. WARREN]. I therefore withdraw my vote.

Mr. MONEY. My colleague [Mr. MCLAURIN] is necessarily absent from the Senate. He is paired with the Senator from Michigan [Mr. SMITH].

The result was announced—yeas 13, nays 64, as follows:

YEAS—13.

Bacon	Frazier	Overman	Tillman
Bankhead	Gore	Paynter	
Clay	Hughes	Rayner	
Culberson	Johnston, Ala.	Taylor	

NAYS—64.

Aldrich	Crane	Frye	Nixon
Beveridge	Crawford	Gallinger	Oliver
Borah	Cullom	Gamble	Page
Bradley	Cummins	Guggenheim	Penrose
Brandegee	Curtis	Hale	Perkins
Briggs	Daniel	Heyburn	Piles
Bristow	Depew	Johnson, N. Dak.	Root
Brown	Dick	Jones	Scott
Burkett	Dillingham	Kean	Shively
Burnham	Dixon	La Follette	Simmons
Burrows	Dolliver	Lodge	Smith, Md.
Burton	du Pont	McCumber	Smoot
Carter	Elkins	McEnery	Stephenson
Chamberlain	Fletcher	Martin	Sutherland
Clapp	Flint	Money	Warner
Clark, Wyo.	Foster	Nelson	Wetmore

NOT VOTING—14.

Bailey	Davis	Richardson	Taliaferro
Bourne	McLaurin	Smith, Mich.	Warren
Bulkeley	Newlands	Smith, S. C.	
Clarke, Ark.	Owen	Stone	

So the amendment of Mr. JOHNSTON of Alabama to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on the amendment of the Senator from North Dakota [Mr. MCCUMBER].

Mr. MCCUMBER. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DANIEL. Mr. President, I ask that the words proposed to be stricken out may be read.

The PRESIDING OFFICER. The Senator from Virginia requests that the words proposed to be stricken out be read. The Secretary will read as requested.

The SECRETARY. On page 69, line 8, after the word "measure," it is proposed to strike out the remainder of paragraph 197 in the following words:

Sawed lumber, not specially provided for in this section, $1 per 1,000 feet board measure; but when lumber of any sort is planed or finished, in addition to the rates herein provided, there shall be levied and paid for each side so planed or finished, 50 cents per 1,000 feet board measure; and if planed on one side and tongued and grooved, $1 per 1,000 feet board measure; and if planed on two sides and tongued and grooved, $1.50 per 1,000 feet board measure; and in estimating board measure under this schedule no deduction shall be made on board measure on account of planing, tonguing, and grooving.

The Secretary proceeded to call the roll.

Mr. SMITH of South Carolina (when his name was called). As I have previously announced, I am paired with the Senator from Wyoming [Mr. WARREN], and therefore I withhold my vote. If he were present, I would vote "yea."

The roll call was concluded.

Mr. CLARK of Wyoming. My colleague [Mr. WARREN] is unavoidably absent from the Chamber. If he were present, he would vote "nay."

Mr. BURROWS. I again announce the pair of my colleague [Mr. SMITH of Michigan] with the junior Senator from Mississippi [Mr. MCLAURIN]. My colleague also desires me to state, as he is necessarily absent from the Senate, that if present he would vote "nay."

Mr. MONEY. My colleague [Mr. McLAURIN] is absent on account of sickness in his family. If he were here, he would vote "nay." He is paired with the junior Senator from Michigan [Mr. SMITH].

The result was announced—yeas 25, nays 56, as follows:

YEAS—25.

Beveridge	Crawford	Gore	Paynter
Bristow	Culberson	Hughes	Rayner
Brown	Cummins	Johnson, N. Dak.	Shively
Burkett	Curtis	La Follette	Stone
Burton	du Pont	McCumber	
Clapp	Frazier	Nelson	
Clay	Gamble	Newlands	

NAYS—56.

Aldrich	Cullom	Hale	Perkins
Bacon	Daniel	Heyburn	Piles
Bailey	Depew	Johnston, Ala.	Root
Bankhead	Dick	Jones	Scott
Borah	Dillingham	Kean	Simmons
Bradley	Dixon	Lodge	Smith, Md.
Brandegee	Dolliver	McEnery	Smoot
Briggs	Elkins	Martin	Stephenson
Burnham	Fletcher	Money	Sutherland
Burrows	Flint	Nixon	Taliaferro
Carter	Foster	Oliver	Taylor
Chamberlain	Frye	Overman	Tillman
Clark, Wyo.	Gallinger	Page	Warner
Crane	Guggenheim	Penrose	Wetmore

NOT VOTING—10.

Bourne	Davis	Richardson	Warren
Bulkeley	McLaurin	Smith, Mich.	
Clarke, Ark.	Owen	Smith, S. C.	

So Mr. McCUMBER's amendment was rejected.

Mr. ALDRICH. I move that the Senate adjourn.

Mr. OVERMAN. I ask the Senator if he will not withhold that motion and let us have an executive session?

Mr. ALDRICH. It is late, and I think the Senator had better let that go over until to-morrow.

Mr. CULLOM. Yes; let it go over until to-morrow.

Mr. OVERMAN. Very well.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

The motion was agreed to; and (at 5 o'clock and 38 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, May 25, 1909, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES.

MONDAY, *May 24, 1909.*

The House met at 12 o'clock noon.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D.

THE JOURNAL.

The Clerk began the reading of the Journal of the proceedings of Thursday, May 20.

Mr. MACON. Mr. Speaker——

The SPEAKER. Without objection, the—for what purpose does the gentleman rise?

Mr. MACON. Mr. Speaker, I have been trying to get the Speaker's ear for a moment. For the approval of the Journal of the important things that occurred on the last legislative day of the House we ought to have a quorum present, and for that reason I make the point that there is not a quorum present.

The SPEAKER. The Journal has not yet been read.

Mr. MACON. I make the point at this time, Mr. Speaker, because I think there ought to be a quorum present before we approve the Journal of the last legislative day. I think we ought to have a quorum present before it is read even.

The SPEAKER. The gentleman from Arkansas makes the point that there is no quorum present. The Chair will count. [After counting.] The Chair is unable to count more than 175.

Mr. PAYNE. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from New York moves a call of the House.

The question was taken, and the motion was agreed to.

Mr. BARTLETT of Georgia. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BARTLETT of Georgia. Mr. Speaker, will the House on this call be called upon to vote on the approval of the Journal?

The SPEAKER. The Journal has not even been read, and the gentleman from Arkansas makes the point that there is no quorum present. The Doorkeeper will close the doors.

Mr. CLARK of Missouri. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. CLARK of Missouri. I would ask the Chair if the Chair was not putting the usual formula that the Journal be adopted, provided nobody objected? Does not that imply that the Journal had been read?

The SPEAKER. The Chair was under the impression that the reading of the Journal had been completed, but finds, on inquiry from the Clerk, that he had not finished the reading of the Journal; and pending the reading of the Journal the gentleman from Arkansas [Mr. MACON] made the point of order that a quorum was not present. Now, that point having been made, no action can be had in the absence of a quorum, save alone to try to get a quorum on the one hand or to adjourn on the other.

Mr. CLARK of Missouri. The reason of my inquiry is that it was my understanding that the Chair was in the act of putting the usual formula as to adopting the Journal, if nobody objected, when the gentleman from Arkansas [Mr. MACON] impinged on the same.

The SPEAKER. The Chair was stating the question, but supposed that the Clerk had concluded the reading of the Journal; but the Chair is informed that the Clerk had not, and the point of the gentleman was made pending the reading of the Journal. The Chair could only find 175 Members present, and the gentleman from New York [Mr. PAYNE] moved the call of the House, which motion is in order; and the Chair, under the rule, has directed the doors to be closed and is about to ask the Clerk to call the roll.

The Clerk thereupon proceeded to call the roll, when the following-named Members failed to answer to their names, viz:

Adamson	Denver	Hubbard, Iowa	O'Connell
Allen	Diekema	Hughes, N. J.	Olmsted
Ames	Dixon, Ind.	Hughes, W. Va.	Page
Anderson	Dodds	James	Palmer, A. M.
Andrus	Draper	Johnson, Ky.	Palmer, H. W.
Anthony	Driscoll, D. A.	Johnson, Ohio	Perkins
Ashbrook	Driscoll, M. E.	Johnson, S. C.	Peters
Barnhart	Durey	Kahn	Poindexter
Bartholdt	Edwards, Ga.	Keifer	Pray
Bartlett, Nev.	Edwards, Ky.	Kendall	Pujo
Beall, Tex.	Elvins	Kennedy, Iowa	Reeder
Bell, Ga.	Esch	Kinkead, N. J.	Reid
Bennet, N. Y.	Fairchild	Kitchin	Reynolds
Bennett, Ky.	Ferris	Knapp	Rhinock
Bingham	Fish	Korbly	Richardson
Booher	Flood, Va.	Lafean	Riordan
Boutell	Foelker	Langham	Robinson
Bowers	Fornes	Langley	Rothermel
Brantley	Foster, Vt.	Law	Rucker, Colo.
Broussard	Foulkrod	Lindsay	Sabath
Brownlow	Fowler	Lorimer	Saunders
Burke, Pa.	Fuller	Lovering	Scott
Burke, S. Dak.	Gallagher	Lowden	Shackleford
Burleigh	Gardner, Mass.	Lundin	Sherwood
Burnett	Garner, Pa.	McCall	Simmons
Byrd	Gill, Md.	McGuire, Okla.	Slemp
Calder	Gill, Mo.	McHenry	Small
Cantrill	Gillett	McKinlay, Cal.	Smith, Iowa
Capron	Gilmore	McKinley, Ill.	Snapp
Carlin	Godwin	McKinney	Southwick
Carter	Goldfogle	McLachlan, Cal.	Sparkman
Chapman	Good	McLaughlin, Mich.	Steenerson
Clayton	Gordon	McMorran	Sterling
Cocks, N. Y.	Goulden	Madden	Stevens, Minn.
Conry	Graham, Ill.	Malby	Sulzer
Cook	Graham, Pa.	Mann	Tawney
Cooper, Pa.	Greene	Martin, S. Dak.	Taylor, Ala.
Coudrey	Griest	Miller, Kans.	Washburn
Covington	Griggs	Miller, Minn.	Webb
Cox, Ohio	Grouna	Millington	Weeks
Cravens	Hamill	Mondell	Weisse
Crow	Hanna	Moon, Pa.	Wheeler
Crumpacker	Hardy	Moore, Tex.	Willett
Currier	Harrison	Morrison	Wilson, Pa.
Davidson	Haugen	Morse	Woodyard
Dawson	Hitchcock	Mudd	Young, Mich.
De Armond	Hobson	Norris	Young, N. Y.
Dent	Howell, Utah	Nye	

The SPEAKER. One hundred and ninety-seven Members have answered to their names on this call. A quorum.

Mr. PAYNE. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The doors will be opened; the Clerk will read the Journal.

The Journal of the proceedings of Thursday last was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. KNAPP, indefinitely, on account of sickness in family.

To Mr. BARTLETT of Nevada, for one week, on account of sickness.

To Mr. McKINLAY of California, for one week, on account of sickness.

To Mr. McMORRAN, indefinitely, on account of important business and sickness.

To Mr. REEDER, for two weeks, on account of illness.

WITHDRAWAL OF PAPERS.

Mr. LEE, by unanimous consent, obtained leave to withdraw from the files of the House, without leaving copies, the papers in the case of C. C. Bryan, Fifty-ninth Congress, no adverse report having been made thereon.

Mr. STEVENS of Minnesota, by unanimous consent, obtained leave to withdraw from the files of the House, without leaving copies, the papers in the case of Mary Smith, Sixtieth Congress, no adverse report having been made thereon.

CHANGE OF REFERENCE.

Mr. CLARK of Missouri. Mr. Speaker, I ask for a change of reference of the bill (H. R. 9310) granting an increase of pension to William L. Carr. It is a pension bill of a Mexican veteran that ought to have gone to the Committee on Pensions, but accidentally was sent to the Committee on Invalid Pensions.

The SPEAKER. Without objection, the change will be made to the Committee on Pensions.

There was no objection.

LEAVE TO PRINT.

Mr. CLARK of Florida. Mr. Speaker, I ask unanimous consent to print some remarks in the RECORD.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

MESSAGES FROM THE PRESIDENT.

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

ELECTRIC RAILWAY BETWEEN PONCE AND THE PLAYA, PORTO RICO.

The SPEAKER laid before the House the following message from the President of the United States (H. Doc. No. 40), which was read, referred to the Committee on Insular Affairs, and ordered to be printed.

To the Senate and House of Representatives:

In accordance with section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stat., 84), and section 2 of the joint resolution approved May 1, 1900 (31 Stat., 716), I transmit herewith copy of an ordinance passed by the executive council of Porto Rico on April 29, 1909, entitled:

"An ordinance further amending an ordinance passed by the executive council of Porto Rico April 19, 1907, entitled 'An ordinance supplementary to an ordinance entitled "A franchise granting to W. S. H. Lothrop, his heirs, successors, and assigns, the right to construct and operate an electric street railway in certain streets in the city of Ponce, and between the city of Ponce and the Playa thereof,"' passed by the executive council on the 27th day of February, 1901."

WILLIAM H. TAFT.

THE WHITE HOUSE, *May 20, 1909.*

ELECTRIC LINE BETWEEN SAN JUAN AND RIO PIEDRAS, PORTO RICO.

The SPEAKER also laid before the House the following message from the President of the United States (H. Doc. No. 41), which was read, referred to the Committee on Insular Affairs, and ordered to be printed:

To the Senate and House of Representatives:

In accordance with the provisions of section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stat., 84), and section 2 of the joint resolution approved May 1, 1900 (31 Stat., 716), I transmit herewith a copy of an ordinance passed by the executive council of Porto Rico on May 6, 1909, entitled:

"An ordinance granting to the San Juan Light and Transit Company the right to own, extend, and operate certain electric railway lines between the city of San Juan and the town of Rio Piedras, in the island of Porto Rico, and to supply electric light and power to the public."

WILLIAM H. TAFT.

THE WHITE HOUSE, *May 24, 1909.*

PHILIPPINE TARIFF BILL.

The SPEAKER. The pending question is the motion of the gentleman from New York to order the previous question on the so-called "Philippine tariff bill" (H. R. 9135).

The question was taken; and the previous question was ordered.

The SPEAKER. The question is on the amendments. Is a separate vote demanded on any amendment? If not, the vote will be taken on the amendments en bloc.

No separate vote was demanded.

The question was taken; and the amendments were agreed to en bloc.

The bill was ordered to be engrossed for a third reading; and being engrossed, it was accordingly read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and the Speaker announced that the ayes seemed to have it.

Mr. CLARK of Missouri. Division, Mr. Speaker.

The House divided; and there were—ayes 139, noes 68.

So the bill was passed.

Mr. PAYNE. Mr. Speaker, there is an amendment to the title.

The SPEAKER. Without objection, the title will be amended.

There was no objection.

On motion of Mr. PAYNE, a motion to reconsider the vote by which the bill was passed was laid on the table.

PORTO RICO.

Mr. PAYNE. Mr. Speaker, I would like to ask unanimous consent to take up for consideration on Thursday of this week the Porto Rican bill reported from the Committee on Ways and Means.

Mr. HENRY of Texas. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

Mr. PAYNE. Mr. Speaker, I think we will find another way to take it up, if we can have a quorum.

Mr. WILSON of Illinois. Take it up now.

Mr. PAYNE. No; some action will have to be taken by the committee.

Mr. HENRY of Texas. I will reserve the right to object, at the request of the gentleman from Tennessee.

Mr. PAYNE. Is the objection withdrawn?

Mr. HENRY of Texas. I reserve the right to object.

Mr. GARRETT. Mr. Speaker, I wish to ask the gentleman from New York what sort of an agreement he will make respecting debate on the bill?

Mr. PAYNE. Mr. Speaker, so far as I am concerned, I will agree to any reasonable unlimited debate.

Mr. GARRETT. I want to say to the gentleman that I have made up my mind, so far as I am concerned, that I shall not take the responsibility of objecting to this bill. I understand that this is the Olmsted bill?

Mr. PAYNE. Yes.

Mr. GARRETT. I do not believe that that bill ought to pass this House like a bridge bill or like a bill granting a right of way over a quarter of an acre of public land. I think it is a grave and serious bill. I think there is a grave and serious condition and, so far as I am concerned, I am not going to take the responsibility of objecting, but I believe there ought to be some chance for an expression of opinion by those who may not agree with the terms of the bill.

Mr. PAYNE. Mr. Speaker, so far as I am concerned, I will say to the gentleman that I am in favor of using the whole of Thursday for general debate if necessary, and the whole of Monday next. I have no disposition at all to try to rush the bill through without consideration.

Mr. HARDWICK. Will the bill be read under the five-minute rule?

Mr. PAYNE. Oh, yes; and I shall request that it be considered in Committee of the Whole House until the consideration of it is completed, to be taken up on Thursday.

Mr. HENRY of Texas. Mr. Speaker, inasmuch as the gentlemen who have been on the Committee on Insular Affairs heretofore seem to desire this course, I am willing to defer to their judgment, and if they wish to enter into an agreement with the gentleman from New York [Mr. PAYNE] about considering the bill, I shall not renew the objection.

Mr. CLARK of Missouri. Mr. Speaker, I would like to make one remark about this. I do not want to make any speech about this bill myself, and I do not think there are more than two or three men in the House who have a present intention of making a speech about it.

Mr. PAYNE. I do not think so either.

Mr. CLARK of Missouri. But I do believe that if somebody were to make a short, cracky speech on that subject it might precipitate a very interesting debate. For that reason I would not want any limit to the time.

Mr. PAYNE. Well, I do not propose to put any limit on it at all, but to allow the most liberal debate. Of course it would be subject, if it should run along unreasonably, to a motion to conclude debate.

Mr. CLARK of Missouri. Oh, of course.

Mr. PAYNE. Then my request for unanimous consent is, Mr. Speaker, that the House resolve itself into the Committee

of the Whole House on the state of the Union on Thursday next, immediately after the reading and approval of the Journal, for the consideration of that bill, to be considered subject to a motion that the committee rise, that bill have precedence until it is completed, and that general debate shall continue through Thursday, if necessary, and also through Monday next, if Members desire to speak.

Mr. GARRETT. And to be confined to the bill itself.

Mr. PAYNE. Yes; and the debate to be confined to the bill itself. I am obliged to the gentleman for putting in that provision.

Mr. LIVINGSTON. Why not do it now?

Mr. PAYNE. Well, the gentleman from Pennsylvania [Mr. OLMSTED], who introduced the bill, is not present, and I do not desire to go on in his absence.

The SPEAKER. The gentleman from New York asks unanimous consent that on Thursday next, immediately after the reading and the approval of the Journal, the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the so-called "Porto Rican bill" (H. R. 9541). Is there objection?

Mr. MACON. Mr. Speaker, I think we better wait until we get to it. We may not be living next Thursday.

Mr. GARRETT. And to add to that request that debate shall be confined to the bill.

Mr. MACON. There is no reason why we should go on in that way, Mr. Speaker, and I object.

The SPEAKER. And the gentleman from New York adds to the request that debate shall be confined to the bill. The gentleman from Arkansas objects.

Mr. PAYNE. Mr. Speaker, a parliamentary inquiry or a suggestion: I suppose that on the call of committees this bill will be in order, providing I have authority from the Committee on Ways and Means to make a motion. I have not any such authority at this time, and therefore I refrain from making any such motion; but I give notice that I shall endeavor to get that authority before next Thursday and make the motion so that the bill can come up as I have suggested, notwithstanding the objection that comes from the gentleman from Arkansas [Mr. MACON], and at that time I shall endeavor to carry out fully my idea of giving a general chance for debate on the bill.

Mr. MACON. Mr. Speaker, in response to what the gentleman says, inasmuch as he mentions me, I will say that I object on the ground that I do not think it is wise for us to make agreements so far ahead in matters of this kind.

Mr. PAYNE. Mr. Speaker, a parliamentary inquiry. Would it then be in order to make that motion?

The SPEAKER. The Chair is of opinion that after the committees have been called through, notwithstanding calendar Wednesday, the House not meeting now under a prior order upon Wednesdays, the House would have the power under the rules on the motion of any Member to resolve itself into the Committee of the Whole House generally.

Mr. PAYNE. Mr. Speaker, I call for the regular order.

The SPEAKER. And in Committee of the Whole House on the state of the Union it will be competent for the committee to take up this bill.

Mr. FITZGERALD. Mr. Speaker, does the gentleman from New York expect to dispose of the President's message before he proceeds to the consideration of the bill?

Mr. PAYNE. Mr. Speaker, that depends on whether that would come up before the call of committees. I call for the regular order.

The SPEAKER. The gentleman from New York demands the regular order.

Mr. FITZGERALD. Mr. Speaker, I submit that the unfinished business is the motion of the gentleman from New York to refer the message of the President of the United States to the Committee on Ways and Means.

Mr. PAYNE. Mr. Speaker, I am ready to meet any question that comes up, and I call for the regular order.

Mr. FITZGERALD. Mr. Speaker, I make the point of order that the regular order is the motion of the gentleman from New York to refer the President's message to the Committee on Ways and Means.

Mr. PAYNE. That is for the Speaker to decide.

The SPEAKER. The pending question, the Chair is informed by the Journal clerk, is upon the motion made by the gentleman from New York [Mr. PAYNE] to refer the President's message, the so-called Porto Rican message, to the Committee on Ways and Means. The question will be taken on the motion of the gentleman from New York to refer that message to the Committee on Ways and Means.

The question was taken, and the motion was agreed to.

The SPEAKER. The gentleman from New York demands the regular order, and the Clerk will call the committees.

The Clerk began and concluded the call of committees.

Mr. PAYNE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the Porto Rican bill, No. 9541.

Mr. GARRETT. And pending that, Mr. Speaker——

Mr. PAYNE. Mr. Speaker, I will change that motion and move that the House resolve itself into the Committee of the Whole House on the state of the Union.

The SPEAKER. The gentleman from New York moves that the House resolve itself into the Committee of the Whole House on the state of the Union.

Mr. PAYNE. Mr. Speaker, pending that motion, the gentleman from Tennessee [Mr. GARRETT], I understand, wants to make some suggestion about the time for debate.

Mr. GARRETT. Mr. Speaker, the first motion of the gentleman from New York was that the House resolve itself into the Committee of the Whole House on the state of Union for the consideration of the Porto Rican bill, and, pending that, I wished to ask about time, but now the motion is that the House resolve itself into the Committee of the Whole House on the state of the Union.

Mr. PAYNE. I understand that that is the only bill that is before the Committee of the Whole House on the state of the Union. What does the gentleman suggest about debate?

Mr. GARRETT. That debate be confined to the bill.

Mr. PAYNE. I have no objection to that. Has the gentleman any other suggestion?

Mr. GARRETT. That is all. I have no request for extensions even.

Mr. PAYNE. The gentleman from Tennessee makes the request that debate be confined to the general subject of the bill.

The SPEAKER. The gentleman from Tennessee asks unanimous consent that general debate on bills on the Union Calendar be confined to the bill that the committee considers. Is there objection? [After a pause.] The Chair hears none.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union, Mr. TOWNSEND in the chair.

PORTO RICO.

Mr. PAYNE. Mr. Chairman, I call up the bill H. R. 9541.

The CHAIRMAN. The gentleman from New York moves that the committee take up the bill H. R. 9541.

The motion was agreed to.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 9541) to amend an act entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900.

Be it enacted, etc., That the act entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900, is hereby amended by inserting at the end of section 31 of said act the following additional proviso:

"*And provided further*, That if at the termination of any session the appropriations necessary for the support of government shall not have been made an amount equal to the sums appropriated in the last appropriation bills for such purposes shall be deemed to be appropriated; and until the legislature shall act in such behalf the treasurer may, with the advice of the governor, make the payments necessary for the purposes aforesaid."

SEC. 2. That all reports required by law to be made by the governor or members of the executive council of Porto Rico to any official in the United States shall hereafter be made to an executive department of the Government of the United States to be designated by the President; and the President is hereby authorized to place all matters pertaining to the government of Porto Rico in the jurisdiction of such department.

Mr. PAYNE. Mr. Chairman, I only want to say a word this morning in regard to this bill, because I expect to turn it over to the gentleman who introduced it on Thursday when he is here. The first section of the bill simply carries out the suggestions of the President in his message which he lately transmitted to this body and to Congress, and provides that the appropriation of the preceding year may be expended in case for any reason the appropriation bill fails between the two houses of the legislature. This is the same identical provision that has been in the Philippine law for the last three or four years—ever since the creation of the lower branch of the legislature in the Philippine Islands—and has worked there without friction and carries out the suggestion of the President in his message. Of course I suppose that every Member has read the message of the President. If they have not, I hope they will not fail to do so.

It has not been printed as a House document, for the reason it has been held up in the air for the last two or three weeks and was not referred until this morning to the Committee on Ways and Means; but in order to escape that I have included

a copy of the message in this report. Section 2 of this bill makes the further provision authorizing that all reports required by law to be made by the governor or any official of Porto Rico to any official in the United States shall hereafter be made to an executive department of the United States, to be designated by the President; and the President is hereby authorized to place all matters pertaining to the government of Porto Rico in the jurisdiction of such department. The original Porto Rican act provided for at least reports to four different officers in different departments of the Government in regard to particular branches of the service; so that those reports are scattered through four different departments, and there is no unity or head to the business; this simply provides that these reports be sent to some executive department, to be designated by the President of the United States, and the President is authorized to place all these affairs in that executive department. A similar provision is in the Philippine bill, and under it all the reports of all of the executive business in reference to the Philippine Islands go, as the House knows, to the Insular Bureau in the War Department.

Now, Mr. Chairman, that is all I desire to say at this moment. Does the gentleman from Tennessee desire to ask a question?

Mr. GARRETT. Yes. The last section of the bill which the gentleman just explained—of course, this bill is to meet an emergency——

Mr. PAYNE. Certainly.

Mr. GARRETT. Now, would not the gentleman be willing for the last section to go out?

Mr. PAYNE. That seems to be a reform so obvious, I will say to the gentleman, upon reading it, that it seemed to the committee that it ought to go into the bill and be provided for now. It is very obvious that that should be done. Of course the civil government part of this law came here from the Senate, and that matter was not fully considered at that time. It was the early legislation in regard to the general government of these islands and this scattering of the reports to four different departments or bureaus of the Government in four departments went into that law; but later when the House and Senate considered the matter when the Philippine bill was up, they concluded to send it to one department, and that is to the War Department, where it was originally placed. I understand, possibly, that this would not go to the War Department, but to some other department of the Government. For that reason it is here, and I would not at this present time agree to any amendment striking it out.

Mr. GARRETT. I want to say to the gentleman, that so far as my examination has extended—and I have examined that somewhat carefully—I do not really see any objection to the last section.

Mr. PAYNE. Well, I could not see any when it was brought to our attention.

Mr. GARRETT. The last section does not involve a matter of legislation that goes beyond an emergency?

Mr. PAYNE. Yes and no. This seems to be important that this thing should be done at once. However, that is a matter of detail in the bill. My own impression is—and I think the members of the Committee on Insular Affairs will agree with me in that—that this old law ought to be considered by that committee and important amendments agreed to.

Mr. GARRETT. I understand that it is the desire of both the administration and the parties in Porto Rico, who are supposed to be against the administration, that there shall be a revision of the so-called "Foraker Act."

Mr. PAYNE. I can see how that would be. I had no information on the subject.

Mr. GARRETT. Why can not that section go into the revision of the bill?

Mr. PAYNE. That is a matter for after consideration. I will be glad to hear anything the gentleman has to say, when he makes his speech, in regard to that.

Mr. GARRETT. The gentleman does not understand that I am going to make a speech.

Mr. PAYNE. I supposed the gentleman was.

Mr. GARRETT. It is not my present intention.

Mr. PAYNE. I will state to the gentleman that I am disappointed. I have nothing further to say on the subject, Mr. Chairman. I reserve the balance of my time. I do not know whether any other gentleman wishes to address the House this morning or not. Does the gentleman from Porto Rico [Mr. LARRINAGA] desire to address the House?

Mr. LARRINAGA. Yes.

Mr. PAYNE. Mr. Chairman, I reserve the balance of my time.

Mr. CLARK of Missouri. Mr. Chairman, I want to make two statements, and then I will yield thirty minutes to the gentleman from Porto Rico. My own judgment about this thing is that Porto Rico ought to be erected into a Territory, with a full territorial government, and let the people work out, under the general supervision of Congress, their own destiny. In the second place, I have tried in the committee and in a general way here to get this limitation that we are putting on them, whatever it is, confined to one year, but the sentiment of the committee was against it, and it was pretty hard to do it anyway under the Foraker Act. And before this is over, if it runs along, I may enlarge on these two ideas. For the present I yield thirty minutes to the gentleman from Porto Rico [Mr. LARRINAGA].

Mr. LARRINAGA. Mr. Chairman, do I understand that the time allowed to me by the gentleman from New York [Mr. PAYNE] is to be added to the thirty minutes of the gentleman from Missouri [Mr. CLARK]?

Mr. PAYNE. I suppose the gentleman can be recognized in his own right if he wants more time. I reserve my time.

Mr. CLARK of Missouri. Mr. Chairman, in order to simplify the matter, I ask that the gentleman from Porto Rico have an hour.

Mr. PAYNE. Let him have his hour.

The CHAIRMAN. The gentleman has an hour, under the rules, in his own right.

Mr. LARRINAGA. Mr. Chairman, I honestly believe that the happiest day of my life would be the day when I could rise on the floor of this House and express the sentiment of the people of Porto Rico toward this Nation, and yet not to have anything to say in the shape of a protest against something that has been done in Porto Rico or on the working of the Foraker Act, so repugnant to our people. Whether I will be the man or whether some one else will be, it matters not; but, I repeat, that day will surely be a happy one for the Commissioner from Porto Rico. But it has been my painful duty always to stand here and be disagreeable to the Members of this House, because the Commissioner from Porto Rico must always protest against that organic act. But I do not wish to dwell any more on that, and will proceed to the matter under consideration.

The bill introduced by the gentleman from Pennsylvania proposes to add at the end of section 31 of the Foraker Act an additional proviso:

And provided further, That if at the termination of any session the appropriations necessary for the support of government shall not have been made, an amount equal to the sums appropriated in the last appropriation bills for such purposes shall be deemed to be appropriated; and until the legislature shall act in such behalf the treasurer may, with the advice of the governor, make the payments necessary for the purposes aforesaid.

Mr. Chairman, I am going to read a condensed statement of the facts in connection with the present difficulty in the legislature of Porto Rico.

From the inception of the civil government in Porto Rico there has been a tendency on the part of the executive council to have its own exclusive way. The house of delegates has been but a body of mere figureheads. One of the members of the executive council had the nerve and the honesty to tell us so.

In the first part of March, 1900, the council (upper house) sent to the lower house (house of delegates) an appropriation bill. Since the governor in his message gave assurance of great contraction in the revenue of the insular treasury, recommending at the same time the necessary economy in the appropriations, the committee on ways and means of the house of delegates wished to cut down the high salaries of the officials and all employees according to a scale, as follows:

	Per cent.
Salaries from $500 to $1,000	5
Salaries from $1,001 to $2,000	10
Salaries from $2,001 on	15

This reduction of salaries would make possible the carrying on of public works and schools without any risk of running into a deficit, and the continuous progress of schools and roads could be maintained, as it has been, increasing from year to year since the control in the island of the Union party took place, in 1904, 1906, and 1908.

The financial committee (ways and means) did away with some of the offices of the federal court, which court is repugnant, on account of its attitude, to the people of Porto Rico; said reductions not applying to the salaries of the judge and the district attorney, nor of the marshal, which are fixed by the organic act, and the legislature, therefore, has no power to alter them.

The house approved the recommendations of the committee on finance. The appropriation bill, thus amended, went back to the council, which did not concur to the amendments.

One after another three different committees were appointed, and all of them failed. This took place at the last moment before the closing of the legislature. Meanwhile the executive council was leaving without any consideration several house bills—a bill organizing a division of the island into several counties, in the same manner in which they are established in the States of New York, New Jersey, etc.; a bill to establish manual training schools; a bill for the establishment of an agricultural bank; and others with a tendency to self-government, such as the election of mayors, councilmen, and judges by the vote of the people instead of by appointment of the governor; and another giving some representation to the taxpayers in the board of appraisers, and also on school laws.

This constant practice on the part of the executive council of ignoring the lower house had been creating a profound feeling of resentment in the latter, and therefore a tendency to resist.

Mr. DOUGLAS. Will the gentleman yield just at that point?

Mr. LARRINAGA. Certainly.

Mr. DOUGLAS. Will the gentleman kindly advise us what printed matter he is reading from?

Mr. LARRINAGA. A brief that I have here, in which all these facts are given, from a committee of the house of delegates.

Mr. DOUGLAS. Is it published as a document here?

Mr. LARRINAGA. It is not; but it has been printed and distributed to every Member of this House and the Senate.

Mr. DOUGLAS. I thank the gentleman.

Mr. LARRINAGA. The gentleman will find it among his papers at his office, I am sure.

The hour for the adjournment of the legislature was fast drawing near and the members were preparing to retire a minute after 12 o'clock.

Meanwhile Treasurer Willoughby and Attorney-General Hoyt, for the council, and Mr. Munoz Rivera and Mr. Soler, for the lower house, were trying to come to an understanding. They agreed to go before the governor, who agreed to call an immediate extra session in order that, through having some bills from each house agreed upon, the appropriation bill could be adjusted in a way satisfactory to everybody.

Mr. Willoughby and Mr. Hoyt presented a list of the bills in which the executive council was mostly interested, and Mr. Munoz and Mr. Soler those of the house.

The interview with the governor resulted in his giving a proclamation calling the members of the legislature to an extra session for the next day, March 12, 1909.

The house was ready to withdraw its amendment to the appropriation bill and to accept it as the executive council desired it, adopting the same attitude as to the other bills.

During the last hours of the 13th day of March the house was ready to pass the council bill, but the council insisted in objecting to the house bills.

The education bill was entirely denatured and shortened, reducing it to a mere remnant of the original. The bill relating to the mayors and the municipal councilmen was destroyed, leaving the appointment again to the governor and not to the people. The bill regarding the appraising of the property and the one relating to police reforms were postponed indefinitely.

It was impossible for the house to yield in every point and the council holding entirely its position as to every measure. In view of the situation, at about 9 o'clock in the evening the house decided to withdraw its concessions in the appropriations bill regarding the federal court, and, sustaining the others, declaring at the same time to be always willing to compromise.

Mr. Chairman, the economies regarding the federal courts had already been withdrawn; the house was ready to compromise and was always willing to compromise.

The house continued to await the action of the council, hoping that the council would be willing to make some concessions to the people's desires, so that public opinion might obtain some satisfaction. The executive council was obdurate and decided to carry out its ideas at any rate.

On Tuesday, March 15, at 2 o'clock in the morning, the house was yet patiently waiting, every member occupying his seat. All of a sudden the executive council decided to adjourn and close the legislative session.

The rest everybody in the United States knows. They took the next steamer and came here to Washington. They have been here about two months. They had the ear of the President and every Member of the Senate and House they were pleased to see. They have been here for two months pleading for powers that will be to the detriment of the people of Porto Rico. They have been holding a club over us and calling us all sorts of names in the press. This work has been going on all the time, and they have been doing all they could to foster a sentiment against the people of Porto Rico. They can not for a moment think the Porto Rican people are entitled to any rights. The Senate committee heard these men the other day. The Attorney-General found that the President's bill was not good. It failed to cover the ground and remove the difficulty. They found that the bill was too liberal. They found that the Foraker Act was poor. The Senator from Ohio had failed to cast in appropriate verblage his ideas. He had failed entirely to put in words the meaning and the principles of that act.

The other gentleman, Mr. Willoughby, said that he wanted to come before Congress to have the power of concurrence taken away from the house of delegates, because it was a club that the lower house had been wielding over their heads for nine years. Mr. Chairman, there is no such thing. The only club that is being wielded is that sword of Damocles that has always been dangling over our heads, and that is now before us.

From the very first day they said, "If you do not agree to everything we will go to Congress, and Congress will take from you that power, and we will have the power to appropriate all the money we want." That is all they want. As I said before, one of them had the honesty to say so, to tell us that the house of delegates were mere figureheads. I heard that gentleman, the secretary of Porto Rico, before the committee, when he came, almost trembling, and asked that committee to remove from us that power, the power to agree in the appropriations, because he said we wanted "to trade in legislation." I thought that gentleman was about to collapse and faint as these words passed his lips, "trade in legislation."

Mr. Chairman, before this deadlock for nine years the house of delegates has been yielding and yielding, and have done nothing but what the executive council wanted to do. Now this deadlock has come because the house of delegates could not stand any longer the pressure of public opinion. The people could not understand why, if that body exists, they can not pass that bill establishing an agricultural bank to help the poor farmers. Right after the cyclone of 1899 the house of delegates, which was not formed of members of our party, but of the other party, tried to pass a similar bill for the relief of the agricultural classes, but the executive council would not agree to it, although they were their political friends. Those gentlemen asked for a loan for this agricultural bank, but it was refused.

We have seen day after day, Mr. Chairman, the small farms of our country people sold at public auction to pay five and ten and fifteen dollars of taxes, and all of these small farms have gone into the hands of wealthy men. Yes, Mr. Chairman, for nine years the papers have been full of advertisements of small farms sold at public auction. Year after year we have introduced that bill, and they have refused to pass it. The people can not understand why we can not stand on our rights and have that bill passed. Who is going to make me believe that the President of the United States, if he had been properly informed, the man whom you have seen here day after day coming to Congress, going before the Committee on Insular Affairs, gathering all information for an agricultural bank for the Filipino farmers, would have accepted the reason given by the executive council; that they could not accept that agricultural bank scheme because the finances of the islands would not stand it?

Mr. Chairman, the first time that the treasury of Porto Rico borrowed money has been last year, when the executive council voted a million dollars for the improvement of roads and bridges. Every year we have appropriated hundreds of thousands of dollars for the building of new roads.

Mr. HILL. Will the gentleman yield for a question?

Mr. LARRINAGA. Yes, sir.

Mr. HILL. Do I understand that the agricultural bank, the charter of which was refused, was a bank of which the capital was to be furnished by private subscription, or was it an agricultural bank which the government was to establish and guarantee?

Mr. LARRINAGA. The insular government proposes to give a guarantee to the parties that would furnish the money.

Mr. HILL. It is not the ordinary bank where the capital is furnished by private subscription which is objected to, but it is the guaranty of the government that is objected to.

Mr. LARRINAGA. Yes; we have plenty of credit. We have always been a money-loaning country.

Mr. HILL. Let me supplement that by another question. Is it the gentleman's opinion that if the agricultural bank is chartered, it could secure private capital without the government guaranty?

Mr. LARRINAGA. Well, who would furnish it then?

Mr. HILL. Why, the stockholders. They would take their own chances and make their own loans. Does the gentleman in his judgment think that such a bank could be organized and be successful without the government guaranty?

Mr. LARRINAGA. I hardly think so in a colony governed as Porto Rico is.

Mr. HILL. Then the difference of opinion between the two parties is whether the government shall guarantee this institution or whether it shall be a private institution.

Mr. LARRINAGA. No; there is no such thing. Let me tell the gentleman that I hardly think that any bankers or any financial association would be willing to loan their money under those conditions in a country which of itself has no representation, and therefore no responsibility. The guaranty is to come from the present government, constituted as it is, because that is the only personality there.

Mr. HILL. And it was on that question of whether the government should assume that responsibility or not that the bill failed.

Mr. LARRINAGA. Yes; and has been failing for the last nine years, because the executive council would not have it so.

Mr. PARSONS. Was this bank to loan money on coffee lands?

Mr. LARRINAGA. On any agricultural lands of all kinds.

Mr. PARSONS. Was it not particularly designed to loan money to small coffee planters?

Mr. LARRINAGA. No.

Mr. HILL. To loan money on sugar or anything else.

Mr. LARRINAGA. On sugar, tobacco, coffee, oranges, pineapples—anything that the planter and farmer produce.

Mr. PARSONS. Was it not the situation of the coffee planters that led to the suggestion of an agricultural bank so that they could be able to borrow money to rehabilitate their lands?

Mr. LARRINAGA. Not particularly that I know of. I remember that when we introduced the first scheme for that bank they objected, and the only reason they could give was this: That if we gave money to people who had their property mortgaged, they would pay the mortgages, which in a large measure were held by Spaniards, and the Spaniards would take the money and go home. They think the Porto Ricans are the most stupid people on earth.

Mr. HILL. I do not wish to interrupt the gentleman too much, but if he will permit, I desire to ask him another question. What was the proposed capital of this bank?

Mr. LARRINAGA. When it was first suggested, it was right after the cyclone, and we then wanted more money—$5,000,000.

Mr. HILL. And how much of that was to be furnished by the government?

Mr. LARRINAGA. Not a cent.

Mr. HILL. All to be furnished by private subscription?

Mr. LARRINAGA. Yes.

Mr. HILL. And the government was to guarantee the loans?

Mr. LARRINAGA. Yes; the insular government.

Mr. HILL. And the difference between the two parties is that one says they do not want the government to guarantee the loans and the other does. Is that the proposition?

Mr. LARRINAGA. They do not give any reason. They do not want any bank at all. If they can find anybody who will furnish the money without a guaranty of the government, we are willing to take it, but who will do that in a colonial government?

Mr. SMITH of California. Are there not some banking institutions there under the present law?

Mr. LARRINAGA. Yes; but what we want the small farmers to get is a cheaper rate of interest.

Mr. SMITH of California. But there may be private banks organized under the laws as they now exist.

Mr. LARRINAGA. Yes; but the interest is very high in Porto Rico, and that is why we want to help the farmers with the establishment of an agricultural bank.

Mr. HUMPHREYS of Mississippi. What is the rate of interest?

Mr. LARRINAGA. There is no fixed rate. The commercial houses loan at anywhere from 12 to 18 per cent, with a mortgage on the property. The interest the banks charge is from 9 per cent up, the man paying every expense, and I have had the information that it goes up to a good deal more than that.

Mr. HUMPHREYS of Mississippi. No legal rate of interest has been fixed under the law?

Mr. LARRINAGA. Not at all. Well, the legal rate is supposed to be 9 per cent—or the custom, as the gentleman will understand.

Mr. HUMPHREYS of Mississippi. There is no rate beyond which they can not contract?

Mr. LARRINAGA. No. Nine per cent has been always accepted. Mr. Chairman, those gentlemen of the council gave the reason that we could not afford to guarantee those two millions. As I was saying, last year they asked us for a loan of $1,000,000 to improve roads and bridges. It was not much wanted.

By increasing our yearly appropriation a couple of hundred thousand dollars, we had to pay no commission, no interest, and in the time necessary to expend the million borrowed we would have by ordinary appropriation gotten those roads built. But our house of delegates would not appear as denying a cent either for roads or schools, and we accepted, and that is the only money that our treasury owes to-day—$1,000,000.

Mr. HILL. Will the gentleman allow me to ask him one further question?

Mr. LARRINAGA. Yes.

Mr. HILL. The roads are now maintained by the districts, and not by the general government?

Mr. LARRINAGA. The small roads or trails by the municipalities, but the main roads in general are maintained by the insular government.

Mr. HILL. Does Porto Rico have any debt?

Mr. LARRINAGA. None at all; but we owe for that $1,000,000.

Mr. HILL. But they did not vote that?

Mr. LARRINAGA. We did, and it has been or is being expended on roads. Our house of delegates would never refuse a dollar for roads or schools.

Mr. HILL. But previous to this the roads had been maintained by the municipal districts?

Mr. LARRINAGA. No, sir; the roads have been maintained by the insular government, even in the time of Spain, though some of them were maintained by the Government of Spain engineers, but with our money. I refer to the military roads. The balance were built by us. I was chief engineer of the insular works for twelve years, and I know everything about it.

Now, there is another scheme on for a loan of $3,000,000 more. It is not a bad scheme, and the house has agreed with the council to loan them that money.

Mr. HILL. For roads?

Mr. LARRINAGA. No; for irrigating a part of our southern coast of the island, where dry weather sets in every four or five years. From time immemorial we had that scheme. We engaged a very able and well-reputed English engineer, Mr. Webb, to study out a system of irrigation for that part of the island. But the next year it rained, and for three or four years it rained; and you must know that the people of Porto Rico are exactly like all other people in the world—when they do not see any danger in sight—they do not care to take any precaution.

When a dry year came again they took up that irrigation business, but it took some months for the preparation of it, and as it rained again they dropped it, and they have done that for about fifty years. Now, two years ago there was a long spell of dry weather. The crop was lost, and they took up the scheme again. Now they say they are going to do it, rain or shine, and I hope they do it.

Mr. HILL. But that is not one of the points of difference at the present time.

Mr. LARRINAGA. I was going to tell the gentleman. We are owing $1,000,000, and if this is carried out it will be $4,000,000; but this loan is to be repaid. This is a money-making proposition, because the lands in the southern part of the island are very rich, and if planters can insure their crop the planters who use the water are going to repay the capital and interest, so it is not going to be any load on the Porto Rican treasury. So, in fact, we are only owing $1,000,000, that the executive council wanted last year. But even assuming that these three million are lost, that the planters could not be compelled to pay for the water they are going to use, and that the insular government would be compelled to pay every cent of it, which is absurd, making then $4,000,000 debt in all, I tell you, gentlemen, that these $4,000,000 would not be any great burden for the Porto Rican treasury.

Some thirty-six years ago we had to pay for our slaves. During those two years when we had a complete republican form of government, as Spain had gone into a republic, an election was held to establish the community of Porto Rico in a republican form of government, and we elected 16 men to the lower house, full-fledged representatives, and 6 senators to the upper house, and instructed them that the first thing to do was to free the slaves, as the republic had freed the whites. And those men went and did it, and we took our financial business into our hands, made a loan of $7,000,000, and paid every slave owner, and in a few years paid every cent of the capital and interest. So that we can not admit, as the executive council thinks, that $4,000,000 is too much for Porto Rico. They are very much mistaken. I suppose they believe so in good faith; but they have been told time and time again that Porto Rican property is to-day worth a good deal more than it was before; that by the mere fact of the American flag being on the land property has risen three times in value generally; and I tell you, gentlemen, many years ago our property was appraised at $160,000,000; and if you multiply that by two or three, what is the value of the property in Porto Rico?

Now the law allows us to loan 7 per cent of that capital or fourteen or fifteen millions and upward; yet those gentlemen come to the President, who has no time to see into these little things of a little bit of a country, who has no time to take everything up and hear everybody, and they give him that reason—that they rejected that bill because Porto Rico could not afford it. But they can afford to go on selling to the rich men the property of the poor, because these last can not pay the $5 or $7 tax on their property. Porto Rico can make an appropriation for that agricultural bank just as easy for $2,000,000 as the United States could make it for $200,000,000 for any national enterprise.

Mr. DOUGLAS. Will the gentleman yield for a question?

Mr. LARRINAGA. Certainly; with the greatest pleasure.

Mr. DOUGLAS. I would like to find out for my own information and that of the committee. As I understand it, you speak about a committee from the executive council.

Mr. LARRINAGA. That came here—a commission.

Mr. DOUGLAS. There was also a committee coming from the Unionist party of the house of delegates.

Mr. LARRINAGA. Yes, sir.

Mr. DOUGLAS. What hearings did they have, Mr. Commissioner, in Washington, and before whom?

Mr. LARRINAGA. We went to see the President first. Then we went to the Secretary of the Interior, to whom the President referred us, and then I believe the President and the Secretary of the Interior had another meeting with them.

Mr. DOUGLAS. Then, as a matter of fact, the President referred both sides to the Secretary of the Interior?

Mr. LARRINAGA. Yes, sir.

Mr. DOUGLAS. How many days were consumed in the hearings before the Secretary?

Mr. LARRINAGA. One session only. It lasted several hours.

Mr. DOUGLAS. Was each side fully heard?

Mr. LARRINAGA. I believe so.

Mr. DOUGLAS. And neither side asked for any more time? Each side presented the matter to the Secretary of the Interior?

Mr. LARRINAGA. Yes.

Mr. DOUGLAS. And he made a report to the President?

Mr. LARRINAGA. Yes, sir.

Mr. DOUGLAS. Then is it not true that both sides appeared before the President and the Secretary of the Interior?

Mr. LARRINAGA. Yes, sir.

Mr. DOUGLAS. Then, as a matter of fact, did not the President give a full opportunity to both sides to be heard in this matter?

Mr. LARRINAGA. Yes; they were heard. The reason why I am speaking only of the commission of the executive council before the Senate committee is because those gentlemen of the house of delegates, being private citizens, with their own business to attend to, had already gone away when the Senate called on me to represent them, I suppose, and also called the other three gentlemen who were here.

There is one other thing we object to. Those gentlemen are always here in Washington instead of attending to their business in Porto Rico, seeing every friend of the President and every Member of Congress. They have been here two months, and in those two months have tried to disparage the people of Porto Rico with literature which they or their friends, which amounts to the same thing, are publishing all through the press of the country.

Mr. DOUGLAS. Who are the gentlemen you speak of, Mr. Ward and Mr. Willoughby?

Mr. LARRINAGA. Mr. Ward and Mr. Willoughby and Mr. Hoyt, the attorney-general.

Mr. DOUGLAS. Is it not true, I will ask the gentleman, that they did not come to Washington, or propose to come, until the committee was appointed by the Unionist party to come and make certain representations to the President?

Mr. LARRINAGA. It was just the contrary. They said to the committee of the house, the committee of conference, "We will adjourn," and left, and it was learned that they would come by the next boat and then the members of the house agreed also to send a committee on the same boat, but they came with their own money.

Now, Mr. Chairman, the other reason they give for not accepting the other bill of the house——

Mr. GILLESPIE. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Porto Rico yield to the gentleman from Texas?

Mr. LARRINAGA. Certainly. I want to make a parliamentary inquiry, Mr. Chairman. May I be allowed to inform the Members who may wish to ask me questions that they are at liberty to rise without asking the permission of the Chair, so far as I am concerned?

The CHAIRMAN. The Chair will take care of that.

Mr. GILLESPIE. Before you get off of that agricultural bank, I want to ask you what per cent of the real estate values did they propose the bank should lend?

Mr. LARRINAGA. Forty per cent of the real value. At the time of this last agricultural scheme I was not there, but the one we had been presenting for many years before fixed 40 per cent of the actual value of the property appraised by the treasurer and other appraisers of the land. I do not quite remember.

Mr. GILLESPIE. Now, another question. Did you propose to limit the rate of interest on those lands by that bank?

Mr. LARRINAGA. Of course.

Mr. GILLESPIE. What was the limit?

Mr. LARRINAGA. In this bank, do you mean?

Mr. GILLESPIE. Did you say that the bank could not lend money except at a certain rate of interest or no higher than a certain rate?

Mr. LARRINAGA. It was limited to 6 per cent in the previous one. I suppose they had fixed the same rate in this.

Mr. GILLESPIE. You say that the average rate of interest there now is from 9 per cent up?

Mr. LARRINAGA. I have seen a pile of deeds that high [indicating] composed of 18 per cent first mortgages.

Mr. DOUGLAS. Was that in quite recent times?

Mr. LARRINAGA. The banks of Porto Rico and San Juan loan at 9 per cent.

Mr. DOUGLAS. Is there any commercial paper now in Porto Rico, except the 7 and 8 per cent?

Mr. LARRINAGA. No; the gentleman is right.

Now, Mr. Chairman, the other bill that they objected to, and which was presented by the house, was a bill to establish a manual training school. They say that it was against the Foraker Act. They have failed to show how. If, in the management of the school, some rules would conflict with the Foraker Act, I suppose if they had been willing to sit there and compromise the objectionable feature would have been removed. In that connection I have to tell you that they wanted to establish a manual training school because the first one had been a failure; and the best thing that could occur did happen for the building, and everything connected with it, when Divine Providence burned it one night; and I need not say anything further on that. I was a member of the commission appointed by the governor to investigate that fire, and I had better pass over it.

Mr. HUMPHREYS of Mississippi. Will the gentleman yield for a minute?

Mr. LARRINAGA. Certainly.

Mr. HUMPHREYS of Mississippi. The gentleman said that if they had been willing to stay there the objections to this bill would have been compromised?

Mr. LARRINAGA. Yes.

Mr. HUMPHREYS of Mississippi. Just what do you mean—the executive council?

Mr. LARRINAGA. They adjourned and left. When the regular session of the legislature closed, the governor called an extra session, and in that extra session they were trying to adjust things. But they would not yield a line from their position. They wanted, as they had always done, to have their own way, because they understood that the lower house was afraid of their coming to Washington to represent us before Congress and before the Executive in the way they had been doing it, and that fear kept us back all the time. They expected we would yield to them, and that there was no use of their being on hand. They took advantage of that opportunity to come and have Congress do as they always expected you to do.

Mr. HILL. Will the gentleman allow me to ask him another question?

Mr. LARRINAGA. Certainly; with pleasure.

Mr. HILL. The first manual training school, that you say was burned by Divine Providence, was a failure. Was that in the way of the building proper, or in the management?

Mr. LARRINAGA. That building cracked and there were constant complaints against it; it had to be propped up and was a failure all through.

Mr. HILL. Was it a failure as to the school, or simply a failure as to the building? What was the cause of the failure?

Mr. LARRINAGA. I can honestly give no reason to the gentleman. In those first days the confusion in the administration of the country was so great, which I believe is always the state of affairs when a new government is inaugurated, that the school was not properly managed, and the building was not properly constructed. That was an incident to the first days' régime. But I want to state that in these days our government is running more normal, and in the present condition I do not think such a thing would take place. The other bill they objected to was a bill to have the municipal judges elected, and not appointed by the governor.

Mr. HUMPHREYS of Mississippi. If the gentleman will permit me, I think it was stated in some of the papers filed here, I think by a gentleman who represented the executive council, that the purpose of the house of delegates in advocating this manual-training school was to take the entire system of education out of the hands of the constituted authorities and put it into other hands. Now, is that an exact statement?

Mr. LARRINAGA. How can the gentleman from Mississippi [Mr. HUMPHREYS] imagine that by establishing a particular school a whole system of education can be changed?

Mr. HUMPHREYS of Mississippi. What is the gentleman's opinion about that; that that was an accurate or an inaccurate statement?

Mr. LARRINAGA. I could not tell whether it was proper, because I fail to see how the Foraker Act covered that point at all.

Mr. HILL. The first manual-training school was under the control and direction of the insular government. It was not established by any municipality, but by the insular government, was it not?

Mr. LARRINAGA. Yes. It was established by the insular government, which amounts to saying by the executive council.

Mr. HILL. They did not object to it, then. After it was destroyed, what is the reason that it becomes at once a cause for difference of opinion?

Mr. LARRINAGA. Not at once. Nine years have elapsed.

Mr. HILL. Why is it that there is a difference of opinion now after they both united previous to the destruction of the first school?

Mr. LARRINAGA. Because they did it all then. We did not unite to do it. And now we want to have a little share in the establishing of it. That is about all. I will tell the gentleman from Connecticut [Mr. HILL] that if it has come to pass that the desire of a people to control their own affairs is a crime, then in the name of my people I shall have to plead guilty. We do want self-government. [Applause.]

The other bill, as I was about to say, Mr. Chairman, was a bill to elect the municipal judges. We do not want those judges appointed by the governor. The reason for it is just the very reason that they give not to have them elected by the people. They say that if those judges are elected—the municipal judges, the justices of the peace—they will be a weapon in a political party.

Then their confession is that the whole country belongs to that party and that those judges will represent the true opinion of the people, and that is true. They want to keep those appointments of municipal judges in the hands of the governor, because they can more easily incline a man to help them in political plans than have the whole people accord to their desires. No, Mr. Chairman, our administration of justice in Porto Rico has always been good and honest from time immemorial. Our supreme court of justice is held in as high esteem by the people of Porto Rico as your Supreme Court here is by the people of this country. I remember when we conspired against Spain. I remember the time when all of the jails were filled with Porto Ricans, because we did conspire. Some policemen tortured some of our people to find out the truth, we represented to Spain, and the Spanish judges stood by the people and indicted the police, and the governor was removed by cable. Our people have been educated to respect the administration of justice. We are a law-abiding people and not what we are represented by those gentlemen here in those papers.

Mr. Chairman, to show you why we want to take from the hands of the governor the appointment of those judges, I will cite you an instance. Just on the recommendation of Governor Post a vacancy in the supreme court of the island has been filled with a lad who never practiced law, only because he is a friend of the administration; because he is a friend of the governor. Nevertheless, those gentlemen and their papers, who are opposing us in the press, are attacking Governor Post; and Governor Post has been helping them all the time. He was instrumental in recommending to the President to appoint that lad to a seat on the supreme bench of the island, which has been a shock to the whole country

Ever since Governor Winthrop went there political oppression has ceased. The elections have been fair, and that is the reason we have carried the whole island, from one end to the other; and we will do so every year unless that executive council, encouraged by the bill that you are going to pass, goes back to the policy of 1900 and 1902 and uses the same methods to place their friends in the house of delegates.

At that time elections were carried by the clubs and the revolvers of the police, when homes were attacked, when institutions were assaulted and destroyed, and when people were kept from the polls by violence. That is what they want to go back to. Mr. Chairman, I had myself to go down with my friends on the streets of San Juan and fight the mob that attacked our house. Public property was destroyed and not a single arrest made. I had to go down with my friends into the streets to fight, so as to prevent the fights taking place in the parlors of our homes amongst our wives and children. But, like the henchmen of tyranny, they were cowards and ran. But when they caught one of our men alone they clubbed him to death in the streets. A decent man could not sit in any public place without being attacked. Yes, Mr. Chairman, those are the times they long for; but the one who stopped that was, as I said before, a friend of President Taft, Governor Winthrop. That was his crime, and that is the reason they are assaulting him in their press. That is the reason they are assailing Governor Post, because he does not fall back to those times. I am not defending Governor Post. I just have told you what he has done respecting the appointment of that gentleman to the supreme court. Last year only, he opposed me and beat me before the Executive in the appointment of a member of that executive council, a native who had been there eight years, a man that could not be elected by the people to fill any office in the land.

Mr. HARDWICK. Will the gentleman yield for a question?

Mr. LARRINAGA. Yes.

Mr. HARDWICK. Is the governor siding with the executive council or with the house of delegates?

Mr. LARRINAGA. Just at this moment nobody can tell, because the press of the executive council is attacking him savagely. Next to traitor he is called every name in the vocabulary.

Mr. HARDWICK. Has he taken any public position about those acts?

Mr. LARRINAGA. Not at all. On the contrary, those two appointments against our party had been recommended by him. On my side, here in Washington, where I am best informed, he has sided with the other people.

Mr. HARDWICK. As far as those bills which you have been describing to us are concerned, does Governor Post side with the executive council or with the house of delegates, or has he taken any public position about these legislative matters?

Mr. LARRINAGA. I believe he has taken no stand. His willingness to see a compromise arrived at has been shown by his ordering the legislature to have an extra session the next day, and my impression is that he was very sorry that both houses did not come to some agreement.

Mr. Chairman, I desire now to finish my remarks. I know what the fate of this bill is going to be. You are a patriotic people, but you are wrongly informed. Those people have represented us as we are not. As I told you before, when we used the best of judgment with our internal economic affairs in the times of the republic, we had, and we deserved it, the praise of the whole world. Every nation in the world pointed to Porto Rico as a model people, but I am not going to give you the opinion of other people.

Mr. BORLAND. Will the gentleman permit an interruption?

Mr. LARRINAGA. Yes.

Mr. BORLAND. There is one more matter of dispute there which I did not hear the gentleman from Porto Rico touch upon, and that is in relation to the assessment of property for taxation.

Mr. LARRINAGA. I thank the gentleman for that suggestion. Mr. Chairman, I believe the customs of a people should be indulged, if not fully respected. From time immemorial, in the old times of Spain, our assessments were made by a committee of the highest taxpayer, the middle taxpayer, and the smallest taxpayer. Well, our people look to that and want to get at it. Why? Because any man from Nebraska or California or Massachusetts who is appointed to do that does not know anything about it.

He does not know the language, so he can not go among the people and get information. He has not been in business there, and he does not know what the value of the land is; and therefore we want to pass that bill giving to the people of Porto Rico some participation in the assessments of property.

Mr. HARDWICK. And they do not appoint native Porto Ricans to those places?

Mr. LARRINAGA. Americans, as a rule; but, of course, I can not say if there is not one or two Porto Ricans among them. But this is not the case; we do not object to these appointments because the appointees are Americans. We have Americans in our municipal councils who have been elected by the people. What we wished to establish by that law is that the treasurer, together with the taxpayers, would appoint the municipal board of appraisers.

Mr. HARDWICK. But does the governor or the treasurer appoint Porto Ricans at all?

Mr. LARRINAGA. He appoints anybody he chooses.

Mr. HARDWICK. But, as a matter of fact, has he appointed any Porto Ricans at all?

Mr. LARRINAGA. No, sir; I think not.

Mr. HARDWICK. I just wanted to know the fact.

Mr. LARRINAGA. That was the other bill they objected to. Now, gentlemen, why did they not accept one of those bills so as to have some shadow of a reason?

Mr. BORLAND. I do not want to delay the gentleman's speech, but——

Mr. LARRINAGA. I am very happy to yield.

Mr. BORLAND. I notice in the message of the President he stated that the proposed change of the method in assessing property for taxation would put it in the hands of the largest taxpayers of the district. What is the ground for that assertion, and do you agree with that?

Mr. LARRINAGA. None at all. The executive council wishes to insinuate, I suppose, that we will take the millionaires—we have none in Porto Rico—and appoint them, so that they will put the taxes on the poor people and the wealthy people will go scot-free. They always start from the supposition that we are the meanest people on earth.

Mr. HARDWICK. Before the gentleman passes from that point—did I understand the gentleman to say just now that the treasurer had not appointed any Porto Ricans?

Mr. LARRINAGA. I can not say if in any particular case he has. I have been here four years—almost all the time in Europe and the United States—and I could not say it in some particular case he might not have appointed some, but not that I know of.

Mr. HARDWICK. But you do mean to say in the majority of the cases they have appointed people of the United States rather than Porto Ricans.

Mr. LARRINAGA. The bill goes to that end; because one thing is appointing any man and another thing is appointing a taxpayer. The bill calls for the appointing of a board of appraisers by the treasurer, together with some taxpayers.

Now, gentlemen, you are about to pass this bill. Here are two parties. You are going to decide this case on the statement of three men—well, they represent six, that is true—but they are the interested parties; they are the parties who fear that if you give us a more liberal organic act they may lose their offices. Now, the other party; who are they? They are the men who have been slandered as being politicians and only willing to grab hold of the administration of the island, and so forth.

The CHAIRMAN. The time of the gentleman from Porto Rico has expired.

Mr. HILL. Mr. Chairman, I ask unanimous consent that the gentleman may be allowed to proceed.

Mr. PAYNE. Mr. Chairman, how much more time does the gentleman require?

Mr. LARRINAGA. Ten minutes.

Mr. PAYNE. Mr. Chairman, I ask unanimous consent that the gentleman may be allowed to proceed for fifteen minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LARRINAGA. I thank you, gentlemen. This is the complexion of that house. They have 34, because 1 has died. I will not read the names, as they will not tell anything to you. There are eight sugar planters—taxpayers. They are those politicians who want to grab the administration. Thirteen lawyers. It happens in our house of delegates the same as it does here; it is funny. [Laughter.] I am not a lawyer, myself.

Mr. Chairman, I am a civil engineer, but the majority are lawyers; and I tell you, gentlemen, these lawyers are taxpayers, 90 per cent of them; they are proprietors; they are the men said to be in the interest of a grabbing administration. Now, there are four coffee planters. Among those coffee planters you will find not only lawyers, but civil engineers, who have studied their profession in this country; and there are two newspaper editors and proprietors; there are three farmers; and there are—we always take them in—two representatives of the laboring class. The labor party is not strong enough to elect any ticket, and we always take some—sometimes we have had even four, but now we have two. And that is the complexion of the house of delegates, as against these six gentlemen, who, no matter how good they may be, must of necessity know less about our people, our customs, and our laws than those 34 gentlemen who had the benefit of an education here in the universities of the United States and those of Europe and who own property and are the taxpayers. Now, you are going to pass on this bill. These gentlemen of the council say that we are incapable; that we are not prepared; that we are a mongrel race, a degenerate people and incompetent, lazy, and so forth; but, gentlemen, as against that I do not want you to take the authority of our people, but I want you to take the authority of the men who have been there in the executive council, but who could not hold there. It seems that the atmosphere is not good enough for that type of men.

Dr. Martin Brumbaugh, superintendent of schools in Philadelphia, will tell you about the Porto Rican people. I do not want you to take the opinion of the Old World. I want you to take the opinion of Professor Brumbaugh, who was the one who changed the Spanish system of schools for the American system.

Mr. MOORE of Pennsylvania. Will the gentleman tell us whether the conditions have improved, and whether they improved under Dr. Martin Brumbaugh's administration?

Mr. LARRINAGA. The conditions not only improved, but they are the foundation of a beautiful system of education.

Mr. MOORE of Pennsylvania. The system inaugurated by him was entirely welcome to the people?

Mr. LARRINAGA. Not only welcome, but it was so much so that if we had to elect an executive council by the vote of the people I would present the name of Professor Brumbaugh, and he would be elected. And not only he, but there is Prof. MacCune Lindsay, who took his place. These gentlemen have been in touch with the people on account of their offices. Read what Professor Lindsay said in his speech at the Mohonk conference about the Porto Ricans.

Mr. MOORE of Pennsylvania. I only wanted to ask you if you would not tell us whether the conditions had continued to improve, so far as the rank and file of the Porto Rican people are concerned, by reason of educational methods introduced under American auspices?

Mr. LARRINAGA. Certainly; they have.

Mr. MOORE of Pennsylvania. They have improved generally throughout the Island?

Mr. LARRINAGA. Certainly.

We had $600,000 before, and we will have a million dollars in the country now devoted to education, very soon.

Mr. MOORE of Pennsylvania. I want to ask you whether the English or the Spanish language is spoken in the executive council's meetings?

Mr. LARRINAGA. Both.

Mr. MOORE of Pennsylvania. In your legislative branch only the Spanish language is spoken?

Mr. LARRINAGA. Sometimes we had Americans. We had two or three Americans, and those natives who spoke English used to discuss in English. I have done it.

Mr. MOORE of Pennsylvania. May not some of the differences of opinion, so far as the people of the island are concerned, arise from the fact that they do not thoroughly understand each other?

Mr. LARRINAGA. Let me tell the gentleman from Pennsylvania that I would be willing to amend the Foraker Act, making that executive council elective by the people, if they were to be all Americans—and we will find plenty of them down in Porto Rico—and the gentleman will see that there is no misunderstanding between Americans and Porto Ricans on account of the language.

Mr. MOORE of Pennsylvania. I want the gentleman to understand that I am in thorough sympathy with what he is driving at. I have been on the island. I do not quite agree with him as to the eligibility of all the natives of the island to vote for President of the United States. I question whether some of them are ready for that at this time. I want to ask the gentleman—and I am entirely friendly in my inquiry—if there had been a better understanding between the English and Spanish speaking people on the island if conditions would not continue to improve?

Mr. LARRINAGA. Not only the difference in language is no objection, but our people take to English readily. Let me tell the gentleman that forty years ago I was a protectionist of the American manufacturers there.

I introduced stone breakers, steam rollers, and steam portable engines, and I built the first railroad in the island introducing American rolling stock, which cost 45 per cent higher than the European material. And I established a free school for teaching English—broken English, of course.

Mr. PARKER. I want to ask the gentleman, during the time that he has left, if he has any suggestion as to what action should be taken, so as to allow the courses in schools to go on during the next year under the present situation of affairs, when no appropriations are made by the Porto Rican legislature?

Mr. LARRINAGA. That makes me think that the gentleman believes that the bill is not going to pass.

Mr. PARKER. This bill is one suggestion; what suggestion does the gentleman make so that the courts and schools may go on?

Mr. LARRINAGA. I suggest, Mr. Chairman, that you do just as the President has advised—that the budget of the previous year go on, provided that the Foraker Act is taken up by the Committee on Insular Affairs and amended in a liberal sense. If the gentleman from New Jersey will accept my resolution, I will introduce one providing that the Foraker Act be revised at the next session of Congress, and the budget of last year shall go on.

Mr. BORLAND. Mr. Chairman, would the gentleman permit me to ask him this: Would he advise the restriction of this act to one year?

Mr. LARRINAGA. I would be in favor of restricting or limiting the power of the executive council. Now, if this is to go to the hands of the executive council, I would be in favor of doing that which would most restrict their power.

Mr. BORLAND. As I understand, your suggestion was for the continuation of last year's budget?

Mr. LARRINAGA. That would be under this act, if it is passed.

Mr. BORLAND. Until the Foraker Act can be amended.

Mr. LARRINAGA. Until it can be revised by the Committee on Insular Affairs at the next session of Congress.

Mr. BORLAND. Would it be a part of your suggestion that the pending bill be limited to one year?

Mr. LARRINAGA. That the provisions of the bill continue only until the act can be amended at the next session of Congress in the best interests of the people there.

Mr. HILL. But suppose the Foraker Act was not amended to meet the approval of the party objecting. What other course should be pursued?

Mr. LARRINAGA. I really do not know, unless it be to make a new and better one.

Mr. HILL. Very well; it is a political party; and they have their political differences there just as we do here.

Mr. LARRINAGA. I will tell the gentleman that the other party is for self-government, also.

Mr. HILL. I concede that they are all patriots, as we are, on both sides of the controversy.

Mr. LARRINAGA. Yes, sir.

Mr. HILL. Suppose the Foraker Act was not amended to meet the views of the gentleman. What would you do for next year?

Mr. LARRINAGA. Next year there will be no trouble. The minute you take that club from the executive council they will be more reasonable; and so will the house of delegates, not having this constant menace, being then more responsible to the people. This is human nature. Then, if after all there should be trouble again, let them come before a committee of the House. Let that committee study the bills and the points of contention and decide the case. Then both parties will think twice before coming here without just and good reasons.

Mr. GARRETT. May I ask the gentleman this: If I understand the question of the gentleman from Connecticut, he would suggest that the Congress might study with profit the legislation that was proposed by the house of delegates as a condition precedent for the passage of the appropriation bill.

Mr. LARRINAGA. Certainly; and pass upon it.

Mr. GARRETT. The gentleman from Connecticut, if the gentleman will permit me, is familiar with the fact that the power of the press has been the mainstay of English liberty for a thousand years; and the gentleman from Connecticut, if he will read the demands that were made by the house of delegates of Porto Rico, will be at great trouble to answer or to show where there was not justice in those demands.

Mr. HILL. Oh, well, Mr. Chairman, the "gentleman from Connecticut" is perfectly able to judge for himself in regard to that without having a rule laid down by the gentleman from Tennessee. I have visited Porto Rico and know something of the conditions that exist in Porto Rico. I do not believe it is well to decide any question between two political parties, even in the United States—purely political questions, coming between two political parties in the United States—before hearing both sides.

I do not believe the gentleman from Tennessee would advocate any course of action to be taken without hearing both sides in regard to the matter. I think we should pass this bill as it stands, and at the same time give full opportunity to all parties to present their views and have them considered by a proper committee of this House; and, if such a bill is introduced, it will go before a committee of which the gentleman from Tennessee is a member, and we will give just such careful consideration to it as we can.

The CHAIRMAN. The time of the Commissioner has again expired.

Mr. DE ARMOND. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended ten minutes more, as most of his time has been taken by colloquy.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT. Mr. Chairman, if the gentleman will permit me one moment, I shall impose further on the gentleman's courtesy——

Mr. HILL. Oh, I think I have more confidence in the gentleman's judgment than he has in mine.

Mr. GARRETT. Those questions, of course, will have to be determined at that time.

Mr. PAYNE. Mr. Chairman, how does the gentleman from Tennessee get the floor?

The CHAIRMAN. The chair understood that the gentleman from Porto Rico had yielded to the gentleman from Tennessee.

Mr. LARRINAGA. Mr. Chairman, I have only a few words more to say, because I want to close my remarks. I see that I am imposing upon the attention of the House, and if I were to present all of the points in this controversy it would take a great deal of time. I was speaking of the opinion of those people in regard to the people of Porto Rico, and I was telling you that I did not want you to take the opinion of our people or the opinion of the people of Europe. I want you to take the opinion of those two commissioners of education of Porto Rico. I want you to take the opinion of President McKinley, when he told our delegation, "Gentlemen, do not worry; we are going to make of your country the envy of the Latin-American countries; we are going to do full justice to your aspirations." Take the opinion of President Roosevelt, when he said to another commission from Porto Rico that very few people are in the condition that the people of Porto Rico are, socially, politically, and economically. Do not take my opinion. Take the opinion of Governor Winthrop, here in this message. I could read you many paragraphs to the same effect, but I desire only to read the last four or five lines. In that he says:

> It is a great satisfaction to be able to report that, in spite of the very great interest manifested in the elections and the natural difficulties in applying a new law, the campaign was remarkably free from unpleasant incidents. The self-control and respect for law observed at the voting booths should be a cause of pride and congratulation to all Porto Ricans.

Mr. Chairman, I do not want to use the evidence of two years ago. I want you to read the report that is just fresh in the Executive Mansion, the report of General Wood, who, coming from Porto Rico the other day, says that our soldiers could not be better. You have seen them here in Washington, and yet they are calling us cowards in some newspapers—those three gentlemen who would not dare to stand before any member of the house of delegates and tell him in his face what they have been telling in the press of this country. Those soldiers, Mr. Chairman, are the descendants of the men that in the last two centuries have fought for our country and have beaten back the British and the French and the Dutch. They are the same men. They represent the men that some day will have to fight shoulder to shoulder with your own soldiers under that flag. [Applause.]

I know, gentlemen, that you are going to pass this bill. We will have to submit. But in the controversy between those men who represent a system repugnant to our people and those 34 men who represent the wealth and the intelligence of my country let God Almighty in heaven and the American people in this free land be our judges. [Applause.]

Mr. PAYNE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. TOWNSEND, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9541) to amend an act entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900, and had come to no resolution thereon.

ADJOURNMENT.

Then, at 2 o'clock and 27 minutes p. m., on motion of Mr. PAYNE, the House adjourned to meet on Thursday next.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of Mrs. M. E. Arrowood, administratrix of estate of William Cousey, deceased, *v.* The United States (H. Doc. No. 38)—to the Committee on War Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of Marion B. Young and Geno D. Weller, sole heirs of Samuel C. Young, deceased, *v.* The United States (H. Doc. No. 39)—to the Committee on War Claims and ordered to be printed.

Message and accompanying papers, transmitting a copy of an ordinance passed by the executive council of Porto Rico on April 29, 1900 (H. Doc. No. 40)—to the Committee on Insular Affairs and ordered to be printed.

Message and accompanying papers, transmitting a copy of an ordinance passed by the executive council of Porto Rico on May 6, 1900 (H. Doc. No. 41)—to the Committee on Insular Affairs and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. AIKEN: A bill (H. R. 10022) requiring chairs or stools to be provided for female clerks and help in stores, etc.,

in the District of Columbia—to the Committee on the District of Columbia.

By Mr. KEIFER: A bill (H. R. 10023) to amend section 4877, Revised Statutes of the United States—to the Committee on Military Affairs.

By Mr. WICKLIFFE: A bill (H. R. 10024) for the erection of a federal building at Covington, La.—to the Committee on Public Buildings and Grounds.

By Mr. OLDFIELD: A bill (H. R. 10025) to provide for use of water power at Dam No. 2, on White River, Arkansas—to the Committee on Rivers and Harbors.

By Mr. RICHARDSON: A bill (H. R. 10026) for the purpose of improving the navigation of the Tennessee River over the Elk River Shoals and the Big and Little Muscle Shoals in connection with the development of the water power thereof by the Muscle Shoals Hydro-Electric Power Company—to the Committee on Rivers and Harbors.

By Mr. SMITH of Michigan: A bill (H. R. 10027) for the erection of a statue of Sequoyah, a Cherokee Indian, the inventor of the Cherokee alphabet—to the Committee on the Library.

By Mr. PETERS (by request): A bill (H. R. 10028) to establish a variation of the measurement of time—to the Committee on the Judiciary.

By Mr. SLAYDEN: A bill (H. R. 10029) to create a bureau of harbors and waterways under the Department of Commerce and Labor—to the Committee on Interstate and Foreign Commerce.

By Mr. AIKEN: A bill (H. R. 10030) dividing the State of South Carolina into two judicial districts, providing for the appointment of a district judge, etc.—to the Committee on the Judiciary.

Also, a bill (H. R. 10031) to limit the effect of the regulation of commerce between the several States and Territories as to certain commodities—to the Committee on the Judiciary.

Also, a bill (H. R. 10032) to increase the compensation of carriers on rural free-delivery mail routes—to the Committee on the Post-Office and Post-Roads.

By Mr. TAYLOR of Colorado: A bill (H. R. 10033) to secure to the members of the Third Regiment Colorado Volunteer Cavalry, who served during the late civil war, and their widows and minor children, the benefit of the provisions of the general pension laws and of the act of June 27, 1890, and the act of February 6, 1908, and to restore the status of said regiment—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10034) to pay railway postal clerks actual and necessary traveling expenses—to the Committee on the Post-Office and Post-Roads.

By Mr. MOORE of Pennsylvania: A bill (H. R. 10035) for the erection of a cold-storage building for the Department of Agriculture—to the Committee on Public Buildings and Grounds.

By the SPEAKER: Memorial of the lower house of the Porto Rican legislature, protesting against proposed amendments to the organic law relating to the legislature—to the Committee on Ways and Means.

Also, memorial of the legislature of Wisconsin, praying for the creation of a permanent tariff commission (nonpartisan) with judicial functions—to the Committee on Ways and Means.

Also, memorial of the legislature of Hawaii, praying that the title to the several waterworks systems, public highways, parks, squares, etc., be ceded back to the Territory—to the Committee on the Territories.

Also memorial of the legislature of Massachusetts, protesting against the imposition by the Federal Government of a tax on inheritances—to the Committee on Ways and Means.

Also, memorial of the legislature of Wisconsin, praying for the exclusion of Asiatics—to the Committee on Foreign Affairs.

Also, memorial of the State of Illinois, praying for legislation to encourage old-age insurance—to the Committee on Ways and Means.

Also, memorial of the State of Wisconsin, praying for national encouragement to the Interparliamentary Union for discussion of international arbitration—to the Committee on Foreign Affairs.

Also, memorial of the State of Illinois, praying for an appropriation for the Lincoln Farm Association—to the Committee on Appropriations.

Also, memorial of the legislature of the Territory of Hawaii, praying for the enactment of legislation for certain amendments to the organic law of the Territory of Hawaii—to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. AIKEN: A bill (H. R. 10036) for the relief of Jeremiah Looper—to the Committee on War Claims.

By Mr. ANDREWS: A bill (H. R. 10037) granting an increase of pension to James Martin—to the Committee on Invalid Pensions.

By Mr. ANSBERRY: A bill (H. R. 10038) granting an increase of pension to Samuel E. Allmon—to the Committee on Invalid Pensions.

By Mr. BYRNS: A bill (H. R. 10039) to remove the charge of desertion from the military record of Hiram Binkley—to the Committee on Military Affairs.

Also, a bill (H. R. 10040) for the relief of the estate of John Z. Hamel, Davidson County, Tenn.—to the Committee on War Claims.

Also, a bill (H. R. 10041) for the relief of the estate of W. S. Huggins, Davidson County, Tenn.—to the Committee on War Claims.

By Mr. CAMPBELL: A bill (H. R. 10042) granting an increase of pension to Jasper D. Lacy—to the Committee on Invalid Pensions.

By Mr. CARY: A bill (H. R. 10043) granting an increase of pension to Charles W. Merriam—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10044) granting a pension to Ellen Harrington—to the Committee on Invalid Pensions.

By Mr. CLAYTON: A bill (H. R. 10045) granting a pension to Martha Thompson—to the Committee on Pensions.

Also, a bill (H. R. 10046) granting a pension to Zachariah Cassedy—to the Committee on Invalid Pensions.

By Mr. COOPER of Wisconsin: A bill (H. R. 10047) granting a pension to Susan K. Stork—to the Committee on Invalid Pensions.

By Mr. CULLOP: A bill (H. R. 10048) granting an increase of pension to Johnson H. Fitzpatrick—to the Committee on Invalid Pensions.

By Mr. CUSHMAN: A bill (H. R. 10049) granting an increase of pension to Martha M. Hildreth—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10050) granting an increase of pension to Michael Kelliher—to the Committee on Invalid Pensions.

By Mr. FORDNEY: A bill (H. R. 10051) granting an increase of pension to George C. Presley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10052) granting an increase of pension to John G. Lang—to the Committee on Invalid Pensions.

By Mr. FOSTER of Illinois: A bill (H. R. 10053) granting an increase of pension to James Tucker—to the Committee on Pensions.

By Mr. FULLER: A bill (H. R. 10054) granting an increase of pension to Nelson R. Harrington—to the Committee on Invalid Pensions.

By Mr. HAMMOND: A bill (H. R. 10055) granting an increase of pension to Phoebe Lowe—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10056) granting an increase of pension to William B. Norman—to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 10057) granting an increase of pension to William L. E. Trueax—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10058) granting an increase of pension to Joseph E. Cox—to the Committee on Invalid Pensions.

By Mr. HAY: A bill (H. R. 10059) granting a pension to Lottie A. Dunn—to the Committee on Invalid Pensions.

By Mr. HOWELL of New Jersey: A bill (H. R. 10060) granting an increase of pension to George B. Van Pelt—to the Committee on Invalid Pensions.

By Mr. HUMPHREY of Washington: A bill (H. R. 10061) for the relief of Edward L. Wells—to the Committee on Private Land Claims.

By Mr. JOYCE: A bill (H. R. 10062) granting an increase of pension to John T. Waxler—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10063) granting an increase of pension to James K. Meyler—to the Committee on Invalid Pensions.

By Mr. KELIHER: A bill (H. R. 10064) granting a pension to Annie M. Kiely—to the Committee on Invalid Pensions.

By Mr. KINKEAD of New Jersey: A bill (H. R. 10065) for the relief of Edward Korp and Anna Korp, parents of John J. Korp, deceased—to the Committee on Claims.

By Mr. KOPP: A bill (H. R. 10066) granting an increase of pension to John F. Whitford—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10067) granting an increase of pension to Edwin Brooks—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10068) granting an increase of pension to Ransom Jackson—to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 10069) granting an increase of pension to George W. Lloyd—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10070) granting an increase of pension to Eli W. Bennett—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10071) granting an increase of pension to Charles F. Conner—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10072) granting an increase of pension to Elizabeth Waters—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10073) granting a pension to Catherine Konnermann—to the Committee on Invalid Pensions.

By Mr. MACON: A bill (H. R. 10074) for the relief of the estate of Julia E. Rightor, deceased—to the Committee on War Claims.

By Mr. MOSS: A bill (H. R. 10075) granting an increase of pension to David Argray—to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 10076) granting an increase of pension to William G. Cooper—to the Committee on Invalid Pensions.

By Mr. NICHOLLS: A bill (H. R. 10077) granting an increase of pension to Eli Nichols—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10078) granting an increase of pension to David Roberts—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10079) granting an increase of pension to Seth E. Stanton—to the Committee on Invalid Pensions.

By Mr. PRATT: A bill (H. R. 10080) granting an increase of pension to James P. Gay—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10081) granting an increase of pension to John J. Stockholm—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10082) granting an increase of pension to Morris McClen—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10083) granting a pension to George H. Woodruff—to the Committee on Invalid Pensions.

By Mr. RUCKER of Colorado: A bill (H. R. 10084) granting an increase of pension to Louis C. Withaup—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10085) granting an honorable discharge to Peter Fleming—to the Committee on Military Affairs.

By Mr. SMITH of Michigan: A bill (H. R. 10086) granting an increase of pension to Almira L. Clay—to the Committee on Invalid Pensions.

By Mr. STANLEY: A bill (H. R. 10087) granting an increase of pension to Louisa Jacobs—to the Committee on Pensions.

By Mr. STURGISS: A bill (H. R. 10088) granting an increase of pension to Nimrod Austin—to the Committee on Invalid Pensions.

By Mr. TAYLOR of Colorado: A bill (H. R. 10089) granting an increase of pension to Charles Hinman—to the Committee on Pensions.

By Mr. TENER: A bill (H. R. 10090) granting an increase of pension to Anna M. Mosier—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10091) granting an increase of pension to Samuel Nutting—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10092) granting an increase of pension to Harriet McIlvaine—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10093) granting an increase of pension to C. M. Lindley—to the Committee on Invalid Pensions.

By Mr. THOMAS of Kentucky: A bill (H. R. 10094) granting an increase of pension to John A. Williams—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10095) granting an increase of pension to William P. Borah—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10096) granting an increase of pension to Calvin Beauchamp—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10097) granting an increase of pension to W. R. Watts—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10098) granting a pension to Charles R. Carneal—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10099) granting a pension to Frederick Bailor—to the Committee on Pensions.

Also, a bill (H. R. 10100) granting a pension to J. H. Knight—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10101) granting a pension to Lydia Smith—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10102) granting a pension to Mary Perkins—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10103) appropriating $300 to the heirs of Howard Newman, deceased—to the Committee on Claims.

By Mr. THOMAS of North Carolina: A bill (H. R. 10104) granting an increase of pension to C. E. P. Lance—to the Committee on Invalid Pensions.

By Mr. TOU VELLE: A bill (H. R. 10105) granting a pension to William T. Hunter—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Petition of Local Union of the United Mine Workers of America, at Canonsburg, Pa., protesting against the decision of Chief Justice Wright, of the District of Columbia, against Messrs. Gompers, Mitchell, and Morrison—to the Committee on the Judiciary.

Also, petition of Magic Council of the Order of United American Mechanics, of Connellsville, Pa., and other councils of the same order at McKeesport and Cokeville, Pa., praying for the exclusion of Asiatics—to the Committee on Foreign Affairs.

Also, petition of American Association of Masters, Mates, and Pilots, praying for the passage of House bill 15657 (60th Cong., 2d sess.), concerning life and property at sea—to the Committee on the Merchant Marine and Fisheries.

Also, petition of National Association of Employing Lithographers, praying for tariff duties which will equalize the difference between American and foreign wages—to the Committee on Ways and Means.

Also, petition of Tualatin Grange, of Sherwood, Oreg., and R. J. Bunton, of Burlington, Kans., praying for a reduction of the duty on sugar—to the Committee on Ways and Means.

Also, petitions of Jennie Roach and 45 others and Mrs. L. A. Thompson and 36 others, of Pittsburg, Pa., protesting against an increased duty on women's gloves—to the Committee on Ways and Means.

Also, petition of Hattie A. Jenks, of Chicago, Ill., and 54 others, protesting against the increase of duty on leather gloves and hosiery—to the Committee on Ways and Means.

Also, petition of Republican Club of the City of New York, protesting against the creation of a permanent tariff commission and against the frequent revision of the tariff—to the Committee on Ways and Means.

Also, petition of Agnes Myers and 43 others, of Pittsburg, Pa., protesting against an increase in the rates of duty on gloves—to the Committee on Ways and Means.

Also, petition of Hardt & Klippel and John W. Hattle and other firms and individuals, of Lyons, N. Y., protesting against an increase in the duty on women's gloves—to the Committee on Ways and Means.

Also, petition of Parker Improvement Association, of Parker, Ariz., protesting against legislation to enable private parties to acquire land on the Colorado River available for dam sites—to the Committee on the Territories.

Also, memorial of legislature of New Mexico, praying for an exercise of the supervisory powers of Congress as to acts of the territorial legislature, relating to the publication of legal notices—to the Committee on the Territories.

By Mr. ALEXANDER of Missouri: Paper to accompany bill for relief of Levi P. Hyatt—to the Committee on Invalid Pensions.

By Mr. ALEXANDER of New York: Petition of Chamber of Commerce of Buffalo, N. Y., favoring a permanent tariff commission—to the Committee on Ways and Means.

By Mr. ANDREWS: Memorial of the mayor and city council of Clovis, N. Mex., praying Congress to disapprove an act of the thirty-eighth legislative assembly of the Territory of New Mexico, known as the "publication law"—to the Committee on the Territories.

Also, memorial of the city of Albuquerque, N. Mex., praying Congress to disapprove an act of the thirty-eighth legislative assembly of the Territory of New Mexico, known as the "publication law"—to the Committee on the Territories.

By Mr. ANDERSON: Petition of A. S. Downs, of Martel, Ohio, against second-grade rubber not being stamped as such—to the Committee on Interstate and Foreign Commerce.

Also, petition of American Gypsum Company, against reduction of duty on gypsum—to the Committee on Ways and Means.

Also, petition of Zorn-Hornung Company, against a duty on hides—to the Committee on Ways and Means.

By Mr. COOPER of Wisconsin: Petition of Trades and Labor Council of Racine, Wis., against any reduction of duty on cigars coming from the Philippines—to the Committee on Ways and Means.

By Mr. DANIEL A. DRISCOLL: Petition of Carter, Macey & Co. and John Emmans, of New York City, opposing removal of duty on tea—to the Committee on Ways and Means.

Also, petition of Faxon, Williams & Faxon, of Buffalo, N. Y., favoring reduction of duty on wheat—to the Committee on Ways and Means.

Also, petition of New York State Cooperative League of Savings and Loan Associations, opposing reduction of tariff on lumber—to the Committee on Ways and Means.

Also, petition of B. F. Couch & Co., of Buffalo, N. Y., favoring tariff on glue—to the Committee on Ways and Means.

Also, petition of Jewelers' Board of Trade of New York City, favoring a tariff commission—to the Committee on Ways and Means.

Also, petition of Cincinnati Boot and Shoe Association, favoring free hides—to the Committee on Ways and Means.

By Mr. FORNES: Petition of Isaac Prouty & Co., of Spencer, Mass., for free hides—to the Committee on Ways and Means.

Also, petition of National Woolgrowers' Association, for free wool—to the Committee on Ways and Means.

Also, petition of Darling & Co., of New York City, for reduction of duty on glue—to the Committee on Ways and Means.

Also, petition of New York Silk Conditioning Works, for revision of duty on wool—to the Committee on Ways and Means.

Also, petition of New Idea Publishing Company, Butterick Publishing Company, and Standard Fashion Company, all of New York City, for free pulp—to the Committee on Ways and Means.

Also, petition of E. & J. Burke, of New York City, for increased duty on malts—to the Committee on Ways and Means.

Also, petition of F. D. Mott & Co., of New York City, favoring a duty on tea—to the Committee on Ways and Means.

Also, petition of G. W. Loft, of New York City, for free cocoa—to the Committee on Ways and Means.

Also, petition of Hall & Ruckel, of New York City, for free soda ash—to the Committee on Ways and Means.

Also, petitions of La Manna Azema & Farnam, Collin D. Mawer Company, Alart & McGuire, and other olive importers, all of New York City, for reduction of duty on olives—to the Committee on Ways and Means.

Also, petition of Powers & Mayer, for reduction of duty on diamonds—to the Committee on Ways and Means.

Also, petition of Cincinnati Boot and Shoe Manufacturing Company, for free hides—to the Committee on Ways and Means.

By Mr. FULLER: Paper to accompany bill for relief of Nelson R. Harrington—to the Committee on Invalid Pensions.

Also, petition of Worlfel Leather Company, of Morris, Ill., for free hides—to the Committee on Ways and Means.

Also, petition of American Clay Producers' Association, of Macon, Ga., against proposed reduction of duty on wood pulp and paper—to the Committee on Ways and Means.

Also, petition of Chicago Advertising Association, of Chicago, Ill., against the proposed license tax on display signs—to the Committee on Ways and Means.

Also, petition of Norvall Shapleigh Hardware Company, of St. Louis, against increase of duty on razors—to the Committee on Ways and Means.

By Mr. GOULDEN: Petition of New York wholesale merchants, opposing any change of duty on hosiery—to the Committee on Ways and Means.

Also, petition of Rosenstein Brothers (Incorporated), of New York City, favoring reduction of duty on fish—to the Committee on Ways and Means.

Also, petition of Kirtland Bros. & Co., of New York City, favoring free gun shells—to the Committee on Ways and Means.

Also, petition of post-card manufacturers and allied trades, favoring an increase of duty on post cards and other lithographic prints—to the Committee on Ways and Means.

Also, petitions of Lace and Embroidery Association and J. Boesch & Sons, of New York City, favoring protection on laces—to the Committee on Ways and Means.

Also, petitions of Dr. S. C. Minor and E. & J. Burke, of New York City, favoring free malt—to the Committee on Ways and Means.

Also, petition of Powers & Mayer, of New York City, favoring protection of precious stones—to the Committee on Ways and Means.

Also, petition of the Butterick Publishing Company, New Idea Publishing Company, and the Standard Fashion Company, favoring free wood pulp—to the Committee on Ways and Means.

Also, petition of New York Silk Conditioning Company, favoring free wool—to the Committee on Ways and Means.

Also, petition of Cincinnati Boot and Shoe Manufacturers Association favoring free hides—to the Committee on Ways and Means.

Also, petition of Alart & McGuire, La Manna, Azema & Farnam, and C. D. Mawer & Co., all of New York City, favoring reduction of duty on olives—to the Committee on Ways and Means.

By Mr. HAMMOND: Petition of A. M. Lorentz and 21 others, of Mankato, Minn., favoring removal of duty on raw and refined sugars—to the Committee on Ways and Means.

By Mr. HARDWICK: Paper to accompany bill for relief of Mary P. Walker—to the Committee on Invalid Pensions.

By Mr. HAYES: Paper to accompany bill for relief of Julia A. Ray—to the Committee on Invalid Pensions.

Also paper to accompany bill for relief of James Burke—to the Committee on Invalid Pensions.

By Mr. HOLLINGSWORTH: Petitions of Thomas P. Baker, of Walterboro, Colleton County, S. C., and Department of Indiana, Grand Army of the Republic, approving bill opposing portrait of Jefferson Davis being placed on silver service of battle ship Mississippi—to the Committee on Naval Affairs.

Also, paper to accompany bill for relief of Francis W. Leiper—to the Committee on Invalid Pensions.

By Mr. HOWELL of New Jersey: Paper to accompany bill for relief of Jane E. Higgins—to the Committee on Invalid Pensions.

By Mr. HUFF: Petition of citizens of Scottsdale, West Newton, and Ligonier, Pa., against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

Also, petitions of Lodge No. 310, Brotherhood of Locomotive Firemen and Engineers, of Derry, and Lodge No. 601, of Youngstown, both of the State of Pennsylvania, favoring bills H. R. 7553 and S. 326 and S. 1986—to the Committee on Interstate and Foreign Commerce.

By Mr. KEIFER: Petitions of Craig Brothers and 37 others, of Washington Court House, Ohio; Duffey Brothers and 38 others, of Circleville, Ohio; and G. H. Kraft & Son and 15 others, of Asheville, Ohio, against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. KELIHER: Petition of consumers of wheat products of the city of Boston, Mass., against proposed tariff on wheat—to the Committee on Ways and Means.

By Mr. LINDBERGH: Petition of hardware dealers of Bena, Minn., urging adoption of paragraph No. 151, H. R. 1438, as recommended by the Senate Finance Committee—to the Committee on Ways and Means.

Also, petition of Cigar Makers' Union of St. Cloud, Minn., against tobacco schedule of the Philippine tariff—to the Committee on Ways and Means.

Also, petition of business men of Cokato, Minn., against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. MOORE of Pennsylvania: Petition of Italian Society I. M. S. Bartaglieri Vac Marmora, for adoption of October 12 as a holiday in honor of Columbus—to the Committee on the Judiciary.

By Mr. OLDFIELD: Papers to accompany bills for relief of Rachael C. Groves, Monroe Pettigrew, and Isaac B. Carter—to the Committee on Invalid Pensions.

By Mr. SPERRY: Resolutions of Elm City Lodge, No. 284, Brotherhood of Locomotive Firemen and Engineers, of New Haven, Conn., favoring H. R. 7553, relative to the safety of employees and travelers upon railroads—to the Committee on Interstate and Foreign Commerce.

By Mr. TAYLOR of Ohio: Petition of J. H. Dubrow and others, manufacturers of Columbus, Ohio, against increase of duty on thorium nitrate—to the Committee on Ways and Means.

By Mr. THOMAS of Ohio: Petition of citizens of the Nineteenth Congressional District of Ohio, against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. TOU VELLE: Petition of W. F. Baitty, secretary of Cigar Makers' Union No. 313, of Lima, Ohio, against free Philippine cigars—to the Committee on Ways and Means.

Also, petition of C. F. Hickok, of Sidney, Ohio, favoring a rate of 2 cents per pound on Canadian maple sugar—to the Committee on Ways and Means.

By Mr. WEISSE: Petition of citizens of Fond du Lac, Wis., favoring a duty on tea and a retaliatory tax on coffee—to the Committee on Ways and Means.

SENATE.

TUESDAY, *May 25, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read.

The VICE-PRESIDENT. Without objection, the Journal will stand approved.

Mr. BAILEY. I object.

The VICE-PRESIDENT. Objection is made. The question is on the approval of the Journal. [Putting the question.] The ayes appear to have it.

Mr. BAILEY. I suggest that there is not a quorum present.

The VICE-PRESIDENT. The Senator from Texas suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clapp	Hale	Piles
Bailey	Clay	Heyburn	Rayner
Beveridge	Crane	Johnson, N. Dak.	Root
Borah	Culberson	Jones	Scott
Bradley	Cummins	Kean	Simmons
Brandegee	Curtis	La Follette	Smith, Md.
Briggs	Depew	McCumber	Smith, Mich.
Bristow	Dick	McEnery	Smoot
Brown	Dillingham	Martin	Sutherland
Burkett	Flint	Nelson	Taliaferro
Burnham	Foster	Oliver	Tillman
Burrows	Frazier	Overman	Warner
Burton	Gallinger	Page	Warren
Carter	Gamble	Penrose	
Chamberlain	Gore	Perkins	

The VICE-PRESIDENT. Fifty-eight Senators have answered to their names. A quorum of the Senate is present. The question is on the approval of the Journal.

The Journal was approved.

W. S. H. LOTHROP.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (H. Doc. No. 40), which was read and, with the accompanying papers, referred to the Committee on Pacific Islands and Porto Rico and ordered to be printed:

To the Senate and House of Representatives:

In accordance with section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stats., 84), and section 2 of the joint resolution approved May 1, 1900 (31 Stats., 716), I transmit herewith copy of an ordinance passed by the executive council of Porto Rico on April 20, 1909, entitled "An ordinance further amending an ordinance passed by the executive council of Porto Rico April 19, 1907, entitled 'An ordinance supplementary to an ordinance entitled "A franchise granting to W. S. H. Lothrop, his heirs, successors, and assigns, the right to construct and operate an electric street railway in certain streets of the city of Ponce and between the city of Ponce and the Playa thereof,"' passed by the executive council on the 27th day of February, 1901."

WM. H. TAFT.

THE WHITE HOUSE, *May 20, 1909.*

SAN JUAN LIGHT AND TRANSIT COMPANY.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (H. Doc. No. 41), which was read and, with the accompanying papers, referred to the Committee on Pacific Islands and Porto Rico and ordered to be printed:

To the Senate and House of Representatives:

In accordance with the provisions of section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stats., 84), and section 2 of the joint resolution approved May 1, 1900 (31 Stats., 716), I transmit herewith a copy of an ordinance passed by the executive council of Porto Rico on May 6, 1909, entitled "An ordinance granting to the San Juan Light and Transit Company the right to own, extend, and operate certain electric railway lines between the city of San Juan and the town of Rio Piedras, in the island of Porto Rico, and to supply electric light and power to the public."

WM. H. TAFT.

THE WHITE HOUSE, *May 24, 1909.*

FINDINGS OF THE COURT OF CLAIMS.

The VICE-PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact filed by the court in the following causes:

In the cause of L. S. Strauss *v.* United States (S. Doc. No. 55); and

In the cause of J. Patrick McGee, administrator of Clement Calhoun, deceased, *v.* United States (S. Doc. No. 56).

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

FRENCH SPOLIATION CLAIMS.

The VICE-PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings by the court relating to the vessel schooner *Sally*, J. D. Farley, master (S. Doc. No. 57), which, with the accompanying papers, was referred to the Committee on Claims and ordered to be printed.

He also laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings by the court relating to the vessel brig *Drake*, Jonathan M. Tredick, master (S. Doc. No. 58), which, with the accompanying papers, was referred to the Committee on Claims and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. Browning, its Chief Clerk, announced that the House had passed a bill (H. R. 9135) to raise revenue for the Philippine Islands, and for other purposes, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. BURKETT. I have here several petitions from various towns in Nebraska addressed to my colleague and myself urging the retention of the present sugar schedule. I introduce them all together, but they include 103 petitioners from Omaha, 43 from Mitchell, 38 from Minatare, 101 from Morrill, 85 from Bayard, 238 from Scottsbluff, 67 from Culbertson, 61 from Hershey, 12 from North Platte, and 31 from Grand Island, making 779 petitioners. They are all to the same effect, in behalf of the sugar producers, of which Nebraska has a considerable feature of production, urging the retention of the present sugar schedule.

The VICE-PRESIDENT. The petitions will lie on the table.

Mr. GALLINGER presented petitions of sundry citizens of Middleton, Sandborn, Union, and North Haverhill, all in the State of New Hampshire, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. WARNER presented petitions of sundry citizens of Missouri, praying that hides be placed on the free list, which were ordered to lie on the table.

Mr. DICK presented petitions of sundry citizens of Akron, Middletown, Rockford, Cleveland, Troy, Versailles, Elyria, Springfield, Bellaire, Green Springs, Blanchester, Batavia, Cincinnati, Uhrichsville, Chillicothe, Painesville, Columbus, Ironton, Lynchburg, Manchester, Ottawa, Lancaster, Bedford, and Jamestown, all in the State of Ohio, praying that hides be placed on the free list, which were ordered to lie on the table.

Mr. CURTIS presented a petition of the Independent Refiners of the Mid-Continental field of Independence, Kans., praying for the imposition of a duty of at least 50 per cent ad valorem on Mexican crude oil and its products, which was ordered to lie on the table.

Mr. GUGGENHEIM presented petitions of 2,554 citizens of Denver, 400 citizens of Brush, 109 citizens of Johnston, 49 citizens of Peckham, 396 citizens of Longmont, 182 citizens of Eaton, 285 citizens of Windsor, 363 citizens of Fort Morgan, 139 citizens of Kersey, 108 citizens of La Salle, 381 citizens of Fort Collins, 67 citizens of Atwood, 212 citizens of Berthoud, 173 citizens of Sedgwick, 62 citizens of Hillrose, 31 citizens of Brighton, 328 citizens of Pueblo, 628 citizens of Loveland, 32 citizens of Walsenburg, 353 citizens of Arkansas Valley, 95 citizens of Wellington, 182 citizens of Julesburg, 48 citizens of Lafayette, 41 citizens of Lyons, 105 citizens of Fort Lupton, 54 citizens of Goodrich, 21 citizens of Ault, 18 citizens of Lucerne, 54 citizens of Orchard, 241 citizens of Greeley, and of 450 citizens of Sterling, all in the State of Colorado, praying for the retention of the present rate of duty on sugar, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GALLINGER:

A bill (S. 2468) granting an increase of pension to Caroline B. McCrea (with the accompanying paper); to the Committee on Pensions.

By Mr. BRADLEY:

A bill (S. 2469) to grant an honorable discharge to Alfred Childers; and

A bill (S. 2470) to correct the military record of John Tudor; to the Committee on Military Affairs.

A bill (S. 2471) for the relief of Elizabeth Bevins;

A bill (S. 2472) for the relief of the Baptist Church of Schoolfield, Ky.;

A bill (S. 2473) for the relief of the estate of Matthew A. McCain; and

A bill (S. 2474) for the relief of the estate of Richard White; to the Committee on Claims.

A bill (S. 2475) granting an increase of pension to Sam M. Anderson;

A bill (S. 2476) granting a pension to Susan Jones;

A bill (S. 2477) granting a pension to Lewis W. Dillion; and

A bill (S. 2478) granting a pension to William Lee; to the Committee on Pensions.

AMENDMENTS TO THE TARIFF BILL.

Mr. BRADLEY submitted two amendments intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes; which were ordered to lie on the table and be printed.

Mr. TALIAFERRO submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes; which was ordered to lie on the table and be printed.

Mr. ELKINS submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes; which was ordered to lie on the table and be printed.

CIVIL-SERVICE EMPLOYEES FROM KENTUCKY.

Mr. BRADLEY. I submit a resolution, for which I ask immediate consideration.

The resolution (S. Res. 52) was read, as follows:

Senate resolution 52.

Resolved, That the Civil Service Commission is hereby directed to communicate to the Senate, at the earliest practical day, a list of the names of those now in the service charged to the State of Kentucky, including the city or town and the county which clerk or employee claims as his or her residence and the date of his or her appointment; also a statement as to the number to which said State is entitled under the provisions of the civil-service law.

The VICE-PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. HALE. I am not at all certain that the resolution does not in spirit countervail the order of the Senate as to legislative business, but there being, perhaps, some doubt about it, and as I can conceive of no one having any objection to the resolution, I will not raise the point of order on it.

The resolution was considered by unanimous consent, and agreed to.

WAGES IN GERMANY.

Mr. LA FOLLETTE. Mr. President, I submit a resolution which I send to the desk, and I ask for its present consideration.

The Secretary read the resolution (S. Res. 51), as follows:

Senate resolution 51.

Whereas the German Government, upon formal request made by this Government, transmitted several months ago to the Secretary of State an official statement in relation to the wages paid in Germany to workmen in various occupations; and

Whereas the Senate is from day to day endeavoring to ascertain the difference in the cost of production between foreign and domestic manufactures in order to determine the just rate of duty to be levied upon foreign imports, and it is of the highest importance that the Senate should have before it at this time all facts which may aid in its deliberations:

Resolved, That the President, if not incompatible in his judgment with the public interest, be, and he is hereby, requested to transmit to the Senate the statement of the German Government in relation to the wages paid to German workmen, for the use of the Senate in connection with its consideration of the pending tariff bill.

The VICE-PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. ALDRICH. I ask that it may be read again.

The Secretary again read the resolution.

Mr. HALE. My attention was diverted. Has the resolution the usual clause that the President shall communicate the information at his discretion, if it is not incompatible with the public service?

Mr. LA FOLLETTE. It has, I will state to the Senator from Maine.

Mr. KEAN. That clause is in the resolution.

Mr. ROOT. I suggest to the Senator from Wisconsin whether the recital may not be a little strong, that there was a formal request by our Government upon the German Government? I think we ought to be a little careful about committing the Senate to a recital of facts without being pretty certain whether they are accurate.

Mr. LA FOLLETTE. I have been informed, upon what I suppose to be very reliable authority, that the German Government furnished this information upon the request of this Government. I care nothing at all about the preamble to the resolution; I am entirely willing that the preamble shall be stricken out. I desire to secure for the Senate the information which I am certain is in the possession of the Secretary of State.

Mr. ROOT. I quite agree with the purpose of the Senator from Wisconsin.

Mr. SMITH of Michigan. I should like to inquire whether the Senator from Wisconsin has in mind getting information relating to the wage in other countries than Germany?

Mr. LA FOLLETTE. The purpose of my resolution is to secure information with respect to wages in various occupations in Germany. I am advised that the German Government some months ago transmitted to this Government a statement of the wages paid in various occupations in Germany. We are endeavoring to fix duties in this tariff bill upon a basis of the difference in cost of production of foreign and domestic manufactures. A statement by the German Government upon this subject ought to be very helpful to the Senate at this time, and I offer the resolution with a view of obtaining this important information without delay.

The Senator from Michigan will remember that we were discussing the subject of razors a few days ago, with a view of determining what duty should be fixed upon that product. In the course of that debate it was asserted by some member of the Committee on Finance that the average wages paid in Germany were from $4 to $6.45 per week in the manufacture of razors. The following morning the Senator from Missouri [Mr. STONE] submitted a statement, which he said had been handed to him by a former Member of the House of Representatives, said to be employed at the present time by the Finance Committee. That statement represented that the German Government had transmitted information to this Government giving the wages paid in various occupations, including the manufacture of razors. It purported to give a table which showed the actual wages paid at the present time to be from 61 to 111 per cent higher than the German wage rate as stated by a member of the Committee on Finance in the course of the debate on the day before. This was a very great discrepancy, and but emphasized the necessity of the Senate's very great need of accurate and reliable information to guide us in our efforts to determine the cost of production.

It occurred to me that if there were reliable information upon the German wage rate which had come to this Government under some sort of official sanction from the German Government as to its correctness, it would assist greatly in our deliberation to have that information before the Senate. I could not conceive of anyone objecting to our having the benefit of it.

Mr. SMITH of Michigan. My object in rising was simply this, that I have given some attention to the question of wages in various foreign countries, and I have particularly in mind now the wage that prevails in the iron and steel industry in Sweden. I know that that information is accessible to the Senate, if desired.

It seems to me that the preamble to the resolution indicates a desire upon the part of the Senate to proceed with legislation in the light of information that is obtained from Germany. I dislike very much to have it go out that we are leveling our attention upon the wage scale of any particular country. It seems to me that the President might properly be asked for such information as the department may have from all countries.

Mr. LA FOLLETTE. If the Senator will permit me to interrupt him, I am very certain that the language of the preamble, if he observed it closely, bears no such construction as that. It simply recites the fact that such information has been obtained.

I think that perhaps the suggestion of the Senator from New York, that we should not make as a statement of fact that it was obtained upon the request of this Government, has some point to it, because on that proposition I have no official information.

Mr. SMITH of Michigan. I think if the Senator from Wisconsin——

Mr. LA FOLLETTE. But I am entirely willing to have stricken from the resolution the preamble and allow it to be put upon its passage. There ought not to be any objection to the immediate passage of the resolution calling for this information.

Mr. SMITH of Michigan. I should like to see the preamble stricken out, and I should like to have the resolution call for

such information as is obtainable through our consular service, which, undoubtedly, the President can readily transmit.

Mr. LA FOLLETTE. I hope that the Senator from Michigan, if he desires that information, will call for it in a resolution which he may frame and present himself. I trust he will not delay either the passage of this resolution or the transmission of these facts to the Senate by calling for a mass of other material that might postpone a response to this resolution for some weeks.

Mr. HALE. Will the Senator from Wisconsin yield to me for a moment?

Mr. LA FOLLETTE. Certainly.

Mr. HALE. I merely wish to suggest that the conditions as recited by the resolution perhaps apply only to Germany, and do not perhaps apply to other nations, Sweden among others. Therefore I think there can be no objection to the passage of the resolution calling upon the President, with the limitation that it is to be transmitted if it is compatible with the public service, for this particular information respecting German labor, and that it should be sent to the Senate. It seems to me that as the resolution recites a condition applicable to Germany, the Senator from Michigan should be content to let the resolution go through and then introduce any resolution touching Sweden that he finds the facts justify. I do not know that Sweden has sent in, by request, as Germany has, statements about labor, and therefore it seems to me that it is proper that this resolution should be confined to Germany; and if the Senator from Michigan finds there information from Sweden he can offer a separate resolution.

Mr. SMITH of Michigan. I understand the Senator from Wisconsin proposes to strike out the preamble and let the resolution stand in that form.

Mr. LA FOLLETTE. Yes, sir.

Mr. SMITH of Michigan. He prefers to do that.

Mr. LA FOLLETTE. I amend it in that form.

Mr. SMITH of Michigan. The Senator prefers to do that rather than include any other country?

Mr. LA FOLLETTE. I do.

Mr. SMITH of Michigan. Then certainly I will not object.

The VICE-PRESIDENT. The Secretary will read the resolution as now presented by the Senator from Wisconsin.

The Secretary read as follows:

Resolved, That the President, if not incompatible in his judgment with the public interest, be, and he is hereby, requested to transmit to the Senate the statement of the German Government in relation to the wages paid to German workmen, for the use of the Senate in connection with its consideration of the pending tariff bill.

Mr. LA FOLLETTE. Upon the suggestion of the Senator from New York, I will amend the resolution further by inserting after the words "the German Government" the words "or its officers." The document may have come from the officers of the German Government and, technically, may not have been received from the German Government.

The VICE-PRESIDENT. The Secretary will read the resolution as now modified.

The SECRETARY. After the words "the German Government" insert the words "or its officers," so as to make the resolution read:

Resolved, That the President, if not incompatible in his judgment with the public interest, be, and he is hereby, requested to transmit to the Senate the statement of the German Government, or its officers, in relation to the wages paid to German workmen, for the use of the Senate in connection with its consideration of the pending tariff bill.

The resolution as modified was agreed to.

LEAF TOBACCO.

Mr. FRAZIER. I ask for a reprint of Senate Document No. 390, Hearings on the Relief of Tobacco Growers. I am advised that the print has been entirely exhausted, and there is very great demand for this document.

There being no objection, the order was reduced to writing and agreed to, as follows:

Ordered, That 500 copies of the Hearings on the Relief of Tobacco Growers before a subcommittee on internal revenue of the Committee on Ways and Means, House of Representatives, Fifty-eighth Congress, second session, February 4 and 25, 1904, be printed for the Senate document room.

COST OF PRODUCTION.

Mr. OWEN. I ask the consent of the Senate to have a report of Carroll D. Wright, on the cost of production of certain articles in the United States, Great Britain, and Belgium, reprinted as a document (S. Doc. No. 20, 55th Cong., 3d sess.).

Mr. GALLINGER. I will ask the Senator what is the date of that report?

Mr. OWEN. Eighteen ninety-eight.

Mr. GALLINGER. Eleven years ago?

Mr. OWEN. Yes.

Mr. GALLINGER. It seems to me, Mr. President, it will not be of much interest at this late day, but I will not object.

There being no objection, the order was reduced to writing and agreed to, as follows:

Ordered, That 500 copies of a report on the total cost and labor cost of transformation in the production of certain articles in the United States, Great Britain, and Belgium, by Carroll D. Wright, Commissioner of Labor, December, 1898, be printed for the Senate document room.

HOUSE BILL REFERRED.

H. R. 9135. An act to raise revenue for the Philippine Islands, and for other purposes, was read twice by its title and referred to the Committee on the Philippines.

TOBACCO TAX.

Mr. BRADLEY. Mr. President, I simply rise for the purpose of announcing that on Friday morning next, after the regular order of business, I desire to address the Senate on the proposed repeal of the 6 cents tax on leaf tobacco.

DUTY ON IRON ORE.

Mr. STONE. Mr. President, a day or two since, Col. William J. Bryan was interviewed at Toledo, Ohio, and the interview has been reported through the Associated Press. I will read a brief extract from that interview, printed in the Washington Herald:

As to the Democrats who voted for the imposition of duties, they have, as a rule, defended their conduct on the ground that the duties voted for were revenue duties, and they have not been high duties. Measured on an ad valorem basis, the duty on lumber and on iron ore are but a small portion of the price. I think that the Democrats who voted for the duty made a mistake.

Mr. President, I have had the honor and pleasure of sustaining cordial and rather intimate relations with Mr. Bryan for a good many years, and those relations still exist. I can speak, therefore, in a feeling of respect and kindliness regarding him. And at this point I might say that it has become a habit for our friends on the other side of the Chamber to speak disparagingly and sometimes almost sneeringly of Mr. Bryan. That is not a difficult or dangerous thing to do from this place of security. It does not require much courage to attack under such circumstances. I doubt whether Senators who speak in this tone would adopt it if Mr. Bryan had a seat in this body and could reply for himself.

I do not hesitate to say—indeed, I take pride in saying—that I entertain for Mr. Bryan not only a high respect, but an affectionate regard. I believe that he is one of the most masterful and commanding intellectualities who has appeared in American public life during this generation.

Moreover, there is none to question the entire integrity of his opinions, the honesty of the man, his high character, or his sincerity. But, Mr. President, all men are fallible, all men make mistakes, and Mr. Bryan makes mistakes like other men. I have not always agreed with him, but I have never doubted his sincerity. I think in this matter he is mistaken, honestly so; and when he says he thinks that the Democrats who voted against free iron ore made a mistake, I do not agree with him.

Mr. President, I am one of the 18 Democrats who voted to put a duty of 25 cents per ton on iron ore. The 18 Democrats who voted that way are Messrs. BACON, BAILEY, BANKHEAD, CHAMBERLAIN, CLAY, DANIEL, FLETCHER, FOSTER, FRAZIER, JOHNSTON of Alabama, MCENERY, MARTIN, PAYNTER, SIMMONS, STONE, TALIAFERRO, TAYLOR, and TILLMAN. Ten Democrats voted to put iron ore on the free list, viz, Messrs. CLARKE of Arkansas, CULBERSON, GORE, HUGHES, NEWLANDS, OVERMAN, RAYNER, SHIVELY, SMITH of Maryland, and SMITH of South Carolina. How the 5 Democrats who were absent or paired, and therefore are not recorded, would have voted, I do not know. Up to this time there are only two questions upon which Democratic Senators have divided to any appreciable extent—on iron ore and lumber; in fact, as a rule they have voted together and the same way. Mr. President, when the question of putting a duty on iron ore was before the Senate, I was hesitant and somewhat uncertain as to what was the right and proper thing to do; but in the end the best judgment of which I am capable, not only as a party man, but as one desirous of promoting the best policy for the public welfare, I conceived it to be my duty to vote as I did. I believe in the doctrine of a revenue tariff, and this whether considered from the standpoint of the constitutional power vested in Congress to levy tariffs or from the standpoint of economic policy. I believe that tariffs should be levied with the primary object of producing a needed public revenue, and that the duties should be as widely distributed and laid upon as many articles as possible, always, of course, having in view the needs of the Government; and I hold that the burden should be made lightest upon articles of common use and heaviest upon others.

Under present circumstances I doubt the wisdom, or I might more properly say the feasibility, of an extended free list; but at the same time, having in view the needs of the Treasury, I favor admitting free of duty as many articles of common necessity as possible where the articles are controlled by a monopoly. I do not as a general proposition subscribe to the notion advocated by some of free raw materials to those who manufacture them, and at the same time allow protective duties on the manufactured products. Succinctly stated that is my view of the Democratic position on the tariff question. Now, in applying this view to the case of iron ore, the first fact confronting me was that the duty of 25 cents per ton was a purely revenue duty, and in no sense a protective duty. Twenty-five cents per ton on ore is equivalent to about 10 per cent ad valorem. That means that under that rate all ores coming from the outside into this country for consumption, except that coming from Cuba, would pay a duty of approximately 10 per cent. Under our reciprocity agreement with Cuba, ores from that island would come in under a reduced rate, and would pay 20 per cent less than ores from other foreign mines. In other words, placing the rate at 25 cents per ton, while foreign ores generally would pay 10 per cent ad valorem, Cuban ores would pay 8 per cent. Whether in the one case or the other manifestly the duty is very low.

Mr. President, ever since we have had tariff laws, and we have had them for more than a century, there has been a duty on iron ore. In all our tariff laws up to this time, whether made by Democrats, Republicans, or others, a duty has been laid on these ores.

The duty of 25 cents per ton, for which I voted, is the lowest duty ever imposed upon iron ore in any tariff bill ever enacted by the American Congress. Even the Walker bill, that wisest, best arranged, and most celebrated of Democratic tariff measures, laid a duty on these ores almost double that provided in the bill before the Senate; and a duty of 40 per cent was laid on those ores in the Wilson bill. And so, Mr. President, at the very inception of my investigation and consideration of this subject, I was confronted with this situation and with these facts. Therefore, it seemed to me, unless some excellent reason could be given to the contrary, that I ought to vote to impose this low revenue tax, and I felt that in doing so I was following not only Democratic policy, but Democratic precedent. Of course, this was a question about which Democrats might well and consistently differ. The question was whether iron ore should go on the free list, or be subject to a low revenue duty. Whenever that question as related to any article is presented to a Democratic legislator it is one he is at liberty to decide according to his own judgment—according to his own view of the whole situation—and this he can do without in any degree violating his party obligation or ignoring his party policy. Hence, when 10 Democrats voted for free ore, and 10 Democrats, too, who have the confidence and respect not only of this body, but also of the entire membership of the Democratic party throughout the country, so far from criticising what they did, it tended rather to accentuate the doubt in my mind as to the correctness of my own conclusion. But, Mr. President, I listened attentively to what was said on both sides of the Chamber during the debate, and gave such time as I could to a personal examination of the matter. The chief arguments against the tax were two in number. The first was that iron is a natural resource of the United States and that it ought to be conserved as far as possible. It was argued that if outside ore, mined with cheaper labor, could be admitted free, that it would be used in much larger quantities, and that to the extent that the use of foreign ore was increased to that extent the use and absorption of domestic ore would decrease, or relatively so, and in that way, it was said, our own supply would be husbanded. This contention, however, seemed to me so remote in its possibility that it did not appeal to me strongly; and then against that contention it was urged, it seemed to me with great force, that an almost nominal revenue tax of 8 to 10 per cent would not have the effect of materially limiting importations, but that, on the contrary, substantially as great a quantity would come in under that tax as would come if the ores were free.

There was a wide difference expressed in debate as to the amount of iron ore in the United States. Some placed the amount so low that it was said that, at the present rate of annual consumption, the supply would be exhausted in fifty years, while others placed it so high that it was said that, at the same rate of absorption, it would require hundreds and even thousands of years to exhaust it. I think there were extreme statements made upon both sides; but, taking it all in all, I have no doubt that the known and available supply of iron ore in the United States is sufficient, at the present rate of consumption, to last probably for several centuries. It did not seem to me, therefore, that there was much force in the contention that ore should be admitted free in order to conserve our resources.

The second argument against the tax was predicated upon the assertion that the United States Steel Corporation, known as the "steel trust," favored the imposition of a tariff duty on iron ore. It was asserted that this great corporation had acquired possession and control, through ownership and leaseholds, of enormous areas of land containing iron ore, and that in consequence that corporation practically held a monopoly of the American supply. One Senator, at least, and perhaps others, asserted that the trust controlled about 85 per cent of the iron-ore area of the United States. Assuming these almost incredible statements to be true, it was urged that foreign ore should be admitted free in the interest of independent manufacturers of iron and steel. Now, Mr. President, it is undoubtedly true that the "steel trust," so called, has obtained possession and control of a large acreage of ore-bearing lands, but to say that the trust controls 85 per cent, or even 50 per cent, of these lands is, to my mind, a gross exaggeration. The Senator from Alabama [Mr. JOHNSTON] says that the trust and its allied interests do not in any way control as much as 50 per cent of the ore lands and mines of his State, and the Senator from Michigan [Mr. SMITH] declares, as a matter of personal knowledge, that the trust does not control as much as 50 per cent of the ore lands of his State.

The same is declared to be true as to the lands and mines of other States. In fact, it is affirmed that in some of the States, as in Virginia, where great quantities of iron ore exist and are mined, the trust has no property interests whatever. Mr. President, to my mind it is perfectly evident and clear that if we should exclude and shut out every acre of ore lands owned or controlled by the trust there would still be left vastly more than could be used by all the iron and steel industries of the country, including the trust, for a century. Of course, I may be wrong as to this, but I do not believe so. I have the utmost confidence that my estimate in this behalf is at least approximately correct. If this be so, then the independent manufacturers of steel and iron, if indeed there really are any such, can obtain their domestic supply on equal terms with the trust; and if that be true, then of what peculiar advantage would free ore be to the "independents?" If foreign ore should be made free, the trust could go out into the world and buy and import as well as the "independents," and at least upon equal terms with them. One would hold no advantage over the other.

But it has been asserted that the steel-trust magnates favored a duty on iron ore. The junior Senator from Maryland [Mr. SMITH] stated that some person, I do not know whom, who in some way represented the trust, I do not know how, had said to him that the trust favored a tariff duty on ore. As for myself, I have no acquaintance, so far as I have knowledge, with any person connected with the steel trust in any capacity whatever. I am sure I have never at any time received any advices, suggestions, or information from any such person—not that I would have been unwilling to have heard what they might have had to say, if they had anything to say, but, as a matter of fact, I have never been in any way communicated with by anyone connected with the trust as to its position. I am frank to say that in my view of the situation, as I have stated it, I am unable to perceive how the imposition of this duty can possibly work to the advantage of the trust, or how free ore would contribute to its disadvantage. I must have clearer, more definite, and certain evidence than has been submitted to convince me to the contrary. I can not ignore what seems to me to be the plain truth of this situation, and be thrown off my feet and stampeded because some one exhibits the specter of the steel trust. I must be controlled in my action by facts as I see them, and not by the fear of some remote and improbable danger.

Again, Mr. President, this further fact stands out and can not be overlooked: Enormous iron-ore deposits have been recently discovered and are now being rapidly developed on the northern coast of Cuba. These great properties have been acquired, ostensibly, at least, by the Bethlehem and the Pennsylvania steel companies. These ores can be mined cheaper in Cuba than in this country, and they can be shipped to our seaports by water at a comparatively light transportation charge. Therefore it is altogether probable that the great bulk of foreign ores coming to the States will come from these Cuban mines, owned, as I have said, by the Bethlehem and Pennsylvania steel companies. In the management of these companies, at least of the Bethlehem, Mr. Schwab is a central and commanding figure. And who is Mr. Schwab? He was educated in the iron and steel industry under

the tutelage of Andrew Carnegie, and he was at the head of the great Carnegie works when they were sold to the trust. He received pay for his stock in the Carnegie plant, amounting to millions, in the stocks and securities of the steel corporation, and thereafter for a long time served as the president of the great corporation known as the "trust." Several years ago he retired from the presidency of that corporation to take charge and direction of the Bethlehem establishment. But does anyone suppose that he has severed his connection with the trust; that he no longer holds its stock and securities in large amounts, or that he is not still intimately connected and vitally interested in that stupendous organization? Are there any so credulous as to imagine that the corporation with which Mr. Schwab is at this time immediately and prominently identified is independent? Rather is it not more reasonable to suppose that these Schwab enterprises are in some way allied with the greater corporation? Mr. President, while I can not speak with knowledge, I have little or no doubt that when Mr. Schwab's Cuban mines begin to empty their ores into our markets the trust will share with the Schwab company in whatever benefits may accrue. It seems to me, therefore, that free ore would work no harm to any of these great establishments, but would be of greater benefit to them than to anybody else. As I view this subject, I would not be willing to give free admission to the foreign products of these great corporations.

Instead of giving to them this foreign raw material free, I believe it wiser and better to require them to contribute something to the Treasury on their importations. It is true that, reckoning on the basis of importations made in former years and assuming that the importations will not be increased in future, the revenue would not exceed $250,000; but, Mr. President, it is asserted with plausibility and with apparent good reason that when the Schwab mines in Cuba are fully developed and importations from those mines begin, that there will be millions of tons of ore imported every year; and if that expectation shall be realized, then the revenue produced therefrom would amount to several millions of dollars. I think it better to put that money in the Treasury than to leave it in the pockets of Mr. Schwab and his associates.

Mr. President, these are the reasons which induced me to vote to impose this slight revenue duty on imported iron ores. The senior Senator from Maryland [Mr. RAYNER] read a clause from the Denver platform in which the Democratic convention declared, in substance, that trust-controlled productions should be put on the free list. I subscribed to that declaration when it was written, and I was on the platform committee, and I subscribe to that declaration now. Others may interpret the declaration differently, but, to my thinking, it has no possible application to the case in hand. In saying that trust-controlled articles should be put on the free list, the convention did not intend to declare, and in fact did not declare, that the raw material of a trust, or in which a trust is interested, made abroad, should be admitted free through our ports to be manufactured in this country into products highly protected. An interpretation of that kind would be wholly at variance with the purposes the convention had in mind when the platform was promulgated.

So, Mr. President, while I do not in the least criticise any Democratic Senator who took the other view and stood for free ores, I do not believe that those of us who voted for the duty made a mistake, nor do I think we in the least degree ignored the obligation, if there be any obligation—and I think there is—imposed upon those of us who hold commissions from Democratic constituencies to support the declarations of our national platform. I do not hold myself above criticism from any source, and I do not object to criticism when fairly made; and so in this instance I do not protest against Colonel Bryan expressing his opinion, but I think we understand the situation here better than he does, and that we understand these questions fully as well as he does, and hence the confidence I have in the correctness of my vote has not been shaken by the expressed view of my distinguished friend.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. SHIVELY. Mr. President, in the near future I may bespeak the indulgence of the Senate while I discuss the alleged general principle underlying the proposed measure of custom-house taxation. To-day I employ a few minutes to direct attention to three certain amendments reported by the Finance Committee as parts of the pending bill. This I do now for the reason that these amendments vitally affect not only the dutiable paragraph now under consideration, but all of the dutiable paragraphs and a part of the free list in section 1 of the bill, and should be kept in mind as these paragraphs are considered.

Section 1 describes each of the several thousand articles which shall be subject to import duty, prescribes a rate of duty to be imposed on each article, and names the articles to be admitted free of duty. That the rates of duty in this section prescribed and discussed here from day to day are to be the rates of duty leviable and payable under the proposed legislation is the theory on which the discussion in the Senate and the public press of the country has proceeded, and is the theory to which all petitions and remonstrances coming to the Senate have been addressed.

It is shown by the statistics laid before the Senate by the Finance Committee that on this theory the duties in 9 of the 14 schedules are to average higher than in the corresponding schedules of the present law; in 4 they are to average lower; and in 1 to average the same as in the present law. Notwithstanding these increases in a majority of the schedules, the dutiable paragraphs in section 1 exhibit only the more or less remotely possible or contingent rates and not the actual rates to be in force, say, in one year from to-day. The real rates to be in force after a certain date are disclosed by the 3 amendments to which the attention of Senators is now invited.

On the 12th day of April the Finance Committee reported the dutiable paragraphs and free list of the bill, the same being section 1. The opening words of section 1 are amendatory of the bill as it came from the House and read as follows:

That on and after the day following the passage of this act, *except as otherwise specially provided for in the second section of this act*, there shall be levied, collected, and paid upon all articles when imported from any foreign country into the United States or any of its possessions (except the Philippine Islands) the rates which are by the schedules and paragraphs of the dutiable list of this section prescribed, namely:

Then follow the paragraphs we have had under consideration from day to day. I will italicize for the RECORD certain words of these amendments to invite special attention to them. It will be noted that the rates of duty prescribed in section 1 are made subject to the exceptions provided for in section 2.

On the 29th day of April the Finance Committee reported to the Senate a series of amendments, which are printed in the RECORD at page 1652. The first of these amendments is as follows:

On page 224, after line 16, at the end of section 1, insert:
"The provisions of the dutiable list and the free list of this section shall constitute *the minimum tariff of the United States.*"

It will be noted that the words of this amendment are made the concluding words of section 1, now under consideration. By these words the duties prescribed and the free list in section 1 are not to constitute the tariff, the general tariff, or the prevailing tariff, but only "the minimum tariff of the United States." Then what is to be the real tariff of the United States? This question is answered by the further amendment reported as a part of the bill by the Finance Committee and reading as follows:

After section 1 insert as a new section the following:
"SEC. 2. That from and after the 31st day of March, 1910, except as otherwise specially provided for in this section, there shall be levied, collected, and paid on all articles when imported from any foreign country into the United States, or into any of its possessions (except the Philippine Islands), the rates of duty prescribed by the schedules and paragraphs of the dutiable list of section 1 of this act, *and in addition thereto 25 per cent ad valorem;* and there shall also be levied, collected, and paid the following rates of duty on articles upon the free list in said section 1, namely: On coffee, 5 cents per pound; on tea, 10 cents per pound; *which rates shall constitute the general tariff of the United States: Provided*, That whenever and so long as the President shall be satisfied, *in view of the character of the concessions granted by the minimum tariff of the United States*, that the government of any foreign country imposes no terms or restrictions, either in the way of tariff rates or provisions, trade or other regulations, charges, exactions, *or in any other manner, directly or indirectly*, upon the importation into or the sale in such foreign country of any agricultural, manufactured, or other product of the United States, which *unduly* discriminate against the United States or the products thereof, and that such foreign country imposes no export bounty or prohibition upon the exportation of any article to the United States which *unduly* discriminates against the United States or the products thereof, and that such foreign country accords to the agricultural, manufactured, or other products of the United States treatment which is *reciprocal and equivalent*, then, upon proclamation to this effect by the President of the United States, all articles when imported into the United States, or any of its possessions (except the Philippine Islands), from such foreign country shall, except as otherwise herein provided, be admitted under the terms of the minimum tariff of the United States as prescribed by section 1 of this act. The proclamation issued by the President under the authority hereby conferred and the application of the minimum tariff thereupon may, in accordance with the facts as found by the President, extend to the whole of any foreign country, or may be confined to or exclude from its effect any dependency, colony, or other political subdivision having authority to adopt and enforce tariff legislation, or to impose restrictions or regulations or to grant concessions upon the exportation or importation of articles which are, or may be, imported into the United States. Whenever the President shall be satisfied that the conditions which led to the issuance of the proclamation

hereinbefore authorized no longer exist, he shall issue a proclamation to this effect, and thereupon and thereafter the provisions of the general tariff shall be applied to the importation of articles from such country. Whenever the provisions of the general tariff of the United States shall be applicable to articles imported from any foreign country, they shall be applicable to the products of such country, whether imported directly from the country of production or otherwise. To secure information to assist the President in the discharge of the duties imposed upon him by this section, and information which will be useful to Congress in tariff legislation and to the officers of the Government in the administration of the customs laws, the President is hereby authorized to employ such persons as may be required to make thorough investigations and examinations into the production, commerce, and trade of the United States and foreign countries, and all conditions affecting the same."

From these three amendments, reported as parts of the proposed act, it is too plain for controversy that the duties prescribed in section 1 plus 25 per cent ad valorem and 5 cents per pound on coffee and 10 cents per pound on tea are "from and after the 31st day of March, 1910," to "constitute the general tariff of the United States." These combined rates are the rates that from and after the date named are to be operative, assessable, and enforceable at every custom-house in the United States. They are expressly declared to be "the general tariff of the United States." Every presumption would be in favor of these rates as the duties to be levied and collected, and none other.

How long, and as to what countries, are these rates to continue? Permanently as the act itself and as to all countries, except in the case of any country whose import duties, export duties, trade regulations, charges, exactions, and foreign commerce provisions in other undefined respects become the subject of inquisition by the President of the United States and are found in none of these respects to "unduly discriminate against the United States or any products thereof," and are found in all these respects to present terms "reciprocal and equivalent" to the "concessions granted in the minimum tariff of the United States," in which case the President may make proclamation of these findings and set in operation the "minimum tariff of the United States" as to the products from that particular country.

These provisions, unlike the act of 1890, do not present a case where on certain contingencies the President was authorized to remove by proclamation any one or all of five articles from the free list and subject them to certain duties named in the act. Nor do they present a case, like the act of 1897, wherein a limited number of specified articles are subjected to additional 20 per cent duties to be remitted on the negotiation of reciprocal trade agreements with reference to them. The rates prescribed in section 2 are to be the actual and prevailing rates. The rates prescribed in section 1 are all made conditional and contingent, and could only become operative as rates chargeable against all dutiable imports when the President shall have performed the physically, if not legally, impossible function assigned to him by the proviso in section 2. I say physically impossible for the reason that the proviso makes the judgment of the President final as to what shall constitute undue discrimination and as to what shall constitute treatment reciprocal and equivalent, and requires such mastery of facts in wide and complicated detail as to render the task, even with all available assistance, impossible of intelligible performance within the time of a presidential term.

It is not my purpose at this time to go into a discussion of the constitutional validity of the proviso in section 2, but rather to note the consequences bound to flow from this section whatever may be the decision of the courts in regard to it. I am aware of the case of Field *v.* Clark, 143 United States Supreme Court Reports, and only suggest, first, that the decision of the question arising on the proviso in the proposed section 2 was not necessary to the decision in that case; and, second, that that case is distinguishable in other material respects from the case certain to arise on this section. Should the court reject the proviso in section 2 as an attempted delegation of legislative power to the executive department in contravention of the Constitution and sustain the lines of section 2 preceding the proviso as fixing, in connection with section 1, a clear definition of the legislative intent as to what shall be the general tariff of the United States, then the rates prescribed in section 1 plus the 25 per cent additional prescribed in section 2 would be and remain the only rates of duty to be levied and collected at the ports of the United States. Should the court hold that the taint of invalidity on the proviso extends to the preceding lines as being dependent on and inseparable from the proviso, then there would remain in the act no definition of what shall constitute the general tariff of the United States, and recourse might well be claimed to the act of 1897 as the unrepealed and only existing tariff of the United States.

On the other hand, should the question never be raised, or if raised, should the court hold that section 2 and all other parts of the act are in all respects free from constitutional invalidity, what is the situation that would confront the country with reference to the rates of duty on imports? The rates of duty named in section 1 plus the 25 per cent additional named in section 2 will have gone into effect on March 31, 1910. For convenience, these combined rates may be called the maximum rates. These maximum rates will continue in effect until the President shall become satisfied as to a long series of things existing under the governments of foreign countries, and by proclamation from time to time make exceptions to the maximum rates and set in operation, in the cases of these exceptions, the minimum rates. There is nothing in the proposed act requiring the President to become satisfied. He could not be enjoined to become satisfied, nor mandamused to make proclamation if he were satisfied. Meanwhile the maximum rates would be in full force and effect.

Conceding, as I freely do, that the President would not shrink from a duty imposed by law, and would, amid the other multitudinous duties of his office, prepare to begin the work of satisfying himself in pursuance of the proviso in section 2, what is the magnitude of the task set before him? The Senate spends days in an effort to satisfy itself as to just what a given paragraph in the pending bill means, and whether it involves undue discrimination in favor of or against this or that product, and in the opinion of not a few Senators weeks are necessary to unfold the mysteries of the sugar schedule alone.

Months are required in digging out the inequalities and mischiefs in the existing law and framing a measure to correct them. And at the end of these months the views of different Senators as to what in a given case constitutes due or undue discrimination are so far apart as to hardly conflict. Yet the President is assigned to the task not only of mastering all the intricacies and puzzles of our own proposed tariff law, but also to open an inquiry into and master the complicated mechanism of the import duties, export bounties, trade regulations, other regulations, charges, and exactions of the government of every other country on earth whose people seek to trade with the people of the United States; and not only of such government, but of the government of any dependency, colony, or political subdivision under such government "having authority to adopt and enforce tariff legislation, or to impose restrictions or regulations, or to grant concessions upon the exportation or importation of articles which are or may be imported into the United States."

If the President survives this task, then he must proceed to satisfy himself in each case as to whether the government of any foreign country or any colony, dependency, or political subdivision thereof, having power to enact tariffs and prescribe trade regulations, does, by any import duty, export bounty, trade or other regulation, charge, or exaction, or in any other respect, directly or indirectly, not simply discriminate, but "unduly discriminate against the United States or any products thereof;" and not simply whether such duties, bounties, trade or other regulations, charges, or exactions are in themselves not discriminatory against the United States, but whether they do not "unduly discriminate against the United States or the products thereof" in "view of the character of the concessions granted in the minimum tariff of the United States."

The President must be satisfied in all these respects, defined and undefined, and satisfied in each of these respects with reference to and from the standpoint of the "concessions granted in the minimum tariff of the United States." The "concessions granted in the minimum tariff" are to be regarded as framing up obligations against foreign countries which can only be canceled by what section 2 calls "treatment which is reciprocal and equivalent." For the representative of a foreign government in conference with the President's representative from the Department of State to prove that in the matter of import duties, export bounties, regulations, and everything relating to foreign trade, his government treats all nations equally and alike and discriminates against the products of none could be of no avail. The natural answer of the President's representative would be that he is operating under an act of Congress; that he is acting in view of the "concessions granted by the minimum tariff" prescribed in that act; that these concessions call for concessions from the foreign government that shall be "reciprocal and equivalent;" that the plea by the foreign government of its equality of treatment of all nations not only does not meet these concessions, but renders the country under such government ineligible to the benefits of the "minimum tariff of the United States." If the ambassador should reply that for his government to adopt a preferential and special rate policy would be to raise up enemies and precipitate his country into wasteful and disastrous tariff and commercial wars with neighboring nations, the Secretary of State could only rejoin that he regrets the deadlock, but in the absence of reciprocal concessions the maximum tariff must remain the tariff of the United States.

The tariff of the United States as defined in section 2 would raise the duty prescribed in section 1 on lumber to over $5 per thousand. It would make the duty on steel rails and all other dutiable products of iron or steel much higher than in the present law. In brief, the proposed act would make the general tariff of the United States higher in every schedule and on every dutiable article than in any tariff law in the country's history. It would postpone and transfer the contest for the retention of prizes in the lottery of taxation from the Halls of Congress to the executive department. The beneficiaries of the proposed act would fight to the death the remission of the additional 25 per cent ad valorem duty in their effort to retain in full their darling franchises in the taxing power of the Government. There the issue would lie between "the concessions granted by the minimum tariff of the United States" and the reciprocal equivalents granted by foreign governments. The interested and organized avarice of the country would be enlisted on the side of the maximum rates. The scattered millions of American consumers would be helpless in a tribunal committed to the doctrine of wealth by statute and prosperity by taxation.

This conclusion is reenforced not only by the well-nigh numberless obstructions raised by the language of the proviso in section 2 to putting in force the minimum rates, but as well by the uniform experience of the country under laws professedly designed to the same end. The additional 20 per cent ad valorem on certain articles in the Dingley Act was proclaimed as trading stock on which to secure concessions and annex trade. For some reason the trade treaties negotiated in pursuance of these clauses in the Dingley Act were consigned by the Senate to the limbo of forgotten dreams, and the domestic beneficiaries of the exceptional rates are to this hour left in full enjoyment of whatever usufruct flows from them.

In what I have said I have not pretended to discuss the policy or expediency of the proposed system of minimum and maximum rates, but have confined my effort to showing what the actual rates will be. Nor do I now propose to discuss this phase of the question further than to suggest that coveted cessation of tariff agitation never can be induced by the proposed legislation. Thus far the Finance Committee have secured a majority in favor of every amendment which they have reported and on which they have insisted. It is only prudent to assume that the proposed section 2 is presented in the confident expectation of its adoption. Should this expectation be realized and the maximum rates go into effect, they are bound to prove so prohibitive of commerce and barren of revenue as to provoke general revolt against the folly that established them. Then the slow and tedious process of changing or refusing to change from the maximum to the minimum rates on the thousands of articles in the dutiable schedules according to the varying attitudes of foreign governments would leave all industry and enterprise related to or dependent on foreign commerce in such perplexing uncertainty and hopeless confusion as to excite general demand for relief from an intolerable situation. Permanency of legislation on the tariff can never attend a maximum rate prohibitive in character nor a minimum rate resting on the shifting sands of foreign interests or caprice. In any event, revenue can not be raised nor commerce served by a project that practically would prevent the one and destroy the other.

Mr. BEVERIDGE obtained the floor.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Minnesota suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Guggenheim	Rayner
Bacon	Crane	Heyburn	Root
Bailey	Crawford	Hughes	Scott
Bankhead	Cummins	Johnson, N. Dak.	Shively
Beveridge	Curtis	Johnston, Ala.	Simmons
Borah	Daniel	Jones	Smith, Md.
Bourne	Depew	Kean	Smith, Mich.
Bradley	Dick	La Follette	Smoot
Brandegee	Dillingham	Lodge	Stephenson
Bristow	Dolliver	Martin	Stone
Brown	Elkins	Money	Sutherland
Burkett	Fletcher	Nelson	Taliaferro
Burnham	Flint	Oliver	Taylor
Burrows	Foster	Overman	Tillman
Burton	Frazier	Owen	Warner
Carter	Frye	Page	Warren
Chamberlain	Gallinger	Penrose	Wetmore
Clapp	Gamble	Perkins	
Clark, Wyo.	Gore	Piles	

The VICE-PRESIDENT. Seventy-four Senators have answered to the roll call. A quorum of the Senate is present. The Senator from Indiana will proceed.

Mr. BEVERIDGE. Mr. President, the revision of the tariff is not a subject of immediately recent discussion. The movement for the revision of the tariff began perhaps two or three years, or even longer, ago; and two years and a half ago, I mean in 1906, it may be said to have become general. It pervaded New England as well as California. It was vigorous in the Middle West; and perhaps the most effective proponent of any revision of the tariff at all was the man upon whom fate even then had already turned the calcium light of the great distinction he now enjoys.

BEGINNING OF THE "REVISION" MOVEMENT.

On September 5, 1906, when the question was whether or not we should have *any* revision at all, the now President made a formal and carefully prepared address at Bath, Me., which was telegraphed and printed throughout the country, and even reproduced in the press of Great Britain and other foreign countries. It was the first expression of the more conservative members of our party that there ought to be *any* revision at all. At that time, and almost up to the time of our convention, it was the earnest and sincere belief of many of the strongest men in our party that *no* revision at all was necessary; and certain eminent Senators in this body gave an expression to that belief.

They said that the Dingley rates had produced enormous prosperity; that business was adjusted to it; and that no reason was manifest in the law itself or in the conditions why *any* revision should occur at all. So the first question was whether or not we should have *any* revision; and upon that the now President said, speaking formally, at Bath, Me., September 5, 1906:

THE PRESIDENT'S FIRST "REVISION" SPEECH.

Speaking my individual opinion and for no one else, I believe that since the passage of the Dingley bill there has been a change in the business conditions of the country, making it wise and just to revise the schedules of the existing tariff. The sentiment in favor of a *revision of the tariff* is growing in the Republican party, and in the near future the members of the party will doubtless be able to agree on a reasonable plan.

But the work of the present session, which was pressing in its urgency, could never have been accomplished if there had been introduced into Congress and the councils of the party the heated discussions certain to arise over the questions of the revision of the tariff.

How soon the feeling in favor *of revision* shall crystallize into action can not be foretold, *but it is certain to come*, and with it those schedules of the tariff which have inequalities and are *excessive* will be readjusted. The reasonable prospect of a revision of the tariff by the Republican party on conservative lines should certainly be greatly preferred by those who favor revision, and yet believe in the protective system, to legislation which is always threatened by the incoming of a Democratic Congress and a Democratic administration under the battle cry, "A protective tariff is a robbery of the many for the benefit of the few," and to the disaster to general business which inevitably follows. (New York Tribune, September 6, 1906.)

TRACING GROWTH OF THE "REVISION" SENTIMENT.

This, Mr. President, was the first gun fired by Mr. Taft in favor of the proposition that we should declare for *any revision at all*. He declared for *revision*. It was so accepted by the press of the country. It was so accepted by the party. The next morning it was printed in practically every newspaper of the land. Almost all of them had editorials on the subject, interpreting this speech to mean that the Republican party proposed to revise the tariff; and even at that day the editorials commenting upon this, said that it meant a revision which would generally lower the duties. I shall not stop at this time to introduce these editorials. I shall introduce them later if anyone again says "Who pledged us to a revision downward." But at present I am merely reviewing the crystallization of the general sentiment for a revision of the tariff, so that we may see just what it means.

I have never criticised any Senator or any man for expressing what his belief was as to the revision of the tariff. If Senators who are as honorable as everybody else think that it does not mean a "revision downward," they are not to be criticised for that; nor are they, on the contrary, to criticise those who equally earnestly and equally honestly think reverse—and they shall not so criticise us.

The question now is where lies the burden of the evidence as to the meaning of our platform. Since this subject has been introduced, it seems to me not only opportune but absolutely necessary that we should, as fully as we can in this brief time, thrash the matter out this morning.

THE PRESIDENT'S SECOND "REVISION" SPEECH.

So we find that the conservative sentiment of our party in favor of tariff revision began with the speech of Mr. Taft at Bath, Me., September 5, 1906. It was followed in his speech at Columbus, Ohio, August 19, 1907, in which Mr. Taft said:

"Objection is made to revision upon the ground that we are enjoying business prosperity, that this will be disturbed by a proposal to change the tariff, and that we should wait until hard times before we revise. The revision proposed is to be by the Republican party and is not to be a departure from the protective principle, but in conformity with it. It will affect only those persons injuriously who are making an unreasonable profit out of an excessive rate. The present prosperity is not dependent on such a profit. If it were, then it would not be the prosperity of the whole business community, but only of a few

agricultural products. More than this, it demands complete and ample protection for American workingmen; and when I speak of our workingmen, Mr. President, I refer not only to those who toil in the factory or in the shop, but to the millions who till the soil; and who, by their skill and industry in the varied pursuits of agriculture, produce the great crops which after all are at the bottom of our national prosperity.

Now, Mr. President, I have no doubt but that the distinguished Senator from Rhode Island, who is chairman of the Finance Committee, will say that in the framing of the present bill it was the intention of the committee to give equal and adequate protection to our agricultural interests. It is true that the bill continues the absolutely prohibitory duty on southern rice; that it fully and adequately protects the fruit crops of the Pacific States and of the South, as well as hay, barley, cheese, and even cabbage, in which the States bordering upon Canada are largely interested; and that under its provisions our great staple—wheat—which we export in very large quantities, is covered by a duty of 30 cents a bushel.

I believe, however, Mr. President, that I can show that this sound and salutary principle has not been carried out in the case of one important agricultural product. I refer to the ordinary white potato, which, under paragraph 261, is protected by a duty of 25 cents a bushel, and will present the following facts:

For nine years, beginning with 1899, the importations of potatoes, mainly from Germany, England, Ireland, the Bermudas, and so forth, have been as follows:

Fiscal year ended June 30—	Rate of duty.	Bushels.	Value.	Value per bushel.
1899	25 cents per bushel	520,410	$294,311.15	$0.555
1900	do	155,409.58	147,129.63	.947
1901	do	369,487.26	223,866.97	.605
1902	do	7,638,762.55	3,160,871.13	.413
1903	do	358,209.82	238,296.10	.665
1904	do	3,158,049.72	1,867,400.76	.591
1905	do	169,236.46	160,816.77	.95
1906	do	1,942,489.52	844,815.32	.435
1907	do	109,895.37	187,681.57	1.10
Total		14,512,060.28	7,125,213.48	

The above table does not include the importation of potatoes from Porto Rico and Cuba, given in the following tables:

FROM PORTO RICO (MAY 1, 1900–JUNE 25, 1901).

Fiscal year ended June 30—	Rate of duty.	Bushels.	Value.	Value per bushel.
1901	15 per cent of 25 cents per bushel.	34	$23.00	$0.676

FROM CUBA (RECIPROCITY TREATY, DECEMBER 27, 1903).

1904	25 cents per bushel less 20 per cent.	3,993.42	$2,271.90	$0.569
1905	do	11,673.52	7,087.49	.607
1906	do	15,263.38	7,980.50	.523
1907	do	5,798.69	4,773.57	.823
Total		36,729.01	22,113.46	

The figures for the year 1908 are not available, but from October 1, 1908, to May 15, 1909, there were imported into the port of New York alone 5,150,025 bushels.

Large shipments of potatoes are being made to other Atlantic ports, as well as to New York, and in this connection I will send to the clerk's desk the following extract from the Washington Evening Star of the 3d of May, which I ask may be read and incorporated in these remarks.

The VICE-PRESIDENT. If there be no objection, the Secretary will read the extract.

The Secretary read as follows:

BRINGING POTATOES FROM IRELAND.

[From the Washington Evening Star of May 3, 1909.]

Potatoes are being imported from Ireland to aid in meeting the great demand for the tuber in this country. Aboard one vessel which arrived at Baltimore a few days ago were 47,377 bushels of the vegetables from the farms of county Antrim in the Emerald Isle, and it is stated that some of these potatoes are on sale in this city. It is stated that many thousand tons of potatoes have been brought into the port of Baltimore from the Irish farms during the past winter and this spring, and they are still coming by every vessel from Liverpool and other English ports.

Mr. DU PONT. The farmers of the whole Atlantic seaboard, from Maine to Florida, as well as those in many other portions of this country, are deeply interested in the culture of potatoes. The gross production in this country in 1908 was 278,985,000 bushels, 5,000,000 bushels being grown on the Delaware-Maryland-Virginia peninsula alone.

The official weight of a round hoop barrel of potatoes, or of a sack of potatoes, is 180 pounds, being three bushels at 60 pounds each.

A Kent County (Del.) farmer, who sells his potatoes to a commission merchant in Philadelphia at $2.35 per barrel, pays:

1. For the barrel and cover	$0.27
2. Freight to Philadelphia at 17 cents per 100 pounds	.30⅗
3. Hauling from the railroad to the commission merchant, Philadelphia, per barrel	.10
4. 10 per cent commission to the commission merchant	.23½
Total, per barrel	.91 1/10

This leaves $1.43 2/10 per barrel, or 47.96⅔ cents per bushel, out of which must come all cost of production; and it is to be observed that this cost on the Delaware-Maryland-Virginia peninsula is considerable—the ground must be very carefully and repeatedly worked before planting; the average amount of fertilizer required is 1,200 pounds per acre, three times that required for wheat; and the protection of the potato vines from insects involves constant labor for a considerable period.

Now, Mr. President, the foreigner pays:

1. Ocean freight, per sack	$0.23
2. Duty of 25 cents per bushel	.75
Total, per sack or barrel	.98

This leaves $1.37 per barrel, or 45⅔ cents per bushel.

To the 98 cents per barrel which the foreigner pays for ocean freight and customs duties must be added the profit which the American dealer expects to make out of the imported potatoes. When potatoes are selling at $2.35 per barrel, the dealer takes from the American farmer 33½ for commission and hauling, and it is evident that he expects to make as much as this on his foreign potatoes. Indeed, on the principle of despoiling the Philistines, we can fairly assume that he would want to make a little more, and it is not unreasonable to conclude that his profit would be at least 35 cents; which amount, added to 98 cents freight and duty, makes a total of $1.33, leaving the foreigner $1.02 per barrel, or 34 cents per bushel, out of which he still has to meet the expense of his sacks and of placing his goods on board ship in Europe, the average cost of which is probably not very great. We may then safely assume that the foreigner ships his potatoes to America when the net returns to him are about 25 cents per bushel, and he can afford to do this on account of the insignificant price he pays for his labor.

When the wholesale price of potatoes in the Boston, New York, Philadelphia, and Baltimore markets reaches $2.35 per barrel, importations begin in direct competition with the potatoes raised in the States on the Atlantic seaboard, and in indirect competition with those of the States lying farther west, it being impossible for the western farmer to compete with the foreigner by reason of the high railway rates on potatoes.

In the interest of justice to the agriculturist of the Atlantic seaboard, Mr. President, I offer the following amendment to paragraph 261, which I now send to the Secretary's desk.

The VICE-PRESIDENT. The Secretary will report the amendment.

The SECRETARY. On page 80, paragraph 261, "Potatoes," strike out "twenty-five" where the words appear before the word "cents" and insert in lieu "forty-five," so that, if amended, it will read:

Potatoes, 45 cents per bushel of 60 pounds.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware.

The amendment was agreed to.

The VICE-PRESIDENT. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 262, page 81.

The VICE-PRESIDENT. The Secretary will report the amendment.

The SECRETARY. In line 5, after the word "bushel" and the semicolon, it is proposed to strike out down to and including the words "ad valorem," in line 9, and to insert:

Mushroom spawn, and spinach seed, 1 cent per pound; beet, except sugar beet, carrot, parsnip, radish, turnip, and ruta-baga seed, 4 cents per pound; cabbage, collard, kale, and kohlrabi seed, 8 cents per pound; egg plant and pepper seed, 20 cents per pound; seeds of all kinds not specially provided for in this section, 10 cents per pound.

Mr. ALDRICH. Mr. President, I desire to modify the amendment by inserting the words I send to the Secretary's desk.

The VICE-PRESIDENT. The Senator from Rhode Island modifies the amendment. The Secretary will report the modification.

The SECRETARY. In line 11 in the committee amendment, after the word "carrots," insert the following:

Corn salad, parsley.

the whole revision sentiment; first, that there *should be a revision* of the tariff, as voiced by Mr. Taft in his speech at Bath, Me., in 1906; and, second, *what* that revision means as it was interpreted in the heat of the campaign.

Now I shall quote as nearly as I have been able to get them together, in this very brief time, the President's complete views. I intended to read them yesterday afternoon, when the Senator made his reference, and I sent down and had them looked up. But no opportunity offered to present them yesterday. Last night I read them carefully, and I say now that they present to my mind the most balanced, considerate, sane expression upon this subject that I have ever read in the entire literature of tariff discussion.

Mr. BORAH. Mr. President——

Mr. BEVERIDGE. Will the Senator please let me read this?

The VICE-PRESIDENT. The Senator from Indiana declines to yield.

THE PRESIDENT'S SECOND *campaign* "REVISION" SPEECH.

Mr. BEVERIDGE. I quote from a speech at Cincinnati, September 22, 1908. Mr. Taft said:

Another thing the Republican party pledges itself to, fixes the date when it will do it, and tells you how it will do it, is the revision of the tariff.

The Dingley tariff has served the country well, but its rates *have become generally excessive*. They have become excessive because conditions have changed since its passage in 1896. *Some* of the rates are probably too low, due also to the change of conditions.

But, on the whole, THE TARIFF OUGHT TO BE LOWERED in accordance with the Republican principles and the policy that it has always upheld of protection of our industries.

Mr. HEYBURN. What is the Senator reading from?

Mr. BEVERIDGE. It is a speech delivered by the President in Cincinnati, September 22, 1908. Mr. Taft proceeds:

That is, every schedule ought to be arranged so that the tariff on the products of the factory, farm, and mine shall be equal to the differential between the cost of their production in this country and the cost of material, the cost of labor, and the manufacturer's interest and profit.

It is not an easy thing, of course, to reach this difference. The examination to be made should be *fair and impartial* between the manufacturer and the consumer.

Now Mr. Bryan is greatly concerned, and says that no such tariff revision can be made in view of the fact that the protective industries control the Republican party. I deny this. If there are protective industries that are enjoying too great profits under the present tariff, then they would have opposed revision altogether.

The *movement in favor of revision has arisen within* the Republican party and *is pressed forward by members of the* Republican party.

The revision which they desire is a revision *which shall reduce excessive rates* and at the same time preserve the industries of the country. It took some time, as it always does in a party, to crystallize this sentiment.

It has been crystallized, and the party is determined to see *that this revision*—

What revision? Why, the kind he is describing, of course—

shall go on by fixing the date when it is to begin and prescribing the rule by which it is to be carried on.

I wish *there to be no doubt in respect to the revision of the tariff. I am a tariff revisionist, and have been one since the question has been mooted.*

The Members of Congress who are elected this time are to be elected by constituencies that, we may infer from the action of the Republican convention, are strongly in favor of a reexamination and a revision of the tariff.

Under those circumstances we have the right to say that the revision will be made *upon just and fair lines*, and that the plighted faith of the party will be carried out as formulated in the platform. I do not mean to say that manufacturing interests will not, of course, try to use their influence with respect to the tariff. They can and ought to. From them we must get evidence as to what the cost of production is. But evidence must be taken *from other sources*, so that we shall have a fair and impartial hearing. (Cincinnati Enquirer, September 23, 1908.)

That, I think, Mr. President, was the second utterance during the campaign. This second one I take from the Milwaukee (Wis.) Sentinel of September 25. As nearly as I can remember, it is, perhaps, the most notable speech that our candidate made during the admirable campaign he conducted. It was in answer to the speech of Mr. Bryan on the tariff question, and was said to have been very carefully prepared. It was delivered September 24, 1908, at Milwaukee:

PRESIDENT'S THIRD CAMPAIGN "REVISION" SPEECH; "THE TARIFF MAY PROPERLY *be reduced.*"

The encouragement which industry received—

Under the policy of protection—

leads to the investment of capital in it, to the training of labor, to the exercise of the inventive faculty of which the American has so much, and in practically every case in which adequate protection has been given the price of the article has fallen, the difference in the cost of producing the article abroad and here *has been reduced*, and the *necessity for maintaining the tariff at the former rate has ceased.*

The business community has knowledge that the changes to be made by the Republican party will be made on the principle that no domestic industry will be injured or destroyed by the reduction in the tariff. They do not know this with the Democratic changes, but are advised that necessarily some of the industries, each time the tariff is changed toward a revenue basis, must be sacrificed to carry out the principle. If the history of the tariff has shown anything, it is that the threat of a revenue tariff in a business community depending on a protective tariff means business disaster.

But it is asked *why* it is necessary to change the Dingley tariff. The Dingley tariff has been in operation now more than ten years. That is a period longer, I think, than the operation of any protective tariff that we have had.

It is intended under the protective system, by judicious encouragement, to build up industries as the natural conditions of the country justify—

Listen—

to a point *where they can stand alone and fight their own battles in competition with the world.*

"And fight their own battles in competition with the world"—well! None of us ever used words more forcible than those, no, nor half as forcible. We are quite modest, it would appear, when our feeble syllables are contrasted with the President's vigorous outspokenness. He continues:

Improved machinery and training, due to our inventive genius, together with an extending home market, certainly *reduce* the *cost of production.*

Treasury and court decisions have given constructions to the tariff different from those intended by its authors.

Just as the Senator from Rhode Island [Mr. ALDRICH] said the other day had been the case with some schedule that we were discussing.

There are many articles in common use to-day which were unknown when the Dingley tariff bill was enacted. Conditions with respect to the cost of articles abroad *have changed* just as they have changed in this country, so that the *difference* between the cost of production at home and abroad ten years ago was in many instances different *and less* than it is to-day.

Much criticism has been made because of the fact that in some of the protected industries the product is sold abroad and in foreign markets at a less price than that at which they are sold here. At first, this seems conclusive argument to show that the tariff is too high and that the manufacturer is deriving a greater benefit than he should on the proper principle of the protective system; but we learn that it is a common practice in free-trade countries, as well as in protection countries, to sell at lower prices abroad than at home, and that this is due to a desire to dispose in bulk of a surplus product or to the competition in a new field of trade and to the desire to keep up the business organization and maintain a growing concern even when the product sold abroad is sold without profit or even at less than cost.

Still it must be admitted that such a practice, if it is constant through all seasons, suggests that *the tariff may be properly reduced.*

I am sorry I do not see anyone present now who said on this floor that our party did not declare for a revision downward. I wanted those particular Senators to hear this. Alas! Why are not *they* here?

And that the tariff is greater than the differential between the cost of production at home and abroad, and *that it should therefore be reduced.*

I can say that our party is pledged to a *genuine* revision—

Why was the word "genuine" used?—

and as a temporary head of that party, and President of the United States, if it be successful in November, I expect to use all the influence that I have by calling immediately a special session, and by recommendation to Congress to secure a *genuine and honest revision*—

THE PRESIDENT'S THIRD *campaign* REVISION SPEECH CONTINUED; "A SUBSTANTIAL REVISION DOWNWARD" PROMISED.

Why did the President say "*genuine and honest* revision"—why not merely "revision?"—

of the tariff in accordance with the principle of protection laid down in the platform, based upon the examination of appropriate evidence and impartial as between the consumer and manufacturer.

I have every reason to believe that the returning Congress, if it be Republican, will come there anxious and earnest to treat the tariff question fairly and energetically, but with due regard to the maintenance of the protection principles on the one hand and to the interests of the consuming public on the other.

The rank and file of the Republican party are in favor of *this* revision, but insist that it shall be in accordance with the time-proven policy of the party of protection. Under these circumstances there can be no doubt that the representatives elected by the party will come to Congress imbued with the necessity of honorably and strictly carrying out the plighted faith of the party to make a *new* tariff on the principle stated.

It is my judgment, as it is that of many Republicans, that there are *many schedules of the tariff in which the rates are excessive*, and there are *a few* in which the rates are not sufficient to fill the measure of conservative protection.

It is my judgment that a revision of the tariff in accordance with the pledge of the Republican platform—

I call especial attention to this—

It is my judgment that a revision of the tariff in accordance with the pledge of the Republican platform will be, on the whole, a *substantial* REVISION DOWNWARD, though there probably will be a FEW exceptions in this regard. (Milwaukee Sentinel, September 25, 1908.)

After this let no Republican say that we have no authority for insisting on "a revision downward;" for our candidate, the highest authority in our party, said, when appealing to the American people on the stump, that this revision we now are engaged upon, would be not only a "revision downward," but he put it stronger and said that it would be "a *substantial* revision downward."

As the temporary leader of the party, I do not hesitate to say with all the emphasis of which I am capable, that if the party is given the mandate of power in November it will perform its promises *in good faith.*

THE PRESIDENT'S FOURTH *campaign* "REVISION" SPEECH; "A SUBSTANTIAL REVISION DOWNWARD" AGAIN PROMISED.

Another speech upon this subject was delivered at Des Moines, Iowa, September 25, 1908, where, if I remember correctly, Mr. Bryan had delivered his speech upon the tariff question—one of a series of speeches, first on trusts, then on tariff, and then on something else that he delivered. In that speech Mr. Taft said:

The party is pledged to a *genuine* revision—

That word "*genuine*" again, you see—

and as the temporary head of that party, and President of the United States, if it be successful in November, I expect to use all the influence that I have by calling immediately a special session and by recommendations to Congress to secure a *genuine and honest* revision of the tariff in accordance with the principle of protection laid down in the platform, based upon the examination of appropriate evidence and *impartial as between the consumer and manufacturer.*

It is my judgment, as it is that of many Republicans, that there are *many* schedules of the tariff *in which the rates are excessive*, and there are a *few* in which the rates are not sufficient to fill the measure of conservative protection.

It is my judgment that a revision of the tariff in accordance with the pledge of the Republican party will be, *on the whole, a* SUBSTANTIAL REVISION DOWNWARD, though there probably will be a few exceptions in this regard.

As the temporary leader of the party I do not hesitate to say with all the emphasis of which I am capable that if the party is given the mandate of power in November, it *will perform its promises in good faith.* (Des Moines Register and Leader, September 26, 1908.)

What "*promises*" did our leader pledge us to "perform in *good faith?*" Why, to use his exact words formally spoken at Milwaukee and repeated at Des Moines, "a revision of the tariff," which would be "a *substantial revision downward.*"

Now, Mr. President, that this was also the opinion of others than the leader of the party who has been quoted here, and the full and round quotations from whom on all sides of this question I have given, so far as I could collect them in so brief a time, I will refer——

Mr. HEYBURN. Would it interrupt the Senator, before proceeding to a new branch of the subject, to make an inquiry? The Senator does not intend to give us the impression that the then candidate, now President of the United States, intended to indorse the doctrine, "We favor an immediate revision of the tariff by the general reduction of duties?"

Mr. BEVERIDGE. I mean to give out no "impression" at all. I merely mean to quote his words.

Mr. HEYBURN. There was a party——

Mr. BEVERIDGE. I merely mean to quote the President's words. I give out no "impression." I leave the "impression" to the Senate and the country. The words are plain—they leave no room for "impressions" or inferences. I will tell the Senator the point, too, of this thing. The Senator from Idaho [Mr. BORAH] partly quoted the President yesterday. I remembered all these quotations before, and when the debate proceeded and I sat here and heard distinguished gentlemen say that they did not think that there was such a thing as "revision downward" in the mind of the people or anybody else, it became necessary to show them that they are mistaken.

"REVISIONISTS" HAVE HIGHEST AUTHORITY.

We who believe in a "revision downward" have been reproached for having such a view. If we should think that a rate here and there is excessive, we are quite as earnest and, as I shall attempt to show, far wiser protectionists than the Senator. I will say to the Senator that I have the warmest feeling, as he knows, personally for him; yet that he himself has been one of those who come very near the verge in using his really charming eloquence in condemning those who thought a differential ought to be one-eighth per cent lower, as though they were clear out of the Republican party because of that one-eighth per cent.

Mr. HEYBURN. Mr. President, if the Senator will permit——

Mr. BEVERIDGE. No; the Senator must pardon me. I can not yield for questions like that. I give the President's words; I state the facts. We deal here too much in "impressions." Let us get down to facts.

Mr. HEYBURN. I merely wanted to call the attention of the Senator from Indiana to the fact that there was a party that made a campaign upon that declaration of principles. It was not the Republican party, was it?

Mr. BEVERIDGE. There was a party that made a campaign upon a declaration of principles that its members are not keeping here. I have nothing to do with that. I criticise no other man. I maintain merely the integrity of our own position. I merely say that when a great body of Republicans think that it is the wisest protection to keep duties down to the point of the difference in the cost of production here and abroad, it is not to be said by anyone that such men are not protectionists. I shall show in a moment that such men are much wiser protectionists than those who would imperil the whole system by keeping the duties higher than justice demands. It is the latter who are endangering the policy of protection; it is the former who are saving it.

Mr. HEYBURN. Mr. President——

THE PRESIDENT'S PUBLISHED VIEWS ALONE GIVEN; NOBODY HIS MOUTHPIECE.

Mr. BEVERIDGE. No; I want to read the rest of this before I yield. I do not care to get into a debate now, but I shall be glad to do it hereafter.

The next expression, Mr. President, was one that was quoted here yesterday. And I wish to repeat that I merely quote the words of our great leader, the President, as authoritatively published in pamphlets or reproduced in the public prints. I do that on my own authority; I speak without even his knowledge; it is not for anybody but himself to interpret his language—but when part of his language is quoted, it is due to the whole country, and especially to ourselves, that all his language should be quoted as nearly as possible.

He said—we all heard him—in his inaugural delivered on the 4th of March last:

INAUGURAL ADDRESS: REVISION DOWNWARD.

A matter of most *pressing* importance is the revision of the tariff. In accordance with the promises of the platform upon which I was elected, I shall call Congress into extra session to meet on the 15th day of March, in order that consideration may be at once given to a bill revising the Dingley Act.

This should secure an adequate revenue and adjust the duties in such a manner as to afford to labor and to all industries in this country, whether of the farm, mine, or factory, protection by tariff equal to the difference between the cost of production abroad and the cost of production here, and have a provision which shall put into force, upon executive determination of certain facts, a higher or maximum tariff against those countries whose trade policy toward us equitably requires such discrimination.

It is thought that there has been such a change in conditions since the enactment of the Dingley Act, drafted on a similarly protective principle, that the measure of the tariff above stated will permit the *reduction* of rates in certain schedules and will require the advancement *of few,* IF ANY.

That is from the President's inaugural—one of the most weighty and solemn statements his exalted office calls on him to make. In it he did not modify his former declarations, carefully and deliberately made in the campaign, which I have read to the Senate. No! Instead he declared that a protectionist revision—

will permit the *reduction* of rates in certain schedules and—

Mark this well—

will require the advancement *of few,* IF ANY.

"If any"—"few, if any;" that was stronger than the President put it during the campaign. And this from his inaugural, too.

Mr. HEYBURN. "It is thought," the President says.

Mr. BEVERIDGE. Yes; but "it is thought" by whom—it is the President's inaugural address, remember. He continued:

The proposal to revise the tariff made in such an authoritative way as to lead the business community to count upon it necessarily halts all those branches of business directly affected; and as these are most important, it disturbs the whole business of the country.

It is imperatively necessary, therefore, that a tariff bill be drawn in *good faith* in accordance with *promises made before the election* by the party in power, and as promptly passed as *due consideration* will permit.

"*Promises* made *before the election.*" I have just read what those "promises" were, and the President in his inaugural address says that "It is *imperatively* necessary that a tariff bill be drawn in *good faith* in accordance with *promises* made before election." "Imperatively necessary," "good faith," "promises"—these are strong words.

Nor was that all. I take from the New York Tribune a clipping which I remembered to have seen when the President's speech before the Ohio Society was delivered there, and its accuracy as a great Republican newspaper, I suppose, will not be questioned. This was at the Ohio Society's twenty-third annual dinner, December 17 last. The President-elect on that occasion is reported by the Tribune as follows:

Mr. Taft dwelt almost wholly upon the revision of the tariff, which he singled out as the *most important declaration* made at the last national convention, and, *after having previously referred to the veto power of the Chief Executive,* said, with all the emphasis of which he was capable:

"*Better no revision at all, better that the new bill should fail,* unless we have an *honest and thorough* revision on the basis laid down and the principles outlined in the party platform." (New York Tribune, December 18, 1908.)

If anyone really entertained doubts before, let them dissolve in the strong light of these strong words: "Better no revision at all; *better that the new bill should fail,* unless we have an *honest* and *thorough* revision." What kind of a revision that is the President explained in the campaign.

The principles outlined in the party platform he explained and defined during the campaign on at least three occasions.

On at least two notable occasions he said that, upon the whole, it meant "*a substantial revision downward*," but, in some cases, he said in his inaugural address, "*a few, if any*," it may mean an increase.

MEMBER OF FINANCE COMMITTEE ITSELF THINKS AS DOES THE PRESIDENT.

Mr. President, that that also was the view of others I have merely to quote a remarkable paragraph from the speech of a member of the Finance Committee, made in this body, as to his understanding of that language. He is a young man, a vigorous one, and we all admire his industry, his ability, and his courage. In starting out his great speech on the lumber schedule—a speech that caught the commendation even of those opposed to him—he said this as the result of his studious consideration of what our platform and campaign promises meant—

Tariff revision—

I quote from the speech of the Senator from North Dakota [Mr. MCCUMBER], a member of the Finance Committee—

Tariff revision this year is *universally understood* to mean *revision downward*.

He had not been the first to say that, as these speeches of our great leader the President, show. "Revision downward" was no new phrase coined for the occasion by those who are fighting for what they think is an "*honest* revision"—to quote again the President's words. It had been used before; it was current in the campaign; it was hammered out in the heat of battle when the people were inquiring what was meant.

Senator MCCUMBER, a member of the Finance Committee, said, in his carefully prepared speech:

Tariff revision this year is universally understood to mean *revision downward*. The public expect, and have a right to expect, from every public address made in the last political campaign, that there will be a *general reduction in our tariff duties*.

Why? Because they understood and believed, as a rule, that the Dingley tariff was *altogether too high* and that rates could be reduced on many articles without serious injury to the protected business. So the public, I think, reasonably expected from all of the arguments that were made during the last campaign that, generally, *the revision would be downward*.

WHAT PROTECTION MEANS.

Mr. President, it seems to me that these are true interpretations of our party platform. They appear to me to be reasonable, carefully uttered, well balanced, and conservative. I never was so much impressed with that fact, as I said a moment ago, as when I came again last night to read over these pronouncements. They defined, so far as my vote and my attitude are concerned, my position with precise exactitude as to what is protection. It is not a difficult thing to tell. The President has perhaps expressed it with a nice precision that it has not received from any other interpreter within twenty years. It is such a tariff as will measure the difference between the cost of production here and abroad, and, he adds, "a reasonable profit to the manufacturer."

Mr. BORAH. Mr. President——

Mr. BEVERIDGE. Pardon me a minute. In a minute I will yield.

Every man upon this side of the Chamber is that kind of a protectionist. We mean to protect every industry——

Mr. GALLINGER. Except lumber.

Mr. BEVERIDGE (continuing). As much as it needs, and no more. We mean, according to the expressions of the President, to take the tariff entirely off when, as he says, it *serves no good purpose* and when the industry has grown by its aid to such proportions and such strength that "it *can stand alone and fight its battles in competition with the world*."

I challenge any man upon this side of the Chamber to be a more devoted adherent to the great policy of protection than I. I drew it into my blood with the earliest moments of my life; I have seen its splendid results manifested ever since I reached the years of comprehension—but I am not blind to its excesses.

I look back with pride and inspiration upon those who founded and those who nourished the protective policy from the time of Washington and Hamilton, and then of Clay, who called it "the great American system;" and then of Lincoln, whom it helped to keep great armies in the field; and then to McKinley, and down to the days of Taft; and, on the whole, I have seen it here, as it has done elsewhere, shower blessings upon all over whom it in beneficence hangs.

THE *real* ENEMIES OF PROTECTION.

Mr. President, the Senator from Idaho well said yesterday another thing, and that was this—I quote his words—"The great foes of the protective policy have always been in the ranks of protection." Yes, but who are they? They are those who think schedules sacred. But the conditions of the world change, and therefore their unyielding attitude places them in the path of progress. That has been the case with every unwise maintenance of every great policy.

Does anybody doubt that the greatest enemy to English rule in this country—which elsewhere has been, generally speaking, so good throughout the world and such a help to civilization—does anybody doubt that its greatest enemy was not the colonists at all, who yearned to stay loyal to the British flag at first; but that its greatest enemy was King George and his bigoted adviser, Lord North? They did not then maintain British policy with the wisdom which elsewhere it has since been maintained. No! They would grant nothing, yield nothing, and so their dominion broke of its own rigidness.

In the same way, the enemies of the protective policy are, as the Senator said, within the ranks of protection, and, as has been true throughout all of history, they are those who insist that a schedule is sacred, and that men may not question an excessive rate without showing disloyalty to a great principle of public and economic policy.

I do not blame them for that. I excuse them, as I hope they will do if they have any criticism to find of me. Doubtless they are sincere, but I point out that throughout the history of politics and public life, involving revolutions and changes of policy, it always has been those who would never yield, those who occupy a position of malediction toward any person who even questioned the details of a policy, who have been its greatest enemies, its final destroyers.

It is not those who would take injustice and ancient abuses out of protective schedules and make them modern and just and accurate who are the enemies of the protective policy. Its real enemies are those who every time we try to make protective schedules up-to-date and just cry out that we are attacking protection. It is the Lord Norths and the King Georges in thought, feeling, and method who are the real enemies of protection.

NO DIFFERENCES IN PRINCIPLE IN OUR PARTY; ONLY IN DETAILS.

Except in this I do not think, Mr. President, that the differences, so-called, are real within our party. There is not a man upon this side of the Chamber who is known as an "ultraprotectionist" that I do not concede to believe sincerely that that is the truest way of maintaining the policy. I know that there is not a man upon this side who wants to reduce rates that he thinks excessive, or at least inquire into them, who does not want to do it for the very reason that thereby he thinks he is supporting the great principle to which we all in common are equally attached. The latter are the wiser, more farseeing friends of protection than the former, and the sounder legislators, if history is any test.

The differences are differences in the degree of reduction, differences in the degree of rates. There is no difference in principle. It never will be found that men ever will be divided in the end who are with equal sincerity devoted to a principle. But it is not fair to say, and it will not be permitted that it shall be said, that those who believe, as the President has said, that "rates are excessive," or some of them, and therefore ask that they be reduced, shall be contemned as being any less earnestly protectionists than others; for we think we are equally earnest and more wise protectionists. That we are equally earnest, we know; that we are more farseeing and more wise protectionists, time will show.

Mr. President, I have heard much here about the Dingley law until it has come to be almost the atmosphere of this Chamber that the Dingley law was the only possible expression of the theory of protection.

Well, if that is so, why have any revision at all? I want to and I expect to see this bill so modified and changed by the mutual thought and labors of us all that the so-called "Aldrich bill" in the end, if it becomes a law and receives the President's signature, will receive greater commendation than the Dingley law ever did; and we "revisionists" are doing our best to help it to that position. But mark this: It will reach it by reductions and not otherwise—by "a substantial revision downward," and not otherwise.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Indiana yield to the Senator from Michigan?

Mr. BEVERIDGE. Certainly; I yield to the Senator.

Mr. SMITH of Michigan. I should like to ask the Senator from Indiana, in view of the splendid tribute the Senator has paid to the Dingley law and the acknowledged achievements of our country under it, if those who had a hand in its passage might not be pardoned for feeling a just pride in it?

PRIDE A POOR COUNSELOR.

Mr. BEVERIDGE. I never blamed any parent for pride in his child. I am not criticising them for their pride. But

pride is a poor counselor. Their pride is all right; but it has grown with the years as they have passed until, perhaps, they think that there is something sacred about that law. There is nothing sacred about any human institution; there is nothing divine about any human statute. This is a business measure.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Indiana yield to the Senator from Michigan?

Mr. BEVERIDGE. I do, indeed. I always yield to the brilliant junior Senator from Michigan.

Mr. SMITH of Michigan. I recall very well a similar scene to this when the Dingley law was passed. There were men in Congress at that time who differed almost as widely upon this measure.

Mr. BEVERIDGE. Our differences are not so very wide—sometimes an eighth of 1 per cent, sometimes a tenth of 1 per cent, and sometimes a fourth of 1 per cent; sometimes several per cent; sometimes more, sometimes less. The differences are as to the justice and wisdom of rates and not as to the principle of protection. But if we "revisionists" think that an eighth of 1 per cent means extortion we resist it not only in the name of justice but in the very name of honest protection as well.

Mr. SMITH of Michigan. Our differences are not very wide; but I have been wondering, as I have been listening to the Senator from Indiana, who has quoted quite generously from the President, whether, if we proceed with as much wisdom and as much good faith in perfecting this bill as we have already shown and the bill finally secures the signature of the President, whom the Senator extols so highly—I wonder whether the President will not deserve the commendation of his countrymen rather than their censure.

Mr. BEVERIDGE. I am expecting, Mr. President, that he will deserve their commendation. I do not indulge in prophecy; it is hazardous; but I join the Senator from Michigan in the prophecy that the President will deserve the commendation of the country even more in the future than he has in the past, and he has deserved in the past as much as he has got; and that is his full measure of appreciation. Does that suit the Senator?

Mr. SMITH of Michigan. Yes; almost anything the Senator from Indiana says pleases me. I am bound also to say, to his credit, that what he says usually reaches a very large audience among the American people; and I dislike very much to have it appear that there is any real division in the Republican ranks, all of whom are gathered under the banner of protection. I dislike very much to have it go out that there is a serious division here, when it has already been shown that we have with practical accord reduced many schedules in this bill.

In my opinion, Mr. President, we are meeting the promises of the President in our daily work on this measure, if I understand his promises correctly—and it was my good fortune to be with him upon many occasions in the campaign—and if we proceed with as much consideration for the promises he made to the country as we run along from day to day in the future as we have done during the last month, in my opinion the Republican party will have justified the continued confidence of the country.

Mr. BEVERIDGE. I hope so. I will say to the Senator that he has not listened attentively to me if he has heard anything in my remarks that has indicated a division in our party. The argument has been and the expression has been to the contrary. Nobody has said anything about a division except those who are not members of our party.

Mr. SMITH of Michigan. Mr. President——

Mr. BEVERIDGE. No; I do not want to be interrupted now. I say that there must be conceded to those who think that schedules should be reduced, as much and as full a measure of devotion to the protective principle as we are ready to concede to you whom we think to be economically in error.

Mr. SMITH of Michigan. Mr. President——

Mr. BEVERIDGE. The Senator will pardon me——

The VICE-PRESIDENT. The Senator from Indiana prefers not to yield further.

Mr. BEVERIDGE. Oh, no; go ahead. I can not resist yielding to the Senator.

Mr. SMITH of Michigan. I cheerfully agree with the Senator in that conclusion; but, if I do not interrupt him against his will, I want to refer to one expression which he made regarding the exportation of our products and the sale in Europe cheaper than at home.

Mr. BEVERIDGE. I did not say a word about it.

Mr. SMITH of Michigan. You read something about it.

Mr. BEVERIDGE. I read something from the President about it, and I read that only because I wanted to get his whole expression, so that no man could come in and say I had given but a part of it.

Mr. SMITH of Michigan. In just one word, if the Senator from Indiana will permit me, I want to say that it does not annoy me at all to think that goods made in excess of our needs in this country may be sold in Europe cheaper than at home.

Mr. BEVERIDGE. It does not annoy me at all, and it did not annoy the President at all. The President gave in two or three lines an excellent answer to that—the answer we all know of.

Mr. SMITH of Michigan. Let me give one in one sentence.

Mr. BEVERIDGE. You can give another one if you want.

Mr. SMITH of Michigan. The wages that were paid to the men who produced the surplus products were the wages that are prevalent in our own country and not the wages of Europe. So that, if we pay the standard American wage in the manufacture of a product to be exported to Europe, I am the last man that will complain about the price the manufacturer gets for it over there.

Mr. BEVERIDGE. Nobody ever said that anybody was complaining of that; nobody ever heard of it. The Senator is introducing another subject. What the Senator said sounds just as good as it is true. I do not think—and my admiration for him is unbounded—that the Senator has improved very much upon the President's explanation. Nobody who keeps up with the economic conditions of the world complains that goods are sold abroad cheaper than at home.

The Senator illustrates what I said a moment ago about the tendency of human beings to become monomaniacs. The Senator is not that; but he has talked and thought so much about our importations and exportations that he thinks it was referred to, when, as a matter of fact, it was not. I agree with the Senator about that, and we both agree with the President on that. There is no essential difference among students of economy upon that. I was very glad to hear the Senator upon it; but it was not quite to the point.

There has been no advertisement of the dissensions here, except an attempt at it from a source outside ourselves. We "revisionists" are doing what we think is the wisest thing by the country, and therefore the wisest thing by our party, when we insist on reductions.

DEMOCRATIC PROPHECIES OF REPUBLICAN DEFEAT ALWAYS FOLLOWED BY REPUBLICAN VICTORIES.

Of course, Mr. President, our fate as a party is bewailed by others. That is an old story. The Democratic party always bewails our fate before elections; and then always bewails its own fate after elections. I have heard in the ten years that I have been here every single session a prophecy, lurid in its vividness, that we were going to meet disaster, that the seeds of disintegration were planted in our breasts, and that our party death was near, but I never found it to come true. After each prophecy, increasing in violence as they have been, I have always found our victory increasingly pronounced.

It has been said that there is free trade on this side of the Chamber. No, Mr. President, not a single microbe of it. Those who are called "reductionists" upon this side, as I have said four or five times believe that they are acting in the interest of the protective principle more fearlessly, and with more far-seeing wisdom, than those who maintain the old attitude that there must be no yielding to conditions. No; there is no free trade here, but will anybody deny that there is protection over there? Of course it is there; the votes and some of the franker speeches show it; but as the Senator from North Dakota [Mr. MCCUMBER] pointed out the other day, the votes on that side show the unwise zeal of the convert rather than the seasoned wisdom of the life-long protectionist.

PROTECTION'S "ROLL CALL" OF SOUTHERN STATES.

Why, Mr. President, if it were not for one great local question, protection would have swept the South in the last campaign, as, in my judgment, it will sweep the South within two campaigns to come. If protection should to-day call the roll of the States, I think that you would almost find now what certainly protection will find when it calls the roll of the States in a few brief years, that the Northern States would answer "Here," and, as their names are called, Southern States will answer "Here;" Tennessee will answer "Here;" Georgia will answer "Here;" Alabama will answer "Here;" Florida will answer "Here;" and even Mississippi, perhaps, will answer "Here." Kentucky and Missouri have answered "Here" already; and Oklahoma nearly answered "Here" in the last election—she will shout "Here" in the next.

I see this great economic system, which Henry Clay declared was "the American system," invading—no, captivating—the South, whose people it is enriching. If there is any change at

all, looking into the future, it will be that New England may become increasingly free trade, and that the South will become increasingly protectionist. I could wish only that these new southern converts would realize that protection votes on certain things are no longer needed, or rather that protection on those things is no longer needed.

The junior Senator from Maryland [Mr. SMITH], whom I am coming to respect with an increasing measure of admiration because of his fearless openness of speech, in defending his intended vote for a tariff on lumber frankly said that it was for a measure of protection.

It is immaterial to me, Mr. President, by what name Senators call a thing, whether revenue or whether protection, so the result be the same. Senators on that side have said that they voted for a tariff on iron ore as a *revenue* duty; Senators on this side have, in the same moment, declared that they voted for the same tariff on the same thing as a *protection* duty.

The protective theory is conquering the Democratic party, and perhaps the great division of the somewhat distant future between parties will cease to be that of the tariff at all, because it will come to be universally recognized, even by extreme theorists, that the protective tariff is the settled policy of the American Republic, regardless of parties; and that parties will then divide upon other questions.

I have not criticised Senators on the other side for not voting as their platform pledged them to vote. That is their business—they can settle that with their party. I have heard the Democratic platform, or certain planks of it, renounced by Democratic Senators, but I recall that at least five, perhaps six, Senators, now sitting in this body, helped to write that platform.

NO REVENUE TARIFF ON IRON ORE AND LUMBER IN ENGLAND.

We are told now that a revenue tariff requires a duty on iron ore, lumber, and various other things. A duty on these things is said to be demanded by the theory of a revenue-only tariff. But is it? The ideal revenue-only-tariff country of the world is Great Britain. I hold in my hand the English customs tariff. I do not find iron ore there. I do not find lumber there. The English revenue-only legislators did not think that a revenue-only tariff demanded any duty on these things. But they did think a revenue duty is demanded on coffee; and so I find coffee in the English revenue-only customs law—but not lumber, not iron ore.

A tariff for revenue only, Mr. President, is one laid upon those articles which will produce the most revenue. Articles that will produce the most revenue are those which everybody here consumes and which nobody can raise here. Therefore, if anybody is sincerely for a tariff for revenue, he is, first of all, in favor of a tariff on coffee, because everybody in America uses coffee and nobody in America produces coffee. The same is true of cocoa, and of a great many other necessities of the people. Those are the great revenue-producing subjects. Yet do we hear any party daring to go before the American people and declare that they propose to put a duty of any kind upon the articles like those upon which the British revenue puts it?

Mr. President, just this word further about a tariff for revenue only. Those who have noted—I will not say studied—the progress of tariff movements throughout the world must know that a tariff for revenue only has deliberately been abandoned by every modern nation in the world, excepting only Great Britain; and that even in Great Britain the largest reform that that Empire has seen since Cobden's day is the present movement for the abandonment of what Mr. Balfour, who is leading that movement, calls "the moth-eaten and outworn system of a tariff for revenue only," which, he says, if continued, will bankrupt the United Kingdom.

TARIFF-FOR-REVENUE-ONLY COUNTRIES.

Nothing is more certain in the future than that that movement, backed by the progressive producers of the United Kingdom, led by such men as Chamberlain, their theories voiced by such mighty intellects as Balfour, will succeed within less than a decade. They themselves know that so thoroughly that out of their own private pockets the manufacturers of Great Britain have established a great board of experts to prepare a protective tariff bill to be ready against the day of their success. And it is a literal fact of history that no reform movement in the English-speaking world has made such rapid progress as the protective theory is making in Great Britain.

Outside of Great Britain I believe the only countries to-day that adhere to a tariff for revenue only are China, Turkey, Afghanistan, Beluchistan, Abyssinia, and such other like progressive countries. All others are protective countries. In Germany the system of protection sprang up, and it did for her what it did for us. It built her factories, it opened her mines, it developed her industries, it made her rich; and then, because of her narrow confines, she saw that she must capture the markets of the world, and with the methods of the studious German mind she took and developed our single protective system into a double protective system—a system that gives one tariff to countries which will not grant her concessions, and a better one to those that do; a system so advanced that in ten years it has given Germany almost the leading place in the world of foreign trade.

Mr. SUTHERLAND. Will the Senator permit me to ask him a question?

Mr. BEVERIDGE. Certainly.

Mr. SUTHERLAND. Is Germany developing any tariff revision downward?

Mr. BEVERIDGE. No; but what she does is to revise downward and upward, *according to the facts*. The German tariff *is far lower than ours*. The brief history of that, though I do not want to take much time on it, is this: That greatest practical mind, undoubtedly, that Europe has produced in the last half century, Prince Bismarck, was, as we all know, originally a free trader. But he was a student. He was a man who thought that each new day had something to teach him. He was a person who thought that the rolling years were intended for enlightenment. He was not a man who fixed himself upon a narrow position and stood there, regardless of the teachings of the world. And so Prince Bismarck, as he himself declared, converted to the protective theory by the experience of the United States, deliberately influenced the German Empire to adopt that system; and they have taken it, as they usually do most things, and improved upon it.

But I will not go further on this, because I merely intended to call the attention of my tariff-for-revenue-only friends to the fact that the only countries in the world to-day that cling to what Mr. Balfour calls "the worn-out and moth-eaten system of a tariff for revenue only" are Great Britain, which is about to abandon it, Turkey, China, Persia, Abyssinia, Beluchistan, and some other equally progressive countries. I do not think the American people are going to imitate them.

Some Senator said something here a few moments ago about divisions in the Republican party. I think it was my friend from Michigan who said that. I do not know that I can better close than by saying that nobody within our party can have, *and nobody without our party need have*, any alarm for our party future; because when all is done it will be found that excesses have been reduced and justice established, all by one broad, general principle, and an equal desire among us to do exactly what is right from our different points of view. And, so when the day of battle comes, the Republican party will be found disciplined, compact, aggressive, marching forward in the future, as it has in the past, to victory for itself and to blessings for the Nation.

Mr. ALDRICH. Mr. President, it is not my purpose to ask the Senate to proceed further with the lumber schedule at this time. The committee are convinced that there should be somewhat of a readjustment between the rates upon rough and finished lumber different from those contained in the bill as reported from the committee, and they will at a subsequent date report to the Senate some amendments in that line. I ask the Senate to proceed this morning to the consideration of Schedule E.

The VICE-PRESIDENT. Is there objection to the request? The Chair hears none.

Mr. KEAN and Mr. LODGE. Let it be read.

The SECRETARY. The first paragraph in that schedule passed over is No. 213, as follows:

213. Sugars not above No. 16 Dutch standard in color, tank bottoms, sirups of cane juice, etc.

The VICE-PRESIDENT. No amendment is pending to this paragraph.

Mr. FOSTER obtained the floor.

Mr. BORAH. Mr. President——

Mr. FOSTER. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, I want to detain the Senate only a moment. The remarks I made yesterday, which have led to the long discussion this morning upon the part of the Senator from Indiana, based upon an interpretation of the President's position on this subject, have been fully borne out by the somewhat extended speech of the Senator from Indiana. I apprehended when he arose that it was for the purpose of distinguishing in some measure the parts which he quoted from the portion of the President's message which I quoted. I find, however, that instead of distinguishing, the quotations made from

the President's messages and speeches fully corroborate and sustain not only the quotation which I made, but the interpretation I placed upon the quotation. I did not feel it was necessary to go so far into the matter as has the Senator from Indiana, but I quoted from the President's speech a single paragraph which covered his views in entirety upon the subject—that he was in favor of revision and revision downward, always within the line of the protective principle; that he believed that generally the schedules should be lowered, sometimes raised, always for the purpose of preserving the policy and the principle of protection.

Now, with a quotation from what I said myself, I will leave the RECORD to speak to those who will read it. I said:

I am one of those who believe that the Chicago platform meant an honest and faithful revision of the tariff, and that that revision was understood in the public mind to be a revision downward, but always within the lines of sufficient protection to American industries and American labor.

The Senator from Indiana has not quoted anything from the President in contravention of that principle or that interpretation of it.

Mr. BEVERIDGE. If the Senator will permit me, I thought the Senator's own language with reference to that most admirable quotation from the President ought to be supplemented by everything the President said, and especially in view of the fact that I had heard the expression on this floor by high authority, "Who ever heard anybody pledge anybody to revision downward?"

Mr. BORAH. In that respect the Senator was not quoting from the Senator from Idaho. I again said:

This, Mr. President, did not mean, as was so often pointed out during the campaign by the President himself, but that there might be instances in which it would be necessary to raise the duty in order that the principle of protection might be preserved; but undoubtedly it did mean, in a general way, that when the duties could be lowered, within the policy and principle of the party of protection, that that should occur, and that rule should be adopted and carried out in good faith.

It was all right to quote the President's messages and speeches in full. It would be enlightening to the public to have them complete in the RECORD. But so far as the principle is concerned, it was contained in the paragraph which I quoted, and is not in any way modified by the quotations made or by the inference of the Senator from Indiana.

Mr. SIMMONS. The Senator from Louisiana [Mr. FOSTER] is about to enter upon the discussion of a very important question, and there are very few Senators present. I think it would be well to have a call of the Senate.

The PRESIDING OFFICER (Mr. BRADLEY in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Crane	Gallinger	Paynter
Bacon	Culberson	Gamble	Penrose
Bailey	Cullom	Guggenheim	Perkins
Bankhead	Cummins	Heyburn	Piles
Beveridge	Curtis	Hughes	Rayner
Borah	Daniel	Johnson, N. Dak.	Richardson
Bourne	Depew	Johnston, Ala.	Root
Bradley	Dick	Jones	Shively
Brandegee	Dillingham	Kean	Simmons
Briggs	Dixon	La Follette	Smith, Md.
Bristow	Dolliver	Lodge	Smith, S. C.
Brown	du Pont	McEnery	Smoot
Burkett	Elkins	Martin	Stephenson
Burrows	Fletcher	Money	Stone
Carter	Flint	Oliver	Sutherland
Chamberlain	Foster	Overman	Tillman
Clapp	Frazier	Owen	Warner
Clark, Wyo.	Frye	Page	Warren

The PRESIDING OFFICER. Seventy-two Senators having answered to their names, a quorum of the Senate is present. The Senator from Louisiana will proceed.

Mr. FOSTER. Mr. President, in discussing the sugar schedule, I propose to treat the subject very largely from an historic as well as economic point of view. I shall make no appeal to prejudice or passion through the introduction of matter not properly belonging to a discussion of the tariff, but will place the merits of the proposition squarely before the Senate, and ask that the same treatment be accorded sugar as has been given the other great industries affected by this bill.

I will show from the history of this legislation, beginning with the first act of 1789, that a duty has always been imposed upon sugar, with the solitary exception of the McKinley bill, and that different rates have been levied on the different grades, the lower bearing a lower rate, and the higher grades a higher rate, with a differential always provided for the refined. I will show that not only has this been our fixed policy in time of peace or stress of war, irrespective of what party has been in power, but that the men authorized to speak for the Democratic party have pronounced the sugar duty to be the ideal producer of revenue, as well as the most just and evenly distributed tax that can be levied by the Government for its maintenance and support.

I hope to demonstrate that the policy of continental Europe has been to encourage and develop the sugar industry in those respective countries, making them absolutely independent in this necessary article of life, and that economic considerations and wise statesmanship demand that this country adopt a similar policy; and, further, that continental United States is not only capable of producing all the sugar necessary for the demands of its people, but will actually do so, unless there is adverse or hostile legislation by this Congress.

I will show that the taxes upon sugar under this bill are less than those imposed by any of the countries of continental Europe, and that the consumer in the United States pays less for his sugar than the consumer living in any of those countries, even in those that stand ready to flood our markets with their surplus product.

I will show that while all other food staples, together with the products of the forest, field, and factory, have within the last decade advanced from 20 to 40 per cent the price of sugar within that time has remained practically stationary.

I will attempt to show that it is a wise and just policy not only to encourage the full development of our agricultural interests, but at the same time to encourage the growth and development of our manufactures; and I hope to demonstrate that the enormous amount of capital which has been invested in good faith in the sugar industry of this country, the vast numbers of our people who are dependent on it, the diversified interests that are affected for weal or woe by its welfare, and the large revenue it yields with the least cost to the people, warrant fair and even generous treatment at the hands of Congress.

Mr. President, if it can be shown, as I have indicated, that, with the solitary exception of the McKinley Act, every tariff law from the foundation of the Government until the present has placed sugar on the dutiable list, with a higher rate on refined than on raw, and that every political party that has arisen to a commanding position in this country has subscribed to that doctrine, there ought to be some convincing reason to justify a departure from this established policy.

If it can be demonstrated that the tariff on sugar is lower in this country than in the sugar-producing countries of Europe, and that in addition to being the cheapest necessary of life entering into the daily consumption of our people the price to the consumer in the United States is cheaper than to the consumer in those countries, then I submit that no just complaint can be urged against the present tariff legislation on sugar by either the consumer, the taxpayer, or the lawmaker. Finally, if it can be shown that the revenue from sugar under the present bill is necessary for the support and maintenance of the Government, then that revenue should not be reduced or destroyed.

I now propose to take up and consider the treatment of sugar by the various acts of Congress, beginning with the first act in 1789 and coming down to the present law. I do this not only to establish the fact that by all parties throughout our history sugar has been considered a proper and legitimate subject of tariff legislation, but also to show that throughout this policy the legislative mind has made a distinction between the duties imposed upon the different grades of sugar running from the raw to the refined.

The act of Congress of July 4, 1789, carried a duty of 1 cent a pound on raw sugar, 1½ cents on partially refined, or clayed, and 3 cents on fully refined.

At that time there was no sugar raised in the United States.

In 1790 these duties were increased from 1 to 1½ cents on raw, and from 1½ to 2½ cents on partially refined, or clayed, and to 5 cents on refined sugar, which was increased to 9 cents per pound in 1794.

From 1797 to 1804 the duty was 2½ cents on raw and 9 cents on loaf or refined sugar. This was prior to the Louisiana Purchase.

These duties were increased 100 per cent under the act of 1812, and were so to continue until one year after the treaty of peace with England.

In April, 1816, the duty on raw sugar was 3 cents per pound; 4 cents on partially refined; 10 cents on lump; and 12 cents on loaf or refined sugar.

These rates remained practically unchanged until the act of 1832, when they were reduced to 2½ cents on raw sugar and 3½ cents on refined sugar, which rates were maintained until 1842.

Under the act of August 30, 1842, raw sugar was kept at 2½ cents, all other sugars when advanced beyond raw state 4 cents

per pound, and the duty was increased to 6 cents on all grades which were refined.

Under the provision of the act of 1846, known as the Walker Tariff Act, duties were placed on sugars of all kinds at 30 per cent ad valorem. By the act of 1857 it was reduced to 24 per cent, and under that law sugar was retailed at from 5 to 6 cents per pound.

On December 24, 1861, during the civil war, sugar was placed in the tariff act at the rate of 2½ cents per pound, on grades not above No. 12; and on the higher grades it was put at 5 cents per pound; while the act of 1862 made it 2½ cents on raw not above No. 12; 3½ cents above No. 15 and below No. 20; and 4 cents on higher grades.

The acts of 1864 up to 1869, inclusive, placed the rate on raw sugar at 3 cents and retained the rate on refined at 3½ and 4 cents. The act of 1861 was the first in which Congress adopted the Dutch standard, which applies to color, and it should be borne in mind that No. 16 and all below this are dark sugars.

Under the acts of 1870 and 1872 the duty was placed on all sugars from No. 7 to No. 10 at 1⅜ cents per pound; No. 10 to No. 13 at 2 cents; No. 13 to No. 16 at 2⅜ cents; No. 16 to No. 20 at 3½ cents; and above No. 20 at 4 cents per pound.

The act of 1883 placed a duty on sugar ranging from 1.40 cents per pound on raw sugar, below No. 13, and adding 0.04 cent per pound for each additional degree of strength. On sugars above No. 13 and up to No. 16 it was at 2.75 cents per pound; above No. 16 and up to No. 20 at 3 cents per pound; above No. 20 at 3.5 cents per pound.

Under the McKinley bill, while raw sugar was free, there was a duty of half a cent per pound levied on all sugar above No. 16 Dutch standard, to which was added one-tenth of a cent per pound on all sugar exported from bounty-paying countries.

Under the Wilson bill there was a duty of 40 per cent ad valorem on all sugars under No. 16, Dutch standard; and upon all sugars above No. 16 a duty of one-eighth of 1 per cent, or 12½ cents per hundred, in addition; so that a refiner under that law received 12½ cents per hundred—just what he receives under the present law with one-tenth of a cent per pound on all bounty fed sugars.

By the act of 1789 it will be seen that the difference between raw sugars and refined sugars was 2 cents per pound.

In 1791 the difference between raw and refined sugar was 7½ cents per pound; and from 1797 to 1804 the difference was also 7½ cents per pound.

In 1842 the difference between raw and refined sugars was the difference between 2½ and 6 cents, or 3½ cents.

Under the present law, or the Dingley Act, the duty on 96° sugar is 1.68½, with 3½ cents per 100 pounds on every additional degree up to 100° and a differential of 12½ cents, equaling 1.95 cents per pound on refined sugar.

The bill under consideration reduces the differential from 12½ cents to 7½ cents, making the duty on refined sugar 1.90 cents per pound.

Under the McKinley bill raw sugar was free, but a differential was imposed on refined of five-tenths of a cent per pound, or 50 cents per hundred pounds.

Under the Wilson bill all sugars above No. 16 Dutch standard paid an additional duty over the 40 per cent ad valorem of one-eighth of 1 per cent, or 12½ per cent per hundred pounds.

From these citations it is shown that a duty has been imposed upon sugar by every party in control of the Government since its foundation, and in each and every one of these tariff acts, except the Walker Act, a different rate of duty has been imposed upon the raw and the refined.

WHAT GREAT DEMOCRATS HAVE SAID.

Let us again turn back the pages of history and see how the Democratic leaders have stood on this question. The first radical revision of the tariff occurred in 1816, and the act of April 16 of that year was based on the report submitted to Congress in response to a resolution of the House by Alexander J. Dallas, the Democratic Secretary of the Treasury under President Madison.

That report was one of the ablest of our early state papers. It was written in the broadest spirit of patriotism. It was marked by a complete absence of sectionalism. As an illustration of the fact that the fundamental principles of economic legislation do not change, it was said of this great Democratic paper, by the senior Senator from Iowa, when as a member of the other branch of Congress he was discussing the present tariff law in 1897, that if called upon to pick out from the economic literature of our country an official document that completely stated the working principles his party was then striving for, he would take this letter of Secretary Dallas.

In pointing out the same diversity of interests that has again come to plague us, and in counseling a broad and statesmanlike treatment, Mr. Dallas said:

> The social compact is formed on the basis of a surrender of a part of the natural rights of individuals for the security and benefit of the whole of society. The federal compact is formed on the basis of a surrender of a part of the political rights of each State for the benefit and security of the whole confederation. Hence, in the attempt "to conciliate the various national interests which arise from the pursuits of agriculture, manufactures, trade, and navigation," it is necessary to recollect that the common object of the Nation will not invariably correspond with the separate objects of individuals, or of their professions, nor with the respective objects of the respective States, or of the industry of their inhabitants.

In this broad spirit the Democratic party proceeded to the consideration of the needs of the country, then just emerging from the second war with Great Britain. Substantially the same arguments were advanced against the sugar schedule of that bill as are heard to-day, but Congress, recognizing its importance as a revenue-producing article, rejected the efforts made to secure lower rates, and provided a tariff with the following duties: Three cents on raw sugar, 4 cents on partially refined, 10 cents on lump, and 12 cents on loaf.

The bill was reported by Mr. Lowndes of South Carolina, chairman of the Committee on Ways and Means, and Mr. Huger, also of South Carolina, offered a substitute, providing lower rates. The debate that followed was one of the most interesting of that session, and John C. Calhoun and other great leaders of the party participated. It will be found on pages 1258 to 1262, inclusive, of the Annals, first session, Fourteenth Congress.

In opposing the substitute of Mr. Huger, Mr. Robertson of Louisiana said:

> My friend from South Carolina, the chairman of the Committee on Ways and Means [Mr. Lowndes], who, I hesitate not to say, is better acquainted with the fiscal concerns of the nation than any member of this House, has recommended the duty which I now advocate; he tells you explicitly that it is required by the necessities of the Government. Impartial and intelligent as he is, he has not said as much in regard to any other tax.

The report of the debate continues:

> Mr. Lowndes made a few remarks on the same side. He argued that the manufacture of sugar demanded encouragement as strongly as any other, and that he thought the duty provided by the bill was even too low, being a very small increase on the specific duty; and that it was as necessary for the purpose of revenue as the protection of the article.
>
> Mr. Calhoun made a few remarks against the motion [to reduce the duties]. He dwelt on the great importance of the article, and the expediency of encouraging its production in our country, by which our supplies would be so much more certain; and enforced particularly the necessity for encouraging all those articles at home, for which we now depended on the West Indies, to which the trade was so precarious.

The instances where the Democratic leaders have stood for the development of the sugar industry could be cited in great number, did time permit.

I will come, however, to more recent years, and show from the utterances of our party leaders, with whom many of you were personally acquainted, that Democratic principles have not changed so far as concerns the treatment of sugar as the ideal article for raising revenue, and likewise the importance of encouraging and building up this interest as a great domestic industry.

The sugar duties were exhaustively considered by Hon. Daniel Manning, Secretary of the Treasury in Mr. Cleveland's first Cabinet, who was recognized as one of the leading authorities on economic problems of his day, and who was thoroughly versed in the principles and policies of his party in matters of tariff legislation.

In the annual report he submitted at the second session of the Forty-ninth Congress, wherein he advocated the repeal of the war taxes, for which the country was clamoring, he said:

> We need just now to get $150,000,000 from imports—

and proceeded to consider—

> The cheapest and best taxes to retain.

On this point he said:

> Another proposal is to reduce taxation by cutting down the tax on whisky, tobacco, and beers, and removing the duty on sugar.
>
> Nobody pays a tax on tobacco except the consumers of tobacco. They are willing to pay for the luxury, and they ask no relief. Any probable reduction of the tax on whisky would be more likely to increase the revenue than to diminish it. The price of sugar has fallen to an exceedingly cheap rate.

And here I will remark that sugar then sold for a much higher price than now, the price then being 6.02 cents per pound, while now it is 4.86 cents a pound.

> Our own sugar crop is so very small a part of the total amount of sugar we consume that sugar ranks next to articles wholly produced abroad, like tea and coffee, in suitability for taxation, on the ground that its consumption is universal; that the tax is easily and cheaply collected; that the increased price paid by the consumers is an unconsidered trifle, and that what is taken from the taxpayers goes into the taxpayers' treasury, not into a few private bank accounts.

And right here, Mr. President, I may remark that the fundamental error made by the opponents of the tariff on sugar is that the amount of the tariff, according to them, goes directly to the producer or manufacturer of sugar, when in fact it goes into the national coffers, and nearly every dollar of the tax imposed is returned to the people in the way of supporting and maintaining the Government.

Like the casting away of the revenue from coffee and tea in 1872—

Continues Mr. Manning—

the removal of the tax on sugar, which gives us our easiest and next to largest single item of revenue ($51,778,948), at an annual cost of less than 90 cents per head, is now pressed forward to avert the repeal of other taxes which are desired to operate an incidental and private benefit by enhanced prices to the domestic consumers of a large domestic product. These incidental and private benefits, in fact, are subject to all the deductions I have already mentioned, and are subject to the chief deduction that the endeavor to make our tax laws exclude foreign competition in our home markets promotes the success of that competition, besides effectually preventing the sale of our surplus product—our labor product—in foreign markets. But the incidental benefit of the sugar tax to our cane-sugar producers, who are under the harrow of beet-root sugar competition and German bounties, which have driven them to improved processes and already lowered the price of sugar more than removal of the whole tax, is not got by excluding foreign sugar, for the great bulk of our sweetening comes from climates more tropical than ours. Nor does it prevent our sales in foreign markets of imported sugar refined and increased in value by the processes of American labor.

One of the best expositions of the Democratic doctrine on this question may be found in the speech of Hon. John G. Carlisle, Speaker of the House, and Secretary of the Treasury in Mr. Cleveland's second Cabinet, which he delivered May 19, 1888, in the House. He said:

But, sir, let us see what would be the effect of the repeal of the duty on sugar, the effect upon the revenue, and upon the people who are compelled to pay taxes in some form for the support of the Government.

The latest report I have at hand shows the total amount of sugar produced in this country and the total amount consumed for the year 1886, and they show that the domestic production was 302,754,486 pounds, while the total consumption was 3,111,640,000 pounds. It thus appears that considerably less than one-tenth of the domestic consumption is produced at home and that the remainder is imported and pays duty at the custom-house. The duty collected during the last fiscal year was $57,000,000. Now, assuming that the whole amount of the duty is added to the price of the domestic article, it is clear that whenever $1 is taken out of the pocket of the consumer on account of this increased price more than $10 are paid into the Public Treasury for the support of the Government and the discharge of its obligations.

The repeal of this duty, therefore, while it would undoubtedly reduce the revenue, would afford very little relief to the people in comparison with the relief that would be afforded by the repeal of duties upon many other articles in common use.

PRICES FOR LAST THIRD OF CENTURY.

Having shown what has been the policy of this Government toward sugar, practically since its foundation, by all parties, and especially what have been the views of the leading Democrats, my purpose now is to show the ruling prices of raw and refined sugar for the last third of a century.

From the figures presented it will be seen that not only has the general trend been in the direction of a lower price of sugar, and consequently in favor of the consumer, but it will likewise be shown that in this period none of the other food staples show such an absence of fluctuating prices. On the contrary, as I expect to show later, not only have the food products, but likewise most other products of the forest, field, and farm advanced from 20 to 40 odd per cent during the period mentioned.

I purpose first, Mr. President, to show the wholesale price of granulated sugar per pound at New York, and the average price per pound in foreign countries, beginning with 1871 and coming down to and including the year 1907. I will ask permission to have the table inserted in the RECORD as a part of my remarks. I quote it from the Statistical Abstract of the United States, issued by the Department of Commerce and Labor.

There being no objection the table was ordered to be printed in the RECORD as follows:

Year.	Sugar.					
	Imports.		Average cost per pound in foreign country.	Wholesale prices of granulated at New York (per pound).	Total consumption.	Consumption per capita.
	Quantity.	Value.				
	Pounds.	*Dollars.*	*Cents.*	*Cents.*	*Tons.*	*Pounds.*
1871	1,277,473,653	64,021,289	4.94	13.12	663,174	37.6
1872	1,609,185,674	81,213,001	5.37	12.37	708,717	39.1
1873	1,568,304,592	82,716,953	5.35	11.36	748,558	40.2
1874	1,701,297,869	81,887,463	4.95	10.50	783,557	41.0
1875	1,797,509,990	73,330,556	4.33	10.61	791,600	40.3
1876	1,493,977,472	58,120,583	4.04	10.51	775,565	38.5
1877	1,654,566,831	84,978,182	4.91	10.73	745,250	46.1
1878	1,537,451,934	73,090,958	5.06	9.07	773,472	38.6
1879	1,834,365,836	72,078,686	4.10	8.81	831,896	40.7
1880	1,829,291,684	80,087,720	4.18	9.80	956,784	42.9
1881	1,946,745,205	86,670,624	4.41	9.70	1,012,206	44.2
1882	1,990,152,374	90,439,675	4.41	9.35	1,134,994	48.4
1883	2,137,667,665	91,637,992	4.37	8.65	1,224,011	51.1
1884	2,756,416,896	98,264,607	3.61	6.75	1,309,383	53.4
1885	2,717,884,653	72,519,514	2.67	6.53	1,298,380	51.8
1886	2,689,881,765	80,773,744	2.84	6.23	1,459,280	56.9
1887	3,196,443,240	78,411,224	2.50	6.02	1,381,714	52.7
1888	2,700,284,282	74,245,206	2.75	7.18	1,519,283	56.7
1889	2,762,202,967	88,543,971	3.21	7.89	1,416,474	51.8
1890	2,934,011,560	96,094,532	3.28	6.27	1,476,377	52.8
1891	3,483,477,222	105,728,216	3.03	4.65	1,888,851	66.3
1892	3,556,509,165	104,408,813	2.93	4.35	1,853,370	63.8
1893	3,766,445,347	116,255,784	3.09	4.84	1,906,758	64.4
1894	4,345,193,881	126,871,889	2.92	4.12	2,012,714	66.7
1895	3,574,510,454	76,462,836	2.15	4.12	1,949,744	63.4
1896	3,896,338,557	89,219,778	2.29	4.58	1,960,086	62.5
1897	4,918,905,782	99,066,181	2.01	4.50	2,070,978	64.8
1898	2,689,920,851	60,472,749	2.25	4.97	2,002,902	61.5
1899	3,960,250,569	94,964,120	2.39	4.92	2,078,068	62.6
1900	4,018,086,530	100,250,974	2.49	5.32	2,219,847	65.2
1901	3,975,005,840	90,487,800	2.28	5.05	2,372,316	68.7
1902	3,031,915,875	55,061,097	1.82	4.46	2,566,108	72.8
1903	4,216,108,106	72,088,973	1.71	4.64	2,549,643	70.9
1904	3,700,623,613	71,915,753	1.94	4.77	2,767,162	75.3
1905	3,680,932,998	97,645,449	2.65	5.26	2,632,216	70.5
1906	3,979,331,430	85,460,088	2.15	4.52	2,864,013	76.1
1907	4,391,839,976	92,806,253	2.11	4.65	2,993,979	77.5

Mr. FOSTER. This table shows, Mr. President, that the wholesale price of granulated sugar in New York in 1871 was 13.51 cents per pound, and that the average cost of raw in foreign countries was 4.95 cents per pound; that in 1877 the New York price was 10.73 cents for refined, while the foreign price was 4.91 cents per pound raw. In 1887 the New York price was 6.02 and the foreign price 2.50 cents per pound. In 1897 the New York price was 4.50 and the foreign price 2.01 cents per pound, while in 1907 the New York price was 4.65 and the foreign price 2.11 cents per pound. These figures, Mr. President, show that the difference between the domestic and the foreign market prices was much greater in former years than it is at present. I judge, Mr. President, that the above table shows the general average of prices in the leading foreign ports, as the figures show a slight variation of the Hamburg prices as given by Willett and Gray from 1900 to 1907, both years inclusive. While this shows the price of sugar in certain exporting markets of the Old World, yet at the same time it must be remembered, as I will hereafter conclusively establish, the price of sugar to the consumer in those countries, excepting England, is much higher than to the consumer in this country.

Mr. BRISTOW. I should like to inquire why the retail price in foreign countries is so much higher than the wholesale price?

Mr. FOSTER. I will discuss that as I proceed.

I shall next take the price of sugar under the tariff bill of 1883 and institute comparisons with the prices of sugar under the McKinley, Wilson, and Dingley bills, showing the average quotations of raw and granulated under each, and the margins between the raw and granulated, and I will also ask that this table be included as part of my remarks in the RECORD.

The PRESIDING OFFICER. The Chair hears no objection and it is so ordered.

The tables referred to are as follows:

1883 Commission tariff.

	Raw centrifugal, per pound.	Granulated, per pound.
	Cents.	*Cents.*
1887	5.38	6.02
1888	5.93	7.18
1889	6.57	7.89
1890	5.57	6.27

Under the 1883 Commission tariff, the average price of raw sugar was 5.89 cents; the average price of granulated, 6.84 cents per pound—a difference of 0.95 cent.

McKinley tariff.

	Raw centrifugal, per pound.	Granulated, per pound.
	Cents.	*Cents.*
1891	3.92	4.65
1892	3.32	4.35
1893	3.69	4.84
1894	3.34	4.12

Under the McKinley tariff, the average price of raw sugar was 3.57 cents per pound; the average price of granulated, 4.49 cents—a difference of 0.92 cent.

Wilson bill.

	Raw centrifugal, per pound.	Granulated, per pound.
	Cents.	*Cents.*
1895	3.23	4.12
1896	3.62	4.53
1897	3.56	4.50

Under the Wilson bill the average price of raw sugar was 3.47 cents per pound; the average price of granulated, 4.38 cents per pound—a difference of 0.91 cent.

Dingley bill.

	Raw centrifugal, per pound.	Granulated, per pound.
	Cents.	*Cents.*
1898	4.24	4.97
1899	4.42	4.92
1900	4.57	5.32
1901	4.05	5.06
1902	3.54	4.46
1903	3.72	4.64
1904	3.97	4.77
1905	4.28	5.26
1906	3.69	4.52
1907	3.76	4.65

Mr. FOSTER. Under the Dingley bill these tables show that from 1898 to 1907 the average price of raw sugar was 4.02 cents and the average price of granulated 4.86, the margin between raw and refined being 0.84 of a cent, or 84 cents a hundred pounds, showing a smaller margin between the raw and refined than under any other preceding tariff bill, being 7 cents less than under the Wilson bill, 8 cents less than under the McKinley bill, and 11 cents less than under the Commission bill of 1883.

In 1898, the year after the passage of the Dingley bill, raw sugar sold at 4.24 cents per pound and granulated sold at 4.97 cents. In 1907 raw sugar sold for 3.76 cents per pound and granulated at 4.65 cents.

In 1887 raw sugar sold for 5.38 cents per pound, while in 1898 the same sugar sold for 4.24 cents per pound and in 1907 for 3.76 cents.

In 1889 raw sugar sold for 6.57 cents per pound, and in 1907 it sold for 3.76 cents per pound; and granulated sugar during the year 1889 sold for 7.89 cents per pound and in 1907 for 4.65 cents per pound.

In 1900 and 1901 raw sugar sold for over 4 cents per pound and granulated over 5 cents per pound; in 1906 and 1907 raw sugar sold for 3.67 and 3.69 cents and granulated for 4.62 and 4.65 cents, respectively.

This margin between raw and refined includes the cost of refining, such as labor and fuel, the wear and tear and depreciation of expensive machinery, the cost of packages in which the sugar is delivered to the market, the refiner's profit and jobber's commission, and the loss of sugar involved in the process of refining, which has been estimated by experts to be 7 pounds in every 100.

Mr. President, these facts and figures incontestably contradict the very elaborate and ingenious argument of the junior Senator from Georgia.

These figures, on the contrary, demonstrate that the selling price between raw and refined was greater under every other tariff than it is to-day.

Again, it is urged that the difference between raw or similar grades of sugar in this country and the foreign markets can not be justified, and considering the low price of foreign when compared with domestic sugars it is urged that the tariff ought to be lowered in order to cheapen the commodity to the home consumer. The figures which I have heretofore presented show that this disparity has always existed, and there is no greater reason now than in years past for any change in our policy.

But there is another factor which has escaped the attention of those who advocate a departure from our traditional policy, and that factor is the difference between the domestic and export prices of foreign sugars. There is an export price and a home price, and the fact is shown by the very best authority that the export price is far below even the cost of production. I read from the testimony before the Ways and Means Committee on this phase of the subject (p. 3292):

It appears from the foregoing that the actual selling price of granulated sugar f. o. b. Hamburg is less than the amount the American manufacturers pay the farmers for the sugar in the beet before they begin the process of manufacture. Further, that this average Hamburg selling price of granulated sugar is $1.36½ less than the lowest range of average cost to manufacture beet sugar in the United States. It must be remembered that the Hamburg prices above referred to are the selling prices and not the cost prices. They include the first cost of raw material, the cost of manufacturing, and the manufacturer's profit, the sum total of which, as stated above, is less than the American manufacturer pays the farmer for the sugar in the beet before he begins the process of manufacture.

If it is urged that the European sugar producer can not afford to sell 88-degree sugar at an average price of $2 per hundred pounds and granulated sugar at an average price of $2.385 per hundred pounds, let it be remembered that during the years in question, namely, from 1900 to 1907, the beet-sugar industry of Europe has thrived as never before, as shown by Senate Document No. 250, entitled "Production and Commercial Movement of Sugar," compiled by O. P. Austin, Chief of Bureau of Statistics, Department of Commerce and Labor.

On this same point I wish to read from the report of the British tariff commission, printed in London in 1907, all the more convincing since, for the purpose of this discussion, the evidence adduced before and the conclusions reached by a British commission must be regarded as strictly impartial.

In section 7 of paragraph 4 that report says:

The unfair character of foreign competition in the British market is constantly dwelt upon in the evidence. The continental kartells facilitated the dumping on a large scale in the United Kingdom, and this kartell organization was only rendered possible by the heavy state bounties and preferential export freight rates. Cases are quoted in the evidence in which German refined sugar was sold in this country at a price 1 shilling 8 pence per hundredweight, or about 20 per cent below the cost of production.

The kartell, as the Senate knows, was abolished by the Brussels Convention in 1903, but that the practices of state stimulation that grew up with that system still continue, and enable the German sugars to be sold for export at less than the cost of production, is shown by paragraph 17 of the same British report. It says:

The comparative prices of the imported and home-refined sugar are stated thus in the evidence of a Liverpool firm of refiners: "So-called 'first marks' sugar for import into Great Britain was in 1904 (the year after the kartell was abolished) bought at about 9 shillings 10 pence f. o. b. Hamburg (equal to 2.46 cents per pound). The cost of production is 9 shillings for the raw sugar, taking the roots at their minimum value, plus about 2 shillings 6 pence for the cost of refining—total 11 shillings 6 pence per hundredweight. Hence, German refined sugar sold in this country at a price of 1 shilling 8 pence per hundred pounds below the cost of production. Countries adhering to the Brussels Sugar Convention have been allowed to give native refined sugar a protection of 6 francs per 100 kilos (nearly 2 shillings 6 pence per hundredweight) in their home markets. In consequence the surplus that they can not consume, caused by the recent enormous overproduction, has been sent to Great Britain and sold at a price below the price of producing similar sugar in this country."

Mr. SMITH of Michigan. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Michigan?

Mr. FOSTER. Yes, sir.

Mr. SMITH of Michigan. If that is true, then they must make up in the domestic price in Germany for that lost abroad. Is the Senator going to speak upon that feature of the matter?

Mr. FOSTER. Yes; I was intending to do so.

Mr. SMITH of Michigan. As a matter of fact, they do charge their own people higher than they charge the English people.

Mr. FOSTER. I am going to show that they charge their own people higher than they do the English people or anybody else on the face of the earth.

Having shown the rate of duties imposed by this Government on sugar, and the price of sugar in this country under those various acts, I now purpose to show that the taxation or duties imposed by all countries of continental Europe are much higher than it has been the policy of this country to impose, and especially are they higher than the duties under the Dingley Act or the bill under consideration.

Conclusive information to this effect has recently been furnished by the State Department, in response to a resolution of the Senate. It shows the amount of duties per hundred pounds imposed by foreign governments on sugar, and I will ask permission of the Senate to have them inserted as part of my remarks.

The PRESIDING OFFICER. In the absence of objection, permission is given to insert the matter referred to by the Senator from Louisiana.

The statements referred to are as follows:

Duties, taxes, etc., on sugar in foreign countries—Rates of duty on sugar.

Tariff No.		
	AUSTRIA-HUNGARY	
Ex. 19.	Raw sugar (cane and beet) below 98 per cent polarization, per 100 pounds	$3.99
	Refined sugar as well as kinds of sugar with a polarization of 98 per cent and above, per 100 pounds	4.03
	NOTE.—Sugar enjoying an export premium is subject to a surtax established by the Brussels Sugar Convention.	
20.	Sugar of other kinds, i. e., glucose, starch sugar, grape sugar, fruit sugar, milk sugar and the like, sugar for coloring purposes, per 100 pounds	2.40
	BELGIUM.	
60.	Sugar:	
	Juice and raw beet and cane sugar, per 100 pounds	1.75
	Refined, per 100 pounds	1.75
	NOTE.—Raw and refined sugar is subject also to a surtax of $0.4825 per 100 pounds.	
	DENMARK.	
	Sugar, molasses and sirup:	
243.	Candy, and sugar in loaves, sheets, cakes, and the like, whole or divided; honey; also powdered sugar with a polarization of over 98 per cent; also grape sugar, or starch sugar, or grape or starch sirup; and caramel, per 100 pounds	1.22
244.	Powdered sugar with a polarization of more than 86 per cent, but not more than 98 per cent, per 100 pounds	.79
	NOTE.—Powdered sugar (No. 244) may be imported for the use of refineries at a duty of $0.72 per 100 pounds when not polarizing more than 96 per cent.	
245.	Other powdered sugar with a polarization of 86 per cent and under; common white sirup, and dissolved and other liquid sugar, including cane juice, from which the sugar has not been separated, per 100 pounds	.49
	FRANCE.	
90.	Sugar:[a]	
	Produce of French colonies and possessions[b]—	
	In powder (including poudres blanches), according to its estimated refined yield, per 100 pounds net of refined sugar	2.19
	Refined—	
	Other than candy, actual weight net per 100 pounds	[c] 2.37
	Candy, actual weight net per 100 pounds	[c] 2.53
91.	The produce of foreign countries—	
	In powder, the estimated refined yield thereof being—	
	98 per cent or less per 100 pounds of refined sugar net	[d] 2.19
	More than 98 per cent per 100 pounds net actual weight	[e] 2.89
	Refined—	
	Other than candy, per 100 pounds net actual weight	[e] 2.89
	Candy, per 100 pounds net actual weight	[e] 3.06
	GERMANY.	
176.	Cane, beet, and other sugar of the chemical composition of cane sugar (saccharose), refined, per 100 pounds	2.03
	Other, solid and liquid, of all kinds; masse cuite and sugar drainings (sirups and molasses); beet-root juice, maple juice, per 100 pounds	1.99
177.	Starch sugar (grape sugar, glucose, dextrose, maltose), fruit sugar (laevulose), and other kinds of fermentable sugar not otherwise mentioned, crystallized, or in the form of sirup; also dextrin sirup; burnt sugar of all kinds; sugar for coloring purposes, free from dextrin (for coloring rum) or containing dextrin (for coloring beer); sugar coloring, per 100 pounds	4.33
	Milk sugar (lactose), per 100 pounds	[e] 8.66
	ITALY.	
14.	Sugar:	
	(*a*) Of first class, per 100 pounds	8.685
	Sugar shall be considered as of first class when on being refined it yields more than 94 per cent. The yield is calculated by deducting from the saccharose percentage the proportion of soluble ashes multiplied by 5. Sugars mixed with materials of a nature to decrease the yield shall also be considered as of the first class.	
	(*b*) Of second class, per 100 pounds	7.72
14. bis.	milk sugar, per 100 pounds	5.26
15.	Glucose:	
	(*a*) Solid, per 100 pounds	3.51
	(*b*) Liquid, per 100 pounds	2.63
	Solid and liquid glucose are liable, over and above the import duty, to the surtax of manufacture equal to the respective internal tax of manufacture.	

[a] Law of July 5, 1904, exempts from duty crystallized sugar polarizing less than 95° and also sirups produced in the "turbinage" of sugar which after denaturation in the establishment where they have been manufactured are to be used for the feeding of cattle. By another law of the same date, sugar which, after previous denaturation shall be used in the manufacture of beer, is to be exempt from the duty leviable thereon. Sugar of countries paying bounties on that product is subject to special countervailing duties.

[b] Only products which are imported direct shall be considered as produce of French colonies and possessions.

[c] Includes refining tax.

[d] With an additional $0.48 per 100 pounds net on the actual weight.

[e] This is the general rate to which imports from the United States are subject; the conventional rate is $4.33 per 100 pounds.

	NETHERLANDS.	
	There is no import duty on sugar, but an excise tax is levied at the following rates:	
a.	Sugar candy not being below the standard fixed for the purpose by the minister of finance, per 100 pounds	$5.21
b.	Melis, lump, and all other sugars not specially mentioned, per 100 pounds	4.93
c.	Raw sugar:	
	Of a richness not below 98 per cent, per 100 pounds	4.93
	Of a richness below 98 per cent, per 100 pounds	[f] .109
d.	Bastard sugar (dutiable as raw sugar).	
f.	Feculine sugar, solid, granular, or in powder, also sugar known as masse, rasped, or pulverized in any other manner, per 100 pounds	3.29

For the purposes of this law, by saccharine richness is meant: (*a*) In the case of raw sugar the percentage of polarization after deducting twice the percentage of glucose contained in the sugar and four times the ashes obtained by combustion of the sugar after separating insoluble matter. (*b*) As to bastard sugar, the percentage of polarization.

In regard to sugar of a saccharine richness below 98 per cent fractions of a unit shall be disregarded.

Tariff No.		
	RUSSIA.	
22.	Sugar:	
	Raw, sugar pounded or ground, without the admixture of lumps, per 100 pounds	$6.42
	Refined, lump and candy, in loaves and pieces, per 100 pounds	8.56
	SPAIN.	
616.	Sugar, glucose, liquid caramel, and similar products, per 100 pounds	7.46
	UNITED KINGDOM.	
	Sugar:	
	Not exceeding 76° of polarization—per 100 pounds	$0.179
	Exceeding 76° and not exceeding 77°—do	.195
	Exceeding 77° and not exceeding 78°—do	.20
	Exceeding 78° and not exceeding 79°—do	.207
	Exceeding 79° and not exceeding 80°—do	.212
	Exceeding 80° and not exceeding 81°—do	.222
	Exceeding 81° and not exceeding 82°—do	.228
	Exceeding 82° and not exceeding 83°—do	.235
	Exceeding 83° and not exceeding 84°—do	.242
	Exceeding 84° and not exceeding 85°—do	.249
	Exceeding 85° and not exceeding 86°—do	.256
	Exceeding 86° and not exceeding 87°—do	.263
	Exceeding 87° and not exceeding 88°—do	.27
	Exceeding 88° and not exceeding 89°—do	.278
	Exceeding 89° and not exceeding 90°—do	.288
	Exceeding 90° and not exceeding 91°—do	.297
	Exceeding 91° and not exceeding 92°—do	.306
	Exceeding 92° and not exceeding 93°—do	.317
	Exceeding 93° and not exceeding 94°—do	.326
	Exceeding 94° and not exceeding 95°—do	.335
	Exceeding 95° and not exceeding 96°—do	.344
	Exceeding 96° and not exceeding 97°—do	.354
	Exceeding 97° and not exceeding 98°—do	.363
	Exceeding 98°—do	.396

NOTE.—Of the above-mentioned countries, France is the only one which grants tariff concessions on imports of sugar from its colonies.

Mr. FOSTER. These tables confirm the statement issued by the committee of wholesale grocers, formed to present the facts concerning the domestic sugar industry, showing that—

The people of Austria-Hungary are taxed $2.39 per hundred pounds on raw sugar and $3.50 per hundred pounds on refined sugar, plus a surtax of 47 cents per hundred pounds on raw sugar and 52 cents per hundred pounds on refined sugar, making the total tax on raw sugar $2.86 per hundred pounds and on refined $4.02 per hundred pounds.

The people of Russia are taxed $2.49 per hundred pounds on domestic sugar, while the duty on imported sugar is $6.39 per hundred pounds on raw sugar and $8.56 per hundred pounds on refined sugar.

The people of Spain are taxed $3.06 per hundred pounds on domestic sugar and on imported raw sugar $3.53 per hundred pounds, and on imported refined sugar $3.58 per hundred pounds.

The people of Germany are taxed $1.51 per hundred pounds on all domestic sugar, while the tax on imported raw sugar is $1.98 per hundred pounds, and on imported refined sugar $2.03 per hundred pounds.

The people of Italy are taxed $5.88 per hundred pounds on domestic sugar below 94 degrees and $6.14 per hundred pounds on domestic sugar above 94 degrees. On imported sugar they are taxed $7.70 per hundred pounds on sugar below 94 degrees and $8.67 per hundred pounds on sugar above 94 degrees.

Mr. TILLMAN. Is not that prohibitive?

Mr. FOSTER. It is practically prohibitive, and the Senator will find that every country in continental Europe producing sugar has a duty upon it intended to be prohibitive. As I expect to show as I go on the injustice of the reduction proposed in this bill is that it will operate solely against the producers in this country. They have no other market to which they could ship, except England, and even there they will have to pay a duty of 40 per cent per hundred pounds.

[f] For every per cent of saccharine richness, but so that the duty shall not be less than $3.29 per 100 pounds.

Mr. TILLMAN. Do I understand the Senator that we would have no place to ship to?

Mr. FOSTER. No place except England; but we make no shipments to England, because we consume more sugar now than we produce.

Mr. TILLMAN. But we are buying sugar abroad and do not want to ship any from America. We want to get our own sugar cheaper if it can be done.

Mr. FOSTER. If you will open the door to German sugar and to all the other sugars in the world, I think you will get it cheaper here, but at the cost of destroying every cane and beet sugar producer in this country, and when this has been wrought we would pay our tribute to foreign countries for all time to come in higher prices than we now pay for our domestic sugar.

Mr. SMITH of Michigan. According to the Senator's statement a moment ago, we are getting it cheaper than any other country in the world.

Mr. FOSTER. We are paying less for it in this country than any other country in the world, except England.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Kansas?

Mr. FOSTER. I do.

Mr. BRISTOW. Did I understand the Senator from Louisiana to say there was a prohibitive duty on the importation of sugar into Italy?

Mr. FOSTER. That is the way I read the reports.

Mr. BRISTOW. Therefore, I suppose that Italy produces all the sugar that it consumes?

Mr. FOSTER. No, sir.

Mr. BRISTOW. Then there could not be a prohibitive duty on importations, could there?

Mr. FOSTER. I am stating what the duty is. If I said "prohibitive," I possibly ought to have qualified my remarks. Italy does consume quite a quantity of sugar and receives a very large revenue, as I shall show later.

Mr. SIMMONS. What is the amount of sugar produced by Italy?

Mr. FOSTER. I do not think I have those figures. I can show the Senator, however, as I proceed, what is the revenue derived in Italy from the tax and the tariff upon sugar.

Mr. SIMMONS. I do not wish to interrupt the Senator. I thought probably he had the information for which I asked.

Mr. GALLINGER. Will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from New Hampshire?

Mr. FOSTER. Certainly; I yield.

Mr. GALLINGER. I have not been quite as attentive possibly as I ought to have been; in fact, there has been some confusion; but I have noticed during the pendency of this bill that some criticisms, possibly in the Chamber, at any rate in the public press, have been made that we were paying in this country a very much higher price for sugar than England was paying. Do I understand the Senator from Louisiana to say that we are paying less than all other countries except England?

Mr. FOSTER. Except England.

Mr. GALLINGER. I think that is very important.

Mr. FOSTER. I am sorry I have not been able to get the retail selling price of sugar in England.

Mr. GALLINGER. I think the statement has been persistently made that we are paying 2 or 3 cents more per pound for sugar in this country than is paid in England. The Senator then does not know whether that is accurate or not?

Mr. FOSTER. No; I do not know whether it is accurate.

Mr. GALLINGER. I think the matter to which the Senator has called attention is a very important matter to bring out that the people of England are getting sugar very likely a little cheaper than we and that we are getting it cheaper than the people of the other nations of the world. That I had never heard stated before.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Kansas?

Mr. FOSTER. Certainly.

Mr. BRISTOW. I should like, if the Senator will be kind enough to do so, for him to state why it is that other countries pay more in the retail market for their sugar than we do. What is the reason for that?

Mr. FOSTER. It is on account of the taxes imposed upon sugar in the way of consumption and excise taxes and the tariff.

Mr. BRISTOW. Yes; it is a local tax on sugar in European countries, something like our tax on whisky and spirits.

Mr. FOSTER. Yes; it is a consumption and excise tax, but that makes no difference to the people, they pay more for their sugar than we do.

I read, however, a part of this statement.

The people of France are taxed $2.36 per hundred pounds on domestic sugar, while imported raw pays an additional 48 cents per hundred pounds, and refined sugar 52 cents per hundred pounds, making the total tax $2.84 per hundred pounds on raw and $2.89 per hundred pounds on refined.

The people of Holland are taxed $4.82 per hundred pounds on sugar testing 98 degrees or more. Thirty-seven florins is deduced for each degree less, but the minimum shall not be below $3.21 per hundred pounds.

The people of Belgium are taxed $1.75 per hundred pounds on domestic sugar, with an additional surtax of 48 cents per hundred pounds, making a total tax of $2.23 per hundred pounds.

The people of Sweden are now taxed $3.60 per hundred pounds on imported refined sugar and $3 per hundred on imported raw sugar, but the tax is to be slightly decreased in 1913.

It is also interesting to note how our neighbor, the Dominion of Canada, deals with this question. It was shown at the hearings on this bill held by the Ways and Means Committee that the difference in the Canadian general tariff between refined sugar and 96 degrees testing raw sugar is 0.425 cent per pound, whereas in the Dingley tariff the difference is only 0.265 cent per pound.

SUGAR AS A REVENUE PRODUCER.

From this array of tariffs it will readily be seen that sugar the world over is one of the principal objects of taxation, and that the countries of continental Europe have not only imposed an excise or consumption tax, but have practically erected a prohibitive tax against the importation of foreign sugars, as a rule providing a higher rate of duty on the refined than is levied on the raw article. It further shows that wherever man has set up a well-ordered government it is one of the leading producers of revenue, and our own country is no exception in the treatment of sugar as a revenue producer.

The United States leads the list, notwithstanding the enormous remission to our colonies and Cuba, the remission equaling one-half of what we actually collect. The year 1907 may be taken for illustration. The United States that year collected $60,284,059.04 on sugars, and furthermore granted to Cuba, Hawaii, Porto Rico, and the Philippines the enormous tariff remission of $30,405,429.

This, as I expect to show later, is one of the wrongs and injustices in this measure pending before Congress.

Great Britain for the fiscal year ending March 31, 1908, retained for home consumption 3,548,222,160 pounds of sugar, on which a total duty of $30,672,479 was collected.

Germany from her internal revenue and customs duties on sugar collected over $35,000,000; France over $29,000,000.

Mr. TILLMAN. Has the Senator the figures of the internal-revenue taxation of sugar in those various countries?

Mr. FOSTER. I can read them right here.

Mr. TILLMAN. I will be glad to have the figures showing how the nations of the world charge their own producers of sugar. I have had the suggestion in mind—that is, I have thought about it in a cursory way—as to whether we could not put some kind of a bonus on home production of sugar and make all these outsiders pay revenue to support our Government.

Mr. FOSTER. The table from which I have read, and which I am going to make part of my remarks, shows exactly the amount collected from the internal revenue and the customs revenue.

Mr. TILLMAN. I want the pound levy—the amount of money that they collect by the pound or the hundred pounds, or something like that.

Mr. FOSTER. I think the Senator will find that in the statement which I have heretofore submitted.

Mr. TILLMAN. I was called out unavoidably, and I did not hear the Senator.

Mr. FOSTER. I ask permission, Mr. President, to submit this table and have it printed in the RECORD.

The PRESIDING OFFICER. In the absence of objection permission is granted.

The table referred to is as follows:

Total revenue from sugar of principal countries in Europe.

Country.	Calendar year.	Internal revenue.	Customs revenue.	Total revenue.
		Dollars.	*Dollars.*	*Dollars.*
Germany	1908	35,711,200	119,700	35,821,900
France	1907	25,661,300	4,010,900 40,000	29,712,200
Austria	1906	27,480,110	4,653	36,144,540
Hungary	1906	8,659,777		
Russia	1907	52,255,640		52,255,640
Netherlands	1907	8,995,864		8,995,864
Belgium	1907	3,372,642	44,744	3,417,386
Denmark	1907	867,520	446,488	1,314,008
Spain	1907	4,618,531	6,439	4,624,970
Italy	1907	14,591,485	3,837,226	18,428,711

Mr. FOSTER. Having shown the treatment of sugar as a revenue-producing article by the various tariffs and other taxes imposed by this and foreign countries, I propose to show the difference in the price of sugar to the consumer of this country and the principal countries of continental Europe.

Mr. SIMMONS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from North Carolina?

Mr. FOSTER. Certainly.

Mr. SIMMONS. Before the Senator leaves that point, I understand that we import a great deal of raw sugar into this country, but it is my understanding that we import very little refined sugar.

Mr. FOSTER. Yes, sir.

Mr. SIMMONS. I do not know whether the Senator proposes to discuss that feature of this subject later on; but, if he does not, I should be very glad if the Senator would give us his information as to the reason why we do not import practically any refined sugar.

Mr. FOSTER. I touch upon that later on, but not fully. I expect, however, to discuss that fully during the debate.

I propose to show the difference in the price of sugar to the consumers of this country and of the principal countries of Continental Europe.

This information has recently been furnished by the Secretary of Agriculture in response to a request from the Senate.

The average price of granulated sugar in this country is 4.86 cents per pound, and the data furnished by the Secretary shows that the range of retail prices of lump sugar in continental Europe before and since 1903 is far above this price, as will appear from the annexed tables:

Retail prices of lump sugar in European cities named.

[In cents per pound.]

City.	Average, 1901–2.	Average, 1904–1907.a	Increase.	Decrease.
Naples and Milan	.....	13.5	.....	.....
Amsterdam	9.1	9.4	0.3	.....
Madrid	.....	8.9	.....	.....
Stockholm	.....	7.6	.....	.....
Vienna	8.5	7.2	.....	1.3
Budapest	8.4	7.2	.....	1.2
Paris	.....	6.3	.....	.....
Dresden	7.8	6.0	.....	1.8
Bremen	7.6	5.9	.....	1.7
Brussels	9.2	5.8	.....	3.4
Copenhagen	.....	5.6	.....	.....

a Owing to inadequate returns, the averages for Naples and Milan and for Madrid cover only three years (1905–1907) and for Copenhagen two years (1905, 1907).

The following table gives as fully as possible the retail prices of lump sugar in various cities of continental Europe during the years 1900–1908:

Retail prices of lump sugar.

[Cents per pound.]

City.	1900.	1901.	1902.	1903.			1904.	1905.	1906.	1907.	1908.
				Average for year.	Jan.–Aug.	Sept.–Dec.					
Naples	.....	.....	.....	13.3	13.4	13.0	.....	14.4	13.8	.....	.....
Milan	.....	.....	.....	.....	.....	.....	.....	.....	.....	12.2	12.3
Amsterdam	9.7	9.3	8.8	8.8	8.8	9.1	9.3	9.9	9.1	9.3	9.7
St. Petersburg	.....	.....	.....	.....	.....	.....	.....	9.1	.....	.....	.....
Madrid	.....	.....	.....	.....	.....	.....	.....	8.4	9.0	9.3	9.7
Stockholm	.....	.....	.....	7.1	7.1	7.1	7.3	8.1	7.4	7.5	8.0
Vienna	8.5	8.5	8.5	8.0	8.5	7.1	7.1	7.6	7.2	6.9	7.4
Budapest	.....	8.4	8.4	8.2	8.4	7.8	7.1	7.6	6.7	7.3	7.4
Paris	.....	.....	.....	.....	8.6	.....	6.1	7.1	6.1	6.1	5.8
Dresden	.....	7.8	7.7	7.3	7.9	5.7	6.0	6.6	5.7	5.8	.....
Bremen	.....	7.4	7.7	7.0	7.6	6.0	5.8	6.4	5.7	5.8	6.0
Brussels	10.0	9.8	8.6	7.4	8.3	5.5	5.5	6.5	5.2	5.9	6.0
Copenhagen	.....	.....	.....	.....	.....	.....	.....	6.1	.....	5.0	.....

Retail prices of granulated sugar in these four cities for the years 1900–1908 are given in detail in the following table:

Retail prices of granulated sugar.

[Cents per pound.]

City.	1900.	1901.	1902.	1903.			1904.	1905.	1906.	1907.	1908.
				Average for year.	Jan.–Aug.	Sept.–Dec.					
Amsterdam	9.3	8.9	8.5	8.5	8.4	8.8	8.9	9.6	8.8	9.0	a9.3
Berlin	6.5	7.1	7.2	6.8	7.2	5.8	5.3	5.1	5.1	5.1	.....
Bremen	.....	7.1	7.2	6.7	7.3	5.3	5.3	5.7	5.1	5.1	5.3
Dresden	.....	.....	7.0	6.5	7.2	5.2	5.1	5.6	4.9	5.3	.....

a Average of first two quarters.

The price paid for lump sugar in Milan in 1907–8 was over 12 cents per pound; in Amsterdam it was over 9 cents a pound; in St. Petersburg it was over 9 cents a pound; in Madrid it was over 7 cents a pound; in Budapest it was over 6 cents a pound; in Paris it was over 6 cents a pound; in Bremen it was over 5 cents a pound; and in Brussels over 5 cents a pound, showing that every sugar-producing country in the world sells to its people sugar from 1 to 5 cents a pound higher than it is sold to the consumers in this country.

Mr. SUTHERLAND. Is the Senator quoting prices by the hundredweight or——

Mr. FOSTER. By the pound.

Mr. SUTHERLAND. I mean when sold by the hundredweight.

Mr. FOSTER. No, sir; I am quoting the retail prices. The facts and figures here presented demonstrate that every other sugar-producing country in Christendom except Denmark imposes a higher tariff or taxes on this article than is imposed by this Government; that practically a prohibitive tariff wall has been built to prevent the importation of any sugar into these countries; that large revenues are derived from these taxes on sugar for the support of these governments; and, finally, that the price of sugar to the American consumer is lower than in any European country except England.

Mr. TILLMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from South Carolina?

Mr. FOSTER. Yes, sir.

Mr. TILLMAN. The point I should like to have the Senator explain, if he feels willing to do so, is this: The South produces a great deal of cotton and annually exports five or six million bales. Germany produces, I understand, a great deal more sugar than it uses, and so does France.

Mr. FOSTER. Yes.

Mr. TILLMAN. Now, the fact that these two countries, as well as Austria-Hungary, produce sugar in large quantities would indicate, unless there is local taxation, or some discrimination of some kind in favor of refining, that those people are bound to get their sugar about like we get our cotton. If anybody should undertake to tell me that we are going to help the South by putting a tariff on cotton I would simply laugh at that man as being almost an idiot. It is the same way with putting a tariff on sugar to help protect sugar in Germany or France; but if there is a local tax or a special tax which raises the price to the consumer there I can understand the result. We do not have a tax on cotton in the South other than in so far as it is so much property, and really we do not tax it at all because it is generally sold as fast as it is produced. If, however, a man lays cotton to one side and holds it, it becomes part of his property, and he has to pay taxes on it; otherwise there is no tax, as the Senator knows.

Mr. FOSTER. What I am trying to say, Mr. President, is that in all the sugar-producing countries of the world, either by tariff or tax, the consumer is compelled to pay more for his sugar than is the consumer in this country.

Mr. TILLMAN. You mean the retail price that the consumer has to pay, although they produce it right there.

Mr. FOSTER. Right there; yes, sir.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Kansas?

Mr. FOSTER. Yes, sir.

Mr. BRISTOW. If there were local consumption taxes on cotton, that is if each bale of cotton was assessed by the local taxing authorities so much, it would correspond to the local taxes imposed on sugar that is produced in Germany, for instance, or that enters into consumption there.

Mr. FOSTER. They have a different system over there. So far as the excise tax or the consumption tax is concerned, the Senator may be correct; but, as I understand, they have a different governmental system. The government practically regulates the price in those countries.

Having shown that sugar is cheaper to the consumer in this country than in continental Europe, I shall next show that sugar is relatively the cheapest article of food the American people consume, and that while every other product of the field and factory in the last ten years has advanced in price from 20 to 40 per cent, the price of this article has practically remained the same, and that the American consumer, considering what he pays for every other article of food, has no just cause to complain of this price.

It is true that this Congress has been literally bombarded by petitions, memorials, and letters for a reduction of the duty on sugar, but an investigation of the sources of these petitions will

disclose the fact that they do not originate with the body of the consumers of this country, but are rather the emanation of an organized and interested source.

Evidently literary bureaus have been established to distribute circulars, dodgers, and stereotyped letters in every village and hamlet in the country, asking Congress to remit or reduce the duties on sugar, and all of these appeals are sent from the same central origin. Doubtless every Senator has received a flood of yellow circulars, purporting to be signed and probably are signed by different citizens in his State, living in different localities, yet they are mailed to the Senate in one common envelope, post-marked Wall street, New York. A sample of these circulars I herewith exhibit, and doubtless other Senators have received similar documents. No heed or attention should be paid to them. They do not indicate any public sentiment or desire, or any public judgment or opinion on this subject, but are manufactured evidence distributed for the purpose of influencing legislation.

The American people are fair and just. If it be shown that the sugar tariff under the operation of the Dingley law and the present bill works no hardship or injustice upon them, I do not believe that they can reasonably demand or will demand any change or modification of the sugar schedule. Especially is this true when it can be established beyond controversy that sugar is cheaper than any other food staple which the people consume, and it can further be established that while there has been a progressive advance in the price of all other necessaries of life the price of sugar has remained practically stationary.

Mr. TILLMAN. If it does not interrupt the Senator's argument——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from South Carolina?

Mr. FOSTER. Yes.

Mr. TILLMAN. I want to ask him if he has given any attention, as doubtless he must have done, to any method by which we can get sugar just as cheaply as we can now, or more cheaply, without paying such tribute to the sugar trust?

Mr. FOSTER. I will discuss that later.

Mr. TILLMAN. I am perfectly willing to help tax everybody to help Louisiana and Michigan and the balance of them a little while, just as is done in Europe, but I should like to stop this forty or fifty million dollars which the Senator from Georgia [Mr. CLAY] showed the other day the sugar trust had stolen from us.

Mr. FOSTER. I will discuss that later on.

Mr. TILLMAN. If the Senator is going to discuss it, I will wait.

Mr. FOSTER. I do not think the figures justify any such exaggerated statements as have been sent out.

Mr. President, I propose to show the progressive advance in the price of all the necessaries of life during the last decade and compare that with the price of sugar and its advance, in order to establish the fact that in a spirit of fairness and justice the producers of sugar in this country ought to be treated fairly, just as every other producer is treated under this bill.

The government statistics, appearing in Bulletin No. 75 of the Bureau of Labor, show the comparative advance in the prices of certain articles from 1896 to 1907. These figures were reproduced in the Republican Campaign Book for 1908 and show the following per cent of increases:

Comparative advance in prices of certain related commodities, 1907, compared with 1896.

[Compiled from Bulletin No. 75, United States Bureau of Labor.]

	Per cent.
Cattle	39.18
Fresh beef	26.74
Hogs	77.78
Hams	38.20
Sheep	61.25
Mutton	39.93
Corn	104.72
Cornmeal	96.90
Wheat	41.45
Wheat flour	19.08
Cotton, upland middling	50.00
Cotton bags	51.20
Calico	27.50
Cotton flannels	48.56
Cotton thread	35.34
Cotton yarns	43.98
Denims	39.85
Drillings	46.91
Hosiery (cotton)	7.62
Print cloths	84.16
Sheetings	35.73
Shirtings	40.35
Tickings	34.79
Average for cotton goods	41.07
Wool	72.10
Blankets (all wool)	33.26
Broadcloths	46.30
Carpets	36.59
Flannels	44.15
Horse blankets (all wool)	44.16
Overcoatings (all wool)	43.94
Shawls	20.09
Suitings	51.59
Underwear (all wool)	24.92
Women's dress goods (all wool)	76.65
Worsted yarns	75.45
Average for woolen goods	44.06

The following figures are taken from the tables given in the Republican campaign text-book for 1908 and not only give the purchasing power in sugar of the several farm commodities named, in 1896 and 1907, respectively, but show how enormously those commodities have advanced in value as compared with sugar:

As showing the relative purchasing power of these articles, 10 bushels of corn in 1896 would have bought 56 pounds of sugar; in 1907 it would have bought 113 pounds of sugar. Ten bushels of wheat would have bought 141 pounds of sugar in 1896, and in 1907 it would have bought 195 pounds of sugar.

Mr. TILLMAN. The Senator will recall that sugar is protected, but that corn and wheat are not.

Mr. FOSTER. I am simply showing the relative advance in price to the consumer of these various articles, regardless of the question of protection or the tariff on them.

Mr. TILLMAN. Suppose there had been no protection. I do not like the idea of saying that sugar is protected, because it is a great revenue yielder, and it has been the time-honored policy to obtain revenue from it. I do not like to have the appearance of undertaking to advocate the taking from one American citizen and putting into the pockets of another under the idea of protection; but if we are going to get revenue, and a big revenue, and it is an article that has been used to obtain revenue from almost from the beginning of the Government, that is another thing.

Mr. FOSTER. My purpose is to show that the American consumer has no need to complain of the price of sugar, and that is my only purpose. In 1896, 100 pounds of pork would have bought 74 pounds of sugar. In 1907 it would have bought 182 pounds of sugar, showing that the purchasing price of corn, wheat, etc., has advanced much more than the purchasing price of sugar. A table shows this in detail:

Article.	Pounds of granulated sugar.	
	1896.	1907.
10 bushels of corn	56.9	113.5
10 bushels of wheat	141.5	195.1
10 bushels of oats	39.7	96.8
100 pounds of pork	74.1	130.7
Beef on the hoof, per 100 pounds	97.8	132.3
20 pounds of butter	73.5	114.9

The comparative purchasing power of 100 pounds of sugar between the years 1898 and 1909 will also be seen in the following table, furnished me by the Treasury experts who have been assisting the Democratic members of the committee:

Goods purchased at wholesale in New York market for 100 pounds standard granulated sugar.

Article.	January, 1898.	January, 1909.
Coffee, Rio, standard No. 7	77.8 pounds	67.2 pounds.
Leather, middle weight, pak	15.0 pounds	11.3 pounds.
Rubber, new fine Para	6.0 pounds	3.9 pounds.
Rice (good)	99.2 pounds	84.8 pounds.
Tea (choice), Japan	23.1 pounds	18.1 pounds.
Pig iron, Bessemer	0.49 ton	0.25 ton.
Steel rails	0.25 ton	0.16 ton.
Petroleum, refined, in barrels	0.92 barrel	0.51 barrel.
Wheat, No. 2 red, winter	5.03 bushels	4.09 bushels.
Corn, No. 2, mixed	14.86 bushels	6.64 bushels.
Oats, No. 2	17.48 bushels	8.13 bushels.
Lard, prime	98.71 pounds	45.41 pounds.
Pork, mess, new	0.55 barrel	0.26 barrel.
Beef, family	0.45 barrel	0.27 barrel.
Cotton, raw	83.54 pounds	47.34 pounds.
Wool:		
Ohio XX	17.71 pounds	13.09 pounds.
Kentucky and Indiana ¼–⅛ blood	22.55 pounds	15.89 pounds.
Copper	45.50 pounds	30.58 pounds.
Tin	35.87 pounds	15.60 pounds.
Lead	135.52 pounds	105.95 pounds.
Zinc	125.57 pounds	86.41 pounds.
Tin plate (Bessemer steel, IC, 14x20)	130.53 pounds	114.40 pounds.
Cattle, on the hoof, native steers, top price	91.85 pounds	59½ pounds.
Hides:		
No. 1 packs, native steers	44.09 pounds	28.26 pounds.
No. 1 calfskins	37.43 pounds	25.07 pounds.

These comparisons incontrovertibly establish the fact that the American consumer has no just cause of complaint as to the price of sugar, and that this Congress would be guilty of a great wrong and injustice should it reduce the duties on this article and leave practically unchanged the duty upon every other article entering into the daily needs of the people.

The average increase of price on cotton goods during the ten years mentioned was 41.07 per cent, and the duty on these goods is practically the same in this bill if not higher than under the Dingley bill. The advance in the price of woolen goods during that same period was 44.06 per cent, yet practically the same duty is maintained on those goods in this bill as under the Dingley bill, and so on through the list.

The bill maintains practically the same tariff on cattle, hogs, wheat and everything that is used and consumed by the sugar industry, such as machinery, implements of husbandry, live stock, and so forth, and yet all the batteries of revision and reduction are directed against this article.

What spirit, it is fair to ask, animates the Senator who would make a sacrifice of this industry while at the same time maintaining unchanged the other schedules I have mentioned?

But, Mr. President, there is a broader consideration to be given to the production of sugar in this country.

That country is most independent which possesses all of the supplies necessary for the comfort, happiness, and progress of its people in times of peace, and necessary and essential in times of war. The aim of wise statesmanship should be to build up a domestic production capable of supplying whatever it has been necessary to import and thus create an industrial independence.

The United States to-day, under the growth and development of her marvelous resources, is the most independent nation upon the earth. Should our country to-day become involved in war, and every port of entry be blockaded by hostile fleets, the wealth of our mines, the products of our fields and factories, the materials of our forests, and our inland transportation facilities would render us absolutely independent of the outside world. Yet, at the same time, in the matter of sugar it would find us practically as France was found during the Napoleonic wars.

Mr. OVERMAN. I will ask the Senator if the money that is made on sugar is not made by the trust, and if they do not fix the price of the sugar, so that the farmer realizes very little profit, and that is the reason we furnish so little raw sugar in this country?

Mr. FOSTER. I think the trust has a great deal to do with the fixing of the price, but the people no longer consume the raw material. There is no demand at all for the raw material.

Mr. TILLMAN. I do not want to interfere with the Senator in the orderly presentation of his argument, but before he gets through I should like to have him explain what is the exact meaning of No. 16 Dutch standard, and why we hold on to that. In other words, if we did not have it, would we not get a good, dry, granulated brown sugar, that had not been purified except in a very slight way in the kettle, at a much lower price, and have it answer all ordinary purposes for domestic use, the same as it used to do when I was a boy? I have no doubt the Senator, when he was a youngster, like myself, got the closet key from his mother and ran his hand down in the sugar barrel and got a lump of sugar and sneaked off with it under his coat, and found it very, very good.

Mr. FOSTER. I will say to the Senator that I never did such a thing in my life. [Laughter.]

Mr. TILLMAN. The Senator has missed one of the most glorious experiences of childhood, if he never got a chance at the sugar barrel. You know stolen apples are always sweetest, so they say.

Mr. SMITH of Michigan. He could get the sweetness from the cane, instead of the sugar.

Mr. TILLMAN. It is not all equal to it. But I just want to see if we can get some explanation as to why this No. 16 Dutch standard sticks and holds on here, and keeps us from getting a good, dry, granulated brown sugar at a living rate.

Mr. FOSTER. I will state to the Senator that I think I am fully prepared to answer that when the time comes. I have not taken that up in this discussion, because I was a little anxious to see from what source the proposition would come for the abolishing of the Dutch standard. I think I can show, beyond any controversy——

Mr. TILLMAN. I confess I am as ignorant of what 16 Dutch standard means as I am of Sanskrit almost, except that in a general, vague way, I know it relates to the percentage of saccharine under the polariscope, or something like that.

Mr. FOSTER. Oh, no; you are wrong.

Mr. TILLMAN. I hope somebody will tell us what it means, and why we hold on to it.

Mr. FOSTER. I think I can give the Senator information on that subject before I conclude. Now, a wise government policy, it seems to me, would dictate the encouragement and development of the domestic production of sugar so that we would be capable of supplying the demands of our own people.

This has been the course pursued by every nation in Europe, especially as regards this industry. Her rulers are too familiar with the danger of being cut off from this necessary of life. In fact, as the Senate knows, the beet-sugar industry, now one of the most universal and profitable of that Continent, had its birth just about a century ago in the rigors of war. It was created by the great Napoleon when the world was in arms against him on land and sea, and his people were without sugar. The British fleet hovering upon his coasts intercepted all vessels carrying sugar to the suffering people of France; but he arose equal to this, as every other occasion that confronted him until his star had set, and, summoning the leading savants, devised the process of extracting sugar from beets to supply what he could not obtain from the Tropics.

It would be impossible to estimate all that Napoleon did for France, but it may be safely asserted that in nothing did he render her and all mankind a greater blessing than in creating the beet-sugar industry. France now exports sugar wherever there is a demand for her product, and the culture of the beet has spread from the steppes of Russia to the shores of the Mediterranean Sea, and has crossed the ocean to find a firm footing in the United States and Canada.

Some idea of the development of this industry in continental Europe is shown by the fact that the German area under sugar beets has nearly trebled in twenty-five years; the Austrian area has more than doubled in twenty years; the Belgian area has doubled in twenty-five years; and the French area has increased by about 10 per cent. During the manufacturing season of 1907 and 1908 the production of beet sugar in continental Europe was: Germany, 2,129,597 tons; Austria, 1,425,000 tons; Russia, 1,410,000 tons; France, 728,000 tons; Belgium, 232,000 tons; Holland, 175,000 tons; and the other continental countries, 435,000 tons.

It seems to me, Mr. President, that, as just stated, the wise governmental policy would be to develop this industry to the capacity of meeting the demands of the American people. Let us see if this can be done and accomplished without any artificial stimulation of the industry through legislation, favoritism, or discrimination.

The total amount of sugar produced during the crop year 1907–8 and placed upon the market of the world was 6,909,481 tons of cane and 6,972,200 tons of beet, making a grand total of 13,881,681 tons.

GROWTH OF INDUSTRY IN THIS COUNTRY.

The total consumption of sugar in the United States in the year 1908 was 3,185,789 tons, or about 22 per cent of the entire production of the world; that year the output in the United States proper was about 760,000 tons. This was something less than 6 per cent of the world's production, although it amounted, roughly speaking, to about a quarter of what we consumed.

It is interesting to note the development of the sugar industry in this country during the two decades preceding the crop year just given. In 1887 we produced 800 tons of beet and 80,859 tons of cane sugar. Louisiana, after many vicissitudes, including a widespread devastation in her sugar belt from overflows of the Mississippi River, and other causes not necessary now to mention, was at that time again on the road to reestablishing her great industry. Not the least of her difficulties, however, arose from the unsettled policy of the Government with respect to its treatment of sugar, and while such an uncertain policy was continued capital was very cautious about investing in that industry.

The following table shows the remarkable increase in the domestic production of sugar from 1877 to 1907:

Production of sugar in continental United States.

Crop year.	Beet.	Louisiana.	Other States.	Total.	Increase in—
	Long tons.	*Long tons.*	*Long tons.*	*Long tons.*	
1877–78.....	100	65,671	5,330	71,101	
1887–88.....	255	157,971	9,843	168,069	First decade over 136 per cent.
1897–98.....	40,398	310,447	5,737	356,532	Second decade over 112 per cent.
1907–8.....	413,954	335,000	12,000	760,954	Third decade over 113 per cent.

This substantial growth was made notwithstanding the fact that the business conditions of this country were disturbed and, it might be said, upset by three tariff acts, marking the change of control from one of the two great political parties to the other.

An examination of these laws will show that no other industry in all our multifarious economic system was subjected to such violent and extreme treatment. Congress rang all the changes on the sugar schedule. It was tossed about, from the free list with an incidental bounty to the domestic producer in the first of these bills, to the ad valorem column in the second bill, and finally wound up in the present law based on a specific duty.

Under such a vacillating system, with no prospect of a settled policy on the part of the Government toward sugar, capital, as stated, necessarily sought out other fields of investment. Notwithstanding this unsatisfactory condition of affairs, however, the sugar industry continued to grow and wax strong, so that in the ten years between the passage of the last tariff act and the crop of 1907–8 the yield of sugar in this country has increased to 413,954 tons of beet and 335,000 tons of cane; and while the growth of the cane production continues steady, there is no other industry of any magnitude that can report such progress as has been made in the cultivation of the sugar beet. The number of beet factories increased in the ten years following the passage of the Dingley bill from 7 to 63, an increase of 800 per cent; the capital invested went up from $2,250,000 to $70,000,000, an increase of 3,100 per cent; the area planted expanded from 41,272 acres to 370,984 acres, an increase of 800 per cent; the yield in tonnage of beets grown went up from 389,385 tons to 3,767,871, an increase of 900 per cent; and that the farming was done along scientific lines is shown by the fact that there was an increased yield in the tonnage of beets per acre during the ten years of 6 per cent, while the yield of sugar per acre increased from 2,192 pounds to 2,500 pounds, or 14 per cent. Under these improved methods, too, the yield per acre to the farmer has increased from $38.95 to $55.88 per acre, or 43 per cent, while the total value of the crop has increased from $4,072,050 to $43,488,306, or 1,000 per cent.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Louisiana yield to the Senator from South Carolina?

Mr. FOSTER. Certainly.

Mr. TILLMAN. The Senator, I presume, will acknowledge that this marvelous growth in the production of beet sugar and in the production of cane sugar is due to the tariff?

Mr. FOSTER. I think very largely to the tariff. It may have been——

Mr. TILLMAN. If the tariff were changed and this artificial stimulation were withdrawn, would these industries go backward and dwindle?

Mr. FOSTER. My frank opinion is if you take the tariff off you might just as well say the industry is gone.

Mr. TILLMAN. In other words, the balance of us who grow corn and wheat and oats and cotton have to buy our sugar at a little higher price in order that the cane-sugar growers and the beet-sugar growers may live?

Mr. FOSTER. No; I do not put it that way at all, Mr. President. I think the cotton growers and the wheat growers and the growers of other agricultural products in this country have to support this Government; I think they have to stand their pro rata of the taxation; and I know they are willing to stand it.

Mr. TILLMAN. Undoubtedly.

Mr. FOSTER. When they can support their Government by paying as small a quota as is required by sugar they have no cause to complain.

Mr. TILLMAN. I agree to all that, and if you will simply separate the beet producer and the cane producer of sugar from the trust, I will go the limit in helping the Senator to nourish his little baby down there. It is a pretty old baby, though. It is 150 years old, or something like that. The sugar-beet industry is only ten to fifteen years old. But I am willing to help both of these babies along and to furnish some milk from the cotton plantation and the corn plantation, and all that sort of thing. But I confess I can not see the justice of making us support Mr. Havermeyer with his automobiles, which are such a terror to my friend, the Senator from Texas [Mr. BAILEY].

Mr. FOSTER. We will discuss that later on, Mr. President.

Possibly no more striking illustration of the importance this industry now occupies in our industrial system can be given, than the following tables, from The American Sugar Industry and Beet Sugar Gazette, showing the principal disbursements made in 1908, and also in the last ten years:

	1908.	1898 to 1908.
For beets	$21,867,000	$141,737,774
Fuel	2,146,000	13,909,968
Coke	185,000	1,199,135
Limerock	666,000	4,316,887
Sacks and barrels	1,073,000	6,954,984
Sundry supplies	1,073,000	6,954,984
Salaries of officers, clerks	703,000	4,556,714
Workmen	3,737,000	24,222,530
Repairs and new machinery	1,332,000	8,633,773
General expense	2,294,000	14,869,276
Freight on sugar, at 30 cents per 100 pounds	2,781,000	16,881,198
Total	37,857,000	244,237,223

In addition to this showing, it is claimed that if the vast sums invested in lands, irrigation ditches, railroads, and trolley lines, as a direct result of beet culture in the West, were added to the disbursements, the amount expended in establishing this industry in the United States during the past ten years would be close to $500,000,000.

It reads more like fiction than fact, and there is nothing in our industrial record, or at least in the agricultural part of it, that will bear comparison with the beet-sugar industry.

WHAT SECRETARY WILSON SAYS.

And yet, Mr. President, many of the sections that now enjoy the blessings of this great industry were in the forefront of the fight that was waged against sugar when the last tariff bill was being framed. A representative of Colorado, who followed Mr. Dingley in the discussion of this schedule, on March 22, 1897, asked:

> Why put sugar on the protected list and hides on the free list? Every poor farmer raises a few cattle, but few grow sugar. We have been aware for forty years that we had as fine sugar-beet soil and as suitable a climate, reaching from Virginia to California, as they have in Central Europe. Why have we not utilized it in beet growing? The growing of other crops, even at the low prevailing prices, was more profitable. We have tried beet growing. We know that we have in Colorado as good beet-growing soil as there is in the world. But you can not find Americans to do as they do in Germany—to take thirty loads of fertilizer and with it coat an acre of land, and then have the whole family go out and weed it and plow it, and loosen the roots and pull them up by hand. We will never do that in this country.

And yet, Mr. President, we find that no State in the Union has profited from this industry to the same extent as Colorado. Since that speech was delivered 16 factories, with a daily capacity of 12,500 tons, have been erected in that State, and the report of the Secretary of Agriculture, issued a few days ago (Senate Document No. 22), showed that the comparative increase in irrigated lands devoted to general farming and to sugar-beet growing increased in Colorado from 47.8 per cent in 1900 to 118 per cent in 1905, an increase of 150 per cent in five years.

Secretary Wilson adds that:

> From the best information I have it may be stated: The beet-sugar industry has been one of the most potent factors developing agricultural conditions, not only in sugar production but in all agricultural features, and the building of such a plant is the incentive for projecting many other improvements, such as the dairy, creamery, breeding of animals, and preparing the same for market, also the fruit industry, cereal and alfalfa production, canneries, preserving fruit, and many other things. It is and will continue to be the most important medium developing the benefits and promoting the success of our national reclamation act.

The Secretary says that its effect upon the value of the lands has been quite marked. Areas that were used for grazing purposes and valued at from $3 to $5 an acre are now worth from $100 to $300 per acre, while in the Mississippi Valley and farther east rent charges have generally doubled, quite often trebled, with the introduction of the sugar factory.

When hearings were being had by the Senate Committee on the Philippines during the Fifty-ninth Congress, Mr. W. C. Welborn, the director of agriculture for the islands, testified that Germany had built up the largest beet-sugar industry in the world, her crop amounting to about 2,250,000 tons, worth in the raw state about $110,000,000 in round numbers, on an area covering less than 1 per cent of her territory. The German beet area is, in fact, less than the area of three average counties in the Western States.

These facts are all the more interesting because it has been the favorite contention of those who advocated a reduction of duty on sugar, when that schedule has been discussed on previous occasions like this, that we could never sufficiently increase the domestic production to meet the requirements of the American people. It was claimed that the limited area of territory suited to the cultivation of sugar made their argument unanswerable, and so long as our domestic output was derived solely from the cane crop, this was to a certain extent true.

But the letter of the Secretary shows that this favorite argumen is no longer tenable. Speaking of the possibilities of production, he says:

A map has been prepared showing not only the theoretical sugar-beet belt, but the actual location of every factory established in the United States since the period of successful operation began. The possibility of growing beets of satisfactory quality within this belt has been determined, not only by a great number of experiments, but by actual production for factory use. A careful determination made in the Bureau of Soils indicates that the sugar-beet belt contains a total area of 428,000 square miles, or 274,000,000 acres.

The Secretary points out that during the fiscal year 1907–8 we imported from strictly foreign sources—that is, not including Hawaii, Porto Rico, and the Philippines—1,606,795 short tons of sugar. As our average production for the past five years has been 2,400 pounds to the acre, he estimates that it would require 1,389,000 acres to produce all the foreign sugar now consumed by the American people, or only 1 acre out of every 197 adapted to the culture of the sugar beet.

We have already seen by the figures quoted from the American Sugar Industry and the Beet Sugar Gazette, that the area increased from 41,272 acres in 1897 to 370,984 acres in 1907, or about 800 per cent.

A very simple calculation will show that if the industry only increases half as fast in the next decade as it did during the ten years following the passage of the Dingley bill, American farms will supply all the sugar we now take from foreign countries.

But, Mr. President, it is within the range of probabilities that this consummation will be reached even earlier, for we must not forget that in the period taken for comparison the production was nearly six times as great in the last year as in the first, the beet production in this country having grown from 81,697 tons in 1897 to 483,611 tons in 1907.

The conclusions of Secretary Wilson are worthy of the most serious consideration of the Senate. He says:

If, therefore, beets had been grown on only 1 acre out of every 197 acres of the adapted area, the beets produced would have yielded enough sugar to replace all the foreign sugar we used. Speaking in round numbers, we would at the present time have to grow beets on only one two-hundredth part of our demonstrated sugar-beet area (in addition to the area already in use) to make this country self-sustaining in the matter of sugar. If we suppose but one-fourth of the sugar-beet area to be actually devoted to crops, the growing of beets on but 1 acre out of every 50 tilled acres would enable us to stop using foreign sugar.

WHAT LEADING REPUBLICANS HAVE SAID.

Mr. President, the possibilities of this great industry have long been recognized by the dominant party, which stands pledged to its encouragement. This is clearly indicated by the utterances of its leading men.

Mr. Dingley, the author of the measure that bears his name, in addressing the House, July 19, 1897, said:

It should be borne in mind that the general increase in duty on sugar made in the proposed tariff has been made not only to increase the revenue but also to further encourage the production of beet sugar in this country and furnish a new crop for our farmers. * * * I believe that the time has come when the production of our own sugar from the beet ought to be and can be successfully entered upon, and thus the seventy-five millions—soon to be one hundred millions—sent abroad for the purchase of our sugar will ultimately be distributed here to our farmers.

Mr. PAYNE, author of the present bill, and a member of the Ways and Means Committee at that time, speaking on the same day, said:

Why should we not produce all of our sugar in this country? Why, it costs us, Mr. Speaker, about one hundred millions. We were looking around for proper subjects for taxation. We know that sugar would produce an enormous revenue; and besides all that, we know that an adequate protective tariff would build up the industry in this country, and as it was gradually built up, the revenue from that source will be reduced; by and by the revenue will come in more largely from other sources, and when this industry is fully established and revenue from sugar ceases, the reduction will keep pace with the increase. The thing will regulate itself; we will not disturb our tariff in the next quarter of a century.

General Grosvenor, also a distinguished member of the same committee, addressing the House, March 24, 1897, said:

We propose that instead of sending $125,000,000 a year to the foreign countries of the world, most of which goes to pay labor in the production of sugar, we will make it possible for every pound of sugar that we want to be produced in the United States of America.

The Republican party comes and offers to the agriculturists of this country this magnificent boon. We will protect the interests of the country in all directions from further demoralization; and we ask you to turn aside hundreds of thousands of acres of the splendid lands of all these States from the production of corn, oats, wheat, potatoes, and cotton, to be put into an already overstocked market, to the production of sugar, and give to the farmers upon the farming lands of the country a better market, with less competition, than they have now.

Those assurances, Mr. President, were taken by the country to be sincere. Coming, as they did, from three of the most representative men in the Republican party, they were supposed to indicate the party policy, and acting on them, our people, and especially the American farmers, have invested millions of dollars in the sugar industry. In response to these Republican requests, they have ceased, in fact, to "overstock the home market with corn, oats, wheat, potatoes, and cotton," and have built up in the great stretches of the West an industry, as we have seen, without a parallel in the wonderful story of that section, filled with great deeds and mighty accomplishments.

TRIBUTE TO THE WEST.

Mr. President, it is difficult to conceive what has been accomplished during one generation in the section now being planted in the sugar beet west of the Missouri. But little more than a quarter of a century ago much of this land was a trackless waste, on which great herds of sheep and cattle pastured. "There was little water and no wood," and the deserts of Gobi and Sahara were hardly less inviting. But, before the matchless energy of the West, all difficulties have disappeared. The western farmer "harnessed the wind" to draw the waters from their subterranean hiding places, even as they do in Holland to pump out the seepage of the sea, and wherever a windmill with irrigation ditches was established the desert was made to blossom like a rose.

Irrigation is now conducted upon a larger scale. The Government and many large private concerns are engaged in the work of reclamation. Millions of dollars have already been expended, much more is projected, and the Reclamation Service measured by the returns is one of the most beneficial of the public works.

When we reflect what has been accomplished, no one can doubt that the problem of our sugar supply will early be solved, now that the West has engaged in sugar culture.

It is true that by the importation of free sugar from our colonial dependencies a conflict has been precipitated between the Anglo-Saxon of this country on the one hand and the cooly labor of the Orient and the cheap labor of the Tropics on the other. With anything like an equal contest, however, I have an abiding faith that the American farmer will come out victor in that struggle. If this new industry is given a fair show the West will rise equal in this as in every other emergency, and in a few years will become the sugar bowl, as well as the granary, of the continent.

The millions of dollars which we are yearly sending abroad will be kept at home, and the thousands of laborers in the beet fields and factories, living according to American standards, will consume far more of our manufactured products than the island peoples with their primitive wants, whom we are now enriching by the purchase of their crops.

Mr. President, if the policy is carried out which is advocated by some of the members of this body, by which there is to be a setback to the sugar industry of this country, I prophesy that in less than a decade the American farmer will be wiped out of existence——

Mr. TILLMAN. The sugar farmer.

Mr. FOSTER. Oh, Mr. President, I am not talking about sugar farmers. The product of the American farm will be destroyed and this country will be flooded with the product of the cheap labor of the Orient. I do not stand for any such policy.

Let us examine the matter from the standpoint of the public revenues and ascertain if our finances will permit the sugar schedule to be lowered, in view of our steadily increasing expenses and the dwindling revenues with which we are called upon to meet them.

In his last annual report the Secretary of the Treasury stated that for the fiscal year 1908 the disbursements had exceeded the revenues by $50,070,201.15, while in the estimated budget for the current fiscal year 1909, made in conformity with law, this deficit was estimated to be doubled, having grown to the enormous sum of $114,000,000.

The rate at which the Government is traveling along the road to debt and financial disaster is strikingly shown by the Secretary when he explains the difficulty in making the budget. He points out that the rapid growth of net receipts and net disbursements at intervals of ten years since the lowest point after the civil war is indicated by the following figures:

Year.	Net receipts.	Net disbursements.
1878	$257,448,726	$236,964,327
1888	379,266,075	259,653,959
1898	405,321,335	443,368,582
1908	601,126,118	659,196,319

If interest on the public debt is excluded, the ordinary expenditures for carrying on the Government, including payments for pensions and many public works, has grown from $135,000,000 in 1878 to $638,000,000 in 1908, or an increase in a generation of nearly 400 per cent.

As will be seen by the Secretary's figures, the deficits start from the time this Government assumed an imperialistic rôle following the Spanish war, for while there have been years since then that record a surplus, the steady tendency is to fall behind under the increasing burden of military expenditure.

The Secretary, in forecasting the probable receipts and disbursements for the fiscal year 1909, submitted the following estimate:

FISCAL YEAR 1909.

The revenues of the Government for the current fiscal year are thus estimated upon the basis of existing laws:

From customs	$270,000,000.00
From internal revenue	250,000,000.00
From miscellaneous sources	62,000,000.00
From postal revenues	206,796,956.00
Total estimated revenues	788,796,956.00

The expenditures for the same period are estimated as follows:

For the civil establishment	$153,000,000.00
For the military establishment	128,000,000.00
For the naval establishment	125,000,000.00
For the Indian service	17,000,000.00
For pensions	161,000,000.00
For public works	90,000,000.00
For interest on the public debt	22,000,000.00
For postal service	206,796,956.00
Total estimated expenditures	902,796,956.00
Or a deficit of	114,000,000.00

The condition of the public finances was shown to be even more deplorable by the chairman of the Appropriation Committee of the House on the day that the last Congress adjourned. In defending the course of his committee when it refused to accede to executive and popular clamor for greater expenditures, he said that "the aggregate amount of estimates for appropriations during the past eight years, including the fiscal year 1910, equaled the enormous sum of $7,291,341,806.29. Upon these estimates Congress has appropriated during that period the sum of $7,007,839,183.46, being $283,502,622.83 less than the amount estimated." The rapidity with which our national expenditures had been increasing during the period referred to was shown by comparing the total appropriations for the fiscal year 1903, amounting to $796,633,864.79, with the total appropriations at the last session for the fiscal year 1910, amounting to $1,044,014,298.23, the difference between the amount required for the public service eight years ago and the amount required now being $247,380,433.44.

This increase he explained in several ways, but the two primary causes leading to this result have been, first, the popular and executive demands upon Congress for appropriations from the Federal Treasury for the exercise of rights and functions belonging exclusively to the States, and, second, the abnormal and unnecessary war expenditures in time of peace.

Calling attention to the fact that at the beginning of the Sixtieth Congress he had warned the House that the estimates of expenditures exceeded the estimated revenues by $118,000,000, the chairman added that the warning had neither been acted on by Congress nor the executive branch of the Government, and as a result there would be a deficit in the neighborhood of $150,000,000 by July 1 next.

If the estimates submitted by the executive departments, together with amounts carried in bills supported by public clamor, had been acceded to, the chairman informed the House "that the deficit instead of being in the neighborhood of $150,000,000 would exceed $500,000,000."

The estimated expenditures for 1910 already exceed those for 1909 by $65,590,552.01, reaching a total of $968,387,508.01; whereas the estimated revenues for that year are only $825,340,712, the deficit for the year being thus already placed at $143,046,796.01.

The worst part of it all is that there appears to be no prospect of relief. An examination of the several appropriation bills for the next fiscal year will show this. The increases have been as follows:

Agriculture, $1,322,930; army, $5,815,222.73; diplomatic and consular, $78,611.16; District of Columbia, $677,256.64; navy, $14,271,313.58; Indian act, $1,381,580.13; Military Academy, $1,685,886.46; post-office, $11,991,478; sundry civil, $25,651,818.70.

The reductions have been as follows:

Fortifications, $1,146,634; legislative, executive, and judicial, $854,429.50; pensions, $2,145,000.

From this statement it will be seen that with the exception of pensions the reductions accomplished have been trivial compared with the enormous increases carried in the larger bills.

The figures also bear out the contention of the chairman of the House Appropriations Committee that the greater part of the national expenditures are on the military side, on account of wars that have occurred, or in preparation for wars of the future, five of the bills being as follows:

Army	$101,197,470.34
Fortifications	8,170,111.00
Military Academy	2,531,521.33
Navy	136,935,199.05
Pension	160,908,000.00

In addition, there were carried in the other bills items properly chargeable to the army and navy, amounting to $116,000,000, which brought the appropriations for the military side of the Government in the last Congress up to $525,742,301.72, or just about one-half of the entire expenditures.

The headlong rate at which the country is traveling since it entered upon the present military programme is shown by the expenditure for the army and navy before and since the Spanish war. From 1891 to 1898 the average annual appropriations were $23,825,922.54 for the army and $27,579,300.48 for the navy.

From 1903 to 1910 the average annual appropriations have been $83,014,660.84 for the army, and $102,403,029.71 for the navy. The increase since the war has amounted to $473,000,000 for the army, and $598,589,333.87 for the navy, over and above what it cost to maintain the two establishments for the same length of time, prior to that war.

The Association of International Conciliation has just issued in pamphlet form an article contributed to the Atlantic Monthly last month, by Rev. Dr. Charles E. Jefferson, in which former Secretary Cortelyou is cited as having said that while in thirty years our population has increased 85 per cent and our wealth 185 per cent our national expenses have increased 400 per cent; but I think that this can be shown more clearly, especially the extent of the burdens militarism is responsible for, by the following table, showing the increase in population, revenues, and expenditures during the past three decades. It more clearly shows how, in pursuing this phantom, we have not only reversed our traditional policy, but are rushing headlong to financial disaster in violation of the economic laws that govern nations as well as men.

It shows that we have been eating up our substance at a rate nothing can justify short of the dire necessities of actual war.

	Period 1880 to 1890.	Period 1890 to 1900.	Period 1900 to 1910.
	Per cent increase.	*Per cent increase.*	*Per cent increase.*
Appropriations	3	75	55
Population	18	24	18
Receipts	27	43	22

Here is a story so plain that he who runs may read. Before we joined Europe in the mad race for increased armaments our resources were carefully husbanded and expenditures were made with a due regard for the funds in the Treasury, but since 1908 economy has been thrown to the winds, the appropriation bills have grown at a rate exactly two and a half times greater than the revenues, and there can be but one ending for such a story—we must either start the printing presses turning out bonds for future redemption or we must at once add new taxes to the burdens of the people.

I am not at all optimistic, Mr. President, as to the reduction of the expenditures to any very appreciable extent. It is true that the distinguished chairman of the Finance Committee, when reporting this bill, informed the Senate that he estimated a reduction of $35,000,000 in the expenditures for the fiscal year 1911 below those of the fiscal year 1910, which latter estimates were made under the last administration and were based upon existing appropriations.

The Senate, however, was not informed how this retrenchment is to be made. The chairman contented himself by saying that the expenditures already estimated for 1910, "amounting to $700,000,000, could be materially reduced by executive or legislative action, or both." He also informed the Senate "that as a result of an investigation more or less superficial he was convinced that $50,000,000 could have been saved in the last appropriations without reducing the efficiency of the public service," and held out the hope that in the future substantial relief could be expected from a more careful system of checking the expenditures in all branches of the Government by the newly created Committee on Expenditures.

I believe it will be as freely admitted that no one has striven more faithfully than the distinguished Senator from Rhode Island and the senior Senator from Maine to check the spirit of extravagance which has characterized the conduct of the

Government in recent years. I do not believe, however, that many Senators will follow the Senator from Rhode Island in his optimism regarding reduced expenditures in the early future—as much as we all wish that it could be so.

Where are the reductions to be made, and what direction will this retrenchment take?

The diplomatic and consular service, while requiring under any circumstances but a small fraction of what the other branches of the Government cost, reflects, nevertheless, the steady tendency to increased appropriations.

So, likewise, the Department of Agriculture. There has been an increase of more than 10 per cent in the last bill, notwithstanding the heavy cuts in the estimates made in committee. Not only is there no likelihood of a reduction in this department, but there is every prospect of additional appropriations; and for one, Mr. President, I heartily favor more liberal expenditures in this direction.

When we consider the vastly increased scope of work that has been undertaken by this department in recent years and the value of its investigations in adding to the wealth of the Nation, not only should no reduction be expected from this quarter, but it would be the part of wisdom to expend some of the money we are throwing away on our military establishment in extending the splendid work of the Agricultural Department.

The reduction can not take place in the appropriations for rivers and harbors, because our revenues to-day are not sufficient to meet the demands for this branch of national improvement, and popular sentiment is not only opposed to any reduction in this direction, but many of the leading men of the country are advocating the issue of $500,000,000 in bonds to meet the urgent demands of this branch of the public service.

The proposed plan of increased pay for the army of officials and employees in all the civil branches of the Government affords little prospect for any relief in that quarter, while the sundry civil bill, which annually grows larger as Congress accedes to the appeals from every quarter of the country for additional public buildings and other works, indicates that no diminution in the public expenditure may be looked for there.

Nor can we expect any material reduction in the pension roll. As the survivors of the great armies of half a century ago answer the last roll call, their vacated places are taken by the soldiers of our recent war or those who have succumbed to such a frightful extent in the benevolent assimilation of the Philippines.

And, finally, it would seem there is litle hope from the army and the navy, for the very figures submitted by the chairman of the Finance Committee show there has been a regular, steady, and progressive increase in the expenditures of the military and naval establishments, as side by side they march in stately tread toward an empty Treasury.

Until recent years our people were taught that militarism was the refuge erected by tyrants against the resentments of those whom they oppressed, but in the last ten years we have caught the contagion of the military fever. We have been straining every energy to increase our armaments on land and sea, until, as Doctor Jefferson points out, even rich America is groaning under the burden of keeping pace with the other nations proclaiming allegiance to the Prince of Pence.

I have nowhere seen the policy we are pursuing so well described as in the article just cited, and I will quote a brief extract from Doctor Jefferson. He says:

> The extravagance of the militarists will bring about their ruin. They cry for battle ships at ten million each, and Parliament or Congress votes them. But later on it is explained that battle ships are worthless without cruisers, cruisers are worthless without torpedo boats, torpedo boats are worthless without torpedo-boat destroyers, all these are worthless without colliers, ammunition boats, hospital boats, repair boats; and these all together are worthless without deeper harbors, longer docks, more spacious navy-yards. And what are all these worth without officers and men, upon whose education millions of dollars have been lavished? When at last the navy has been fairly launched, the officials of the army come forward and demonstrate that a navy, after all, is worthless unless it is supported by a colossal land force. Thus are the governments led on, step by step, into a treacherous morass, in which they are at first entangled, and finally overwhelmed.
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> All the great nations are to-day facing deficits, caused in every case by the military and naval experts. Into what a tangle the finances of Russia and Japan have been brought by militarists is known to everybody. Germany has, in a single generation, increased her national debt from eighteen million dollars to more than one billion dollars. The German minister of finance looks wildly round in search of new sources of national income. Financial experts confess that France is approaching the limit of her sources of revenue. Her deficit is created by her army and navy. The British Government is always seeking for new devices by means of which to fill a depleted treasury. Her Dreadnoughts keep her poor. Italy has for years staggered on the verge of bankruptcy because she carries an overgrown army on her back. Even our own rich Republic faces this year a deficit of over a hundred million dollars, largely due to the one hundred and thirty millions we are spending on our navy. Mr. Cortelyou has called our attention to the fact that while in thirty years we have increased our population by 85 per cent, and our wealth by 185 per cent, we have increased our national expenses by 400 per cent.

This jealousy between the nations to excel in armaments is feeding on its own appetite. Improvements by one begets a like desire for expenditures on the part of all. We can hardly look for relief for some years yet to come, and this being so, the custom-houses are called upon to yield all that the traffic will bear.

Therefore, it may properly be asked, if, with a deficit on hand and increased expenditures projected for the future, is it wise or prudent to tamper with a schedule already yielding more than $60,000,000, and which has proven the sheet anchor of the Ship of State in every financial storm?

From the statement made by the chairman in reporting this bill it is plain that enlarged revenues must be found somewhere, and this being so, why should the source of millions that will flow into the coffers of the Government from the tariff on sugar be abolished or reduced?

In fact, Mr. President, it is not going too far to state that if we are to maintain and support the Government on a cash basis, the sugar schedule of this bill must be preserved.

Cut off the fifty-odd millions of dollars expected to be yielded by the duty on sugar, and I again frankly ask, Upon what articles or items will you increase the duty in order to meet this reduction? Will you place it on the clothes we wear, on the food we eat, on the necessaries or luxuries of life? These are already taxed to their full limit.

We can not afford to bankrupt the Government. We can not afford to pass a revenue bill which will not yield sufficient revenue for the support of the Government, economically and honestly administered, and I challenge any Senator upon this floor to point out any article, either on the dutiable list or off the dutiable list, upon which a tariff can be placed which will yield the necessary revenue in a manner less burdensome to the people than the duty on sugar.

Mr. President, it is my deliberate judgment that no article of domestic production, either manufactured or agricultural, has been so unjustly treated by the provisions of this bill as the sugar industry. Not only has the differential on refined sugar been reduced from 12½ cents to 7½ cents, equivalent to a reduction of 40 per cent, but there is a provision which authorizes the importation free of duty of 300,000 tons of sugar from the Philippine Islands.

This amount of 300,000 tons fills up the measure of our needs of imported sugars, and fully supplies the entire requirements of the United States for raw sugars to meet its annual consumption of more than 3,000,000 tons.

With the necessity removed for importing a single pound of full duty paid sugar, as the result of the proposal to bring in these 300,000 tons from the Philippines duty free, the sugars that come from Cuba become the highest dutiable sugar imported, and as these pay 20 per cent less than the Dingley rates, the tariff is consequently reduced to this extent; this is, 20 per cent.

So it will be seen that this bill strikes off 20 per cent of the tariff that raw sugar has heretofore enjoyed, and 40 per cent of the refiners' differential.

I look upon this Philippine provision as full of menace and danger to the domestic sugar industry of the United States. Mr. President, it is useless to attempt to deceive ourselves about the situation. The American industry, whose bulwark and support is the white American farmer, can not compete with the Asiatic labor of the Orient; and with free sugar from Hawaii, the product of Chinese and Japanese labor, free sugar from Porto Rico, concessionary sugar from Cuba, and free sugar from the Philippines, every thoughtful legislator must acknowledge that the cane and beet industry of the United States is in peril.

Why add to that danger adverse legislation upon tariff lines affecting our rates and standards? Why make harder the struggle that the beet industry is making against the invasion of the Orient? Why make more difficult the unequal contest which the Louisiana sugar producer is waging than it already is by seeking to open up opposition to these industries through a flood of sugar from continental Europe?

Now, Mr. President, the effort to strike down the differential or to reduce the duty on refined sugar is claimed to be directed against the trust. Right here I wish to state that I am no defender of the trust in any manner, fashion, shape, or form. I neither justify nor excuse any of its monopolistic methods nor any of its illegal practices. I do not believe, however, that you are going to injure the trust by any such legislation as is contemplated. You are simply going to hurt the producer, and the producer alone.

When I first heard of the proposition to reduce the duty on the higher grades of refined sugar, together with my colleague, I sent the following telegram to many of the prominent sugar producers of my State:

What in your judgment would be the effect on the sugar industry of our State should the differential on refined sugar be removed?

I received the following replies:

DONALDSONVILLE, LA., *April 28, 1909.*

Senators S. D. MCENERY and MURPHY J. FOSTER,
Washington, D. C.

Answering your telegram, believe that removal of differential would be injurious to Louisiana sugar industry.

HENRY C. BRAUD.

NEW ORLEANS, LA., *April 28, 1909.*

Under existing conditions, the sugar planters would lose the entire differential. If the sugar refineries were put out of business, then the future would be uncertain.

JOHN DYMOND.

NEW ORLEANS, LA., *April 29, 1909.*

The effect of removal would be disastrous. Advise opposing any reduction of present Dingley bill provision.

CHARLES A. FARWELL.

PLAQUEMINE, LA., *April 28, 1909.*

Removal of the differential on refined sugar will reduce prices of Louisiana sugar and injure our industry, and in time would probably seriously cripple it.

ANDREW H. GAY.

NEW ORLEANS, LA., *April 29, 1909.*

I believe removal differential on refined injurious to sugar industry. May as well remove benefit derived from making sugar ready for consumption, as foreign sugars would come in refined instead of raw, the refining of which gives work to many thousands. Should differential be removed or reduced, which we strongly advise against, it is absolutely necessary that whatever is removed should be added to rate on raws, otherwise industry will be practically ruined.

CHARLES GODCHAUX.

NEW ORLEANS, LA., *April 29, 1909.*

Your telegram received. Advocate retention of differential as now in law 1897 (Dingley bill). Any reduction would injure Louisiana producers.

WALTER GUION.

RATCLIFFE, LA., *April 29, 1909.*

It is consensus of opinion at meeting here that removal would be extremely detrimental. Boll weevil ruined cotton, Congress should not ruin State by destroying sugar. All sugar below 96 test is at mercy of trust, and all above would be crippled.

JOHN MARKS.

NEW ORLEANS, LA., *April 28, 1909.*

The removal of the differential would be very injurious to our industry. Foreign refined sugars would flood our markets and depress all of the Louisiana sugars, especially high grades, which we are going into largely, at much expense.

HENRY MCCALL.

HOUMA, LA., *April 29, 1909.*

Abolition of the differential on refined sugar would injure Louisiana sugar industry to the extent of the differential.

EDMOND M. MCCOLLAM.

NEW ORLEANS, LA., *April 28, 1909.*

Removal of differential on refined sugar might throw business into hands of foreign refiners, which would lower prices of our grocery grades as well as of our refining grades, practically of all of our sugars.

J. C. MURPHY.

NEW ORLEANS, LA., *April 29, 1909.*

We fear change. Think result may be to lower all sugars.

E. A. PHARR.

THIBODAUX, LA., *April 29, 1909.*

Your telegram of yesterday reached me to-day. The removal of differential would seriously injure the Louisiana sugar industry.

W. H. PRICE.

HOUMA, LA., *April 29, 1909.*

Ruination.

JOHN D. SHAFFER.

NEW ORLEANS, LA., *April 29, 1909.*

Replying your telegram, refineries are large buyers of Louisiana sugar. If the price at which they sell be reduced, the price at which they buy would be apt to be reduced also, meaning necessary injury to sugar interests from lowered prices.

T. S. WILKINSON.

ADELINE, LA., *May 17, 1909.*

Please use your influence in having the sugar schedule passed as reported by the Finance Committee without change. My reason for asking this is, not only the personal one that on Adeline we are making white granulated sugars which go into direct consumption and which would be unfavorably affected if the differential were lowered or by any change in the clause relating to the Dutch standard, but also because my firm conviction is that it is only a question of a few years when the entire product of Louisiana will be made into granulated sugar on the plantation. This I think will be the solution of the problem and will give to the planter the profit now being made by the refiner. In conversation a number of other planters have told me they intend doing this next campaign.

B. A. OXNARD.

These replies are from Democrats and Republicans alike. They are from citizens of intelligence and integrity, who perfectly understand the effect of this legislation, and I agree with them thoroughly.

In order to discuss this phase of the question intelligently, it is well to understand the law covering the differential and the position that the sugar trust holds, not so much by reason of the differential as by reason of the situation brought about through free and concessionary sugar now entering this country.

Under existing law, 96-degree sugar, commonly called "centrifugal sugar," the kind usually produced in Cuba, Hawaii, Porto Rico, and Louisiana, when imported into the United States pays a duty of $1.68½ per hundred pounds. For each degree that sugar tests above 96 an additional 3½ cents per hundred pounds is added, so that under the general provision of the law the duty on 100-degree sugar should be $1.68½ plus four times 3½ cents, or $1.82½ per hundred pounds. To this $1.82½ per hundred pounds there is added under existing law a refiners' differential of 12½ cents per hundred pounds to cover the difference in labor cost in the act of refining in this country as compared with the similar cost in foreign countries. This 12½ cents is called the refiners' differential, and when added to $1.82½ makes the duty on refined sugar under existing law to be $1.95 per hundred pounds.

The Payne bill proposes to reduce the duty on refined sugar to $1.90 per hundred pounds, thereby cutting the refiners' differential from 12½ to 7½ cents per hundred pounds. It is now proposed to take off this remaining 7½ cents, or refiners' differential, and leave the duty on refined sugar at $1.82½ per hundred pounds, which would be the regular duty provided by the bill governing the duties to be fixed on raw sugar.

The advocates of this proposed change advance three arguments in favor of the proposition: First, such a change will reduce the cost of sugar to the ultimate consumer in the United States. Second, such a change will serve to curb the sugar trust. Third, such a change will increase the revenues of the United States.

Let us examine each of these arguments in turn.

First, will the proposed change reduce the cost of sugar to the ultimate consumer? The utmost that it can reduce the cost of sugar would be the amount of reduction of duty, namely, 12½ cents per hundred pounds. The per capita consumption of sugar in the United States is 81 pounds. If a man bought his annual supply of sugar at once and secured the benefit of the entire reduction he would save 10 cents on his year's supply of sugar. If he should buy six months' supply of sugar he would save 5 cents, or, in other words, the cost of a pound of sugar; but no one buys sugar in this way. The ultimate consumer seldom buys more than 5 pounds of sugar at a time. The total reduction on this 5 pounds would be five-eighths of a cent, which the ultimate consumer would never receive. The net result of the proposed change, as far as the ultimate consumer is concerned, is thereby nothing, and the entire reduction of 12½ cents per hundred pounds will go to the middlemen and the refiner.

Second. Will the proposed change curb the power of the sugar trust? The sugar produced in continental United States, Porto Rico, Hawaii, and Cuba, together with the 300,000 tons to be admitted free from the Philippines, is sufficient to supply the annual needs of the entire United States. The normal increase in production in these localities is even greater than the increased consumption in the United States. This free and concessionary sugar must be marketed in the United States. If there is any attempt to market it in continental Europe it will be found that every country in that continent maintains a prohibitive sugar tariff. If an attempt is made to market it in England it will be found that such sugar must pay about 40 cents per hundred pounds duty. As long as it can be marketed in the United States, under the protection afforded by any tariff whatsoever, it will not go to England and pay a duty.

All the free and concessionary sugar produced in continental United States, Porto Rico, Hawaii, Philippines, and Cuba must find a market in the United States. This fact is well known by the refiners of sugar in this country. If these refiners are deprived of a legal differential on raw and refined sugar, they will simply wait for the producers of free and concessionary raw sugar to consent to sell their sugar at a price which will establish a commercial differential, or at least an equivalent of the existing differential. In other words, the producer of free and concessionary raw sugar will be obliged to sell his sugar

to the refiners of the United States at a price which the refiners are willing to pay.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Louisiana yield to the Senator from South Carolina?

Mr. FOSTER. I do.

Mr. TILLMAN. If I understand the Senator's statement, it is that, not only the consumer is at the mercy of the trust, and has to pay whatever it sees fit to charge, but that the producer of the sugar is at the mercy of the trust, and has to take whatever the trust sees fit to give. If that is not an artificial condition produced by law, I should like to know what it is.

Mr. FOSTER. To a certain extent the Senator is correct, but not wholly so, in my judgment.

Mr. TILLMAN. Does the Senator contend, if we were to do away with this differential in favor of refined sugar to the trust and allow sugar to be imported, whether refined or not refined, just as though it was common sugar or unrefined sugar, that people would not buy the brown sugar at a reduction of a cent or a cent and a half, if we were getting as much of sweetness or saccharine, or whatever you call it, in preference to white sugar.

Mr. FOSTER. I think that you are going to have no brown sugar used to any extent in this country, because everybody has been educated up to a taste for the higher grades, granulated and white.

Mr. TILLMAN. We can not get it.

Mr. FOSTER. Why can you not get it?

Mr. TILLMAN. I do not know. I can not find it in the markets.

Mr. FOSTER. You can get it, for it is made in my State, but the demand for it is very limited.

Well, perhaps I have taken up too much of the time of the Senate; but I will tell the Senator that the whole process of making sugar has undergone a change in this country.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Louisiana yield to the Senator from Utah?

Mr. FOSTER. Certainly.

Mr. SMOOT. Answering the Senator from South Carolina [Mr. TILLMAN], I will say that colored sugar can come in free of duty from Porto Rico now, if there were any sale for it, but there is no sale for it. The American people are buying refined sugar.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Louisiana yield to the Senator from Michigan?

Mr. FOSTER. I do.

Mr. SMITH of Michigan. I want to say to the Senator from South Carolina [Mr. TILLMAN], who has several times called attention to the desirability of getting this raw sugar in free, so to speak——

Mr. TILLMAN. I want to get rid of that cent and eighty points or that above or below "sixteen Dutch standard." That is what I want.

Mr. SMITH of Michigan. The Senator is greatly troubled over the Dutch standard.

Mr. TILLMAN (to Mr. SMITH of Michigan). Please explain it, if the Senator from Louisiana [Mr. FOSTER] will let you.

Mr. SMITH of Michigan. It will take me but a moment to do it if the Senator from Louisiana will permit me.

Mr. FOSTER. Certainly.

Mr. SMITH of Michigan. In the first place, the Senator's anxiety to get free raw sugar——

Mr. TILLMAN. No; I do not want free raw sugar.

Mr. SMITH of Michigan. That is practically what the Senator wanted.

Mr. TILLMAN. No.

Mr. SMITH of Michigan. You wanted to get the kind of sugar that you were able to get out of the barrel when you were a boy, and have some of it stick to your fingers.

Mr. TILLMAN. Yes.

Mr. SMITH of Michigan. The Dutch standard represents the line between raw and refined sugar. The Dutch Government authorizes one firm in Amsterdam to prepare these samples, and their samples of No. 16 are accepted throughout the world as the line of demarcation between raw and refined sugar. The tariffs of many countries have recognized and adopted them. The United States has always done so. Every year these Dutch standard samples are put up in glass bottles and brought to this country to be used by our appraisers in the adjustment of tariff duties. They are also used by all sugar-producing countries buying duty sugar and selling to customs countries. All countries producing sugar for manufacture, or raw sugar, use this standard.

They begin at No. 8, which is a light brown; No. 9, a little lighter; No. 10, a little lighter, and so on up to No. 16, which is a recognized standard, between light and dark raw.

Mr. TILLMAN. What becomes of 17, 18, 19, and 20?

Mr. SMITH of Michigan. They have found 16 to be the best measure from which to start.

It is whitened by taking out the sirup. Where the raw is naturally above No. 16 in whiteness it has been customary in Cuba, for instance, to add a sirup to lower the standard to the degree fixed as No. 16. For much raw sugar is known to have been whitened by sulphur, and was not pure.

One of the most important purposes of the No. 16 Dutch standard is to protect the consumer against being imposed upon by a seemingly refined sugar equal in color to the granulated sugar, but containing less sweetness. The Scotch manufacturer can produce a sugar of this kind.

Take that 16 Dutch standard out of the law and it will bring in bleached sugar whether it has the degree of sweetness and purity which the Senator from South Carolina would desire or not. Therefore, it is not a serious situation which the Senator has suggested, but a simple one, made merely for the purpose of bringing the civilized world into an understanding of what the standard of color should be as between purchasers and manufacturers of sugar. Now, have I made myself at all clear to the Senator from South Carolina?

Mr. TILLMAN. It is exactly as clear as mud.

Mr. SMITH of Michigan. Then, I can not elucidate it further.

Mr. FOSTER. This explanation seems clear to me, but, if possible, I would like to make it just as clear to the Senator from South Carolina. I would therefore state that the Dutch standard consists of types selected and determined by authorities in Holland, who classify and grade sugars according to color.

The standard sugars are contained in bottles, marked and sealed, and are used to determine more easily and with certainty the character of certain sugars passing through the custom-house and their dutiable rate.

First. It is indispensable in all cases where a differential is imposed to protect refined sugars, because it settles at a glance the rate that should be imposed upon bright sugars, which by their color would come into competition with granulated beet or cane sugars, or sugars which have gone through a refining process. It might be disputed whether certain sugars were liable to the refiners' differential, on the ground that they had not been technically refined; the Dutch standard, No. 16 provision, would subject them to the same duty by eliminating the need of determining whether they had been technically refined or not; and in this way the Dutch standard provision protects the high-grade cane sugar not refined but manufactured on the plantation for direct consumption.

Second. The Dutch standard must be incorporated in the law also so as to levy the highest rate of duty on certain sugars made in Scotland, which by some secret process are made attractive to the eye, reaching toward No. 20 Dutch standard in color, but measuring as low as 85 degrees by polariscopic test. In view of this manufacture, the retention of the Dutch standard in this tariff bill, becomes imperative, unless the Congress of the United States deliberately lends itself to opening the door of opportunity to the most easily perpetrated fraud upon its people, which would follow the fixing of the polariscopic test as the sole test for admitting these Scotch sugars to the United States market.

From appearance these sugars, which are in no way adulterated, would deceive the ordinary purchaser into buying them as high-grade refined white sugars, so they would always find a market at nearly the same price as the best granulated refined.

If so, the fraud upon the consumer is patent and flagrant.

Say that he buys his 100 pounds of pure sugar at $5; each pound of sucrose will cost 5 cents. If he buys 100 pounds of Scotch refined sugar for $5, he will pay $5 for 85 pounds of sucrose, or 5.88 cents for each pound of sucrose, or nearly one cent per pound above its true value.

The aiding and abetting of this kind of fraud by the elimination of the Dutch standard is intensified, when you consider that Congress is asked by such eliminating course to admit this kind of sugar at a duty of $1.30 per 100 pounds; while the sugar with which it would compete would have to pay $1.90 per 100 pounds.

Mr. TILLMAN. But I want to ask the Senator one or two questions——

Mr. FOSTER. Mr. President——

Mr. TILLMAN. Of course, always with the permission of the Senator from Louisiana, who has the floor. I do not want to interfere with the even flow of his speech, for I have listened to it with probably more interest than to any speech which has been delivered in this Chamber, certainly in the last day or two.

The VICE-PRESIDENT. Does the Senator from Louisiana yield to the Senator from South Carolina?

Mr. FOSTER. I do not object to the Senator asking a question, but I am going to ask the Senator from Michigan not to be too long in answering it.

Mr. TILLMAN. I had rather the Senator from Louisiana would answer it, because I was going to remark that the Senator from Michigan talked about sulphur being used as an adulterant to get rid of the color.

Mr. SMITH of Michigan. And to whiten the low grades of sugar.

Mr. TILLMAN. And I have heard the Senator from Louisiana say that a row occurred in the Agricultural Department with Doctor Wiley in regard to the use of sulphur in the sugar refineries in Louisiana, and that if the Government had not sat down on Doctor Wiley and in some way sidetracked him, they would have been absolutely ruined, but that now they are using sulphur down there.

Mr. SMITH of Michigan. There is no disagreement among the manufacturers of sugar as to the desirability of using or not using sulphur. That is not regarded——

Mr. TILLMAN. Sulphur is a very good antiseptic and an all-round physic. They used to give it to me once in a while when I was little. It has no terrors for me. I will take some sulphur any time.

Mr. SMITH of Michigan. I will say to the Senator from South Carolina that he had all he wanted of it when the free sugar was on the statute books.

Mr. TILLMAN. I want good brown sugar, such as I used to get when I was a boy, and not have to pay the sugar trust 2 cents a pound extra for it.

Mr. SMITH of Michigan. I am going to make this explanation and see if the Senator from South Carolina can understand it: Sixteen Dutch standard is the yardstick—simply the yardstick—of the sugar industry, by which a certain degree of purity is determined by color. That is all there is to it. The sole use of that language is to use a language that the world has grown to comprehend.

Mr. SMOOT. That is to prevent fraud.

Mr. FOSTER. Mr. President——

The VICE-PRESIDENT. The Senator from Louisiana has the floor.

Mr. FOSTER. This is the net result of the proposed amendment, and will not, therefore, curb the power of the trust, but will give it still more power in forcing the producer of free and concessionary raw sugar to take the price which the trust is willing to pay. The entire reduction in tariff will come out of the price to be paid the producer of raw sugar, and not the refiner.

Will the proposed amendment increase the revenues of the United States collected from the importations of sugar?

It has just been shown that the amount of free and concessionary sugar, which must be marketed in the United States, is sufficient to supply our needs. It has also been shown that this sugar must be sold in the United States. As long as these conditions prevail there is no room for imported raw sugar in this country. If the planters of free and concessionary sugar continue to produce sugar, it must come to the United States, and it fills our entire wants.

Under the proposed legislation there can be no material increase in the imports of refined sugar. We will still be receiving the output of Porto Rico and Hawaii sugar, free of duty, and we will be collecting our regular duty on the imports of Cuban sugar. The revenue of the United States will not be increased, because no increased amount of refined sugar will be imported as a result of the passage of the proposed amendment.

If, however, we should grant for the sake of argument that the importations of refined sugar shall increase, then these importations must take the place of some free and concessionary sugar we are now raising. When such importations do occur, they must supplant that free and concessionary sugar, which costs the most.

The blow will fall entirely upon the domestic beet and cane crop produced in continental United States.

The effect of this reduction will be either the destruction of the refining interests in this country or the destruction of the domestic production. Do we wish to break up the refining or manufacturing interests of the country so far as sugar is concerned? We may wish to break up and destroy the evil and monopolistic practices of the American Sugar Refining Company, commonly called the "sugar trust," but I believe that the proper way to reach that offending corporation is through prosecution in the courts for violation of the Sherman antitrust law and for its established criminal practices.

It has always been the policy of this Government to maintain a differential between our manufactured material and the raw. Our philosophy has been to create a normal development between the factory and the farm, to encourage our great agricultural interests, but not to be merely producers of raw material alone.

We want the output of the field converted into the finished product fit for the consumption of the people, and no student of political economy would advocate the development of one at the expense of the other.

We produce raw cotton for all the world, but in pursuit of this traditional policy we have learned to convert that material into the most finished fabrics, capable of supplying the needs of our people, while our hides have led to the building up of a leather manufacturing and shoe trade without a peer in all the world.

I can not for a moment, Mr. President, believe that any Member of this Senate would break down and destroy the great sugar-refining interests of this country because the sugar trust has been guilty of a long list of wrongs, evil practices, and crimes against the people and the Government alike.

Mr. TILLMAN. Right there, Mr. President, if the Senator will permit me, we have recently been told in the press that they have caught up with the tricks of the sugar trust in weighing sugar and that there has been restored to the Treasury a couple of million dollars, or something like that, of stolen profits. Are any of the fellows who did that going to be punished? Here is a concrete case right before us, with an opportunity to put somebody in stripes. They have confessed their guilt in a way, inasmuch as they have made restitution, and are we going to sit down now and compound the felony? Is the new Attorney-General going to start in and let these fellows go scot-free?

Mr. FOSTER. Would you let that affect the tariff bill?

Mr. TILLMAN. They got so much out of our pockets—they have got a little out of mine and every other man's in America who uses sugar—that I should like to see somebody put in the penitentiary for it. They could not have gotten this money if it had not been for the tariff law.

Mr. FOSTER. I do not agree with the Senator as to that.

Mr. TILLMAN. The Senator does not agree with me. I have got my notion, and it is worth just so much and no more.

Mr. FOSTER. It is worth a great deal more than mine, I admit, but I hope the Senator will pardon me if I differ with him upon that proposition.

It is true that this trust has outraged every principle and precept of honest business and trade; that it has sought by every device to wring unjust tribute from the sugar producer of this country; and it may be true that, by a system of deceits and frauds upon the Government, it has robbed the Treasury of millions of dollars. Yet that, in my opinion, Mr. President, does not justify injuring the interests of the sugar producers of this country in order to punish a lot of petty criminals.

Mr. TILLMAN. Petty?

Mr. FOSTER. Well, put them down then as big criminals. If the trust has violated the criminal laws of the country, let the persons who are responsible be brought before the criminal courts; and if, upon fair trial, guilt be established, let stripes be placed upon the offenders. That is the remedy.

If they have engaged in violating the Sherman antitrust law, let them be haled before the civil courts and adequate punishment be meted out to them. But do not punish the producers of cane sugar in my country, the producers of beet sugar in the West, or the independent refiners for these crimes and offenses, for which they are in no manner responsible, nor ought justly to be held responsible.

According to a table furnished me by the experts who are assisting the Democratic members of the committee, 49.27 per cent of the sugar refined in this country is the product of the American Sugar Refining Company, while 37.44 per cent is the output of the independent refineries, 13.19 per cent of the beet sugar refineries, .06 per cent of the Hawaiian refineries, and .04 per cent is the product of foreign refiners.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Louisiana yield to the Senator from South Carolina?

Mr. FOSTER. Yes.

Mr. TILLMAN. This ghost, or whatever it is, of an independent manufacturer who is not under the trust control and does not receive orders from the trust—the steel trust and others—is always paraded in here. I recollect, in running around the West a little a year or two ago, that I was told that Spreckels had divided this country with a geographical line, beyond which the American Sugar Refining Company dared

not ship a pound of sugar on threat of a war in prices. Is that true or not? I will ask some of those who live out there in the West. I heard the story from very reliable sources.

Mr. SMOOT. Mr. President, all I can say is that Mr. Spreckels testified before the Committee on Ways and Means that there was absolutely no understanding between his independent refinery and the American Sugar Refining Company.

Mr. TILLMAN. But that does not answer my question as to whether or not there is a geographical line somewhere near St. Louis——

Mr. FOSTER. Mr. President——

Mr. TILLMAN. Beyond which this sugar concern is debarred from shipping any sugar.

Mr. FOSTER. Mr. President, I have no authority for making the statement, but I have always understood that the independent refiners were not in any conspiracy with the trust. I know nothing about it, but I simply judge from the course of trade that they are not in any collusion with the trust. I have a statement, which I will put in the RECORD, from Mr. Hatch, manager of an Hawaiian plantation, stating that it is untrue that the properties on that island are under the control and management of the trust; and I do not believe that the beet refiners of this country are under the control, management, or domination of the trust.

Mr. SMITH of Michigan. The beet raisers are not.

Mr. FOSTER. Senators from the beet sugar States are here upon this floor and can give the information; but I know the fact that the trust has absolutely nothing to do with the sugar production in my State.

I submit to the Senators upon this floor, Is it a wise policy to destroy the refining industry? Only recently it has begun to develop along independent lines. It has attracted millions of independent capital, and dotted the country from one ocean to the other with competing plants capable of supplying the contributing territory with its own sugar and relieving the people of paying further tribute to the trust.

The wish and hope of every one of us has been that the beet and cane industries of this country would flourish and prosper in order that our own farms and plantations might supply this great necessary of life to the people; and now that we are about to accomplish this result, the patient work of years is threatened with destruction.

Mr. President, the beet industry is the natural competitor of the sugar trust. If I were seeking to build up the sugar trust, the first move I would make would be to destroy the beet-sugar industry in this country, because it turns out the finished product, and I submit that if you strike out the differential you will be playing into the hands of the trust, for it is upon this that the beet industry must depend if it is to grow and wax strong, so that it can fight the rival giant.

I do not believe, Mr. President, that as the sugar industry of this country grows, as it promises to, that the sugar trust or any other trust can control, absorb, or monopolize its output.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Louisiana yield to the Senator from Idaho?

Mr. FOSTER. Yes.

Mr. HEYBURN. The Senator asked for some information, and I happen to have it at hand. I have a neighbor who produces 50,000 tons of beets a year and makes some 12,000,000 pounds of sugar who is not in the trust.

Mr. FOSTER. During its infancy the trust may harass and dominate the beet industry for a while, but with expansion I see no more reason why there should be a sugar trust than any other agricultural trust in this country.

I do not, Mr. President, and I can not believe that the American Refining Company controls the independent refineries of this country. I know these charges are frequently made, and while I have no authority to deny the charge or direct information, yet I have always understood that the independent refineries were free to act as they saw fit. Nor do I believe the trust controls the great beet industry of the West.

In the brief submitted to the Ways and Means Committee November 19, 1908, Hon. F. M. Hatch, for years the minister of Hawaii to the United States, makes the following statement concerning the way in which Hawaiian sugars are sold in the United States:

The statement made by Mr. C. A. Spreckels that Hawaiian sugars are sold at a rebate of three-eighths of a cent a pound is not correct. Hawaiian sugars are, in fact, sold in New York at one-tenth of a cent a pound off. This covers two-thirds of the Hawaiian output. One-third is sold in San Francisco, being all that that market will take under a rebate of one-quarter of a cent a pound. The Crockett Refinery, an independent refinery controlled by Hawaiian interests, is the purchaser there. The rebate in New York of one-tenth of a cent, or $2 a short ton, is not in any sense a result of the tariff. It is a concession which is considered reasonable to make in consideration that the purchaser, the American Sugar Refining Company, binds itself for a term of years to take all the Hawaiian cargoes on arrival at the market price, less this rebate. The Hawaiian producers are thus saved the danger of having to store cargoes awaiting the purchaser, and the alternative of being obliged to make sacrifice sales in the periods of a glut of sugar in the market. This cost of trade has grown up in consequence of the great distance of Hawaii from market and the impossibility of selling the crop in Honolulu.

Mr. Spreckels's statement or intimation that the trust is directly or indirectly an owner in Hawaiian plantations is without a shadow of foundation of fact, so far as the undersigned is informed and believes.

(Signed) F. M. HATCH,
Representing Hawaiian Sugar Planters Association.

Mr. Hatch shows conclusively that the refiners in the United States pay the same price for Hawaiian sugars that they pay for Cuban sugars, with the exception of a nominal $2 per ton, or one-tenth of a cent per pound deduction, in consideration that the purchaser "binds himself for a term of years to take all Hawaiian cargoes on arrival at market price, less this rebate," thus saving the Hawaiian planters all expense of storage, and assuring them an immediate sale of their sugar upon arrival at port.

In view of this fact it is idle to maintain that the sugar refiners of this country, in purchasing the Hawaiian crop, get the advantage that would accrue if these sugars came in free of duty and were bought at the world's price without the tariff cost to the purchaser. As far as the refiner is concerned, these sugars are on practically the same basis as the Cuban sugar, their price to the refiner being one-tenth of a cent per pound less than the price of Cuban sugar.

The same line of reasoning would apply to the sugars from Porto Rico.

Destroy our refining interests and what an opulent field for exploitation the markets of the United States will become for the surplus product of Europe, what a golden stream of American wealth would flow into the coffers of the Old World.

The American people have become the greatest sugar consumers on earth and the refined article constitutes the bulk of what is used, so if the refiners of this country are destroyed the American consumer must be supplied by foreign refiners or go without.

We are now annually sending to Hawaii over $30,000,000 for sugar; to Porto Rico over $7,000,000; to Cuba something over $60,000,000; and some $2,000,000 to the Philippines, making more than $100,000,000 annually drained out of this country which could otherwise go into all the channels of American trade did we but produce at home what we consume.

And now that we are in a fair way toward correcting this great economic leak, it is proposed not only to stifle the beet and cane sugar industries, upon which we must depend if we are to keep this money at home, but also to destroy another great domestic industry, and compel the American consumer to pay tribute to the foreign refiners.

But, Mr. President, if this course is persisted in it will be the producer and not the trust who will be called upon to suffer. These refiners have invested millions and millions of dollars in their enterprises. At the head of their institutions are the shrewdest and sharpest men in the business world. They know perfectly well that the product of the cane fields of Louisiana and the crops of Hawaii, Porto Rico, the Philippines, and Cuba can find no other market than our own. They will simply, therefore, as I said before, deduct the differential we deny them from the price they pay the producers of sugar in this country. They will keep down the level of their prices sufficiently below the European refiners to exclude foreign sugar from our markets, and in the war of competition the sugar industry of the United States will be ground down and destroyed. Then we must look to our island possessions in the Tropics or to Europe for our sugar, for in that contest, Mr. President, the domestic sugar industry will have been destroyed. We can not compete in production with the pauper labor of the Orient or with Europe and its low standard of living. The American farmer will be made the victim of our blind resentment against the sugar trust, and as that great malefactor stalks through the ruins of our domestic industry it will grow stronger and richer as it fattens upon free sugar from our tropical possessions.

APPENDIX.

The sugar schedule under tariff acts passed by Congress from 1789 to 1909.

ACT OF JULY 4, 1789.

From and after August 1, 1790.

Sec. 1.	On brown sugars	1 cent per pound.
	On loaf sugars	3 cents per pound.
	On all other sugars	1½ cents per pound.
	On molasses	2½ cents per gallon.
	On all goods, wares, and merchandise, other than teas imported from China or India, in vessels not of the United States, etc	12½ per cent ad valorem.

Sec. 3. Drawback of 99 per cent allowed for duties on goods, etc., exported within twelve months of payment of same.
Sec. 5. A discount of 10 per cent on all duties imposed by this act on goods, etc., imported in United States vessels, etc.
Sec. 6. This act to continue and be in force until June 1, 1796, and from thence until the end of the next succeeding Congress, and no longer.

ACT OF AUGUST 10, 1790.

Preamble. And whereas the support of the Government and the discharge of the said debts render it necessary to increase the said duties.

From and after the last day of December next (1790).

Sec. 1. On brown sugar—1½ cents per pound.
On loaf sugar—5 cents per pound.
On all other sugar—2½ cents per pound.
On molasses—3 cents per gallon.
Sec. 2. An additional 10 per cent shall be made to the several rates of duties above specified, and imposed on goods, etc., which shall be imported in vessels not of the United States.
Sec. 3. Drawback clause, 99 per cent. (Similar to sec. 3, act July 4, 1789.)
Sec. 7. Continuance of this act, proviso, Legislature of United States can substitute rates, etc.

ACT OF MAY 2, 1792.

Sec. 4. That after the last day of June next (1792) there shall be, in addition to the present duty thereupon, a duty of 2½ per cent upon all goods, wares, and merchandise not above enumerated or described, which, if imported in ships or vessels of the United States, are now chargeable with a duty of 5 per cent.

ACT OF JUNE 5, 1794.

(Term "refined" used in this act for first time and duty on that sugar raised to 9 cents.)

Sec. 12. After September 30, 1794 (in addition to the duties now imposed), on refined sugar—4 cents per pound.

ACT OF JUNE 7, 1794.

Sec. 1. After June 30, 1794, articles imported in vessels of the United States shall pay duties as follows, over and above the duties now payable, on clayed or lump sugar—1 cent per pound.

ACT OF JANUARY 29, 1795.

Sec. 1. After the last day of March next (1795) the present duty on clayed sugar shall cease, and there shall be paid:
On all white clayed or white powdered sugars—3 cents per pound.
On all other clayed or powdered sugars—1½ cents per pound.
August 10, 1790, brown sugar, 1½ cents.

ACT OF MARCH 3, 1797.

Sec. 1. After June 30 next (1797) the following, in addition to those now in force, shall be paid:
On all brown sugars—½ cent per pound.
On all molasses—1 cent per gallon.
Sec. 2. Applies to sugar candy and cocoa imported.
Sec. 5. That on account of the additional duties on brown sugar and molasses by this act, the following sums shall be added to the drawbacks, now allowed by law, after the last day of December next (1797), on all sugars, refined and exported—1 cent per pound.
The other article is spirits distilled from molasses.

ACT OF MAY 13, 1800.

After the 30th day of next June, additional to now in force.

Sec. 1. On all brown sugar—½ cent per pound.
On all sugar candy—2½ cents per pound.
On all molasses—1 cent per gallon.
On all merchandise now paying 10 per cent—2½ per cent.

ACT OF FEBRUARY 25, 1801.

ACT OF JULY 1, 1812.

Sec. 1. Additional 100 per cent on all merchandise, etc., now in force, imported into the United States after the passage of this act.

ACT OF FEBRUARY 1, 1816.

Act of July 24, 1813, laying duties on sugar refined in the United States, continued in force by this act.

ACT OF FEBRUARY 5, 1816.

Sec. 1. Continues act of July 1, 1812 (additional duties), until June 30 next (1816).
Sec. 2. After the 30th day of June next (1816) there shall be added an additional duty of 42 per cent to that now imposed by the law for allowance and drawback, etc., on merchandise until a new tariff of duties shall be established by law.
Sec. 3. Re commercial treaties and tonnage.

ACT OF APRIL 27, 1816.

Sec. 1. Molasses—5 cents per gallon.
Brown sugar—3 cents per pound.
White clayed or powdered sugar—4 cents per pound.
Lump sugar—10 cents per pound.
Loaf sugar—12 cents per pound.
Sugar candy—12 cents per pound.

ACT OF MARCH 3, 1821.

Reexportation of distilled spirits from molasses or sugar refined within the United States.

ACT OF MAY 22, 1824.

Sec. 1. Additional 12½ per cent ad valorem on articles now paying a duty of 7½ per cent, not herein specified. (No change in sugar.)

ACT OF MAY 29, 1830.

Redrawback on spirits from molasses, etc.

ACT OF JULY 14, 1832.

Sec. 2. On brown sugar in casks—2½ cents per pound.
On sirup of sugar cane, in casks—2½ cents per pound.
On white clayed sugars—3½ cents per pound.

ACT OF MARCH 2, 1833.

Sec. 1. After December 31, 1833, all articles mentioned in the act of July 14, 1832, or by any other act which shall exceed 20 per cent on the value thereof, $\frac{1}{10}$ part of such excess shall be deducted; after December 31, 1835, another $\frac{1}{10}$ part of such excess shall be deducted; after December 31, 1837, another $\frac{1}{10}$ part of such excess shall be deducted; after December 31, 1839, another $\frac{1}{10}$ part of such excess shall be deducted; after December 31, 1841, ½ of the residue of such excess shall be deducted; after June 30, 1842, the other ½ shall be deducted.

ACT OF SEPTEMBER 11, 1841.

Sec. 3. Redrawbacks on exported refined sugars made from foreign sugars, and rum from molasses.

ACT OF AUGUST 30, 1842.

After passage of this act.

Sec. 8. On raw sugar (commonly called brown sugar) not advanced beyond its raw state, by claying, boiling, clarifying, or other process—2½ cents per pound.
On sirup of sugar, or sugar cane—2½ cents per pound.
On brown clayed sugar—2½ cents per pound.
On all other sugars, when advanced beyond the raw state, by claying, boiling, clarifying, or other process, and not yet refined—4 cents per pound.
On refined sugars (whether loaf, lump, crushed, or pulverized, and when, after being refined, they have been tinctured, colored, or adulterated)—6 cents per pound.
On sugar candy—6 cents per pound.
On molasses—4½ mills per pound.
Proviso.—Inspection provided to detect frauds by false entry as molasses on all sugars and molasses.

ACT OF JULY 30, 1846.

Schedule C: Sugar of all kinds—30 per cent.
Molasses—30 per cent.
Sirup of sugar—30 per cent.
Sec. 6. Re merchandise in public stores after the passage of this act.
Sec. 7. Sec. 12, act of August 30, 1842, re goods, etc., coming from Cape of Good Hope, etc., time of.

ACT OF MARCH 3, 1857.

Sec. 1. Schedule C: Molasses—24 per cent.
Sugar of all kinds—24 per cent.
Sirup of sugar—24 per cent.

ACT OF MARCH 2, 1861.

From and after April 1, 1861.

Sec. 5. On raw sugar, commonly called muscovada or brown sugar, not advanced beyond raw state by claying or other process—⅜ cent per pound.
On white and clayed sugars, when advanced beyond the raw state by claying or other process, and not refined—⅜ cent per pound.
On refined sugars, whether loaf, lump, crushed, or pulverized—2 cents per pound.

Sec. 5. On sugars, after being refined, tinctured, colored, etc	4 cents per pound.
On sirup of sugar or sugar cane, and concentrated molasses or concentrated melada	¾ cent per pound.
On sugar candy	4 cents per pound.
On molasses	2 cents per gallon.
On confectionery of all kinds not otherwise provided for	30 per cent.

ACT OF AUGUST 5, 1861.

After passage of act.

Sec. 1. On raw sugar, commonly called muscovado or brown sugar	2 cents per pound.
On sugars not advanced above No. 12, Dutch standard, by claying, boiling, clarifying, or other process	2 cents per pound.
On sirup of sugar or sugar cane, and concentrated molasses, or concentrated melada	2 cents per pound.
On white and clayed sugar, when advanced beyond the raw state, above No. 12, Dutch standard, by clarifying or other process and not yet refined	2½ cents per pound.
On refined sugars, whether loaf, lump, crushed, or pulverized	4 cents per pound.
On sugars after being refined, when tinctured, colored, etc	6 cents per pound.
On sugar candy	6 cents per pound.
On molasses	5 cents per gallon.
Sec. 4. After passage of this act there shall be allowed on all articles wholly manufactured of materials imported, on which duties have been paid when exported, a drawback equal in amount to the duty paid on such materials and no more, * * * provided that 10 per cent shall be retained for use of the United States.	

ACT OF DECEMBER 24, 1861.

Same classification as the act of August 5, 1861; only change in rates.

On raw sugar, etc	2½ cents per pound.
On sugars not advanced above No. 12 Dutch standard, etc	2½ cents per pound.
On sirup of sugar, etc	2¾ cents per pound.
On white and clayed sugars, etc	3 cents per pound.
On refined sugars, etc	5 cents per pound.
On sugars after being refined, tinctured, etc	8 cents per pound.
sugar candy	8 cents per pound.
molasses	6 cents per gallon.

ACT OF JANUARY 11, 1862 (JOINT RESOLUTION).

Certain goods in warehouse to pay duties under former act (December 24, 1861) * * * excess of duties to be refunded.

ACT OF JULY 14, 1862.

After August 1, 1862.

Sec. 1. On sirup of sugar, etc	2 cents per pound.
On all sugar not above No. 12 Dutch standard in color	2½ cents per pound.
On all sugar above No. 12 and not above No. 15 Dutch standard in color	3 cents per pound.
On all sugar above No. 15, not store-dried, and not above No. 20 Dutch standard in color	3½ cents per pound.
On all refined sugar in form of loaf, lump, crushed, powdered, pulverized, or granulated, and all store-dried or other sugar above No. 20 Dutch standard in color	4 cents per pound.
On sugar candy, not colored	6 cents per pound.
On all other confectionery made wholly or in part of sugar	10 cents per pound.
On sugars after being refined, when tinctured, etc	10 cents per pound.

ACT OF APRIL 29, 1864 (JOINT RESOLUTION).

That until the end of sixty days from the passage of this resolution, 50 per cent of the rates now imposed on goods, wares, merchandise, and articles imported (except unsized printing paper used for books and newspapers exclusively) shall be added to the present duties now charged on importation.

ACT OF JUNE 27, 1864 (JOINT RESOLUTION).

Continues the joint resolution of April 29, 1864, in force until July 1, 1864 (three days).

ACT OF JUNE 30, 1864.

After July 1, 1864.

Sec. 1. On all sugar not above No. 12 Dutch standard in color	3 cents per pound.
On all sugar above No. 12 and not above No. 15	3½ cents per pound.
On all other confectionery, not store-dried, not above No. 20	4 cents per pound.
Refined sugar, in form of loaf, etc., and all store-dried or other sugar above No. 20 Dutch standard in color	5 cents per pound.
On sugar candy, not colored	10 cents per pound.
Sec. 1. On all other confectionery, not otherwise provided for, made wholly or in part of sugar, and all sugar after being refined, when tinctured, etc., valued at 30 cents per pound or less	15 cents per pound.
On all confectionery valued above 30 cents per pound, or when sold by the box, package, or otherwise than by the pound	50 per cent ad valorem.
On molasses from sugar cane	8 cents per gallon.
On sirups of sugar cane, etc	2½ cents per pound.
Sec. 18. Cape of Good Hope, 10 per cent additional.	

ACT OF JULY 28, 1866.

Sec. 11. Re machinery for manufacture of sugar from beets, for one year free of duty.

ACT OF MARCH 2, 1867 (JOINT RESOLUTION).

Sec. 2. After the passage of this resolution, machinery for the manufacture of beet sugar, and imported for that purpose only, shall be exempted from duty.

ACT OF JULY 14, 1870.

After December 31, 1870.

Sec. 21. On all molasses	5 cents per gallon.
On tank bottoms, sirups of sugar-cane juice, melada, concentrated melada, and concentrated molasses	1½ cents per pound.
On all raw or muscovado sugar above No. 7, Dutch standard in color and on all other sugars not above No. 10, Dutch standard in color	2 cents per pound.
On all other sugars above No. 10 and not above No. 13, Dutch standard	2¼ cents per pound.
On all other sugars above No. 13 and not above No. 16, Dutch standard	2¾ cents per pound.
On all other sugars above No. 16 and not above No. 20, Dutch standard	3¼ cents per pound.
On all sugars above No. 20, Dutch standard in color	4 cents per pound.
On all refined, lump, crushed, powdered, or granulated sugar	4 cents per pound.

ACT OF DECEMBER 22, 1870.

Amend section 21 of the act of July 14, 1870, as follows:

On all sugar not above No. 7, Dutch standard, in color	1¾ cents per pound.
On all sugar above No. 7 and not above No. 10	2 cents per pound.
On all sugar above No. 10 and not above No. 13	2¼ cents per pound.
On all sugar above No. 13 and not above No. 16	2¾ cents per pound.
On all sugar above No. 16 and not above No. 20	3¼ cents per pound.
On all sugar not above No. 20	4 cents per pound.
On all refined loaf, lump, crushed, powdered, or granulated	4 cents per pound.

ACT OF MARCH 3, 1875.

Sec. 3. That on all molasses, concentrated molasses, tank bottoms, sirups of sugar-cane juice, melada, and on sugars according to the Dutch standard in color, imported from foreign countries, there shall be in addition to the duties now imposed upon the several articles and grades therein designated	25 per cent ad valorem.
Provision.—Concentrated melada, how classed; melada, defined; products of sugar imported in bags, etc., considered as sugar; drawback on refined sugars, amount retained.	

ACT OF MAY 4, 1882.

Repeal of discrimination duties on goods produced east of Cape of Good Hope.

ACT OF MARCH 3, 1883.

All sugars—	
Not above No. 13 Dutch standard—	
Not above 75 degrees	1.40 cents per pound.
For each additional degree	0.04 cent per pound.
Above No. 13 and not above No. 16, Dutch standard	2.75 cents per pound.
Above No. 16 and not above No. 20, Dutch standard	3 cents per pound.
Above No. 20	3.50 cents per pound.

ACT OF OCTOBER 1, 1890 (M'KINLEY LAW).

All sugars—	
Not above No. 16, Dutch standard	Free (after Apr. 1, 1891).
Above No. 16, Dutch standard	⅜ cent per pound, and an additional ⅛ cent per pound from bounty-paying countries.
After being refined, when colored, etc.	5 cents per pound.
Bounty, 2 cents per pound.	

ACT OF AUGUST 27, 1894 (WILSON LAW).

All sugars—	
Not above No. 16, Dutch standard	40 per cent.
Not above No. 16, Dutch standard (if bounty is paid by exporting country	40 per cent and $\frac{1}{10}$ cent per pound.
Above No. 16, Dutch standard	40 per cent and $\frac{1}{8}$ cent per pound.
Above No. 16, Dutch standard (if bounty is paid by exporting country)	40 per cent and $\frac{3}{10}$ cent per pound.

ACT OF JULY 24, 1897 (DINGLEY LAW).

All sugars, not above No. 16 Dutch standard—	
Not above 75 degrees	0.95 cent per pound.
Not above 76 degrees	0.985 cent per pound.
Not above 77 degrees	1.02 cents per pound.
Not above 78 degrees	1.055 cents per pound.
Not above 79 degrees	1.09 cents per pound.
Not above 80 degrees	1.125 cents per pound.
Not above 81 degrees	1.16 cents per pound.
Not above 82 degrees	1.195 cents per pound.
Not above 83 degrees	1.23 cents per pound.
Not above 84 degrees	1.265 cents per pound.
Not above 85 degrees	1.3 cents per pound.
Not above 86 degrees	1.335 cents per pound.
Not above 87 degrees	1.37 cents per pound.
Not above 88 degrees	1.405 cents per pound.
Not above 89 degrees	1.44 cents per pound.
Not above 90 degrees	1.475 cents per pound.
Not above 91 degrees	1.51 cents per pound.
Not above 92 degrees	1.545 cents per pound.
Not above 93 degrees	1.58 cents per pound.
Not above 94 degrees	1.615 cents per pound.
Not above 95 degrees	1.65 cents per pound.
Not above 96 degrees	1.685 cents per pound.
Not above 97 degrees	1.72 cents per pound.
Not above 98 degrees	1.755 cents per pound.
Not above 99 degrees	1.79 cents per pound.
Not above 100 degrees	1.825 cents per pound.
Above No. 16 Dutch standard, and sugars that have gone through the process of refining	1.95 cents per pound.

Mr. McENERY. Mr. President, the very elaborate and able argument of my colleague [Mr. FOSTER] leaves little to be said on the present schedules in relation to sugar; but what I have to say on that subject will be preceded by some remarks which I desire to make on tariff legislation and the relation of the Democratic party thereto.

Mr. President, in addressing the Senate it is not my purpose to make an elaborate speech, nor is it my intention to make a special defense of my course in the extra session of the Senate in supporting the pending bill. My object is to give some information on tariff legislation to show that the fathers of the Republic believed that protection to American industries—to domestic manufactures—was a necessity from the conditions which confronted the country in the beginning of its career as a separate and independent nation. In my opinion, there has been a forgetfulness of early history and conditions in the discussion of tariff bills and tariff legislation. On this subject Democrats have been, and will be, divided as to the benefits of a protective tariff. Unanimity of views is rarely attainable on any subject; and it is to be expected that in tariff legislation, where interests are diverse and sectional and animosities exist, views will be widely divergent, according to the interest of localities.

To thoroughly understand the complex system of tariff legislation it will be necessary to refer to the colonial history of this country. The policy of Great Britain was then as it is now. It was self-seeking. There was a disregard of the fundamental principles of equity and justice. There was a trampling under foot of labor. There were restrictive laws with severe penalties, with the design to reduce the colonies to absolute dependency and servitude, to compel them to depend upon Great Britain for their necessary supplies, with the inevitable result of reducing them to industrial bondage.

The system was to constitute Great Britain the sole buyer of the raw produce of the colonies and the sole seller to them of manufactured products. The understanding of this selfish policy is the key to all the meaning of the tariff problem.

When the colonist attempted the manufacture of cloth, the House of Commons passed a resolution in 1710 that the erecting of manufactories in the colonies had a tendency to lessen their dependence upon Great Britain. In 1733 the exportation of hats from province to province was prohibited, and the number of apprentices in the hatter's trade was limited. In 1750 the erection of any mill or other engine for splitting or rolling iron was prohibited. Pig iron, however, was allowed to go to Great Britain to be manufactured and sent back again. Lord Chatham declared that he would not permit the colonies to make a hobnail. To prevent the establishment of manufactories there was a prohibition of the immigration of artisans of woolen machinery, of cotton machinery, and artificers in cotton, of iron and steel making machinery, and workmen in those departments of trade. In 1799 there was a prohibition of the export of colliers lest other countries, and particularly the colonies, should acquire the art of mining coal.

Of these parliamentary acts Thomas Jefferson spoke in earnest condemnation, characterizing them—

> An instance of despotism to which no parallel can be produced in the most arbitrary ages of British history.

Remonstrance was made and retaliating methods adopted by voluntary association. But this produced only additional restrictive legislation; but this resistance had assumed in the minds of the people such shape that it soon became a matter of national concern. When the Continental Congress assembled, September 5, 1774, it became a matter of national action. The Continental Congress passed a series of resolutions looking toward redress by means of retaliation. Among other things, they recommended to the provincial assemblies "to exert their utmost endeavors to provide for the culture of hemp, flax, and cotton, and the growth of wool in the several colonies; to take the earliest measures for creating and establishing in each colony a society for the improvement of agriculture, arts, manufactures, and commerce, and forthwith to consider the best ways and means of introducing and improving the manufacture of duck, sailcloth, and steel."

Industrial independence and political independence in that early day were regarded as essentially twin objects to be gained in order to make this country absolutely and truthfully independent of the world. The Revolutionary war was fought for commercial and industrial independence.

Thomas Jefferson, in a letter to Benjamin Austin, in 1816, said: "Experience has taught me that manufactures are now as necessary to our independence as to our comfort."

There was a continuous effort on the part of the colonies to release themselves from dependence on Great Britain for their manufactured supplies, so that they could manufacture their own raw materials into finished products. This was the starting point of protection to domestic manufactures. It was the creative principle in forming a "more perfect union," and it found expression in the tariff of 1789.

In McMaster's History of the People of the United States, third volume, pages 495 and 496, it is stated:

> It has often been said, and truly, that the protective system of the United States began on the 4th day of July, 1789, when Washington signed the first of our many tariff laws. The day was well chosen, for that act was a second declaration of independence. It was a formal statement that henceforth domestic manufactures were to be encouraged in the United States; that henceforth we were to be industrially independent, and that the goods, wares, and merchandise of foreign nations should come into our ports on such terms as best suited our interests.

No manufacturing interest had been developed when this act became a law. The peace of 1783 swept away the stimulating effects of the war, and there was precipitated upon the 13 independent States the evils of unrestrained foreign competition.

The fourth article of the Articles of Confederation, ratified by the delegates of the 13 colonies, July 9, 1778, provided:

> The people of each State shall have free ingress and egress to and from every other State, and shall enjoy therein all the privileges of trade and commerce, subject to the same duties, impositions, and restrictions as the inhabitants thereof, respectively, provided that such restrictions shall not extend so far as to prevent the removal of property imported into any State to any other State of which the owner is an inhabitant.

Congress had no authority to enact a general tariff on imports without the consent of every one of the States. This authority was steadily refused.

The States were politically independent, but they could not counteract the policy of other nations. The States became jealous of each other, and each attempted to check the prosperity of the others. Each State having the right to regulate its own trade, under the Articles of Confederation, imposed upon foreign products, as well as those of its sister States, only such duties as its self-interest dictated. Each State attempted by separate navigation acts to secure trade to its own vessels. The selfish policy of some States counteracted the policy of others.

The States being unable, or unwilling, to agree upon uniform rates of duties on foreign imports, foreign nations passed such laws as they deemed best suited to destroy the trade, commerce, and manufacturing interests of the States in order to extend their own trade and commerce, and to keep up their own manufacturing interests. Great Britain prohibited trade by the States with the West Indies. Her navigation acts destroyed our navigation. Foreign vessels and goods were freely admitted into the States, while those of the States were heavily burdened with duties in foreign ports. The prices of our exports were at the will of foreigners, and the money of our people went abroad to enrich the merchants and manufacturers of Great Britain.

Shipments of all kinds of goods were made to the States by foreign nations. There was an era of unrestricted free trade. Goods were cheap; every species of goods cheaper that they could be made at home. As a consequence domestic manufacturers, small and insignificant in number, could not exist. The weaver, the shoemaker, the hatter, the saddler, the sugar baker, the brewer, and the rope maker were reduced to bankruptcy. The merchants who imported largely because of the demand for cheap goods were involved in the general ruin.

Chief Justice Marshall, in his "Life of Washington," fifth volume, page 75, says of the States under his free-trade policy:

> On opening these ports an immense quantity of foreign merchandise was introduced into the country, and they were tempted by the sudden cheapness of imported goods and by their own wants to purchase beyond their capacity for payment. Into this indiscretion they were in some measure beguiled by their own sanguine calculations on the value which a free trade would bestow on the produce of their soil and by a reliance on those evidences of the public debt, which were in the hands of most of them.

To the same purpose I also call your attention to Bancroft's History of the Formation of the Constitution, appendix, volume 1, pages 432–439, and to Ramsey's History of South Carolina, page 428, and following. In volume 3, pages 465, 466, and 468, of Hildreth's History of the United States, is an interesting account of the conditions following this free-trade era. Among other things he says:

> The large importation of foreign goods, subject to little or no duty and sold at peace prices, was proving ruinous to all these domestic manufactures and mechanical employments which the nonconsumption agreements and the war had created and fostered.
>
> Immediately after the peace the country had been flooded with imported goods, and debts had been unwarily contracted for which there was no means to pay. The imports from Great Britain in the years 1784 and 1785 had amounted in value to $30,000,000, while the exports thither had not exceeded $9,000,000.

The distress became so great that there was an inability to pay taxes. There was no money in the country. It had gone abroad to pay for goods imported. There were alarming sacrifices under judicial process of real and personal property. There was a bitter feeling of resentment among the masses of the people. There was hostility to organized society. There was a bitter feeling against lawyers, the courts and judges, and the creditor class and law. There was a popular clamor for stay laws, for a law making property in kind legal tender, for installment plans, and all sorts of radical relief measures. The whole land was filled with excitement and apprehension, and it began to grow into a conviction that the war of independence had been a useless struggle. It finally dawned upon the masses that all these evils originated from excessive importations, draining the country of money, leaving no coin in the country, without which society will always show and give evidence of discontent.

There was a spirit of insubordination throughout the land and there was disintegration promised everywhere.

In New Hampshire an armed force marched to Exeter and was dispersed by the militia. There were mobs in Connecticut. In Massachusetts one-third of the people were disaffected to the Government. Insurrection took place, followed by Shay's rebellion, which was not suppressed until the spring of 1787. Three western counties in North Carolina declared their independence and set up a state government. Washington County, in West Virginia, sympathized with the movement for the purpose of becoming a part of the new State. A convention of the people of Maine was held at Portland to erect that part of the country into an independent Commonwealth.

The sacrifices of many years, which secured peace and liberty, were about to be abandoned, because of the intense suffering everywhere. No one can read the records of that time without coming to the conclusion that the primary cause of the distress was the excessive importations and the scarcity of money under a free trade and extremely low-tariff régime.

The Constitution of the United States owes its origin principally to the ruin of every kind of trade, commerce, and industry under the Confederation. The Confederation was broken down by the inability to regulate trade and encourage manufactures. When Congress met under the Constitution there was a demand for the immediate exercise of the ample powers it had been given. Petition after petition was laid before Congress from every section of the country, from all classes of the people, stating the distress of the people because of the decline of manufactures and the increase of importations. Sole power, they said, had been given to the Government to regulate trade and lay duties on imports, and this power the petitioners begged Congress to use without delay. The prayers were heard and granted by Congress, and before the session closed the first tariff for the protection and encouragement of manufactures was enacted.

In 1793 Washington spoke of protection in his address to Congress. He said the interest and safety of a free people required it; that they should promote such manufactures as would make them independent of others for necessaries, and above all for military supplies. The House sent the address to the Secretary of the Treasury, and at the next session Hamilton's famous report was received.

Hamilton, like Jefferson, was a protectionist, favoring the protection of nascent industries. If living to-day, he would not support a heavy duty to foster the industries already established and self-sustaining, a protection which would accrue solely to the benefit of the manufacturers and to no one else.

This is the estimate placed upon him as a protectionist by his biographer, Mr. LODGE, Senator from Massachusetts and a supporter of the present bill. During this time, among the people who had suffered from the effects of importations, there was great excitement and enthusiasm in the interest of home manufactures. A rage for manufacturing swept over the country.

The Philadelphia Premium Society offered prizes for specimens of broadcloth, forest cloth, fancy cloth for vests, woven cloth, and thread. The people of Charleston organized the South Carolina Homespun Company and sold a thousand shares a day. The people of Richmond decided to erect a mill for spinning cotton.

The people of Petersburg agreed to wear homespun and organized the Petersburg Manufacturing Society and sold 25,000 shares in a few hours. The Petersburg troop of cavalry decided to appear on the Fourth of July uniformed in white Virginia cloth. In other places in Virginia and Tennessee there were declarations in favor of homemade goods. Warehouses were erected for the storage and sale of American-manufactured products.

In the larger cities associations were formed for the encouragement of domestic manufactures. Each man and woman who joined one of these associations was pledged to wear no garment of which the raw products were not grown and the fabric made within the United States. The enthusiasm spread among tradespeople, merchants, and mechanics to state legislatures and to households.

From 1809 to 1812 the legislative records of the States contain evidences of the progress of the industrial revolution.

The water-power cities of Massachusetts, Rhode Island, and Connecticut became the centers of the woolen and cotton industries. The hills were covered with Merino sheep. Iron works and salt works, paper and cotton mills, thread works, factories for making cotton cloth, woolen cloth, axes, scythes, and edge tools were erected. The farmers of Ohio engaged in raising wool; in Kentucky, hemp. Kentucky monopolized hemp, having at Lexington 9 ropewalks and 4 cotton-bagging mills; and Kentucky also made hats, boots, and shoes. She furnished also Windsor chairs, rope twine, fish lines, seine twine, cables, and cotton bagging and sailcloth to the country. These strides to wealth were made in a few years from the adoption of the Constitution of 1810. The nonimportation act had some effect in bringing about such an industrial revolution, but it was mainly due to the declared purpose of the Government to protect, foster, and encourage home industry.

President Madison, in order to keep alive these domestic industries, which had increased in usefulness during the European wars, urged the passage of the tariff act of 1812 as a means to preserve and promote the manufactures which had sprung into existence and attained an unparalleled prosperity during the period of the European wars.

Calhoun and Lowndes demanded that protection to home industries should no longer be secondary to a tariff for revenue only. These men thoroughly understood the history of the times which led to the formation of the Federal Constitution. It is safe to say that no statesman of that day and time controverted the fact that the Constitution intended that protection should be given to American industry.

It was through Madison's influence, supplemented by the efforts of Jefferson, that led to the formation of the Federal Constitution. The necessary course to follow was to form a government of power and strength, one enabled to deal singly with foreign governments and one of central power to regulate trade and commerce. The disorders following unrestricted foreign competition among the States was the most potent cause leading to the convention to form a constitution, to organize a more perfect union.

Mr. Madison said that to interpret the Constitution it is necessary to be acquainted with the nomenclature therein used and the history of events leading to its formation and adoption.

Mr. Madison, who understood the Constitution better than any other person, in his speech in Congress in the debate on the first tariff bill, made memorable by its declaration of a purpose to encourage and protect manufactures, said:

> The States that are most advanced in population and ripe for manufactures ought to have their particular interest attended to in some degree. While these States retained the power of regulating trade,

they had the power to protect and cherish such institutions. By adopting the present Constitution they have thrown the exercise of this power into other hands; they must have done this with an expectation that those interests would not be neglected here.

The clause in the Constitution to regulate trade and commerce was a specific grant of power to impose a tax for the purpose of protecting domestic manufactures. The colonists refused to submit to a tariff for revenue only; but when it came to the regulation of trade and the imposition of a tax for protection, they entered no complaint. They refused to submit to a tariff for revenue without representation; but when the question presented was the regulation of trade and an import tax was levied, they submitted, as it had reference to the several parts of the Empire in which they were all interested.

The distinction between a law for revenue only and the protection of manufactures by a law regulating trade and commerce was always understood. It was a matter of inquiry in the complaint of the colonists. In his examination before the House of Commons, in 1766, Benjamin Franklin, in explicit language, recognized this difference:

Q. What will be the opinion of the Americans on these resolutions asserting the right of Great Britain to tax America?—A. They will think them unconstitutional and unjust.

Q. Was it an opinion in America before 1763 that the Parliament had no right to taxes and duties there?—A. I never heard any objection to the right of laying duties to regulate commerce, but a right to lay internal taxes was never thought to be in Parliament.

Q. On what do you found your opinion that the people of America make any such distinction?—A. I know that whenever the subject has occurred in conversation it has appeared the opinion of everyone that we would not be taxed by Parliament when we were not represented. But the payment of duties levied as regulations of commerce was never disputed.

Q. Can you name any act of assembly or public act making such distinction?—A. I do not know that there was any. There was never any occasion to make such till now you have attempted to tax us. That has occasioned the distinction, in which I think every assembly on the continent and every member in any assembly has been unanimous.

In the debates in Parliament the distinction between a tariff for revenue only and the imposition of a duty in the regulation of trade was clearly and distinctly stated—the former being considered unauthorized taxation, as the colonies were not represented, and the latter justifiable, or rather legal and proper, as the court of the supreme authority in the Government of Great Britain. I have not the time to refer to the debates, but refer to the speech of Lord Chatham, January 14, 1776, on the right of taxing America, and to his speech on January 20, 1775, on the question of removing the British troops from Boston.

Edmund Burke agreed with Lord Chatham, and he laid much stress between revenue laws and the regulation of commerce.

Among the early proceedings of the Congress of Independence, October 14, 1774, is the declaration in the unanimous resolution—

That they are entitled to a free and exclusive power of legislation in their several provincial legislatures, where their right of representation can alone be preserved, in all cases of taxation and internal policy, subject only to the negative of their Sovereign in such manner as has been heretofore used and accustomed; but from the necessity of the case and a regard to the mutual interests of both countries, we cheerfully consent to the operation of such acts of the British Parliament as are bona fide restrained to the regulation of our external commerce for the purpose of securing the commercial advantages of the whole country to the mother country and the commercial benefits of its respective members, excluding every idea of taxation, external and internal, for raising a revenue on the subjects of America without their consent.

The British Government too late attempted to conciliate the colonies by relinquishing the demand to tax them without representation for revenue only. After the surrender of Burgoyne, a bill was introduced in Parliament—

For removing all doubts and apprehensions concerning taxation by the Parliament of Great Britain in any way of the colonies and plantations of North America.

The recital in the bill declared—

It expedient to declare that the King and Parliament of Great Britain will not impose any duty or tax for the purpose of raising a revenue in the colonies, except only such duties as may be expedient to impose for the regulation of commerce.

From the foregoing historical recital it will be observed that previous to and during the Revolution there was a wide distinction between a tariff for revenue only and a tariff which imposed duties in the regulation of commerce; that duties for regulation of commerce never aimed at revenue, although incidentally they might accrue, and that when the power "to regulate commerce with foreign nations" was ingrafted into the Constitution it was put there with the meaning of the words as understood at the time, and which had been a matter of controversy, and that it was authority specially granted to Congress to impose duties on imports for the protection of domestic manufacture and interest; that it was in addition to the grant of power to lay and collect taxes, duties, imposts, and excises to pay the debt and provide for the common defense and general welfare of the United States.

The history of the times and the declaration of statesmen prove that the power was granted to remedy the lack of power in the Confederation to regulate commerce and to protect domestic interests from the disastrous effects of foreign importation. It was a power to be exercised—not one to lie dormant and idle. It was a trust imposed upon Congress to be exercised in the interest of American manufacturing interests and American labor. When the Constitution was formed there was but one mind on this subject—Madison, in a letter to Cabell, so states it.

Before the present Union was formed the States demanded the insertion and the exercise of this power. The words used were familiar to the people and the framers of the Constitution. There was no doubt as to their meaning. Among the first acts of Congress was the exercise of this power. A tariff for revenue only was never designed or contemplated by the builders of our great political structure.

The fundamental principle is for a protective tariff, or, as is expressed in some Democratic platforms, a tariff for revenue with incidental protection. In either case it is protection. Free-trade policy has no place in our system of government. Revenue to support the Government must be raised by constitutional methods. Practice and experience have shown the most desirable means is by tariff. No tariff can be levied without carrying protection to a greater or less degree. No tariff law was ever enacted by a Democratic Congress and approved by a Democratic President without affording protection to some industry. The tariff law levying the lowest ad valorem duties was the Walker tariff of 1846. This carried duties of from 5 to 100 per cent, and had distinct protective features.

The Wilson-Gorman tariff act, which has been replaced by what is called the "Dingley bill," was notorious for some of its protective features. It was admitted to be such by its supporters; but excuses were made for its enactment by prominent Democrats, who voted for it on the plea of moral duress. This "moral duress" did not emanate from Republicans, but from the coercive power of a Democratic caucus.

The history of the country preceding the adoption of the Constitution affords absolute authority for the assertion that in the framing of the Constitution there was the translation of precedence and experience into constituted authority and obligation for the defense of home interests against foreign trespass.

During the last few weeks it has been customary among some, who, if they do not absolutely entertain free trade ideas, approach them very closely in their clamors for low tariff rates, to proclaim that Jefferson, Madison, Monroe, Jackson, and Tilden were not protectionists, but were advocates of a tariff for revenue only. Jefferson was probably the closest observer of events among the fathers of the country. He was well acquainted with the vast movement which led to the formation of the Constitution. He knew the cardinal idea was national unity and national defense. He knew the primary demand was for a central authority to regulate commerce and to protect the country from excessive importations from foreign countries which were destroying the industrial methods of the States.

D. Humphries wrote to him November 20, 1788, from Mount Vernon:

The arts of peace are progressing in the old States perhaps more rapidly than they have ever before done. The spirit of improvement is gaining ground. The three great bridges lately erected in Massachusetts do that State great credit. The enterprise in trades and manufactures has, during the last year, for the first time, made the exports from there considerably more valuable than the imports into it.

Such a letter could only have been addressed to one in full sympathy with the promise of a great industrial revival. The feebleness and inefficiency of the confederation was behind, and even before the legislative machinery of the Constitution could be put in force it was believed that the promised protection in tariff legislation would bring prosperity. Confidence waved her enchanted hand over the scene, capital ceased to keep aloof from industrial undertakings and took hold of ventures, and industry began to ply her trade.

It detracts from the fame of the great founder of the Democratic party to say that he was not in full sympathy with this industrial movement, which promised to carry the country onward in progress so that it would soon become the first nation of the earth.

I say that Jefferson adhered to the protective doctrine, just as Hamilton announced it, during his life. In his second annual message he prescribed as a duty to be performed by Congress, "To protect the manufactures adapted to our circumstances." The first revenue act of 1789 distinctly announced that it was not only for revenue, but for protection, also.

Section L of the act reads:

Whereas it is necessary for the support of the Government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures that duties be laid on goods, wares, and merchandise imported.

When Jefferson became President, under this act there was likelihood of there being a surplus revenue. In speaking of the method of disposing of it, he said:

Shall we suppress the imposts (duties) and give that advantage to foreign over domestic manufactures?

This question he answered in the negative.

He more specifically said:

The general inquiry now is: Shall we make our own comforts, or go without them at the will of a foreign nation?

He, therefore, who is now against domestic manufactures must be for reducing us either to dependence upon that nation or to be clothed in skins and live like beasts in caves and dens. I am proud to say that I am not one of these. Experience has taught me that manufactures are now as necessary to our independence as to our comforts.

Again he said:

The prohibitive duties we lay on all articles of foreign manufacture, which prudence requires us to establish at home, with the patriotic determination of every good citizen to use no foreign article which can be made by ourselves, without regard to difference of price, secures us against a relapse into foreign dependency.

In 1817, nine years before his death, he said:

The history of the last twenty years has been a significant lesson for us all to depend for reliance on ourselves alone; and I hope twenty years more will place the American hemisphere under a system of its own, essentially peaceable and industrious, and not needing to extract its comforts out of the eternal fires raging in the Old World.

This was written during a period of heated tariff discussion, after the tariff act of 1816, which was essentially protective to domestic manufactures.

Calhoun and Lowndes, Democrats, supported the bill. It was during this time that Calhoun said, in April, 1816:

Capital employed in manufacturing is calculated to bind together more closely our widely spread Republic.

In 1815 the House of Representatives instructed the Secretary of the Treasury to report a new tariff. George M. Dallas, afterwards a Democratic candidate for Vice-President on the ticket with James K. Polk, in obeying this command, made a strong plea for protection. While performing the task assigned him, he said he had ever been mindful of the fact that the United States had always regarded the establishment of home manufactures as a chief object of its policy.

I do not think anyone has been bold enough to deny the records of Monroe and Madison as being highly favorable to the encouragement by tariff legislation of American industries.

But what about Jackson, who, next to Jefferson, is looked upon as a Democratic authority?

During the short time of his service in the United States Senate he expressed decided opinions as to the constitutional powers of Congress. He voted in the affirmative on eight different bills providing for internal improvements by the General Government, and his vote in favor of the tariff of 1824, a tariff founded entirely on the principle of protection, afforded evidence that he held opinions in accordance with those of Mr. Adams, Mr. Clay, and Mr. Calhoun, who at that time was not of the opinion that a tariff bill should be constructed for revenue only. He carried the States of New York, Pennsylvania, and Illinois on his record as a protectionist. The tariff act of 1828 became a law during the presidential election, and its details were arranged so as to meet political exigencies. It was protective in its general features.

It was observed that the act did not furnish sufficient protection to woolen manufactures. A bill was therefore reported by Mr. Mallary, chairman of the Committee on Manufactures, of the 27th of January, 1830, to regulate the entry of the importations of woolens. It was passed, and became a law by the signature of Andrew Jackson on December 7, 1830.

In 1823 he made it clear, from the following letter, that he favored protection to American industries:

HERMITAGE, NEAR NASHVILLE, *May 17, 1823.*

SIR: A few days since, I had the pleasure to receive the grass hat which you had been pleased to present and forward to Mrs. Jackson, as a token of the respect and esteem entertained for my public services. Permit me, sir, to return to you my grateful acknowledgment for the honor conferred upon us in this token. Mrs. Jackson will wear with pride a hat made by American hands and made of American materials. Its workmanship, reflecting the highest credit upon the authors, will be regarded as an evidence of the perfection which our domestic manufactures may hereafter acquire, if properly fostered and protected. Upon the success of our manufactures, as the handmaid of agriculture and commerce, depends, in a great measure, the independence of our country, and I assure you that none feel more sensibly than I do the necessity of encouraging them. For this instance of your respect and esteem, and the flattering language with which you have noticed my public services, accept, sir, my most sincere thanks.

With great respect, your very obedient and humble servant,

ANDREW JACKSON.

Col. ROBERT PATTERSON, *Philadelphia.*

Samuel J. Tilden was a protection Democrat in the sense that Jefferson and Jackson and Monroe and Madison were favorable to the encouragement of home industries by tariff legislation. I make this statement on the authority of the New York Commercial Advertiser, a paper which makes no reckless statements; also upon the authority of Bigelow's Life of Tilden, which contains, under Tilden's own signature, a declaration of his protective ideas. It is true that his biographer says that there were reasons to believe he had modified his views, but he qualifies this statement by saying that in all the discussions of tariff during his active and eventful life there is no statement from him to that effect.

Samuel J. Randall, a protection Democrat, was repeatedly honored in his State and in the Nation by the Democratic party. I might also add the name of Silas Wright, the greatest Democrat of his day on the continent. He had no peer, and he was an avowed protectionist until he came to Congress in 1846 and voted for the Walker tariff bill, and he could do so without any violence to his principles by the protection that it afforded.

I may further add that it is gratifying, Mr. President, that at this session of Congress we notice a great change of opinion among Democrats in voting here for a tax on raw materials, when at one time it was considered a cardinal principle of Democracy that raw materials should be admitted free. I hope that the conditions of the country, its necessities, and the liberality generally which is prevailing among all classes of the people may dictate to the Democrats that they will abandon all of the absurd theories of free trade and of a low tariff and come with the great body of the people and vote for a liberal protection to all the manufacturing interests of the country, to make them independent, as the fathers of the Republic declared, of all foreign countries.

What has been the record of the party on this tariff question? We need go back no further than to the platform of 1884. It was a platform for protection. It fully met the constitutional requirement for the raising of a revenue by tariff, and at the same time affording protection to American industries. The tariff plank in that platform recited:

Knowing full well, however, that legislation affecting the operations of the people should be cautious and conservative in method, not in advance of public opinion but responsive to its demands, the Democratic party is pledged to revise the tariff in a spirit of fairness to all interests. But in making reduction in taxes it is not proposed to injure any domestic industries, but rather to promote their healthy growth.

This is exactly what is being done by this bill. It is making a reduction, and, so far as my examination of it has gone, there has been no injury to any domestic industry, nor has there been imposed in any of its schedules any burden upon the people.

From the foundation of this Government taxes collected at the custom-house have been the chief source of federal revenue. Such they must continue to be. Moreover, many industries have come to rely upon legislation for successful continuance, so that any change of law must be at every step regardful of the labor and capital thus involved. The process of reform must be subject in the execution to this plain dictate of justice—all taxation shall be limited to the requirements of economical government. The necessary reduction and taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country.

The platform of 1888 also said:

Our established domestic industries and enterprises should not and need not be endangered by the reduction and correction of the burdens of taxation. On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, must promote and encourage every branch of such industries and enterprises by giving them assurance of an extended market and steady and continuous operations.

This is a clear enunciation of the principle of a tariff to raise a revenue and at the same time afford protection. Under these platforms there is ample authority for the present tariff bill.

The Chicago convention which nominated W. J. Bryan put in its platform even a stronger declaration. The word "only" was purposely omitted. Under this platform I have the authority of a prominent and influential journal, a supporter of the bolting Indianapolis convention, for saying that ample authority can be found for the sustaining of my course in supporting the Dingley tariff bill. I accept its interpretation of that platform, and those who criticise my course and conduct must repudiate the declaration not only of that convention, but of the Democratic convention and platforms of 1884 and 1888.

The South is undergoing an industrial revolution. Manufacturing interests are daily springing into prominence. These, with the agriculture and mining interests, will require in any tariff bill adequate and impartial protection. The young Senators of the South, who have voted for the protection of local interests, approach near the sealed springs of prosperity. But a short step forward and they will unlock them and stand in the gray dawn of a splendor in industrial development that awaits the South. The fact is, opposition came from the South to the tariffs of 1824 and 1828 because she was exclusively agri-

cultural and depended upon slave labor. It was a sectional opposition. Slavery has gone. The South is no longer exclusively agricultural. Her future greatness and influence must spring from the addition of mining and manufacturing wealth to her agricultural interests. These facts are dawning upon her. Her younger statesmen will understand them.

I affirm that the true doctrine of Democracy is in line with the rapid and progressive development of our country. I deny that its principles are directed to the destruction of our industrial system, the putting out of furnace fires, the silencing of the busy hum of our looms or the whirring of our wheels, or, worse than all, to the paying of a premium to foreign pauper labor and the impoverishment of our toilers in every industrial occupation.

In Hamilton's report (1790) upon "commerce and manufactures," there is not one thing said that is not good Democratic doctrine. It committed the Nation to the protective system. It brought the people, irrespective of party, to the support of the tariff act of 1789, which was the practical beginning of a protective era lasting until 1816. All tariff legislation until that date was protective; all received the support of both parties—Federalists and Republicans (Democrats). The tariff act of 1794, which increased duties to raise a greater revenue, found stronger support among Republicans (Democrats) than among Federalists. The Republicans were more inclined to its support because of their opposition to the excise tax of the previous session. On March 26, 1804, an amended tariff act was passed still further increasing duties. The Republicans were in power, and Thomas Jefferson, the great apostle of Democracy, was President.

The acts amendatory of the act of 1789 were all in the line of protection. During this period Washington said in his message:

> Our agriculture, commerce, and manufactures prosper beyond example—every part of the Union displays indications of rapid and various improvement, and with burdens so light as scarcely to be perceived.

Mr. Adams, in his last message, said:

> I observe with much satisfaction that the product of the revenue during the present year is more considerable than at any former period.

Thomas Jefferson, in his second annual message, said:

> To protect manufactures adapted to our circumstances is one of the landmarks by which we shall guide ourselves.

That tariff produced an excess of revenue. In speaking on the subject, in his sixth annual message, he said:

> Shall we suppress the imposts and give that advantage to foreign over domestic manufactures? On a few articles of more general and necessary use the suppression, in due season, will doubtless be right; but the great mass of the articles on which imposts are laid are foreign luxuries, purchased only by the rich who can afford themselves the use of them.

At the present day, if duties were imposed only upon articles used by the rich and high enough to provide the revenue needed by the Government, there would be absolute prohibition, which has been so much discussed as the ruling idea in the bill sent to this Senate by the House. In a special message, in May, 1809, President Madison said:

> It will be worthy of just and prudent care of Congress to make such further alterations in the laws as will more especially protect and foster the several branches of manufacture which have recently been instituted or extended by the laudable exertions of our citizens.

The tariff of 1808 was protective in laying an impost duty on cordage, glass, nails, salt, and many manufactures of iron. Protection of textiles and of unmanufactured iron had received no attention, but the Berlin and Milan decrees and the English orders in council and the declaration of war against Great Britain drew attention to the necessity of a revenue tariff with protective features.

Mr. Madison urged the passage of the tariff act of 1812 "as a means to preserve and promote the manufactures which have sprung into existence and attained an unparalleled maturity during the period of the European wars." Calhoun and Lowndes joined with Clay in a demand that protection to home industries should no longer be secondary to a tariff for revenue only. The Republican party of that time, to which the present Democratic party is a successor, quoted the report of Hamilton to sustain their position upon which the earlier tariff acts had been based.

This position of the Republicans caused the Federalists to ignore the traditions of their party faith and to take the anti-protection side of the controversy. The Democratic tariff of 1812 imposed the highest rates of duty since the foundation of the Government until 1842. It was, it is true, a war tax, in aid of Democratic support of the war. The existing rates doubled. Sugar received protection to the extent of 5 cents per pound, coffee was taxed 10 cents, tea 36 cents, pig iron 30 per cent, bar iron 30 per cent, cotton manufactures 30, woolen 30, and silk 25.

The tariff act of 1816 was in its entirety protective, rendered necessary by the recent war, by its futility was in taking from it protection after three years. In 1819, when protection under the act reached the minimum, Great Britain began to flood the country with her surplus wares. More than twice the quantity needed by this country was imported. There was depression in business, and general bankruptcy was the result. Thomas H. Benton described the condition of the country as follows:

> No price for property, no sale except those of the sheriff and marshal, no purchaser at execution sales save the creditor or some money hoarder, no employment for industry, no sale for the products of farm, no sound of the hammer save that of the auctioneer knocking down property. Distress was the universal cry of the people; relief the universal demand thundered at the doors of legislatures—state and federal.

Relief was offered in the extension for seven years of the provisions of the tariff act of 1818. It was abortive. A panic lasting for several years followed, and relief became imperative. President Monroe urgently recommended "additional protection to those articles which we are prepared to manufacture." The tariff act of 1824 was framed. Mr. Calhoun now became the leader of the free traders.

Andrew Jackson and James Buchanan supported the bill, which recognized the doctrine of protection in a revenue bill more emphatically than any former revenue act. Opposition to the bill was more on sectional lines than from any well-defined principle. The bill fully recognized the "American system" as a living principle in our politics. Sugar received an import duty of 3 cents per pound; coffee was taxed 5 cents; tea, 25 cents; salt, 20 cents; pig iron, 20 per cent; bar iron, $30 per ton; glass, 30 per cent and 3 cents per pound; manufactures of cotton were taxed 25 per cent, and silk 25 per cent.

There was such improvement in the financial and industrial condition of the country that the supporters of the act were encouraged to try further efforts in the direction of raising the revenue, with incidental protection, a necessary and desirable adjunct. In the Twentieth Congress the Democrats were in the majority, but they were divided over the tariff. Those of the North voted with the Whigs and passed the tariff act of 1828. Jackson had carried New York, Pennsylvania, and Illinois by his protective tariff record, and the act was in a measure a Jackson tariff law.

This act also emphasized the "American" idea, and there was protection in every change of the act of 1824. Jackson said of the protective act of 1824–1828, in his message of 1832:

> Our country presents on every side marks of prosperity and happiness unequaled, perhaps, in any portion of the world.

Responding to the charges that these tariff acts were unconstitutional, null, and void, because they were protective in principle and unjust and oppressive, Andrew Jackson, in his second annual message, December 7, 1830, used the following language:

> The power to impose duties on imports originally belonged to the several States. The right to adjust those duties with a view to the encouragement of domestic branches of industry is so completely identical with that power that it is difficult to suppose the existence of the one without the other. The States have delegated their whole authority over imports to the General Government, without limitation or restriction, saving the very inconsiderable reservation relating to their inspection laws. This authority having thus entirely passed from the States, the right to exercise it for the purpose of protection does not exist in them, and consequently if it be not possessed by the General Government it must be extinct.
>
> Our political system would thus present the anomaly of a people stripped of the right to foster their own industries and to counteract the most selfish and destructive policy which might be adopted by foreign nations. This surely can not be the case; this indispensable power thus surrendered by the States must be within the scope of the authority on the subject expressly delegated to Congress. In this conclusion I am confirmed as well by the opinions of Presidents Washington, Jefferson, Madison, and Monroe, who have each repeatedly recommended the exercise of this right under the Constitution, as by the uniform practice of Congress, the continued acquiescence of the States, and the general understanding of the people.

This is a correct enunciation of the doctrine of raising revenue by tariff legislation with protection.

No stronger and more convincing argument was made for the adoption of the Constitution than that the States, by impost duties and customs, regulated exclusively by one body, would be enabled to encourage manufacturers and free themselves from the boots and shoes, ready-made clothing, hats, nails, sheet-iron hinges, and other utensils of iron which Great Britain imposed upon them, and the freedom from the regulations of the flour market by Spain through her navigation acts. Said one:

> It will have energy and power to regulate your trade and commerce—to enforce the execution of your imposts, duties, and customs. Instead of the trade of this country being carried on in foreign bottoms, our ports will be crowded with our own ships and we shall become the car-

riers of Europe. Heavy duties will be laid on all foreign articles which can be manufactured in this country and bounties will be granted on the exportation of our commodities; the manufacturers of our country will flourish; our mechanics will lift up their heads and rise to opulence and wealth.

The history of the times preceding the adoption of the Constitution abounds in such arguments in favor of its adoption.

The history of tariff legislation shows that the general tendency of public opinion is in the direction of a tariff for revenue, and protection necessarily following as an inseparable incident. The policy of this bill, at least, is for a protection of American industries. That a tariff bill on this principle will be enacted is a certainty.

Louisiana is vitally interested in the production of salt, lumber, rice, sugar, sulphur, and cotton. The pending bill makes no discrimination in the arrangement of the schedules for revenue against these products. Why should she stand idly by and decline to accept the benefits to be derived from the necessary levying of revenue by impost duties?

Call it what you will—protection or a revenue tariff with incidental protection—millions of dollars have to be raised and the benefits of protection from it distributed. Why, then, should the people of Louisiana resist the building of cotton factories, furniture factories, the erecting of sawmills, the opening and improving of sugar fields, and the erection of central factories, the opening of salt mines, and hundreds of other industries that are just now coming into existence? I say, so long as it is the policy of this Government to have a protective law, it would be a suicidal policy for the people of Louisiana to decline to demand the benefits tendered in a law which is general in the arrangement of its schedules and impartial in the duties it imposes and nonsectional in its character.

The South is more interested in the proper levying of a tariff than any other section of the country. Her development and manufacturing interests in the last three decades have been marvelous. This has been in spite of free-trade ideas and the free-trade policy. Had there been a demand for adequate protection to her cotton mills and other industries, her wealth would have doubled. Field and factory, the spindle and the plow being in close relationship, would have doubled her productive capacity, which have given tenfold value to her lands, would have multiplied her population with an intelligent and industrious people, would have rescued her from debt, and there would be now no borrowing from foreign mortgage syndicates, where principals are doubled in five years by usurious interest.

The Democratic platform in 1892 recognized the right, and demanded a tariff bill in which the duties imposed should be general and impartial. As a Democrat, I have a right to demand that that platform shall be carried out. If in a tariff bill framed by the Republican party I find a near approach to the constitutional principle announced in that platform, no Democrat can consistently question my motives for supporting it.

I stand to-day with Jefferson and Jackson on the tariff issue founded on sound constitutional interpretation. There is not a State in the Union which, if it had the power, would not exercise it to protect its domestic interests. It is known to all that this absence of self-protection led to the jarring jealousies under the Articles of Confederation and resulted in the present power in the Constitution for the laying of import duties and the regulation of commerce by the Federal Government and prohibiting their exercise to the States.

There is no restriction in the Constitution in the exercise of this power limiting it to a tariff for revenue only. On the contrary, it was the intention that the power should be exercised in the interest of protecting the industries of each State, which the States separately, when they had the power, were unable to do. A tariff for revenue without protection was never contemplated by the founders of this Government. There may be difference of opinion as to the schedule rates in a tariff bill, but on the facts presented in each case any Democrat has a right to exercise his individual opinion for the best interests of the country. Neither the Democratic party nor the Republican party has a right to demand that any man shall forfeit his allegiance to the Constitution by joining a party demand for an administration of affairs contrary to that Constitution.

A bitter partisan and sectional animosity was engendered by the act of 1830, which considerably reduced the rates of duty provided in the act of 1828. It was unsatisfactory to southern Democrats because it did not entirely eliminate the protective principle. There was a demand for the affirmation of a free-trade policy. This demand was to some extent appeased by the act of 1832, which placed coffee and tea on the free list, but, like the act of 1830, it did not entirely eliminate the protective theory—did not repudiate the doctrine of protection—and was therefore displeasing.

Nullification and the force bill were the results, and the turmoil finally led to the compromise act of 1833. Like all compromises, it lacked strength and stated nothing affirmatively. There was a gradual repeal of protective duties and a partial abandonment of the doctrine of protection. Confusion and uncertainty arose, and the policy of the Government on tariff measures was undefined. Biennial reductions, as provided in the act, soon brought the rates of duty to a point where there was no protection. There was a calamitous panic in 1837, in which the money loss was calculated at $1,000,000,000.

Prices fell to ruinous rates. There was no market for farm products. The revenue fell 25 per cent and the Government had to borrow to pay current expenses. After fruitless efforts to enact a tariff law, framed with pronounced protective features, the act of August 10, 1842, became a law.

Under the scaling act of 1833, there was laid a uniform duty of 20 per cent. This was changed by putting cotton goods to 30 per cent, woolen to 40 per cent, silks to $2.50 per pound, bar iron to $25 per ton, pig iron to $9 per ton, sugar to 2½ cents per pound, and left tea and coffee on the free list.

While the act was not such as was originally intended as a protective measure, it afforded substantial relief to the country. President Polk, in his message in 1846, said:

> Labor in all its branches is receiving ample reward. The progress of our country in resources and wealth and in the happy condition of our people is without example in the history of nations.

The act of 1846 provided for rates ranging from 5 to 100 per cent and introduced the vicious system of ad valorem duties and affirmed the doctrine of revenue without protection, but had some protective features. It disappointed the northern wing of the Democratic party. The country this time escaped the usual disaster of rapid reduction in tariff rates because of adventitious circumstances.

The Mexican war created a demand for breadstuffs and supplies; the discovery of gold in California increased the demand for labor, mining implements, agricultural products, and shipping, besides increasing the money values of this country. On the other hand. European countries were in revolution from 1848 to 1851. Instead of exporting, they demanded food supplies from abroad. The German war and Irish famine created a demand for breadstuffs. These adventitious aids, like the embargo acts and orders in council, proved to be powerful protective agencies.

When they ceased to exist, say in 1854, true economic conditions asserted themselves. Our exports declined, manufactories suspended operations, and foreign imports reappeared in our markets to an alarming extent. The Thirty-fourth Congress went over to a free-trade policy in the passage of the tariff act of March 2, 1857. Immediately thereafter foreign goods flooded the country, for duties along the entire line of imports of leading articles were reduced almost to the rates of the compromise act of 1833.

Within six months after the passage of the act there was a great panic. Ruin was widespread and all branches of industry were disastrously affected. There were 5,123 failures, and the Government had again to borrow money for current expenses. The public debt increased $46,000,000, and the expenditures exceeded the receipts by $77,234,116. President Buchanan, in his message, said:

> With unsurpassed plenty in all the productions and all the elements of natural wealth our manufactures have suspended; our public works are retarded; our private enterprises of different kinds are abandoned; thousands of useful laborers are thrown out of employment and reduced to want. We have possessed all elements of material wealth in abundance, and yet, notwithstanding all these advantages, our country, in its monetary interests, is in a deplorable condition.

The tariff act of 1861 increased duties all along the line. The act was framed on just principles to provide a needed revenue, and at the same time to incorporate and confirm the doctrine of protection, giving a helping hand to labor and encouraging home production and manufactures. There were several amendments subsequently made to the act, all in the line of protection, and rendered necessary by the exigencies of war.

The act of 1872 reduced duties considerably and added largely to the free list. Very soon thereafter, in 1873, a panic followed. Whether this panic was the result of this reduction or a decrease in the circulation medium and demonetization of silver is a question of fact not yet ascertained.

The issue in the campaign of 1888 was free trade versus protection. The McKinley bill was the logical sequence of the campaign, just as the Wilson bill was that of 1892. It is said that a protective tariff bill will not yield revenue. The McKinley Act, whatever may be said of it in other respects, demonstrated the contrary to be true. It raised all the necessary revenue for current expenses and provided a surplus.

The Wilson bill, in its original intent, carried the doctrine of free trade—that is, of low tariff—to the extreme. The idea was

that protection of any kind was opposed to the interest of a free and prosperous people. The bill as modified proved a disastrous failure. The sugar schedule did not respond to what was expected of it because of its ad valorem rate, and the income tax was eliminated, both of which were relied upon for a large revenue.

We have had tariff acts carrying protection with the imposition of duties from 1789 to 1842, and from 1861 to 1894, and low tariffs in 1783, 1816, 1833, 1846, and 1894. We are told that taking the two decades, 1840 to 1850 and 1850 to 1860, and regarding the first as a period most affected by the low ad valorem tariff of 1846, the comparison is in favor of the latter; but no account is taken of the disaster which followed the reduction of the tariff of 1816, 1832, and 1833.

In the decade of 1850 to 1860 it will be remembered that the adventitious circumstances—the Mexican war, revolutions in Europe, discovery of gold in California, and the Irish famine—all had the effect of protective agencies. From this partial and imperfect résumé of tariff legislation, it will be noted that the parties have occupied different positions on the tariff question and that leading statesmen have changed their opinions, dictated by party necessity or by local self-interest.

It may be truthfully stated that the Government has no such thing as a tariff policy. It is time, in my opinion, for one to be asserted which will be certain and permanent. The tariff policy ought to be taken out of party politics and relegated to the business methods of the Government. If it could be estimated, I think the loss to the people of the United States by the frequent changes of tariff laws, the unsettling of values, and the insecurity of investments would express an amount that would bewilder the mind.

It is urged as an argument against a tariff embodying any protective idea that it will cause an additional price to be added to the protected article and thus impose a burden upon the consumer.

In 1790 Mr. Hamilton asserted that—

> Internal competition is an effectual corrective of monopoly and in the end leads to a lower scale of prices for protected manufactures than prevailed for foreign.

Experience has demonstrated this to be correct. It is within the memory of many Senators that in certain lines of goods European nations practically monopolized the trade in this country, and we had to pay high prices for them. By protecting the manufacturers of such goods, they have multiplied in this country. They fully equal the imported goods, and we now get them at a greatly reduced price. They are within the reach of the poorest.

With a judicious tariff, manufactures will multiply, labor and capital will find profitable employment, as new and inexhaustible fields will be opened to each, domestic merchants will find ready sale at remunerative prices, while commerce and interstate trade will be stimulated by the distribution of both raw materials and manufactured products, the Nation will approach complete independence in the employment of skilled labor, and there will be a harmonious development in all sections and in all the great interests of the people. To accomplish this, a tariff bill ought to be impartial as to individuals and as to sections.

Every industry that needs protection to keep it in active existence and free from injurious foreign competition ought to receive it, not to such an extent as to enrich the beneficiaries and to impose an unnecessary burden upon the people, but fully enough to provide a revenue for all possible needs of the Government, to encourage domestic production and manufactures, to create competition at home, and to raise the country to a plane of perfect and complete independence.

There was a crying demand for industrial and commercial independence, for, in the language of one of our early statesmen:

> Foreign nations were passing such laws as they judged most likely to destroy our commerce and extend their own. The arm which had struck for independence in the field was palsied in the workshop, the industry which had been burdened in the colonies was crushed in the free States, and the mechanics and manufacturers of the country found themselves, in the bitterness of their hearts, independent—and ruined.

What happened then will again occur, if we invite by a low tariff the importation of foreign goods. Cheap labor abroad will always enable the foreign manufacturer to undersell our home products if duties be low, inflicting cruel wrongs upon our skilled and intelligent labor. We do not want to degrade this labor. We do not want to close a single factory and turn its operatives out upon an inhospitable world. The only means of raising adequate revenues is by tariff legislation, and if we, in the interests of foreign manufacturers, impose low tariff duties, disregarding revenue necessities and adequate protection to domestic industries, our revenue will be scant, our Government be degraded and embarrassed, and our labor, thus discriminated against, sordid and malcontent.

Whenever Congress attempts tariff legislation there are Democrats who contend for and vote for the protection of the industries of their States. They endeavor to get as high protection as possible, and it is a rare instance when one offers an amendment to reduce the tariff rate applicable to the interests in the State he represents. In this way they aid and assist in making the tariff protective, and then vote against it because it is protective.

A principle can not be violated in one particular instance without discrediting the whole doctrine which it supports. It would be more consistent to vote for the bill, unless in other respects it is objectionable. There can be no excuse for voting against it by those who helped to make it protective because it is of that character.

The history of the party on the tariff question and the conduct of the masses of the party and the declaration of its leaders have been equally inconsistent.

District, state, and national platforms have been at variance. The national platforms have declared for a tariff for revenue only and a tariff with incidental protection.

This "incidental protection" is thus expressed by Mr. Madison:

> In adjusting the duties on imports to the object of revenue, the influence of the tariff on manufacturers will necessarily present itself for consideration. However just the theory may be which leads to the sagacity and interests of individuals the application of their industry and resources, there are in this, as in all cases, exceptions to the rule.

This means a discriminative duty in favor of industries which exist, but which would cease to exist unless protected. What was a theory with Hamilton became a fact in the enunciation of incidental protection in Democratic platforms and in the consideration of the Wilson bill, with its protective features, in parts of the act.

I have recited these facts not to impeach the integrity of the party, in no way to detract from the brilliant record it has made, but to show that the tariff question has never been an element of Democratic fealty.

The tariff question is an economic one, and it ought to have no place in party platforms. It should not be disturbed by party defeats and party successes. The bill under discussion should become a law and remain on the statute books at least a sufficient time to demonstrate its merit and its defects.

During the period of reconstruction and of the infamous governments which were imposed upon the people, old line Whigs and Democrats united as one body in efforts to get rid of negro domination. While the struggle lasted, there was no tariff issue presented to the people of the South. The problem was far above free trade and protection. Now that the danger of the supremacy of the negro in government has in a great measure been removed, it is but natural that men who hold views of protection should seek the opportunity of pressing their convictions.

The South has been solidly Democratic from necessity. In the efforts to secure good and honest government by placing white men in power she lost sight of minor interests which, though subordinate to the great and all-absorbing issues confronting her, are nevertheless important for her development and welfare. In Louisiana many of those who acted promptly and effectively in overthrowing carpet-bag government were men who had been reared and educated in the Whig school of politics. There were and are Democrats whose services to the party are not less than those of any Democrat in the Union. These men hold to the view that I have but indifferently expressed.

Two Senators from Louisiana opposed the tariff act of 1857, because it failed to provide adequate protection to the interests of their State. These men were dear to the State of Louisiana and to the South; both were leaders in the movement of secession. One was originally from the North, the other originally a British subject. They believed their allegiance was first to their adopted State. They threw her into war in devotion to what they believed to be a preservation of her honor and conducive to her interests. There is now no divided allegiance. We are not, and I hope we will never be, called upon again to make our choice between allegiance to federal and state governments; but in all the material interests which affect Louisiana, in all matters of legislation which will promote her interests, when the choice is presented to me of voting for them or party measures which would lay her fair surface bare and desolate, I have no hesitation in saying, and I utter the statement with the proudest satisfaction, that I will, regardless of party discipline, vote in favor of any measure that will bring prosperity to my State; and in doing this I will not, to promote such interests, endeavor to destroy the interests of other communities. I want all to share alike in the benefits of legislation. I do not want to see sectionalism and favoritism encouraged.

It is difficult, Mr. President, to conceive how any tariff bill can be enacted into a law without carrying some degree of protection with it. The greater the amount to be raised, the greater is the amount of protection afforded. If a revenue of $200,000,000 is to be raised, it necessarily follows that $200,000,000 of protection must be placed on the different industries of the country in the various sections.

The question presented is how to impartially place this amount and what industries need the greatest protection to make them self-supporting and beyond foreign competition, in what sections the protection inevitably following this levy shall be placed, the effort being to produce the greatest good to the country in all sections and in every industry.

The whole question, then, in framing a revenue law is as to the proper arrangement of schedules. It really becomes a question of schedules, not any underlying principle, except what is right and just. It is the duty of each Senator, without reference to party, to aid and assist in the proper framing of the schedules and to direct the application of the money to be raised in such a manner as to promote the best interests of the country, in a manner that will promote the happiness and contentment of the people by imposing the least burden upon them.

The policy of arbitrarily objecting to schedules to make a record for an ensuing campaign, in my opinion, is inexcusable.

In order to frame the pending bill an estimate was made of the amount necessary to be raised. The schedules and paragraphs were arranged for this purpose. There was at least apparent consistency in the whole. To go through the bill and cut down rates by a half or a fraction of a cent is to disturb the symmetry of the bill, to make patchwork of it, and in the end to destroy its usefulness as an instrumentality for raising a revenue for the Government.

I do not mean to intimate that objectionable schedules should be received, but some measure, at least, should be proposed to take the place of the one rejected. I mean to say that the charges of robbery, and so forth, and objections made simply to make a record for campaign uses are not right or proper.

A protective tariff will be the means of inviting labor because of high wages, and capital because of greater profits. A protective tariff will materially reduce the profits of foreign manufacturers and this will cause them to move their factories here, and this added capital and factories will increase the protective energy, and consequently competition. We will "import factories and export goods." This was the reason for the argument against a protective system by Mr. Buchanan, who said:

> Our domestic manufactures have been saved by the election of James K. Polk from being overwhelmed by the immense capital which would have rushed into them for investment, and for the expansion of the currency which would have annulled any protection short of prohibition.

I do not think that anyone will deny it would be a good result if a protective tariff would bring capital here with a rush for investment.

> The tariff on any class of goods is just as much a protection to all classes of the people as to those engaged in the occupation so protected. Primarily, wages, salaries, and profits of all classes are measured by the tariff rates on the average amount of tariff on all imports when rightly distributed, whether in an industry that is protected or not, excepting that continually wages are increased to the maximum, while profits and income on capital are reduced to a minimum percentage compared with wages, although when the panic comes and the demoralization takes place capital generally meets bankruptcy, which throws labor out of employment and, for the fraction who find a job, drops wages to a minimum insufficient for the laborer to place himself and family in comfort or above want. It makes hard times for all classes.

I have endeavored to show that protection to American industries is a constitutional obligation; that a tariff for revenue only was never contemplated by the fathers of the Republic; that revenue and protection are separate provisions in the Constitution, the former being provided for by a distinctly constitutional method, but as a most convenient means of raising revenue for the support of the Government a tariff was resorted to; that the constitutional obligation to encourage and protect the industries of the country still remains. This is clearly demonstrated by the first tariff law and the amendments to the same.

Mr. President, I see it is about the usual hour of adjournment. I should like to make some remarks particularly directed to the sugar schedule, and, with the permission of the Senate, I will now suspend and take the floor in the morning to finish my remarks.

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After four minutes spent in executive session the doors were reopened, and (at 5 o'clock p. m.) the Senate adjourned until to-morrow, Wednesday, May 26, 1909, at 10 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate May 25, 1909.

APPOINTMENTS IN THE ARMY.

GENERAL OFFICER.

Col. Richard T. Yeatman, Eleventh Infantry, to be brigadier-general from May 22, 1909, vice Kerr, retired from active service.

MEDICAL CORPS.

First Lieut. Wallace E. Sabin, Medical Reserve Corps, to be first lieutenant in the Medical Corps, with rank from May 22, 1909, vice Wilson, resigned.

APPOINTMENT IN THE NAVY.

James D. MacNair, a citizen of New York, to be a chaplain in the navy, from the 20th day of May, 1909, to fill a vacancy existing in that grade on that date.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 25, 1909.

DISTRICT JUDGE.

Henry Groves Connor, to be district judge for the eastern district of North Carolina.

CIVIL SERVICE COMMISSIONER.

William S. Washburn, to be a Civil Service Commissioner.

SENATE.

WEDNESDAY, *May 26, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a memorial of Local Grange No. 304, Patrons of Husbandry, of Camden, N. Y., remonstrating against an increase of the duty on imported gloves, which was ordered to lie on the table.

He also presented the memorial of Fred H. Kable, of Cleveland, Ohio, remonstrating against the imposition of a duty on tea and coffee, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Williamson, N. Y.; Grand Rapids, Mich.; Upland and Tornado, W. Va.; Cain and Dabney, Ky.; Grant, Ala.; Alameda, Cal.; Nashville, Holdenville, and Texmo, Okla.; and of Sniearte, Ill., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. BURTON presented petitions of sundry citizens of Ohio, praying for the retention of the present duty on sugar, which were ordered to lie on the table.

He also presented petitions of sundry citizens of Forest, Kenton, Union, and Grant, all in the State of Ohio, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. CURTIS presented petitions of sundry citizens of Caldwell, Kans., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table and be printed.

He also presented petitions of sundry citizens of Herrington and Marion City, in the State of Kansas, praying for the removal of the duty on hides, which were ordered to lie on the table.

Mr. OLIVER presented a petition of 15 citizens of Carnegie, Pa., praying for the removal of the duty on hides, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Kelton, New London, Landenberg, Elkview, and Oxford, all in the State of Pennsylvania, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a petition of Local Lodge No. 207, Benevolent and Protective Order of Elks, of Pottsville, Pa., praying for the enactment of legislation to create a national reserve in the State of Wyoming for the care and maintenance of the American elk, which was referred to the Committee on Forest Reservations and the Protection of Game.

Mr. ALDRICH presented a petition of sundry citizens of Rhode Island, praying for the removal of the duty on hides, which was ordered to lie on the table.

Mr. STONE presented a petition of E. L. Beal, of Republic, Mo., praying for a reduction of the duty on refined sugars, which was ordered to lie on the table.

He also presented a petition of Cotton Belt Lodge, No. 204, Brotherhood of Locomotive Firemen and Enginemen, of Forn-

felt, Mo., praying for the passage of the so-called "Burkett boiler-inspection" bill and also of the "full-crew" bill, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the board of directors of the Merchants' Exchange of St. Louis, Mo., praying for the enactment of legislation providing for the investigation of the trade conditions at home and abroad, which was referred to the Committee on Finance.

He also presented a petition of the Master Bakers' Association of Kansas City, Mo., praying for the enactment of legislation prohibiting gambling in wheat or options on wheat, which was referred to the Committee on the Judiciary.

He also presented a memorial of Local Lodge No. 184, Independent Order of B'nai B'rith, of Kansas City, Mo., remonstrating against the proposed increase of the tax on immigrants to $2 per head, which was referred to the Committee on Immigration.

He also presented petitions of sundry shoe manufacturers and of sundry citizens of Kansas City, Atlanta, Kirksville, Callao, Chillicothe, St. Louis, Bevier, Brookfield, Macon, Joplin, Cameron, and La Plata, all in the State of Missouri, praying for the repeal of the duty on hides, which were ordered to lie on the table.

Mr. BOURNE presented a petition of 47 citizens of La Grande, Oreg., praying for the retention of the present duty on all grades of sugar, which was ordered to lie on the table.

Mr. BURROWS presented petitions of 331 citizens of Saginaw, 1,657 citizens of Bay City, 16 citizens of Monroe, 1,262 citizens of Gratiot, 298 citizens of Isabella, 154 citizens of Osseo, 218 citizens of Tuscola, 588 citizens of Huron, 47 citizens of Sanilac, 58 citizens of Genesee, 319 citizens of Shiawassee, 233 citizens of Lapeer, 97 citizens of St. Clair, 24 citizens of Lenawee, 84 citizens of Wayne, 16 citizens of Montcalm, 93 citizens of Macomb, and 143 citizens of Menominee, all in the State of Michigan, remonstrating against any reduction of the present duty on sugar, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CURTIS:

A bill (S. 2479) for the relief of the Watson Mill Company, of the city of Wichita, State of Kansas; to the Committee on Claims.

A bill (S. 2480) granting an increase of pension to Zacaria L. Michaels;

A bill (S. 2481) granting an increase of pension to Clayton S. Flowers;

A bill (S. 2482) granting an increase of pension to William Lee; and

A bill (S. 2483) granting an increase of pension to Mortimer L. Milledge (with the accompanying papers); to the Committee on Pensions.

By Mr. BOURNE:

A bill (S. 2484) to provide for the purchase of a site and for the erection of a public building thereon at Portland, Oreg.; to the Committee on Public Buildings and Grounds.

AMENDMENTS TO THE TARIFF BILL.

Mr. CLAY. I submit an amendment striking out paragraph 213 and inserting a new paragraph. I will not ask that it be read, but will ask that it be printed in the RECORD and that it be printed and lie on the table, and at the proper time I will call it up.

The VICE-PRESIDENT. If there be no objection, it will be so ordered. The Chair hears no objection.

The proposed amendment is as follows:

Amendment intended to be proposed by Mr. CLAY to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Strike out paragraph 213 and insert the following, to be known as paragraph 213, in lieu thereof:

"Sugars, tank bottoms, sirup of cane juice, melada, concentrated melada, concrete and concentrated molasses testing by the polariscope not above 75°, 50 cents per hundred pounds, and for every additional degree shown by the polariscope test, 2 cents per hundred pounds additional, and fractions of a degree in proportion. And on all sugar which has gone through a process of refining, $1 per hundred pounds; molasses testing not above 40°, 20 per cent ad valorem; testing above 40° and not above 56°, 3 cents per gallon; testing above 56°, 6 cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscopic test."

Mr. BEVERIDGE. I submit an amendment which I ask may be printed and lie on the table. This amendment, I will say, is designed to correct what is known in the tobacco trade as the "coupon nuisance," and when the whole subject comes up I will say more about it.

The VICE-PRESIDENT. Without objection, the amendment will lie on the table and be printed.

Mr. DICK submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

SUMMARY OF LAND LAWS.

Mr. CLARK of Wyoming. I present a summary of our most important land laws. This is an article prepared for the annals of the American Academy of Political and Social Science by the Senator from Minnesota [Mr. NELSON], chairman of the Committee on Public Lands. It contains so much of general information, and accurate information, in regard to our land laws and is of such general importance that I ask that it be printed as a document (S. Doc. No. 59).

The VICE-PRESIDENT. Without objection, the request will be complied with. The Chair hears no objection.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. HALE. I think the Senator from Louisiana [Mr. MCENERY] has the floor on the pending bill. I do not know whether he desires to go on now or not.

Mr. STONE. I make the point of no quorum.

The VICE-PRESIDENT. The Senator from Missouri suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Beveridge	Crane	Gallinger	Penrose
Brandegee	Crawford	Gamble	Perkins
Bristow	Cullom	Hale	Piles
Brown	Cummins	Hughes	Root
Burkett	Curtis	Kean	Scott
Burnham	Dick	Lodge	Smith, Md.
Burrows	Dillingham	McEnery	Smith, Mich.
Burton	Fletcher	Martin	Smoot
Carter	Flint	Nelson	Stone
Chamberlain	Foster	Oliver	Sutherland
Clapp	Frazier	Owen	Tillman
Clay	Frye	Page	Warner

Mr. PILES. I wish to announce that my colleague [Mr. JONES] is unavoidably absent for a short time this morning.

The VICE-PRESIDENT. Forty-eight Senators have answered to the roll call. A quorum of the Senate is present. The Senator from Louisiana will proceed.

Mr. MCENERY. Mr. President, yesterday I had something to say in relation to the South's interest in protection and also that it had been announced in the Senate by a distinguished Senator that he had called the Democratic party away from its ancient anchorage in one of its heresies. There is undoubtedly a change of sentiment going on in the South in relation to protection, and I hope the Senators from the South who have supported protection on every industry in their respective States may extend the vision of their horizon and reach out and urge protection to great national interests.

To show that such a sentiment is going on, I will read from an address recently made by Col. Robert J. Lowry, a citizen of Atlanta, Ga., president of the Lowry National Bank, of the city of Atlanta. He said:

> In the Southern States we have grown commercially and industrially in a most remarkable degree within the past twenty-five years. We have become a manufacturing section as well as an agricultural one. We produce both raw material and manufactured articles of commerce, and the manufacturing element of our growth has assumed such proportions as necessarily to force a change in our political views. A shining example of this great industrial growth is your own fair city, of which our whole State is justly proud. Now, after all, what are political views? They are simply the principles espoused by any section which when put in practice promise the most for the material welfare of that section. In view of our growth as a manufacturing section, therefore, we can now see the folly of free trade, and in order to protect these industries we must change our position upon that much-debated subject, the protective tariff.
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> The history of the position of the southern people upon this tariff question is one which plainly illustrates the truth of the saying that "It's altogether owing to whose ox is gored." Away back in the early history of this country the southern people were ardent protectionists. We, as a section, were very much opposed to European commercial invasion. In 1789 the first tariff act was passed, intended primarily to protect home manufactures. That idea seemed to be its sole purpose, and that argument has always been and always will be the strongest which can be presented as a reason for its perpetuation. In 1812 it was very difficult, on account of the British-American war that year, to obtain any manufactured goods at all from abroad; and after that war was over a higher protective tariff was imposed for the reason that the American manufacturers wished to continue their business, but they could not compete with English manufactured goods.
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> When this higher tariff was imposed, England retaliated and imposed a tax upon cotton from the Southern States of the Union in favor of

cotton from India, her own province, and of course the southern planters then began to ship their cotton North, to be used in northern mills. The protective tariff kept out English goods and made a market for southern cotton, and hence the planters in the South were ardent protectionists. Then, when England removed her tax on southern cotton, the tariff against English-made goods was not removed, because it was necessary to protect the manufactories of the East. Then the southern planters became free traders, or antiprotectionists, because more than one market was open to them for their cotton, and they wanted to sell at either place, but at the same time buy under a free-trade law, so as to buy at the cheapest possible price.

Such is an outline of the causes which led up to the shifting of the South's position upon the tariff. Conditions now have completely changed, and we have industries to protect, factories of all kinds having sprung up all over the South by reason of an abundance of raw material and the saving of transportation. We know that men have come here from everywhere and put their money into all sorts of industrial enterprises. We know that we must support the policy of protection by tariff, if we grow as an industrial section. We know that our political views must change, though the same conditions will not lead us to the support of the tariff which led our forefathers to be protectionists.

In view of the great industrial revolution which has taken place within the hitherto agricultural Southern States, the time has come for us to realize the change; that we must have these hundreds and hundreds of factories protected, just as New England industries have been for the past hundred years; that we are now manufacturing goods as New England has been for the past century; that our manufacturing is as yet in its infancy; and that we do not want foreign goods, made by cheap foreign labor, pouring into this country to supplant the output of our own mills and cutting down the dividends on the very capital which has made our industrial growth possible, as well as the wages of our employees.

All of our cotton mills, woolen mills, knitting mills, fertilizer plants, lumber and sawmill plants, foundries, and the hundreds of different branches of our industrial development, need the same wall of protection around them, which the Eastern States have heretofore demanded and received. If they survive and grow, as the Southern people desire, we must favor a tariff well-nigh prohibitive of foreign goods made by cheap, half-fed labor of European countries.

Nearly every southern Senator here from a State in which there is a sawmill favors a tariff on lumber. So do I, to the utmost limit, because it has become a great industrial interest in the South and also in some of the Western States.

In the State of Louisiana there are 584 saw and planing mills, giving employment to approximately 38,544 employees, whose incomes, at the minimum figure of $2 per day, would amount to $77,088, or $2,004,288 per month. This money is practically all spent among the merchants, farmers, bankers, doctors, lawyers, and others in Louisiana.

The annual output of the mills in Louisiana foots up 2,972,119,000 feet. Valued at $15 per thousand, mill run, this would bring into the State $44,581,785 yearly. Ninety-three per cent of all the lumber manufactured in Louisiana is shipped out of the State. At an estimated value of $44,581,785 per annum, the income to Louisiana from this source alone in ten years would amount to $445,817,850.

The repeal of the $2 tariff on lumber would cost Louisiana, therefore, $5,944,238 per year, or, in ten years, $59,442,380, to say nothing of the loss the railroad and transportation companies would sustain.

The lumber industry of Louisiana furnishes employment to more adult male employees than any other industry in the State. Forty-one per cent of all the standing timber in the State is owned by the farmers, merchants, and other original owners.

The total production of lumber in the United States last year, or rather in 1907, was 40,000,000,000 feet, valued at approximately $500,000,000.

Not only this, Mr. President, but this industry has within the last ten or fifteen years promoted many other industries, particularly the building of railroads. I think within the last four or five years there have been more railroads projected and built in Louisiana than in any other State in the Union. This is principally owing to the lumber industry of that State. These railroads have been built in order to reach the great pine forests which exist in nearly every portion of that State. They are not tramways, but magnificently equipped roads connecting with nearly all the roads in the United States.

Besides this the lumber industry has built up large and prosperous towns, some of them approaching the dignity of cities. One town I know of I visited in 1887, with a population of about 1,500 people, and it now has a population of 12,000, with magnificent buildings, some factories, lighting and water privileges, and everything of that kind. So it is in other portions of the State. Towns have been built up reaching to a population of 5,000 people, and they are not there to stay only during the existence of the lumber industry. They follow the cutting down of the timber with improved farms, and this population stands as a result of the industries created by the lumber interests, and there will be no decline there as long probably as the State itself shall be in existence.

Mr. President, I want to know from the southern Senators who have voted and expect to vote for a tariff upon lumber, what difference they find between that and imposing a high tariff on the importation of sugar. They have so voted, as they proclaim, in order to satisfy the demands of their party for the purpose of raising revenue. Compare the revenue from the importation of lumber, amounting, I think now, to probably $2,000,000, with the $60,000,000 that was brought into the Treasury of the United States by the tax on sugar.

Therefore, I appeal to the southern Senators to go beyond their localities and abandon their absurd idea and theory of a tariff for revenue only and vote for and be liberal in supporting the industries of the United States. They have claimed that sugar should come in free, practically, because it is one of the prime necessaries of life. These gentlemen profess to follow Thomas Jefferson in every theory that he enunciated, and they hold in sublime faith every utterance that he made. He said repeatedly, and so did Washington, that there should be a duty upon the necessaries of life, for the reason that this country should not be dependent upon any foreign government for necessaries required for the use of the people.

But I do not urge the tariff on sugar on the ground that it is a revenue-producing object. I put it on a higher plane, the absolute necessity of this Government becoming independent of any foreign nation for any necessary which it requires for its support and its maintenance. Break down the tariff on sugar and the country will be overrun with sugars from Europe, refined and granulated, to such an extent that it will stop every beet-sugar factory in the United States and stop the culture of cane in the State of Louisiana.

Heretofore, Mr. President, we have been dependent upon sugar as a revenue-producing agent for the tariff, but now it has grown to be a great national industry, one that, carried to the full measure of its success, will not only supply this country with all the sugar that it consumes, but will enable us to supply the world's demand for sugar. This is the declaration of the Secretary of Agriculture. I believe 23 States are immediately interested in this industry, and its progress in recent years has risen to a magnitude that surprises everyone. No one twenty years ago thought that the beet-sugar interests would gain such headway. It promises at not a distant day to supply all the domestic wants and a little further on all of the world's demand. In Louisiana, according to good authority, if all the land in the State available for sugar culture were placed under cultivation, it could supply one-half of the sugar now consumed in the United States. Unfortunately there has been an uncertainty in tariff measures and people have been reluctant to place their money in an industry that in the future might be destroyed by a low tariff or by the admission of sugar free. There were other crops there that they could grow, cotton and rice, but now it is dawning upon those people, since the appearance of the boll weevil, that portions of that State must be devoted to the culture of cane.

Misfortunes, Mr. President, sometimes bring with them corresponding benefits. In the extreme northern portions of the State there will soon, I think, begin the culture of cane and its manufacture into granulated sugar.

I have here a letter from a Louisiana planter, a resident of Ouachita Parish, one of the extreme northern parishes of the State, in which the writer says:

> Sugar cane and cotton are destined to become in the future the chief money-producing crops from the delta plantations of north Louisiana. It is said that 75 per cent of these lands are encumbered with debts due to local banks, cotton factors, and land loan companies.

Some of which I referred to yesterday.

> Some staple crop or crops must be discovered to at least meet the yearly interest on said indebtedness. Cane growing on our cotton plantations has never been tried except by negro renters who would have a "patch," of which a portion of the cane would be stolen by other negroes. In the hill parishes, between the Ouachita and Red rivers, the white farmers plant cane patches along the branch valleys and produce by the one-horse mill and an open kettle a very fine sirup.
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> The retail country merchant has gone back on homemade molasses or sirup as an article of merchandise. The small hill farmer is beginning to pack his sirup in tin cans, and thereby finds a local market. We speak from experience when we say that the sirup in the can will turn to sugar if opened and kept a while. While north Louisiana cotton lands will not yield as many tons of cane per acre as south Louisiana, we incline to the belief that the yield of sugar will be satisfactory.
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> The boll weevil has created a good demand for sugar cane for planting purposes. We know of 20 acres in plant and first and second stubble on one plantation. The cane will grow here, but much mission work is necessary before a central sugar plant can be erected.

So it will be all over northern Louisiana. As was said by the director of the Louisiana sugar experimental station, Louisiana will, if the industry is properly encouraged, produce one-half of the sugar consumed in the United States.

Now, Mr. President, in regard to the other crops of the South, whenever there is a calamity, when some insect appears which affects the crop, immediately there is an appeal to the General Government for assistance, and large sums of money are appropriated in order to destroy the pest, either by finding

some means by which it can be poisoned or by advanced measures of cultivation under which it can do no damage. Where does this money come from? It comes from the Treasury of the United States, and there must be money put there in order to meet such demands. While people are opposing a duty on sugar that produces such a revenue, which enters the Treasury of the United States, they are getting back what they have paid on the tariff for sugar. It comes back to them with interest.

It may be said in behalf of their appeal, which I approve, that the cotton industry is of such great proportions that this Government can not suffer the loss hardly of a single pound. Apply this reasoning to the great sugar interests of this country. If we can produce all the sugar that we consume and supply the European demand for sugar, it will favorably compare in amount with that of any other agricultural product.

But the chief fight seems to be, Mr. President, upon what is called the "sugar trust." Conceding the idea that a tariff on sugar is designed purposely for the benefit of that trust, innocent people must suffer because, as they state, they receive no benefit from the tariff.

I do not know whether the sugar trust owns any interest in any beet-sugar factory or not. I do not know positively whether it has made a combination with any other factories or not. I do not know whether it has a combination with any other refinery, of which there are a great number in this country. At any rate, the primary motive in imposing this tariff upon sugar is for the purpose of keeping out the refined sugars of Europe in order that we may completely develop the sugar industry in this country. The "sugar trust," so-called, have nothing to do with it. They have a right to buy sugar and to refine it, provided they do not enter into any combination which violates the law in reducing the price of sugar or in any way creating a monopoly. If they have done this, there is a law which can send them to the penitentiary, as has been demanded in this body, but we should not make the innocent people suffer. Why should we crucify the people in order to wreak vengeance upon the sugar trust? Why make them the vicarious sacrifice for the original sins of the trust? Adam was driven out of Paradise with the temptation of a single apple; and these people, who are demanding a low tariff on sugar or its free admission, have handed this sugar trust not only one apple but hundreds of them, in the way of the introduction of free sugar, thus lowering the price of domestic sugar. They have voted for every item for the introduction of raw sugar free into this country; and the sugar trust, having the money, have entered the market, and they have bought the raw sugar, which they had a right to do, if they were not violating some law.

They have welcomed here the sugar from Cuba. They voted for the reciprocity treaty with Hawaii. And to-day they would open the commerce of the world to raw sugar and bring it here for the purpose of aiding the sugar trust, notwithstanding they would consign to poverty the thousands of people who are dependent upon that interest for their livelihood.

Not only that, but they would inflict a great injury upon the country by depriving it of the possibility of becoming independent of every other country in the production of sugar, and by depriving it of its great revenue and the profit which would be derived from shipping it abroad and supplying the world, probably at cheaper rates, when the industry meets its full development, than possibly can be done in Europe even with their cheap labor.

Mr. President, other countries have expended vast sums of money in order to create sugar industries. How much has France spent since the time that Napoleon first encouraged the cultivation of the beet and its manufacture into sugar? How much money has Germany spent? Millions of dollars; and Germany to-day is holding her sugar for the purpose of getting a market in the United States and destroying the industries of our own country. She is looking not only to this country for the introduction of her manufactured sugar, but for all her other manufactured goods. I notice by the papers that there were 189,000 pairs of stockings landed in the city of New York on the 19th of May, every one of which will be labeled "Made in Germany." So it is with her other industries. Break down the tariff wall in the interest of foreigners and the consequence will be the destruction of our own manufactures.

I need not call attention particularly to the great advances which have been made in the cultivation of the beet-sugar industry, but the report of the Secretary of Agriculture shows that—

In 1896 the total daily beet-slicing capacity of American factories was 4,000 tons; in 1908 it was 50,000 tons.

In 1896 the United States produced from beets 36,000 tons of granulated sugar, valued at $3,261,000; in 1906 we produced 484,000 tons, valued at $43,753,000.

In 1896 American farmers planted 41,000 acres to sugar beets; in 1906 they planted 376,000 acres.

In 1896 the price paid for beets was $4.10 per ton, and in 1908 it was $5.35 per ton.

In 1898 American farmers found a market for 364,000 tons of beets, and in 1906 they marketed 4,236,000 tons.

In 1898 these farmers received $1,564,000 for their beet crop, and in 1906 they received $21,604,000 for the crop.

In 1897 the American farmer's gross return per acre of sugar beets was $39, and in 1906 it was $57.

Is there any other industry which shows such a vast increase in such a short time as the beet-sugar industry?

Is it not worthy of encouragement? With this rate of increase, Mr. President, how long would it be before it would reach that rapid development which would enable us to supply the world's demand for sugar?

Other nations have seen the benefits of this great industry and, as I have said, have spent vast sums of money for it. Even in Italy within the last few years the sugar industry is recuperating the worn-out lands in that country. I now read from a consular report on that subject:

THE SUGAR-BEET INDUSTRY IN ITALY.

Since the sugar-beet industry has assumed such large proportions in the State of Wisconsin, our readers will be interested in knowing something concerning sugar-beet raising in other States and countries. United States Consul James E. Downing, of Milan, furnishes the following information concerning the sugar-beet industry of Italy:

"All the sugar produced in Italy is refined from the sugar beet. No cane sugar is produced, and therefore a small quantity is imported to meet a special demand, and imports in 1906 amounted to only 12,412 tons, the largest import since 1902, when it amounted to 20,011 tons. Austria supplied more than one-half of the total imported in 1906, France, Belgium, and the United Kingdom following in their respective order.

"The 100,000 acres under sugar cultivation in Italy were formerly almost waste ground, with the exception of a small amount of fruit grown thereon. To-day this ground yields from $40 to $60 worth of beets per acre. Formerly the fruit grown on the ground brought from $25 to $40 per acre. This increase means a great deal to Italian agriculture in general. It raised the wages paid for farm labor about 2½ cents per acre, and gives employment to large numbers of factory hands at from 60 cents to $1.10 per day. There are at present about 26,000 persons employed in the sugar industry in Italy."

This industry has been of comparatively recent origin in Italy. Just as it has done in Italy, it has done in this country, and it will do more in the future. We have the report from the Secretary of Agriculture that land, which was worth probably from $5 to $10 an acre, has gone up as high as $250 an acre. We have it that the beet has gone up in price from $4 to $5 per ton. Wages have gone up correspondingly. The industry employs more people than are employed in the beet factories in Italy. In Louisiana alone there are 25,000 people dependent upon the sugar industry in the factory and in the field.

What we need, Mr. President, is some settled policy in regard to the development of this industry. Capital is easily frightened, and every time there is a revenue bill this question comes up in reference to the free admission of sugar from foreign countries. It kept back the beet-sugar industry for many years until the passage of the Dingley law, when it was thought that the tariff was placed there with some reasonable degree of certainty. Look at the period of existence and the improvement of this industry under the Dingley law. It has gone up to such figures as I have just quoted.

I now read from the Louisiana Sugar Planter:

THE REFINERS' SUGAR DIFFERENTIAL.

The Dingley tariff bill now in force, apart from its levy of 0.035 of a cent per pound duty upon all raw sugar, levies a differential of one-eighth of a cent per pound over and above the raw-sugar duty on all refined sugars and on all sugars, whether refined or not, above No. 16 Dutch standard in color.

The term "raw sugar" now ordinarily means sugar of 96 per cent sucrose content, as determined by the polariscope. Carried on in a large way, as all the sugar refiners do their business, it costs one-half cent per pound of sugar refined to buy enough raw sugar of 96 test to make 100 pounds of refined and to refine it, put it in barrels, and ship it. This half cent per pound is, of course, over and above the cost of 100 pounds of raw sugar of 96 test, but covers the cost of the increased quantity necessary to secure 100 pounds of refined as well as the whole process of refining, packing, and shipping. This was so definitely determined that after the adoption of the tariff-commission bill, March 1, 1883, a number of very prominent sugar refiners failed between that date and 1888, when the leading features of the present sugar refiners' combination were effected. During this five years preceding 1888 the margin of difference between 96 test raw and granulated of 100 test averaged very slightly over 50 cents per hundred pounds, and this brought failure to many refiners. As soon as the new combination was got into working order the margin between 96 test sugar and granulated rose to about 90 cents, and has fluctuated between 90 cents and $1.20 per hundred pounds ever since, usually fluctuating between 90 cents and $1.

The next point that we desire to make is that the present schedule of duties on raw sugars and the differential are so carefully calculated as to just exclude foreign refined sugar. In fact, our readers will recall the very considerable exports of American refined sugar to Europe last fall, the same being made presumably out of Java sugar, which had to pay a full rate of duty to enter into this country, and which when exported as refined sugar made from the Java sugar, was entitled to a rebate of all the duty paid upon the sugars, less 1 per cent. We may have some doubts as to whether or not the calculations of the Treasury Department are accurate as to the exact relation of the refined sugar and its by-products to the raw sugar consumed in the process of manufacture, but any way, exportations of such sugar were made to a very considerable extent the latter part of last year, while

at the same time the prices of refined sugar in this country were so high as to attract the attention of European refiners who stood ready to send their sugars in to us whenever any possible margin of profit developed itself. To state the case again, the margin between 96 test raw sugar and 100 test granulated, if above 90 cents invites European competition, and if below 90 cents is only permitted to go below for some ulterior purpose, frequently, it appears, for the purpose of bulldozing the holders of raw sugar. Time and again when the sugar refiners need sugars the most they have quietly marked down their own margin 10 or 15 cents per hundred pounds and displayed indifference as to the purchase of sugars; and when these influences brought about a sufficient demoralization among sellers, they took in all the sugar they could get at the desired quotations, and, of course, then claimed that they did not desire to make any further purchases at such prices. If 90 cents per 100 pounds be the limit that excludes foreign competition, it is manifest that if the refiner's margin is cut off 12½ cents he must buy his produce 12½ cents per 100 pounds cheaper than now if he is to maintain his 90 cents per 100 pounds manufacturing differential. In other words, 12½ cents per 100 pounds off of refined sugar would lower the level of values of all of the so-called "privileged sugars," that come into the United States market, say those of Louisiana, Texas, the beet sugar from our Western States, and cane sugar from Hawaii and Porto Rico; and experience shows that it would have the same effect upon the Cuban crop, unless they held their sugars back in Cuba in a defiant sort of way, such as to compel the trust to come to them. This defiant attitude of the Cuban planters has not been assumed during recent years as it was a generation ago, the reciprocity treaty taking the backbone out of the Cuban planters, as they realized they had no other market than ours to sell their sugars to and they generally submitted to what seemed to them the inevitable. They sold at whatever prices were offered to them.

The inquiry would naturally arise as to whether or not we who produce the so-called "privileged sugars" ought not to display greater financial strength. President Taft seems to think this way when he said that so long as the United States has to import any substantial part of the sugars that it consumes, the level of values of raw and privileged sugars must be the world's level of values plus our protective duties. This view of the matter is entirely erroneous, from the fact that the producers of sugars can not hold them until the end of the sugar year, when there may be a deficit of 10 per cent in the sugar imports that would not be filled with sugars from the outside world, not privileged, such as those from Java, for instance.

If there were no differential whatever in favor of the sugar refiners, the refiners would almost surely be driven out of business. There is no other great industry similar to it in this country but what has a margin of protection granted to it in the present tariff system. If there were no protection granted to the sugar refiners whatever, there would be an invasion of this country with high-grade beet sugars and with very light-colored low-grade Scotch refined sugars, and gradually with high-grade sugars from all parts of the world, as even Mexico is now producing pure white sugars right on the sugar plantations, just as used to be done on scores of plantations in Louisiana sixty years ago. The present organization and cooperation of the sugar refiners has certainly one merit, and that is they render the sugar markets of the world comparatively steady. While they are disposed to bear down raw sugar values just to the point that will exclude the importations of refined, nevertheless they have stood ready at that point to buy all of the raw sugar offered to them. As recently as twenty or twenty-five years ago, low-grade sugars were very frequently sold in New Orleans at prices that bore little relation to their intrinsic value. We have in mind now a certain lot of common second sugars that was sold to the sugar refiners at 1½ cents per pound when the duty on sugar of that grade and test was 1⅞ cents per pound. With a large buyer on the spot ready to buy sugars on some common basis, such inequalities in values as we have referred to become practically impossible.

Our sugar refiners in the United States have brought the process of refining up to such a fine art, furnishing refined sugars of such purity and color as can nowhere else be found, that they have tended to lead the American consumers to become very critical in regard to the quality of the sugars they consume. The demand for yellow and brown cane sugars has practically ceased to exist in the United States. In the manufacture of beet sugars, which now constitute in the commercial world over one-half of the total supplies of sugar, it was long ago found essential for the sugar factories to turn out sugars white in color and practically pure sucrose in order to get rid of the offensive natural odor of raw beet sugar. While there are some beet-sugar factories in Europe manufacturing raw sugars still and selling them to other establishments to be there refined, it is generally considered on the Continent that the raison d'être of the European sugar refiner has passed away and the fabricant now turns out enough pure, white sugar to supply the whole sugar world, what little may be needed in the way of loaves or cut loaves being manufactured by the few refineries that still exist. Our American sugar refiners sometimes talk very independently, and the Spreckels people have even been carrying on a propaganda advocating the serious lowering or entire removal of the duty on raw sugars. They must know what they are talking about; and if they do, they know that they could hardly have any duty on refined if they eliminated the duty on raw sugar imported into this country; and when it comes to a close call between the American sugar refiner and the German and Austrian sugar manufacturers, the latter would be able to hold their ground successfully in the markets of the United States. The American sugar refiners are very skillful and control immense sums of money, but still the money has to earn some interest, the wages of labor are high, and in these two elements the Europeans have a very marked advantage over us.

It is certainly to the interest of the sugar planters of Louisiana and the United States generally at the present time that the full differential on refined sugars should be maintained. If it be not maintained, the American level of values for refined sugars will be depressed accordingly and the American level of values for 96 test will be depressed correspondingly. The New York quotations of April 22 for American granulated were $4.80; first marks of German granulated, basis of New York, duty paid, $4.78. Twelve and a half cents would give a profit to the German exporters, and we should have thousands of tons of German sugar on our already overloaded market.

In this connection it is proper to call attention to the fact that the Scotch sugar refiners are among the most skillful in the world, and by their skillful manipulation they can produce sugars of low sucrose content and polariscopic test that are practically white in color. The American discrimination against these low-test, refined sugars, they being practically excluded from this country because they must pay the differential of 12½ cents per hundred pounds, being above No. 16 Dutch standard in color, has had disastrous influence upon the Scotch sugar-refining industry, which a generation ago was quite flourishing. The American sugar refiners have always seemed to have had a very wholesome fear of the canny Scotchman and his handsome, but cheap sugars. Greenock, near Glasgow on the Clyde, was the first city in the world to have a sugar exchange, which it had thirty or forty years ago, when thousands of tons of Scotch sugars came to the United States. The tariff commission bill of March 1, 1883, ended their career in this country, but the sugar refiners have a wholesome fear of them still, and it is fair to infer that we who produce sugars of 96 to 98 test would also be injured by an invasion of sugars of 10 per cent lower test and of equal or superior color. We had rather let the sugar tariff stand as it is, and we believe that it is to the interest of all concerned, consumers and producers, that this should be done.

The trust's protection runs to our beet-sugar refiners, to more or less of Louisiana sugar refined in and about New Orleans by so-called "independent" refiners and to Porto Rico sugar, and to so much of Hawaiian sugars as come to the coast; that is, outside of trust contract. So that the trust does not enjoy a monopoly of this "differential" protection, as I look at it.

It is by no means clear that a repeal of the differential, striking out all duty on refined sugar, would operate practically to reduce the price that refiners would charge the people for refined sugar.

Again, the differential—at present 26½ cents per 100 pounds, and as proposed, 22½ cents per hundred (a reduction of 4 cents, or 20 per cent per 100 pounds)—does not seem excessive, compared with the one-half cent rate under the McKinley law, nor with the differential under the Wilson law, when it was one-eighth cent plus the ad valorem difference and the amount of duty paid on the value of 100 pounds of refined.

For example, assuming that it took 107 pounds of raw to make 1 pound of refined, the trust paying duty on it at 40 per cent ad valorem, the duty on the 107 pounds, at 3 cents a pound, was $3.21 (40 per cent was $1.28). If foreign refined came here valued at, say, 3½ cents a pound, the duty was (100 by 3½ cents) $1.54, to which add the one-eighth cent ($0.125); total, 26½ cents as the protective differential, as against the 22½ cents proposed by this bill.

Sugar was lower in 1892–1896 under a greater differential than in 1907 under a lesser or equal differential.

1892, wholesale price of refined in New York	$4.34
1896, wholesale price of refined in New York	4.53
1907, wholesale price of refined in New York	4.80

The truth seems to be that the trust's profits appear to depend on things other than its differential.

If anyone desires to "hit" the "sugar trust" for any cause, he should seek by a clause in this bill to denounce or put an end to the Cuban treaty that expired December 27, 1908, and by which the "trust" profits on raw from 17 to 33 cents a hundred.

	Consumption.	Duty.	Per capita consumed.	Wholesale price New York refined.
	Tons.		*Pounds.*	
1884 (high duty)	1,309,000	$47,500,000	52.4	$6.76
1892, bounty act (free sugar), ½ cent differential	1,853,000		63.8	4.34
1896, Wilson bill, 40 per cent ad valorem and ⅛ cent differential	1,960,000	29,800,000	62.5	4.53
1907, Dingley Act	2,990,000	60,100,000	76	4.80

Average wholesale price of refined in New York:

1908	$4.95
1907	4.65
1906	4.51½
1905	5.25+
1904	4.77
1903	4.64
1902	4.45+
1901	5.05—
1900	5.32

Average wholesale price of 96° centrifugals in New York:

1908	$4.04
1907	3.75
1906	3.68+
1905	4.27+
1904	3.97+
1903	3.72
1902	3.54
1901	4.09+
1900	4.56
January 9, 1909, refined	4.45
January 7, 1909	3.73
Difference only	.72

Or less than three-fourths cent per pound.

Mr. President, this same question about the abolition of the differential came up in the discussion of the Dingley bill. Senator Jones, of Arkansas, had made a motion to strike out the differential, and he said that he wanted the poor people to have

cheap sugar; that he wanted them to have what was called "the poor man's sugar," and he alluded to the No. 6 imported by the Standard Refining Company, managed, I think, also by Cook & Co., of New York. That sugar, which he called "the poor man's sugar," was a very beautiful sugar. I exhibited some of it to the Senate in 1897. It had a most beautiful color and was most attractive in appearance, but it was deceitful in taste. It was a cheat and a fraud. Under the McKinley law it came to this country in vast quantities. You could not go to a grocery store anywhere in the country where you would not find that sugar on sale. With free sugar or a low tariff it will come here again. That was "the poor man's sugar."

Of what was that sugar composed? That sugar polarized 83.6; its value was 4.06; its relative value is only 3.978. Louisiana sugar, a little darker in color, which polarized 98.6, was worth in New Orleans at the same time $3\frac{3}{16}$ cents a pound, having only 2 per cent of water, while this "poor man's sugar" had $16\frac{1}{2}$ per cent of water.

After Adam had been condemned and driven from Paradise—I do not know anything about theology, but I think the preachers believed that there was still a little taint of original sin, and that you had to wash it out with water. So these people think there was some of this original sin among the people engaged in the sugar industry, inheriting it from the sugar trust; and they have put this water into the sugar and expect the people to drink it down with a little sugar and wash out the original taint. [Laughter.] That is about the only effect it would have—in the imagination.

The sugar industry in Louisiana is far-reaching in the benefits it distributes throughout the country. I only mention this industry, leaving it to those who live in the beet-sugar districts to show what vast advantages flow, commercially, from the cultivation and manufacture of beets. In Louisiana we employ in the factories the most skilled labor; we pay the very highest wages and employ the most costly machinery, the machinery in the sugar houses costing from one hundred thousand to two hundred and fifty thousand and three hundred thousand dollars. All that machinery has to be bought outside of Louisiana. I recollect in 1897 I received letters from Cleveland, Cincinnati, Pittsburg, and some other cities relative to sugar machinery, all of which was to go to the State of Louisiana. Then they buy all their chemicals abroad. They use the finest mules in the world. To draw a sugar plantation plow requires from 2 to 8 mules. This class of mules are the very finest which can be produced.

They are raised in Kentucky, in Tennessee, and in Missouri. Our planters send out there and buy a vast number of mules. I know the State of Tennessee, for instance, almost worships the mule, and I am inclined to think that that is brought about a good deal by the big purchases which the sugar planters of Louisiana make. I recollect once going into a court room in a town in Tennessee. There was a judge, who probably was not excelled by anyone in the State of Tennessee for ability and character. He was in his seat, and on his right was a picture of a jack. [Laughter.] Nobody who did not have great admiration for the mule and the benefits it brought to him would have there hanging such a picture in the court room and having it the handmaid of justice.

Mr. President, just as certain as I am standing here, if a low tariff is placed upon sugar, so that the Germans can reach here with their refined sugar and the Austrians can reach here with their refined sugar, and the Italians, who are now shipping their sugar here with the other beet-producing and beet interests in Europe, can reach here, I say that, within twelve months after the introduction of that sugar, there will not be a single plow running in the cane fields of Louisiana, there will not be a single beet raised anywhere in the beet-raising States; the industry will go out of existence and will be entirely at the mercy of the people who will have a monopoly and impose higher prices than we now pay for sugar.

The VICE-PRESIDENT. The Secretary will state the pending paragraph.

The SECRETARY. Paragraph 213, page 72.

Mr. NELSON. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Minnesota suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Burkett	Crawford	Frazier
Bacon	Burnham	Cullom	Frye
Bailey	Burrows	Cummins	Gallinger
Bankhead	Burton	Curtis	Gamble
Beveridge	Carter	Dick	Guggenheim
Bourne	Chamberlain	Dillingham	Heyburn
Brandegee	Clapp	Dolliver	Hughes
Bristow	Clark, Wyo.	Flint	Johnston, Ala.
Brown	Crane	Foster	Kean
Lodge	Oliver	Rayner	Stephenson
McCumber	Overman	Root	Stone
McEnery	Page	Scott	Sutherland
Martin	Paynter	Simmons	Tillman
Money	Penrose	Smith, Md.	Warner
Nelson	Perkins	Smith, S. C.	Wetmore
Nixon	Piles	Smoot	

Mr. PILES. I announce that my colleague [Mr. JONES] is unavoidably detained from the Senate Chamber this morning.

The VICE-PRESIDENT. Sixty-three Senators have answered to the roll call. A quorum is present.

Mr. BRISTOW. Mr. President, I ask that the paragraph we are now considering be read.

The VICE-PRESIDENT. The paragraph has once been read. If there be no objection, the paragraph will be again read. The Chair hears no objection. The Secretary will read paragraph 213.

The Secretary read as follows:

213. Sugars not above No. 16 Dutch standard in color, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75°, ninety-five one-hundredths of 1 cent per pound, and for every additional degree shown by the polariscopic test, thirty-five one-thousandths of 1 cent per pound additional, and fractions of a degree in proportion; and on sugar above No. 16 Dutch standard in color, and on all sugar which has gone through a process of refining, 1 cent and ninety one-hundredths of 1 cent per pound; molasses testing not above 40°, 20 per cent ad valorem; testing above 40° and not above 56°, 3 cents per gallon; testing above 56°, 6 cents per gallon; sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscopic test.

Mr. BRISTOW. I desire to offer the amendment which I send to the desk, and ask that it be read.

The VICE-PRESIDENT. The Senator from Kansas offers an amendment to the paragraph, which will be stated by the Secretary.

The SECRETARY. In paragraph 213, line 23, page 72, after the word "sugars," strike out the words "not above No. 16 Dutch standard in color;" also on page 73, in line 6, after the word "proportion," strike out the words "and on sugar above No. 16 Dutch standard in color."

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kansas.

Mr. BRISTOW. I desire to offer another amendment to the same paragraph. I send it to the desk and ask that it be read.

The VICE-PRESIDENT. Is it an amendment to the amendment?

Mr. BRISTOW. No, sir; it is an amendment that I have prepared.

The VICE-PRESIDENT. The pending amendment ought to be disposed of first, as but one amendment can be pending at a time. The amendment, however, can be stated.

The SECRETARY. On page 73, line 8, after the word "and," strike out the word "ninety" and insert in lieu thereof the words "eighty-two and one-half."

Mr. BRISTOW. Mr. President, I have listened to the discussion of the sugar schedule with a great deal of interest, and I was very much interested, especially in the address delivered yesterday by the junior Senator from Louisiana [Mr. FOSTER]. It was, in my judgment, a very fine historical review of the sugar tariffs and the sugar industry of the United States. The discussion, however, has been proceeding upon the assumption that an effort was being made to destroy the sugar industry of this country. Indeed, it has appeared to me during the discussions that have occurred in this debate that whenever a Senator endeavors to reduce an existing duty, he is at once accused of undertaking to destroy the industry that is affected by that duty. The burden of the argument by both the Senators from Louisiana has been that it is necessary to maintain this paragraph as it is now in order to prevent this industry from being destroyed.

Mr. President, I hope to show at least some reasons why the amendments that I have offered may be accepted and adopted by Congress without in any way injuring the industry of sugar production in the United States. I want to say now that there is not a Senator here who is more interested in preserving the sugar-producing industry in the United States than I am. There has been a studied effort by those in charge of this bill to put the Republicans who are termed "progressives" in the attitude of making an assault upon the protective-tariff system. I am a Republican and am as earnestly devoted to the fundamental principles of the party as any Member of this body. I am a protectionist because I believe it is a wise policy.

What is the purpose of protection? In the early history of our country we had a sparse population that lived mostly by the pursuit of agriculture; and the great Hamilton, in order to transfer the source of supply for manufactured articles of domestic use from Europe to the United States, advocated the

imposition of a tariff upon the importation of such manufactured articles. His purpose was to encourage our American industries and transfer the factories from abroad here. We had a country of vast undeveloped resources, and to develop those resources was the purpose of the original protective-tariff legislation.

So we contend to-day, as a party, that protection is a wise policy whenever it can be used to develop an undeveloped resource; and that has been demonstrated in the one hundred and thirty years of our country's history. After the industries were established, then those favoring the protective tariff advocated the continuance of the duty in order to make up the difference between the wages that were paid here in our factories and the wages paid abroad. We had a sparsely settled country. There was not such a supply of labor here as there was in European countries; and there being practically unlimited opportunity, the demand for labor was great and the wages therefore higher. As a result it cost more to produce a given article here than abroad. Costing more to produce such article, it was necessary that that difference in the labor cost should be made up by a tariff on imports in order to sustain the industries which had been established. The Republican party has always advocated protection for these two reasons—that is, to develop our undeveloped resources and protect the wages of American workmen—and for no others.

Whenever we have ascertained the difference in the cost of the unit of production here and abroad, it is our duty to impose a tariff equal to that difference, so as to give the American industry an ample opportunity to compete with foreign industries of a similar character; but when you advance the duty beyond that mark, then it ceases to be a legitimate protective duty. We are not justified in maintaining a duty for the purpose of maintaining prices beyond that point, because then, instead of sustaining an established industry, you are gratifying the greed of the men who are in control of the industry.

Mr. President, I have made these few general remarks before I enter into the discussion of the sugar schedule, because I do not intend that the Republicans who are standing here in this body for a reduction of the duties in this bill shall be branded as against the protective policy. They are not; they are trying to preserve it and defend it against its most dangerous enemies. The men who to-day are demanding that the exorbitant duties in this bill be enacted are the worst enemies of the protective policy. They are trying to make it, instead of the symbol of prosperity and progress, the symbol of graft and greed.

THE DUTCH STANDARD.

Now, what about the sugar schedule? The first amendment that I have offered would strike out the Dutch-standard provision. What is the Dutch standard? We heard a good deal of talk about it yesterday. The junior Senator from Michigan [Mr. SMITH]—and I am sorry he is not here—said yesterday, with great enthusiasm and vigor, that it was the yardstick that measured the purity of the sugars of the commercial world.

I have the Dutch standard, in part at least, here [exhibiting bottles of sugar of various grades of color]. The Dutch standard is a provision which the Dutch Government established many years ago for measuring the purity of raw sugars that were imported into Holland from the West Indies, where the sugar was produced.

Mr. LA FOLLETTE. I suggest the absence of a quorum, Mr. President.

The PRESIDING OFFICER (Mr. PAGE in the chair). The Senator from Wisconsin suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Guggenheim	Paynter
Bacon	Crane	Hale	Penrose
Bailey	Crawford	Heyburn	Piles
Bankhead	Cullom	Hughes	Rayner
Beveridge	Cummins	Johnson, N. Dak.	Root
Bourne	Curtis	Johnston, Ala.	Simmons
Bradley	Daniel	Kean	Smith, Md.
Brandegee	Dillingham	La Follette	Smith, Mich.
Bristow	Dolliver	Lodge	Smith, S. C.
Brown	Fletcher	McCumber	Smoot
Burkett	Flint	McEnery	Stephenson
Burnham	Foster	Martin	Stone
Burrows	Frazier	Nelson	Sutherland
Burton	Frye	Nixon	Tillman
Carter	Gallinger	Oliver	Warner
Chamberlain	Gamble	Overman	
Clapp	Gore	Page	

The PRESIDING OFFICER. Sixty-six Senators have answered to their names. A quorum of the Senate is present.

Mr. BRISTOW. Mr. President, as I was saying, the Dutch standard for testing the purity of sugar was decided upon many, many years ago by the Dutch brokers who were importing sugars from the West Indies. Afterwards it was adopted by a number of the nations of Europe. They did not all adopt the Dutch standard, but many of them did. At that time there was no method of testing the purity of sugar except by color. It consists of 20 bottles of sugar of various colors of lightness numbered from 1 to 20.

According to this standard the lower colors represent the baser sugars, and the higher colors represent the purer sugars. This sample which I hold here in my hand is No. 20. When this system was adopted, No. 20 represented the purest and best sugar. Since then, I understand, higher numbers have been added, until we now have even lighter sugars. These samples which I have here were secured from the Treasury Department and from the Agricultural Department, and are properly sealed and stamped.

THE POLARISCOPE.

Afterwards, in the development of the sugar industry, the polariscopic test was adopted. The polariscope is an instrument which passes a flat ray of light through sugar in solution, and measures the saccharine purity of that solution. It is very accurate, and will determine exactly what foreign substance is in the sugar that is dissolved.

Since the polariscopic test was discovered nation after nation has accepted it as the most accurate method of measuring the saccharine purity of sugar, and the Dutch standard has gradually gone out of use. It has been declared time and time again that color does not measure the purity of sugar. Under the present method of manufacturing sugar by what is called the "centrifugal process" a sample may be light in color but low in saccharine quality, or it may be dark in color and high in saccharine quality. As far as I have been able to learn, there has always been a higher duty charged on the purer sugar than was charged on the lower grades of sugar; so that the natural tendency was, when color was the standard, to reduce the color so that it would come in under a lower duty, a perfectly natural thing to do. Sugars of a high degree of saccharine quality would be reduced to a dark color by mixing an ingredient like lime, or something of that kind, and come in under one of these lower numbers, thereby getting to the market at a lower rate of duty; and after they had come in, the dark color could be taken out.

This fraud—or I do not know that it should be termed "fraud," but this method of evasion—led to the adoption of the polariscopic test by the greater number of nations in the commercial world. In the phraseology of the present law we adopt the polariscopic test of measuring the amount of duty that shall be paid on sugars, and the Dutch standard is introduced into that law for the purpose of preventing the lighter grades of raw sugar coming into the market at the duty that they would come in under, according to the polariscopic test.

I have some other samples here which, with the indulgence of the Senate, I will be glad to exhibit, to illustrate what I am trying in my imperfect way to demonstrate to the Senate. This bottle contains a sample of sugar the polariscopic test of which is 90. That is a sugar that is down probably as low as 12 of the Dutch standard, or about that.

Now, in this other bottle is a sample of a sugar that is above 16. This is called "Java crystal." It is a Java sugar which is above 16 Dutch standard, and it could not come in under this law without paying the same duty that refined sugar would pay—$1.95—under the present law. It tests 97° by the polariscope. This sugar could not be imported, although it is not a refined sugar, without paying the full duty of refined sugar. The duty that that sugar would pay under our present law, if the Dutch standard was removed, would be $1.72 per hundred pounds, because it tests 97.

Mr. BEVERIDGE. What does it pay now?

Mr. BRISTOW. It would pay now, if it came in, $1.95, but it does not come in. Why does it not come in?

KEEPS GOOD RAW SUGAR OUT OF THE MARKET.

The broker in New York, when he buys the sugar, buys it upon the basis of 96° test by the polariscope. The polariscope measures the degree of purity, and you will remember that the lowest degree fixed in this law of ours is 75. If the sugar tests 75° under the polariscope, the duty is 95 cents per hundred pounds, and for each additional degree of purity there is added 3½ cents per hundred pounds until we get up to 100, which is pure sugar, and then the duty for "unrefined" pure sugar would be $1.82½, as the maximum duty on raw sugar. But 100° sugar is pure sugar. It is, in fact, refined sugar, so that the duty on refined sugar by polariscopic test, which we now have, would be $1.82½. This sample measures 97, but is above 16 Dutch standard in color, and it would not come in, because no sugar above the 16 Dutch standard can come in unless it pays the full duty. The full duty which that sugar would pay would be $1.95, because of the Dutch-standard clause. The duty that it would

pay if measured by the polariscope would be $1.72. Therefore the importer of this sugar would be penalized the difference between $1.72, the duty which it would be required to pay under the polariscopic test, and $1.95, which it has to pay under our present law, or 23 cents per 100 pounds, because it is too light to escape the Dutch-standard provision and too dark to sell in competition at the same price with refined sugar. He would therefore lose 23 cents on the 100 pounds.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Will the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. I think the Senator wants to be perfectly fair in his statement in relation to that. Is it not true that that sugar, coming from Porto Rico and Hawaii, may come in free of duty?

Mr. BRISTOW. Yes; certainly.

Mr. SMOOT. The argument the Senator is making is that the American people can not have this sugar, because it pays a higher rate of duty; whereas that very same sugar can come in here, if the American people want it, free of duty.

Mr. BRISTOW. Will the Senator please wait until I reach that part of my argument, and then I will be glad to answer him.

Mr. SMOOT. That is a perfectly legitimate inference.

Mr. BRISTOW. You are anticipating what you think I am going to say.

Mr. SMOOT. I do not want to anticipate what the Senator is going to say. I am simply asking the Senator a question—whether that is not so?

Mr. BRISTOW. If the Senator will give me an opportunity, I will answer that all sugar comes in free from Porto Rico and Hawaii.

Mr. SMOOT. Therefore, this sugar that you are saying can not come in here can come in free if the American people want it.

Mr. BRISTOW. I decline to allow the Senator to draw me into a discussion that is not pertinent to the subject I am now considering.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. The Senator from Kansas declines to yield further.

Mr. BRISTOW. Now, to get back to where I was. I was discussing duty-paid sugar and not free sugar, because this is a bill, as I understand it, for raising revenue, and we are trying to agree upon a duty on the importations of sugar from countries that have to pay an import tax.

As I was saying, if that sugar came in [again exhibiting the bottle] it would come in paying a duty of $1.72 if there were no Dutch standard. In order to avoid being penalized 23 cents per hundred pounds on this sugar because it is slightly above No. 16, but which measures 97 by the polariscopic test, the manufacturer discolors it so as to make it darker than No. 16, and then it comes in as raw sugar of a lower grade. If you will examine the table of importations of sugar that the Senate Committee on Finance has furnished us, you will see that the great bulk of our importations are 95 sugar and not 96. Why? Because if it is too light they run the risk of having it held up at the port and assessed the full duty of refined sugar, and to make it certain that it will be below the No. 16 and come in without that penalty, they make it darker, and the polariscopic test is kept down for that reason. So the most of our sugar comes in testing 95 and below 16; practically all below the 16.

Mr. FOSTER. Will the Senator, as a matter of information, give the difference in sugar contents between the sugar of which he is now speaking and No. 16 Dutch standard?

Mr. BRISTOW. This has not been measured, so I can not give it. I asked the Secretary of Agriculture to furnish me a bottle tested by both methods. He was unable to do it, because these were sealed and had not been tested by the polariscope.

Mr. FOSTER. What I wish to know is whether, as a matter of fact, the sugar contents of this bright-colored sugar are not much lower than the sugar contents in that of which you are speaking?

Mr. BRISTOW. That may be. I will discuss that later.

HOW PRICES ARE GRADED.

Now, if I can get the connection without repeating too much and wearying the Senate, I said that in order to avoid the penalty of paying the full duty on refined sugar the importer seeks to get on the safe side. So he wants the sugar to be darker than the 16 and he also wants to import it below the 96 polariscopic test. Ninety-six is the standard fixed by the refiners for measuring the value of sugar. If a refiner buys a thousand tons of sugar, he contracts for that sugar at a certain rate, according to the polariscopic 96° test, say, $3.95, to use just the figures that come to my mind, for 96-test sugar. If it is over 96, he will pay an advance of one thirty-second of a cent per pound additional, as a rule. I have a contract here, which I will submit:

Sold for account of J. Dow to Adam Roe.

About 50,000 bags Cuba centrifugal sugar, June shipment by steamer or steamers to New York.

At 2.625 per pound, United States currency, cost and freight, net landed weights. Basis, six days' sight drafts against shipping documents.

Basis 96° test, adding one thirty-second cent per pound for each degree above 96° or deducting one-sixteenth cent per pound for each degree below 96° down to 94°; on sugars testing under 94°, allowance to be at rate of three thirty-seconds cent per pound for each degree down from 94°, fractions in proportion.

Buyer to provide marine insurance.

He gets one thirty-second of a cent per pound more for each degree over the 96; that is, 3⅛ cents a hundred. So the broker who imported this would pay if it was $3.95, on 96 test, $3.98⅛ for this 97 sugar. But the producer is required to pay 3⅛ cents more duty. He would get 3⅛ cents more money for the sugar from the broker, but it would cost him 3⅛ cents more duty to get it in. So he does not want to send any sugar here that tests more than 96, and he does not send it in any great amount, unless he gets caught on a lighter sugar than he intended to produce.

My contention is that to remove the Dutch standard will give us an increased revenue on the amount of sugar that we import, because it will remove the motive for the importer to reduce the grade of sugar so as to get it below 96° and No. 16 in color. If the importer did not have to have that dark color below No. 16, he could sell it in the open market for consumption, but as it is, the refiner is the only market he has. You take the importer of sugar and let him bring it in under 16, like that [exhibiting bottle], or even a little lighter than that, and he can not sell it in the American market for consumption. The people will not buy it. It is too dark.

Mr. SMITH of Michigan. They do not know just what it is.

Mr. BRISTOW. The American people do not like sugar that is too dark. They will not buy it. If there was an opportunity to market this Java crystal sugar, which is a good quality and above the No. 16 and which is very popular in England, being used there a great deal, it would find a ready market here. If there were no restrictions as to color on the importations of this light brown sugar, we would have a great deal of it coming in, to be used for the preserving of fruit and in family use, such as the Senator from South Carolina [Mr. TILLMAN] referred to yesterday, and we would get an additional duty over and above what we now get. Instead of 96° being the line drawn here for importations, we would have a great deal of 97 and 98 sugar imported, and for every additional degree over 96 we get an additional 3⅛ cents per 100 pounds duty. So there can be no question in the mind of any man who has studied this subject that the removal of the Dutch standard would give us more revenue than we now get. It can not be denied——

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Michigan?

Mr. BRISTOW. Certainly.

Mr. SMITH of Michigan. The suggestion of the Senator from Kansas that by the removal of the Dutch standard we would undoubtedly increase the consumption of this so-called "refined" Java sugar——

Mr. BRISTOW. Not refined; raw sugar.

Mr. SMITH of Michigan. With a semblance of refinement.

Mr. BRISTOW. Not a semblance; simply a little lighter color.

Mr. SMITH of Michigan. He pointed to the fact that England consumed large quantities of this sugar. I desire to ask the Senator whether the importation of that sugar into England has not had the effect of lessening sugar refining in England and has not been one of the instrumentalities to almost break it down. I do not know whether or not I am correct.

Mr. BRISTOW. I want to say this in respect to that: The importation of this sugar will give to the American people an opportunity to buy a fine light-colored sugar without paying toll to the refineries of this country when they do not want to.

Mr. SMITH of Michigan. And in competition with the American production of refined sugar.

Mr. BRISTOW. To a degree; yes.

But I want to ask if you propose to prohibit the American people from buying that quality of sugar [exhibiting bottle] under a duty of $1.75 per 100 pounds, which they would have to pay the United States Government if they desired to buy it.

Mr. SMITH of Michigan. Does the Senator from Kansas want an answer?

Mr. BRISTOW. Certainly.

Mr. SMITH of Michigan. I would answer that question by saying this: The American consumer gets his sugar in a refined state cheaper than in any other country in the world except England, and that to break down our domestic industry, which

has developed a refined sugar, for the mere purpose of substituting a cheaper but a very good sugar from Java would mean but a temporary benefit to the American people, because after you have thrown that discouragement into the domestic production of sugar, and have lessened the enthusiasm and the interest of our people in its development, and have frightened the capital that has been invested in it—when that has been accomplished, I undertake to say to the Senator from Kansas, the price of imported sugar from Java will be as high, nearly, as the cost of refined sugar now.

Mr. BRISTOW. That declaration is just as accurate as the Senator's statement on yesterday that the Dutch standard was the yardstick for the measuring of the purity of sugar the world over.

Mr. SMITH of Michigan. Oh, not the purity. The Senator could not have understood me to say "the purity." The purity is the polariscopic test.

Mr. BRISTOW. What was your remark?

Mr. SMITH of Michigan. The Dutch standard is the color test. It was applied long before this other test was applied as the measure of determining the kind of sugar they were buying.

Mr. BRISTOW. The RECORD will show that the Senator declared yesterday——

Mr. SMITH of Michigan. No.

Mr. BRISTOW (continuing). He declared yesterday that the Dutch standard was the yardstick that measures sugar in the commercial world, upon which commercial transactions were based.

Mr. SMITH of Michigan. If the Senator understood me to say that it was to the sugar world what the yardstick was to the mercantile world, I will not change it; but so far as its fixing a degree of purity, I do not want the Senator to understand me as saying that. I would not say it.

Mr. BRISTOW. What part of the world would you consider as the commercial world?

Mr. SMITH of Michigan. I was speaking of sugar-producing countries entirely. I had reference only to those.

I do not intend to interrupt the Senator further. I want to hear what he has to say, and I am going to listen with some profit.

Mr. BRISTOW. I was saying that the removal of the Dutch standard color test will permit the higher grade brown sugars to come in at the duty fixed by the polariscopic test, which is the one that measures their purity, and we would get more of the high grade and less of the low grade, and therefore we would get more duty.

The Senator from Michigan is alarmed, fearing that this sugar would then become a competitor of the beet-sugar producer, who produces only the refined sugar.

Mr. BEVERIDGE. Will the Senator allow me to interrupt him?

Mr. BRISTOW. Certainly.

Mr. BEVERIDGE. I want to understand the Senator's point. Do I understand it to be that he would remove the color test, which is unscientific and inaccurate, and substitute therefor the polariscopic test, which is scientific and accurate, as to the purity of sugar? Is that the whole thing?

Mr. BRISTOW. All, except, I will say, the polariscopic test is in the law. It does not require to be substituted. It is the test which we have now. I would remove the other.

Mr. BEVERIDGE. The color test is unwise, unscientific, and inaccurate, and you would leave the other, which is scientific and accurate?

COLOR TEST SERVES THE TRUST.

Mr. BRISTOW. I would remove the color test, because under the color test the sugar which is imported is dark and has to go to the refinery instead of to the public. That is all there is to it. The only purpose that the color test serves is to force the sugar which would go to the public direct, or the greater part of it, to pass through the American sugar refinery, and let that refinery take a toll of about 90 cents per hundred pounds from the American people. That is the only purpose it serves.

I will show before I get through, or at least I will endeavor to show, that it would not harm the beet-sugar industry at all or the cane-sugar industry. It would help the cane sugar of Louisiana, because it would restore the market that once existed for this high-class brown sugar in the United States which was destroyed by the incorporation of the Dutch-standard provision in the Dingley law.

Mr. President, it would not only increase our duties, but it would give the American people a sugar which is satisfactory to them, for ordinary household uses, at a cheaper price, but not at the expense of the American producer, because that sugar could not come in without paying $1.72 per hundred pounds duty to the American Government. That is the protection which the sugar producer has, whether he is producing cane or whether he is producing beet sugar.

The only party who can possibly be affected by removing the Dutch standard is the sugar refiner, because you are not removing from the sugar producer a penny of protection. He has the full protection that he always had. If the importer brings the sugar in, he would pay a higher duty to the Government than he now pays, because for every degree of purity it contains he is assessed 3½ cents a hundred pounds more duty to protect the American sugar producer from just that competition.

Mr. SUTHERLAND. Will the Senator permit me to ask him a question?

Mr. BRISTOW. Certainly.

Mr. SUTHERLAND. I want the Senator to understand that I am not asking it in any spirit of antagonism. I wish to understand the matter. The individual I am interested in is the beet-sugar grower.

Mr. BRISTOW. I am the same way, as far as the sugar producer goes.

Mr. SUTHERLAND. I want to protect him. As I understand, sugar which is colored as highly as some which the Senator exhibited here can be bleached by some chemical process, so that to all appearances it is as white and as good as the pure beet sugar which we produce in this country. Suppose you get rid of the color test and rely entirely upon the polariscopic test; that is, simply determine the saccharine contents of the sugar, the question which I desire to submit to the Senator is this:

We will suppose that the process of bleaching is gone through with, that the sugar which is bleached contains only 75 or 80 per cent of saccharine matter. When that sugar is imported into this country, of course, the experts at the port of entry can apply their test and determine that it carries only 75 or 80 per cent, and the duty is paid accordingly. It would be a low rate of duty. But when that sugar is put on sale in the grocery store, the purchaser of it, the consumer of it, has no way of applying the polariscopic test. He can only judge by appearances; and to all appearances that sugar, although it contains only 75 or 80 per cent saccharine matter, is just as good as the 100 per cent sugar. In that way, will it not operate against the beet sugar in this country? In other words, will not the purchaser of the sugar at the grocery store be deceived by the color of the sugar; and in that way will it not be brought into unfair competition with the beet sugar of this country? I hope I make myself clear to the Senator.

Mr. BRISTOW. I understand the Senator. I was anticipating that very question from somebody before the discussion was through.

I should like to inquire what protection the consumer has now from adulterated sugar? We are getting 500,000 tons from Hawaii and 230,000 tons from Porto Rico. Of course the sugar goes through the American Refining Company, but what protection have the American people from the sugar trust adulterating its sugar? It buys thousands and thousands of tons of black sugar, blacker than that a great deal [exhibiting bottle]. Why may it not bleach that sugar and put it on the market as refined sugar, just the same as you are anticipating from some foreigner? The trust could do that. Is the reason that it is not doing so because it is too honest? I do not think that anybody will contend that.

Mr. OWEN. Does the Senator mean to question the honesty of the American Sugar Refining Company?

Mr. BRISTOW. It has been questioned by a higher authority than I am. If the American Sugar Refining Company will deliberately hire subordinates by paying them a bonus every month to cheat and defraud the Government by a system of false weights, out of a million and more dollars every year, would they not, if they could, bleach sugar that costs them about a cent and a half a pound and put it on the market for $4.85 a hundred pounds?

The truth is that bleached sugar will remain white for a time, but it then loses its color, and it can not be marketed successfully. There is hardly a State in this Union that does not protect the consumer of food by pure-food laws, and we have a national pure-food law. If the American Sugar Refining Company, a broker, or anybody else undertakes to put impure sugar on the American market, there is a law which the Congress of the United States has enacted to make them answer in the criminal courts. Sugar would be no more easily adulterated by a producer in Jamaica than it would be by a producer in Louisiana. Why do not the Louisiana planters, who occasionally have sugar that measures as high as 98 by the polariscopic test, bleach it and sell it for refined sugar and escape the tyranny of the sugar trust under which they are groaning now, as the Senator from Louisiana knows?

No, Senators, that question, asked honestly, I know, by the Senator from Utah, and which has been in the minds of other Senators, is a fiction thrown into this debate by men who are anxious to have the Dutch standard retained because it pours into the coffers of the sugar trust millions of dollars a year.

WHAT DR. WILEY SAYS.

Now, Mr. President, I want to read you what some other people say about the Dutch standard. I will first read from an article by Dr. Harvey W. Wiley, of the Agricultural Department. Doctor Wiley in an article in The Forum, written some years ago, in speaking of the Dutch standard, says——

Mr. SMITH of Michigan. What year was it?

Mr. BRISTOW. This is volume 24, No. 6, The Forum, 1898:

From a strictly scientific point of view, the only objectionable feature of the sugar schedule is the Dutch standard of color—

Now, he is writing as a scientist, not as a political economist or as a legislator—

In former times, when the Dutch merchants dealt only in Java sugars, and the polariscope was not in commercial use, the color standard was a useful method of discriminating between sugars of different saccharine strength. Now it is possible to make a nearly white sugar which will not give a polariscopic reading of above 85, and a very dark one—below No. 16, in fact—which will polarize nearly 100.

Demonstrating that the Dutch standard is no longer useful as the measure of pure sugars. It was, at the time it was adopted, the best measure in existence.

Mr. FOSTER. Will the Senator from Kansas yield to me a moment?

Mr. BRISTOW. Certainly.

Mr. FOSTER. Is not that the very objection to the abolition of the Dutch standard—that you get a very low grade of sugar at a very high color, and you can impose that upon the American people as a very pure sugar?

Mr. BRISTOW. Why is that not done now?

Mr. FOSTER. I am asking if that is not the fact?

Mr. BRISTOW. I think that it is not.

Mr. FOSTER. Is it not a fact that sugar of a very low standard can be very highly colored?

Mr. BRISTOW. Certainly.

Mr. FOSTER. And that sugar will pay a very low duty.

Mr. BRISTOW. Not at all; the low standard——

Mr. FOSTER. If you abolish the Dutch standard, paying a very low duty under the polariscopic test, it can then be put upon the market and sold as a very high-grade sugar, when the people, in fact, are not buying sugar, but buying an article very low in saccharine.

Mr. BRISTOW. Let me inquire——

Mr. FOSTER. I am asking in good faith.

Mr. BRISTOW. I know; but let me inquire of the Senator from Louisiana if it is done now in Louisiana?

Mr. FOSTER. How do you mean?

Mr. BRISTOW. Do you put upon the market a sugar very low in saccharine quality, but highly colored?

Mr. FOSTER. I have simply to ask the question, and it carries with it its answer. Does the Senator know the people of Louisiana?

Mr. BRISTOW. I am just inquiring if that is not done in Louisiana?

Mr. FOSTER. Of course there is nothing of that kind done there.

Mr. BRISTOW. It is not done in Louisiana.

Mr. FOSTER. But is it not a fact that there are one or two factories, probably a larger number of factories, especially in Scotland, that highly color the very low grade of sugar, bringing it into this country, paying a very low rate of duty, and then selling it to poor people as a high grade of sugar, when, in fact, it is not a high grade of sugar?

Mr. BRISTOW. My understanding is that that is not done, because the duty is so high that it is not practicable to export sugar from Scotland to the United States. I do not believe any sugar comes from Scotland to the United States of any consequence.

Mr. SMITH of Michigan. It did come here under former legislation.

Mr. BRISTOW. It might under a 40 per cent ad valorem duty, but not since there has been a duty of $1.68 on 96-test sugar.

Mr. SMITH of Michigan. I do not think it has since the Dingley Act.

Mr. BRISTOW. Not since the Dingley Act; and it is not the Dutch standard that keeps it out, but it is the high duty on raw sugar under the polariscopic test.

Now, I will proceed. Doctor Wiley says:

It is a pitiable spectacle to see a great nation, the largest sugar consumer in the world, confiding the standard of its revenue from this great staple to an irresponsible foreign broker! The makers of sugar the world over will fill the orders received from the importers of this country with a product over or under No. 16, as may be desired. The grade of color will have no constant relation to saccharine strength. It is easy to see that there will be no burning desire among our importers to pay the differential of 12.5 cents per hundred pounds, when, by dumping a little molasses or lime into the kettle during manufacture, the same saccharine grade of sugar can be secured with a dark color, and that amount of duty saved.

It serves another purpose as well as saving the importers the duty and thereby depriving the Government of it. It compels that sugar to go to a refinery here and pass through that refinery before it gets to the American market, and in passing through about 90 cents per hundred is added to the cost. The only result of keeping the Dutch-standard provision in the bill is to compel during the years to come the same toll to be paid by the American people to the refiners in New York that they are paying now. I want to ask the Senate of the United States if it thinks it is justified in continuing such a provision.

Now, I will continue to read from Doctor Wiley:

It is not claimed that the differential duty is for the benefit of the sugar growers in this country. Any protection afforded to them is properly given in the direct tariff, as determined by the polariscope. The injection of the Dutch color standard into the tariff bill was either a case of heredity—it having existed in former bills—or else it was due to some influence brought to bear upon our legislators. It is not probable that a company consisting mostly of lawyers, sitting in a star chamber to determine the methods of levying duties, would think of the abuses to which the Dutch standard could be subjected.

That is true; unless the legislator goes into the details by original investigation he would never notice the effect it might have. So it got in there by inheritance or by accident, as Doctor Wiley said. Now, continuing, he says:

If our people understood the unfair and unscientific discriminations imposed by the Dutch color standards, they would soon find means of abolishing them.

This paper, having been written from a scientific point of view, has nothing to do with a differential duty. The latter is solely an economic question. But we have a right to protest against an unfair, partial, and false standard for ascertaining the grade of sugars on which the differential is paid.

Doctor Wiley, as we all know, is an eminent scientist, and his word should have some weight with us upon a scientific question.

Mr. SMITH of Michigan. Mr. President, I simply want to interrupt the Senator long enough to say that that article by Doctor Wiley was written before the domestic beet-sugar industry had scarcely started at all. He did not have in mind, I believe, the changed conditions which had grown up in the sugar world. Otherwise, I hardly think he would have put the question off in the summary manner in which he did. That article was written in 1898, and we did not get well started in the beet-sugar industry until after that time.

Mr. BRISTOW. The beet-sugar industry is not affected by the Dutch standard.

Mr. SMITH of Michigan. Oh!

Mr. BRISTOW. The beet-sugar people make no low-grade sugar. They make only the refined sugar. They do not put upon the market any sugar that does not test practically 100. It is a refined sugar, and you can not destroy the market for refined sugar so as to disturb the beet-sugar industry by putting upon the market the lower grades of sugar.

You may enable the American people to buy a first-class pure sugar at a less price than refined, but when they do they get an unrefined instead of a refined sugar. For one, I speak representing a State that is producing sugar beets and beet sugar in great abundance, but while we have growing factories, I want to say that I can not feel it consistent with my duty as a Senator of the United States to say to the American people that they can not buy a good first-class pure brown sugar if they want to because I have refined sugar to sell. It is a tyranny that no free country should or would submit to, and the American people will not.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Michigan?

Mr. BRISTOW. Certainly.

Mr. SMITH of Michigan. I agree with the Senator from Kansas in that statement. The only answer to the Senator's fear is that if the American people want a cheap low-grade sugar they can get it in abundance from their own immediate territory. There is no limitation upon the right of Hawaii to send her cheap sugar here, if the American people or the people of Kansas want it.

Mr. BRISTOW. Then why do you object to removing the Dutch standard, if that is the case?

Mr. SMITH of Michigan. Because I think the commercial world has been accustomed to that standard and it operates to no disadvantage to the American consumer. Therefore I would not render the sugar world chaotic by striking out a standard that is recognized wherever sugar is produced. If it operates

as the honorable Senator from Kansas would have us believe it operates, then I think it would be tyrannical; but I do not think it does.

Mr. BRISTOW. The Senator says that he does not want to render the sugar market of the world chaotic by removing the standard of measure that exists the world over. I want to say to him that there are only 8 nations out of 45 that to-day use the Dutch standard in any way whatever, and that there is not a single one of the leading nations of Europe that has it to-day. Holland herself has abandoned it.

Mr. SMITH of Michigan. Those countries that are using it are the sugar-producing countries having customs duty and those doing business with us.

Mr. BRISTOW. They are not.

Mr. SMITH of Michigan. Oh, yes.

Mr. BRISTOW. I beg the Senator's pardon; they are not.

Mr. SMITH of Michigan. Does not the East Indies use it? Does not Cuba use it?

Mr. CUMMINS. Mr. President, I wish to make a suggestion. It is that when Senators on the opposite side of the Chamber engage in a colloquy they shall talk loud enough so that we all may hear them.

The VICE-PRESIDENT. The Chair has made that suggestion at various times.

ABANDONED BY OTHER COUNTRIES.

Mr. BRISTOW. I wish to relieve the mind of the Senator from Michigan, for I want him to vote for this amendment. I say that he is mistaken in his notion. I hope he will concede that this Dutch standard is no longer of any commercial use; that it is discarded. After having examined the tariffs of some 45 nations, I have here a list of those that use the Dutch standard and those that do not, and I propose to read it. I have here a list of the nations which do not longer use the Dutch standard in testing sugar. I might say here that Great Britain never did use it. They had a color standard of their own and used it until the polariscopic test was brought into use; and since then they have used the polariscopic test alone, just as we ought to do here. The nations that do not use it—of course a number of them used it at one time, but do not now; they have discarded it—are as follows:

Countries that do not use Dutch standard—1908:
United Kingdom, South African Union, Australia, Austria-Hungary, Belgium, Bulgaria, France, Tunis, Germany, Greece, Holland, all Dutch colonies, Italy, Montenegro, Norway, Russia, Roumania, Finland, Servia, Spain, Switzerland, Korea, Persia, Honduras, Costa Rica, Mexico, Bolivia, Brazil, Chile, Colombia, Ecuador, Peru, Uruguay, Venezuela, Cuba, Haiti, Dominican Republic. (Kelley's Customs Tariffs of the World, 1908.)

None of them use the Dutch standard. Many have abandoned it. You can go to Kelley's Customs Tariffs of the World for 1908 and examine it for yourself, and you will see that no Dutch standard is used by these nations.

Mr. OWEN. Mr. President, I should like to inquire whether the business in the sugar trade of those countries is chaotic?

Mr. BRISTOW. I have not heard anything about it. I will give you the names of the eight nations that do use it, and the only nations that do. They are British India, Canada, Denmark, Portugal, Sweden, China, Japan, and the United States. I want to appeal to the Senate and ask if it proposes to retain that provision in this law which has been abandoned by every one of the leading commercial nations of the world that has heretofore used it? I think it is a very pertinent question to ask.

Mr. President, I do not want to take too much time here; but there is another observation of Doctor Wiley's that it seems to me is very pertinent, and I should like to read it. Doctor Wiley, in another article in The Forum, in volume 23, says:

By retaining the obsolete system of valuing sugars according to the Dutch standard of color, however, this difficulty is only increased.

Referring to the difficulty of harmonizing conflicting colors, and so forth, which has been disturbing the Senator from Michigan—

One hundred years ago, when the Dutch colonies produced cane sugar in a uniform manner by the same process of manufacture, the character of the sugar was rather definitely determined by its color—

That is, one hundred years ago, when all sugar was made in the same way by the old process of boiling as it was then, there was practically a uniform color. This test was then much more reliable than now—

but modern systems of manufacture have rendered such tests absolutely worthless. The retention of this standard in our customs duties is the open sesame to favoritism and every conceivable fraud.

DAVID A. WELLS'S VIEWS.

That is Doctor Wiley's statement. David A. Wells, a well-known authority, in referring to this matter, says:

What is of one color in cloudy weather may be another in sunshine, and the simple process of drying alone may cause a difference of one or more numbers in grade in any given sample of sugar. There have undoubtedly been cases where the delay contingent on holding a cargo of sugar for reexamination and resampling has, from drainage and drying, subjected the importer to a very considerable additional amount of duty.

That duty which may be saved accounts for the low-grade raw sugars coming into this country and taking a lower duty, when, if the Dutch-standard provision were removed, a higher grade would be imported, paying the higher duty. So it has a tendency to force the importation of dark and undesirable sugars, thereby compelling them to go to the refiner, making the refinery the sole market for the sugars that come in. This I have said before, and I want to repeat now—for it can not be repeated too many times—is the only purpose that the Dutch-standard provision will serve in this bill. So much for the Dutch standard.

THE DIFFERENTIAL.

I now want to discuss the second amendment. The second amendment provides that this bill shall be amended so as to substitute the words "eighty-two and a half" for "ninety," making the duty on pure 100° sugar $1.82½, instead of $1.90. It is now $1.95. The House bill as it comes to us reduces it 5 cents—from $1.95 to $1.90 per hundred. The second amendment which I have offered—and which I ask be voted on separately from the first, because they are two distinct propositions—is to take away that which is termed "the differential."

It has been alleged here with great positiveness that the differential of 7½ cents is what the refiner gets as his protection. There could not be anything more misleading. If that declaration is made by one who has studied the question, he purposely tries to mislead. To the casual observer it is misleading. What is the differential? Is it 7½ cents? What is 100 sugar as tested by the polariscope? The Dutch standard is not in this. This discussion relates to the polariscopic test only. Refined sugar is rarely 100° pure. Practically all sugar has impurities of some kind; it is not wholly saccharine, but there are some other chemical ingredients in it. Here [exhibiting] is a bottle of refined sugar. Here [exhibiting] is a bottle of unrefined sugar testing 99.85. This [exhibiting] only lacks fifteen one-hundredths of being a pure refined sugar. That [exhibiting] is refined sugar. There they are. If that [exhibiting] was 100, it would be as white as that [exhibiting], as pure as that. Of course, it could be discolored, and in its natural state it might not be quite so white, for it would not have a blue-white color, caused by passing through boneblack in the refining process.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from South Carolina?

Mr. BRISTOW. Certainly.

Mr. TILLMAN. Is the sugar, which the Senator says is refined, the natural sugar?

Mr. BRISTOW. That [exhibiting] is the natural sugar.

Mr. TILLMAN. Why is one whiter than the other?

Mr. BRISTOW. The whiter sugar is that which has passed through boneblack. That gives it what they call a "blue-white."

Mr. TILLMAN. That is refined?

Mr. BRISTOW. It is refined. This [exhibiting] has not gone through the process of refining. If it goes through the process of refining, you would have to pay about 75 cents a hundred more for it than you would now pay.

Mr. TILLMAN. What is the cost of passing it through the refining process?

Mr. BRISTOW. It costs all the way from 25 to 65 cents per hundred, depending upon what authority you cite. That is a hard thing to find out, because only the refiners know the exact cost, and it is hard to get them to tell.

Mr. TILLMAN. Still the money fills up their coffers?

Mr. BRISTOW. Still we have to pay them for it. We pay from about 75 to 90 cents a hundred for that process. Now I want to ascertain if it is worth it.

Mr. TILLMAN. I just want to ask the Senator, if he will pardon me——

Mr. BRISTOW. Certainly.

Mr. TILLMAN. I wish to ask whether or not it is possible to obtain the sugar, a sample of which he holds in his right hand—the unrefined sugar—in the market?

Mr. BRISTOW. No; because if you put this [exhibiting] on the market at the same price that that [exhibiting] is placed there, this, being slightly darker, would not sell.

Mr. TILLMAN. Still those two pay the same duty as the refined sugar does, $1.95?

Mr. BRISTOW. Certainly; the importer has to pay the same duty on this [exhibiting light bottle] that he would on that [exhibiting darker bottle]. They are both unrefined sugars and both above No. 16 Dutch standard, although one is darker than the other, but you would have to pay the same duty on both of those sugars. You would have to pay just as much on each [exhib-

iting], although there is 3° difference in their saccharine strength. Under this Dutch-standard provision the duty is just as much on that [exhibiting the low-degree light bottle] as it is on this [exhibiting the high-degree dark bottle]. This [exhibiting] does not come in, because it will not sell to the public against the white refined sugar. It is a fine-flavored pure sugar, but is discolored.

Mr. TILLMAN. Not at the same price?

Mr. BRISTOW. Not at the same price. It will not sell. This [exhibiting same bottle] does not come in, because, as I have stated, it would not sell to the public against the refined sugar because of its color; and so it has but one purchaser, the refiner.

Mr. TILLMAN. If the color test, or this Dutch standard was removed, we could get the natural sugar for three-fourths of a cent a pound less?

Mr. BRISTOW. You could get that, I think, for from 60 to 75 cents a hundred less.

Mr. SMITH of Michigan. What sugar is that?

Mr. BRISTOW. This is Java, testing 99.85.

Mr. SMITH of Michigan. These are all Java sugars?

Mr. BRISTOW. Not all of them. Here is Louisiana sugar [exhibiting a bottle]. I got that because I wanted the Louisiana Senators to feel at home.

Mr. SMITH of Michigan. Are any Michigan sugars there?

Mr. BRISTOW. No.

Mr. TILLMAN. They seem to be very much inclined to stick to the Dutch, however.

Mr. SMITH of Michigan. We have the Dutch up our way.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. I understood the Senator to say that the sample to which he now refers is white sugar. Of what grade is it?

Mr. BRISTOW. Ninety-nine and eighty-five one-hundredths.

Mr. SMOOT. Does the Senator say that there is 60 cents difference between the price of that sugar and refined sugar?

Mr. BRISTOW. I said it could be sold for 60 to 75 cents per hundred less.

Mr. SMOOT. How does the Senator make that out?

Mr. BRISTOW. Because it has not gone through the process of refining, and that cost has not been added to the cost of its production.

Mr. SMOOT. Mr. President, I want to call the attention of the Senator to the fact that whenever sugar is 96 per cent, the duty is 168½ cents, and this sample would be 3.85 per cent more, and each extra per cent above 96 per cent will cost 3½ cents. So there could not be a difference of 60 cents per 100, as the Senator says, under the present bill.

Mr. BRISTOW. The Senator is mistaken in the application. If he will wait just a minute, I will relieve his mind of the trouble it is in.

Mr. SMOOT. My mind is not troubled at all; not in the least.

Mr. BRISTOW. The Senator is talking about the duty, while I am talking about the value in the commercial market. The duty on this would be $1.82½ if it came in without the Dutch standard restriction.

Mr. TILLMAN. This is the Java sugar?

Mr. BRISTOW. It is the Java sugar.

Mr. FOSTER. Mr. President——

Mr. SMOOT. Just a minute, if the Senator will allow me, and then I will get through.

Mr. FOSTER. Certainly.

Mr. SMOOT. So long as the Senator from Kansas admits that the duty upon this is as he states it now, I have nothing more to say—not a word—because that is just exactly what I said.

Mr. BRISTOW. Certainly. There has not been any discussion as to that. This [exhibiting] would pay $1.82½, just what I say it ought to pay.

Mr. SMOOT. Where do the 60 cents come in?

Mr. BRISTOW. That is what the people pay for it when they get it and eat it and what they would save if the Dutch-standard provision were removed.

Mr. SMOOT. The Senator certainly must know that the value of sugar is based upon its saccharine content, and the market value of any sugar, whether 96 per cent or 99.85 per cent, is based upon the value of the saccharine content of the sugar. It would be exactly the same upon the sugar shown.

Mr. TILLMAN. Will the Senator allow me to interrupt him?

Mr. SMOOT. Certainly.

Mr. TILLMAN. If we are going to base the test on the saccharine content, why fool with the Dutch standard?

Mr. SMOOT. This is the polariscopic test, I will say to the Senator. I will explain the Dutch standard later. I do not want to now trespass upon the time of the Senator from Kansas.

Mr. BRISTOW. I should be glad to have the Senator explain the matter after I get through.

Mr. SMOOT. I will do so.

Mr. BRISTOW. I shall be glad to have the Senator from Utah make the explanation, and I may trouble the Senator by interrupting him when he is doing so.

Mr. SMOOT. Certainly; I shall be glad to have the Senator interrupt me at any time the Senator wishes.

Mr. FOSTER. I do not like to interrupt the Senator, because I know how embarrassing it is to be interrupted; but the sample of sugar which he has brought from Louisiana, I understand, polarizes from 92 to 96?

Mr. BRISTOW. At 92.

Mr. FOSTER. I wish to say to the Senator that the great majority of the sugars of Louisiana polarize at from 96 to 98; and I do not think the specimen he has is a fair sample of Louisiana sugar.

Mr. BRISTOW. I do not know about that. This was given to me by the Agricultural Department as a sample of Louisiana sugar. I have no other knowledge as to that.

WHAT IS THE DIFFERENTIAL?

Now, Mr. President, getting back to the differential, What is the differential? When the Dingley bill was passed we imported sugars from many countries, and all of them paid the full duty provided—$1.685 on 96° sugar. That duty was paid on all of the sugar that came in, except that coming from Hawaii, which came free then, the same as it does now.

In 1898, the first year after the Dingley law became effective, we imported 1,799,410,487 pounds of raw sugar, upon which a duty of $1.685 was paid, on the basis of the 96 test; so that the differential at that time between 96 sugar and refined sugar was 26½ cents—the difference between $1.685 and $1.95. That was the differential then. If all sugar imported had been pure sugar, the differential would have only been 12½ cents; but it was not pure sugar. Importations are based on 96 sugar; so the differential was 26½ cents.

The Dingley bill was made to fit conditions at that time. What has happened since then in the matter of the fixing of duties on raw sugars? The duty on refined sugar has not been changed; it is still $1.95. We first acquired Porto Rico, and the sugar from that country came in free to the United States. Prior to the enactment of the Dingley bill it paid $1.68½ duty. Now it pays none; it comes in free. Porto Rican sugar has therefore been added to the volume of free sugar that pays no duty, and it is available to the refiners to purchase for whatever they can secure it for from the producer.

Next we made a treaty with Cuba, by which Cuban sugar was given a discount of 20 per cent in the duty, and then we granted Philippine sugar a 25 per cent reduction.

In the fiscal year 1908, the last fiscal year, we imported of full-duty-paid sugar from various countries 1,044,000,000 pounds, in round numbers. From Porto Rico we imported 469,000,000 pounds of free sugar; from Cuba we imported 2,462,000,000 pounds, with 20 per cent of the duty off; and from the Philippines we imported 29,462,000 pounds of sugar, with 25 per cent off.

Mr. BACON. Will the Senator please give that in tons?

Mr. BRISTOW. I have not reduced it to tons, I am sorry to say.

Less than one-third of the sugar imported into the United States paid the full duty last year. The other two-thirds came in free or with a concession of 20 or 25 per cent. When the Dingley bill was passed, it all came in full duty paid. Now but one-third of it comes in full duty paid; and there has been a reduction of 20 and 25 per cent in the duty paid on the larger portion of that which does pay a duty, and that from Porto Rico has come in free. So that the average duty paid on the sugar imported last year from countries that paid the full duty in 1898, the first year after the present law was passed, was $1.277 per hundred pounds. That is what was paid. The duty paid last year was $1.277 per hundred pounds. Ten years ago it was $1.685. The duty on refined sugar has remained at $1.95. So that the differential has been increased from 26½ cents to 67.3 cents. The differential under the law as it exists now is 67.3 cents.

The differential on the sugar from these same countries was 26½ cents, and now it is 67.3 cents. The differential has been increased 40 cents a hundred by subsequent enactments since the Dingley bill was passed. There is no escape from this con-

clusion, for these are figures taken from actual transactions; there is no theory about it. The table I will insert in the RECORD:

Raw sugar below No. 16 Dutch standard—Average duty collected, 1897–1898 and 1907–1908 on sugar from countries that paid a duty in 1897, and differential, figured on basis of 96° sugar.

[Imports from Senate Document 15, Sixty-first Congress, first session.]

1897–1898.

	Pounds.	Duty. Cents.	Duty paid.
Full duty paid	1,799,410,487	×1.685	=$30,320,066.71

Average, 1.685 cents.

1907–1908.

	Pounds.	Cents.	Duty paid.
Full duty paid	1,044,198,096	×1.685	=$17,594,737.92
Porto Rico, free	469,205,082		
Cuba, 80 per cent duty	2,462,063,894	×1.348	= 33,188,621.29
Philippine Islands, 75 per cent duty	29,462,800	×1.26375	= 372,336.14
	4,004,929,872		51,155,695.35

Average duty per pound, 1.277 cents.

Duty on refined, 1897	1.95
Average duty per pound, raw sugar, 1897	1.685
Average differential of refiner, 1897	.265
Present duty on refined	1.95
Present average duty, raw sugar	1.277
Present average differential of refiner	.673
Less	.265
Increase in average differential of refiner	.408
Present average duty	1.277
Differential established in 1897	.265
Necessary duty on refined to give refiners same differential as in 1897	1.542

Mr. SUTHERLAND. Will the Senator permit me to ask him a question?

Mr. BRISTOW. Certainly; I will be glad to do so.

Mr. SUTHERLAND. How does the Senator arrive at the figures which he has given that the average duty was $1.275?

Mr. BRISTOW. Take the number of pounds that come in at full duty paid, multiply that by the amount of the full duty, and that will give you the amount of duty paid on the sugar. If a million pounds come in, paying $1.685 per hundred pounds, then multiply the number of pounds by the duty, and you get the total amount of duty that is paid on that sugar, do you not?

Mr. SUTHERLAND. Does the Senator, in making that computation, add the quantity of sugar that comes in free to the quantity of sugar that pays a duty?

Mr. BRISTOW. The quantity of sugar that comes in free now from Porto Rico that did not come in free at the time the Dingley bill was passed.

Mr. SUTHERLAND. The Senator adds the two together——

Mr. BRISTOW. Certainly.

Mr. SUTHERLAND. Wait a moment. The Senator adds together the sugar which comes in free——

Mr. BRISTOW. Hold on now. Let me qualify that. I mean free from the country that paid full duty when the Dingley law was enacted.

Mr. SUTHERLAND. Yes; I understand. The Senator adds the sugar from Porto Rico——

Mr. BRISTOW. Yes.

Mr. SUTHERLAND. Which comes in free, to the sugar which continues to pay a full duty?

Mr. BRISTOW. Certainly.

Mr. SUTHERLAND. And from that he computes the average which he gives here?

Mr. BRISTOW. Yes.

Mr. SUTHERLAND. But the sugar which comes in free from Porto Rico in the raw state also comes in free in the refined state; so that there is no differential in the sugar which comes from Porto Rico at all?

Mr. BRISTOW. But they do not happen to refine sugar in Porto Rico, and they do in New York. That is all.

Mr. SUTHERLAND. I am perfectly aware of that; but there is no differential and there can not be any differential upon Porto Rican sugar, for it all comes in free. You can only compute the differential if sugar in one condition comes in at one price and sugar in a different condition comes in at a different price.

Mr. BRISTOW. The differential is the difference between the amount of duty that was paid on raw and refined sugar. If you reduce the duty that is paid on the raw sugar and do not reduce the duty paid on refined sugar, you increase the differential between the duty on raw and refined, do you not?

Mr. SUTHERLAND. I can not agree with the Senator on his computation at all.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. The Senator's figures would be absolutely correct if the refiners did not pay more for the sugar from Porto Rico than they do for sugar from Cuba or from the Philippines. If that were so, the Senator's figures would be correct; but that is not the case. The refiners have to pay more for the sugar they get from Porto Rico and Hawaii than they do for the sugar they get from Cuba or from other foreign countries.

Mr. BRISTOW. The amount that the refiners pay for the sugar from those countries will have a bearing on their profits. That is true.

Mr. SMOOT. Certainly; and a bearing upon the differential which you are trying to make it appear is their profit. I believe the Senator wants to get at this thing fairly——

Mr. BRISTOW. Certainly.

Mr. SMOOT (continuing). And I positively state that I can show him to-day the quotations on sugar from Porto Rico and also the quotations on sugar from Cuba, and they are entirely different, as the Senator knows, because he received the absolute quotations from a firm in New York not long ago.

Mr. BRISTOW. Usually they differ.

Mr. SMOOT. Well, always.

Mr. BRISTOW. Possibly.

Mr. SMOOT. Well, Mr. President, I will take every day's quotations from the very day that Porto Rican sugar was admitted free, and there never has been a day but that the sugar from Porto Rico has been higher than the sugar from Cuba.

Mr. BRISTOW. That is usually the case, but I doubt if it can be shown that it has always been the case, though it may have been.

Mr. SMOOT. No; I stated that there was a difference. The Senator from Kansas said "sometimes," and I said there was always a difference.

Mr. BRISTOW. Oh, there may be a difference always; yes; but the purport of your argument is that the Cuban and Porto Rican gets the full benefit of the reduction of the duty that has been given the sugar from those countries, which is not true.

Mr. SMOOT. Then, Mr. President, that is just exactly what the Senator is trying to cut out here with the differential of 67 cents, as he says, whereas before it was only 26½ cents.

Mr. BRISTOW. The difference between the Senator and myself is that he is trying to figure from the basis that all of the reduction in the duty has been given to the people of Porto Rico and the people of Cuba. My contention is that it has not; and the profits of the refiners in handling Cuban and Porto Rican sugars since the reduction in duty have increased over what they had at the time the Dingley law was passed just so much as they could beat down the Cuban and Porto Rican prices. If there had been added to the price of the sugar produced by the people of these islands the full amount of the reduction in duty, the profits of the refiner would have been the same as contemplated in the Dingley law. But that has not been the result. I do not care to go into that, because it was covered very fully by the Senator from Georgia [Mr. CLAY].

Mr. SMOOT. If that is the position the Senator takes, I will state that I shall later answer both the Senator from Georgia and the Senator from Kansas and give the absolute figures.

Mr. BRISTOW. All right; we shall be very glad to have them; at least I will; and I take it for granted the Senator from Georgia will.

HAS BENEFITED THE TRUST.

Now, Mr. President, I declare that the changes in the law that have been made since the Dingley bill was passed have resulted in the increase of the differential from 26½ cents to 67$\frac{5}{16}$ cents. If the Senator from Utah had given me time, I would have proceeded to explain that the refiners only get so much of this 40 cents increase as they are able to get out of the Cubans and Porto Ricans by beating down the price of sugar. During times when the market is flooded with Cuban sugar, and there is a pressure on the part of Cuban planters to dispose of their crop, the price is reduced more than the 20 per cent, until at times during the last four years or five years some Cuban sugar has gone to Great Britain, because the American refiners were so greedy to take to themselves the entire reduction provided in the reciprocity treaty that they reduced the price so low that it was more profitable to Cuban planters to market in Great Britain than in New York. When any Sena-

tor on this floor attempts to establish the fact that by this reduction of 5 cents on refined sugar the differential is reduced from 12½ to 7½ cents, he is arguing from a false basis. In the year 1907 there were only 355,000 tons, out of a consumption of almost 3,000,000 tons, that came in and paid the full duty. The Senator from Utah would measure the profits to the refiners on the two and one-half million—no; not two and a half million, but, I should say, one and three-quarter million tons—the amount imported that paid duty.

Mr. SMOOT. The Senator was right in stating it at two and a half millions.

Mr. BRISTOW. I was speaking of the consumption, and not the importation. One and three-fourths millions is about the amount imported from countries that paid full duty formerly. The Senator figures the same differential on all sugar that is figured on the 355,000 tons that now pays full duty, and does not take into account the enormous profits which the refiners have made by beating down the price of sugars that have had the duty concessions. Take Hawaii alone: The American Sugar Refining Company has a contract with an association of Hawaiian planters by which it agrees to take all their sugar and pay the New York price the day before the sugar arrives, and they will take all that comes at that price, less $2 per ton. The American Sugar Refining Company get enormous quantities of this sugar at the market price, less $2; and that reduction amounted last year to a profit of from six to nine hundred thousand dollars.

WHO PAYS THE TARIFF?

Now, Mr. President, who pays the tariff on sugar? This is one case where the defenders of this bill will not contend that the foreigner pays the tax, for he does not. If the Senate has the patience to follow me in this, I want to demonstrate that the statement made upon this floor by the defenders of this provision that the American consuming public has received the benefit of the reduction of duty and of the admission of free sugar is not correct. There has been no substantial reduction made in the price of refined sugar as a result of this reduction in the tariff.

The claim is made that when Cuban raw sugar goes down to, say, 30 cents a hundred less because of the 20 per cent reduction in duty, half or more of that goes to the benefit of the consuming public. If the Senate has patience with me, I will demonstrate that that is a fallacy and that the American consuming public gets practically no benefit, but that every dollar that is taken from the Cubans has been paid to the refiner, and that he in turn has not yielded anything of consequence to the American consumer, and that the large beneficiaries of the tariff reductions that have been made to tropical countries have been the sugar refiners and not the public. I am free to say, from the figures I have been able to make, that the Cuban has gotten between 10 and 15 cents a hundred more for his sugar than he would have gotten if this reciprocity treaty had not been entered into; but while he is getting 10 or 15 cents, the American refiner has been getting from 18 to 23 cents. He has been getting the big end of it, and the American public has received no benefit.

CONSUMER NOT BENEFITED.

Now, I will illustrate that in this way: Take the price of refined sugar in Europe for the five years before the Cuban reciprocity treaty was entered into; that is the world price. Take the price for the same period of time on refined sugar in New York, and there is a difference. I have figures on price of sugar at Hamburg and New York that are interesting.

[Figures taken from Willett & Gray's Sugar Trade Journal, December 26, 1907, page 7, and January 7, 1909, page 8, and from Senate Document 24, Sixty-first Congress, first session, page 4.]

Year.	Average price granulated sugar, New York.	Average price granulated sugar, Hamburg.	Differ-
	Cents.	Cents.	Cents.
1899	4.919	*2.53	2.389
1900	5.32	*2.64	2.68
1901	5.05	*2.28	2.77
1902	4.455	*1.79	2.665
1903	4.633	*2.12	2.513
1904	4.772	2.49	2.282
1905	5.250	2.97	2.286
1906	4.515	2.29	2.225
1907	4.649	2.39	2.259
1908	4.957	2.64	2.317

*Bounty, 0.32 cent. From United States Department of Agriculture, Bureau of Statistics, Bulletin No. 30, page 27.

	Cents.
Average, New York, 1899–1903	4.876
Average, New York, 1904–1908	4.829
Difference	.047
Average, Hamburg, 1899–1903	2.27
Bounty	.32
Total	2.59
Average, Hamburg, 1904–1908	2.56
Difference	.03
Average, New York, 1899–1903	4.876
Average, Hamburg, 1899–1903, including bounty	2.59
Difference	2.286
Average, New York, 1904–1908	4.829
Average, Hamburg, 1904–1908	2.56
Difference	2.269

Now, from 1899 to 1903, inclusive, a period of five years, the average price of refined sugar in New York was $4.876 per hundred pounds. The price in Hamburg, plus the bounty paid by the German Government for sugar that was exported during this period, was $2.59 per hundred pounds, leaving a difference of $2.286. That is, refined sugar was $2.286 per hundred pounds more in New York during that period than it was at Hamburg.

Mr. BEVERIDGE. With the export duty added in Hamburg.

Mr. BRISTOW. Yes; with the duty added here and the bounty added there. That was the difference in the world's market on refined sugar there and in New York. Now, during the five years succeeding, if the American consumer got the benefit of the Cuban reduction, there ought to be less difference in the price of refined sugar in New York and Hamburg than there was during that time, because the refined sugar ought to have come down here as much as raw sugar was reduced.

Now, the price of refined sugar in Hamburg during the five years from 1904 to 1908, inclusive, was $2.56 a hundred pounds, and in New York it was $4.829 per hundred pounds, making a difference of $2.269 per hundred pounds during the last five years.

The difference between the Hamburg price of refined sugar for the first five years and the last five years was 3 cents a hundred pounds. That is, it was 3 cents per hundred pounds cheaper during the later period, while the New York price of refined sugar for the last five years was 4.7 cents per hundred pounds less than for five years preceding, leaving a net reduction in the cost of refined sugar during those periods of time in the United States of 1.7 cents per hundred pounds, being the difference between the decline in Europe and here. That is what the American consuming public got as a result of free sugar from Porto Rico and concession sugar from the Philippines and Cuba—1.7 cents per hundred pounds, and that is all.

The rest of it went to the Cubans and the American refiners; and nobody will claim, under the most extravagant computation, that the Cubans got more than half of it. They did not, in fact, get to exceed 12 or 15 cents per hundred pounds.

EUROPEAN SUGAR DOES NOT COME IN.

Now I want to read from a brief statement from Willett & Gray, in discussing this question. They are the leading sugar statisticians of the United States. I wrote to them and asked them for statistics showing relative prices in Europe and here, and they replied, saying:

Replying to your inquiry, you will note that the average price of granulated f. o. b. Hamburg for the last five years was 2.556 cents per pound, against New York average for the same time of 4.829 cents, a difference of 2.273 cents. In order to ship the German granulated to New York, it would have been necessary to pay not only $1.95—

I asked them this question: If there is a difference of $2.26 per hundred pounds between the price of granulated sugar in Europe and the United States, since our duty is only $1.95, it leaves a difference of 31 cents; and I asked them why it was that European sugar did not come in here when the market in New York was 31 cents higher, duty paid, than it was in Hamburg. I thought there ought to be a movement of refined sugar from Europe to the United States, because the Hamburg exporter would have 31½ cents margin to go on. So they wrote me this letter as the result of that inquiry:

In order to ship the German granulated to New York, it would be necessary to pay not only $1.95 duty, but also 20 cents, to cover freight, insurance, landing charges, etc., making the cost 4.706 cents landed, leaving a margin of only .123 cent per pound, which was not sufficient to effect sales here, because such German granulated is not as good in quality as American granulated, not being as thoroughly refined.

Which is an evidence that German granulated can not compete with American sugars at a difference of 31 cents in favor of Germany over and above our tariff, because of the expense

in shipment, as well as the depreciation as to grades. We have a cleaner, better sugar.

Now, if they can not market their refined sugar here, with a difference of 31 cents in their favor, what harm is it going to do to the American refiner to take off 7½ cents more from this duty? That would make a difference of 38½ cents, plus the 5 cents already taken off, or 43½ cents in all. Now let us see.

Mr. FOSTER. Will the Senator yield?

Mr. BRISTOW. Yes.

Mr. FOSTER. What good will it do the German sellers to take it off, and what good will it do the American people if it will not allow the German sugar to come in?

WOULD HAVE A TENDENCY TO LOWER PRICES.

Mr. BRISTOW. The American refiner will sell his sugar, in my judgment, at 7½ cents per hundred pounds less, because he is that much nearer competition. As it is now, he is in no danger of competition. There is practically no refined sugar that comes in; and if you reduce it 7½ cents per hundred pounds, it will have a tendency to reduce the price which the American consumer pays; and as far as the beet-sugar producer is concerned, it can not interfere with him, for this reason: He has the profits of production as well as the profits of refining. He gets all of the protection that goes with the $1.82½ duty on raw sugar. That is his protection against foreign competition; and there is no disposition here on the part of anyone that I have heard speak to take away from the American sugar producer a dollar of the protection which he now has; but we do want to take from the American Sugar Refining Company the graft that it now has as a result of the phraseology of this law.

Mr. OWEN. The beet-sugar producer has the inland freight in his favor, too.

Mr. BRISTOW. Yes.

Mr. SUTHERLAND. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Yes.

Mr. SUTHERLAND. If I understand the Senator's position, it is that he does not want to injure the beet-sugar producer in this country.

Mr. BRISTOW. Nor the cane-sugar producer in Louisiana.

Mr. SUTHERLAND. Neither one, of course. He does not desire to injure the domestic producers of sugar in this country.

Mr. BRISTOW. No.

Mr. SUTHERLAND. But he does want to strike at the American Sugar Refining Company.

Mr. OWEN. At the graft.

Mr. BRISTOW. I want to qualify that by saying that I have no desire to strike at the American Sugar Refining Company, any more than I would at any other institution that has, as a result of the phraseology of this law, an opportunity to take an unfair advantage of the commercial conditions and reap an unjust and exorbitant profit for handling a staple commodity.

Mr. SUTHERLAND. The Senator thinks the American Sugar Refining Company are obtaining an unfair advantage.

Mr. BRISTOW. Oh, certainly.

Mr. OWEN. That has been demonstrated.

Mr. SUTHERLAND. And therefore I do not think I misstate his position when I say that he does desire to strike at the American Sugar Refining Company——

Mr. OWEN. At the graft.

Mr. SUTHERLAND (continuing). But not at the sugar producers of the United States.

Mr. BRISTOW. That is correct.

Mr. SUTHERLAND. Now, if that is so, why does not the Senator offer an amendment increasing the duty on raw sugar, instead of reducing the duty on refined sugar?

Mr. BRISTOW. Because I think the duty on raw sugar is already enough.

Mr. SUTHERLAND. If that were done, then the full measure of protection would be afforded to the beet-sugar grower and the cane-sugar grower of Louisiana, and by raising the import duty upon raw sugars, the differential would be made less.

Mr. BRISTOW. I notice the point which the Senator makes.

Mr. SUTHERLAND. And if the Senator will permit me, in addition to that——

Mr. BRISTOW. Certainly.

Mr. SUTHERLAND. In addition to that, the Treasury of the United States would not suffer by reason of cutting down the duty on refined sugar. It seems to me that would be the necessary result.

Mr. BACON. If I may be permitted, I understand the proposition of the Senator from Utah to be about this: Recognizing the fact that there is now an improper exaction from the consumers which goes to the benefit of the sugar trust, the Senator from Utah would still require the consumer to labor under the same burden of injustice, but simply transfer it from the sugar producers to the sugar trust, leaving the consumers where they are now.

Mr. SUTHERLAND. I do not concede the position of the Senator from Georgia that the consumers are laboring under any disadvantage; and if the Senator from Kansas will permit me further to trespass upon his time to answer that, I will say that in the United States during the last ten years the price of sugar has not advanced materially, while it has advanced in most of the foreign countries.

Mr. BRISTOW. I beg to correct that statement. It has not advanced in foreign countries, but has declined during the last five years.

Mr. SUTHERLAND. My information was to the contrary.

Mr. BRISTOW. That is a mistake.

Mr. SUTHERLAND. I know it has advanced in some countries of Europe.

Mr. BRISTOW. What countries?

Mr. SUTHERLAND. I think I can give the reference in a moment.

Mr. BRISTOW. I would be glad if the Senator would do so, because I think he is mistaken so far as the wholesale price of sugar goes. I think I know what the Senator has in mind, and if he will pardon me, I will anticipate it by saying that he is considering the advance in the selling price of sugar to the people of foreign countries, the local consumption price.

Mr. SUTHERLAND. Precisely.

Mr. BRISTOW. Now, I want to read a statement from a letter of Mr. Secretary Wilson, of the Agricultural Department, in regard to the selling price of sugar in foreign countries.

HOW THEY TAX SUGAR IN EUROPE.

It has been stated here that the American consumer gets his sugar so much cheaper than the consumer in other countries that he is a very fortunate individual. That is true; he is a fortunate man because he lives in a country which does not impose the burden of local taxation on the necessaries of life; and when the effort is made here to compare the retail price of sugar in European countries with the retail price here as an argument in favor of this duty, it comes from a man who is either misinformed or intentionally trying to mislead—one of the two.

We have a duty here on the consumption of tobacco and whisky and other alcoholic beverages, which we levy for the purpose of raising funds to carry on our Government. It is our internal-revenue tax. The difference between our country and European countries is that they levy this tax on sugar and other such necessary commodities instead of upon the articles upon which we levy it. Sugar is of universal consumption. If we levied an internal-revenue tax upon the consumption of sugar, we would get a tremendous revenue. I do not want to believe that any Senator who occupies a seat in this great body would willfully undertake to make such a comparison in the defense of this infamous provision in the tariff law, to perpetuate which an effort is now being made. Secretary Wilson says:

The consumption duty on refined sugar was as follows: In Germany, prior to September 1, 1903, $2.16 per hundred pounds, subsequently $1.51; in Austria-Hungary, $3.50 per hundred pounds; in France, prior to September 1, 1903, $5.25 (with certain exemptions).

If you levied an internal-revenue tax of $5.25 on sugar here, I think the sugar producers would rebel, as well as the people who have to buy it. Yet that is the comparison that an effort is apparently being made to inject into this discussion.

Mr. FOSTER. Is the Senator referring to my statement yesterday?

Mr. BRISTOW. No.

Mr. FOSTER. Because I stated to the Senator yesterday that I was not by any means looking for the cause, but I was stating what the consumer paid for sugar in those countries, regardless of the cause, whether it came from the consumption tax or the tariff duty.

Mr. BRISTOW. I desire to say that I was not attributing to the Senator from Louisiana an improper motive in the statement. I inquired at the time he was speaking, if he will remember, in regard to the cause of the excessive retail price of European sugar.

Mr. FOSTER. And I told you——

Mr. BRISTOW. And he stated frankly what it was. But I have heard it said in the sugar discussion time and again that the Americans were securing sugar so much cheaper than the people in any other civilized country that they had no cause of complaint, and I want to emphasize the reason why we are getting it cheaper. It is because we do not levy these internal consumption taxes on sugar in order to get money for our Government.

Mr. JONES. Mr. President——

The PRESIDING OFFICER (Mr. JOHNSON of North Dakota in the chair). Does the Senator from Kansas yield to the Senator from Washington?

Mr. BRISTOW. Certainly.

Mr. JONES. I should like to ask the Senator whether he has any data showing what the retail price is in these countries as compared with ours, after deducting what you may term "the special taxes?"

Mr. BRISTOW. I have not figured it out, because, as the Senator from Louisiana said yesterday, there are some European countries where sugar is all disposed of through certain organizations at a fixed price. The government, I believe, if it does not absolutely fix the price, influences it very largely, does it not? So that it is not the free and open commercial market which we have. The government in some countries in order to get revenue and bolster up its financial resources, requires sugar to be sold at a certain price.

WOULD HELP CANE AND BEET SUGAR PRODUCERS.

Mr. President, I have not the slightest desire that this bill shall be changed in any way so as to impose any burden upon the sugar producers of Louisiana or of the West. I believe that when sugar advances to the pure stage of 100°, it ought to pay $1.82½ per hundred pounds duty. In my judgment, $1.82½ per hundred pounds duty is all that the beet-sugar producers of this country have any right to ask the American people to give them as protection. It is true that under this law they have advanced remarkably in the amount of beet-sugar production. I am greatly pleased that that is true, because it has convinced me that beet-sugar production is practicable in the United States and that we can in time produce a very large part of the sugar we consume. The beet-sugar production has increased, since the Dingley bill was enacted, in 1897, from 45,000 tons to 425,000 tons last year.

Mr. OVERMAN. What was it the first year?

Mr. BRISTOW. Forty-five thousand tons, and during twelve years it has advanced from 45,000 tons to 425,000 tons.

As a result of this legislation a great deal of capital has been invested in beet-sugar enterprises. That being the case, it would not be right for this Government to enact any law which would seriously injure that investment.

Production of beet sugar in the United States.

	Short tons.
1897	45,246
1898	36,363
1899	81,729
1900	86,082
1901	184,606
1902	218,406
1903	240,604
1904	242,113
1905	312,921
1906	483,612
1907	463,628
1908	425,884

NOTE.—From Senate Document 22, Sixty-first Congress, first session. Letter from the Secretary of Agriculture.

Mr. SMITH of Michigan. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Michigan?

Mr. BRISTOW. Certainly.

Mr. SMITH of Michigan. In fact the industry ought to be encouraged rather than discouraged. If it becomes so general in its productivity that we can get at home practically all the sugar we need, you will not only have solved the question of the American Sugar Refining Company's interest in the proposition, but will have stimulated an actual competitor of that company. We refine the sugar in the beet-sugar factories. We take it in as beets at one end and take it out as refined sugar at the other. If the investor and sugar manufacturer can only be given confidence enough in the stability of our policy to encourage their going into the business, it seems to me we shall have solved rather completely the question of the exactions of the refining company.

Mr. BRISTOW. I regret to say that the American Sugar Refining Company, not as a company, but the men who control it as individuals, have acquired a very large holding in our beet-sugar factories. Many of them they control. This is the first time in sugar legislation when we see the same lobbyists for the beet-sugar man and the American refiner knocking at our doors. Heretofore there has been a contest between the producer and the refiner. That contest has been removed, and now the beet-sugar men in whose factories neither the American Sugar Refining Company nor any of its agents have any holdings, are afraid to antagonize it, because of its tremendous power, and the producers of Louisiana are here working in harmony with the American Sugar Refining Company. Why? Because they are afraid of its power, and they know—and it will not be denied—that it has them by the throat, to use the term of Mr. CLARK when he was interrogating one of their representatives before the Ways and Means Committee of the House.

Mr. SMITH of Michigan. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Michigan?

Mr. BRISTOW. Certainly.

Mr. SMITH of Michigan. The Senator from Kansas, I think, and I will agree entirely that in its inception the beet-sugar-producing industry in this country was a direct and threatening menace to the American Sugar Refining Company. Is not that correct?

Mr. BRISTOW. In its inception; that is correct.

Mr. SMITH of Michigan. That hostility continued until Cuban reciprocity was undertaken, and the threat which appeared, growing out of the possible annexation of Cuba, the greatest sugar-producing area in the world, I think, disturbed many of the independent investors in sugar plants, and the more timid sold their holdings. I do not know to whom, nor do I know who now owns them. I know the one nearest to my own home city is absolutely independent of the trust, and I know that the Michigan sugar organization has not changed a single officer or director from the time of its inception until this moment.

Mr. BRISTOW. I want to interject here, with the permission of the Senator from Michigan, that you do not have to change the directors in order to get control of the financial management of an institution.

Mr. SMITH of Michigan. Oh, well, the Senator need not tell me that. I understand that perfectly. But what I desire to do is to give this important industry in our own country such standing and stability under our law as will permit independent enterprises of that character here, and anything calculated to disturb that confidence will operate, I think, upon the mind and the pocket of the ordinary holder of sugar stock in this country; and I am very much afraid that they may be so alarmed that they will dispose of their holdings and not undertake new enterprises, and that the result will be to strengthen the hold of the one refining company upon the country.

Mr. BRISTOW. I agree with the Senator that up until the time when the Cuban reciprocity law was enacted there was a rivalry between the beet-sugar industry and the American Sugar Refining Company.

Mr. SMITH of Michigan. There was.

Mr. BRISTOW. The American Sugar Refining Company won in that contest, which was waged here with such great force and vigor, and then——

Mr. SMITH of Michigan. They did not——

Mr. BRISTOW. If you will permit me to finish—then the beet-sugar interests evidently concluded that it was wise to make up with the trust instead of to fight it. Is not that the truth in plain words?

Mr. SMITH of Michigan. The Senator says the American Sugar Refining Company won. I call his attention to the history of that occasion, with which I am very familiar; and if they won, they won after one of the most stubborn fights made in Congress in many years.

Mr. BRISTOW. That may be true.

Mr. SMITH of Michigan. They did not win with my vote, and they can not win now with my vote.

Mr. BRISTOW. That may be true. I do not want to question the judgment of Senators who supported Cuban reciprocity because they believed, first, that we were under obligation to help a struggling country, which was a very laudable purpose, and, second, that the tendency would be to reduce the price to the American consumer. The Senators who contended for the enactment of that reciprocity treaty had laudable motives, and fought for what they thought was right. The Senators who contended against it saw a different result. Time has demonstrated that the Cubans did get some benefit.

Mr. SMITH of Michigan. The Cuban planter?

Mr. BRISTOW. Yes; he got some benefit.

Mr. SMITH of Michigan. The Cuban laborer?

Mr. BRISTOW. I think the Cuban laborer got some benefit.

Mr. SMITH of Michigan. I do not think it affected his wage.

Mr. BRISTOW. I think the Cuban did get some benefit, but the American people did not. So, on the one side, those who contended for Cuban reciprocity were right, as far as Cuba was concerned; and, on the other side, as far as the American people were concerned, they were not. I think that is true.

Mr. SUTHERLAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SUTHERLAND. I was one of those who, in the House of Representatives, voted against the Cuban reciprocity bill. I believed it to be unwise then, and I believe it to be unwise now. I think the result of it was simply to take out of the Treasury of the United States somewhere in the neighborhood of ten or twelve million dollars per annum, and to benefit the Cubans very little, and to reduce the price of sugar in this country not at all.

But I want to ask the Senator one question. In the colloquy between him and the Senator from Michigan, they have been discussing the interest of the American Sugar Refining Company and the various beet-sugar companies, and I think both of them are overlooking the interest of the American farmer in the controversy. I call the attention of the Senator from Kansas to the fact that since the Dingley law went into effect in 1897 the price which the American farmer has been receiving for his beets has gone from $4.10 per ton to $5.35 per ton, and to-day the American beet-sugar farmers are receiving an aggregate of nearly $20,000,000 per annum for their product. It seems to me that they have an interest in the maintenance of this duty as well as the factory people.

WOULD NOT TAKE A CENT FROM THE FARMER.

Mr. BRISTOW. I want to impress now upon the Senate that there is no disposition here to take from the American sugar-beet farmer a penny of his reward. There is no disposition here to disturb or in any way injure the American beet-sugar producer—none whatever. I do hope that the Senators who feel it their duty to defend this bill will defend it from the standpoint of the desirability of the amendments that I have offered. I am not disturbing, by these amendments, the American sugar-beet producer. I am helping him, as I think I can demonstrate to the Senator from Michigan; and if I can demonstrate it to him, I hope the amendments will be adopted.

Mr. SUTHERLAND. Will the Senator permit me one further remark?

Mr. BRISTOW. Certainly.

Mr. SUTHERLAND. I wish to say to the Senator from Kansas that, in my judgment, if this duty is cut from $1.95 to $1.82½ per hundred, the burden of it will fall upon the men who are producing sugar beets in this country, because I do not believe for one moment that the factories will sacrifice their profits, but I believe they will simply say to the sugar-beet farmers of my State and of the other States, "the duty upon sugar has been cut from $1.95 to $1.82½, and we will have to cut down the price we are paying you for your beets;" and the ultimate result of it will be that the sugar-beet farmer in this country will bear the burden, and nobody else.

Mr. BRISTOW. Mr. President, that is the fallacious argument that is always made in regard to discussing a slight reduction in these duties. I have great respect for the Senator from Utah and his judgment on almost any subject. But before I forget it, I wish to continue my remarks relating to the statement which the Senator from Michigan made—that is, that the reduction of this duty 7½ cents per hundred pounds would destroy the confidence of the American investor in the stability of the American beet-sugar enterprise.

Mr. SMITH of Michigan. I do not say it would; I say it would have a tendency to do so.

Mr. BRISTOW. I want to ask the Senator if he does not think that it would be a great deal better for the American sugar-beet producer to stand independent and alone and not contend against legislation which is not directed at him, but to weaken the power of the greatest enemy that he has in American commercial life—the sugar trust?

Mr. SMITH of Michigan. Mr. President, I should like to answer that.

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Michigan?

Mr. BRISTOW. Certainly.

Mr. SMITH of Michigan. The American beet-sugar producer is very keen to keep this market, one of the greatest markets for sugar in the world. He is very keen not only to get it but to hold it. With the acknowledged character of our soil for the production of sugar beets, nothing in the world can prevent the growth and development of that industry to the maximum capacity of our people to consume except a lessening of confidence in the stability of the governmental policy.

The Senator from Utah says that this burden will fall upon the beet growers. I wish I could take that same view for the purpose of agreeing with my distinguished friend from Utah, whose judgment I always respect. But I hardly believe that the beet-sugar manufacturer is in a position to cut down the beet grower very much. If you threaten the sugar-beet grower with a reduction of price you will drive him out of that business entirely, because we have to humor and coax the beet grower now to get him to devote his attention to that crop at all. There are only certain classes of our people who occupy themselves with the cultivation of sugar beets. The independent factory that I spoke of at Holland, Mich., in my old congressional district, has a Dutch element in the population that have taken quite readily to the cultivation of sugar beets, but I hardly believe that the farmer can be made to compensate for this reduction in the price of his beets. I rather fear that, not being able to put it upon him and not being able to get it from any other source, the man who has his all in that business will get out of it to the best possible advantage to himself, even if he has to do the unholy thing of parting with it to the American Sugar Refining Company, his only antagonist.

Mr. CLAPP. Will the Senator from Kansas pardon an interruption?

Mr. BRISTOW. Certainly.

Mr. CLAPP. This is a matter we are all vitally interested in. I fully agree with the Senator from Michigan that whatever happens, the beet-sugar makers can not load the burden on the farmers. The difficulty with the beet-sugar industry is to get the beets, and the industry is in no position to punish the farmers. Go through the record of the beet-sugar factories that have failed and the record time and again is that they failed because there were no beets. The Senator from Michigan will agree with me, will he not, that there can be but two possible competitors to the beet-sugar manufacturer, the American Sugar Refining interest, whatever it may be, and foreign sugars?

Mr. SMITH of Michigan. Yes.

Mr. CLAPP. Then before this debate closes I would like to have the Senator from Michigan, or some one else who is opposed to the view of the Senator from Kansas, analyze and answer this question.

The Senator from Kansas has shown that the present price of European sugar is 31 cents less than the New York price and we get no foreign refined sugar. So clearly reducing this differential as proposed by the Senator from Kansas, it would seem to me would still leave a difference that would prevent the coming in of foreign sugar in competition with the American beet-sugar manufacturers.

If that is true, what is there in the proposition of the Senator from Kansas that gives the American sugar-refining interest any advantage over the beet-sugar producers which it does not have to-day? On the contrary, if it had any effect on the American sugar-refining interest, would it not lessen the power of that force in its competition with the beet-sugar industry? Before this debate ends I will be glad to have the Senator analyze and answer that question. I ask the pardon of the Senator from Kansas, yet I realize that what the Senator from Kansas wants is a discussion of these questions.

Mr. BRISTOW. Certainly; I have no objection.

Mr. CLAPP. I realize that it does not embarrass him to be interrupted.

Mr. BRISTOW. Right on that point I want to continue to read from Willett & Gray, because it has a bearing upon this immediate phase of the discussion in regard to the amount of refined sugar that was imported from Europe. Continuing, they say:

> In the years 1901 and 1902 the difference in prices of German and American granulated was greater, say, 2.79 cents and 2.67 cents, when considerable refined was shipped to the United States from Europe, amounting to 39,274 tons in 1901 and 19,003 tons in 1902, against only 1,257 tons in 1908.

During those years—1901 and 1902—the German Government was paying a bounty of 32 cents per hundred pounds on exported sugar. The difference then between the New York price of refined sugar and the Hamburg price of refined sugar—and I should like the attention of the Senator from Michigan to this——

Mr. CLAPP. We lost the date.

Mr. BRISTOW. In 1901 and 1902. At that time the German Government was paying 32 cents per hundred pounds bounty on exported sugar, and the difference in German sugar in Hamburg, duty paid, and American sugar in New York was for those two years 72 cents and 84 cents per hundred pounds. That differential was so great that it induced some foreign sugar to come here. So it may be taken as a matter of fact that the American sugar producer has at least a 50 cents per hundred pounds protection over and above the $1.95 duty against the importation of refined sugar from Germany. It can not possibly affect the importation of refined sugar to reduce this duty 7½ cents.

Now, Mr. President, as to the protection of $1.82½ per hundred pounds——

Mr. FOSTER. Will the Senator let me ask him a question?

Mr. BRISTOW. Certainly.

Mr. FOSTER. Was there not at that time and during those years a countervailing duty by which all bounty-paid products coming to this country had to pay about one-tenth?

Mr. BRISTOW. I do not remember.

Mr. FOSTER. I think you will find that to have been the case.

Mr. BRISTOW. That would not affect the case any, because the difference in cents was 72 and 84 in the selling prices. Whatever the duty was, it would not have affected the price here.

Mr. FOSTER. I understood at that time there was a differential of 12½ cents, and in addition to that there was one-tenth of 1 per cent as the countervailing duty upon sugar coming from bounty-paid countries.

Mr. BRISTOW. If the Senator will permit me, I am not speaking of per cents of duty, but of the actual commercial difference in the quotations. The quotations in New York were 72 cents higher than the quotations in Hamburg, plus the duty of $1.95.

Mr. FOSTER. But not plus the differential.

Mr. BRISTOW. No; not plus the differential, but plus the duty. With that 72 cents margin it did not come in in any appreciable quantities.

Mr. President, I have continued this discussion longer than I intended, but I want to deal, before I quit, with another feature of it, and that is the Louisiana cane-sugar producers. There is no desire here in any way to injure the sugar production of Louisiana.

The greatest enemy, as the Senator from Michigan has said, of the sugar producer is the sugar trust, because it wants to buy the sugar after it is produced, put it through the process of refining, and then sell it to the American people for a very large margin, and because of its organization and its power over the commerce of the country as it relates to sugar it has practically acquired a monopoly of the sugar business. It gets a very large part of the sugar that comes from Cuba. It gets nearly all of that which comes from Hawaii. It gets the most of that which comes from Porto Rico. It gets the sugar that comes in free and under the concessions. The independent refiner has not been so successful, although some of them are getting a foothold in Cuba.

In Louisiana the sugar is sold to the American refiner very largely—probably 90 per cent of it, is it not?

Mr. FOSTER. About 67 per cent.

Mr. BRISTOW. I understood Mr. Colcock to say about 90 per cent.

POWER OF THE TRUST.

To show the power of the sugar trust over the sugar market, I want to read from the testimony of the representative of the Louisiana sugar producers before the Ways and Means Committee. His replies were in response to questions asked by Mr. UNDERWOOD:

Mr. UNDERWOOD. Isn't it a fact that the sugar raised in Louisiana, the cane sugar, is practically all refined by the American Sugar Refining Company?

Mr. COLCOCK. Not all of it. The trade takes plantation sugar over 16 Dutch standard for direct consumption.

Mr. UNDERWOOD. I am talking about what is refined, not what the trade takes in brown sugar, or sugar of the Dutch standard. I am referring to sugar that is actually refined. Does not the American Sugar Refining Company practically consume or refine all of the cane sugar that is refined in this country?

Mr. COLCOCK. The cane sugar produced in Louisiana?

Mr. UNDERWOOD. Yes.

Mr. COLCOCK. That is a question. There is only one other refinery who buys that sugar, and that is the so-called "Henderson Sugar Refinery," and the proportion of their purchases to that of the American Sugar Refining Company is about 1 to 8.

Mr. UNDERWOOD. In other words, the American Sugar Refining Company refined about 90 per cent of it?

Mr. COLCOCK. Of what goes into the pot—is melted.

Mr. UNDERWOOD. Is not the value of the cane sugar in Louisiana, the price of it for refining purposes, practically fixed by the American Sugar Refining Company and not by the markets of the world?

Mr. COLCOCK. I should say absolutely; not practically, but absolutely.

Mr. UNDERWOOD. Absolutely fixed by the American Sugar Refining Company?

Mr. COLCOCK. Absolutely.

Mr. UNDERWOOD. Therefore, isn't it a fact that last year the Louisiana sugar producer sold his sugar to the American Sugar Refining Company at a price largely below the world's price, with the tariff duties added?

Mr. COLCOCK. Not only last year, but to-day.

Mr. UNDERWOOD. Please state to the committee how much the difference was between what you sold your sugar to the American Sugar Refining Company for and the world's price, with the duty added.

Mr. COLCOCK. In Hamburg, on Thursday of last week, the quotation for sugar was 4.16 cents. The New York quotation on our board for 96 test sugar was 3.94 cents. The price paid by the American Sugar Refining Company for very nearly all of the sugar offered that day on the basis of 96 test was 3.62½ cents.

From this testimony it appears that the Louisiana planters sold their sugar for 31½ cents less than the New York price.

Mr. SMITH of Michigan. Will the Senator tell us how he is going to remedy that discrepancy?

Mr. BRISTOW. If the Senator will permit me, I will get to that pretty soon. If I do not, I ask him to call my attention to it.

Mr. SMITH of Michigan. If you can not remedy it by bringing equality, I am sure you do not want to make it worse by any course you may pursue. I am positive of that.

Mr. BRISTOW. Mr. President, I do not want to proceed to read here, when Senators who are most interested pay no attention.

Mr. OWEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bacon	Crawford	Hughes	Perkins
Bailey	Cullom	Johnson, N. Dak.	Piles
Borah	Cummins	Johnston, Ala.	Rayner
Bourne	Curtis	Jones	Root
Bradley	Daniel	Kean	Scott
Brandegee	Dick	La Follette	Shively
Briggs	Dillingham	Lodge	Simmons
Bristow	Dixon	McLean	Smith, Mich.
Brown	Dolliver	Martin	Smith, S. C.
Burkett	Elkins	Nelson	Stephenson
Burnham	Fletcher	Nixon	Tallaferro
Burrows	Flint	Oliver	Warner
Burton	Foster	Overman	Warren
Chamberlain	Frye	Owen	Wetmore
Clapp	Gallinger	Page	
Clark, Wyo.	Gamble	Paynter	
Clay	Gore	Penrose	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum is present.

Mr. BRISTOW. For the benefit of the Senators who were out when I began reading this testimony, I will state that the price of raw sugar, as shown by this evidence of Mr. Colcock, who represents the sugar producers of Louisiana, was not the world price plus the duty, but 31½ cents a hundred pounds less than the world price plus the duty; and Mr. UNDERWOOD, of the Ways and Means Committee, was interrogating Mr. Colcock as to the reasons for that.

Mr. UNDERWOOD. Then the Louisiana sugar planter and producer, by reason of the sugar trust being the largest purchaser in the American market, does not receive the full benefit of the tariff under the Dingley law?

Mr. COLCOCK. By no means. I have explained how much we get of it. The Dingley rate is $1.68½, but owing to this concession to Cuba of 34 points, we have to sell on the basis of what the American refiner and the refiners in general—I do not speak of the American Sugar Refining Company alone, but all of the American refiners pay the same price—practically, for the sugars, based upon the Cuban value. Porto Rico, for instance, sends her sugar in free. She does not get $1.68½ protection, but she gets about $1.34, probably a little more. But the whole rake-off does not end. They rake off three-sixteenths to five-sixteenths of a cent more, on the ground that they have to transport the sugar to New York and melt it there; so the price they pay us is three-sixteenths of a cent, on the average, under the Cuban price. Last year, owing to the panic, they increased that rake-off. This year they have increased the rake-off again.

Mr. UNDERWOOD. And the cane-sugar producer of this country is absolutely in his hands and dependent upon them to fix the price for the market.

Mr. COLCOCK. They are the best buyers that we have.

Mr. UNDERWOOD. And you could not sell the product unless you sold to them?

Mr. COLCOCK. That I am not prepared to say.

Mr. UNDERWOOD. Is not there very little refined sugar imported into this country in comparison with the sugar below the 16 Dutch standard or molasses?

Mr. COLCOCK. There would be no reason to import it, and lose money on it.

Mr. UNDERWOOD. Are the importations of refined sugar very small?

Mr. COLCOCK. Very small.

So that there is practically none now imported. On page 3264, referring to this matter, Mr. CLARK, of the Ways and Means Committee, asked Mr. Colcock this question:

Mr. CLARK. Another thing, the difference between the cane-sugar men and the beet-sugar men is that you have nothing on top of earth to do with this differential on refined sugar, and they have a differential on refined sugar plus the tariff that you get on the raw sugar?

Mr. COLCOCK. That is correct.

That is a very important point in considering the beet-sugar industry of the United States. I want the Senators who are interested in the beet-sugar industry to bear that in mind. The beet-sugar producer gets the profit of production the same as the Louisiana planter gets it; and, in addition to that, he gets the profit of refining. His are the profits of both processes. The Louisiana planter, with his present facilities, can not turn out refined sugar; he sells his sugar raw. It then goes through the process of refining, which adds about 90 cents to its selling value, and that 90 cents, with whatever profit it represents, the beet-sugar producer receives for his product. So he gets both the profits of production and of refining. Therefore, since he produces refined sugar, sugar grading 100, he gets the top price for his product. Under the provisions of the bill as amended, he will get a protection of $1.825 per hundred pounds. In my judgment, that is ample protection.

The American people ought not to be required to pay a higher protection on a commodity of universal production like this than $1.825 per hundred pounds. If sugar can not be successfully produced with that margin, then we had better go into some other line of business and buy our sugar, instead of producing it. But I want to say that it can be produced with great profit in that part of the United States that is adapted to beet-sugar production.

Continuing, Mr. Colcock says:

Mr. CLARK. That is their situation?
Mr. COLCOCK. And I do not want to hurt them; they are our neighbors.
Mr. CLARK. That I understand; that is the difference in the situation. What is the reason you do not start refineries?

Now, I want to call the attention of the Senate to this:

Mr. COLCOCK. Because we are afraid.

A very frank and truthful statement—

Mr. CLARK. Afraid of what?
Mr. COLCOCK. Afraid that when we come to sell the sugar, not to the American Sugar Refining Company alone, but the people who refine sugar independently also, will undersell us wherever we try to deliver our goods.
Mr. CLARK. A cutthroat game?

Now, continuing, Mr. PAYNE, the chairman of the committee, asks Mr. Colcock this question:

The CHAIRMAN. I would like to ask why you do not refine this sugar? I understood you to say that you are afraid. What are you afraid of?
Mr. COLCOCK. Suppose we put, say, $1,000,000 into a refinery; we would have to have $1,000,000 of working capital besides. Now, then, we begin to sell the sugar, selling it to a company at Vicksburg, say, at 5 cents a hundred under the price offered by the American Sugar Refining Company—

This is a Louisiana association, and he is speaking of the Vicksburg, Miss., market, which is a short distance away. Mr. Colcock continues:

Then they offer to sell it at 10 points lower; then the other company cuts them 10 points, and so on; and as there are only about 28 points that can be possibly cut, in two days we would be out of the game altogether.
The CHAIRMAN. All you are afraid of is the competition of the refining companies?
Mr. COLCOCK. Undoubtedly; we are afraid of that.
The CHAIRMAN. I understood you to say, in reply to a question by Mr. UNDERWOOD, that there had been a time when you did not get a fair price for sugar from the refining company?
Mr. COLCOCK. We did not get it last year, nor this year.
The CHAIRMAN. Not this year, but you did get it last year?
Mr. COLCOCK. No; we did not last year. There was a reason for it last year, but there is no reason for it this year.

Mr. President, I can not understand why the Louisiana sugar producers are here contending against legislation which will take from this powerful monopoly a part of the resources by which it has crushed competition and reduced the price of their sugar, according to the statements of the secretary of the association, from 30 to 40 cents a hundred pounds below the world's market——

Mr. BACON. Mr. President, will the Senator permit me to ask him a question for information?

Mr. BRISTOW. Certainly.

Mr. BACON. The Senator has brought to the attention of the Senate the testimony of an officer of that association, from which it appears that the sugar trust—if I may so term it—secured the Louisiana crop at a less price than it was worth and a less price than was paid for it at other times. The question I desire to ask the Senator, if he has made the investigation, is whether, at the time that the sugar trust were thus getting raw sugar at a cheaper rate, it reduced the price of refined sugar or not?

FIXES THE RETAIL PRICE.

Mr. BRISTOW. I have not the price of refined sugar at that particular date; but the price of refined sugar during the last five years since we have had free sugar from Porto Rico, sugar from Cuba at a 20 per cent reduction, free sugar from Hawaii—which has increased from 230,000 tons ten years ago to 540,000 tons last year—and sugar at a 25 per cent reduction from the Philippines, during that period, with this tremendous volume of free and reduced duty sugar coming in, the reduction in the price of refined sugar to the American consuming public has been but 1.7 cents per hundred pounds, and during that time the trust has driven down the price of raw sugar in Louisiana and has driven down the price of sugar in Cuba so as to absorb the entire 20 per cent itself. They have been getting the sugar from Hawaii at a reduced price, which reduction alone yields them, net, about $700,000 a year; and now, when we undertake to take from this bill the provision upon which they have built this tremendous power, the strange thing is that those who represent the beet-sugar industry in the United States and the cane-sugar producers of Louisiana come here and contend against it. There is, in my humble judgment, but one answer, and that is that they are weak and are afraid to antagonize this tremendous commercial power.

Mr. President, does this power rest only upon the fixing of the price of the raw sugar which it buys? We will hear what Mr. Colcock has to say in regard to that. I read from page 3262 of the tariff hearings:

Mr. BOUTELL. And I presume, from your evidence to the effect that the refiner dictates the price which they shall pay for the raw material, that they also dictate the price which the jobber shall pay for refined sugar?
Mr. COLCOCK. Not only that, but they also tell him how much he shall sell it for.

They fix the price which the Louisiana planter must accept for his product; they fix the price which the jobbers shall pay to them; and then, according to this testimony, they fix the price that the jobber shall sell it for. Is there a Senator on this floor who believes that it is to the interest of the American people to perpetuate such power in the hands of any one institution over a great staple of life's food? I again declare that the only possible effect of the keeping in of the Dutch-standard provision is to perpetuate that power.

Mr. BORAH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Idaho?

Mr. BRISTOW. Certainly.

Mr. BORAH. Do I understand the Senator from Kansas to say that the effect of the Dutch standard was to perpetuate the power of the corporation of which he spoke?

Mr. BRISTOW. Yes.

Mr. BORAH. I do not want to have the Senator digress from the course of his argument, but would he state briefly why that is true, because, to my mind, that is a very interesting feature of this discussion?

Mr. BRISTOW. The sugar of 16 Dutch standard is so dark a sugar that it can not find a market in the United States except to the refiner. So that when the importer of sugar comes to this great market to dispose of his product, he finds but one purchaser, the refiner, because he can not bring sugar here that is light enough to sell in the open markets to the consumer. So he is compelled to take it to the refiner. The refiner purchases it, puts it through the process of refining, adds about 90 cents per hundred pounds for that operation, and then sells it to the American public. The effect of the Dutch standard is to confine the market for dark sugars or for raw sugars from abroad to the refiners only. Take it away, and they could bring in the product of their factories, if it was high grade, and sell it in the open market, paying the duty that is fixed upon raw sugar. Is that plain?

Mr. BORAH. I was not intending to interrupt the Senator further.

Mr. BRISTOW. I am glad to be interrupted.

Mr. BACON. I want to suggest to the Senator that he stated the matter very much more elaborately when he went over the ground before, and in reply to the Senator from Idaho, he has failed to state one material fact, and that is, when it passes the Dutch standard, even though it may be very low in degree as compared with the refined sugar, it has to pay the duty of the full refined sugar. That is the important fact.

Mr. BRISTOW. Yes; it pays the full duty of refined sugar. I will not go into it elaborately, because I have already done that. Now, continuing:

Mr. BOUTELL. So that there is then a combination which fixes the price which the jobber charges the retailer?
Mr. COLCOCK. A combination in the refining industry; yes.
Mr. BOUTELL. So that all retailers that buy their sugar, buy it at a uniform price, that is the same grade of sugar?
Mr. COLCOCK. Well, yes; practically.
Mr. UNDERWOOD. In other words, the American Sugar Refining Company dictates the price at which you shall sell your sugar to them, and also dictates the price at which the jobber shall sell the sugar to the public?
Mr. COLCOCK. They do; but they do not tell us that we have to sell it to them; they say we can sell it to somebody else.
Mr. UNDERWOOD. But you are bound to sell it to them because you have no other purchaser, so that they dictate the price to you at which they buy and they dictate the price to the jobber at which he shall sell?
Mr. COLCOCK. That is my impression; yes.
Mr. BOUTELL. So that the dictation with reference to this material goes on down until it leaves the hands of the retail dealer?
Mr. COLCOCK. It looks to me that way, Mr. Boutell.

Mr. President, something has been said in regard to who would bear the burden of this reduction of 7½ cents per hundred on refined sugar, whether it would be the beet farmer or the refiner. The Secretary of Agriculture has furnished me a statement here in which he gives the average number of pounds of sugar extracted from a ton of 2,000 pounds of beets in the various States of the Union, and then averages our entire production. According to the Secretary of Agriculture, we get out of a ton of 2,000 pounds of beets 314.8 pounds of refined sugar (1908–9), which sells for about 5 cents a pound, making a total of about $15.70 for the sugar taken from a ton of beets. The average price of beets is about $5 per ton.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. I should like to have the Senator again state how much sugar they get out of a ton of beets.

Mr. BRISTOW. The Secretary of Agriculture, in a statement that I received from him this morning, says that the average in the United States in the year 1908 was 316 pounds.

Mr SMOOT. Mr. President, in Senate Document No. 22, on page 14, the Secretary of Agriculture, Hon. James Wilson, says

that the average extraction of sugar based on the weight of the beets for 1907, 1906, 1905, 1904, 1903, 1902, and 1901 was 11.6 per cent, or 233 pounds of sugar from a ton of beets.

Mr. BRISTOW. The Senator is massing a number of years. I was giving it for the year of 1908.

Mr. SMOOT. I will take last year, the yield of which was the very highest that is known; and the Secretary of Agriculture says also on the same page that the per cent was 12.47, or 249 pounds.

Mr. BRISTOW. It is 316, according to the statement which I have from the Secretary, received from him this morning, for the same year.

Mr. SMOOT. There is certainly something wrong——

Mr. BRISTOW. There may be——

Mr. SMOOT (continuing). Because I know that beets do not yield that much; and here is the Secretary's own statement, which every Senator has upon his desk.

Mr. BRISTOW. I will put this in the RECORD, and the Senator can have that out with Secretary Wilson.

Mr. SMOOT. I have the Secretary's own statement. Is the letter which the Senator has signed by Secretary Wilson?

Mr. BRISTOW. I beg the Senator's pardon. I will put this in the RECORD, and I will put the Secretary's letter in if the Senator wants me to do so; or, if he does not, I will pass it over to him and he may examine it.

Mr. SMOOT. I do not ask that. I ask whether Secretary Wilson signed that letter stating that last year there were some three hundred and odd pounds of sugar extracted from a ton of beets? That is a simple question, and the Senator can answer it.

LETTER FROM SECRETARY WILSON.

Mr. BRISTOW. I will read from the Secretary's statement. He says:

In compliance with the request in your letter of the 20th instant, I have the honor to send you herewith three statements showing for each of the last ten years (1) the price of raw sugar in Hamburg, Magdeburg, Prague, and Paris; (2) the price of raw sugar in New Orleans; and (3) the average extraction of sugar per ton of beets in the various beet-producing States.

That letter is signed "James Wilson, Secretary," and to that letter is attached this table:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., May 24, 1909.

DEAR SIR: In compliance with the request in your letter of the 20th instant, I have the honor to send you herewith three statements showing for each of the last ten years (1) the price of raw sugar in Hamburg, Magdeburg, Prague, and Paris; (2) the price of raw sugar in New Orleans; and (3) the average extraction of sugar per ton of beets in the various beet-producing States.

The European prices, except for Magdeburg, have been compiled from trade papers; the Magdeburg price is derived from the official sugar statistics of the German Empire. The internal-revenue duty on sugar in Germany, Austria-Hungary, and Paris is collected on sugar after it has been refined, and is consequently not included in the price of raw sugar.

New Orleans prices refer exclusively to the period of four months, November to February, inclusive, during which from 80 to 85 per cent of the total output is marketed.

The yield of sugar per ton of beets shown for 1899–1900 was derived from the census returns; for 1904–5 and subsequent years, from annual reports of this department, entitled "Progress of the beet-sugar industry in the United States;" for intervening years, from the Willett & Gray's Sugar Trade Journal.

Discussion as to the cost of the production of beet sugar has appeared frequently in the reports on the progress of the beet-sugar industry. The latest statement is contained in the report for 1907, pages 13–16. A marked copy of that report, together with an article from the Yearbook for 1906, entitled "Methods of reducing the cost of producing beet sugar," has been mailed to you, under separate cover.

Very respectfully,

JAMES WILSON, *Secretary.*

Hon. JOSEPH L. BRISTOW,
United States Senate.

Average yield of sugar per ton (2,000 pounds) of beets in the principal beet-growing States.

[Pounds.]

Year.	California.	Colorado.	Idaho.	Michigan.	Nebraska.	Utah.	Wisconsin.	Other States.	Total United States.
1899-1900..	244.4	(a)	(a)	163.7	(a)	(a)	(a)	184	205.7
1900-1901..	265.4	219.7	--------	210.7	146.4	219.7	--------	153.6	212.1
1901-1902..	216	219.7	--------	211.2	214.7	217.4	207.1	207.9	214.4
1902-1903..	248.3	244.7	--------	212.8	215.6	225.9	204.1	221	231.8
1903-1904..	240.4	215.9	210.5	220	253.4	236.5	215.7	233.1	230.5
1904-1905..	314.8	312.8	297.6	302.6	301.6	295.4	290.8	313	306.6
1905-1906..	345.4	294.2	289.4	313	249	280.6	300	315.6	306.6
1906-1907..	334	294	338	290	274	290	272	288	298
1907-1908..	358	306	350	302	(a)	326	302	302	316
1908-1909..	353.2	277	316.8	342.2	(a)	282	284.4	304.4	314.8

[a] Not separately shown.

(Secretary Wilson's correction later of this table found at end of remarks.)

Mr. SMOOT. Then the Secretary says, does he, that the average extraction of sugar from beets in the United States is three hundred and some odd pounds of sugar to the ton?

Mr. BRISTOW. Three hundred and fourteen pounds for the years 1907 and 1908, 298 pounds for the years 1906 and 1907, and 306 pounds for the years 1905 and 1906, and so forth.

Mr. SMOOT. I can now see very plainly from the statement what the Senator means. The Senator means that it is the average sugar in the beet; but practically you do not get all the sugar that is in the beet. Here is the statement of the Secretary: He says that the average sugar in the beets for the year 1908 was 15.74, which would be the same, perhaps, as the figures the Senator has there; but the average amount of sugar extracted, based on the weight of the beets, is only 12.47 per cent for that same year. The Senator certainly, if he knows anything about the extraction of saccharine from beets, knows that it can not be all extracted. Therefore he has started to figure upon the sugar content of the beets, and not upon the sugar extraction, and where will it take him?

Mr. BRISTOW. If the Senator will curb his impatience for a moment, I will read this letter again.

Mr. SMOOT. I ask the Senator if the statement that I have made is not correct?

Mr. BRISTOW. It is not.

Mr. SMOOT. Well, then, I will let the statement of the Secretary of Agriculture say whether it is right or whether it is wrong.

Mr. BRISTOW. I am willing to leave it to him; and the Senator can go over and discuss this with him at his leisure. If the Senator from Utah will note, the Secretary says:

The average extraction of sugar per ton of beets in the various beet-producing States—

Was the figure given. I do not know whether those figures are right or not. The Secretary of Agriculture has given them to me over his signature, and I received them this morning.

Mr. SMOOT. I have here the Senate document containing the statement of the Secretary of Agriculture.

Mr. BRISTOW. Now, Mr. President, since, according to the Secretary of Agriculture, there were for the years 1907–8 316 pounds of refined sugar extracted from a ton of 2,000 pounds of beets, which sold at about 5 cents per pound, it shows that the net value of the sugar extracted from a ton of beets was $15.80. The factory paid on an average about $5 a ton, a little more last year—I think $5.30 a ton—making the profits of the manufacturing and handling business about $10.50 per ton. I take it for granted that in States adapted to the culture of beets there is ample profit, and that this slight reduction of 7½ cents per hundred pounds will certainly not close any beet factories in the United States.

It is apparent, it seems to me, that the amendments I have submitted to this bill are such as should be accepted by the Finance Committee, unless the interests of some others than the American sugar-beet producers are at stake.

Now, the question was asked me as to why this high-grade brown sugar does not come in from Porto Rico and Hawaii. It is because the American Sugar Refining Company control the product of Hawaii and Porto Rico, and they do not want this kind of sugar put on the American market, because it would take from them in a degree the market for the refined sugar which they want to sell. Then they want to refine it before it is sold. But they want the Dutch-standard provision kept in, which will necessitate the coloring of this high-grade sugar, so as to compel it to come in at a color grade that can not be marketed, except to the refiner and which the refiner alone will purchase. If they did not control, through their contracts and in various other ways, the manufacturing and the refining of the sugar in these islands, there is no reason why it should not come in. If they are powerful enough to control the raw-sugar product of the world, it will not come in, even if the 16 Dutch standard is taken out. But I do not believe they have yet reached that power, or the financial relation to things, that enables them to absolutely dominate the sugar production of the earth. If they ever do get such control and also acquire complete control of the beet-sugar industry of the United States, then the American people will be helpless. But before that is done I think we should first take off this differential, do away with the Dutch standard, and let us see if it is possible to develop independent sugar-producing enterprises in this country; and if it is, and the production increases, then the law of supply and demand and competition will reduce the price. If at the end of ten years more the price has not been materially reduced, then it will be the imperative duty of the American Congress to reduce this duty on all sugar below $1.82½.

I have talked much longer than I expected, and longer than I wanted to, and I know I have very imperfectly covered this question, because it is very intricate.

I have studied it as best I could in the leisure moments I have had during the last month, since the consideration of this bill was begun. I am here asking the Senate not to injure a legitimate American enterprise, not to destroy any American institution that has been built up under the protective policy, not to antagonize the findings of the Committee on Finance; but to change this phraseology, thereby permitting the American market to be opened somewhat to the sugars that might come in from other countries, or in competition with the sugar refineries. So I yield the floor, believing that the Senate will recognize the force of these facts which I have so imperfectly presented, and hoping that this reduction will be made.

Mr. President, I ask leave to print some tables that I did not read.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Kansas? The Chair hears none.

The tables are as follows:

Production of cane sugar in the United States.

	Short tons.
1857–1858	160,985
1858–1859	216,547
1859–1860	133,325
1860–1861	137,362
1861–1862	269,915
1862–1863	51,520
1863–1864	42,530
1864–1865	5,600
1865–1866	10,340
1866–1867	25,200
1867–1868	25,760
1868–1869	50,401
1869–1870	52,416
1870–1871	89,152
1871–1872	78,176
1872–1873	67,416
1873–1874	54,320
1874–1875	71,120
1875–1876	86,240
1876–1877	99,680
1877–1878	79,521
1878–1879	125,440
1879–1880	103,939
1880–1881	142,651
1881–1882	85,537
1882–1883	159,373
1883–1884	151,472
1884–1885	112,981
1885–1886	151,377
1886–1887	95,641
1887–1888	187,952
1888–1889	172,378
1889–1890	152,883
1890–1891	248,585
1891–1892	185,290
1892–1893	231,634
1893–1894	305,413
1894–1895	364,696
1895–1896	271,817
1896–1897	322,088
1897–1898	353,976
1898–1899	278,829
1899–1900	167,094
1900–1901	306,017
1901–1902	364,325
1902–1903	372,903
1903–1904	258,812
1904–1905	340,768
1905–1906	300,376
1906–1907	248,326
1907–1908	388,640

NOTE.—From Statistical Abstract, 1907, page 163.

Sugar production.

Fiscal year.	Hawaii.	Cuba.	Porto Rico.	Philippines.
	Short tons.	*Short tons.*	*Short tons.*	*Short tons.*
1898–1899	283,806.72	385,691.20	60,285	104,160
1899–1900	289,543.52	345,568.16	39,200	70,319
1900–1901	360,037.44	712,158.72	89,600	62,048
1901–1902	355,610.08	952,202.72	95,200	88,073
1902–1903	437,089.44	1,118,743.36	95,200	100,800
1903–1904	397,476.36	1,165,055.36	145,600	94,080
1904–1905	426,245.12	1,302,848.96	162,400	119,700
1905–1906	429,212.00	1,330,198.88	238,560	162,998
1906–1907	440,015.52	1,598,903.76	235,200	162,960
1907–1908	521,122.56	1,344,000.00	243,040	168,000

Hawaii.—Figures, 1898 to 1902–3, compiled from Willett & Gray, December 10, 1903, page 3; 1902–3 to 1908, compiled from Willett & Gray, November 25, 1908, page 409.

Cuba.—Figures, 1898 to 1903–4, compiled from Farmers' Bulletin No. 30, 1904, page 80; 1903–4 to 1908, compiled from Farmers' Bulletin No. 52, 1908, page 46.

Porto Rico.—Figures, 1898 to 1903–4, compiled from Senate Document No. 250, Fifty-ninth Congress, first session, pages 11–12; 1903–4 to 1908, compiled from Farmers' Bulletin No. 52, 1908, page 46.

Philippines.—Figures prior to 1903–4 are exports. (Figures compiled from Willett & Gray's Sugar Journal.)

Sugar imported into the United States from Hawaii, Porto Rico, Cuba, and the Philippines.

Fiscal year.	Hawaii.	Porto Rico.	Cuba.	Philippines.	All other countries.
	Short tons.	*Short tons.*	*Short tons.*	*Short tons.*	*Short tons.*
1898	249,883	49,209	220,113	14,745	811,009.99
1899	231,149.94	53,601.3	331,771.83	25,812.64	1,347,789.58
1900	252,353.55	38,279.09	352,727.96	24,745.27	1,392,934.4
1901	345,440.42	68,600.9	549,702.18	2,348.67	1,435,454.07
1902	360,276.68	91,908.52	492,107.54	5,712	1,515,957.94
1903	387,412.71	113,076.75	1,197,933.89	9,386.67	900,703.49
1904	368,246.05	129,615.8	1,409,778.86	23,514.95	967,842.47
1905	416,360.69	135,659.99	902,421.16	27,499.99	774,705.83
1906	373,301.32	205,272.3	1,261,295.25	25,362.34	578,675.63
1907	410,507.41	204,074.99	1,583,081.99	35,253.15	548,183.12
1908	538,785.32	234,602.54	1,231,031.95	14,731.4	524,279.6

NOTE.—From Senate Document No. 15, Sixty-first Congress, first session, pages 2–3, letter from Assistant Secretary Commerce and Labor.

Figures, 1898, from Statistical Abstract, 1907, page 719, also 1904; figures for 1901, Porto Rico, Statistical Abstract, 1907, page 719; Porto Rico, 1899–1900, Statistical Abstract, 1904, page 351; Cuba, 1899–1905, Statistical Abstract, 1904, page 351; Philippines, 1899–1903, Statistical Abstract, 1904, page 353; other countries, 1899–1904, Statistical Abstract, 1907, page 719.

Consumption of sugar in the United States.

	Calendar year—			
	1908.	1907.	1906.	1905.
Total consumption of sugar in United States, long tons	3,185,789	2,993,979	2,864,013	2,632,216
Compared with preceding year (increase), long tons	191,810	129,966	231,797	134,946
Compared with preceding year (increase), per cent	6.406	4.538	8.806	4.876
Consumption consisted of:				
Domestic cane (Louisiana and Texas), long tons	390,888	264,968	267,947	334,522
Domestic beet, long tons	493,200	375,410	300,317	220,722
Maple, long tons	11,000	10,000	6,000	9,000
Molasses sugar, long tons	5,910	6,249	8,150	11,880
Total domestic, long tons	900,998	656,627	582,414	576,124
Hawaii (cane), long tons	453,250	418,102	343,857	376,497
Porto Rico (cane), long tons	185,085	212,853	193,978	124,928
Philippine Islands (cane), long tons	45,089	10,700	41,900	14,673
Cuba (cane), long tons	916,742	1,340,400	1,165,904	1,101,611
Total on which tariff concession allowed, long tons	1,600,166	1,982,055	1,745,729	1,617,709
Foreign raw cane, long tons	543,518	347,509	357,057	412,560
Foreign raw beet, long tons	139,363	6,780	175,827	22,161
Foreign refined beet, long tons	1,687	949	2,734	1,844
Foreign refined cane, long tons	57	59	252	1,818
Total foreign on which full duty assessed, long tons	684,625	355,297	535,870	438,383
Amount refined by—				
American Sugar Refining Co., long tons	1,364,286	1,401,061	1,408,503	1,325,692
Independent refiners, long tons	1,147,712	1,064,827	1,031,831	939,557
Beet-sugar factories, long tons	492,969	375,358	300,059	200,477
Hawaiian cane factories, long tons	15,442	1,674	16,964	17,292
Foreign refiners, long tons	1,744	1,008	2,986	3,662
Total amount refined sugar, long tons	3,022,153	2,843,928	2,760,343	2,506,680
Per cent refined sugar manufactured by—				
American Sugar Refining Co.	45.14	49.27	51.03	52.93
Independent refiners	37.98	37.44	37.38	37.48
Beet-sugar factories	16.31	13.19	10.87	8.79
Hawaiian cane factories	.51	.06	.61	.69
Foreign refiners	.06	.04	.11	.15
Consumed in raw or plantation state, long tons	163,636	150,051	108,670	125,536
National Sugar Refining Co. production (included with independent refiners), long tons	315,000	306,000	296,000	296,000
Average difference between raw and refined, per pound	$0.884	$0.863	$0.829	$0.978

NOTE.—From Willett & Gray's Weekly Statistical Sugar Trade Journal, January 9, 1908, page 10; January 7, 1909, page 2.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., May 26, 1909.

DEAR SIR: I regret that the table showing the average yield of sugar per ton of beets in the various beet-producing States, submitted with my letter of the 24th instant, requires correction in the last five years. By a clerical mistake, the statistics showing the "average sugar in

beets" were inserted instead of the "average extraction of sugar based on weight of beets." A corrected table is herewith inclosed.

Very respectfully,

JAMES WILSON, *Secretary.*

Hon. JOSEPH L. BRISTOW,
United States Senate.

Average yield of sugar per ton (2,000 pounds) of beets in the principal beet-growing States.

(Figures in italics incorrect.)

Year.	California.	Colorado.	Idaho.	Michigan.	Nebraska.	Utah.	Wisconsin.	Other States.	Total, United States.
	Lbs.	*Lbs.*	*Lbs.*	*Lbs.*	*Lbs.*	*Lbs.*	*Lbs.*	*Lbs.*	*Lbs.*
1899-1900....	244.4	(a)	(a)	163.7	(a)	(a)	(a)	184.0	205.7
1900-1901....	265.4	219.7	.....	210.7	146.4	219.7	.....	153.6	212.1
1901-1902....	216.0	219.7	.....	211.2	214.7	217.4	207.1	207.9	214.4
1902-1903....	248.3	244.7	.....	212.8	215.6	225.9	204.1	221.0	231.8
1903-1904....	249.4	215.9	210.5	220.0	253.4	236.5	215.7	233.1	230.5
1904-1905....	*314.8*	*312.8*	*297.6*	*302.6*	*301.6*	*295.4*	*290.8*	*313.0*	*306.6*
1905-1906....	*345.4*	*294.2*	*289.4*	*313.0*	*246.0*	*280.6*	*300.0*	*315.6*	*306.6*
1906-1907....	*334.0*	*294.0*	*338.0*	*290.0*	*274.0*	*290.0*	*272.0*	*283.0*	*298.0*
1907-1908....	*358.0*	*306.0*	*356.0*	*302.0*	(a)	*326.0*	*302.0*	*302.0*	*316.0*
1908-1909....	*353.2*	*277.0*	*316.8*	*342.2*	(a)	*282.0*	*334.4*	*304.4*	*314.8*
Correction.									
1904-1905....	250.0	222.0	240.0	234.0	232.0	236.0	218.0	246.0	233.8
1905-1906....	287.4	209.4	213.8	246.4	193.2	217.4	229.8	230.0	234.8
1906-1907....	276.2	224.8	248.0	220.0	230.6	211.2	222.0	180.8	228.4
1907-1908....	301.2	222.2	311.0	243.2	(a)	252.0	247.0	227.4	246.0
1908-1909....	277.8	220.6	254.4	279.0	(a)	234.0	266.0	244.4	249.4

(a) Not separately shown.

Mr. OWEN. Mr. President, I shall detain the Senate for a few moments only. On Monday I called the attention of the Senate to a critical, painstaking review of the frauds which have been perpetrated upon the people of the United States by the American Sugar Refining Company. It was an account of the recent frauds, in which they confessed themselves guilty of having stolen not less than $2,000,000, and paid it to the Treasury of the United States, having been detected in this fraud and corrupt conduct which has extended over a period of years. I called attention to this account, which stated on its face that this great corporation, engaged in this fraudulent course of cheating the United States of revenues during a period of years, had kept a daily record of the fraudulent weights by which they had defrauded the people of the United States. This account shows that this was the seventh different way in which they had defrauded the people of the United States, those different methods being:

First, by throwing water on the platform of the scales when the tare weights were being calculated.

Second, to have the checker put his foot upon the beam of the scales, by which a fraudulent weight was given.

Third, after the Government detected a fraud in the trucks which were used and caused new trucks to be made and painted red, so that they might be identified, these trucks were immediately afterwards changed in weight, so as to perpetrate a fraud in the weights of the sugar imported into this country.

Fourth, by the action of the extra-paid hired weighers of the sugar trust in moving the balance ball on the scales.

Fifth, by the hanging of a weight in the scale house, so as to give a fraudulent weight.

Sixth, by taking the sweepings right under the nose of the government officials, as the account states, and not weighing them at all.

Seventh, this last process of the needle made of a corset steel and injected into the scales through a hole bored in the standard, by which the scales were made to falsely register the weights, and by which over $2,000,000 was confessedly stolen. And when this account was presented, I desired of the Senate committee that the diagram showing these scales might be made a part of the RECORD. I regret to say that that diagram was not put in the RECORD. I now ask the consent of the Senate that this diagram go into the RECORD.

Mr. SMOOT. Mr. President, I desire to inform the Senate that the Committee on Printing, at a meeting held a month or more ago, decided that all cuts, diagrams, and photographs should be eliminated from the CONGRESSIONAL RECORD. A resolution was presented in the committee, which was accepted; and a number of Representatives, as well as Senators, have asked since that time to have diagrams placed in the RECORD. They have been refused, and that is only in accordance with the resolution passed by the committee. I have in mind a request of the Senator from Washington [Mr. PILES] to print diagrams of some shingle mills and other objects affecting his speech on the lumber question. He wanted those inserted in the RECORD, but it was refused, and refused only upon the ground that the committee thought it was a very unwise thing to do. And I wish to say to the Senator from Oklahoma now, that so far as I personally am concerned, I would not have cared one whit whether the diagram to which he refers went into the RECORD or not; but if we yield in this one instance, I do not know when we can stop. I call to mind now at least half a dozen Representatives who have made similar requests, and they have all been consistently refused.

Mr. OWEN. Mr. President, I acquiesce in the wisdom of the view of the Committee on Printing that, as an ordinary matter, the RECORD ought not to be encumbered with various diagrams which are not of great importance, because they are somewhat difficult to put in the RECORD. It takes some time to have the diagrams prepared, and for that reason, and because of the cost, I agree with the committee that it is not wise, as a rule, to use such diagrams. But here is a case where there has been a wholesale fraud upon the United States which ought to be understood, and this diagram shows in the clearest possible way exactly how it was committed. I desire, therefore, that this shall be an exception to the usual rule, and I ask unanimous consent that it be permitted.

Mr. SMOOT. I do not think there is one member of the Committee on Printing who doubts for a moment that these frauds have been committed.

Mr. OWEN. Oh, I suppose not.

Mr. SMOOT. I for one say now that I condemn them just as strongly as does the Senator from Oklahoma.

Mr. OWEN. It is not a matter of condemnation; it is a matter of publicity.

Mr. SMOOT. Of course it is in the power of the Senate to instruct the Committee on Printing to have the cut inserted in the RECORD. But the very next Senator or the very next Representative who has something that seems especially important to him will make the same request, and I certainly hope the Senate will stand by the action taken by the Committee on Printing.

Mr. OWEN. I ask unanimous consent.

The VICE-PRESIDENT. Is there objection?

Mr. GALLINGER. I object.

The VICE-PRESIDENT. Objection is made by the Senator from New Hampshire.

Mr. BEVERIDGE. Has not the Senator from Oklahoma, in view of the objection, a photograph of the scale which he could pass around, so that Senators could see it?

Mr. OWEN. I do not have a photograph. I submitted the cut, and the cut which was submitted, I thought, ought to have gone into the RECORD, because it ought to be given publicity, which the CONGRESSIONAL RECORD alone can give. If the Senator from New Hampshire thinks it ought not to be given such publicity, he has a right to object.

Mr. GALLINGER. Mr. President, the Senator from Oklahoma will not put me in that attitude if he tries to do it. I think I have quite as great an interest in the public welfare as has the Senator from Oklahoma. I am a member of the Committee on Printing, and I agree with the other members of the committee that we should not go into the matter of illustrating the CONGRESSIONAL RECORD, and for that reason I objected.

Mr. GORE. Mr. President——

The VICE-PRESIDENT. The senior Senator from Oklahoma still has the floor.

Mr. OWEN. I yield to my colleague.

Mr. GORE. I merely suggest to my colleague that possibly the rule of the Committee on Printing does not extend so far as to include the printing of such matter in a public document, and publicity might be secured in that way.

Mr. GALLINGER. I think that is a wise suggestion, and I certainly would have no objection to that if the Senator desires to have it printed as a document.

Mr. OWEN. I ask, therefore, that the account which I submitted on Monday, with the illustrations, shall be printed as a document (S. Doc. No. 60).

Mr. SMOOT. I have no objection whatever to that.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Oklahoma? None is heard.

The order was reduced to writing and agreed to, as follows:

Ordered, That there be printed as a Senate document the article entitled "The Chase of the Sugar Smugglers," etc., appearing in the CONGRESSIONAL RECORD under date of May 24, 1909, together with the illustrations.

Mr. OWEN. Mr. President, I have but one more word to say. I do not intend to detain the Senate, but I call attention to this fraud upon the people of the United States by the American Sugar Refining Company, because it has the most important bearing upon the words "not above No. 16 Dutch standard in color," in paragraph 213. These refiners are the only beneficiaries of those words. It enables them to take advantage of the consumers of the United States without benefiting the producers of either cane or beet sugar in the United States; and it is a question whether or not this corporation, making, as it does, out of the people of the United States, in any contingency, un-

told millions of dollars, shall be allowed to have this special favor at the hands of the Senate by retaining these words whose sinister bearing has been so brilliantly, forcibly, and unanswerably set forth by the Senator from Kansas [Mr. BRISTOW].

Mr. BURROWS. Mr. President, it is not my purpose to enter into a discussion of the technical questions in connection with this schedule. That part of the debate has been so ably covered by others—by the Senator from Georgia [Mr. CLAY] and the Senators from Louisiana—that I propose at this time to offer only some general observations in relation to the beet-sugar industry in the United States and the bearing of this schedule in relation thereto.

Mr. President, Schedule E of this bill prescribing the rate of duty to be imposed upon the various kinds of sugar coming into the United States conforms in all essential particulars to the bill proposed by the Committtee on Ways and Means and already approved by the House of Representatives. As thus framed the only material change from existing law is that which reduces the duty on sugars testing "above No. 16 and all sugars that have gone through a process of refining" from $1.95 per hundred pounds to $1.90 per hundred pounds. The Committee on Finance concurs in this reduction and reports the bill to the Senate with the recommendation that the schedule as thus framed be agreed to.

A general assault has been made on this schedule, chiefly because of the duty on refined sugar and the supposed connection of the American Sugar Refining Company, commonly called "the trust," with the sugar industry, and no assault made has been more violent and aggressive than that made by the Senator from Kansas [Mr. BRISTOW], who has just taken his seat.

Let me say at the outset that the course of the American Sugar Refining Company, as recently disclosed, has been so scandalous and reprehensible as to forfeit public confidence in its integrity and business methods and bring reproach upon the entire refining industry.

If the American Sugar Refining Company was the only interest involved in this controversy, it would find few friends here or elsewhere. But there are other interests to be considered. There are 64 beet-sugar factories in the United States, each a refinery, which turned out in 1908 425,884 tons, or 851,786,000 pounds of refined sugar, and any blow inflicted upon the American Sugar Refining Company would necessarily injuriously affect the cane planters of the South and the great and growing beet-sugar industry of the North and West, in which the farmers and planters of 20 States are directly interested, and would, in a broader view, affect all the people of all classes and of all the States by exposing this agricultural industry as a whole to serious and disastrous foreign competition, resulting not only in arresting the further development of sugar production in this country, but speedily overthrowing the industry itself. It is in behalf of this industry I propose to speak.

Mr. President, if there is any one doctrine to which the Republican party adheres with greater fidelity than another, it is the policy of protection to American industries and American labor. In season and out of season, in victory or defeat, it has adhered with unyielding tenacity to this cardinal principle of its political faith.

PROTECTION.

In levying duties upon imports the Republican party has always taken care to so adjust rates as not only to raise revenue for the needs of government, but at the same time create and develop new industries which in their unfolding would give enlarged employment to labor, increased opportunity for the investment of capital, open fresh avenues for human endeavor, and promote the general welfare of the American people.

To this end new enterprises have always been the objects of special care and solicitude, and under this policy numberless industries have been created and established.

One of the latest and most striking illustrations of this policy is to be found in the tin-plate industry. By the act of 1890 the duty on tin plate was advanced for the avowed purpose of "making the duty on foreign tin plate high enough to insure its manufacture in this country." It accomplished that result. At that time there were only four mills in the United States, producing but 4,000 tons of tin plate, while our annual consumption was more than 300,000 tons. In 1889, the year before the imposition of this duty, we imported $21,000,000 worth of tin plate, and ten years later, in 1899, only $2,000,000 worth. By the last census report it appears that the number of establishments has increased to 36 and the value of output to $39,283,360. This is but one of the many industries brought into existence through the fostering care of the American Government.

The pending proposition has to do with another industry of vital concern to the American people, involving the production of a prime necessity of life, and directly affecting the great agricultural interests of the United States. We are the largest consumers of sugar of any nation on the globe, totalling, in 1908, 3,072,589 tons. Of this enormous consumption we produced last year from beets 380,000 tons; from cane, 390,888 tons; from maple, 11,000 tons; and from molasses sugar, 5,910 tons, a total domestic product of 787,798 tons. In addition, we received from Hawaii 453,250 tons, from Porto Rico 185,085 tons, and from the Philippine Islands 45,089 tons, making an aggregate from the States and our insular possessions of 1,471,222 tons, leaving a balance to be supplied from foreign countries necessary to meet the home demand of 1,601,307 tons.

The problem confronting us to-day is whether we shall produce this sugar from our domestic beets and cane, or abandon our fields, continue to pay tribute to foreign countries, and send abroad $100,000,000 annually to supply ourselves with this prime necessity of food, every dollar of which ought to be kept at home to enrich our farmers and diversify our agricultural products.

Mr. President, that we can produce sugar from the beet is no longer problematical. The Secretary of Agriculture states, under date of May 1, 1909:

> We have demonstrated conditions of soil and climate favorable to beet culture in an area of at least 274,000,000 acres, and that it will only take 1 acre out of every 200 of this to produce all the sugar we now import from foreign sources.

He estimates—

> That if the sugar beet were grown throughout those portions of the United States adapted by nature and with the aid of irrigation to its culture, with a system of rotation including the cultivation of the beet every fourth year, 15,000,000 tons of beet sugar could be produced in the United States annually, or more than the world's total production of sugar at the present time.

Experiments have been made and proven successful in 16 States and Territories, and we have but to adhere to the policy which the Republican party has heretofore pursued to insure at no distant day its successful and permanent establishment.

What would it mean, may I ask, to the American people, to American capital, and American labor, and particularly to the American farmer and planter, to develop this industry to the full extent of producing our entire consumption of sugar?

It appears from the report of the Secretary of Agriculture that we have already established in this country 64 factories in 16 different States and Territories, representing an invested capital of $70,000,000.

I have a table showing the amount of beets raised in 1897 and in 1909, which I ask leave to insert in the RECORD without reading, from which it appears that in 1897 the total of sugar beets harvested was 389,000 tons in round numbers; in 1908, 3,414,000 tons. The amount paid to the farmer for beets in 1897 was $1,596,000, and in 1908, $18,269,000. Without going into details further, I will state as the result of the ten years' trial since the beginning of the industry we have produced in this country 24,245,000 tons of beets and paid to the farmers $121,000,000.

The VICE-PRESIDENT. Without objection, the request is granted.

The table referred to is as follows:

The influence of the beet-sugar industry on other American industries.

Factory disbursements, 1897, 1908, and 1897–1908. Quantity and price of beets based on report of the Department of Agriculture (S. Doc. No. 22, 61st Cong., 1st sess., p. 16). Brokerage based on 3 cents per 100 pounds of sugar. Freight on sugar averaged at 30 cents per 100 pounds. Depreciation based on 5 per cent per annum of cost of plants. All other figures based on the 1905 census report for the campaign of 1904.

[Compiled by Truman G. Palmer, secretary American Beet Sugar Association.]

	1897.	1908.	1897–1908.
Tons of sugar beets harvested	389,385	3,414,891	24,245,925
Price of sugar beets per ton	$4.10	$5.35	
Total paid for beets	$1,596,478	$18,269,667	$121,063,619
Wage-earners, $1.143 per ton of beets	$445,067	$3,903,220	$27,713,008
Officers of corporations, $0.131 per ton of beets	$51,000	$447,351	$3,176,217
General superintendents, clerks, etc., $0.330 per ton of beets	$128,497	$1,126,914	$8,001,154
Miscellaneous expenses, $0.919 per ton of beets	$357,845	$3,138,285	$22,282,004
Fuel, $0.563 per ton of beets	$219,224	$1,922,584	$13,650,455
Lime rock, $0.162 per ton of beets	$63,080	$553,212	$3,927,839
Coke, $0.068 per ton of beets	$26,478	$232,213	$1,648,724
Barrels and sacks, $0.233 per ton of beets	$90,727	$795,670	$5,649,302
Mill supplies, $0.047 per ton of beets	$18,301	$160,500	$1,139,557
All other materials, $0.315 per ton of beets	$122,656	$1,075,691	$7,637,467
Freight on sugar, at 30 cents per 100 pounds	$271,476	$2,555,304	$16,927,194
Depreciation, $0.923 per ton of beets	$359,402	$3,151,944	$22,378,988
Brokerage on sugar, $0.068 per ton of beets	$26,478	$232,213	$1,648,724
Total	$3,776,718	$37,564,768	$256,844,337

Tons of sugar produced, 1897 to 1908, 2,821,199.

Mr. BURROWS. Beyond this, Mr. President, contemplate what it would mean to our people if this industry could be so developed as to supply the entire demand for the American market. We would not only keep at home the $100,000,000 annually sent abroad for foreign sugar, but it would mean the building of 300 additional factories, which would require in their construction, equipment, and operation $330,000,000.

To supply all our factories, then, with the raw material would require annually the production of 19,017,000 tons of beets, for which the American farmers would receive yearly the sum of $102,813,000. To this must be added an outlay for coal, transportation, mill supplies, and labor aggregating more than $225,000,000 annually. It will not do to say that such a development of the industry is not attainable. It has been demonstrated that we have a vast area of territory, stretching from the Atlantic to the Pacific, especially adapted to the cultivation of sugar beets, and it is the expressed opinion of the present able Secretary of Agriculture that if the present protection accorded to this industry should be continued with adequate protection it will not be ten years before we will produce from our farms and factories all the sugar required for our home consumption.

NATIONAL ENCOURAGEMENT.

The development of this industry to the extent already attained is attributable in a large measure, if not entirely, to the protective policy.

LEGISLATIVE ENCOURAGEMENT.

The tariff act of 1890, bearing the name of its illustrious author, provided a bounty of 2 cents per pound annually for every pound of sugar produced from cane or beets or other named sources in the United States. The Committee on Ways and Means in submitting that bill to the consideration of the House of Representatives accompanied it with a report prepared by William McKinley himself, in which it was confidently predicted that the protection accorded the sugar industry of 2 cents per pound would insure the establishment of this industry and the ultimate domestic production of all the sugar required for our home consumption.

In presenting the measure to the House of Representatives, Mr. McKinley declared:

> While giving the people free and cheap sugar we have at the same time given to our producers, with their invested capital, absolute and complete protection against the cheaper sugar produced by cheaper labor of other countries.

Under the stimulating influence of this legislation, the sugar industry took a fresh impetus and the output of sugar increased from 131,000 tons in 1890 to 337,000 tons in 1894, while the product of beet sugar alone advanced from 3,000 tons in 1890 to 20,000 tons in 1894, in the brief period of four years.

In 1897 the tariff was again revised and the sugar industry given special encouragement. A measure formulated by Nelson Dingley and sanctioned by President McKinley would necessarily inspire confidence in the purposes of the dominant party to see to it that so long as that party remained in power the sugar industry would be fostered and encouraged. The people had a right to rely upon the assurances thus voluntarily given. Mr. Dingley in presenting the measure to the House of Representatives accompanied it by a report in which he called special attention to the "increase of the duty on sugar," and set forth in no uncertain words the benefits expected to accrue to the farmers and planters of the United States. I quote from that report:

> We have increased the duty on sugar from the 40 per cent ad valorem imposed by the present tariff on raw sugars to 1.63 cents, with a countervailing duty on all sugars equivalent to the net export bounty paid by any country in order to increase our revenue and at the same time afford sufficient protection to enable our own farmers and planters to ultimately produce whatever sugar we may require for consumption. The production of cane sugar is a large and, under proper protection, a growing industry now.
>
> The production of beet sugar in at least 23 States of our Union, which only seven years ago was regarded as of doubtful promise, is no longer an experiment, but a demonstrated success with such protection as we recommend, which is less than those bounties given at the inception of sugar production by Germany, France, and other European countries, which now produce about two-thirds of the world's sugar.
>
> The time has come—
>
> Said Mr. Dingley—
>
> when every effort should be made to open up new crops to our farmers, and thus diversify and promote our agriculture; and no crop in sight affords more hope of success or greater advantages to the whole country.
>
> To open up such a new and valuable crop to our farmers is a boon which Congress should not hesitate to give, especially at a time when it can be done in the interest of revenue.

Mr. Dingley, in presenting the bill to the House, called special attention to that provision of the measure relating to the duty on sugar and the advantages sure to follow its enactment into law, saying:

> It should be borne in mind that the general increase of duty on sugar made in the proposed tariff has been made not only to increase the revenue, but also to further encourage the production of beet sugar in this country and furnish a new crop for the farmers, who are being sorely pressed as to our large wheat surplus by Russian and South American competition. I believe that the time has come when the production of our own sugar from the beet ought to be and can be successfully entered upon, and thus the seventy-five millions—soon to be one hundred millions—sent abroad for the purchase of our sugar ultimately distributed here to our own farmers. Already, indeed, it has been demonstrated that we can successfully produce beet sugar here, and the proposed duty placed on that article will gradually bring this about, while for the time being affording increased revenue.
>
> Certainly nothing can be done to so successfully *clip the wings of the sugar trust* as to develop our beet-sugar industry. Sugar-beet factories turn out their product in a refined form, and thus become the efficient competitors of other refiners. The successful establishment of the sugar-beet industry in even half of the 26 States which can and will successfully grow sugar beets under the proposed tariff would speedily end any sugar trust, and would at the same time confer immense benefit on our farmers and on all of our people.

The statement of the Senator from Georgia in relation to the necessity of refining the beet-sugar product is an error, for every ounce of sugar coming from the beet-sugar mills is refined and ready for the market.

Such, Mr. President, is the history of the legislative encouragement given to this industry by reason of which its present development has been attained, and its future reasonably assured. It will thus be seen that for the last twelve years everything that legislative enactment could do to promote and encourage the establishment of this industry in the United States has been done. More than this, the administration itself has repeatedly and persistently, through the executive department, the Secretary of Agriculture, made special effort in many ways to encourage the establishment of this industry, and particularly by the employment of special agents to investigate the subject, and bring the advantages of sugar culture home to our people. For the last ten years special reports have been made by experts, under the direction of the Secretary of Agriculture, as to the adaptability of our soils and climate to the culture of the sugar beet in the United States, and no expense has been spared to induce the farmer and the planter to embark in the enterprise. Indeed, since the fiscal year 1898, Congress has made an annual appropriation for the investigation of the domestic sugar production, and from that date until the present hour the Department of Agriculture has annually distributed to the farmers, planters, free of charge, a large quantity of seeds as an inducement to them to undertake the inauguration and development of this great industry. The special agents' reports since 1897 have annually been sent to the President of the United States and transmitted to Congress, published, and distributed among the people for their enlightenment, guidance, and encouragement. In the last few years hundreds of thousands of dollars have been expended by the Agricultural Department in the promotion and establishment of this single industry. It will be seen from this hasty review that heretofore no act of encouragement has been omitted to induce capital to embark in this venture, and our agriculturists to diversify their farm products by devoting extended acreage to the culture of sugar.

STATE OF MICHIGAN.

Mr. President, I have already shown the extent to which this industry has been established in this country at large, and its possibilities for the future, but I desire to call special attention to the industry in my own State, with which I am personally somewhat familiar.

Encouraged by the inducements held out by the National Government, the people of Michigan entered upon the culture of sugar beets with alacrity and enthusiasm, devoting their acreage and their fortunes to the establishment and upbuilding of an industry which has already been of great advantage to our farmers and given promise of rapidly increasing benefits.

Prior to 1898 there was not a beet-sugar factory in the State of Michigan, and to-day there are 16, requiring for their construction and equipment $15,000,000, and their successful operation necessitating last year the planting of 81,073 acres of beets, producing 611,295 tons of beets of the average value in the United States of $5.35 per ton, yielding an income to our farmers in a single year of $3,270,000.

But the advantage of this American industry does not stop here. To run the 16 factories in Michigan a full campaign of one hundred days required, last year, 193,500 tons of coal, costing $503,100; 68,700 tons of lime rock, worth $144,270; 8,244 tons of coke, valued at $49,464; 350,000 pounds of sulphur, $8,000; 208,000 yards of filter cloth, costing $20,500; 36,000 gallons oil, for which we paid $7,500; chemicals worth $27,500; 1,224,000 sugar bags, valued at $134,640; and cooperage stock of the value of $125,000.

In addition to this, more than $75,000 were expended for miscellaneous supplies necessarily used in running these factories. Strike down this industry and you cut off all these other additional sources of profitable employment, and by so much contract the field of industrial activities.

But this is not all. Four thousand men were employed in our factories, to whom was paid more than $900,000 in wages, and this exclusive of farm laborers. The railroads received for freight charges for hauling the incoming and outgoing product $750,000, while the value of the product of beet sugar produced in our State last year, estimated at 4½ cents per pound, was $7,677,000.

But, Mr. President, from the moment the beet-sugar industry began to assume commanding proportions in the United States the "sugar trust," so called, became its natural and implacable enemy. It saw in this new industry, with its rapid development, a most dangerous rival, for it not only refined sugar, but produced the raw material out of which the finished product was made and by a single process converted it into granulated sugar ready for market. The American Sugar Refining Company produces no raw sugar, but it secures its raw material in the open market and then converts it by a refining process into the finished product. It is the refining of sugar in the modern beet-sugar factory that has excited the animosity of the American Sugar Refining Company and prompts it to make war on the beet-sugar industry of the United States. In the prosecution of this warfare there is no measure which human ingenuity could suggest that it has not employed. It invades the market of its rival and offers its product in competition at such a ruinous price as to preclude the possibility of gain to its competitors; it cripples the factory by seeking to dissuade the farmer from continuing the culture of beets; where it can not control it will crush; where it can not destroy it will debauch; and, finally, taking up the cry that "something must be done for the consumer," it fleeces the consumer while at the same time it defrauds the public Treasury.

From the beginning of the debate on this provision a studied and persistent effort has been made to influence Senators against the entire sugar schedule by inveighing against the American Sugar Refining Company, called the "sugar trust," with the hope of inducing a majority of the Senate to overthrow and destroy the protective system as embodied in this section.

It is sought to make it appear that the beet and cane sugar interests of the United States are in league and combination with the sugar trust, and together are conspiring to plunder the people. Nothing can be further from the truth.

I hold in my hand several affidavits from officials connected with the beet-sugar factories in the State of Michigan, which show how fallacious and groundless these statements are, and I present, first, the affidavit of the secretary of the St. Louis Sugar Company, of St. Louis, Mich., which is as follows:

ST. LOUIS SUGAR COMPANY,
St. Louis, Mich., May 1½, 1909.

This is to certify that the undersigned is secretary of the St. Louis Sugar Company, a corporation owned and controlled by 247 stockholders; that I am in a position to know these stockholders personally and all interests connected with this company, and make affidavit that the American Sugar Refining Company nor any other combination of interests has any connection, either directly or indirectly, with this company.

B. C. HUBBARD,
Secretary St. Louis Sugar Company, St. Louis, Mich.

Subscribed and sworn to before me this 14th day of May, 1909.
[SEAL.] ALICE M. CHURCH,
Notary Public in and for Gratiot County, Mich.

I submit, also, the following additional affidavits:

E. Wilson Cressey, being duly sworn, says that he is the secretary of the German-American Sugar Company, of Monitor Township, Bay County, Mich.; that he is familiar with the names of all the stockholders of said company, and that the American Sugar Refining Company has no interests in the German-American Sugar Company, either directly or indirectly, through its officers or in any other way; and, further, that a large number of those holding stock in the German-American Sugar Company are farmers living in the vicinity of the factory.

E. WILSON CRESSEY.

Subscribed to and sworn before me, a notary public in and for Bay County, Mich., this 15th day of May, 1909.

JAMES A. SCOTT.

STATE OF MICHIGAN, *County of Menominee, ss:*

On this 24th day of May, 1909, before me personally appeared F. L. Brown, to me known to be the secretary of the Menominee River Sugar Company, of Menominee, Mich., who, being first duly sworn, deposes and says that to his certain knowledge the American Sugar Refining Company, nor any of its officers or directors, either directly or indirectly, own or control a majority interest in the stock of the Menominee River Sugar Company, nor do any of the officers or directors of the said American Sugar Refining Company hold any office or representation on the board of directors of the Menominee River Sugar Company.

F. L. BROWN.

Sworn to and subscribed before me the day and year aforesaid.
[SEAL.] V. B. DE MORAINVILLE,
Notary Public.

STATE OF MICHIGAN, *County of Bay, ss:*

Be it known that on this 14th day of May, A. D. 1909, personally appeared before the subscriber, James E. Davidson, of Bay City, Mich., who makes this affidavit and swears that he is the secretary and treasurer of the Mount Clemens Sugar Company, which is located at Mount Clemens, Mich., and also that he is secretary and treasurer of the Rock County Sugar Company, which is situated at Janesville, Wis., and that he is personally acquainted with all of the stockholders who hold stock in the Mount Clemens Sugar Company, and that he also personally knows all of the stockholders who hold stock in the Rock County Sugar Company.

He swears that none of the stock of the Mount Clemens Sugar Company is held by the American Sugar Refining Company, or the so-called "sugar trust;" also, that none of the officers, directors, or stockholders of the American Sugar Refining Company, or so-called "sugar trust," hold or own any of the stock in the Mount Clemens Sugar Company, either directly or remotely; also, that none of the stock of the Rock County Sugar Company is held by the American Sugar Refining Company, or the so-called "sugar trust;" also, that none of the officers, directors, or stockholders of the American Sugar Refining Company, or so-called "sugar trust," hold or own any of the stock in the Rock County Sugar Company, either directly or remotely.

He also makes an affidavit and swears that he has charge of the books and stockholders' list of the Mount Clemens Sugar Company, and also the Rock County Sugar Company, and is fully conversant with all of the affairs, stockholders, and business connected with both of these companies. He also swears that none of the stockholders of the Mount Clemens Sugar Company or the Rock County Sugar Company own any stock in the American Sugar Refining Company, or the so-called "sugar trust," or have any interest in that company.

JAMES E. DAVIDSON.

Subscribed and sworn to before me this 14th day of May, A. D. 1909.
C. L. MARTIN,
Notary Public in and for Bay County, Mich.

OWOSSO SUGAR COMPANY,
Owosso, Mich., May 14, 1909.

I, Bertram E. Smith, assistant secretary of Owosso Sugar Company, of Owosso, Mich., make the following affidavit:

The Owosso Sugar Company owns and operates two beet-sugar factories, one located at Owosso, Mich., and one located at Lansing, Mich.

The American Sugar Refining Company is not in any way financially interested in the Owosso Sugar Company, neither directly nor indirectly through its officers, directors, stockholders, or agents.

BERTRAM E. SMITH.

STATE OF MICHIGAN, *County of Shiawassee, ss:*

On this 14th day of May, A. D. 1909, before me, a notary public within and for said county, personally appeared Bertram E. Smith, to me known to be the person who executed the foregoing affidavit and acknowledged that he executed the same as his free act and deed.
[SEAL.] L. B. DOLSEN,
Notary Public.

MENOMINEE, MICH., *May 23, 1909.*

Hon. J. C. BURROWS,
United States Senate Chamber, Washington, D. C.:

The statement that the American Sugar Refining Company or any of its officers or directors owns or controls a majority of the stock of this company is wholly untrue. Will send affidavit to that effect immediately.

MENOMINEE RIVER SUGAR CO.,
By CHARLES I. COOK, *President.*

Mr. BURROWS. Since coming into the Senate to-day I have received a dispatch from one of the most prosperous beet-sugar factories in our State, located at Holland, which is as follows:

HOLLAND, MICH., *May 26, 1909.*

Senator J. C. BURROWS,
United States Senate, Washington, D. C.:

Wish to state that we are positively in no way connected with the American Sugar Refining Company, known as the "sugar trust," either directly or indirectly. We make this statement just as positively as we can—willing to make affidavit to this effect.

C. M. MCLEAN,
Secretary Holland Sugar Company.

From this, Mr. President, I think it will be evident that the charge is absolutely groundless that the beet-sugar industry, so far as Michigan is concerned, and I think it will appear so far as other States are concerned, is in any way connected with the sugar trust. I trust this will be sufficient to at least put Senators on their guard, and that they will not be deceived by such misrepresentations.

More than this, Mr. President, I hold in my hand, and I desire to submit to the Senate, remonstrances against the modification of this schedule signed by 5,638 farmers, from 18 different counties in our State, and my colleague [Mr. SMITH of Michigan] has a like number of petitions to be presented, all of them imploring the Senate to let this schedule alone in the interest of the farmers of our State. I will read one of these petitions, from a single county, signed by 144 farmers:

To the honorable the Senate of the United States:

We, the undersigned residents of the State of Michigan, are interested in the beet-sugar industry, and particularly the raising of sugar beets in this State, and we realize that any reduction of the duty from the present rate would be disastrous to the beet-sugar industry in this State and in the United States, and will work great damage to the farmers in the business of raising sugar beets and indirectly seriously affect the general business interests of all the beet-sugar-producing States; it will compel the sugar factories, in order to live, to so reduce the price of sugar beets to the farmers that they can not afford to raise them, and it will thus work ultimate ruin to the beet-sugar industry.

The farmers, even under present conditions, require every encouragement possible to induce them to raise sugar beets, and they are just beginning to be educated and interested in that line of business. The ultimate result from a reduction from the present duty would not only be to drive the farmers out of that line of business, but to render valueless the many millions of dollars now invested in the beet-sugar business in the United States and deprive many thousands of laborers of employment in that line of business.

We therefore petition your honorable body to see to it that no legislation is passed reducing the present rate of duty on the sugar coming into the United States, and your petitioners will ever pray.

SAM'L GREEN (and 144 others),
Saginaw County.

In this connection it is gratifying to know that President Taft is in accord with the sentiment herein expressed, as appears by the following quotation from a speech made at Greeley, Colo., October 2 last:

I understand you are interested here a good deal in beet sugar, and I also understand that some people have intimated that I was against beet sugar. I deny it. I would not do anything that would injure the beet industry in any way, and the Republican platform pledges the Republican party to take no action which will not leave adequate protection to the beet-sugar interests.

That a reduction of the duty on refined sugar from what has been provided in the bill would prove disastrous to the American industry there can not be the slightest question. I have neither the time to recite nor the Senate the patience to hear the voluminous and ofttimes conflicting testimony as to the cost of production of sugar in the various sugar-producing countries of the world. It would be a tedious task. For my present purpose I am content to accept the established and unquestioned fact that the average price of refined granulated sugar for Hamburg for the past eight years is $2.36½ per 100 pounds. The Michigan manufacturer pays the farmer for the sugar in the beets $2.40 per 100 pounds before beginning the process of manufacture, while the average price paid for sugar in the beet throughout the entire United States, as established by the last report of the Secretary of Agriculture to the Senate, under date of April 26, 1909, is $2.30. It will thus be seen that the Michigan manufacturer actually pays the farmer for the sugar in the beet more that the selling price of the finished product of granulated sugar f. o. b. Hamburg.

The freight from Hamburg to New York is only 1 cent more than the freight from Saginaw to Detroit, the nearest market place of any importance to the Michigan farmer. Add to this the proposed duty suggested by the Senator from Georgia of $1.25½, and it would make the price at Hamburg $3.62. Add to that the freight of 11 cents to New York, and the refined sugar from Hamburg can be laid down in New York City for $3.73. Against such low-priced sugar the American sugar-producing factories can not compete.

But we are told that the sugar trust must be destroyed. Grant it. It has no defenders here. But how destroyed? There are two methods suggested for accomplishing this end. One is to overthrow the industry in which the trust exists, and the other is to enforce the law against unlawful combinations and trusts.

There is no difficulty in destroying a trust if you destroy the industry in which the trust is formed. I have no patience, however, with that theory which proposes to destroy a trust by demolishing the industry with which it is connected. Either of these methods would be effective, but the first punishes the innocent as well as the guilty, and inflicts permanent injury on the industry itself; the latter course punishes the offenders while permitting the industry to survive.

Suppose that there were a dozen factories engaged in a particular enterprise, and six of them, if you please, go into a combine and six remain independent, fighting the combine and struggling for the market. The proposition to put the product made by the combine on the free list would overthrow the industry itself, and, I grant you, destroy the combine; but the better course to pursue, and the only legitimate method, is to punish the offender while permitting the industry to survive.

This latter method of dealing with this unlawful combination under this administration was clearly foreshadowed in an address to the bar of New York by the present able and accomplished head of the Department of Justice, and it is the only method that appeals to the common sense of the American people. He said in that address:

No American business man to-day can truthfully say he does not know that it is a crime for a railroad to give, or a shipper to accept, a rebate from the established interstate rate. The work of the present administration is none the less important than was that of the last in continuing to enforce the laws of the country and in endeavoring to effectuate the intent of the people, speaking through Congress, in preventing the things which the people have come to believe to be inconsistent with the welfare of the Republic.

It may be—it probably is—true that in the movement to impress upon the whole business world the meaning and force of certain laws, and the necessity of attention and obedience to them, some suits were instituted and some prosecutions commenced without sufficient consideration and without adequate cause.

When such conditions are found to exist the present administration will not hesitate to withdraw the suits or dismiss the prosecutions. Such action must not, however, be taken as any indication of an intention by this administration to abandon in the slightest degree the vigorous, impartial enforcement of the law.

THE PRICE OF PEACE IS OBEDIENCE.

We have heard frequently of late from representatives of certain business interests of the country cries of "Let us have peace!" and "Let us alone!" The price of peace is obedience to law.

But certain of the principles underlying that law are assuredly now understood, and any attempt at this time, with the present construction of that law agreed upon by all the higher courts, to combine, in the form of a trust or otherwise, with the obvious intention of restraining commerce among the States or of creating a monopoly of an important part of that commerce, would evidence such deliberate intention to break the law as to justify and compel the Government to use all or any of the remedies given by law adequate to prevent the accomplishment of such purpose and to punish the attempt.

As evidence of the determination of the administration to enforce the law, I present a memorandum from the Department of Justice which shows that since the 1st of March, 1909, there has been collected from the American Sugar Refining Company, for underweighing of sugar, and paid into the Treasury of the United States $2,135,486.32, and from the New York Central and Hudson River Railroad, for rebating, $136,000. I submit this as evidence of the determination of the administration to enforce the law.

The VICE-PRESIDENT. Without objection, the request will be granted.

The memorandum referred to is as follows:

OFFICE OF THE ATTORNEY-GENERAL,
Washington, D. C., May 24, 1909.

Statement showing the amounts of money collected through the office of the United States attorney in New York City, as follows:

Amount collected from the American Sugar Refining Company, by reason of underweighing of sugars:		
Amount of judgment March 5, 1909, $134,116.03, with interest		$135,486.32
Amount to compromise all civil claims, etc		2,000,000.00
Total		2,135,486.32
Amounts collected from New York Central and Hudson River Railroad Company, for rebating:		
Verdict November, 1906	$18,000	
Verdict October, 1906	108,000	
Verdict March, 1909	10,000	
		136,000.00
Total collected in both classes of cases		2,271,486.32

Mr. BURROWS. In the light of these facts there can be no question of the purpose of the administration to rigorously enforce the law. But the suggestion is sometimes made that the trusts can be destroyed by exposing them to unrestrained foreign competition. What a disastrous remedy! Under such a law all the foreign manufacturer would need to do to break up an American industry would be to come here and establish the foreign industry, form a combine, and then invoke the enforcement of the law against trusts and combines, and so secure the American market for the foreign producer. But I will not enlarge upon this.

The folly and injustice of the attempt through customs duties to destroy trusts and combinations was never more forcefully and completely answered than by ex-President Roosevelt in his letter of acceptance of September 12, 1904, in which he says:

At the outset it is worth while to say a word as to the attempt to identify the question of tariff revision or tariff reduction with a solution of the trust question. This is always a sign of desire to avoid any real effort to deal adequately with the trust question. * * *

The question of tariff revision, speaking broadly, stands wholly apart from the question of dealing with the trusts.

I ask Senators who believe in the efficacy of destroying trusts by lowering or removing duties to give heed to this:

No change in tariff duties can have any substantial effect in solving the so-called "trust problem." Certain great trusts or great corporations are wholly unaffected by the tariff. Almost all the others that are of any importance have, as a matter of fact, numbers of smaller American competitors, and of course a change in the tariff which would work injury to the large corporations would work not merely injury but destruction to its smaller competitors; and equally of course such a change would mean disaster to all the wage-workers connected with either the large or the small corporations. From the standpoint of those interested in the solution of the trust problem such a change would therefore merely mean that the trust was relieved of the competition of its weaker American competitors, and thrown only into competition with foreign competitors; and that the first effort to meet this new competition would be made by cutting down wages, and would therefore be primarily at the cost of labor. In the case of some of our greatest trusts such a change might confer upon them a positive benefit. Speaking broadly, it is evident that the changes in the tariff will affect the trusts for weal or woe simply as they affect the whole country. The tariff affects trusts only as it affects all other interests. It makes all these interests, large or small, profitable; and its benefits can be taken from the large only under penalty of taking them from the small also. * * *

It is but ten years since the last attempt was made by means of lowering the tariff to prevent some people from prospering too much. The attempt was entirely successful. The tariff law of that year was among the causes which in that year and for some time afterwards effectually prevented anybody from prospering too much, and labor from prospering at all. Undoubtedly it would be possible at the present time to prevent any of the trusts from remaining prosperous by the simple expedient of making such a sweeping change in the tariff as to paralyze the industries of the country. The trusts would cease to prosper; but their smaller competitors would be ruined, and the wage-workers would starve, while it would not pay the farmer to haul his products to market. The evils connected with the trusts can be reached only by rational effort, step by step, along the lines taken by Congress and the Executive during the past three years. If a tariff law is passed under

which the country prospers, as the country has prospered under the present tariff law, then all classes will share in the prosperity. If a tariff law is passed aimed at preventing the prosperity of some of our people, it is as certain as anything can be that this aim will be achieved only by cutting down the prosperity of all our people.

I have only to say in conclusion, so far as I am concerned I am for this schedule as it stands. Let us pass it as it is, giving protection to a great American industry while unlawful combinations are being broken up and destroyed by the irresistible force of law and so permit the industry to go on untrammeled and unimpeded in its legitimate development.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kansas to paragraph 213.

Mr. NELSON. On that I call for the yeas and nays.

Mr. CLAY. What is the amendment? Let it be reported.

The VICE-PRESIDENT. If there be no objection, the amendment will be again reported.

The SECRETARY. On page 72, lines 23 and 24, strike out the words "not above No. 16 Dutch standard in color;" on page 73, lines 6 and 7, strike out the words "and on sugar above No. 16 Dutch standard in color."

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. On the amendment, the Senator from Minnesota demands the yeas and nays.

Mr. NELSON. If the Senator from Utah desires to speak, I withdraw the demand.

Mr. SMOOT. Mr. President, the beet-sugar industry of this country twenty years ago did not exist; to-day it has reached splendid proportions; within two decades it is capable of development until every pound of sugar consumed upon our soil shall be produced by American workmen in American-built mills from beets grown by American farmers. This industry sprang into existence under the protection of the McKinley tariff; it has been fostered and developed under existing law; and, in my humble judgment, it must surely and speedily perish unless there shall be extended to it a reasonable protection until such time as, through the prevalence of superior methods, it can combat single handed and successfully in the markets of the world. Senators can but agree that there is no American industry not fully developed which holds out to the farmer, the mechanic, and the laborer greater prospects of profitable and abundant employment, and to the consumer a greater certainty of buying that which he consumes at a low price from his neighbor and compatriot.

The Senator from Georgia, in his able and vigorous speech of last week, expressed what no doubt was, in his own heart and in the heart of every Senator who heard him, a great solicitude for the domestic sugar growers and producers. But he argued quite fallaciously, as I shall endeavor to show, that neither the Louisiana cane sugar nor the beet sugar required the measure of protection now enjoyed by them and which it is proposed, under the Payne bill, as reported to the Senate, to continue to them. In arriving at his conclusion that a tariff of $1.25½ per 100 pounds on refined sugar would be sufficient he was, I submit, disregardful of actual facts and conditions. I do not recall that he even ventured a speculation as to what cane sugar costs, and his figures respecting the cost of beet sugar were unauthentic, self-contradictory, and inconclusive. It seems to me that the Senator was absorbed in, and that his judgment was warped by, the contemplation of the existence, the power, and the avarice of the sugar trust. He pictured the trust, and I have no disposition or intention to criticise his picture, as altogether disreputable and wicked—as a soulless, even a sinful corporation. The Senator told us in effect that this corporate monster has the Louisiana cane planters by their financial throats; that it controls all the beet-sugar factories of the country; that it buys raw sugars of our insular possessions, of Cuba, and of the world at its own prices, refines them at a nominal cost, and sells them to the American people at a profit to itself of fifty million dollars per year. He reminds us of the lamentable existence of gigantic frauds upon the customs perpetrated by this company, or its employees, on the docks at Williamsburg, N. Y.

I hold no brief for the so-called sugar trust. To the extent that my voice may be potential in these matters, I demand in the name of the people that the American Sugar Refining Company if, and whenever, guilty, shall be held civilly and criminally to answer for its violations of our civil and criminal laws.

But, Mr. President, it has been the purpose of certain Senators who have addressed us, if I apprehend the force of their argument, to condemn our domestic sugar interests to sure destruction by the withdrawal of indispensable protection upon the allegation that our cane and beet sugar industry is the little brother in crime of that great offender, the trust. In other words the argument proceeds upon the theory that the trust and the domestic industry are so inextricably interwoven that in order to destroy or injure the trust, it is unavoidable that its alleged little brother should perish with it. Such a theory, appealing as it does to so many and having after all a certain basis of reason, deserves attention, and it is my purpose to invite the attention of the Senate, for a few minutes, to the inquiry whether, after all, the American Sugar Refining Company is a dominant factor in our domestic sugar industry. As a result of this investigation it will be discovered that the trust holds less than 30 per cent of the capital of the beet sugar companies of the country. Having in view the probability that even this admitted community of interest may be sufficient to condemn the beet-sugar industry, I shall briefly invite your attention to a few facts and figures, which may convince you, as they have convinced me, that neither is the dictatorship of the trust as unlimited nor its profits as enormous as represented. As I said before, this is not submitted as a defense of the so-called trust except and only so far and to the extent that the fortunes of the trust and the beet-sugar industry are charged and held as being one and inseparable.

I quote from the speech of the Senator from Georgia, wherein he says:

We must understand clearly that the American Sugar Refining Company, commonly called "the trust," controls nearly all the refineries in the United States—controls the entire market in the United States, both as to raw and granulated sugar.

Mr. Spreckels, an independent refiner of thirty-three years' experience and an advocate of free sugar, speaking on the control of the market price of raw sugar, gave the following testimony before the Ways and Means Committee November 17, 1908, page 3392:

The CHAIRMAN. And at some time, I understand you to say, you pay the full price of the world's market for Cuban sugar. The great bulk of the Cuban sugar comes in here at a discount below the world's price?

Mr. SPRECKELS. The great bulk does; yes.

The CHAIRMAN. And that price you pay is the market price in New York, of course; and what fixes that?

Mr. SPRECKELS. The supply and demand.

The CHAIRMAN. Well, supply and demand, of course; but the world's market has something to do with it. Does the price at which the American Sugar Refining Company buys it have anything to do with it?

Mr. SPRECKELS. No more than if I buy it. It is a question of supply and demand.

Speaking of the control of the refined market, the same witness said, on page 3394:

Mr. BOUTELL. Have you any understanding or agreement with reference to prices with any other refinery?

Mr. SPRECKELS. Absolutely none.

Mr. BOUTELL. Absolutely independent?

Mr. SPRECKELS. Absolutely independent.

Mr. Stillman, representing Arbuckle Brothers, refiners of sugar, appeared before the Ways and Means Committee November 17, 1908. The following extracts are taken from this gentleman's testimony, as reported on page 3422:

Mr. HILL. Do I understand you to say that you are connected with Arbuckle Brothers?

Mr. STILLMAN. Yes, sir.

Mr. HILL. And I understood you to emphasize the fact that they are an independent concern?

Mr. STILLMAN. Yes, sir.

Mr. HILL. How long have they been "independent?"

Mr. STILLMAN. Ever since they have had a sugar refinery.

Mr. HILL. Is there any agreement between the Arbuckle Brothers and the American Sugar Refining Company?

Mr. STILLMAN. No, sir.

Mr. HILL. Has there been at any time?

Mr. STILLMAN. No, sir; not at any time. There has been constant war.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER (Mr. DIXON in the chair). Does the Senator from Utah yield to the Senator from Kansas?

Mr. SMOOT. I do.

Mr. BRISTOW. I should like to inquire of the Senator if there has not been, according to the public press, a working agreement entered into recently between Arbuckle and the sugar trust, and that the discount of 15 cents per hundred pounds which Arbuckle was giving has been withdrawn and no longer exists?

Mr. SMOOT. I have seen a statement in the press to that effect, but I understand from the parties interested that it is not true.

Mr. BRISTOW. It is true, however, that the discount has been withdrawn, is it not?

Mr. SMOOT. My information is otherwise.

Mr. BRISTOW. I wish to say that the New York financial papers stated a few days ago that such an understanding had been reached, and that the discount which had been made by the Arbuckles was withdrawn as a result of that understanding.

Mr. SMOOT. As far as the price of sugar is concerned, I will reach that subject in a little while.

Concerning the Senator's statement that "the American Sugar Refining Company controls nearly all the refineries in the United States," it is well to note that the evidence of the only two refineries of raw sugar who appeared before the Ways and Means Committee, as quoted above, directly contradicts this statement. Mr. Stillman stated (p. 3423) that his concern, Arbuckle Brothers, "refine from 200,000 to 300,000 tons of sugar during the year," and Mr. Spreckels (p. 3391) says that the company of which he is president, the Federal Sugar Refining Company, refines 9 per cent of the entire sugar consumed in the United States.

The output of these two concerns is, therefore, about 18 per cent of our entire consumption.

Willett and Gray's Weekly Statistical Sugar Trade Journal, January 7, 1909, page 2, says that the percentage of sugar manufactured by the American Sugar Refining Company in 1906 was 51.03 per cent; in 1907, 49.27 per cent; in 1908, 45.14 per cent.

The Senator from Georgia says:

> The beet grower and the cane grower of sugar both are compelled to sell to the Sugar trust in order to get raw sugar refined and ready for the market, and are bound to take the price fixed by the Sugar trust.

Has this statement any foundation in fact? The Senator should have known that every one of the 64 beet-sugar factories in the United States makes granulated sugar, which is sold direct to the trade. They do not put a pound of raw sugar on the market. Neither the trust nor any other refiner buys a particle of this sugar. Every barrel or sack of beet sugar made in this country goes on the market in direct competition with the output of the eastern refiners. That is where the shoe pinches; and, as plainly stated by Mr. Stillman, before the Ways and Means Committee, is the very reason why such refiners want a lower tariff or free sugar. They would stifle this competition. The Senator's statement that the cane grower is compelled to sell to the Sugar trust at a price fixed by the Sugar trust is scarcely more correct than is his corresponding statement concerning the beet grower.

On page 3391 of the Ways and Means Committee hearings Mr. Spreckels says that he buys his raw sugar in Java, Cuba, and Porto Rico. He states that he is unable to buy Hawaiian sugars because the same are under contract with the American Sugar Refining Company. He states further that he has actually offered the Louisiana planters more for their sugar than they are willing to sell it to the trust.

On page 3425 Mr. Stillman, representing Arbuckle Brothers, says that the reason their refinery does not use Hawaiian sugar is that they are not willing to buy it on such favorable terms as are offered by the American Sugar Refining Company. He states further that his company uses Louisiana raws, paying for the same the full market price. It thus appears that the planters have an opportunity to sell their sugar to refiners who are admittedly independent, at prices which, at least in some cases, are even above those offered by the trust.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Kansas?

Mr. SMOOT. I do.

Mr. BRISTOW. Does not the Senator think that the testimony of the secretary of the Louisiana Sugar Planters' Association would be better evidence as to that than Mr. Spreckels's?

Mr. SMOOT. I know one thing, that Mr. Spreckels to-day has men traveling over every State where beets are raised and where beet sugar is manufactured asking the people there to sign these little slips petitioning Congress to have sugar put on the free list.

Mr. BRISTOW. Certainly; but that has not anything to do with the question I asked the Senator, which was whether the testimony of the secretary of the Louisiana Sugar Planters' Association was not better evidence as to where their market was for their products than that of Mr. Spreckels.

Mr. SMOOT. I did not quote Mr. Spreckels on that. I quoted from Mr. Stillman, where he does say that his company uses Louisiana raw and pays the full market price, and that is good enough evidence, coming from a man who purchases the sugar.

Mr. BRISTOW. And the secretary of that association says they sell seven-eighths of the production of Louisiana to the trust.

Mr. SMOOT. I have not said what percentage they sell to the trust. They need not sell to the trust unless the trust gives them more for their product than Mr. Stillman or Mr. Spreckels, or any other of the independent refineries.

Mr. BRISTOW. The Senator read a statement from Mr. Spreckels saying that the Louisiana planters had refused to sell to him when he offered them more than the trust was paying, did he not?

Mr. SMOOT. Yes, I read the testimony of Mr. Spreckels.

Mr. BRISTOW. And that was what Mr. Spreckels stated in his testimony, was it not?

Mr. SMOOT. He said his prices, at least in some cases, were above those offered by the trust. I do not know where the trust may have offered higher prices.

Mr. BRISTOW. It is a fact, is it not, that the Louisiana planters sell to the trust at a cheaper price than they will sell to Mr. Spreckels?

Mr. FOSTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Louisiana?

Mr. SMOOT. I do.

Mr. FOSTER. If Mr. Spreckels states that the Louisiana sugar planters refuse to sell to him for a higher price than the American Sugar Refining Company offers, I want to state to the Senator that I do not believe Mr. Spreckels.

Mr. TILLMAN and Mr. BAILEY. Nor does anybody else.

Mr. BRISTOW. The reason I called attention to that was that the Senator was using that evidence of Mr. Spreckels to bolster up his argument.

Mr. SMOOT. I am using the evidence here, or stating here what Mr. Stillman said, that he had purchased raw sugars in Louisiana.

Mr. BRISTOW. Did not the Senator read from Mr. Spreckels's statement that he had offered more money than the trust was paying, and did not get the sugar?

Mr. SMOOT. In some cases, as his testimony shows. But that does not say that Mr. Stillman or any other independent refiner could not offer more money than the trust paid to secure that sugar.

Mr. BRISTOW. I was not inquiring as to Mr. Stillman's testimony, but as to Mr. Spreckels.

Mr. SMOOT. Resuming my statement where interrupted, the evidence submitted for the consideration of Congress in my judgment proves exactly the opposite of the statement submitted by the Senator from Georgia, that both the sugar-beet growers and the cane-sugar growers are obliged to sell their product to the trust at prices fixed by the trust.

Another specification in the indictment against the trust is that in the purchase of raw sugar from Cuba, the Philippines, Porto Rico, and Hawaii the trust gobbles up the tariff concessions, giving the people of the United States no benefit at all from these concessions and awarding the producers of sugar in those islands "no substantial benefits" from the concessions.

Do the facts substantiate this assertion?

Since the annexation of Hawaii in 1898 the output of Hawaiian sugar has been increased from 198,000 tons to 453,000 tons. Since Porto Rico was granted free trade with the United States the output of sugar from that island has increased from 35,000 tons to 255,000 tons. Since Cuba was granted a 20 per cent concession in our tariff in 1903 her crop of sugar has increased from 1,000,000 tons to 1,400,000 tons.

If these islands get no benefit from the tariff concessions awarded them, it seems most strange that their sugar industry should develop by such leaps and bounds since the concessions were granted. The plain, unvarnished truth is that these islands have been more prosperous under their present tariff relations with the United States than ever before. Their sugar industry has developed faster and is now in a more flourishing condition than ever before. If the islands were getting no benefit from these concessions, such an industrial condition would, of course, be impossible. It is preposterous to say that a 20 per cent concession or free trade with the best sugar market in the world would not work untold advantage to tropical cane-producing islands, especially when the market is guarded by a protective tariff. To reduce our sugar schedule is to subvert the governmental policy adopted toward our insular possessions and dependencies. Such action strikes at the sugar industry of these islands as well as at the domestic sugar industry of the United States.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Kansas?

Mr. SMOOT. Certainly.

Mr. BRISTOW. I apologize for interrupting the Senator from Utah, but I should like to know how much of this 34

cents reduction the Senator thinks the Cubans have received. What part of it.

Mr. SMOOT. If the Senator will wait, I will state from the prices of the sugar as sold how much of that 20 per cent concession the Cuban planter gets.

At our ports of entry we receive *free* sugar from Porto Rico and Hawaii, 25 per cent concessionary sugar from the Philippines, 20 per cent concessionary sugar from Cuba, and full duty paying sugar from the rest of the world. To maintain that the planters in Porto Rico, Hawaii, Philippines, and Cuba receive no benefit from concessions accorded those islands necessitates maintaining that the same grade of raw sugar has at least four different prices in our markets, depending entirely upon the country of origin. Such a supposition is entirely contrary to the facts in the case.

Mr. BRISTOW. I should like to inquire of the Senator who has stated in the discussion here that Hawaii and Porto Rico have received no benefit as the result of free sugar.

Mr. SMOOT. I made a quotation in the beginning of my remarks from a speech delivered here. If the Senator will read it, he will find out.

Mr. BRISTOW. Of course if the Senator declines to answer the question, I can not help it, but I should like to know what Senator has said that Hawaii and Porto Rico have received no advantage as the result of free sugar.

Mr. SMOOT. I again refer the Senator to the quotations that I have given before, and I have taken them from the RECORD.

Mr. BRISTOW. Do I understand that the Senator refuses to answer the question?

Mr. SMOOT. Only in this way.

Raw sugars of corresponding grades have a price in our markets which is independent of the country of origin. The man who pays 100 per cent duty nets less for his sugar than the man who pays 80 per cent, and he in turn nets less than the man who pays 75 per cent; while the man who pays no duty nets the maximum returns on his sugar.

Fortunately this statement——

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. SMOOT. Certainly.

Mr. CUMMINS. I am very much in hopes that nothing will be done here that will injure the beet-sugar interest. I should like, before the Senator passes to the subject he is evidently about to enter upon, if he would tell the Senate whether in his opinion free sugar from Porto Rico, free sugar from Hawaii, the concession sugar from Cuba, injure the beet-sugar interest, or whether that interest would be better served if the sugar from all the outside world (and I am now speaking geographically rather than as a matter of government) paid the usual ordinary duty?

Mr. SMOOT. Mr. President, my opinion is that, so far as the domestic sugar is concerned, the beet sugar and the cane sugar as well would be benefited if the sugar from all the dependencies and the concessionary sugar from Cuba did not come in at a reduced rate.

Mr. CUMMINS. Then it follows that in granting to Cuba a concession of 20 per cent and in proposing to give to the Philippine Islands the admission of 300,000 tons of sugar free, we have inflicted one blow and are about to inflict another upon the beet-sugar interest.

Mr. SMOOT. If we produced all of the sugar we consume, or even nearly so, then it would be a vital blow to the beet-sugar industry and the cane-sugar industry of this country. I will try to show in my remarks from the figures paid for Cuban sugar, under the 20 per cent concessionary price, the benefit that the Cuban planters receive on account of the 20 per cent concession.

Mr. CUMMINS. Aside from your general interest in the welfare of the country, which I know is universal, our object here ought to be largely to protect the beet-sugar factories. Is not that true? And the Louisiana cane grower.

Mr. SMOOT. And the Louisiana cane grower, of course.

Mr. CUMMINS. That is the motive which ought to guide the Senate in fixing these duties, is it not?

Mr. SMOOT. That is the motive which led me in supporting this schedule; and also I think I should say that sugar is a proper article from which to raise revenue for maintaining the Government.

Mr. CUMMINS. The severest competitor, if competition exists, known to the beet-sugar factory, is the American Sugar Refining Company, is it not?

Mr. SMOOT. I think that if the sugar refining company could buy free sugar at a less price than the world's price of sugar with the duty added they would then become a severe competitor of the beet-sugar industry of this country.

Mr. CUMMINS. If you could relieve the beet-sugar men of the domination, so far as price is concerned, of the American Sugar Refining Company, you would have taken a long step toward the prosperity of the beet-sugar men, would you not?

Mr. SMOOT. They have nothing whatever to do with the beet-sugar interests, and if we should completely destroy them it seems to me we would escape from this American trust to a greater sugar trust across the water.

Mr. CUMMINS. I did not mean to infer just at this time, nor to have you infer just at this time, that the American Sugar Refining Company financially controls the beet-sugar factories; but I take it——

Mr. SMOOT. I did not catch that last remark.

Mr. CUMMINS. I take it you will admit that the American Sugar Refining Company has such a grasp upon the business that it does fix the price of refined sugar substantially.

Mr. SMOOT. No; I do not think that the American Sugar Refining Company fixes the price of sugar. I have here the quotations and also a letter from Willett & Gray showing that the Federal Refinery and many of the independent refining companies not only lead in the advance, but they lead in the decline, of the sugar price on the New York market. I have here, I suppose, a couple of dozen notices showing this fact on different dates in different years, and every one of them shows that the Federal Refining Company or other independent companies led not only in the advance of the price, but also in the decline.

Mr. CUMMINS. The reason why I ask it is that one of the principal beet-sugar men in the country, whose name I shall not give, because I take it that part is in confidence, told me within a day or two that the price at which the beet-sugar men had to sell their sugar was fixed absolutely by the American Sugar Refining Company, and if this interest were relieved somewhat of that they might be able to do better than they have done.

Mr. SMOOT. The facts in the case do not show that they do fix the price, and therefore I would be——

Mr. CUMMINS. At any rate, we will agree to this extent, I am sure, that it is not for the benefit of the beet-sugar interest that the sugar-refining interest shall have any further advantages or benefits.

Mr. SMOOT. No, Mr. President; and I do not propose, nor does this bill propose, to give them any further advantages, but it proposes to reduce the differential they have had in the past of 12½ cents per hundred pounds to 7½ cents per hundred pounds.

Mr. CUMMINS. Precisely; and if it can be shown to you that the beet-sugar interest would be promoted by destroying the differential entirely, would you not favor it?

Mr. SMOOT. If it would transfer the refining of all our sugar to some foreign country, I would not favor it.

Mr. CUMMINS. But may I ask one more question?

Mr. SMOOT. Certainly.

Mr. CUMMINS. If the beet-sugar men would so develop their properties that they could supply all the refined sugar used by the people of the United States, with a duty of $1.90 or $1.95 upon refined sugar, do you not believe that that would be the best possible condition that could be created in this business?

Mr. SMOOT. Yes, Mr. President, I will say to the Senator I certainly do; and I believe we can produce all the sugar we use and it could be done providing the duty on foreign sugars coming into this country is maintained.

Mr. CUMMINS. Precisely.

Mr. SMOOT. And I believe that if it was distinctly understood in the United States that the present rate of duty would be maintained for a quarter of a century, by the end of that quarter of a century we could produce all the sugar consumed in this country.

Mr. CUMMINS. But the Senator will agree that such a condition could not be brought about without very materially lessening the profits of the refining business, I am sure.

Mr. SMOOT. No, Mr. President, I really think to-day that under the rates of this bill, with a differential of 7½ cents a hundred pounds to the refiner and with $1.90 duty on refined sugar the cane and beet sugar factories could control this market. But the trouble is the tariff question has been unsettled. For a few years, beginning with 1900 and up to 1904, the factories increased in great number, but they have not been increasing of late because of the unsettled course that may be pursued in the future relative to the sugar tariff.

Referring again to my general remarks before interruption: Fortunately this statement of a general truth is fully substantiated by direct evidence submitted to the Ways and Means Committee. Mr. F. M. Hatch, for years minister of Hawaii to the United States, in a letter to the Ways and Means Committee, under date of November 19, 1908, and reported in Schedule E, Hearings, page 3441, says:

WASHINGTON, D. C., *November 19, 1908.*

Committee on Ways and Means, Washington, D. C.

GENTLEMEN: F. M. Hatch, of Honolulu, on behalf of the Hawaiian Sugar Planters' Association, submits to the committee the following statement:

The statement made by Mr. C. A. Spreckles that Hawaiian sugars are sold at a rebate of three-eighths of a cent a pound is not correct. Hawaiian sugars are, in fact, sold in New York at one-tenth of a cent a pound off. This covers two-thirds of the Hawaiian output. One-third is sold in San Francisco, being all that that market will take, under a rebate of one-quarter of a cent a pound. The Crockett Refinery, an independent refinery controlled by Hawaiian interests, is the purchaser there. The rebate in New York of one-tenth of a cent, or $2 a short ton, is not in any sense a result of the tariff. It is a concession which it is considered reasonable to make in consideration that the purchaser, the American Sugar Refining Company, binds itself for a term of years to take all Hawaiian cargoes on arrival at the market price less this rebate. The Hawaiian producers are thus saved the danger of having to store cargoes awaiting a purchaser and the alternative of being obliged to make sacrifice sales in periods of a glut of sugar in the market. This course of trade has grown up in consequence of the great distance of Hawaii from market and the impossibility of selling the crop in Honolulu.

Mr. Spreckles's statement or intimation that the trust is directly or indirectly an owner in Hawaiian plantations is without a shadow of foundation of fact, so far as the undersigned is informed and believes.

F. M. HATCH,
Representing Hawaiian Sugar Planters' Association.

This statement shows conclusively that the Hawaiian planter receives within one-tenth of a cent per pound of the full market price in New York, and that this slight concession is considered reasonable in view of the fact that the purchaser binds himself to take the sugars upon arrival, thus relieving the seller of all storage charges and losses from forced sales on a glutted market.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Will the Senator from Utah yield to the Senator from Kansas?

Mr. SMOOT. Certainly.

Mr. BRISTOW. I see the Senator has now impeached his witness, Mr. Spreckels. What about Mr. Hatch? Have you anyone to corroborate or impeach his testimony later on?

Mr. SMOOT. Because a man testifies to the price of sugar that he has offered in a particular instance, more perhaps than at other places, there is no need for the Senator to get up and say his testimony is impeached. Does the Senator say that the statement of Mr. Hatch is not true?

Mr. BRISTOW. No; I was not discussing Mr. Hatch's statement. I was just inquiring whether we should take it without any qualification.

Mr. SMOOT. I will let the Senate decide as to whether Mr. Hatch's testimony is correct. The Senator can get all the evidence outside of Mr. Hatch's statement that he desires on this subject from Willett & Gray, of New York, from whom the Senator quoted to-day.

Mr. BRISTOW. Mr. President——

Mr. SMOOT. I do not want to be led off on other questions at this time.

Mr. BRISTOW. If the Senator will pardon me——

The PRESIDING OFFICER. Does the Senator from Utah decline to yield?

Mr. SMOOT. I do not decline to yield to any Senator if he has anything to present relative to the particular question that is being discussed.

Mr. BRISTOW. Referring to Willett & Gray, referred to some time ago by the Senator as to the Arbuckle matter, I would like to read this paragraph and ask if that is his understanding. I read from Willett & Gray's Sugar Journal of May 20, 1909:

The adjustment—

Speaking of the adjustment between Arbuckle and the American Sugar Refining Company—

The adjustment of this difference in refiners' methods has been brought about by mutual concessions, and the close of the week finds the consignment plan largely eliminated, and the Arbuckle circular rebate of 15 cents per barrel withdrawn. A few prominent cities are still retained as distributing centers, say about one-fifth of the former number.

Then later, in another paragraph:

After a little time to adjust matters to the new conditions, the selling of refined should be on a more healthy basis than at any time hitherto.

Later.—At the close Federal advanced their prices to basis of 4.85 cents, less 1 per cent, the same as quoted by all other refiners.

Would not that indicate that there had been an agreement entered into by these competing refiners?

Mr. SMOOT. Not at all. The statement there says the Federal, and that is not the American Sugar Refining Company, advanced the price.

Mr. BRISTOW. They "advanced their prices to the basis of $4.85, less 1 per cent, the same as quoted by all other refiners."

Mr. SMOOT. Of course sometimes the Federal leads and sometimes the American Sugar Refining Company leads. As far as the statement of Willett & Gray is concerned, I can show a statement here and a letter from them to the effect that more often than otherwise has the Federal or the Arbuckle led the prices, both as to increase and as to decline.

Mr. BRISTOW. There seems to have been an understanding on the 20th of May by which they were all quoting the same price, was there not?

Mr. SMOOT. I can not say whether there was any understanding or not. I am not going to say, because I do not know whether there was or not.

Mr. BRISTOW. This would indicate that there was, would it not?

Mr. SMOOT. Not necessarily, because one man quotes the same price that another quotes.

Now, if the Senator will allow me to go on with my argument, because that is immaterial, I will proceed.

The evidence, therefore, shows that the producer of insular raw sugar does get a substantial part of the concession in tariff—that, in fact, he gets it practically all.

Does the American consumer get any benefit from these concessions?

The refiners of sugar make their profit out of the difference between the prices of raw and refined sugar. After deducting the cost of refining from this margin, the remainder is the refiner's profit. With a given cost of refining, the only way to increase the refiner's profit is to increase the margin between raws and refined. For the four years prior to the Cuban 20 per cent concession the margin between raws and refined was 89.7 cents per 100 pounds; for the four years since the establishment of that concession the margin has been 87.5 cents per 100 pounds. The margin between raws and refined is actually less now than it was before the Cuban treaty of December, 1903. Therefore, the refiner has not so great an opportunity for profit making as he had before the enactment of these concessions in the sugar schedule. Moreover, for the four years prior to Cuban concession our price for raws averaged 2 cents per 100 pounds below Hamburg, parity duty added, while since the Cuban concession it has averaged 16 cents below Hamburg, parity duty added. The refiner is buying his raws 14 cents further under Hamburg parity duty added than he did before Cuban concession, and is maintaining 2 cents less margin per 100 pounds than he did before Cuban concession. The American consumer is, therefore, getting about 16 cents per hundred pounds benefit from Cuban concession.

Fortunately, we have direct testimony corroborating these market conditions. One of the three witnesses who appeared before the Ways and Means Committee to advocate the reduction of the duty on sugar was Mr. Edwin Atkins, of Boston. This gentleman owns extensive plantations in Cuba and has been in the sugar business all his life. On page 3356 of Schedule E Hearings he makes this statement:

The cost of refining is generally admitted to be about 62 cents a hundred pounds, and if the refiner gets a margin between the cost of his raw sugar and the price of his refined of 90 cents a hundred pounds during the year, he makes the difference between the cost of refining, 62 cents, and 90 cents, which gives him a profit of about 28 cents a hundred pounds. I mention that to contradict the statement—it has not been made here—that the refiner, we will not say the trust, gobbles this differential which was given to Cuba. The figures show this is not so. He can not get it. He could not get it if he wanted to; there is too much competition among the refiners themselves.

Mr. BRISTOW. Mr. President, I regret very much——

The PRESIDING OFFICER. Does the Senator from Utah yield further to the Senator from Kansas?

Mr. SMOOT. Mr. President, I would very much prefer to go on, and then I will answer any question that the Senator wants to ask. I will submit these figures, and I can demonstrate beyond the question of a doubt that they are correct.

The PRESIDING OFFICER. The Senator from Utah declines to yield further at this time.

Mr. SMOOT. Apropos of the inquiry as to whether the trust buys Cuban and other insular sugars at its own prices and without the benefit of our tariff concessions to the producers, I submit a letter from Willett & Gray, dated May 22, 1909. This letter, it will be observed, makes the very interesting statement that changes in price of sugar are almost invariably led by the independent Federal and Arbuckle refineries and followed by the American—an assertion amply proved by reference to their daily bulletins, which I have examined—and one quite inconsistent, it seems to me, with the supposition that the trust

sways and toys with the market as it sees fit, fixing and changing prices at its will, with the rest of the sugar world looking helplessly on and hobbling along behind as best their crippled condition permits.

Mr. President, I ask permission to insert the letter of Willett & Gray in the RECORD without reading.

The PRESIDING OFFICER. In the absence of objection, permission to do so will be granted. The Chair hears none.

The letter referred to is as follows:

WILLETT & GRAY,
No. 82 Wall street, New York, May 22, 1909.

DEAR SIR: Your kind favor of the 21st inst. is received and noted. I have an advance copy of Senator CLAY'S speech, which certainly places him at the foot of the kindergarten class in sugar in Congress. It is a well-established fact that changes in price are almost invariably led by the Federal or Arbuckle refineries and followed by the American. I could send you hundreds, if not thousands, of such changes taken from our file of "dailies."

I send you just a few occurring at the present time. A few in 1908, 1907, 1906, etc, which will answer your purpose no doubt.

In the same way it can be shown that the Federal or Arbuckle are much more often leaders in an advance or decline in raws than the American, and that when advanced the American has to pay the rise.

It is proved conclusively that the Porto Ricans get the full remission of duties, or rather as much of it as Cuba gets, by the record of sales of Cubas and Porto Ricos and other sugars on the New York market at or about the same time. For instance, in replying to a request of Senator BRISTOW a few days ago, we quoted the following sales:

"On March 26, 1909.—Sales Cuban sugar, 96 test, at 2.625 cents, cost and freight, plus one-half per cent marine insurance and duty, equal 3.985 cents per pound, duty paid.

"Sales Porto Rico sugar, 96 test, at 3.985 cents landed (no duty).

"On March 27, 1909 (market a shade firmer).

"Sales San Domingo sugar, 96 test, at 2.304 cents, cost and freight equal 4 cents per pound, duty paid.

"On March 30, 1909 (market firm).

"Sales Cuban sugar, 96 test, at 2.65 cents, cost and freight 4.02 cents, duty paid.

"Thus the refiner pays as much for duty-free sugar from Porto Rico as for sugar from Cuba paying 1.348 cents duty, and as for sugar from San Domingo paying 1.685 cents duty, and the Porto Rico and Cuban planters receive the full benefit of tariff concession based on the *New York* market."

Neither Porto Rico nor Hawaii get the *full* benefit of the remission, because Cuba doesn't stand pat and get her full 34 cents benefit, but all get as much benefit as Cuba chooses to take.

In 1908 Cuba sold all the way from 0.011 cent per pound in August, when crop was ending, to 0.357 per pound in February (when crop receipts were largest), below world's prices, the average for the year being 0.155 cent per pound, leaving 0.182 cent per pound benefit to Cuba planters out of the 0.337 cent per pound differential of reciprocity treaty.

Porto Rico and Hawaii got full Cuba parity on all sales, but no more hence sold at 0.155 cent per pound average less than full-duty basis of Hamburg during 1908.

Yours, very truly,
WALLACE P. WILLETT.

Mr. SMOOT. The Senator from Georgia makes the following statement concerning the holdings of the American Sugar Refining Company:

The American Sugar refiners, commonly called the trust, have been wide awake, looking toward the production of raw sugar in the Hawaiian Islands, Porto Rico, and Cuba. The sugar trust has purchased, either directly or indirectly, large tracts of sugar land in these islands, producing an abundance of raw sugar at about 2 cents per pound.

In a discussion of the conditions in each of the islands above mentioned the Senator repeats this statement, even going to the extent of saying that the American Sugar Refining Company, commonly called "the trust," absolutely owns and controls a large proportion of the plantations in each of these islands. Is there one particle of evidence to show that this statement is true? In fact, it is authoritatively stated that the sugar trust does not own, either directly or indirectly, an acre of sugar land in Hawaii, Porto Rico, or Cuba. When the American Sugar Refining Company made application to have its stock listed on the New York Stock Exchange it reported, under oath, all its holdings. This report is found in Willett & Gray's Weekly Statistical Sugar Trade Journal, February 4, 1909, page 46. In this report it makes the following statement:

All the property of the American Sugar Refining Company is located in the United States. The dock and warehouse property in Cuba which it formerly owned was sold last year.

It was stated by the Senator from Georgia that nearly two-thirds of the sugar consumed in the United States came from foreign countries into the United States. To secure this percentage of foreign imports he considers the sugar received from Porto Rico, Hawaii, and the Philippines to be imported from foreign countries. Later he considers the imports from these insular possessions to be domestic sugar which the refiner buys without any tariff cost to the purchaser.

The fact is that the only foreign sugar we imported consisted of about 350,000 tons full duty paying sugar and the Cuban crop, which together made up one-half our consumption.

When the Philippines shall send us the 300,000 tons duty free sugar provided for in this bill, the only foreign sugar entering the United States will be that received from Cuba, which, under our treaty with that island, will pay 80 per cent of the full tariff rate.

The Senator further says:

The sugar trust now controls and owns a majority of the stock in the sugar-beet factories of this country—that is, about 51 per cent of the stock.

In speaking of the profits of these factories, he says:

The sugar trust makes a clear profit of $4.32 on each ton of beets purchased and converted into sugar.

If this language means anything, it means that the sugar trust owns a majority interest in the 64 beet-sugar factories in the United States, and is making a profit of $4.32 per ton on the beets worked. Let us consider these propositions separately and in detail.

First. As to the ownership of the beet-sugar factories. There is not a particle of evidence either before the Ways and Means Committee or the Finance Committee to substantiate the assertion that the sugar trust owns a majority of the stock in the beet-sugar factories of the United States; in fact, there is considerable evidence to the contrary.

Until two years ago the stock of the American Sugar Refining Company, known as "the sugar trust," was never listed on the New York Stock Exchange, consequently no public statements of its financial condition were printed. When a corporation makes application to the New York Stock Exchange to have its stock listed it must file a complete sworn statement of its financial condition, and a similar statement must be filed each succeeding year. The penalty for making a fraudulent statement is the expulsion of the stock of the corporation from the exchange. Under this rule the American Sugar Refining Company has filed with the New York Stock Exchange two financial reports—one for December, 1907, the other for December, 1908. An examination of these reports shows that the total investments this corporation holds in other corporations amount to a little less than $22,000,000. The brief of the American Sugar Refining Company, submitted to the Ways and Means Committee, and published in Schedule E Hearings, page 3431, contains the following plain statement concerning the holdings of that company in the beet-sugar industry of the United States:

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Kansas?

Mr. SMOOT. I do.

Mr. BRISTOW. I should like to ask for information, if the Senator will consent, if he knows where this $22,000,000 is invested? In what companies have the so-called sugar trust invested this $22,000,000 in stock?

Mr. SMOOT. Mr. President, my argument is along the line that the beet-sugar companies have $70,000,000 in capital stock, that all of the interest the American Sugar Refining Company has in stock of other companies is about $22,000,000, and that, therefore, it is impossible for them to control 51 per cent of the capital stock of the beet-sugar companies. If the Senator wants any further evidence, I have affidavits from sugar factories in this country stating that the trust do not control 51 per cent of their stock.

Mr. BRISTOW. Can the Senator inform the Senate what is the market value of beet-sugar stock so purchased?

Mr. SMOOT. I can inform the Senator as to the market value of the stock in the Utah and Idaho Sugar Company. It is about $8.90 per share of $10.

Mr. BRISTOW. The reason I asked the question is that if the stock is selling, as I am advised—my information may be wrong—in some instances for thirty or forty dollars on the hundred, this $22,000,000 properly invested would certainly gain control of a very large part of the stock.

Mr. SMOOT. I know that a great many of the sugar stocks are not selling at par. I know that the Utah and Idaho stock is not; the Amalgamated preferred is not. I do not, however, want to go into that question further at this time.

Mr. BRISTOW. What I wanted to get at, if it was possible to do so, was what companies which are producing beet sugar has the trust acquired control of as the result of the investment of this $22,000,000?

Mr. SMOOT. I have not the list of the companies in which the Sugar Refining Company owns stock; and so I can not give that information to the Senator now.

Mr. BRISTOW. Very well.

Mr. SMOOT. The brief of the American Sugar Refining Company submitted to the Ways and Means Committee contains the following:

There apparently exists uncertainty as to whether the American Sugar Refining Company is interested in the beet-sugar industry of the United States. There is no mystery about it. The annual statement for 1907 contains an item which states the fact that the company is interested in the beet industry.

* * * * * * *

The interest of the American Sugar Refining Company in the beet-sugar factories of the United States is less than 29 per cent of the total beet-refining capacity for working beets into refined sugar.

The report made by the Secretary of Agriculture to the Senate under date of April 26, 1909, furnishes independent and authentic confirmation of this statement. In the report it is stated on page 13 that the total investment of capital in the beet-sugar business at the close of 1908 was $70,000,000. If the American Sugar Refining Company owns 29 per cent of this, their holdings in the beet sugar industry amount to $20,300,000. If we subtract this from the total amount which the sworn statement of the American Sugar Refining Company gives as their holdings in other corporations, we have $1,700,000 invested in other corporations than beet-sugar factories. It would thus be seen that the sworn statement made by this corporation to the New York Stock Exchange, the testimony of their secretary before the Ways and Means Committee, and the report of the Secretary of Agriculture harmonize perfectly. I have it also from the officers of most of the beet-sugar companies of the United States, in the form of affidavits, that their several companies are not controlled by the American Sugar Refining Company or so-called trust. Instead of the trust having, as claimed, the majority interest in all the beet-sugar factories of the United States, its actual holdings amount to less than 29 per cent, leaving over 71 per cent of the investments in this industry in the hands of other people. In every case where this corporation has an interest in beet-sugar factories the entire management of the company is vested in a local board of directors, with local offices and local management.

Second. We now wish to consider the assertion that the profit of manufacturing a ton of beets into sugar is $4.32. The Senator claims to base this conclusion upon the report of the Secretary of Agriculture to the Senate under date of April 26, 1909, but he entirely misconstrues that report.

Right here I may state that Secretary Wilson telephones that an employee informs him that a letter signed by himself and addressed to Senator BRISTOW and by Senator BRISTOW read to the Senate to-day, purporting to give the facts as contained in his report to the Senate, is evidently a mistake if it gives the figures differently from those set forth in Senate Document No. 22, and that he will correct the statement in the letter.

A gentleman from the Agricultural Department—I thought I had his card here—has called on me and told me that he himself made the mistake; that it happened exactly as I stated to the Senator at the time I interrupted him. The call was made since the Secretary of Agriculture has heard of the statement made by Senator BRISTOW, as quoted from the letter, that there was some 316 pounds of beet sugar extracted from a ton of beets.

Mr. CLAY. Does the Senator refer to the document from which I read?

Mr. SMOOT. No; I refer to a statement made by the Senator from Kansas [Mr. BRISTOW] in the Senate to-day.

Mr. CLAY. I thought the Senator had reference to a document which I read; which document stated that a ton of beets made 282 pounds of sugar.

Mr. SMOOT. I might say now that the Secretary of Agriculture's statement shows that that is not so.

Mr. CLAY. The Secretary of Agriculture says that is not true?

Mr. SMOOT. Absolutely.

Mr. CLAY. Mr. President, I addressed a letter to the Secretary, to which he replied. That reply is published in my remarks made the other day. It gives the price of beets and says that a ton of beets make about 282 pounds of refined white sugar. I have the letter here, and I can put my hands on it in a moment.

Mr. SMOOT. Mr. President, perhaps that is another letter such as the one written to the Senator from Kansas [Mr. BRISTOW], but here is the statement by the Secretary of Agriculture in Senate Document No. 22.

Mr. BRISTOW. Mr. President——

Mr. SMOOT. It was this very document from which the Senator from Georgia was quoting a great many of his figures. If we will look at Senate Document No. 22, signed by Secretary Wilson, on page 14, we will find that the average sugar in beets for 1908 was 15.74 per cent, but the average extraction of sugar based on the weight of beets was 12.47 per cent, and the average for the six years given below was 11.67 per cent, or 233 pounds to the ton of beets.

Mr. CLAY. Mr. President, with the Senator's permission, I have the letter here before me, dated May 8, 1909, and I will read from it:

> As regards the cost of manufacture of 1 ton of beets into sugar, I would say that—
>
> One hundred pounds of sugar costs $3 to $3.50, average $3.25, to manufacture. The beets from which this was manufactured cost $5 a ton, plus about 50 cents freight, and contained 16 per cent sugar. The amount of sugar in 1 ton was then 320 pounds, and the amount of the sugar recovered as white sugar was 88 per cent of 320 pounds, or 282 pounds.

That is from Doctor Wiley, who is the chemist of the Agricultural Department.

Mr. SMOOT. I have heard from the Secretary of Agriculture, Mr. Wilson, that the figures in this document are absolutely correct, and they are the figures prepared by the Agricultural Department.

Mr. CLAY. Does the Senator say to the Senate that the Secretary of Agriculture denies the facts contained in this letter addressed to me on May 9, 1909?

Mr. SMOOT. Mr. President, I have not heard from the Secretary of Agriculture on that particular letter, but he does deny the figures as stated in the letter the Senator from Kansas read to-day.

Mr. CLAY. The letter of May 8 was in reply to a request that I sent to the Secretary of Agriculture, asking the number of pounds of sugar contained in a ton of beets, and how much it cost to refine it. The calculation was made by the Department and sent to me at my request.

Mr. CARTER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Utah yield to the Senator from Montana?

Mr. SMOOT. Yes.

Mr. CARTER. I have no doubt whatever, Mr. President, that the Secretary of Agriculture is right in both cases, precisely as he would be right in the case of an assay of a given quantity of gold ore. One ton might show $50 gold, while an average of 100 tons would only show $30 or $20, as the case might be. The sample referred to by Doctor Wiley undoubtedly produced the amount of sugar he stated. The figures presented by the Senator from Utah are undoubtedly based upon a general average of production, extending over many samples from many sections. For instance, in some parts of the West the amount of saccharine matter in beets grown in the Rocky Mountain region, where the days are long and the sunshine therefore continuous for many hours, is a much greater percentage than where the beets are grown in a cloudy region, with little sunshine and unfavorable conditions.

Mr. SMOOT. A note has just been handed to me which says that the letter to the Senator from Georgia [Mr. CLAY] contained figures furnished by Mr. Bryan, of the Chemistry Bureau, whose figures Secretary Wilson disavows. He took simply the figures of one factory for one year.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Utah yield to the Senator from Michigan?

Mr. SMOOT. Yes.

Mr. SMITH of Michigan. I am sorry that I did not hear what the Senator from Utah said with reference to the statement attributed to the Secretary of Agriculture this morning by the Senator from Kansas [Mr. BRISTOW].

Mr. SMOOT. I will state it again.

Mr. SMITH of Michigan. Do I understand the Secretary of Agriculture has denied the statement attributed to him this morning?

Mr. SMOOT. He says the figures quoted in that letter are not correct. The figures quoted, as I myself told the Senator when he read them, related to the average sugar in the beets for 1908 instead of to the average extraction of sugar based on the weight of beets. The clerk from the department has told me himself that he made a mistake in the column, that he took the figures that were given of the average sugar in the beet instead of taking the average extraction of sugar based on the weight of the beets.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Utah yield to the Senator from Kansas?

Mr. SMOOT. Certainly.

Mr. CURTIS. With the permission of the Senator, I should like to say that I have a letter from the superintendent of a beet factory at Garden City, Kans., in which he says:

> A high average of the sugar content of the beet would be 15 per cent; our own average this past year was 14.7 per cent, which is the highest beets that we have raised in this valley. An excellent saving in the factory would be a basis of 85 per cent of the sugar content. Beets running 15 per cent will produce, if 100 per cent were saved, 300 pounds of sugar per ton of beets. On a saving of 85 per cent a ton of beets will make 255 pounds of sugar.

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. Does the Senator from Utah yield to the junior Senator from Kansas?

Mr. SMOOT. Yes; I yield.

Mr. BRISTOW. I want to inquire if Secretary Wilson has said that he did not write me the letter which I submitted here this morning, giving specifically the figures that I quoted?

Mr. SMOOT. I did not say that the Secretary made any such statement. The Secretary makes the statement that there was an error made by the clerk in the department, and I had the clerk's name here a moment ago. He came and told me himself that he did make the error, and that the figures quoted and placed in the letter to the Senator from Kansas were not the correct figures.

Mr. BRISTOW. Are we to understand that the letters written to the Senator from Kansas and the Senator from Georgia are both wrong, and that those to the Senator from Utah are right?

Mr. BEVERIDGE. The Senator from Montana [Mr. CARTER] showed that both are right, Mr. President.

Mr. SMOOT. I am not quoting from any letter; I am quoting from a public document, which I believe to be absolutely correct. The letter that was written to the Senator from Georgia [Mr. CLAY] was based upon one single State and for one single year.

Mr. CLAY. If the Senator will permit me—I do not like to interrupt Senators, as I believe when a Senator is making a speech he ought to be permitted to get through with it; and I will reply to the Senator from Utah at the proper time—when the Secretary of Agriculture, through his different bureaus, sends to us information that we ask and says it is reliable under his own signature, I have not much patience, if it be true, that Senators can go there and get a verbal statement saying all those calculations are absolutely incorrect. I have always had the highest confidence and the greatest respect for the distinguished Secretary of Agriculture; and, Mr. President, I must confer with him myself. I have heard nothing that would cause me yet to change my high opinion of that distinguished gentleman; and I will not say aught against him until I look into the matter and give it most diligent attention.

Mr. SMOOT. I think that is perfectly correct; and I think that when the Senator looks into it he will find that Senate Document No. 22, signed by Secretary Wilson, is correct.

The Senator claims that the extraction of sugar is 282 pounds per ton of beets. At the bottom of page 14 of the report above mentioned it will be seen that the average per cent of extraction is 11.66, or 233 pounds per ton of beets. This is 49 pounds less than given by the Senator from Georgia. The value of 49 pounds of sugar at 4½ cents a pound is $2.20. This certainly must be subtracted from the $4.32, reducing the profit more than one-half, or to $2.12 per ton. The Senator further gives the cost of beets from which this sugar is made as $5 per ton, whereas in the report above mentioned the Secretary plainly states, on page 16, first paragraph, that the cost of beets is $5.35 per ton, or 35 cents a ton more than the price fixed by the Senator. Subtract this 35 cents from $2.12, we find that the correction of these two errors alone reduce the manufacturers' profit on a ton of beets from $4.32 to $1.77. There are other items that should be taken into consideration, as shown conclusively by the census figures of 1905. I submit a table giving the cost of producing 100 pounds of granulated sugar as shown by the census figures of 1900 and 1905. I shall content myself by calling the attention of the Senate to the figures shown in the closing paragraphs of this table, from which it appears that in 1899 but 203 pounds of sugar was the average extraction per ton of beets; that the average for 1904 was 228.2 pounds, and that the cost of producing 100 pounds of beet sugar in 1899 was $4.84 and in 1904, $4.24.

Mr. President, I have a table here showing the capital invested in the beet-sugar industry, and granulated sugar produced; the expenses of producing the same; the value of all products; the expense per ton of beets; the results per ton of beets; the campaign results; and giving a detailed statement of the total cost of manufacturing beets. I ask permission to insert the table in the RECORD, if there be no objection.

The VICE-PRESIDENT. In the absence of objection permission is granted.

The table referred to is as follows:

Capital invested in the beet-sugar industry.

[Census Bulletin No. 61, pp. 59–69.]

	1904.	1899.
Land	$1,737,943	$682,705
Buildings	11,466,749	3,891,371
Machinery, tools, and implements	28,696,825	14,420,325
Cash and sundries	14,022,942	1,964,118
Total	55,923,459	20,141,719

Capital invested in the beet-sugar industry—Continued.

BEETS WORKED AND GRANULATED SUGAR PRODUCED.

Tons of beets worked	2,175,417	794,658
Pounds of granulated sugar produced	496,618,314	115,686,356

EXPENSES.

Officers of corporations	$284,781	$114,300
General superintendents, managers, clerks, etc	719,856	242,375
Wage-earners	2,486,702	1,092,207
Miscellaneous, including rent of offices, taxes, and insurance	1,999,555	441,384
Sugar beets	11,345,785	3,485,320
Fuel	1,225,015	453,036
Limestone[a]	351,893	.....
Coke[a]	148,721	.....
Sulphur[a]	30,408	.....
Barrels, purchased as such[a]	80,970	.....
Sacks, purchased as such[a]	424,903	.....
Mill supplies	102,897	18,933
All other material	656,397	477,437
Freight	119,887	369,070
Depreciation[b]	2,008,128	915,584
Total	21,985,897	7,609,646

VALUE OF ALL PRODUCTS.

Granulated sugar	$23,493,373	$5,580,527
Raw sugar	431,229	1,642,054
Molasses	221,097	25,102
Beet pulp	202,070	21,822
All other products	46,025	54,352
Total	24,393,794	7,323,857

EXPENSE PER TON OF BEETS.

Officers of corporations	$0.131	$0.144
General superintendents, managers, clerks, etc	.330	.305
Wage-earners	1.143	1.374
Miscellaneous, including rent of offices, taxes, and insurance	.919	.555
Sugar beets	5.210	4.390
Fuel	.563	.570
All other material and freight	.881	1.089
Depreciation	.923	1.152
	10.100	9.579

RESULTS PER TON OF BEETS.

Value of all products per ton of beets worked	$11.213	$9.216
Expense per ton of beets[c]	10.100	9.579
Profit per ton of beets	1.113	.....
Loss per ton of beets[c]	.....	.363
Betterment in financial results for factory per ton of beets	1.476	.....

CAMPAIGN RESULTS.

Total expense	$21,985,897	$7,609,646
Value of raw sugar and by-products	$900,421	$1,743,330
Net expense chargeable to granulated sugar produced	$21,085,476	$5,866,316
Quantity of granulated sugar produced ..... tons	496,618,314	115,686,356
Cost of producing granulated sugar per 100 pounds[c]	$4.24	$5.07
Selling value of granulated sugar per 100 pounds	$4.73	$4.82
Difference between cost and selling price[c]	[d] $0.49	[e] $0.25

[a] Not separately classified in 1900 census, but included under "All other material."

[b] For 1904, 5 per cent on $40,162,574; for 1899, 5 per cent on $18,311,696.

[c] In 1899 an abnormally large amount of raw sugar was carried over, owing to which fact the quantity of granulated sugar, as shown in the above Census table of 1899, does not represent either the real extraction of sugar from the beets or the fair cost of production per 100 pounds.

[d] Gain.

[e] Loss.

Mr. SMOOT. Dr. Guilford L. Spencer, the distinguished sugar expert who prepared the 1899 Census data on beet sugar (1900 Census, vol. 14, p. 548), says:

A quantity of raw sugar or low-grade massecuite is carried forward each year by most of the factories, which renders it impracticable to ascertain the exact quantity of sugar manufactured from the beets grown in any one year. Assuming that the factories operated in 1898 carried forward to the next crop relatively the same quantity of sugar as in 1899, and deducting this amount and crediting the sugar carried forward in 1899 to the crop of that year, we obtain a total of 161,474,100 pounds, or 203 pounds of sugar per ton of beets, or 10 pounds of sugar per 100 pounds of beets, as the yield from beets grown in the census year. In view of the high average percentage of sugar in the beets, as shown in Table 7, page 4, this yield is disappointing. It is probably in a measure due to the deterioration of beets at new factories not fully prepared for work when the roots were harvested. Such deterioration was reported at several factories.

Carrying out the figures on this basis and allowing for the expense of working up the raw sugar we get the following comparative results for the 1899 and 1904 campaign:

Campaign results.

	1904.	1899.
Total expense, including cost of working up raw sugar		$7,908,219
Total value of by-products		$101,276
Total expense chargeable to granulated sugar	$21,085,476	$7,806,943
Cost per 100 pounds of granulated sugar	$4.24	$4.84
Net gain per 100 pounds in 1904 factory results	$0.60	
Selling value of granulated sugar per 100 pounds	$4.73	$4.82
Difference between cost and selling price	[a] $0.49	[b] $0.002
Sugar extraction per ton of beets ..... pounds	228.2	208

[a] Gain. [b] Loss.

The accuracy of the Census figures, which show a profit of but 49 cents per hundred pounds, 1905, is confirmed by the fact that the dividends paid on the preferred stock of the various companies owning beet-sugar factories is only from 6 to 7 per cent, and that the stock of nearly every beet-sugar company in the United States can be purchased below par.

According to the figures of the Secretary of Agriculture, a ton of beets, which costs $5.35, makes 233 pounds of sugar; that is, factories pay the farmers $2.30 per hundred pounds for the sugar that can be extracted from a ton of beets. This is the cost of the raw material before beginning the process of manufacture. The average export price of granulated sugar, f. o. b. Hamburg, for the last eight years is $2.36½ per hundred pounds. No better illustration could be given of the necessity for a protective tariff in order to enable the beet sugar industry of the United States to live. It should be noted, as shown conclusively by the Senator from Louisiana, from the report of the British tariff commission, Volume VII, paragraph 17, that Europe exports its beet sugar at a less price than the cost of manufacture. The British tariff commission report shows that the cost of producing granulated sugar in Germany with the minimum cost for beets is $2.46 per hundred pounds, which is 9½ cents per hundred pounds below the German average export price for the past eight years. This commission's report further shows that in the year 1904, even after the abolition of the European cartels by the Brussels Convention, Germany sold its sugar in England at 37 cents per hundred pounds below the cost of manufacture. It did this in order to kill off the English refining industry. Its tactics have succeeded so well that whereas a few years ago England refined 97 per cent of the sugar she consumed, to-day she is refining but 45 per cent of her own consumption. So serious is this destruction of an English industry that the British tariff commission recommends the establishment of a protective duty on sugar with a refiners' differential of 25 cents per hundred pounds. That Europe would pursue the same policy with reference to the sugar industry of the United States is self-evident if this country would adopt a low tariff which would give them an opportunity to invade our market. The reason that European refiners can afford to sell their sugar for export at less than the cost of production is that under their system of government control they are allowed to charge enough higher price to their home consumer to make up for the loss on their export trade. If they could kill off the domestic sugar of the United States and have free access to our market, they would, immediately following such a condition, raise their export price above the cost of manufacture, and thereby relieve their own citizens of the excessive price they are now paying for sugar.

And here let me say that it appears from the data given by the Senator from Georgia that, taking the last dozen years, the average difference between the Hamburg and New York prices of refined sugar is 1.89 cents per pound—an average less than the tariff of 1.90 cents per pound. The Senator's own figures show that refined sugar in London, after paying the British tariff of 39.6 cents per 100 pounds, was 62.4 cents per 100 pounds higher than in Hamburg for five years, beginning 1904.

Thus we are confronted with the puzzling fact that in trust-ridden America sugar has not for a dozen years brought the foreign price plus the tariff (to say nothing of the freight and other expenses), while in free-trade England the people have paid the Hamburg price and the revenue tariff and then the enormous increment of 62.4 cents per 100 pounds.

In view of the charges that have been made frequently on the floor of this Chamber, and of the approximate accuracy of which perhaps all of us have become more or less convinced, it becomes interesting to inquire as to the profits of the sugar trust—to ascertain if possible whether, in fact, it is making as much, or anywhere nearly as much, money out of the American people as it has been and is so habitually charged and as we have been persuaded to believe.

From the statement made by the American Sugar Refinery Company of its profits, as published in Willett & Gray's Weekly Journal of March 25, 1909, it appears that during the year ending December 27, 1907, that company made a net profit of $8,749,291.62.

In view of the circumstances, and in particular consideration of the fraudulent practices of some of the company's employees, we may consistently reject this statement as of doubtful accuracy unless we find it corroborated by extrinsic evidence. I have looked around to ascertain what corroboration or refutation this statement might merit from facts and figures available to us from independent sources and find that the accuracy, or approximate accuracy, of the trust's figures may be established by the following facts, figures, and calculations:

Profit of the American sugar refiners.

According to Willett & Gray's Sugar Statistical Trade Journal of January 7, 1909, page 2, the amount of sugar refined in 1907 by the American Sugar Refining Company was ..... gross tons		1,401,061
Amount of sugar refined in 1907 by the independent refiners ..... gross tons		1,064,827
Total gross tons of sugar refined by seaboard refiners		2,465,888

Two million four hundred and sixty-five thousand eight hundred and eighty-eight gross tons of 2,240 pounds each equals 5,523,589,120 pounds.

Average 1907 New York price of 96° sugar (W. & G.), $3.756 per 100 pounds. Total cost of 5,523,589,120 pounds of raw sugar, duty paid, $207,466,007.

The average net loss of weight in refining raw sugar and thereby separating the dirt and impurities from the sugar is 7 pounds per 100, or 7 per cent. Seven per cent of 5,523,589,120 pounds is 386,651,238 pounds.

Deducting the 386,651,238 pounds of waste material from the 5,523,589,120 pounds of material imported gives the output in granulated sugar 5,136,937,882 pounds.

The cost of barrels or double bags in which the granulated sugar is marketed is a known quantity, the variation from year to year being from 10 to 12½ cents per bag, containing 100 pounds of sugar; 51,369,378 bags, at 11¼ cents each, equals $5,779,055.

To ascertain the total amount the refiners received for their product we multiply the pounds sold by the average price received. The New York wholesale price of granulated sugar, per 1907 (W. & G.), was $4.649 per 100 pounds; 5,136,937,882 pounds at $4.649 per 100 pounds equals $238,816,241.

Total amount received by the refiners for their output		$238,816,241
Cost of raw sugar	$207,466,007	
Cost of packages	5,779,055	
		213,245,062
Total amount left refiners for cost of refining, repairs, depreciation of plants, and for profits		25,571,179
$25,571,179 divided by 5,523,589,120, the number of pounds refined, equals, per 100 pounds		46.3 cents

It is stated that the Hawaiian planters sell their sugar to the refiners at a discount of one-tenth of 1 cent per pound below the prevailing market price at the time of their arrival; also that a discount is made on Louisiana raw sugars, and perhaps the Porto Rican planters also allow a discount; but whatever the truth may be in these cases, the fact remains that after deducting the loss in weight and refining and the cost of packages, so far as the consuming public is concerned, 46$\frac{3}{10}$ cents per 100 pounds is the net amount the refiners received in the year 1907 over and above the cost of raw sugar, landed in New York, duty paid, with which to defray the cost of refining, repairs, depreciation, and profit.

Pursuing the inquiry one step further with the object of ascertaining the profits of the trust in 1907, we figure as follows:

2,465,888 tons of sugar cost refiners		$207,466,007
Refiners received for sugar		238,816,241
Difference		31,350,234
James H. Post, president National Sugar Refining Company, before Industrial Commission (vol. 1, p. 150), gave cost of refining, outside of loss in weight, including packages, as $0.348 per 100 pounds applied to 5,523,589,120 pounds equals		19,222,090
Leaving for profit		12,128,144

The American Sugar Refining Company refined 56 per cent of the 2,465,888 tons.

Fifty-six per cent of $12,128,144 equals $6,791,743, which for the year 1907, based on Post's statement as above, would be the profit of the trust.

But, as I stated before, the company gives its 1907 profits as $8,749,291.62, an amount $1,957,548.62 in excess of the profits arising from the refining of sugar, but this excess, it would seem, might very easily be realized from about $50,000,000 of investments, loans, cash on hand, and so forth, the enumeration of which appears in the report mentioned.

Again referring to the allegation that the "sugar trust" reaps, gobbles, an annual profit of $55,000,000, we arrive at the utter absurdity of this estimate and reach an approximate confirmation of the figures furnished by the trust from a consideration of the figures specifically employed by the Senator from Mississippi in his speech of May 14, 1909, and

referred to by the Senator from Georgia, but not stated exactly in his speech of last week.

Both of these Senators, in discussing the cost of sugar to the American people through direct and indirect taxation, invite attention to the fact that there were consumed in the United States in 1907, 2,993,979 long tons of sugar, which it was calculated had been increased in price the full amount of the duty, namely, 1.95 cents per pound. It was shown that the Government collected $60,135,181 revenue on the sugar imported, and it was assumed that the balance, consisting of $70,641,821, had gone chiefly—to the extent at least of $54,000,000, according to the estimate of the Senator from Georgia—into the capacious pockets of the American Sugar Refining Company.

Let us, therefore, direct our attention to the facts, with the purpose of ascertaining where this enormous balance goes, and what are the profits of the trust.

WHERE DOES IT GO?

Senator MONEY's estimate of the increased cost of sugar by reason of the tariff		$130,777,002
Of the total consumption of 2,993,979 long tons, practically all except the 375,410 tons of beet sugar was raw sugar which was refined before being marketed. In the process of refining the 2,618,569 tons of raw sugar there was a loss of 7 per cent in weight or 183,300 tons of dirt and impurities. This 183,300 tons of dirt was not marketed, and hence the people did not pay any part of $1.95 per 100 on it; 183,300 gross tons at $1.95 per 100 pounds amounts to $8,006,500 and should be deducted at the outset		8,006,500
Balance		122,771,502
Duty collected by United States		60,135,181
Balance		62,636,321
Duty remitted on 418,102 tons from Hawaii [a]	$13,136,237	
Duty remitted on 212,853 tons from Porto Rico [a]	6,530,400	
Duty remitted on 1,340,400 tons from Cuba [a]	10,346,449	
Duty remitted on 10,700 tons from the Philippines [a]	233,327	
Total duties remitted on Cuban and colonial sugars	30,246,413	30,246,413
Balance		32,389,908
Protection on 264,968 tons, Louisiana and Texas sugar [b]	8,325,294	
Protection on 375,410 tons, beet sugar [c]	16,397,908	
Protection on 16,249 tons, maple and molasses sugar [b]	510,543	
Protection to home producers	25,233,745	25,233,745
Balance representing the protection afforded refiners		7,156,163

From this balance we conclude that the refiners aggregated a profit of $7,156,163, of which approximately $4,000,000 would go to the American Sugar Refining Company or "trust." The additional $2,300,000 profit shown in their statement is easily accounted for by the profits made by buying Cuban, Porto Rican, and Hawaiian sugars at a slight differential below the world's price with tariff added.

In an effort to show how enormous are the profits of the sugar-refining industry in this country, the Senator from Georgia said:

I have figures and facts before me which clearly show that the American Sugar Refining Company, called the "trust," has repeatedly sold considerable quantities of sugar for export at nearly 2 cents per pound less than the price quoted in the domestic market. Why should the American Sugar Refining Company be placed in a condition by law which enables the company to sell to the American people at nearly 5 cents per pound and to export and sell in other countries at 3 cents per pound. If the American Sugar Refining Company, commonly called the "trust," can export and sell sugar at 3 cents per pound abroad and this trust sells the same sugar in America at nearly 5 cents per pound, who can wonder that the sugar trust has doubled and even quadrupled its investments yearly?

The following is a correct statement of the total refined sugar exported by the American Sugar Refining Company from January 1, 1904, to January 2, 1909:

Year.	From Brooklyn refinery.	From Jersey City refinery.
	Pounds.	*Pounds.*
1904	10,102,562	440,650
1905	11,943,586	
1906	9,374,048	
1907	13,898,623	
1908	15,406,810	8,122
Total	60,725,629	448,772

[a] From page 2, Senate Doc. No. 15, 61st Congress, 1st session.
[b] Based on government figures for Hawaii of $31.42 per ton. Treasury figures.
[c] Based on $1.95 per 100 pounds.

The total quantity exported represents less than 1 per cent of the total production of these same refineries during the same period of five years.

Every pound of the above-mentioned exports was sold at the same price as quoted on that same day for domestic delivery.

The Senator ought to know that under the drawback provision of the tariff law the exporter of this sugar would be entitled to a drawback from the National Treasury to the amount of 99 per cent of the duty paid on the import sugar from which the above-mentioned refined sugar was made. The American Sugar Refining Company did not sell its goods cheaper abroad than at home, the apparent difference in price being simply the amount of the drawback received under the general provision of the tariff law. The only reason why the company was able to ship this sugar abroad was the fact that sugar at the time of shipment when credited with the amount of the drawback was actually cheaper in the United States than abroad. Any student of market conditions knows that during the winter, when the great bulk of Cuban, Louisiana, and domestic sugar is put upon the market, the price of raw sugar in the United States, less duty, ranges from 30 to 50 cents per hundred pounds less than the world's price. This enables the domestic refiner, under the provisions of the drawback law, to export his sugar in competition with the world's market. During these same months of low prices for raw sugars, the price of refined has been correspondingly low in the United States, thus giving to the ultimate consumer in the United States the entire advantage of such reduction.

It is a matter of fact that is established by examination of market reports, that whereas the average difference between raw and refined sugar in this country is about 87 cents per hundred pounds, that during the entire winter months when we have low-priced Cuban raws the margin between raw and refined sugar is reduced to 65 to 75 cents per hundred pounds. This is caused by the fact that during these months the refined sugar made from the domestic beet crop bears the market price, thus giving the consumer the benefit, not merely of the low-priced raw, but of the low-priced refined.

The Senator from Georgia says:

We must remember that the American workingman, during the last few years has had a hard time to earn a living. We must not only consider the wages which he (the laborer) draws, but we must consider the necessaries of life which he consumes. Flour has almost doubled in value. Meat and meal have advanced in price, so has clothing, and it costs the American workingman nearly twice as much to live to-day as it did twelve or fifteen years ago.

The Senator is to be congratulated for this statement, and he should remember in this connection that sugar is one of the few necessities of life which has *not* advanced in price during the period to which he has made reference. In spite of this universal upward trend in all values, sugar has actually decreased in price under the Dingley bill, as is shown by the following average prices for the past nine years:

	Per hundred pounds.
1900	$5.32
1901	5.05
1902	4.555
1903	4.638
1904	4.772
1905	5.256
1906	4.515
1907	4.649
1908	4.957

In fact, the consumer's price of sugar in the United States is less than the consumer's price of sugar in any country of continental Europe. This is shown conclusively by the report of the Secretary of Agriculture to the Senate, under date of April 26, 1909, pages 23, 24, and 25. The only European country in which the consumer pays less for his sugar than the United States is England, and the difference is not very marked in that country. The report of the United States consul at Liverpool, as furnished to the Secretary of State, shows that the consumers in that city pay from 4 to 5 cents a pound for their sugar. This should be compared with the consumer's price in New York, Boston, Baltimore, or New Orleans, corresponding American cities in which refineries are located.

The report of the Secretary of Agriculture to the Senate under date of April 26, 1909, states, on page 23, that—

Sugar prices generally on the continent of Europe range much higher than in this country. For the years 1904–1907 the average retail price of lump sugar in Naples and Milan was 13½ cents per pound; in Amsterdam, 9.4 cents; in Madrid, nearly 9 cents; in Stockholm, 7½ cents; in Vienna and Budapest, 7½ cents; in Paris, 6½ cents; in two German cities, nearly 6 cents; and in Brussels, 5½ cents.

I can not refrain from mentioning the statements of the Senator from Georgia specially directed at our beet-sugar industry in Utah. He made the assertion, upon what authority I can not conceive, that Mr. Joseph F. Smith, the president of the Utah-Idaho Sugar Company, received an annual salary of $20,000.

Perhaps the Senator arrived at this figure from customary salaries in companies of about the size of the one mentioned, which has a paid capital stock of over $11,000,000.

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. Will the Senator from Utah yield to the Senator from Kansas?

Mr. SMOOT. Yes.

Mr. BRISTOW. I want to ask the Senator if he is offering the retail price of sugar in these foreign countries? He quoted one country at 13 cents a pound.

Mr. SMOOT. All are the retail prices.

Mr. BRISTOW. The Senator offers them as a retail price list?

Mr. SMOOT. I was talking of what the consumer pays, and that is the retail price.

Mr. BRISTOW. And comparing that with what the consumer pays in this country?

Mr. SMOOT. Yes.

Mr. BRISTOW. What is the purpose of that argument? Is it to convey the idea that sugar is worth more there than here?

Mr. SMOOT. I thought perhaps the country would like to know, and perhaps some Senators would like to know, the retail price of sugar in foreign countries.

Mr. BRISTOW. Why is it more——

Mr. SMOOT. If the Senator will allow me to conclude, then I will——

The VICE-PRESIDENT. The Senator declines to yield further.

Mr. BEVERIDGE. Why is it?

Mr. SMOOT. If the Senator wants to know, I will explain. Germany and other foreign countries have an internal-revenue tax upon sugar; and not only do they have an internal-revenue tax, but they have a high tariff wall to keep out sugar from any other country, and they make the consumer pay a high price for sugar.

Mr. GALLINGER. And get a very high revenue from it.

Mr. SMOOT. And get a large revenue.

Mr. BRISTOW. That is, if I understand the Senator aright, they impose an internal-revenue tax on sugar consumption there, similar to the tax we impose on tobacco and liquors here.

Mr. SMOOT. Some of them do and some of them do not.

Mr. BRISTOW. Do those countries, where the price is so much higher than ours, impose such an internal-revenue tax?

Mr. SMOOT. Mr. President, it is now 5 o'clock, and I do not care to go on any further with this discussion in this direction——

The VICE-PRESIDENT. If the Senator declines to yield, of course the Senator from Kansas will not attempt to interrogate him.

Mr. SMOOT. I wish to say to the Senator that Mr. Smith's salary from that company is and does not exceed the princely figure of $2,400 per year. I wish further to say to him and to the Senate that if it were true, which it is not, that Mr. Smith fixes the prices paid for beets, he might justly be hailed as the farmers' friend, since the farmers are doing so well in beet culture that they are clamoring for greater beet acreage and for more factories.

The suggestion of the Senator from Georgia concerning the tariff to be levied on sugar is found in the following quotation from his speech:

> On all dutiable refined sugar they pay on an average of 0.0137 cent pure, on all imported raw sugar 0.0104 cent; that is, when we add together the sugar paying full duty and the concession sugar coming from the Philippines and Cuba and the free sugar coming from Hawaii and Porto Rico. If the 0.0021½ cent paid be assumed as the proper differential, and the Payne bill makes that assumption, then it should be added to what the imported raw sugar as a whole costs refiners, 0.0104 cent, and not to what a particular item costs them together, 0.01685 cent.
>
> The duty on refined sugar, even from a Republican standpoint, should not be more than one hundred and twenty-five and a half hundredths, instead of one hundred and ninety-hundredths, as the Payne bill proposes.

The Senator divides the customs receipts from sugar by the total amount of duty-paying, concessionary, and free sugar imported into the United States, and obtains an average rate of $1.04 per hundred pounds, which he claims is the measure of protection afforded the domestic sugar producer. He then subtracts $1.68½, the present duty on 96° sugar, from $1.90, the proposed duty on refined sugar, obtaining a difference of 21½ cents, which he claims is the refiners' differential provided for in the tariff bill now under consideration. This 21½ cents he adds to the average rate of duty, namely, $1.04, and obtains $1.25½ per hundred pounds, which he claims is the maximum duty on refined sugar which even a protectionist can claim under existing conditions. Let us examine the logic of this position. Suppose the duty on sugar were fixed at 5 or 10 cents per pound and that no sugar should be imported except from Porto Rico and Hawaii, which sugar would come in free, then the customs receipts from sugar would be nothing, and we would have zero for the average rate of duty, and, according to the Senator's logic, there would be no protection to the domestic industry, while in reality we would be having a prohibitory tariff; in other words, a prohibitory tariff affords no protection to a domestic industry.

Nor is this all. Let us examine this proposition from still another view point. Suppose the present Congress adopts the Senator's suggestion and passes a law providing for a duty of $1.04 per hundred pounds on raw sugar and $1.25½ per hundred pounds on refined sugar. If, now, the Sixty-second Congress follows the plan suggested by the Senator from Georgia, it will take the total customs receipts from sugar, divide the same by the amount of sugar imported, whether duty paying or free, and will then obtain a quotient of about 40 cents on raw sugar and 61½ cents on refined, which, from the line of reasoning now put forth, should be the average duty per hundred pounds of sugar imported.

The Sixty-third Congress, convening four years from now, if it should follow the plan outlined, would be justified in again revising the sugar schedule on the basis of approximately 20 cents as the average rate of duty, and the consequent measure of protection. It will thus be seen that in the course of the next three Congresses our entire sugar schedule would vanish and we would establish free trade under the plan proposed by the Senator.

By two distinct lines of reasoning, it is obvious that the proposed plan leads to an absurdity and would result in a perpetual revision of the sugar schedule by each succeeding Congress until absolute free trade in sugar is reached. Nor is this all.

The Senator from Georgia has shown that the average rate of duty on full duty-paying, concessionary, and free sugar imported into the United States is $1.04 per 100 pounds, a reduction of 64½ cents from the general tariff on raw sugar. The bill now under consideration increases the amount of free sugar by 300,000 tons, to come in from the Philippines. Consequently the effect of free and concessionary sugar in reducing the rate fixed in the bill to a low average rate will be even greater than under the present law. But let us suppose that it will be the same. If our tariff law should provide for a duty of $1.04 on raws, then the 80 per cent sugar from Cuba and the duty-free sugar from Porto Rico, Hawaii, and the Philippines would reduce this figure by 64 cents, and give us an average duty of 40 cents per 100 pounds on raws. But the tariff on refined is $1.25, and the working refiners' differential would be 85 cents per 100 pounds, against the 86 cents concerning which the Senator now complains so vigorously.

The net results following the plan suggested would be to reduce our annual customs receipts from sugar from $60,000,000 to $23,000,000; to kill our domestic beet and cane sugar industry; and to intrench the sugar trust more firmly than ever in its control of the American market. Unwittingly the Senator has played into the hands of the very people he is trying to destroy. It would be difficult to frame a tariff schedule that would assist the sugar trust more than the one suggested by the Senator from Georgia. Certain it is that the plan has been advocated by an eastern refiner. If it would help the latter, it certainly would help the trust five times as much, as its business is five times greater. Touched by the cry of cheap sugar for the people, the Senator has put forth a plan which if adopted would deliver to the trust the absolute monopoly of the American market.

Mr. CLAY. With the Senator's permission——

The VICE-PRESIDENT. Does the Senator from Utah yield to the Senator from Georgia?

Mr. SMOOT. Certainly.

Mr. CLAY. Then I am very hopeful, if that be true, that I will have the support of the Senator from Utah for that measure.

Mr. SMOOT. Mr. President, I have gone carefully over the figures, and I think I can demonstrate to the Senator himself from the figures that they are absolutely correct and there is no mistake.

Mr. CLAY. The Senator says my figures will certainly result in favoring the trust, and the Senator has been making an argument in favor of the trust; therefore, I thought the Senator would be in favor of my figures.

Mr. SMOOT. I have made no argument in favor of the trust. I do not speak one word of commendation of the trust. But when statements have been made here that affect not only the trust, but affect the beet-sugar industry and the cane-sugar industry of the country, I think it is proper to call the attention

of the Senate to them, and in doing so I should not be charged with defending the trust.

If any Senator wishes to curb the power of the sugar trust, let him join in enacting and in maintaining as long as necessary such a tariff on sugar as will encourage the development of our domestic sugar industry to the point where we shall produce within our borders all the sugar we consume.

To produce our supply of sugar from home-grown beets would require from 350 to 400 beet-sugar factories. Does anyone dream that such a number of concerns could be consolidated in a trust? As the senior Senator from Iowa has well said, "You can not form a trust unless you can control the raw material." The Secretary of Agriculture, in his report to the Senate April 26, 1909, says that we have 274,000,000 acres of sugar-beet land in the United States, and if 1 acre in 200 of this land is devoted to the cultivation of beets our yield of sugar would equal our entire consumption. With such a bountiful opportunity for securing the raw material from which to make sugar it would be impossible to form a beet-sugar trust. The surest way to limit the power of the sugar trust is to encourage the erection of beet-sugar factories whose output—granulated sugar, a finished product—is sold direct to the people in competition with sugar refined by the trust.

The people will get their sugar cheaper than if it is refined by one or two corporations from imported raws. An enormous drain on our national resources will be saved. A great national industry will be established, thousands of workmen will find employment in these factories, and hundreds of thousands of farmers will grow the beets from which we will make our own sugar. The issue is clear-cut and well-defined. Shall half a dozen refining companies which can be easily combined in a trust refine our sugar from imported raws, for which we shall send abroad from $100,000,000 to $200,000,000 yearly, or shall this sugar be made from home-grown beets by 350 factories which can not be combined in a trust and this money kept at home? The reduction of the proposed tariff rates will accomplish the first result; the plan offered by the Finance Committee will accomplish the second.

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After four minutes spent in executive session the doors were reopened, and (at 5 o'clock and 18 minutes p. m.) the Senate adjourned until to-morrow, Thursday, May 27, 1909, at 10 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate May 26, 1909.

DIRECTOR OF THE CENSUS.

Edward Dana Durand, of California, now Deputy Commissioner of Corporations, to be Director of the Census in the Department of Commerce and Labor, vice S. N. D. North, resigned.

SURVEYOR OF CUSTOMS.

Edward L. McConnaughey, of Ohio, to be surveyor of customs for the port of Dayton, in the State of Ohio. Office now vacant.

PROMOTIONS IN REVENUE-CUTTER SERVICE.

Cadet Engineer Charles Albert Eaton, of Massachusetts, to be third lieutenant of engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Charles Herman Johnson, of Minnesota, to be third lieutenant of engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Clinton Philo Kendall, of New Jersey, to be third lieutenant of engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Howard James Kerr, of New York, to be third lieutenant of engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Ambrose Elwood Lukens, of New York, to be third lieutenant of engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Charles Joseph Odend'hal, of Maryland, to be third lieutenant of engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Cadet Engineer Henry Charles Roach, of Massachusetts, to be third lieutenant of engineers in the Revenue-Cutter Service of the United States, to fill an original vacancy.

Third Lieutenant of Engineers John Frederick Hahn to be second lieutenant of engineers in the Revenue-Cutter Service of the United States, to rank as such from March 29, 1909, in place of Second Lieutenant of Engineers Frank Gerome Snyder, promoted.

Second Lieutenant of Engineers Frank Gerome Snyder to be first lieutenant of engineers in the Revenue-Cutter Service of the United States, to rank as such from March 29, 1909, in place of First Lieutenant of Engineers Eugene Prescott Webber, promoted.

CALIFORNIA DÉBRIS COMMISSION.

First Lieut. Charles T. Leeds, Corps of Engineers, United States Army, for appointment as a member of the California Débris Commission, provided for by the act of Congress approved March 1, 1893, entitled "An act to create the California Débris Commission and regulate hydraulic mining in the State of California," vice Maj. Charles H. McKinstry, Corps of Engineers, United States Army, to be relieved.

PROMOTION IN NAVY.

Rear-Admiral William P. Potter, United States Navy, to be Chief of the Bureau of Navigation in the Department of the Navy, with the rank of rear-admiral, for a period of four years from the 1st day of July, 1909, vice Rear-Admiral John E. Pillsbury, United States Navy, resigned.

CONSULS-GENERAL.

Alphonse Gaulin, of Rhode Island, now consul of class 3 at Havre, to be consul-general of the United States of America of class 4 at Marseilles, France, vice Horace Lee Washington, nominated to be consul of class 1 at Liverpool.

John L. Griffiths, of Indiana, now consul of class 1 at Liverpool, to be consul-general of the United States of America of class 1 at London, England, vice Robert J. Wynne, resigned.

John H. Snodgrass, of West Virginia, now consul of class 3 at Kobé, to be consul-general of the United States of America of class 4 at Moscow, Russia, vice Hunter Sharp, nominated to be consul of class 3 at Lyons.

CONSULS.

William E. Alger, of Massachusetts, now consul of class 8 at Tegucigalpa, to be consul of the United States of America of class 8 at Puerto Cortes, Honduras, vice Albert W. Brickwood, jr., nominated to be consul of class 9 at Tapachula.

Homer M. Byington, of Connecticut, now a consular assistant, to be consul of the United States of America of class 9 at Bristol, England, vice J. Perry Worden, resigned.

Ralph C. Busser, of Pennsylvania, to be consul of the United States of America of class 8 at Erfurt, Germany, vice Will L. Lowrie, nominated to be consul of class 7 at Carlsbad.

Albert W. Brickwood, jr., of Arizona, now consul of class 8 at Puerto Cortes, to be consul of the United States of America of class 9 at Tapachula, Mexico, to fill an original vacancy.

Charles M. Caughy, of Maryland, now consul of class 7 at Malaga, to be consul of the United States of America of class 5 at Milan, Italy, vice James E. Dunning, nominated to be consul of class 3 at Havre.

Benjamin F. Chase, of Pennsylvania, to be consul of the United States of America of class 8 at Leeds, England, vice Lewis Dexter.

Henry P. Coffin, of Pennsylvania, to be consul of the United States of America of class 8 at Mazatlan, Mexico, vice Louis Kaiser, resigned.

Robert T. Crane, of Maryland, now a consular assistant, to be consul of the United States of America of class 9 at Guadeloupe, West Indies, vice Joseph M. Authier.

George A. Chamberlain, of New Mexico, now consul of class 5 at Pernambuco, to be consul of the United States of America of class 3 at Lourenço Marquez, East Africa, vice W. Stanley Hollis, nominated to be consul of class 5 at Dundee.

Carl F. Deichman, of Missouri, now consul of class 7 at Tamsui, to be consul of the United States of America of class 6 at Nagasaki, Japan, vice George H. Scidmore, nominated to be consul of class 3 at Kobé.

Alexander V. Dye, of Missouri, to be consul of the United States of America of class 8 at Nogales, Mexico, vice Samuel T. Lee, nominated to be consul of class 7 at San Jose, Costa Rica.

Frank Deedmeyer, of Alabama, to be consul of the United States of America of class 9 at Charlottetown, Prince Edward Island, vice Franklin D. Hale, nominated to be consul of class 7 at Trinidad.

Henry C. A. Damm, of Tennessee, to be consul of the United States of America of class 9 at Cornwall, Ontario, Canada, vice John E. Hamilton.

James E. Dunning, of Maine, now consul of class 5 at Milan, to be consul of the United States of America of class 3 at Havre, France, vice Alphonse Gaulin, nominated to be consul-general of class 4 at Marseilles.

Stuart J. Fuller, of Wisconsin, to be consul of the United States of America of class 8 at Gothenburg, Sweden, vice Edward D. Winslow, appointed consul-general of class 6 at Stockholm.

Cornelius Ferris, jr., of Colorado, to be consul of the United States of America of class 9 at Asuncion, Paraguay, vice Edward J. Norton, nominated to be consul of class 7 at Malaga.

Robert Frazer, jr., of Pennsylvania, to be consul of the United States of America of class 8 at Valencia, Spain, vice Charles S. Winans, nominated to be consul of class 7 at Seville.

Charles A. Holder, of Colorado, to be consul of the United States of America of class 9 at Rouen, France, vice Oscar Malmros.

Franklin D. Hale, of Vermont, now consul of class 9 at Charlottetown, to be consul of the United States of America of class 7 at Trinidad, West Indies, vice Thomas P. Moffat, nominated to be consul of class 6 at Bluefields.

Charles L. Hoover, of the Philippine Islands, to be consul of the United States of America of class 8 at Madrid, Spain, vice Richard M. Bartleman, appointed consul-general of class 5 at Buenos Aires.

W. Stanley Hollis, of Massachusetts, now consul of class 3 at Lourenço Marquez, to be consul of the United States of America of class 5 at Dundee, Scotland, vice John C. Higgins.

Augustus E. Ingram, of California, now a consular assistant, to be consul of the United States of America of class 6 at Bradford, England, vice Erastus Sheldon Day.

Leo J. Keena, of Michigan, to be consul of the United States of America of class 8 at Chihuahua, Mexico, vice Lewis A. Martin.

Will L. Lowrie, of Illinois, now consul of class 8 at Erfurt, to be consul of the United States of America of class 7 at Carlsbad, Austria, vice John S. Twells.

Marion Letcher, of Georgia, to be consul of the United States of America of class 8 at Acapulco, Mexico, vice Maxwell K. Moorhead, nominated to be consul of class 7 at St. John, New Brunswick.

Samuel T. Lee, of Michigan, now consul of class 8 at Nogales, to be consul of the United States of America of class 7 at San José, Costa Rica, vice John C. Caldwell.

Andrew J. McConnico, of Mississippi, to be consul of the United States of America of class 9 at St. Johns, Quebec, Canada, vice Charles Deal.

George B. McGoogan, of Indiana, now consul of class 9 at La Paz, to be consul of the United States of America of class 7 at Progreso, Mexico, vice Edward H. Thompson.

Charles K. Moser, of Virginia, to be consul of the United States of America of class 8 at Aden, Arabia, vice Wallace C. Bond, appointed consul of class 7 at Karachi.

Samuel MacClintock, of Kentucky, to be consul of the United States of America of class 8 at Tegucigalpa, Honduras, vice William E. Alger, nominated to be consul of class 8 at Puerto Cortes.

Maxwell K. Moorhead, of Pennsylvania, now consul of class 8 at Acapulco, to be consul of the United States of America of class 7 at St. John, New Brunswick, Canada, vice Gebhard Willrich, nominated to be consul of class 6 at Quebec.

Thomas P. Moffat, of New York, now consul of class 7 at Trinidad, to be consul of the United States of America of class 6 at Bluefields, Nicaragua, to fill an original vacancy.

Edward J. Norton, of Tennessee, now consul of class 9 at Asuncion, to be consul of the United States of America of class 7 at Malaga, Spain, vice Charles M. Caughy, nominated to be consul of class 5 at Milan.

Albert W. Robert, of Florida, to be consul of the United States of America of class 8 at Algiers, Algeria, vice James Johnston.

Samuel C. Reat, of Illinois, now consul of class 9 at Port Louis, to be consul of the United States of America of class 7 at Tamsui, Formosa, vice Carl F. Deichman, nominated to be consul of class 6 at Nagasaki.

Louis J. Rosenberg, of Michigan, now consul of class 7 at Seville, to be consul of the United States of America of class 5 at Pernambuco, Brazil, vice George A. Chamberlain, nominated to be consul of class 3 at Lourenço, Marquez.

John A. Ray, of Texas, to be consul of the United States of America of class 9 at Maskat, Oman, vice William Coffin, appointed consul of class 8 at Tripoli.

Fred C. Slater, of Kansas, to be consul of the United States of America of class 8 at Sarnia, Ontario, Canada, vice Neal McMillan.

Frederick Simpich, of Washington, to be consul of the United States of America of class 9 at Bagdad, Turkey, vice William C. Magelssen, appointed consul of class 7 at Colombo.

George B. Schmucker, of Florida, to be consul of the United States of America of class 9 at Ensenada, Mexico, vice Everett E. Bailey.

Hunter Sharp, of North Carolina, now consul-general of class 4 at Moscow, to be consul of the United States of America of class 3 at Lyons, France, vice John C. Covert.

George H. Scidmore, of Wisconsin, now consul of class 6 at Nagasaki, to be consul of the United States of America of class 3 at Kobé, Japan, vice John H. Snodgrass, nominated to be consul-general of class 4 at Moscow.

Lucien N. Sullivan, of Pennsylvania, to be consul of the United States of America of class 9 at La Paz, Mexico, vice George B. McGoogan, nominated to be consul of class 7 at Progreso.

P. Emerson Taylor, of Nebraska, to be consul of the United States of America of class 9 at Port Louis, Mauritius, vice Samuel C. Reat, nominated to be consul of class 7 at Tamsui.

Gebhard Willrich, of Wisconsin, now consul of class 7 at St. John, New Brunswick, to be consul of the United States of America of class 6 at Quebec, Canada, vice William W. Henry.

Charles S. Winans, of Michigan, now consul of class 8 at Valencia, to be consul of the United States of America of class 7 at Seville, Spain, vice Louis J. Rosenberg, nominated to be consul of class 5 at Pernambuco.

Horace Lee Washington, of the District of Columbia, now consul-general of class 4 at Marseilles, to be consul of the United States of America of class 1 at Liverpool, England, vice John L. Griffiths, nominated to be consul-general of class 1 at London.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 26, 1909.

UNITED STATES ATTORNEY.

John I. Worthington to be United States attorney, western district of Arkansas.

RECEIVER OF PUBLIC MONEYS.

George H. Kimball to be receiver of public moneys at Eureka, Cal.

POSTMASTERS.

MISSISSIPPI.

John L. McCoy, at Richton, Miss.

OHIO.

Edson B. Conner, at Bremen, Ohio.

SENATE.

THURSDAY, *May 27, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

FRENCH SPOLIATION CLAIMS.

The VICE-PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law, filed under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings by the court relating to the vessel brig *Two Brothers*, Alexander Forrester, master (S. Doc. No. 61), which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

He also laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law, filed under the act of January 20, 1885, in the French spoliation claims set out in the annexed findings by the court relating to the vessel schooner *Willing Maid*, Comfort Bird, master (S. Doc. No. 62), which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a petition of the New York yearly meeting of the Religious Society of Friends, praying for such action on the part of the Government as will tend to accomplish a reduction of armaments among the nations of the world, which was referred to the Committee on Naval Affairs.

He also presented a petition of the Merchants' Association of New York, praying for the appointment of a permanent tariff commission, which was ordered to lie on the table.

Mr. WARREN presented petitions of R. D. Carey and 29 other citizens of Douglas, of Carson Adams and 67 other citizens of Wheatland, of H. M. Dillon and 36 other citizens of Wheatland, and of W. A. Sickler, irrigation manager, and 26 other citizens of Powell, all in the State of Wyoming, praying for the retention of the present rate of duty on sugar, which were ordered to lie on the table.

Mr. DEPEW presented a petition of the Merchants' Association of New York, praying for the appointment of a permanent tariff commission, which was ordered to lie on the table.

He also presented a petition of the employees of Snyder & Black, engravers, of New York City, N. Y., praying for an increase of the import duty on lithographic products, which was ordered to lie on the table.

He also presented memorials of the members of the New York Tribune composing room, of New York City; of the Gaelic-American composing room, of New York City; of the New York Times composing room, of New York City; of the composing room of Louis Weiss & Co., of New York City; of the New York Herald composing room, of New York City; of the employees of the Frank A. Munsey Company, of New York City; of members of the Brooklyn Times composing room, of Brooklyn; and of the C. G. Burgoyne Book Chapel, of New York City, all in the State of New York, remonstrating against the imposition of a duty on news print paper and wood pulp, which were ordered to lie on the table.

Mr. WARNER presented the petition of G. M. Chase & Son and 19 other citizens of St. Joseph, Mo., and a petition of the Ryley-Wilson Grocery Company and sundry other manufacturers of Kansas City, Mo., praying for the retention of the present rate of duty on sugars, which were ordered to lie on the table.

Mr. LA FOLLETTE presented petitions of John F. Toomey and 33 other citizens of Brillion, John O. Lindgren and 46 other citizens of Oconto, R. D. Fisher and 32 other citizens of Shiocton, Otto Boelter and 28 other citizens of Clintonville, William Peters and 33 other citizens of South Kaukauna, George J. Hemminger and 45 other citizens of Granville, A. E. Bingham and 11 other citizens of Janesville, L. O. Griffith and 3 other citizens of Janesville, Peter J. Monat and 27 other citizens of Janesville, Charles Espe and 42 other citizens of Morrisonville, H. H. Tyler and 61 other citizens of Prairie du Chien, E. H. Fiedler and 18 other citizens of Evansville, C. T. Hudson and 61 other citizens of Milton Junction, E. H. Hall and 57 other citizens of Janesville, W. W. Wood and 35 other citizens of Janesville, G. W. Leisman and 38 other citizens of Fort Atkinson, A. M. Stone and 51 other citizens of White Water, E. C. Evans and 6 other citizens of Westley; P. H. Marks, of Janesville; Hans Johnson and 47 other citizens of Deerfield, A. G. Howe and 27 other citizens of Stoughton, William Minton and 18 other citizens of Union Grove, C. A. Brown and 15 other citizens of Corliss, Clifford Akin and 20 other citizens of Janesville, and of John Huben and 35 other citizens of Green Bay, all in the State of Wisconsin; and of J. M. Hoague and 19 other citizens of Freeport, C. B. O'Connor and 6 other citizens of Harvard, and of R. J. Sarsay and 9 other citizens of Elgin, all in the State of Illinois, praying for the retention of the present rate of duty on sugar, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE (by request):

A bill (S. 2485) establishing a universal standard of time; to the Select Committee on Standards, Weights, and Measures.

By Mr. CURTIS:

A bill (S. 2486) to regulate the interstate commerce shipments of intoxicating liquors; to the Committee on the Judiciary.

By Mr. MONEY:

A bill (S. 2487) for the relief of the heirs, devisees, and legatees of Willis Lowe; and

A bill (S. 2488) for the relief of the estate of Ann M. Meehan, deceased; to the Committee on Claims.

By Mr. BEVERIDGE:

A bill (S. 2489) providing for the purchase of a site and the erection thereon of a public building in the city of Mount Vernon, Ind.; to the Committee on Public Buildings and Grounds.

A bill (S. 2490) granting an increase of pension to John R. Kissinger (with the accompanying papers); to the Committee on Pensions.

UNIVERSAL AND INTERNATIONAL EXPOSITION AT BRUSSELS.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 63); which was read, and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Senate and House of Representatives:

On January 5, 1909, my predecessor recommended to the Congress that an appropriate provision be made for participation by the United States in a Universal and International Exposition to be held at Brussels in 1910, in response to the invitation extended by the Government of Belgium.

No action on this recommendation having been taken by the Sixtieth Congress, and the invitation having been again extended by the Belgian Government, I renew the recommendation.

I transmit herewith a report of the Secretary of State, which has my cordial indorsement, stating reasons why it is desirable that the United States should take part officially in this exposition and showing the importance and necessity of an appropriation for the purpose being made during the present session of Congress if the United States is to take part in the exposition.

WM. H. TAFT.

THE WHITE HOUSE, *May 27, 1909.*

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The pending question is on the amendment proposed by the Senator from Kansas [Mr. BRISTOW], which will be stated.

The SECRETARY. In paragraph 213, page 72, line 23, after the word "sugar," strike out "not above No. 16 Dutch standard in color;" and on page 73, lines 6 and 7, to strike out "and on sugar above No. 16 Dutch standard in color."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. BRISTOW. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Carter	Flint	Page
Bacon	Chamberlain	Foster	Penrose
Bailey	Clapp	Frye	Perkins
Beveridge	Clay	Gamble	Root
Bradley	Crane	Gore	Scott
Brandegee	Crawford	Hale	Smith, Md.
Briggs	Culberson	Hughes	Smith, Mich.
Bristow	Cullom	Johnson, N. Dak.	Smoot
Bulkeley	Cummins	Jones	Sutherland
Burkett	Curtis	Kean	Tillman
Burnham	Depew	Lodge	Warner
Burrows	Dick	Martin	Warren
Burton	Dillingham	Overman	

The VICE-PRESIDENT. Fifty-one Senators have answered to the roll call. A quorum of the Senate is present. The question is on agreeing to the amendment proposed by the Senator from Kansas.

Mr. BRISTOW. Mr. President, there was some discussion yesterday in regard to the accuracy of the figures furnished me by the Secretary of Agriculture in regard to the amount of sugar that is extracted from a ton of beets. I desire to read a letter which I have received from the Secretary of Agriculture in regard to his former communication. It is as follows:

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, D. C., May 26, 1909.

DEAR SIR: I regret that the table showing the average yield of sugar per ton of beets in the various beet-producing States, submitted with my letter of the 24th instant, requires correction in the last five years. By a clerical mistake, the statistics showing the "average sugar in beets" were inserted instead of the "average extraction of sugar based on weight of beets." A corrected table is herewith inclosed.

Very respectfully,

JAMES WILSON, *Secretary.*

Hon. JOSEPH L. BRISTOW,
United States Senate.

The table referred to changes, as the amount of sugar extracted from a ton of beets throughout the United States for the year 1908, 316 pounds per ton to 249.4 pounds per ton. Similar changes are made in the figures given for the respective States.

I wish to say that this change in figures has no material effect upon the conclusion reached in my discussion yesterday. I want to further state in regard to the assistance which the Department of Agriculture has given me in this discussion, that I have always found that department, the head of the department and the subordinates, accommodating, prompt, and very efficient in responding to requests that I have made. This is a mistake which a clerk is likely to make if he is rushed or in any great haste in running down columns of figures. I do not want to offer any criticism. It might have been embarrassing, but, fortunately, it was not, as the figures do not in any way change the conclusion that anyone must reach on considering the question in all of its bearings.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Kansas [Mr. BRISTOW].

Mr. CUMMINS. May I ask what the amendment is?

The VICE-PRESIDENT. It is the amendment offered by the Senator from Kansas yesterday, and it has already been reread this morning. It proposes to strike from the bill the words "not above No. 16 Dutch standard in color," and the words "and on sugar above No. 16 Dutch standard in color."

Mr. CUMMINS. Mr. President, before the vote is taken, I desire to say a very few words with respect to it. I shall not ask the Senate to follow me through the labyrinth of contradictory statistics. I have given some study to the sugar schedule, and I desire to submit a phase of it which, as it seems to me, is rather more fundamental than has yet been suggested in this discussion.

I assume that Republican Senators, at least, intend by these duties to protect some American interest, and the inquiry I propound is, What American interest is intended to be protected by the duties imposed by this tariff? It seems to me that if we will look squarely at this subject we must agree that the conflict between beet sugar and cane sugar is irrepressible; it will be never ending; and, so far as this country is concerned, it is utterly impossible to protect, to foster, and guard the interests of the cane-sugar refiner and the beet-sugar manufacturer at the same time in the same law.

I for one believe in the picture painted by the senior Senator from Michigan [Mr. BURROWS] yesterday. Driven to choice, I am compelled to select as the beneficiary of our legislation, so far as my voice and my vote are concerned, the beet-sugar manufacturer, and to look primarily to the development of that business in the United States.

It is unquestionably true that we have a territory highly fitted for the production of sugar beets sufficient to supply every pound of sugar now used or that will be used by the American people. I believe that we ought to supply within our own territory the entire demand of the American people. The ideal position, as it seems to me, is enough beet-sugar manufactories to make 3,000,000 tons of sugar, with a competition between them that will reduce the price to a fair American level.

If we intend to accomplish that, if that is the end for which we are striving, then we ought to look carefully into the general framework of this schedule, for I believe, and I assert, that, adjusted as it is, it gives the beet-sugar manufacturer into the hands and puts him at the mercy of the cane-sugar refiner, and that there can be no great development of the beet-sugar interest, and that there will be no such development as I have mentioned, until you give to the beet-sugar manufacturer an advantage that he does not have under the schedule.

I know that the Senators from Louisiana will think that I am unmindful of the interests of that great State. If the only cane-sugar territory within the United States was within the State of Louisiana, there would be no difficulty whatever in reconciling the output from Louisiana with the output from the beet-sugar factories, because we could easily absorb the sugar produced in the State of Louisiana without seriously crippling the growth and development of which I have spoken. But we must add to Louisiana, Porto Rico; and add to Porto Rico, Hawaii; and add to Hawaii, the Philippine Islands, because the thing we are about to do in practical effect opens up to the Philippine Islands the markets of the United States in sugar without any restriction whatsoever, and we must take into account further that there is a likelihood that within a short time Cuban sugar will also come free into the United States. I make no prophecy; I do not know that that will happen; but without appearing to even suggest that there will be any change in the sovereignty of that island, I think every Senator here feels that it will not be very long until Cuban sugar will also enter the ports of the United States without duty.

When you take these things into consideration, it is perfectly apparent that the real struggle of the future must be between cane sugar and beet sugar; and if you, my friend from Michigan, want to supply the market of the United States with beet sugar, if instead of producing 400,000 tons, as we did last year, you want the manufactories of the United States to turn out 3,000,000 tons, as you so beautifully expressed yesterday and which must be the hope of every Senator here, what will you do with the sugar from Cuba and the sugar from Porto Rico and the sugar from Hawaii, with their opportunities for growth and development, and the sugar from the Philippines? Do you not see that in endeavoring to protect this industry you must choose between the extension of the cane fields and the development and the growth and the establishment of beet-sugar factories? To me it is as obvious as any fact which the world accepts.

That being true, I pass to the next position, which naturally grows out of the thing I have said. I believe that the sugar schedule discriminates in favor of the cane-sugar refiner. I believe that its end and its object is—I will not say the intentional object is, but its effect—to put the beet-sugar manufacturer at the mercy of the cane-sugar refiner and to build up the cane-sugar refiner. I am not here to discuss in any disparaging way the American Sugar Refining Company.

I know somewhat about its operations; but I consider it simply as a sugar refinery. If we are to build up the sugar refiner, if we are to make a market here, an unlimited market, a profitable market, for the cane grower of Louisiana and of Cuba and of Porto Rico and of Hawaii and of the Philippine Islands, and if their raw sugars are to be converted into refined sugars and sold in the American market, tell me where the beet-sugar manufacturer will find his opportunity to enter, absorb, and occupy the same market? The beet-sugar manufacturer is in direct competition, under normal industrial conditions, with the cane-sugar refiner.

Mr. FOSTER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Louisiana?

Mr. CUMMINS. I do.

Mr. FOSTER. Does the Senator think that the cane sugar of Louisiana can compete with the cane sugar produced in Hawaii and the Philippines and in Cuba?

Mr. CUMMINS. I did not hear the Senator's question.

Mr. FOSTER. Do you think that sugar can be produced as cheap in Louisiana as it can be produced in Hawaii or the Philippines?

Mr. CUMMINS. If that question is propounded to me, and if I understand it aright, I think it can not be. I think it costs more in Louisiana to produce cane sugar than it does in either Hawaii or the Philippine Islands or in Porto Rico——

Mr. FOSTER. There is no doubt about that.

Mr. CUMMINS (continuing). And a great deal more than it will cost in Cuba when relations have so changed that Cuban sugar shall come in free. That is precisely the suggestion I made a few moments ago. If Louisiana stood alone as a part of the territory of the United States that had the right to free admission to our markets, there would be no difficulty, as I said before, in taking the output of Louisiana, which would, pro tanto, diminish the output, of course, of the beet-sugar manufactories. But we could well be content with diminishing the market of the beet-sugar manufacture so much. However, I repeat, when you broaden that territory and take in so vast an amount, so great an area of sugar-cane land, then you have a competitor that, if it succeeds, will take the whole American market and leave no opportunity whatever for the beet-sugar manufacturer.

Mr. CLAPP. Will the Senator pardon an interruption?

Mr. CUMMINS. Certainly.

Mr. CLAPP. I do not ask the Senator from Louisiana to answer in the time of the Senator from Iowa, but at this juncture I wish to ask the Senator from Louisiana a question which I should like to have answered. Assuming that you can not raise cane sugar as cheap in Louisiana as you can in the other countries where cane is produced. I should like to ask the Senator from Louisiana to explain how the cane interests of Louisiana can be benefited by constantly cheapening the price of raw sugar that is coming in here and simply protecting the refiner in the refined sugar. I would not ask the Senator to take the time of the Senator from Iowa, but as he sees fit later I should like to have the question answered.

Mr. CUMMINS. My answer to the Senator from Louisiana was simply an answer to a plain question, and I think of the truth of that answer there can be no doubt whatsoever. With regard to the extent of the production which Louisiana has, and whether it could be changed for the better, I am not now speaking. I am endeavoring to impress upon the Senate the obvious fact that you have here a competition between two great sources of supply—one the cane sugar, the other the beet sugar. The cane-sugar territory already within the limits of the United States, or within her protection, can be easily enlarged to supply all the sugar that the United States will consume. On the other hand, the beet-sugar manufacture or beet-sugar interests can be very easily enlarged and developed so as to supply the entire demand of the United States.

Now, the choice which you must make here and now is whether you want the cane sugar to take possession of our markets or whether you want the beet sugar to take possession of our markets. You can not choose both. We are at the parting of the ways, and you will be compelled either to favor such a schedule as will put the business into the hands of the cane-sugar refiners of the United States or as will put the business into the hands of the beet-sugar producers of the United States, for you can not with any legislation—it is beyond the power of

man—destroy or suppress this natural, never-ending competition between the producers of cane sugar and the producers of beet sugar.

I reassert that this particular schedule—not intentionally, I assume, although it would not disparage any man if I were to say intentionally—puts this business into the hands of the cane-sugar refiner. This schedule invites the utmost importation and the utmost volume of raw cane sugar into the hands of the American refiners; and every pound of refined sugar made by these refiners displaces a pound of sugar that might be made by the beet-sugar producers of the United States. You can not serve, in this instance, two masters—I will not say that one is God and the other mammon, but they are two separate, individual, contrary interests, and you can not by any combination of words serve the interests of both.

Mr. FOSTER. Mr. President——

The VICE-PRESIDENT. Will the Senator from Iowa yield further to the Senator from Louisiana?

Mr. CUMMINS. Certainly.

Mr. FOSTER. I am very much interested in what the Senator is stating, and to a certain extent I agree with him. I will join hands with him in keeping out, as far as possible, every pound of sugar coming from those islands. There is a provision in the bill which authorizes the importation free of duty of two or three hundred thousand tons of sugar from the Philippine Islands. Of course, I do not propose to ask the Senator how he will vote upon that proposition; but it looks to me as though voting against that provision and defeating it would go a far way in the direction of remedying the evil of which the Senator complains. But what remedy will the Senator suggest as to the probable percentage, as he has stated, between the cane-producing countries of the Orient and the beet-producing people of the country.

Mr. CUMMINS. Mr. President, I do not intend to suggest any remedy. I believe, if we admit 300,000 tons of Philippine sugar free, it will be another blow inflicted upon the beet-sugar interests of the United States.

Mr. CURTIS. I should like to ask the Senator a question.

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Kansas?

Mr. CUMMINS. I do.

Mr. CURTIS. I should like to ask the Senator if he believes there is any danger of our receiving, in the near future, 300,000 tons of sugar from the Philippine Islands?

Mr. CUMMINS. I am not so familiar with that subject as is the Senator from Kansas, probably, but my information is, if he means the immediate future, the next year or two or three, there is no danger, but that there is capacity there to produce, and if it is sufficiently inviting to capital, the production will follow.

Mr. CURTIS. I should like to state to the Senator that under the most favorable circumstances the most sugar ever produced in the Philippine Islands was about 262,000 tons, and I believe that there is no danger from importation of sugar from the Philippine Islands, and the duty will benefit the Philippine people in their markets in China and Japan, which are the natural markets for the Philippine sugar.

Mr. CUMMINS. I have not a particle of doubt that the admission of this sugar free will benefit the Philippine Islands. I have not one suspicion of doubt about it.

Mr. CURTIS. Mr. President——

Mr. CUMMINS. I do not believe it will benefit the people of the United States, and they are the people for whom I am particularly concerned, although I do not say that I will not vote for the admission of this sugar. It may be that the white man's burden will create an obligation on my part to do this much for the Philippine Islands, but I will be perfectly conscious when I do so vote, if I do, that I am not furthering the interests of the beet-sugar producer of the United States.

The VICE-PRESIDENT. Does the Senator from Iowa yield further to the Senator from Kansas?

Mr. CUMMINS. I do.

Mr. CURTIS. I wish to add to the statement, if I might, that evidence taken in the Philippine Islands discloses that the price of the Philippine sugar furnished China and Japan was the New York price, less the freight from Hongkong to New York. That is why I said it would benefit them in China and Japan.

Mr. CUMMINS. I agree entirely with the Senator from Kansas upon that point. I was not looking at it from the point of view of the Philippine Islands. I remember that since Porto Rico has had free admission to the markets of the United States her sugar production has multiplied several times.

I remember, too, that since Hawaii has had free admission to our markets, her sugar production has very greatly increased. I am told—I take this upon the opinions of others—that if Cuba had free admission to the markets of this country, she would supply every pound of sugar that we consume without any difficulty whatever. Therefore, I recur to my original proposition, that the real struggle in the United States is between beet sugar and cane sugar.

You gentlemen in whose States are developed great beet-sugar manufactories must take your choice now whether you will help to fill up this market with cane sugar, refined by the American Sugar Refining Company and other sugar refining companies, or whether you will help to fill it up with the products of your own factories. If I can show you, as I believe I can, that the schedule as it is now proposed is an aid rather to the cane-sugar refiner than to the beet-sugar producer, then you ought to stand for the thing that will help our manufacturing interests as well as our farmers who are tending toward the production of sugar beets.

I recognize that the doctrine of protection, while beneficent, while stimulating and fostering, is somewhat cruel, just as the doctrine of competition is cruel. I recognize that when you so frame this law that it will help as it ought to help the beet-sugar producer, you will not be helping the cane-sugar producer, no matter where he is or where his cane fields are.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. CUMMINS. I do.

Mr. TILLMAN. Under the stimulating influence of the tariff we produce beets over all of the northern part of the United States that will make sugar and make it profitably. We only produce cane sugar in Louisiana, although it can be produced all along the Gulf coast, in Florida, and other places, but not in competition with the Cuban sugar. I do not understand the Senator from Iowa to mean that he is against fostering the cane-sugar industry, but that his main solicitude is to foster the beet-sugar industry throughout the country. Is that what the Senator means?

Mr. CUMMINS. Mr. President, the Senator from South Carolina did not hear the early part of my address.

Mr. TILLMAN. I think I have heard all that the Senator has said, and he is now expressing his anxiety——

Mr. CUMMINS. Permit me, then, to repeat what I said, that if we had to consider Louisiana alone, if that was the only cane-sugar territory that had free admission to our market, or that would have, there would be little difficulty in taking care of her limited output and at the same time fostering the beet-sugar factories in the more temperate regions; but when you add to the free cane sugar of Louisiana the free cane sugar of Porto Rico, of Hawaii, and of the Philippine Islands, then you have introduced a problem that can be solved only by selecting one or the other of these sources of sugar.

Mr. TILLMAN. I was not able exactly to understand the Senator's reasoning, for I did not think it was possible that he was antagonistic to assisting Louisiana, but that he was mainly solicitous of the beet-sugar interest because he saw in that a possibility of supplying the entire national demand. I can not see, for the life of me, why Louisiana can not be aided and assisted without making a pet of the beet-sugar industry.

Mr. CUMMINS. Mr. President, she can.

Mr. TILLMAN. The way to do it, however, would be not to permit the cane sugar of the tropics—the Philippines, Hawaii, Cuba, and all those countries—to be dumped in here to the disadvantage of both of these industries.

Mr. CUMMINS. Mr. President, the suggestion of the Senator from South Carolina re-creates the very problem that I have tried to outline. We have already joined to the United States enough cane-sugar territory to supply our demand, practically.

Mr. TILLMAN. Even without beets at all?

Mr. CUMMINS. Precisely.

Mr. TILLMAN. Under our fostering tariff legislation we can get all the sugar we want from Cuba and Hawaii and Porto Rico without any beet sugar at all; but, under the tariff, beet sugar is now entering more and more largely every year into our consumption; and under the protection which the Senator wishes to give it—and I am willing—we shall have beet sugar grow by leaps and bounds, until we shall make a great deal more than we do now—several hundred thousand tons additional every year.

Mr. CUMMINS. And when the beet-sugar manufacturers have made all the sugar that we can consume, where, then, will be Louisiana or Porto Rico or Hawaii or the Philippine Islands with regard to our market?

Mr. TILLMAN. Louisiana happens to be inside the continental United States, thank God, and you can not hurt her by

any legislation you enact here—that is, if you are going to foster beet-sugar production.

Mr. CUMMINS. I hope not to hurt her. I hope the Senator from South Carolina will not understand that I am in favor of taking the duty off of raw sugar—and the raw sugar is the thing which Louisiana produces. If I would make any change at all, concerning which suggestions are to be made hereafter, I would rather raise the duty on raw sugar than to reduce it.

Mr. TILLMAN. I understood the Senator to be addressing himself to the problem as to how to foster beet sugar and Louisiana cane sugar without having the trust get the benefit of it.

Mr. CUMMINS. Not wholly, Mr. President. I believe, as I again repeat, that the struggle between beet sugar and cane sugar is perpetual.

Mr. TILLMAN. Undoubtedly.

Mr. CUMMINS. I do not believe that it can be prevented. Here are two competitors, therefore, drawing their product from different sources of supply. The United States is called upon to deal with that subject, and, in dealing with it, in the very nature of things it will be compelled to so adjust its duties that the cane sugar is more favored or the beet sugar is more favored, for, given that competition between these two products, you can not adjust a law that will be profitable for both.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. CUMMINS. I do.

Mr. SMITH of Michigan. I should like to suggest to the Senator from Iowa that, while this antagonism may be very great, it is not nearly so great as it was when the beet-sugar industry was started in this country.

Mr. CUMMINS. Mr. President, the Senator from Michigan does not read history as I do, if that be his conclusion.

Mr. SMITH of Michigan. Mr. President——

Mr. CUMMINS. Let me answer. I will answer your question and your suggestion just as candidly as I can.

Mr. SMITH of Michigan. I had rather have an answer than a criticism, because I happen to know something about this.

Mr. CUMMINS. I will give you an answer, together with the criticism of the suggestion at the same time, because your statement embraced both a question and an argument; and, therefore, in replying to the question, I am at liberty to also reply to the argument.

In 1897 there were 8 or 9 or 10—I do not remember just how many—beet-sugar manufactories in the United States. They produced something like 40,000 tons of sugar. In five or six or seven years the beet-sugar interest grew to its present proportions, and the beet-sugar capacity is no greater now than it was five years ago. Why? Simply because the cane-sugar refiners came to the conclusion that the beet-sugar production had reached as large proportions as they could safely allow it to reach. You can not at the present time found or establish a beet-sugar factory without the assent and the concurrence of the American Sugar Refining Company.

Mr. SMITH of Michigan rose.

Mr. CUMMINS. Now, just a moment, and I will tell you why. I am not asserting that by ownership of stock the American Sugar Refining Company controls all the beet-sugar factories in the United States. I know it does not. It is quite likely, quite true, that in the State of Michigan your beet-sugar factories may be owned entirely by local capitalists and local manufacturers, but the position of the American Sugar Refining Company in this business is such that no man, if he has any financial sense whatever, will enlarge or establish beet-sugar production unless he knows that he can act in harmony with the American Sugar Refining Company, and therefore——

Mr. SMITH of Michigan. Mr. President——

Mr. CUMMINS. Allow me just to draw my conclusions. Therefore, for five years this sugar refining company—or I am willing to put it in the plural if it is offensive to anyone in the Chamber—these refiners have had such a grip upon the business, that the beet-sugar interests have grown only as they have assented and as they have approved.

Mr. SMITH of Michigan. Now, Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. CUMMINS. I do.

Mr. SMITH of Michigan. Mr. President, the absence of optimism in my distinguished friend, the Senator from Iowa, reminds me of a similar scene when the present tariff law was under discussion in the House of Representatives. I then heard a prominent Democrat, who was selected by his associates to follow Mr. Dingley in the discussion of the Dingley law, say that it was an idle dream to think that certain Western States, including his own, could successfully engage in the beet-sugar industry.

The difficulties were so many that, west of the Missouri River the beet-sugar producer has been undersold by the American Sugar Refining Company in the price of his product in order to drive him out of business; yet under those discouragements what does history show? It shows that within ten years after the prophecy of Congressman Bell, of Colorado, the beet-sugar industry had been established in his own State, and that those beet-sugar factories in his own State to-day feed 4,500,000 people with the sugar produced within the borders of Colorado. Now, pessimism has no attractions for me; and the statement that our people can not draw products from their own soil, which are necessary to their daily life, has no foundation in fact. So long as sugar is a necessity of life, there will be found men with courage enough and enterprise enough and optimism enough to plant sugar beets and to refine them for use.

Mr. CUMMINS. Mr. President, the Senator from Michigan is always delightful; he is always charming, and, as it seems to me, sometimes irrelevant and immaterial [laughter], for I have said no word that conflicts with anything he has uttered. It has become his habit, whenever anyone criticises a single word or phrase in this schedule, to rise and declaim with respect to the possibilities of the future and the glories of the American Republic under the doctrine of protection. I am always glad to hear that declamation recited in a manner in which he is a master and superior, I am sure, to anyone in this Chamber; but I take some pleasure in recalling him occasionally to the point at issue.

I am more optimistic than you. I have more faith in the American Republic than you; but I have vastly less faith in this particular schedule than you have. That is the only difference between you and me.

Mr. SMITH of Michigan. And in every other schedule.

Mr. CUMMINS. Nearly every other schedule, because I have believed that there was opportunity to reduce these duties at many points and still preserve the doctrine of protection and still add to the glories and the growth of the American people; but on every occasion on which the Senator from Michigan has risen, he departs immediately from the point in order to declaim these eulogies upon a principle that no one disputes. He reminds me of what a famous after-dinner speaker once said with regard to the sentiment of a toast to which he was assigned. He rose, and, after reading the toast, said it was his observation, and certainly his experience, that the subject of an after-dinner speech was simply a point from which the speaker might depart, and to which he was never expected to return. But now, if I may, I will return to the real question.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Kansas?

Mr. CUMMINS. Certainly.

Mr. CURTIS. May I make one suggestion to the Senator?

Mr. CUMMINS. Certainly.

Mr. CURTIS. I remember when the Philippine tariff bill was before the Ways and Means Committee of the House, of which I then had the honor of being a member, the beet-sugar people stated that they did not build more factories and would not put money into factories because they were afraid of the unlimited importation of sugar from the Philippine Islands, and that if the amount was limited to 300,000 tons, they thought there would be no danger from the Philippine production, and that then they would invest their money. I say that was the argument presented to the Ways and Means Committee at that time.

Mr. CUMMINS. I assign the disinclination of the men with money to enlarge, as they ought to enlarge, the beet-sugar business of the United States to a fear growing out of the knowledge that the sugar refiners absolutely fix the price of the product; that this schedule enables them to fix the price of the product; that by reason of their exorbitant profit in the manufacture of cane sugar, or the refining of sugar, they can, and they do, establish the price of sugar; and no man—I repeat it—no man who is prudent and cautious in commercial affairs will invest his money to a very great extent in a beet-sugar factory when the American Sugar Refining Company can fix the price of his product without knowing that he is in concert and in harmony with the power to which he must yield. I do not say that he wants to yield to that power; but it is one that has been established over him without his consent.

Mr. SMITH of Michigan. If I understood the Senator from Kansas [Mr. BRISTOW], if the Senator from Iowa will pardon me——

Mr. CUMMINS. Yes.

Mr. SMITH of Michigan (continuing). He dealt with considerable emphasis upon the world's price of sugar being fixed in Hamburg. I suppose the American Sugar Refining Company fixes it there as well as here?

Mr. CUMMINS. Does the Senator from Michigan understand that I am simply repeating the argument of the Senator from Kansas? I have a view on this subject of my own.

Mr. SMITH of Michigan. It has a very familiar sound.

Mr. CUMMINS. Yes. So there are, then, two very familiar sounds floating around the Chamber.

Mr. SMITH of Michigan. Yes; there seems to be.

Mr. CUMMINS. In order to verify what I say, I will read briefly from the testimony of Mr. Colcock. I should like to ask the Senator from Louisiana, if he is in the Chamber, whether or not Mr. Colcock is a reputable man? It seems to be necessary here to support the character of witnesses when they are called. He is the gentleman who appeared before the Ways and Means Committee of the House, representing the Louisiana cane-sugar producers.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. CUMMINS. I do.

Mr. SMITH of Michigan. I do not want to annoy my friend from Iowa——

Mr. CUMMINS. Do not mention it.

Mr. SMITH of Michigan (continuing). But it seems to me that the statements of these witnesses would carry more weight than their character. If the statements are fallacious, I do not care what the character of the man may be; and if the statements are sound, it does not matter from whom they come.

Mr. CUMMINS. However, the Senator from Michigan has possibly one test to detect fallacy, and I may have another.

Mr. SMITH of Michigan. I hope not.

Mr. CUMMINS. And therefore I think that it is of some value to know that the man who is testifying is acquainted with his subject and does not, intentionally, at least, depart from the truth.

Mr. SMITH of Michigan. There are some things——

The VICE-PRESIDENT. Does the Senator from Iowa yield further to the Senator from Michigan?

Mr. CUMMINS. Yes.

Mr. SMITH of Michigan. There are some things, if the Senator will pardon me, upon which we ought to be able to agree and upon which we do agree. We certainly can agree upon the necessity of producing our own sugar, if we can.

Mr. CUMMINS. Mr. President, it is very gratifying that we can agree upon that proposition. I am standing here trying to show, first, that we can produce our own sugar; second, that it ought to be beet sugar; and upon those two things the Senator from Michigan and myself entirely agree.

Mr. SMITH of Michigan. Perfectly.

Mr. CUMMINS. And, third, that if you want the beet-sugar producers to supply the market, then you will have to change the schedule a little; and, as I have not yet reached the place at which I am to point out the respects in which the schedule should be changed, I venture to say that the Senator from Michigan will not disagree with a proposition that I have not made. I read from Mr. Colcock. He is the man who represented the Louisiana cane growers. Mr. UNDERWOOD asked him this question:

Mr. UNDERWOOD. Is not the value of the cane sugar in Louisiana, the price of it for refining purposes, practically fixed by the American Sugar Refining Company and not by the markets of the world?

Mr. COLCOCK. I should say absolutely; not practically, but absolutely.

Mr. UNDERWOOD. Absolutely fixed by the American Sugar Refining Company?

Mr. COLCOCK. Absolutely.

Mr. UNDERWOOD. Therefore isn't it a fact that last year the Louisiana sugar producer sold his sugar to the American Sugar Refining Company at a price largely below the world's price, with the tariff duties added?

Mr. COLCOCK. Not only last year, but to-day.

Mr. SMITH of Michigan. Every day.

Mr. CUMMINS. Every day; and, therefore, when a beet-sugar factory is proposed in a community, the very first inquiry is, "Can I dispose of my product at a fair profit? If I can not, then I refuse to invest the capital necessary to create the industry. The thing that I know, and the thing that the world knows, is that the American Sugar Refining Company, as it is now ordered, or in connection with the other cane-sugar refiners of the country, fixes the price of my product; and if I have the sense which ought to keep me out of the poorhouse I will not invest my money, therefore, in a beet-sugar factory, subject to those vicissitudes, and, possibly, to the injustice which grows out of absolutely uncontrolled and unrestricted power." That is the reason. Senators, you may blink it if you will; you may refuse to recognize it if you will; but the reason that the beet-sugar industry in the United States has languished in the last four or five years, the reason that it has not grown as it should have grown, is that the cane sugar of the country fixes the price; and you have adjusted a schedule that enables the cane-sugar refiner to dominate the situation; and I ask you to emancipate yourselves from that tyranny and from that control.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. SMITH of Michigan. I should like to ask the Senator whether before we had beet-sugar factories in the country that same identical condition did not exist?

Mr. CUMMINS. No.

Mr. SMITH of Michigan. Why?

Mr. CUMMINS. Simply because the power of the American Sugar Refining Company had not been established. It takes a little while for us to recognize a hidden and a secret master; it takes a year or two, or a few years, to unearth and discover the power that such an industrial tyrant can exercise.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. CUMMINS. I do.

Mr. SMITH of Michigan. The Senator from Iowa is always interesting.

Mr. CUMMINS. That is a compliment, Mr. President, that I know precedes a rebuke.

Mr. SMITH of Michigan. No; it does not; you are mistaken. You might need it, but I am not going to give it to you. The Senator from Iowa is always interesting, but, fortunately or unfortunately, I will not say which, he is not familiar with the discussions of this identical schedule when the Dingley law was passed or he would know that the hydra-headed monster that alarms him so much now was just as active then as it is to-day; but notwithstanding the towering menace of the Sugar Refining Company, our citizens have embarked in the enterprise; they have made some money, they have afforded the farmer a market, and they have sold to the consumer his sugar cheaper than ever before, notwithstanding all those dire conditions named by my friend. So I did not rebuke you.

Mr. CUMMINS. No; Mr. President, the Senator did not rebuke me; he rather corroborated me, which is an exceedingly rare thing for the Senator from Michigan to do.

Now, I am not so unfamiliar with the discussion in the House of Representatives in 1898 as the Senator from Michigan thinks I am. On the contrary, I have been a very diligent student of the passage of the Dingley tariff law, and I know, and you know, that it was said to the beet-sugar producers that this particular schedule would relieve them of the control of the cane-sugar refiners. They believed it, and they went on diligently from that time until, in four or five years, they had multiplied nearly ten times their capacity for sugar. In the meantime the sugar refiners had not been indolent. They had been devising ways and means to establish over the beet-sugar producers the same domination which they had exercised over other fields before.

Mark you, now, there was one man in Congress, possibly more, and in the Senate, too, who knew that this would not develop the beet-sugar industry as it should. There was one man who knew that, in order to overcome the advantage that this law would give to the sugar refiner, something independent and additional ought to be done for the beet-sugar producer. There was one man, at least, who was not deceived, and he was a very wise man, and he was not a Populist, he was not a Democrat; but he was a Republican, who stood in the front rank of the Republicans of the Senate, whose memory is cherished here, and whose wisdom is applauded with each recurring day.

I refer to my distinguished predecessor, the late Senator from Iowa, Mr. Allison. He saw a great deal more clearly than you seem to have observed the effect that this law would have upon this business and the way in which it would give power to the cane-sugar refiner; and he sought to protect in another way and to stimulate and foster in another way the beet-sugar producer; and if the Senator from Michigan——

The VICE-PRESIDENT. The Chair will suggest to the Senator from Iowa that both he and the Senator from Michigan have inadvertently transgressed the rule by addressing another Senator in the first person. The rule provides that a Senator shall address another Senator only in the third person. The Chair is sure the two Senators have violated the rule inadvertently, but he thought it wise to call their attention to it at this time.

Mr. CUMMINS. I may be pardoned on account of my inexperience, but the Senator from Michigan is inexcusable. [Laughter.]

Mr. BACON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Georgia?

Mr. CUMMINS. I yield.

Mr. BACON. Mr. President, I wish to say, in connection with the suggestion just made by the Chair, that I think it is a very timely thing to bring to the attention of the Senate, because the transgression of that rule is not confined to those who have the excuse the distinguished Senator from Iowa has just given; but we are all in greater or less degree offenders, including myself, upon occasions.

It is an extremely important rule in parliamentary practice; one not only conducive to decorum in debate, but absolutely essential to decorum in debate; and I take advantage of the opportunity presented by the suggestion from the Chair, not only to plead guilty myself, but to ask the attention of other Senators to it. The fundamental rule in parliamentary intercourse is that Senators should only be addressed in the third person, and should only be spoken of in the Chamber in the third person; and it is a safeguard against asperities in debate and personalities of all kinds. I take advantage of the opportunity to say what I do, because I myself am sometimes an offender. I remember that once a former Senator from Massachusetts, Mr. Hoar, who bore a very distinguished part in the annals of this Chamber, was calling attention to the same thing, and in doing so he used this expression, that there was but one "you" in the Chamber, and that was the presiding officer; that "you" could be applied to the Senators as a body and to the presiding officer as a representative of the body in its entity; but that it could never under any circumstances be applied to an individual Senator; and I trust, Mr. President, that I may be excused for emphasizing the very timely suggestion of the presiding officer in regard to this matter.

Mr. CUMMINS. Mr. President——

Mr. SUTHERLAND. If the Senator will permit me, before he resumes the thread of his argument——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I do.

Mr. SUTHERLAND. I understood the Senator to say that the beet-sugar business of this country had languished during the last five years. Just what does the Senator mean by that—that it has not been making satisfactory progress; that there have been no new factories established, or what?

Mr. CUMMINS. Practically that.

Mr. SMITH of Michigan. That it has been practically stopped?

Mr. CUMMINS. That the capacity of beet-sugar factories is not greater now than it was five years ago.

Mr. SUTHERLAND. Either the Senator from Iowa misunderstands the situation, or I do. I understand that during the last seven years there have been 40 new factories established in the United States; that since 1897 there have been 74 altogether, and more than half of them during the last seven years; that 15 of those 40 have been established during the last three years; so that we have had more than a third of the 40 that have been established during the last seven years established in three years.

It seems to me, if I am correct in those figures, and I think I am, that the beet-sugar industry of this country has been making rather satisfactory progress. Now, if the Senator will permit me, let me call his attention to the facts. The letter of the Secretary of Agriculture, being document No. 22 of the Senate, Sixty-first Congress, first session, which was sent to the Senate in response to a resolution, shows that, in 1897, 3 factories were built; in 1898, 9 factories; in 1899, 12 factories; in 1900, 5 factories; in 1901, 5 factories; in 1902, 6; in 1903, 9; in 1904, 4; in 1905, 6; in 1906, 12; in 1907, 2; and in 1908, 1.

Mr. CUMMINS. If the Senator will read, at the same time, the statement of the factories that have been abandoned in that period, he will have a complete statement of the situation.

Mr. SUTHERLAND. If the Senator will permit me, I have read that, and I will read it directly from the report of the Secretary of Agriculture. Probably that will be more satisfactory than my own statement. He says:

> It appears from the foregoing table that during the six years of the first period 41 factories were put in operation, of which 17 failed later, the percentage of failures being 41 when based on number of factories and 33 when based on aggregate capacity. On the other hand, during the seven years of the last period only 2 of the 40 factories completed and operated failed later, the per cent of failure being only 5. These figures most forcibly demonstrate the increasing stability of the beet-sugar industry.

Then the Secretary proceeds:

> Of the 19 factories which failed, 2 were later restored to usefulness under new managements—those at Grand Junction, Colo., and Menomonee Falls, Wis.; all or part of the machinery from 11 others has been utilized in new factories in other localities; 2 were destroyed by fire; and 3 are standing fully equipped, and may resume operations at some future time.

So, with all due respect to the Senator from Iowa, I must disagree with him when he says that the beet-sugar industry of this country has languished during the last two years.

Mr. CUMMINS. The statement that I made is found in the testimony before the Committee on Ways and Means of the House. The question whether the industry has languished or not is one of words. It is possible that I ought not to have used the word "languished;" but if you should apply that strictness of interpretation to the entire debate that goes on in the Senate, we would need the services of a schoolmaster, rather than a statesman, I think. What I meant to say was that the capacity of the beet-sugar factories had not materially increased, I think I said, in the last four or five years, and I attempted to give the reasons for it. I see I have not a reference to the statement here, but I am sure I am not mistaken in the view that that statement is given in the testimony before the Ways and Means Committee. But I now refer to the incident to which I have referred——

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. CUMMINS. I do.

Mr. TILLMAN. I have in my hand the Statistical Abstract for 1907, and, following the Senator's argument, I have looked up some figures, which I will give him, if he has no objection.

Mr. CUMMINS. I have none.

Mr. TILLMAN. I see that during the winter, or what they call "the campaign of 1905–6," there were produced in this country 625,000,000 pounds of sugar from beets, and in the campaign of 1906–7 there were produced 967,000,000 pounds of sugar from beets, showing an increase of over 300,000,000 pounds, and that is nearly 50 per cent; so that if there was a little period of depression, all the figures are here, and the increase was not so great during the preceding five years. In 1901–2 it was 369,000,000 pounds; in 1902–3, 436,000,000 pounds; in 1903–4, 481,000,000 pounds; in 1904–5, 484,000,000 pounds; showing that there was not much progress during those four years. But it leaped up to 625,000,000 pounds in 1905, and the following year 967,000,000. I do not know what it was last year, but it does not seem to me that the Senator has much foundation for his opinion in regard to depression, stagnation, or lack of progress of the beet-sugar industry during the last five or six years.

Mr. CUMMINS. That statement may be entirely accurate, and mine still wholly true.

Mr. TILLMAN. We are all tangled up with so many figures here that contradict each other. We had an illustration of that yesterday, when the Secretary of Agriculture seemed to have sent conflicting figures or statements in here.

Mr. CUMMINS. I take this statement from the testimony before the Ways and Means Committee with regard to the capacity of the beet-sugar factories. I was not speaking of the production. If I should deal with the question of production, that would admit other considerations which I do not think are material to the point I make.

But now I return to the passage of the Dingley law and the view that Senator Allison had with regard to what was necessary to help and establish the sugar-beet industry. It seems that during its progress through the Senate Mr. Allison said:

> I offer this morning two or three amendments to the bill, which I do not ask to have considered at this moment, but I offer them now in order that they may be sent to the printer immediately and returned at an early hour during the morning. I offer the amendment which I send to the desk.
>
> The VICE-PRESIDENT. The Secretary will read the amendment.
>
> The SECRETARY. On page 200, after line 14, insert as a new section:
>
> "SEC. —. That on and after July 1, 1898, and until July 1, 1903, and no longer, there shall be paid from any moneys in the Treasury not otherwise appropriated, under the provisions of section 3689 of the Revised Statutes, to the producer of sugar made from beets grown within the United States during the calendar year 1898 and each succeeding calendar year until July 1, 1903, a bounty of one-fourth of 1 cent per pound."
>
> Mr. JONES of Arkansas. On what many of us hoped would be the last day of the consideration of this bill the committee comes in with what is unquestionably the most radical departure from what has been the practice of the Government for a century in tariff taxation as an amendment.

Then the RECORD shows that several Senators addressed to Mr. Allison the remark, "Withdraw it." Mr. Allison said:

> In view of what has been stated by Senators on the other side of the Chamber, that the amendment will lead to a prolonged debate, I withdraw it. I agree with what has been so well stated by the Senator from Nebraska [Mr. Thurston], that it is not the purpose or wish of those who wish to pass the bill to introduce into it any new questions which will prolong the debate. Therefore, if in order, on behalf of the committee, I ask leave to withdraw the amendment.

It is therefore apparent that Senator Allison, in order to overcome what he believed to be the inequalities of the sugar

schedule and the discrimination which he believed to be practiced against the beet-sugar people, introduced an amendment giving to the beet-sugar men a bounty of a quarter of a cent a pound in order to insure their prosperity and their development.

Mr. SMITH of Michigan. Mr. President, in order that——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. CUMMINS. I do.

Mr. SMITH of Michigan. In order that the RECORD may show a similar state of mind in my own State at that time, I want the Senator from Iowa to note that the State of Michigan also passed a bounty law before the time referred to, because it was so deeply interested in the development of this industry; so that the Senator from Iowa, Mr. Allison, and the people of my State were in perfect accord as to the wisdom of doing whatever was necessary to stimulate this industry.

Mr. CUMMINS. I have no doubt of the statement just made by the Senator from Michigan. The Senator is desirous of promoting the interests of the beet-sugar industry. So is his State; so is my State; so is every State; and the only question is, How can it best be done? Now, the Senator from Michigan seems to think that it can best be done by making it exceeding profitable to refine cane sugar in the United States; whereas I think the interests of the beet-sugar men would be promoted by making it unprofitable to refine cane sugar in the United States, or, at least, to withdraw from the cane-sugar refiner the opportunity to make undue and excessive profits, and thereby supply the market which the beet-sugar producer ought to supply.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa further yield to the Senator from Michigan?

Mr. SMITH of Michigan. I do not think I have abused the courtesy of the Senator from Iowa.

Mr. CUMMINS. I yield with great pleasure, Mr. President. I want the Senator from Michigan to understand that there is no reluctance or mental reservation about my yielding to him.

Mr. SMITH of Michigan. And I know I have not abused the patience of other Senators. If the Senator will recall, I have not taken very much time in this entire tariff discussion, and I do not propose to.

Mr. TILLMAN. Mr. President, this is a private conversation, so far as the Senators over here are concerned.

Mr. SMITH of Michigan. But I will not permit the Senator from Iowa to describe my interest in the beet-sugar industry in the manner in which he has done. I will not permit you to say without contradiction that I propose——

Mr. CUMMINS. Mr. President, I ask the protection of the Chair. [Laughter.]

The VICE-PRESIDENT. The Chair begs to state to the Senator from Michigan that the person now addressed is the Senator from Iowa and not "you."

Mr. SMITH of Michigan. I am glad that the Senator calls for the protection of the Chair. I ask only for the approval of my constituents, and I will not offend the proprieties of the Senate, and know that my learned friend from Iowa will not do it.

Mr. CUMMINS. I sought the protection of the Chair only to carry out the eminently appropriate views expressed by the Senator from Georgia [Mr. BACON].

Mr. SMITH of Michigan. And if the Senator from Iowa and myself will always adopt his views, we will never violate the Senate rules.

Mr. CUMMINS. I have yet much to learn with regard to the proprieties and manners of the Senate.

Mr. SMITH of Michigan. The Senator is a very apt pupil.

The Senator says I would keep the rate of duty high upon refined sugar in order to assist the beet-sugar development of my State. Is that correct?

Mr. CUMMINS. I have not stated any such thing; but I assume that the Senator from Michigan is simply making the inference that seems to him to be the correct one.

Mr. SMITH of Michigan. If I misunderstood the Senator, I certainly am not going to take his time. Did not the Senator say that that was my view, evidently?

Mr. CUMMINS. What I said was that evidently the Senator from Michigan believed that he could best protect the beet-sugar manufacturer by making it profitable for the cane-sugar refiner to do business in the United States.

Mr. SMITH of Michigan. Exactly. I utterly repudiate that statement, Mr. President. I would help the beet-sugar producer by giving stability to our government policy in sugar tariffs. That is the way in which I would encourage that industry, and not by making it unfairly profitable to the sugar-refining companies, as the Senator has suggested.

Mr. CUMMINS. I am very glad to know the views of the Senator from Michigan upon this point. Unfortunately the Senator from Michigan, instead of expressing his views in an independent way and in his own time, always expresses them as a part of somebody else's speech.

Mr. SMITH of Michigan. I withdraw it. My friend is so generous and so emphatic that he tempts his colleagues to interrupt him, and I have fallen into the habit. I assure him, however, that I would not do so were the Senator not gifted in debate and amply able to readily reply.

Mr. CUMMINS. I am not criticising that, save that it is not always quite fair to the Senator who has the floor, inasmuch as an interruption of that kind necessarily anticipates something that has not yet been said.

I declare again that if those who favor the present paragraph are moved by those reasons which usually actuate men in construing language, they must think they can best protect the beet-sugar manufacturer by making the cane-sugar refiner as prosperous as he can be made. I have just the other view. I do not want to injure the cane-sugar refiner except as that injury must necessarily result from due protection to the beet-sugar manufacturer. I think every pound of sugar turned into the market by the cane-sugar refiner displaces just so much of the product that ought to be put into the market by the beet-sugar producer, and therefore if I were adjusting this schedule I would adjust it so that the cane-sugar refiner at least would have a more difficult time than he now has in turning raw sugar into refined sugar; and that brings me finally to the amendment before the Senate.

I am speaking now of the amendment which eliminates from this schedule the Dutch color standard. It is of course old; it is unscientific; it is useless; it is absurd for any other purpose except to turn into the cane-sugar refiner all possible importations of raw sugar. That is the only office it can serve; and that is why I say I am simply amazed that anyone who has at heart the interest of the beet-sugar producer can for a moment hesitate with respect to the propriety of eliminating from this schedule that test of introduction into our market.

Mr. FOSTER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Louisiana?

Mr. CUMMINS. I do.

Mr. FOSTER. As a matter of information, do I understand the Senator to contend that the Dutch standard is used in this country as a test of sugar reaching to 96? Do I understand the Senator to contend that the Dutch standard is in operation as to all sugar coming into this country?

Mr. CUMMINS. It is not. It is not in operation as to those sugars which come in free of duty.

Mr. FOSTER. But sugars coming in subject to duty; do I understand the Senator to hold that the Dutch standard applies to all sugars coming into this country subject to duty?

Mr. CUMMINS. I hardly understand the question. As I view the law, all sugar coming into this country, all lighter than the Dutch standard No. 16, pays the same duty as refined sugar. That is true, is it not?

Mr. FOSTER. If I understand the Senator, I do not think it is true.

Mr. CUMMINS. And all sugar that comes into this country below the Dutch standard No. 16 must necessarily be refined, in order to be used at all, and therefore the effect of the Dutch standard is to prohibit the importation of raw sugar above the Dutch standard and to turn all the raw sugar under the Dutch standard into the hands of the cane-sugar refiner. That is the effect of the Dutch standard.

Mr. FOSTER. That answer compels me to ask the Senator what he understands by the Dutch standard.

Mr. CUMMINS. I would be a very dull listener if I did not know something about the Dutch standard in view of what occurred yesterday.

Mr. FOSTER. Do I understand the Senator to hold that all sugar coming into this country subject to duty must come in subject to the Dutch standard?

Mr. CUMMINS. Not at all; the Dutch standard does not subject anything to anybody. If the sugar comes in, and if it is sixteen or under, then it pays the duty according to its saccharine purity. If it comes in over sixteen in color, then it pays duty as refined sugar.

Mr. FOSTER. Then the Dutch standard does not apply to any sugar under 16 coming into this country?

Mr. CUMMINS. In the sense in which the Senator from Louisiana evidently uses the phrase, I affirm his proposition.

It applies in the sense that there it stands, ready to take hold of the article if it rises to that point in color, but if it is below 16, then it pays duty simply according to the saccharine purity.

Mr. FOSTER. I understood the Senator to say that we were applying to all sugars coming into this country the obsolete Dutch standard color system. I ask him does he understand that sugars coming into this country under 16 Dutch standard are tested by the polariscope or by the color?

Mr. CUMMINS. If it is under 16 Dutch standard in color, it is decided only by the polariscope.

Mr. FOSTER. That is the fact.

Mr. CUMMINS. If it is over that, then the polariscope disappears, and it is tested and the duty is paid according to refined sugar. I understand the Dutch standard. I have given a good deal of study to it, and I think I know something about its application, and the effect of that provision in our law is first, to prevent the importation of any raw sugar, upon which duty is paid, over 16 Dutch standard, and it is, of course, to turn into the cane-sugar refiner all the sugar of that standard or below, because if it is imported of that color or below it must go to the cane-sugar refiner. It can not go to the trade; it is not usable, in a general way, below the standard I have mentioned. So we are here devising, apparently, a scheme to give to the American cane-sugar refiner every pound of sugar that can be brought into America, whether from free countries or whether from dutiable countries.

My conclusion from that is not so much antagonistic to the Senator from Louisiana as it is to assert that we are not giving the beet producer a fair show. We are opening the gates for the introduction of enough refined sugar to supply all our demands. How can the beet-sugar man prosper under those conditions unless he can undersell his cane-sugar competitor? That is the only way in which he can take the market. If you so adjust this schedule that there is a vast profit to the cane-sugar refiner, you have to just that extent put a restriction and a burden upon the beet-sugar producer. Although you may not agree with me to-day upon that proposition, I hazard the prediction that the time will come when we will be compelled to choose between these things. It is therefore that I favor the striking out of this useless, unnecessary, burdensome, unjust restriction in our tariff law. I do not assert that striking it out would bring to the ultimate consumer sugar one penny less than the price at which he now gets it. It might, if the American taste would change and if the American market would take unrefined sugar. I do not know whether it will or not. There are some countries in which the market will take unrefined sugar. I am not predicting that our market will. I am not particularly anxious that our market shall. It will not hurt my feelings at all if the high taste and the high tests of Americans shall still demand and still insist upon refined sugar.

But I do not intend to allow my vote or my voice to bring that sugar from the cane-sugar refiner instead of from the beet-sugar factory. There is the point upon which Senators appear to differ from me. I assert, and it seems to me obvious, that the Dutch standard does help to get this sugar into the hands of the cane-sugar refiner.

I would a great deal rather they would take the sugar above the Dutch standard in color, of 17, 18, 19, or 20. If that could be put upon the market, and if Americans would take it, it would be vastly better for the beet-sugar producer than to put it into the hands of the cane-sugar refiner and allow him to dominate the market and to present it in competition, direct, positive, unescapable competition, with the beet-sugar producer.

Mr. SUTHERLAND. Will the Senator permit me to ask him a question?

Mr. CUMMINS. Certainly.

Mr. SUTHERLAND. I confess to the Senator from Iowa that I do not understand very much about the Dutch standard. Sometimes I have a suspicion that I do understand something about it, but when I come to investigate my mental processes, I am in doubt. However, I want to put this question to the Senator: Whenever sugar is above No. 16 Dutch standard in color, does that not indicate that it has undergone some process of refinement, that it has been advanced from the natural condition which it has when it has been first turned into the raw sugar?

Mr. CUMMINS. Mr. President, a part of the Senator's question I answer no, and a part of it I answer yes. He has asked two questions which are contradictory; that is, he has asked two questions in one, and their parts are contradictory to each other.

The Senator asks me if sugar above the Dutch standard No. 16 has not passed through some process of refining. I say no. He asks me, and he uses it as an alternative or as meaning the same thing, whether it has not been advanced beyond the No. 16 standard or color test. I say, yes; it has been advanced by some revolutions of the centrifugal wheel or machinery that throws off the molasses.

Let us see now about this. I have not known much about sugar. I have eaten a good deal of it in my time, but I never have been led to inquire into it scientifically until now. I ought not, of course, to attempt to instruct the Senator from Utah. He comes from a beet-sugar country, and knows better than I do about it. I will address myself to the other Senators.

Mr. SUTHERLAND. We have nothing to do with the Dutch standard, however, in my State.

Mr. CUMMINS. Fortunately not. The sugar crystal is white. No matter whether it comes from beets or whether it comes from sugar cane, the sugar crystal is as white as snow. But when it is precipitated it is covered by molasses or molasses pellicles, and possibly some other impurities, and it is the covering of the sugar crystal that gives it its color. For instance, suppose that glass were half filled with sugar of the Dutch standard No. 16 in color. If you were to pour it out into a mortar and take a pestle and grind it, it would become almost white without any process whatsoever, except the mere crushing of the sugar crystals. So the original covering of the crystals would not be in the same proportion, if you please, to the surfaces as they were before.

That is all there is in the matter of color in sugar. It is the covering of the sugar crystal that gives it its color, and it may be molasses, it may be something in the nature of resin, possibly, or some other impurity of that kind. All that the sugar refiner does in the world is to take that sugar and dissolve it in water and pour it into a tube filled with boneblack, and it comes out at the other end molasses water, just as pure and as clear as the water from a mountain spring. Then the refiner evaporates the water, and he has white refined sugar.

The Dutch standard is one that has no relation, or no close relation, to sweetness or to saccharine purity. It has relation only to color, and the sugar producers of Cuba, Santo Domingo, and other countries from which dutiable sugar comes have a lot of trouble in keeping the color of the sugar below the sixteen standard in order that they may bring it in.

What I am asking the Senate is, What possible good can that test be to the beet-sugar man? That is the question. It turns more sugar into the cane-sugar refinery than would otherwise go there. That is as sure as that the sun rises in the morning and goes down at night. What do you want the cane sugar to go into a sugar refinery for? To take the place, apparently, of the sugar that comes refined from the beet-sugar factory.

Mr. BACON. The Senator seems to be entirely familiar with these processes. I should like to have him tell us, as a matter of information, how it is that beet sugar is made only as refined sugar? I ask purely for information. I am not informed myself how it is, but I understand that beet sugar is produced only in the refined state.

Mr. CUMMINS. That is true.

Mr. BACON. I desire to know why it is that that should be true in the case of beet sugar and not true in the case of cane sugar. What is the difference in the process of manufacture that produces those different results?

Mr. CUMMINS. There is a fundamental difference in this: The molasses or the impurity that arises from the manufacture of beets is very obnoxious to the smell or taste. The beet sugar crystallizes in an entirely different way from the process of the cane sugar. In manufacturing beets into sugar there is a great vat or inclosure filled with beets, and they are lifted up and poured into a trough, and there they begin and go down, conveyed by carriers and every other sort of machinery. That beet is never touched by human hands again until it rolls out of a spout pure white granulated sugar.

So the process is wholly different. Of course in cane sugar, with which the Senator from Georgia is entirely familiar, you put the juice into a vat or pan and boil it and purify it, and gradually it crystallizes, precisely as maple sugar crystallizes from the sap of a maple tree. Sometimes the crystals of the cane sugar are small, sometimes large, depending a great deal upon the way in which the process is carried on and the skill with which it is carried on. As I said, it takes a pretty skillful man in making cane sugar, unless the cane is very bad, to keep in the process of manufacture the sugar below the Dutch 16 standard. That is what has to be done in order to bring the sugar into the United States tested only by its saccharine purity, because the moment it rises above, so that any human being would use it on his table, or use it even in his kitchen, then we impose the full duty of $1.95 a hundred upon it.

I say, therefore, that the man who wants to sustain beet sugar, who believes that that is the industry that should prosper, that it is from that source we should get our supply in the future, can not stand here for the retention of this test in our

schedule. I speak now, and have spoken, with regard to the amendment of the Senator from Kansas, with regard to striking it from the law. I say strike it from the law because it is a discrimination against the beet-sugar producer. I say strike it from the law because it is useless, unnecessary, unjust, and unscientific, and, as was so well exhibited yesterday, it has been abandoned by 40 of the principal nations of the world. It gives no stability to business; it adds no safety to business, and compels the whole world which exports sugar to the United States under duties to pay tribute to the cane-sugar refiner.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Will the Senator from Iowa yield to the Senator from South Carolina?

Mr. CUMMINS. Certainly.

Mr. TILLMAN. I want to get a little information. The Senator mentioned a moment ago that there was something about the beet which was very offensive, and that beet sugar had to be refined to the fullest extent to make it palatable. Did I understand the Senator correctly?

Mr. CUMMINS. Substantially.

Mr. TILLMAN. Then, I want to ask the Senator how he reconciles that statement with the fact with which we are all familiar, that that is not true of the ordinary garden beet, which is a form of the sugar beet? The sugar beet has only been evoluted from the common beet by selection and processes of getting seed which tested a high degree of saccharine. Why is not that the case with the garden beet which is boiled in kettles on our stoves and which our mothers and our cooks have been boiling for us? Somebody must have been giving the Senator some misinformation on that subject.

I absolutely suspect that this trouble about the process of refining and not being allowed to stop beyond the full refinement is a humbug. I believe that you can make good brown sugar from beets just as much as you can make good brown sugar from cane, and that this difference between refining and the 16 Dutch standard, to which the Senator is so much opposed, and which I do not like myself, is a humbug. It is intended, he said, to compel the sugar to go through the refining kettles of the American sugar trust and shut us off in getting good, honest brown sugar, such as we used to use when we were boys.

Mr. CUMMINS. I yield to the Senator from South Carolina as a scientist. I can only say that I have spent some time in beet-sugar factories, and I know——

Mr. TILLMAN. Do they ever put any chemicals with the beets in making beet sugar?

Mr. CUMMINS. The Senator from South Carolina can not tell me anything about the smell of a beet-sugar factory, because I have been there.

Mr. TILLMAN. I do not dispute that at all, but I assert what the Senator and every other man here knows, that in the table beet there is no inherent trouble with the beet itself, and there must be some chemical put in to bring about that scent.

Mr. CUMMINS. I do not speak as a scientist. I speak only as observation teaches.

Mr. ALDRICH. Will the Senator permit me to ask him a question?

Mr. CUMMINS. Certainly.

Mr. ALDRICH. The Senator has two or three times alluded to the fact that the tariffs of other countries do not assess duties by the use of the Dutch standard of color. Will the Senator, who seems to have great knowledge upon this subject, be kind enough to tell us what the tariff of Germany, for instance, is?

Mr. CUMMINS. I asserted that yesterday the Senator from Kansas [Mr. BRISTOW] stated that about 40 countries had abandoned the Dutch standard, the color standard, as I remember it.

Mr. ALDRICH. In their tariffs, I suppose the Senator means? I thought the Senator from Iowa might have had some knowledge himself on the subject.

Mr. CUMMINS. I simply reiterated the statement of the Senator from Kansas. My position here is that it ought to be eliminated, if every country in the world had it.

Mr. ALDRICH. The Senator's statement was that these other countries used the polariscopic test in their tariff. The Senator was mistaken; and I did not know but that he might have some knowledge on the subject.

Mr. CUMMINS. I did not assert that, and the Senator from Rhode Island must contest that point with the Senator from Kansas. I am simply arguing that so far as our country is concerned this test can have but one effect.

Mr. BRISTOW. I did not hear the remarks of the Senator from Rhode Island.

Mr. ALDRICH. I was asking the Senator from Iowa for information as to what the German tariff on sugar is. Perhaps the Senator from Kansas can give us that information.

Mr. BRISTOW. I have some information about the American tariff on sugar.

Mr. ALDRICH. I understand; but the Senator was quoted by the Senator from Iowa as authority upon the tariffs of other countries, and I should like to test his knowledge upon several of those countries.

Mr. BEVERIDGE. Mr. President, the Senator from Rhode Island can tell us authoritatively whether it is true that all nations in the world have abandoned the Dutch standard excepting only 12, which were read here yesterday.

Mr. ALDRICH. It is not.

Mr. BEVERIDGE. It is not true?

Mr. ALDRICH. It is not true.

Mr. BEVERIDGE. That statement was made yesterday.

Mr. ALDRICH. I will say that no country I know of uses either the polariscopic test or the Dutch standard test in its tariff. They never had it.

Mr. BEVERIDGE. Did Holland never have it?

Mr. ALDRICH. Holland had it, of course.

Mr. BEVERIDGE. And she abandoned it?

Mr. ALDRICH. Of course not.

Mr. BEVERIDGE. She still retains it?

Mr. ALDRICH. Of course.

Mr. BRISTOW. I did not catch that remark.

Mr. ALDRICH. I was asking for information, to try to confirm some of the statements that have been made here, what the German tariff is. The German tariff has been mentioned specifically by several Senators. Probably the Senator from Indiana, who seems to have knowledge on this subject, may be able to state it.

Mr. BEVERIDGE. No, Mr. President, I am trying to search for knowledge. Therefore, when the Senator from Rhode Island was putting the question—and there seemed to be a question as to the statement that was accepted by everybody from the Senator from Kansas yesterday—that the Dutch standard had been abandoned by these countries, before we went any further I wanted to know what the facts are. I am a searcher for information on this question, and I think the Senator from Rhode Island, above all men here, can give it to me. I ask again if it is true, because I am interested, if Holland had the Dutch standard and if Holland ever abandoned it?

Mr. ALDRICH. The Dutch standard was originated in Holland.

Mr. BEVERIDGE. Has it abandoned it?

Mr. ALDRICH. It has not abandoned it. No country has abandoned it in commercial uses. I am speaking about commercial uses in trade.

Mr. CUMMINS. Mr. President, this colloquy must not become general.

Mr. ALDRICH. I simply want to make a protest here against all similar statements made by the Senator from Iowa and other Senators unless they furnish some information on the subject.

Mr. RAYNER. Mr. President——

Mr. CUMMINS. The Senator from Iowa simply reiterated the statement made by the Senator from Kansas.

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Maryland?

Mr. BRISTOW. Mr. President——

Mr. ALDRICH. That statement might go around the circle indefinitely and be accepted by everybody. I would be glad to have somebody furnish some facts to base it upon.

Mr. BEVERIDGE. The Senator from Rhode Island says it is not true. So we have the issue.

Mr. CUMMINS. I yield to the Senator from Kansas.

Mr. BRISTOW. The Senator from Kansas desires to state that he will stand by what he read yesterday as a fact, regardless of the opinion of the Senator from Rhode Island.

Mr. ALDRICH. Will the Senator be willing to tell us what the tariff of Germany is?

Mr. BRISTOW. I am not discussing the tariff of Germany.

Mr. ALDRICH. That is one of the countries the Senator——

Mr. BRISTOW. I am discussing the tariff bill which the Finance Committee proposes the Senate shall pass. In the statement yesterday I said that the Dutch standard was not now used by Holland, and I recited 37 nations that did not use it. A number of the 37 have abandoned it that formerly used it, and some of them never used it.

Mr. BEVERIDGE. That is the issue.

Mr. ALDRICH. I ask the Senator now to tell us what the tariff of Germany is. That is one country the most conspicuous of all. I should like to test the Senator's information on

this subject by asking him to state to the Senate what the tariff of Germany is.

Mr. RAYNER. Mr. President——

The PRESIDING OFFICER (Mr. PAGE in the chair). Does the Senator from Iowa yield to the Senator from Maryland?

Mr. CUMMINS. I do.

Mr. RAYNER. Why does not the Senator from Rhode Island call in the Senator from Utah [Mr. SMOOT]? He can tell him. No one else appears to know.

Mr. CUMMINS. I see that the Senator from Kansas is still on his feet. If he desires to say anything further, I will yield to him.

Mr. SMITH of Michigan. I wish to interrogate the Senator from Kansas.

Mr. BRISTOW. I desire to say that in discussing this question I was discussing it from the standpoint of what it is desirable, in my judgment, to incorporate into the pending tariff bill. I am not very familiar with the tariff of Germany; I can not inform the Senator from Rhode Island as to its details; but he knows that the Dutch standard does not measure the purity of sugar in Germany.

Mr. ALDRICH. That was not the question, Mr. President.

Mr. BRISTOW. That is the question that is before this body that is being discussed.

Mr. ALDRICH. Oh, no; that is not the question at all. The question is what the tariff of these various countries is, what standard is used, and what test is used in the tariff of the various countries.

Mr. BACON. I should like to suggest, with the permission of the Senator from Iowa, that it is very unkind in the Senator from Rhode Island to keep us in suspense. He evidently has this important practical piece of knowledge so essential in the determination of this question; and he ought to inform us and not try to put Senators on the stand.

Mr. ALDRICH. I am more or less familiar with the tariffs of those countries, and my information is entirely different from what has been said here. So I wanted to find out, if I could——

Mr. BACON. We are burning with curiosity.

Mr. ALDRICH. In due time I hope the Senator will be gratified.

Mr. SMITH of Michigan. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. CUMMINS. I do.

Mr. SMITH of Michigan. I am not going to interrupt the Senator from Iowa except to ask the Senator from Kansas a question. He says that the Dutch standard is not now used in Holland. Is that correct?

Mr. BRISTOW. Yes, sir.

Mr. SMITH of Michigan. Does Holland import any duty sugar?

Mr. BRISTOW. I do not know.

Mr. SMITH of Michigan. That is very essential for you to know.

Mr. BRISTOW. I am not familiar with it.

Mr. SMITH of Michigan. If they do not import any duty sugar, they would have no use for the Dutch standard.

Mr. BRISTOW. The Senator from Michigan yesterday declared that the removal of the Dutch standard from the bill would precipitate financial chaos in the commercial world.

Mr. SMITH of Michigan. Oh, the Senator has been dreaming. I never mentioned such a thing as that. If his speech was in the RECORD this morning, he would not find any such utterance. The Senator says he has enumerated a number of countries that have abolished the Dutch standard color test on raw sugar. I would like to ask him now if he knows what countries in the world, outside of our own, impose a customs duty on sugar.

Mr. BRISTOW. There are a number.

Mr. SMITH of Michigan. How many?

Mr. CUMMINS. Mr. President, I decline to yield for this controversy. The Senator from Michigan will have all the time he desires; the Senator from Kansas will have all the time he desires; and it is not fair, as it seems to me, to interject a debate between these two eminent gentlemen in my speech.

Mr. SMITH of Michigan. I do not want to do that.

Mr. CUMMINS. Mr. President, it is a little difficult for me to keep the thread of my argument in view of the interruptions; but I was reaching this conclusion when last suspended, namely, that this Dutch standard of color can have no other effect except to make it necessary that all the sugar that comes here under duties shall be refined.

I am not asserting that if the principal object of my care was the American sugar refiner, I would not insist upon the retention of these words; but inasmuch as I have declared that the principal object of my solicitude, in so far as this tariff law is concerned, is the beet-sugar industry, I protest against an unnecessary standard that will inevitably turn into the American sugar refiner all the importations of sugar.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. I would be glad to know the force of the Senator's argument if I could. Does he mean to say that to protect beet sugar he would exclude the cane sugar from this country entirely?

Mr. CUMMINS. I have no doubt, Mr. President, that the Senator from Rhode Island will some time reach that point. A very high protectionist would reach that point; and you would exclude it, except from our own territory, which of course you could not control; but if you would apply the same rule to the sugar business that you apply to all other kinds of business you would put duty on cane sugar that would absolutely exclude it from the American soil and permit our beet-sugar producers to supply the whole market.

Mr. ALDRICH. Mr. President——

Mr. CUMMINS. That would be the policy of any protectionist if it were not that we have within our own territory cane-sugar-producing regions.

Mr. ALDRICH. I asked the Senator from Iowa a question about his own views, and he has taken up the time in stating what my views are, which I prefer to state myself. But I should like to put the question in another form.

Mr. CUMMINS. That is quite a common habit here.

Mr. ALDRICH. If the Senator does not want to answer the question in the form I put it, I will put it in another form. Does he think that the importation of cane sugar into the United States ought to be made easy or difficult for the protection of the beet-sugar producers of the country?

Mr. CUMMINS. The answer to that question is easy. It ought to be made difficult.

Mr. ALDRICH. Therefore the Senator proposes to reduce the duties upon cane sugar and——

Mr. CUMMINS. When have I proposed to reduce the duties on sugar? When?

Mr. ALDRICH. By striking down every duty which is imposed for the protection of the beet-sugar people.

Mr. CUMMINS. Ah! The Senator from Rhode Island does not exhibit his usual keenness of interpretation. I say that the striking of these words from this schedule will not disturb the duty upon raw sugar. On the contrary, if I had my way about it, I would favor a duty, whether it be 1.90 or 1.95 or 1.82½, upon refined sugar, enough to protect our growing industry, if you please, in the beet-sugar regions. Then I would put a duty upon all cane sugar imported according to its saccharine purity and leave no differential whatsoever for refining sugar in the United States. That would not reduce the duty on sugar.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. Does the Senator think that striking out the words "No. 16 Dutch standard" will encourage the importation of sugar into this country or discourage the importation?

Mr. CUMMINS. Mr. President, that depends entirely upon whether the American market will take unrefined sugar. We have now educated the taste of the people to a point that it refuses substantially unrefined sugar. If that taste should change, then the lighter sugars in color and higher in saccharine quality could come in, and be used at a lesser price than the refined sugar. I would rather—this is my position—put the beet-sugar producer against that kind of a competition than against the competition of the refined sugar at the hands of the sugar refiner.

Mr. ALDRICH. Is the Senator willing to admit that the duties on white sugar would be very materially reduced by striking out the words which he suggests should be stricken out?

Mr. CUMMINS. I would not be willing to so admit.

Mr. ALDRICH. What is the purpose, then, of striking out those words?

Mr. CUMMINS. There are two purposes: First, to allow the sugar lighter in color than No. 16 to come in and be used without refining and at whatever duty is required by the polariscopic test of sweetness or purity. That is the first effect it might have, and would depend entirely on whether the American market would take these light sugars at a less price, however, than the refined. The second result that would be accomplished by it would be to turn away—of course that is a cor-

ollary of the first—from the sugar refiner part of the sugar that he now buys and now puts through his process of refining.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. The Senator, I think, will admit that a No. 20 sugar or a No. 18 or a No. 19 sugar would pay, under the bill as it stands, $1.90 duty; and sugar testing 78, but still of No. 20 color, would pay about 1 cent a pound; in other words, the effect of this proposition would be to reduce upon that class of sugar, white in color, but testing very low by the polariscope, one-half. Does the Senator think that that reduction would be beneficial to the sugar industry of the United States?

Mr. CUMMINS. Mr. President, the Senator from Rhode Island has now stated the only possible purpose in the retention of these words, if you will disregard the interests of the sugar refiners, and I say that the tariff is not the place to protect the American people against adulterated food. There are other laws and other ways in which to protect us against frauds of that character that can be employed to much greater advantage than you can employ the duties in the tariff law.

Mr. ALDRICH. Mr. PRESIDENT——

The PRESIDING OFFICER. Does the Senator from Iowa again yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. The Senator's answer would be those sugars may not be adulterated. It is not a question of adulteration at all. It is a question of saccharine strength. The other components may be one thing or another. They are not necessarily deleterious at all. But is the Senator willing to admit the statement which I made that the effect of striking out this provision would be to let in sugars of the color of 20 or below—from 18 to 20—at less than half, or at about half, what the present law does?

Mr. CUMMINS. Mr. President, I am willing to admit that, physically, that is possible; that if you can, as I am told by some operation you can, bleach the molasses color of sugar, or whatever other coloring the crystals may have, you can bleach those—I call them "impurities," although that may not be the proper word—that sugar might come in upon the duty prescribed for its saccharine purity; but that sugar could not be sold to the American people for sugar. It does seem to me a little inaccurate to say that such sugar contains no impurities, because pure sugar, we will assume, tests 96 or 100; and whatever you have in that which reduces the saccharine test of purity of that sugar to 75 or 80 is an impurity.

Mr. ALDRICH. No.

Mr. CUMMINS. It is an impurity, so far as the sugar is concerned. It may not be deleterious. I rather agree with the Senator from Rhode Island upon that point. I can perceive that possibly there is some sugar which you could import—sugar of a lower quality, not injurious to health. I do not speak with authority upon that subject; but I do know that if that sugar were to be admitted, as it ought to be admitted, upon the saccharine test, there is a way in which we can protect the American people from such impure sugar without compelling all the raw sugars of the world, or those that we import, to pass into the hands of the sugar refiner.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. Yes.

Mr. ALDRICH. I should like to get, if I could, from the Senator from Iowa, who, as I understand, is speaking more or less as a friend of the beet-sugar producers of this country, an answer to my suggestion.

Mr. TILLMAN. Mr. President, we can not hear the Senator from Rhode Island.

Mr. ALDRICH. I said I should like to ask the Senator a question, if I could get an answer, because, as I understand, he is speaking more or less for the interests of the beet-sugar producers of the United States. Does the Senator believe that a provision of law which allowed white sugar, which could come into actual competition with the sugar produced by the beet-sugar manufacturers of the United States, to come in at half the present rate of duty, would be beneficial to the beet-sugar producers of the United States?

Mr. CUMMINS. Mr. President, that operation would not be beneficial to the beet-sugar producers of the United States, and my suggestion does not involve any such result.

Mr. ALDRICH. If the Senator will permit me, the striking out of those words involves that very act, and can be shown to be nothing else.

Mr. CUMMINS. Mr. President, at that point the Senator and myself disagree. I do not believe that there is any process that can be used that will whiten sugar so that it will be permanent, and so that it can be substituted for real sugar. I can not think for a moment that it is necessary, in order to guard the American people against that sort of fraud and that impurity of manufacture, if you please, that we shall maintain this artificial and, as I think, unscientific standard of measuring sugar. After all, it comes, even upon the confession of the Senator from Rhode Island, to the one end, that, in order to secure pure sugar for the American people, we must have all of the cane sugar pass through the hands of the American sugar refiner. That is the ultimate end of the observations made by the Senator from Rhode Island.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa again yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. The Senator is trying to shift the issue on to what he calls "adulterated sugar." There is no such thing as adulterated sugar. Seventy-eight-test sugar is not adulterated sugar. Eighty-three and 85-test sugars, which come into this country, are not adulterated sugars. They may contain substances which are not necessarily beneficial, but they are not substances which are deleterious. Up to within a very few years everybody in the United States—the Senator from Iowa, myself, and everybody—used brown sugars. There was no suggestion that they were deleterious. They were not adulterated sugars at all. That is not what I am talking about. They were natural sugars, produced by processes which did not eliminate all the substances, except the crystals of the sugars. I repeat they are not adulterated sugars. They would come into this country and would be sold to the consumers in this country in direct competition with the beet sugar. That is the fact; and you propose by this process, which I will not characterize at the moment, to absolutely destroy the benefits of a tariff to the beet-sugar producers of the United States.

Mr. CUMMINS. Mr. President, the variety of the human mind is so infinite that we can reach varying conclusions apparently from the same premises. Tested by the things which I believe I know and the things that have come to me from the study of this subject, the statement of the Senator from Rhode Island merely confirms what I am trying to prove. I know that light sugar could enter if this standard were stricken out. That is just what I want—some light sugars of high saccharine quality and light color test entering. I do not mean fraudulent sugars, which the Senator has in his mind, but which he disclaims are fraudulent. It is not quite accurate to say that an article that tests 75° by the polariscope is unadulterated sugar. It may not contain anything which is injurious to health, but it has in it a great deal that is not sugar, and which ought to be removed before the article becomes merchantable. But when you present to me a sugar 19 or 20 in color and of the 92 or 94 or 96 test, that sugar would come in at the rate that is established by the bill.

Mr. ALDRICH. Is the Senator willing to admit that those sugars would come into competition with the beet sugars produced in the United States?

Mr. CUMMINS. My answer to that is, inasmuch as the Senator combines the legal possibilities of admission at the custom-houses with the practical admission to our markets for our people, my answer is no; they would not come into competition, because no country would permit its people to be so defrauded and so deceived, and no dealer would dare to enter upon a business that would destroy his reputation within a single month. We have a standard of sugar in our country, and if a white sugar comes in and is sold by a dealer it must conform practically in its standard of sweetness to the sugar that comes from the refiner and from the beet-sugar manufacturer.

Mr. ALDRICH. Mr. President, take two other examples. Take Cuban centrifugal, which tests 96, and which can be made as white as granulated, and to-day, under the changes suggested by the Senator from Iowa, that would be 1.32 from Cuba as against 1.90, or a reduction of about fifty-eight one-hundredths. That would come into competition immediately with the beet-sugar product of the United States at every point. Does the Senator believe that that is a wise thing to do?

Mr. CUMMINS. No.

Mr. ALDRICH. That is the proposition.

Mr. CUMMINS. That would not happen either under the suggestion I have made——

Mr. ALDRICH. It will happen just as sure as one day follows another, and it can be shown beyond question that it will happen.

Mr. CUMMINS. Mr. President, it is utterly impossible to happen——

Mr. SMITH of Michigan. No.

Mr. CUMMINS. My friend the Senator from Michigan assures me that it will happen, and of course he has great support in the Senator from Rhode Island; but I say it would not happen.

Mr. ALDRICH. Why not?

Mr. CUMMINS. The reason it would not happen is that if you take this sugar schedule and attach a duty to the refined sugar, whether it be $1.95 or $1.90—I am not arguing as to the extent of the duty necessary to protect the American market in refined sugar, and you will bear me witness that I have not suggested the degree of duty necessary to accomplish that result—but when you have established the duty upon refined sugar and then levy an equivalent duty on all the sugar that is brought into our market, the Senator from Rhode Island knows that a sugar which tests 96° can not enter our market at a rate of duty of $1.32 if the refined 100° sugars pay $1.90 or $1.95.

Mr. ALDRICH. But, Mr. President, the Senator proposes to adhere strictly to the polariscopic test.

Mr. CUMMINS. I do.

Mr. ALDRICH. And 96 sugars would pay then, as they pay now, $1.32 from Cuba; and whether they were white or not would depend upon whether this provision in regard to the Dutch standard be maintained. If they were imported below No. 16, then there would be no active competition, if you please, between the 96° sugar and the beet sugar, but when you permit the sugar producers of Cuba to bring 96-test centrifugals into this country white, they immediately come into competition with the beet-sugar producers of the United States at every point in our country, and you permit those sugars to be brought in fifty-eight one-hundredths of a cent a pound less than they can be brought in under the proposition of the committee.

Mr. CUMMINS. Mr. President, the Senator from Rhode Island is carrying on his computation upon the basis of the bill that is presented. He has not apparently heard what I have suggested, and which forms the basis of all that I have said.

There are two things that I would do with this sugar schedule: First, strike out this standard of color, and, second, destroy entirely the differential which has been so frequently mentioned here as being necessary for the cane-sugar refiners. I will carry out the computation.

Suppose that 100° sugar—to give an illustration that will be more easily understood—bears a duty of $1.90; suppose we reduce—although I do not say that is the right figure, for I have yet to reach a conclusion upon that—but suppose we reduce the duty 3½ cents a hundred pounds on each reduction in degree as shown by the polariscope; then, when your Cuban sugar of 96 test comes in, it will come in under a duty of 14 cents less than the refined sugar. Fourteen cents a hundred pounds from $1.90 a hundred pounds is $1.76 a hundred pounds. That is what the Cuban sugar, to which the Senator has referred, would pay under the plan that I believe to be necessary for the protection and preservation of our own manufacturers; and that is the thing which will at least put the sugar refiner upon an even plane with the beet-sugar man. He will then have abundant opportunity in the sugars that come in without paying duty to reap all the reward that he is entitled to; but he will not be so prominent and will not be so dominant in the business as he is now. Some little part of his great profits will be withdrawn from him; and in just so far as you withdraw them, you give the beet-sugar man a chance to live.

Mr. ALDRICH. Will the Senator permit me to ask him one more question, and then I will not further disturb him?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. I have about reached the end of my argument.

Mr. ALDRICH. I will ask the Senator just one more question.

Mr. CUMMINS. I will gladly answer it.

Mr. ALDRICH. Does the Senator think that the same rate of duty ought to be imposed upon 96-test sugars that are 16 in color and 96 sugars that are 20 in color?

Mr. CUMMINS. I do.

Mr. ALDRICH. That is the whole controversy.

Mr. CUMMINS. I do believe that the duty should be imposed, Mr. President, exactly as you impose the duty on lead ore—upon the lead—whether it is 20 per cent, or 30 per cent, or 50 per cent. You should impose a duty upon the sugar, not upon the impurities that may be in the sugar, and not upon the coloring of the sugar crystals.

Mr. ALDRICH. If the Senator will permit me, I will ask him one other question. Does the Senator think that No. 20 sugars, 96 test, would compete in this country with the products of the beet-sugar factories?

Mr. CUMMINS. In a way, Mr. President. As I have said many times, if the American taste should be so changed as to demand or consume the brown sugars or the unrefined sugars, then the unrefined sugars would compete with the products of the beet-sugar factories; but they would not so unfairly compete with the products of the beet-sugar factories as would that same sugar after it had passed through the hands of the cane-sugar refiner and had been put into competition or into opposition with him as exactly the same thing and at a price fixed absolutely by the American Sugar Refining Company——

Mr. ALDRICH. Is the Senator willing to admit that 96 sugars, 20 in color, under the suggested amendment, would pay fifty-eight one-hundredths of a cent less duty than they do under the present law?

Mr. CUMMINS. I have not computed it, and I do not know; but you will observe——

Mr. ALDRICH. I have computed it, and I do know.

Mr. CUMMINS. Then I would be very glad if the Senator would state it positively as a statement, rather than as a question.

Mr. ALDRICH. I state it as a fact.

Mr. CUMMINS. Very well; I accept that.

Mr. ROOT. Mr. President, I do not desire to interrupt the Senator in the course of his argument, but I should like to ask permission to present a paper——

The PRESIDING OFFICER. Does the Senator from Iowa yield for that purpose?

Mr. ROOT. I will say to the Senator from Iowa that I rose because I understood that he was about to conclude.

Mr. CUMMINS. I am.

Mr. ROOT. And I wish to present a paper.

Mr. DANIEL. Mr. President——

Mr. CUMMINS. I will be through in a few moments. I now yield to the Senator from Virginia [Mr. DANIEL], who desires to ask me a question.

Mr. DANIEL. Mr. President, as I am advised, sugars are whitened by refinement and also by bleaching, and the darker sugars which appear from Cuba are generally bleached. They appear to be white, and are so much like refined sugar that the eye will not distinguish them. The question is this: If you put the same tariff on both of these sugars, refined sugar and sugar above No. 16 Dutch standard, is not that Dutch-standard sugar bleached and not refined, and will it not result in bleached sugar passing on the market and being imposed upon the people as refined sugar with an underdegree of saccharine matter in it?

Mr. CUMMINS. Mr. President, the question propounded by the Senator from Virginia is exactly the question asked a few moments ago by the Senator from Rhode Island, and I answer it in the same way. Theoretically it would be possible to bring in bleached sugar of low polariscopic test; but practically and commercially it would not be possible, because our laws with respect to fair dealing in trade and the established practices and customs of the people would not permit a fraud of that character. Therefore, I am not at all terrified by any such suggestion as that, because that can be done now. The Louisiana cane-sugar refiner can adulterate his sugar and put it on the market if he wants to; but why does he not?

Mr. FOSTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Louisiana?

Mr. CUMMINS. Certainly.

Mr. FOSTER. Does the Senator mean to say that the Louisiana producers adulterate their sugar?

Mr. CUMMINS. I hope the Senator will not think I said that; but it is suggested here that we can not strike out this color test, because it will permit some person of fraudulent disposition to deceive those who are to use or eat sugar and to put upon the market a white sugar too low in the polariscopic test.

Now, I say that if that is practical, if that were found to be commercially possible, we have the sugar territory, in Louisiana and Porto Rico and Hawaii, and all of the sugar manufacturers or producers could resort to that way of deceiving the people if they wanted to. The fact that they have not done so and are not doing so is conclusive with me that it would not occur in those countries from which sugar is imported under duty.

Mr. FOSTER. Does the Senator understand that the question of adulteration is involved in this proposition at all? It is not a question of the adulteration of sugar; it is simply putting upon the market a low grade of sugar, the color of which has been improved, and selling that low grade of sugar in com-

petition with high-grade sugar. There is no question of adulteration.

Mr. CUMMINS. Mr. President, I will answer the Senator from Louisiana by asking him another question. That is quite a familiar way of answering questions here, I have discovered. I ask him, if it is profitable, why do not the planters in Louisiana, or the sugar men of Louisiana, put upon the American market a white sugar of low polariscopic test and sell it for the same price at which the American Sugar Refining Company sells its 100° or its 96° sugar?

Mr. FOSTER. Because it would be dishonest to do so.

Mr. CUMMINS. And so I believe that all the other sugar producers are honest; and therefore we need not guard ourselves against any such contingency.

Mr. FOSTER. Will the Senator yield to me again?

Mr. CUMMINS. Yes.

Mr. FOSTER. It is not a question of the adulteration of sugar.

Mr. CUMMINS. I understand that, Mr. President.

Mr. FOSTER. There is absolutely no such question; but under the operation of the pending bill, if it shall become a law, if the 16 Dutch standard is abolished, the foreign manufacturer of sugar can bring into this country a low-testing grade of sugar highly colored, pay the lowest duty upon it, and bring that sugar in competition with the higher grades of sugar; for instance, the principal imports of sugar into this country are from Cuba. This sugar comes in at about 95 or 96° paying, according to the polariscopic test, the duty imposed upon that character of sugar. Now, we in the State of Louisiana make a certain grade of sugar called "yellow clarified" or "white sugar." We make also the 96° test, which goes practically to the refiner; but the 98°, what is called the "yellow clarified"—the white sugar—goes very largely into the trade; and, as I have stated, the telegram I received the other day shows that this business is growing considerably in Louisiana.

Now, if you abolish that standard, you simply permit the Cuban to wash his sugar, give to it a high color, pay a low duty upon it, and put it upon the market in competition with our sugar, when his is an inferior sugar, and the reason he can sell it is simply through the deception practised upon the eye. The buyer of sugar by retail has no polariscope. He can not test the sugar that he is buying, and this washed sugar or this highly colored sugar from Cuba can come in competition with our sugar, which is a higher grade sugar, and the purchaser will not get a pure sugar. He will not get the best grade of sugar, but an inferior grade, and not know it, by reason of the color. If you abolish——

Mr. CUMMINS. I am sure the Senator does not intend to keep me standing while he makes a speech.

Mr. FOSTER. No.

Mr. CUMMINS. I am very glad to yield for any question.

Mr. FOSTER. That is all I was going to say.

Mr. CUMMINS. Now, what was the Senator's question?

Mr. FOSTER. I think the Senator asked me some question—what was the practice of the Louisiana sugar planters, or what might be their practice, in the matter of the adulteration of sugar. I beg pardon of the Senator if I took up his time.

Mr. CUMMINS. No; not at all. I made this last suggestion simply in order that I might keep my remarks connected, in accordance with my former observations. Now, I answer the Senator from Louisiana. He is afraid that if we allow white sugar—that is, artificially produced white sugar—to come in, of low polariscopic test, our merchants will sell it to our consumers, who have no polariscope, and that therefore they will buy a 75° sugar, believing that they are buying the 96° sugar. It would be just as profitable for the Louisiana planter to do that as it would be for the Cuban planter to do it.

The Louisiana planter is here without any duty. The Cuban planter pays a duty on his sugar according to the polariscopic test, no matter what color it may be. If it is above No. 16 Dutch standard, he pays the full duty, and he would make money, if at all, by palming off upon the people a sugar white in color but low in sweetness; and the Louisiana planter could do just the same thing if he wanted to do it. It is not fair to assume that the Cuban planter would do, in violation of the laws of morality and in violation of the customs of trade, what the Louisiana planter refuses to do, because he wants to obey the laws of honesty and fair dealing.

Mr. TILLMAN. In behalf of the consumers, of whom I am one, I want to protest against the proposition that we are such fools that when we go into a grocery store we will not be able to detect by the moisture whether or not there is any remnant of molasses left in the sugar, no matter what the color of it may be. Long ago, when the tariff was different, we bought a white C sugar, just as white as the sugar we now get, the loaf sugar, or cut sugar, or granulated sugar; but it was moist, and it would always harden in the barrel, so that you would have to take a pickax, almost, to dig it to pieces to get the sugar dish full; and I find that the American consumer will always protect himself against this fraud of which the Senator from Rhode Island and the Senator from Louisiana speak, and about which they are so solicitous. Our people are not all idiots.

Mr. CUMMINS. I think the Senator from South Carolina has really suggested the remedy which we ought to apply in such a case, and in every other case. We do not have to procure a guardian to accompany the American people all their lives, even if we do have to erect a support sometimes by which our manufacturers may be sustained.

Mr. President, I have now finished my remarks. I am perfectly aware that they have been disjointed and somewhat disconnected. They were properly arranged in my own mind before I began; but if any Senator can stand here and pursue any preconceived plan in submitting a question to the Senate, he will be more successful than I have seen any Senator in debate. But I have attempted to show, first, that the color standard proposed in this law ought to be eliminated, not only for the sake of the consumer, but in order properly to protect the beet-sugar producer; second, that the differential, which is said to be granted in order to sustain the cane-sugar refiners in the United States, should be annihilated, and we should allow all our sugars to come in upon a duty fixed, first, as to refined sugar, the 100° sugar, and then downward according to the saccharine contents of the sugar imported. In that way we can reduce the cane-sugar refiner to a fair profit, and we will stimulate and promote the welfare of the beet-sugar manufacturer.

Mr. SMITH of Michigan. Mr. President, in order to throw some light on the Dutch standard controversy, I am going to send to the desk and have read a letter from Mr. F. R. Hathaway, one of the prominent officers of the Michigan Sugar Company, representing the beet-sugar industry of my State, a man who has given more thought and study to this question than almost any other man I know. I hope the information he gives may be useful to the Senate.

The VICE-PRESIDENT. If there be no objection, the Secretary will read the letter.

Mr. SMITH of Michigan. I should like to have the attention of the Senator from Kansas [Mr. BRISTOW] to this letter, and I wish I might also have the attention of the Senator from Iowa [Mr. CUMMINS].

The VICE-PRESIDENT. The Secretary will read.

The Secretary read as follows:

WASHINGTON, D. C., *May 26, 1909.*

HON. WILLIAM ALDEN SMITH,
United States Senate.

DEAR SIR: Sugar can be whitened either by bleaching or refining. You can bleach 93° sugar so that it will be as white as refined granulated sugar testing 100°. The consumer who buys such sugar gets 93 pounds of sweetness and pays for 100 pounds. Such sugar is a fraud on the consumer, who has no means of detecting the difference.

With the Dutch standard provision in the law 93° bleached sugar can not enter the United States under terms of this bill without paying a duty of $1.90 per 100 pounds. With the Dutch standard provision left out, it would only pay $1.58 per 100 pounds.

If the people want to buy brown sugar that has not been refined, they have 1,000,000 tons of such sugar absolutely duty free to draw from, the product of Hawaii, Porto Rico, and Louisiana.

Respectfully,

F. R. HATHAWAY.

Mr. ROOT. Mr. President, it is not my purpose to enter upon the discussion of this schedule; but there came to me yesterday three of my constituents from New York who are engaged in the refining of sugar, all of them known to me as men of high character and standing in the community in which they live. They made certain statements to me which I asked them to put in writing over their signatures; and in order that the Senate may not pass upon the question which is now before it under the impression that there are no genuine and bona fide refiners of sugar in the United States except the American Sugar Refining Company, I ask the Senate to permit the reading from the desk of this statement.

The VICE-PRESIDENT. If there be no objection, the Secretary will read.

The Secretary read as follows:

WASHINGTON, D. C., *May 26, 1909.*

The refining of cane sugar in the United States is done by the American Sugar Refining Company and the National Sugar Refining Company, and by the following independent refining companies:

Arbuckle Brothers, of New York.
The Federal Sugar Refining Company, of New York.
The Warner Sugar Refining Company, of New York.
The McCahan Sugar Refining Company, of Philadelphia.
Henderson's Sugar Refining Company, of New Orleans.
The Hawaiian Sugar Refining Company, of San Francisco.
The Revere Sugar Refining Company, of Boston.

The amount of sugar refined by the American Sugar Refining Company and the National Sugar Refining Company in the year 1908 was 66.85 per cent, say 1,679,286 tons.

The amount of sugar refined by the above-named independent companies in the year 1908 was 33.15 per cent, say 832,712 tons.

The undersigned J. F. Stillman is manager of the sugar business of Arbuckle Brothers. He states of his own knowledge that Arbuckle Brothers are entirely independent of the American Sugar Refining Company, and that that company has no interest whatever therein, and that there is no agreement whatever as to prices between the two.

The undersigned Pierre J. Smith is secretary of the Federal Sugar Refining Company. He states of his own knowledge that the Federal Sugar Refining Company is entirely independent of the American Sugar Refining Company, which has no interest whatever therein, and that there is no agreement whatever as to prices between the two.

The undersigned C. M. Warner is president of the Warner Sugar Refining Company. He states of his own knowledge that the Warner Sugar Refining Company is entirely independent of the American Sugar Refining Company, which has no interest whatever therein, and that there is no agreement whatever as to prices between the two.

The undersigned further state that as to the other independent companies they are familiar with the sugar business, and to the best of their knowledge the American Sugar Refining Company has no interest in them or any of them.

J. F. STILLMAN.
PIERRE J. SMITH.
C. M. WARNER.

Mr. OWEN. Mr. President, I have listened with interest to the Democratic Senators from Louisiana urging a tariff rate on sugar which will give "protection" to the sugar planters of Louisiana, Colorado, and other States, and the citations of the junior Senator from Louisiana, quoting Washington, Jefferson, Madison, Andrew Jackson, and various great Democrats down to Samuel J. Tilden, showing that they approved—incidental—protection under a revenue-producing tariff.

I have observed the vote of various Democratic Senators for a revenue duty, with its incidental protection, on lumber, iron, and so forth, and various Democratic speeches favoring a duty on articles produced in their several States, with rates which carried incidental protection to such industries.

It has been suggested in various ways that the action of these Senators was not Democratic. Mr. President, I do not agree with the suggestion that this is necessarily a just criticism of their action.

Mr. President, the first duty of a Democratic representative is to represent the will of the people who have sent him. He has no right, in my opinion, to disregard the well-known wishes of the great majority of the people of his State, and should resign if he can not represent them.

He has a right to believe, however, that when he is nominated and elected by the Democrats of his State he is elected by those who believe substantially in the teaching of Democracy. And I respectfully submit that these Senators have not violated the true canons of the Democracy when they vote for a tax on lumber, or on lead and zinc, or hides, or on pineapples, when they represent the wishes of the majority of the people of their States, provided always that the duty imposed is not prohibitive, does not prevent competition, and is laid at a point not in excess of a maximum revenue-producing point.

Article I of section 8 of the Constitution lays down the authority of Congress, which every Senator must construe on honor to the best of his judgment and according to the dictates of his conscience—

That the Congress shall have power to levy and collect taxes, duties, imposts, and excises to pay the debts and to provide for the common defense and general welfare of the United States.

When, under the color of raising the revenue for the common defense and general welfare of the United States, a duty is imposed having for its purpose to prevent importations and prevent a revenue being derived from such pretended revenue law, it is a transparent wrong, a violation of the spirit of the Constitution itself, and is not Democratic doctrine. Taxation can only have for its legitimate object the raising of money for public purposes and the proper needs of government economically administered, and the exaction of moneys from citizens for other purposes and to favor private interests at the expense of all the people is not a proper exercise of this power. No one has more strongly expressed than Cooley the distinction between a duty imposed for revenue under the constitutional authority and a duty imposed for the purpose of preventing imports, and thereby protecting some industry from competition. Cooley says:

It is only essential that the legislature keep within its proper sphere, and should not impose burdens under the name of taxation *which are not taxes in fact;* and its decision as to what is proper, just, and political must *then* be final and conclusive. (Con. Lim., 7th ed., p. 678.)

John Marshall said, in McCulloch *v.* Maryland (4 Wheat., 316):

The power of taxing the people and their property is essential to the very existence of government, and may be legitimately exercised on the objects to which it is applicable to the utmost extent to which the government may choose to carry it. The only security against the abuse of this power is found in the structure of the government itself. In imposing a tax the legislature acts upon its constituents. This is, in general, a sufficient security against erroneous and oppressive taxation. The people of a State, therefore, give to their government a right of taxing themselves and their property; and as the exigencies of the government can not be limited, they prescribe no limits to the exercise of this right, resting confidently on the interest of the legislator and *on the influence of the constituents over their representative to guard them against its abuse.*

And in the case of Providence *v.* Billings (4 Pet., 514) he said:

The power of legislation, and consequently of taxation, operates on all persons and property belonging to the body politic. This is an original principle, which has its foundation in society itself. It is granted by all for the benefit of all. It resides in the government as part of itself, and need not be reserved where property of any description, or the right to use it in any manner, is granted to individuals or corporate bodies. However absolute the right of an individual may be, it is still in the nature of that right that it must bear a portion of the public burdens, and that portion must be determined by the legislature. *This vital power may be abused;* but the interest, wisdom, and justice of the representative body and its relations with its *constituents furnish the only security* where there is no express contract against unjust and excessive taxation, as well as against unwise legislation generally.

With the consent of the Senate, I desire to insert in the RECORD an extract from Cooley and from the decisions of the Supreme Court upon this point.

The VICE-PRESIDENT. Without objection, consent is given. The matter referred to is as follows:

THE PURPOSES OF TAXATION.

Constitutionally a tax can have no other basis than the raising of a revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is, not to raise a revenue, *but to discourage and indirectly prohibit some particular import for the benefit of some home manufacture, may well be questioned as being merely colorable,* and *therefore not warranted by constitutional principles.* But if any income is derived from the levy, the fact that *incidental protection* is given to home industry *can be no objection to it,* for all taxes must be laid with some regard to their effect upon the prosperity of the people and the welfare of the country, and their validity can not be determined by the money returns. This rule has been applied when the levy produced no returns whatever; it being held not competent to assail the motives of Congress by showing that the levy was made, not for the purpose of revenue, but to annihilate the subject of the levy by imposing a burden which it could not bear. (Veazie Bank *v.* Fenno, 8 Wall., 533.) Practically, therefore, a law purporting to levy taxes, and not being on its face subject to objection, is unassailable, whatever may have been the real purpose. And perhaps even prohibitory duties may be defended as a regulation of commercial intercourse.

LEVIES FOR PRIVATE PURPOSES.

Where, however, a tax is avowedly laid for a private purpose, it is illegal and void. The following are illustrations of taxes for private purposes. A tax levied to aid private parties or corporations to establish themselves in business as manufacturers (Loan Association *v.* Topeka, 20 Wall., 655, 663; Allev *v.* Jay, 60 Me., 124); a tax, the proceeds of which are to be loaned out to individuals who have suffered from a great fire (Lowell *v.* Boston, 11 Mass., 454); a tax to supply with provisions and seed such farmers as have lost their crops (State *v.* Osawkee, 14 Kans., 418); a tax to build a dam, which, at discretion, is to be devoted to private purposes (Attorney-General *v.* Eau Claire, 37 Wis., 400); a tax to refund moneys to individuals, which they have paid to relieve themselves from an impending military draft (Tyson *v.* School Directors, 51 Penn., Sr., 9; Crowell *v.* Hopkinton, 45 N. H., 9; Usher *v.* Colchester, 33 Conn., 567; Freeland *v.* Hastings, 10 Allen (Mass.), 570; Miller *v.* Grandy, 13 Mich., 540); and so on. In any one of these cases the public may be incidentally benefited, but the incidental benefit is only such as the public might receive from the industry and enterprise of individuals in their own affairs, and will not support exactions under the name of taxation.

But, primarily, the determination what is a public purpose belongs to the legislature, and its action is subject to no review or restraint *so long as it is not manifestly colorable. All cases of doubt must be solved in favor of the validity of legislative action,* for the obvious reason that the question is legislative, and only becomes judicial when there is a plain excess of legislative authority. A court can only arrest the proceedings and declare a levy void when the absence of public interest in the purpose for which the funds are to be raised is so clear and palpable as to be perceptible to any mind at first blush. (Broadhead *v.* Milwaukee, 19 Wis., 624, 652; Cheaney *v.* Hooser, 9 B. Monr. (Ky.), 330, 345; Booth *v.* Woodbury, 32 Conn., 118, 128; Hammett *v.* Philadelphia, 65 Penn. St., 146; Tide Water Co. *v.* Coster, 18 N. J. Eq., 518.)

But sometimes the public purpose is clear, though the immediate benefit is private and individual. For example, the Government promises and pays bounties and pensions; but in every case the promise or payment is made on a consideration of some advantage or service given or rendered or to be given or rendered to the public, which is supposed to be an equivalent; and the law for the payment has in view only the public interest, and does not differ in principle or purpose from a law for the payment of salaries to public officers. The same is true where a State continues the payment of salaries to officers who have been superannuated in its service. The question whether they shall be paid is purely political and resolves itself into this: Whether the State will thereby probably secure better and more valuable service, and whether, therefore, it would be wise and politic for the State to give the seeming bounty.

Where a law for the levy of a tax shows on its face the purpose to collect money from the people and appropriate it to some private object, the execution of the law may be resisted by those of whom the exaction is made, and the courts, if appealed to, will enjoin collection or give remedy in damages if property is seized. But if a tax law on its face discloses no illegality, there can in general be no such remedy. Such is the case with the taxes levied under authority of Congress; they are levied without any specification of particular purposes to which the collections shall be devoted, and the fact that an intent exists to misapply some portion of the revenue produced can not be a ground of illegality in the tax itself. In cases arising in local government an intended misappropriation may sometimes be enjoined; but this could seldom or never happen in case of an intended or suspected misappropriation by a State or by the United States, neither of them being subject to the process of injunction. The remedies for such cases are therefore political and can only be administered through the elections. (Cooley's Principles of Constitutional Law, Chap. IV, p. 57, The Powers of Congress.)

The bills of rights in the American constitutions forbid that parties shall be deprived of property except by the law of the land; but if the prohibition had been omitted, a legislative enactment to pass one man's property over to another would, nevertheless, be void. (See Cooley's Con. Limitations, p. 208.)

Nor, where fundamental rights are declared by the Constitution, is it necessary at the same time to prohibit the legislature, in express terms, from taking them away. The declaration is itself a prohibition, and is inserted in the Constitution for the express purpose of operating as a restriction upon legislative power. (See Cooley's Con. Limitations, p. 209.)

Cooley also states on page 587, in speaking of the power of taxation, as follows: "Taxes are defined to be burdens or charges imposed by the legislative power upon persons or property, to raise money for public purposes."

Again, on page 598, he says: "Everything that may be done under the name of taxation is not necessarily a tax; and it may happen that an oppressive burden imposed by the Government, when it comes to be carefully scrutinized, will prove, instead of a tax, to be an unlawful confiscation of property, unwarranted by any principle of constitutional government. In the first place, taxation having for its only legitimate object the raising of money for public purposes and the proper needs of government, the exaction of moneys from the citizens for other purposes, is not a proper exercise of this power, and must therefore be unauthorized."

The Supreme Court of the United States, in the Topeka case, said:

"To lay with one hand the power of the Government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprises and *build up private fortunes is none the less a robbery because it is done under the forms of law and is called taxation.* This is not legislation; it is a decree under legislative forms." (20 Wallace, 664, in Loan Asso. *v.* Topeka.)

Mr. OWEN. Mr. Cooley, in Constitutional Limitations, points out with great force that a legislator has no constitutional right, under the color of imposing a duty by which to raise revenues, to pass a law which, in fact, has the purpose to prevent importation and the raising of revenue by such pretended duty, but which in reality has for its purpose *to build up private fortunes by preventing competition.*

The Democracy has declared in one of its planks in the platform of 1892 in favor of a tariff for "revenue only," which is only another way of saying that duties shall not be imposed for any other *purposes* than revenue; that they shall not be imposed for the purpose of excluding importations and giving monopoly to combinations in this country, against which the Democracy has continually protested since 1892; but this language can not justly be construed to mean a declaration against incidental protection. The fact that it was so unjustly construed led the Democrats to drop the word "only" in the platform of 1896, thus affirming the doctrine of the Democracy that incidental protection is entirely just when equitably distributed.

Every *tariff for revenue* and *for revenue only* carries with it an unavoidable "protection." This unavoidable protection is called "incidental protection"—that is, a protection incidental to the raising of revenues under a constitutional tariff.

To say, therefore, that it is undemocratic to demand the incidental benefits or incidental protection of a revenue-producing tariff to be equitably distributed is utterly unreasonable and absurd. The very essence of Democracy is *equality before the law* and *under the law*, and since every tariff for revenue carries an incidental protection, it is perfectly just and perfectly right to ask that its benefits be equitably distributed. I therefore have no fault to find with Democrats who, representing their own States, demand a tariff for revenue which shall give incidental protection to their own States.

I venture to say that the Democratic Senators from Louisiana would probably cease to represent that State if they ignored the wishes of the people of that State in laying a revenue-producing duty carrying incidental protection to the sugar planter.

I should myself vote for a lower duty on sugar and increase the competition with the American Sugar Refining Company, whose exactions I think too great. Indeed, I favor free lumber, paper and wood pulp, free iron, free coal, free wool, and free hides, and free raw materials as a general rule. But I shall not take issue with the Democratic Senators of Louisiana because they represent the will of the constituency which sent them *nor read them out of the party.* If the Senators from Louisiana advocated a duty so high as to exclude foreign sugar from our country, cutting off potential foreign competition and establishing a complete monopoly behind a tariff wall for the sugar planter, I should then say, that although they claimed to be Democrats and claimed to represent a Democratic State, they were not Democrats on this sugar schedule and that their State was not Democratic in regard to this schedule, but, notwithstanding that fact, I should even in that contingency *still be glad to see their cooperation in every other respect with the organized Democracy.*

Mr. President, I can not approve the view of those statesmen who lay down too hard and fast or dogmatic rule by which they approve or condemn a man who claims to be a Democrat, and would refuse political association to a man who believes with the Democracy in the body of the Democratic doctrine, but represents occasionally a local interest at variance with a national platform. No member of any great political party agrees in every particular with every other member of that party. There must be greater or less differences among six or eight millions of people as to what constitutes Democracy, and as to what constitutes Republicanism. As I understand the differences the Democratic doctrine insists on freedom of speech, freedom of the press, freedom of conscience, the equality of all citizens before the law, the greatest good to the greatest number, the faithful observance of constitutional limitations, and believes in as great a measure of decentralization as is consistent with the strict exercise of the national function, while the Republican party generally believes in the greatest exercise of the national function, unmindful or in willful disregard of the reserved rights of the States, although against this is recently appearing some respectable Republican reaction, and therefore the tendency of the Republican party is to give constantly increasing powers to the centralized government, while the Democratic party insists that the powers of government should be retained as near to the people as possible. The Democratic party would trust the people more; the Republican party would trust the convention leaders of the people more; the Republican party would exclude foreign competition, actual or potential, for the benefit of certain favored individuals and the enrichment of private persons and corporations, while the Democratic party would favor a tariff for revenue carrying incidental protection, but not to the extent of cutting down the revenue by being above the maximum revenue-producing point or cutting off foreign competition and so establishing monopoly.

Both parties declare themselves attached to purity of government, and both parties practice it just in degree as the judgment and the consciences of the local constituencies require.

The Democrats in 1892 denounced Republican protection as a fraud, a robbery of the great majority of the American people for the benefit of the few. It should be observed that it was not protection or incidental protection which was denounced as a fraud; it was "Republican protection" which was denounced as a fraud, as a robbery of the great majority of the American people for the benefit of the few. It was pointed out at the same time by this Democratic platform that this robbery of the great majority was due to monopolies built up as a natural consequence of the prohibitive taxes, which prevented free competition. There is an element of justice and wisdom in so drafting our revenue tariff as to afford incidental protection to American industries. And a tariff for revenue which imposes a duty upon articles of international trade high enough to produce a proper revenue will always be found high enough to protect American labor and the American manufacturer who desires of his fellow-citizens nothing more than a tariff rate which shall equal "the difference in the cost of production at home and abroad."

The Republican party pretends to stand for this, but in the Senate and House have utterly disregarded this rational standard, have ignored "the difference in the cost of production," which will not equal 20 per cent, and written a tariff averaging more than 100 per cent higher than would be required to equal "the difference in the cost of production at home and abroad." They have written a tariff to prevent legitimate competition, and in this manner promote monopoly and favor special persons and corporations at the expense of all the people.

It seems to me that the Democratic party contains within itself and should welcome and embrace all of those whose sympathies are, in the main, with the Democracy, and not impose too narrow or too dogmatic standards of Democracy, which will tend to disintegrate that great party of the people and make its future success impossible.

The first duty of a patriotic minority is to become a majority and write its principles into the laws.

The PRESIDING OFFICER (Mr. ROOT in the chair). The question is on agreeing to the amendment submitted by the Senator from Kansas [Mr. BRISTOW].

Mr. BRISTOW. Mr. President, there has been some discussion here this morning in regard to the Dutch standard, and I feel like I should say a word or two further on the subject.

I made the statement yesterday that there were very few of the commercial nations of the world that now use the Dutch standard. I read a list of 37 that did not use it. Some on that list did formerly use it and have since abandoned it. Quite a large number on that list never used it. It seems to me that that is all it is necessary to say in regard to that feature. The statement I made that 37 out of the 45 nations referred to did not use it is correct and will not be disputed by any Senator on this floor. I may read in this connection a brief extract from one of the works of David A. Wells. He says:

The classification of sugars on the basis of color for revenue purposes was at one time adopted by nearly all the great sugar-importing

countries—that is, the United States, Holland, Belgium, France, Norway, Sweden, and Denmark. Color was also the system used in Great Britain up to 1874, although she never made use of the Dutch standard. In nearly all these countries the Dutch standard has been abandoned.

Mr. President, in regard to the importation of raw sugar of low saccharine strength and bleaching it white so as to put it upon the American market as a refined sugar in competition with refined sugar, it is, in my judgment, a temporary subterfuge made to defeat this amendment. If it is practicable as a commercial proposition to import sugars that are dark, that will grade 75 or 80, according to the polariscope, and whiten them by a process here other than refining, why is it not done now? What is there to prevent any importer from importing raw sugar, grading, say, 75 test by the polariscope, and passing it through this process of whitening and putting it upon the market in competition with refined sugar? He would only pay the duty required by the polariscopic test. Then he could whiten it and make an enormous profit by becoming a competitor of the sugar trust and the sugar refiner. The truth is that such a process is not a practical commercial proposition, and everybody who has given any attention to the subject knows it.

What is there to prevent the planters of Hawaii from making that kind of white sugar and sending it here into the American market to sell? Nothing. The only purpose in defending the Dutch standard as it is now defended is to protect the American sugar refiners and to permit them to collect toll from the American people.

The statement made in the communication presented to the Senate by the Senator from New York [Mr. ROOT] is not denied. There are refineries in the United States that refine sugar other than those controlled by the American Sugar Refining Company. It has not been denied that the American Sugar Refining Company refines not to exceed 50 per cent of the refined sugar that is consumed in the United States, and that the remainder is refined by beet-sugar plants and independent refineries, and some small part imported. But there is no evidence that the American Sugar Refining Company has not the power to determine the cost of sugar to the consumer and the price which is paid to the producer. It is well known in the commercial world that the American Sugar Refining Company is as controlling a factor in sugar transactions as the United States Steel Corporation is in the steel business.

It is customary in this debate, whenever an effort is made to take from a great, dominating commercial institution a part of its power by an equitable adjustment of tariff duties, to appeal pleadingly for the independent, and in this case it is the independent refiner who will be crushed if the power of the great corporation is somewhat curtailed.

It is not my inclination to attack a great corporation because of any prejudice agninst wealth or financial success in the business world. But there are some fundamental requirements that are necessary for the welfare of the American public that should be given consideration here. The only purpose in maintaining the Dutch standard in this country is to prevent the foreign sugars that might be salable here from being offered to the American public at a fair price after having paid the duty they have to pay according to their saccharine strength. In preventing that, you reduce their color to a state that makes them unmarketable, except to the sugar trust, or the sugar refiners, who are dominated by the trust. If the process of making white sugar of low saccharine strength were practicable, it would be practiced in Louisiana to-day; it would be practiced in Porto Rico; it would be practiced in Hawaii; but it is not practiced in any of those countries, and it can not be learned from any scientific authority that can be obtained that the highly colored coarse sugar will not in time return to its original dark color, and even to a darker color.

So I want to appeal to the Senate not to be diverted by these arguments, which are not sound and which are made for the purpose of maintaining the present condition, which is onerous and burdensome to the American sugar producer as well as to the consuming public.

I ask for the yeas and nays on agreeing to my amendment.

The yeas and nays were ordered.

The Secretary proceeded to call the roll, and Mr. ALDRICH responded "nay."

Mr. BACON. I ask that the amendment be read.

The PRESIDING OFFICER. Without objection, the amendment will be read.

The SECRETARY. On page 72, line 23——

Mr. BACON. I should like to ask, as a matter of information, whether anyone has a right to object to the reading of the amendment?

The PRESIDING OFFICER. The Senator from Georgia is better informed than the Chair upon that question.

Mr. LODGE. Let us not debate it.

Mr. BACON. I protest against the habit which is growing up when a question is put that the Secretary is in haste to call the roll before anyone has had an opportunity to ask even that an amendment be read. In any question a Senator has a right to know what the vote is upon. It is the first right of a Senator or of any member of a deliberative body to know what the question is.

The PRESIDING OFFICER. There seemed to be no objection to reading the amendment, and the Chair directed it to be read. In the absence of objection, the Secretary will read the amendment.

Mr. BACON. I do not recognize the right of anybody——

The PRESIDING OFFICER. The roll call had commenced and one Senator had answered to his name.

Mr. BACON. One has a right to be informed at any stage of the question upon which he is called to vote.

Mr. LODGE. Let the amendment be read.

The PRESIDING OFFICER. The amendment proposed by the Senator from Kansas will be read.

Mr. ALDRICH. I withdraw my vote, if that is necessary.

Mr. BACON. The Senator can do as he pleases, but I shall insist on my right, and I shall not waive it in any particular.

The SECRETARY. In paragraph 213, page 72, line 23, after the word "sugar," it is proposed to strike out the words "not above No. 16 Dutch standard in color," and, on page 73, lines 6 and 7, to strike out the words "and on sugar above No. 16 Dutch standard in color."

Mr. ALDRICH. The Senator from Kansas has proposed two amendments. I suggest that to save time the vote be taken on both together.

Mr. BRISTOW. No.

The PRESIDING OFFICER. The roll will be called on agreeing to the amendments of the Senator from Kansas.

Mr. BRISTOW. I should like to inquire if it is parliamentary to suggest the lack of a quorum before taking the vote. I do not think there is a quorum of the Senate here.

Mr. TILLMAN. A roll call will disclose the presence of a quorum.

Mr. NELSON. The Senator has the right to suggest the absence of a quorum at any time.

Mr. BRISTOW. I suggest the absence of a quorum.

Mr. LODGE. The roll call will develop a quorum.

Mr. BRISTOW. I would prefer to suggest the lack of a quorum, and then, after the quorum is here, to have the roll called on agreeing to the amendment, if that is parliamentary.

Mr. LODGE. The roll call has been ordered on the amendment.

The PRESIDING OFFICER. The Chair thinks that the only thing that can be done is to have the roll called on agreeing to the amendment. A roll call was ordered and had commenced, and while the roll call is proceeding the Chair does not see how it can do anything more than to direct the Secretary to proceed with the calling of the roll.

The question was taken by yeas and nays.

Mr. CLARK of Wyoming (after having voted in the negative). I wish to ask if the senior Senator from Missouri [Mr. STONE] has voted?

The PRESIDING OFFICER. The Senator from Missouri [Mr. STONE] has not voted.

Mr. CLARK of Wyoming. I have a pair with that Senator. As he has not voted, I desire to withdraw my vote.

Mr. OWEN. I should like to make a parliamentary inquiry with regard to the recording of pairs which have not been announced on the floor.

The PRESIDING OFFICER. The Chair has no knowledge regarding pairs. It is a matter entirely personal among Senators, and it is not one in which the Chair can interfere.

Mr. SMITH of Michigan (after having voted in the negative). I am paired with the Senator from Mississippi [Mr. MCLAURIN]. I voted under the impression that he was present, but as he is not present, I desire to withdraw my vote. If the Senator from Mississippi were present, I understand that he would vote "yea." I should vote "nay" if he were here.

The result was announced—yeas 36, nays 47, as follows:

YEAS—36.

Bacon	Crawford	Johnston, Ala.	Paynter
Bailey	Culberson	Jones	Rayner
Bankhead	Cummins	La Follette	Shively
Beveridge	Daniel	Martin	Simmons
Bristow	Dolliver	Money	Smith, Md.
Brown	Fletcher	Nelson	Smith, S. C.
Chamberlain	Frazier	Newlands	Taliaferro
Clapp	Gore	Overman	Taylor
Clay	Johnson, N. Dak.	Owen	Tillman

NAYS—47.

Aldrich	Crane	Gallinger	Penrose
Borah	Cullom	Gamble	Perkins
Bourne	Curtis	Guggenheim	Piles
Bradley	Depew	Hale	Root
Brandegee	Dick	Heyburn	Scott
Briggs	Dillingham	Kean	Smoot
Bulkeley	Dixon	Lodge	Stephenson
Burkett	du Pont	McCumber	Sutherland
Burnham	Elkins	McEnery	Warner
Burrows	Flint	Nixon	Warren
Burton	Foster	Oliver	Wetmore
Carter	Frye	Page	

NOT VOTING—8.

Clark, Wyo.	Davis	McLaurin	Smith, Mich.
Clarke, Ark.	Hughes	Richardson	Stone

So Mr. BRISTOW's amendment was rejected.

The PRESIDING OFFICER. The question now arises upon the second amendment offered by the Senator from Kansas [Mr. BRISTOW]. Without objection, the Secretary will read the amendment.

The SECRETARY. In paragraph 213, page 73, line 8, before the word "one-hundredths," strike out "ninety" and insert "eighty-two and one-half," so that if amended it will read: "1 cent and eighty-two and one-half one-hundredths of 1 cent per pound."

Mr. BAILEY. I thought the motion that had been voted on was to strike out certain words in line 23, page 72, and that the next motion would be to strike out, beginning with the word "and," in line 6, page 73.

Mr. BRISTOW. The amendment just voted upon was to strike out, on page 72, line 23, after the word "sugars," the words "not above No. 16 Dutch standard in color;" and also to strike out, on page 73, line 6, after the word "proportion," the words "and on sugar above No. 16 Dutch standard in color."

Mr. BAILEY. Do I understand that we voted on both those amendments at once?

Mr. ALDRICH. Yes.

Mr. BRISTOW. The one amendment involved the striking out of both clauses.

Mr. BAILEY. I was at lunch when the Senators were summoned to a vote. If I had known that that motion included both propositions, I would have insisted upon also striking out, in addition to the words which the motion of the Senator from Kansas included, the words immediately following and down to the word "molasses," in line 9. I do not think we would make much progress by simply striking out the words "Dutch standard in color" and then leaving the words "and on all sugar which has gone through a process of refining."

The way to eliminate the differential entirely from this bill is to strike out everything, beginning with the word "and," in line 6, down to and including the word "pound," in line 9, on page 73. That would destroy the differential, which is the protection to the sugar trust, as well as to all other sugar refiners. If, however, we had simply succeeded in striking out the words "Dutch standard in color" and still left that expression with respect to sugar which has gone through a process of refining, the sugar trust would then claim its differential upon the ground that its sugar had gone through a process of refining. The Senator's present motion now reducing the duty from 1.90 to 1.82½ cents is intended, of course, to eliminate the 7½ cents per hundred differential.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Kansas [Mr. BRISTOW].

Mr. CUMMINS. Mr. President, I do not quite understand the matter as just expressed by the Senator from Texas [Mr. BAILEY]. There is a sense, of course, in which the words "through a process of refining" would apply to the process used by the sugar planter or the sugar factory in throwing off, through the centrifugal force, the particles of molasses attaching to the exterior of sugar crystals; but, as known to the trade, the process of refining does not include that purification, if you please, which is carried on by the southern sugar factory or planter. Therefore I think that the amendment as presented by the Senator from Kansas [Mr. BRISTOW] covers the whole subject. The pending amendment presented by the Senator from Kansas destroys the differential, but it destroys it by reducing the duty on refined sugar to 1.82½ cents instead of 1.90 cents.

I am just as earnestly in favor of protecting the beet-sugar manufacturer now as I was when I made my address this morning; but, while I am in favor of destroying the differential, I am not in favor of destroying it by reducing the duty on refined sugar. Therefore I shall not be able to vote for the amendment now proposed by the Senator from Kansas.

Mr. BACON. If the Senator from Iowa will yield to me for a moment, I wish to ask him for information in what way he would destroy the differential if it is not destroyed by the amendment proposed by the Senator from Kansas?

Mr. CUMMINS. If I were adjusting it, I would leave the duty on refined sugar at $1.90 and raise the duty on raw sugars up to that point, so that there would be no differential, measured by the different descending saccharine tests.

Mr. BAILEY. Mr. President, I was not mistaken in the view which I expressed a moment ago; and that view is perfectly understood by Senators who are interested in the beet-sugar industry. The motion submitted by the Senator from Kansas [Mr. BRISTOW] was intended to strip the sugar trust of its special protection; but by leaving the other words the beet-sugar factories would be undisturbed, and it is absolutely certain that as soon as you had stricken out the "Dutch standard in color" the American Sugar Refining Company and all other cane-sugar refiners would have brought themselves under the remaining language of the act. So, in my opinion, in trying to save the beet-sugar refiner and strike the American sugar trust, we would have missed the point at which we aimed.

I desire to incorporate this in the RECORD, because had I been on the floor instead of at lunch when the motion was about to be submitted, I would have sought to include the additional words which I have indicated.

Mr. President, responding to what the Senator from Iowa [Mr. CUMMINS] has said, I would agree to almost any method of eliminating the differential in favor of the sugar trust. My own view would be to allow the duty to rise under a polariscopic test, because that approaches as nearly to an ad valorem duty, increasing with the increasing value of the sugar, as it is possible for us to devise while applying a specific duty. If I could not strike off the sugar trust's differential, I would feel inclined to increase the duty on raw sugar, so as to absorb it; but as I can not do that, my only chance of depriving the sugar trust of its license to rob the American people is to vote for the pending amendment.

The PRESIDING OFFICER. The question is on the amendment submitted by the Senator from Kansas [Mr. BRISTOW].

Mr. ALDRICH. On that I ask for the yeas and nays.

The yeas and nays were ordered; and the Secretary proceeded to call the roll.

Mr. NIXON (when his name was called). I have a pair for the afternoon with the junior Senator from Arkansas [Mr. DAVIS]. If he were here, I should vote "nay."

Mr. SMITH of Michigan (when his name was called). I again announce my pair with the Senator from Mississippi [Mr. MCLAURIN]. If he were present, I should vote "nay."

The result was announced—yeas 32, nays 53, as follows:

YEAS—32.

Bacon	Crawford	Martin	Shively
Bailey	Culberson	Money	Simmons
Bankhead	Daniel	Nelson	Smith, Md.
Beveridge	Fletcher	Newlands	Smith, S. C.
Bristow	Frazier	Overman	Stone
Chamberlain	Gore	Owen	Taliaferro
Clapp	Johnston, Ala.	Paynter	Taylor
Clay	La Follette	Rayner	Tillman

NAYS—53.

Aldrich	Crane	Gallinger	Penrose
Borah	Cullom	Gamble	Perkins
Bourne	Cummins	Guggenheim	Piles
Bradley	Curtis	Hale	Root
Brandegee	Depew	Heyburn	Scott
Briggs	Dick	Hughes	Smoot
Brown	Dillingham	Johnson, N. Dak.	Stephenson
Bulkeley	Dixon	Jones	Sutherland
Burkett	Dolliver	Kean	Warner
Burnham	du Pont	Lodge	Warren
Burrows	Elkins	McCumber	Wetmore
Burton	Flint	McEnery	
Carter	Foster	Oliver	
Clark, Wyo.	Frye	Page	

NOT VOTING—6.

Clarke, Ark.	McLaurin	Richardson	Smith, Mich.
Davis	Nixon		

So Mr. BRISTOW's amendment was rejected.

Mr. BAILEY. I offer the amendment which I send to the desk, to be inserted on page 73, after paragraph 213.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. On page 73, after paragraph 213, it is proposed to insert:

Amendment intended to be proposed by Mr. BAILEY to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, viz: On page 73, after paragraph 213, insert the following:

That from and after the 1st day of January, 1910, there shall be assessed, levied, collected, and paid annually upon the gains, profits, and income received in the preceding calendar year by every citizen of the United States, whether residing at home or abroad, and by every person residing in the United States, though not a citizen thereof, a tax of 3 per cent on the amount so received over and above $5,000; and a like tax shall be assessed, levied, collected, and paid

annually upon the gains, profits, and income from all property owned and of every business, trade, or profession carried on in the United States by persons residing elsewhere.

Such gains, profits, and income shall include the interest received upon notes, bonds, and all other forms of indebtedness, except the obligations of the United States, States, counties, towns, districts, and municipalities; all amounts received as salary or compensation for services, except such as may have been received by state, county, town, district, or municipal officers; all profits realized within the year from the sale of real estate purchased within two years previous to the close of the year for which the income is estimated; the amount of all premiums on bonds, notes, or coupons; the amount received from the sale of merchandise, live stock, sugar, cotton, wool, butter, cheese, pork, beef, mutton, or other meats, hay, grain, vegetables, or other products; money and the value of all property acquired by gift, bequest, devise, or descent; and all other gains, profits, and income derived from any other kind of property, or from rents, dividends, interest, or from any profession, trade, business, employment, or vocation, carried on in the United States or elsewhere, or from any other source whatever: *Provided, however,* That it shall be proper to deduct from such gains, profits, and income all expenses actually incurred in conducting any business, occupation, or profession, including the amounts actually expended in the purchase or production of merchandise, live stock, and products of every kind; all interest, due or paid within the year on existing indebtedness, and all national, state, county, town, district, and municipal taxes, not including those assessed against local benefits; all loses actually sustained during the year, incurred in trade or arising from fires, storms, or shipwreck, and not compensated for by insurance or otherwise; all debts ascertained to be worthless, and all losses within the year on sales of real estate purchased within two years previous to the year for which profits, gains, or income is estimated, but no deduction shall be made for any amount paid out for new buildings, permanent improvements, or betterments made to increase the value of any property or estate; the amount received from any corporation, company, or association as dividends upon the stock of such corporation, company, or association if the tax of 3 per cent has been paid upon its net profits by said corporation, company, or association as required by this act: *Provided further,* That only one deduction of $5,000 shall be made from the aggregate income of all the members of any family composed of one or both parents and one or more minor children, or husband and wife, but guardians shall be allowed to make a deduction in favor of each and every ward, except where two or more wards are comprised in one family and have joint property interests, when the aggregate deduction in their favor shall not exceed $5,000.

There shall be assessed, levied, and collected, and paid, except as herein otherwise provided, a tax of 3 per cent annually on the net gains, profits, and income, over and above $5,000, of all banks, banking institutions, trust companies, saving institutions, fire, marine, life, and other insurance companies, railroad, canal, turnpike, canal navigation, slack water, telephone, telegraph, express, electric light, gas, water, street railway companies, and all other corporations, companies, or associations doing business for profit in the United States, no matter how created and organized, but not including partnerships.

The net gains, profits, and income of all corporations, companies, or associations shall include the amounts paid to shareholders, or carried to the account of any fund, or used for construction, enlargement of plant, or any other expenditure or investment paid from the net annual profits made or acquired by said corporations, companies, or associations. But nothing herein contained shall apply to States, counties, or municipalities; nor to corporations, companies, or associations organized and conducted solely for charitable, religious, or educational purposes, including fraternal beneficiary societies, orders, or associations operating upon the lodge system and providing for the payment of life, sick, accident, and other benefits to the members of such societies, orders, or associations and dependents of such members; nor to the stocks, shares, funds, or securities held by any fiduciary or trustee for charitable, religious, or educational purposes; nor to building and loan associations or companies which make loans only to their shareholders; nor to such savings banks, savings institutions, or societies as shall, first, have no stockholders or members except depositors and no capital except deposits; secondly, shall not receive deposits to an aggregate amount, in any one year, of more than $1,000 from the same depositor; thirdly, shall not allow an accumulation or total of deposits, by any one depositor, exceeding $10,000; fourthly, shall actually divide and distribute to its depositors, ratably to deposits, all the earnings over the necessary and proper expenses of such bank, institution, or society, except such as shall be applied to surplus; fifthly, shall not possess, in any form, a surplus fund exceeding 10 per cent of its aggregate deposits; nor to such savings banks, savings institutions, or societies composed of members who do not participate in the profits thereof and which pay interest or dividends only to their depositors; nor to that part of the business of any savings bank, institution, or other similar association having a capital stock, that is conducted on the mutual plan solely for the benefit of its depositors on such plan, and which shall keep its accounts of its business conducted on such mutual plan separate and apart from its other accounts. Nor to any insurance company or association which conducts all its business solely upon the mutual plan, and only for the benefit of its policy holders or members, and having no capital stock and no stock or share holders, and holding all its property in trust and in reserve for its policy holders or members; nor to that part of the business of any insurance company having a capital stock and stock and share holders, which is conducted on the mutual plan, separate from its stock plan of insurance, and solely for the benefit of the policy holders and members insured on said mutual plan, and holding all the property belonging to and derived from said mutual part of its business in trust and reserve for the benefit of its policy holders and members insured on said mutual plan. All state, county, municipal, and town taxes paid by corporations, companies, or associations, shall be included in the operating and business expenses of such corporations, companies, or associations.

It shall be the duty of all persons of lawful age having an income of more than $5,000 for the preceding year, computed on the basis herein prescribed, to make and render a list or return, on or before the second Monday in March, of every year, in such form and manner as may be directed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, to the collector or a deputy collector of the district in which they reside, of the amount of their gains, profits, and income, as aforesaid; and all guardians and trustees, executors, administrators, agents, receivers, and all persons or corporations acting in any fiduciary capacity, shall make and render a list or return, as aforesaid, to the collector or a deputy collector of the district in which such person or corporation acting in a fiduciary capacity resides or does business, of the amount of gains, profits, and income of any minor or person for whom they act, but persons having less than $5,000 income are not required to make such report; and the collector or deputy collector shall require every list or return to be verified by the oath or affirmation of the party rendering it, and may increase the amount of any list or return if he has reason to believe that the same is understated; and in case any such person having a taxable income shall neglect or refuse to make and render such list or return, or shall render a willfully false or fraudulent list or return, it shall be the duty of the collector or deputy collector to make such list according to the best information he can obtain, by the examination of such person or any other evidence, and to add 50 per cent as a penalty to the amount of the tax due on such list in all cases of willful neglect or refusal to make and render a list or return; and in all cases of a willfully false or fraudulent list or return having been rendered to add 100 per cent as a penalty to the amount of tax ascertained to be due, the tax and the additions thereto as a penalty to be assessed and collected in the manner provided for in other cases of willful neglect or refusal to render a list or return, or of rendering a false or fraudulent return: *Provided,* That any person or corporation, in his, her, or its own behalf or as such fiduciary, shall be permitted to declare, under oath or affirmation, the form and manner of which shall be prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury, that he, she, or his or her or its ward or beneficiary was not possessed of an income of $5,000 liable to be assessed according to the provisions of this act; or may declare that he, she, or it, or his, her, or its ward or beneficiary has been assessed and has paid an income tax elsewhere in the same year, under authority of the United States, upon all his, her, or its gains, profits, and income, and upon all the gains, profits, and income for which he, she, or it is liable as such fiduciary, as prescribed by law; and if the collector or deputy collector shall be satisfied of the truth of the declaration, such person or corporation shall thereupon be exempt from income tax in the said district for that year; or if the list or return of any person or corporation, company, or association shall have been increased by the collector or deputy collector, such person or corporation, company, or association may be permitted to prove the amount of gains, profits, and income liable to be assessed; but such proof shall not be considered as conclusive of the facts, and no deductions claimed in such cases shall be made or allowed until approved by the collector or deputy collector. Any person or company, corporation, or association dissatisfied with the decision of the deputy collector in such cases may appeal to the collector of the district, and his decision thereon, unless reversed by the Commissioner of Internal Revenue, shall be final. If dissatisfied with the decision of the collector, such person or corporation, company, or association may submit the case, with all the papers, to the Commissioner of Internal Revenue for his decision, and may furnish the testimony of witnesses to prove any revelant facts, having served notice to that effect upon the Commissioner of Internal Revenue, as herein prescribed. Such notice shall state the time and place at which, and the officer before whom, the testimony will be taken; the name, age, residence, and business of the proposed witness, with the questions to be propounded to the witness, or a brief statement of the substance of the testimony he is expected to give: *Provided,* That the Government may at the same time and place take testimony upon like notice to rebut the testimony of the witnesses examined by the person taxed. The notice shall be delivered or mailed to the Commissioner of Internal Revenue fifteen days previous to the day fixed for taking the testimony, in which to give, should he so desire, instructions as to the cross-examination of the proposed witness. Whenever practicable, the affidavit or deposition shall be taken before a collector or deputy collector of internal revenue, in which case reasonable notice shall be given to the collector or deputy collector of the time fixed for taking the deposition or affidavit: *Provided further,* That no penalty shall be assessed upon any person or corporation, company, or association for such neglect or refusal or for making or rendering a willfully false or fraudulent return, except after reasonable notice of the time and place of hearing, to be prescribed by the Commissioner of Internal Revenue, so as to give the person charged an opportunity to be heard.

Every corporation, company, or association doing business for profit in the United States shall make and render to the collector of the collection district in which it has its principal office, or if it has no principal office then in which it is transacting business, on or before the second Monday in March in every year, a full return, verified by oath or affirmation, in such form as the Commissioner of Internal Revenue may prescribe, of all the following matters for the whole calendar year next preceding the date of such return:

First. The gross profits of such corporation, company, or association, from all kinds of business of every name and nature.

Second. The expenses of such corporation, company, or association, exclusive of interest, annuities, and dividends.

Third. The amount paid on account of interest, annuities, and dividends, stated separately.

Fourth. The amount paid in salaries, with a list of all officers, employees, and persons receiving more than $5,000 per annum, stating the name and address of such officers, employees, and persons.

Fifth. The net profits of such corporation, company, or association, without allowance for interest, annuities, or dividends.

And any corporation, company, or association failing to comply with the requirements of this section shall forfeit as a penalty the sum of $1,000 and 2 per cent of the amount of taxes due, for each month until the same is paid, the payment of said penalty to be enforced as provided in other cases of neglect and refusal to make return of taxes under the internal-revenue laws.

The taxes herein provided for shall be assessed by the Commissioner of Internal Revenue and collected and paid upon the gains, profits, and income for the year ending the 31st of December next preceding the time for levying, collecting, and paying said tax; shall be due and payable on or before the 1st day of July in each year; and to any sum or sums annually due and unpaid after the 1st day of July as aforesaid, and for ten days after notice and demand thereof by the collector, there shall be added the sum of 5 per cent on the amount of taxes unpaid, and interest at the rate of 1 per cent per month upon said tax from the time the same becomes due, as a penalty, except from the estates of deceased, insane, or insolvent persons.

Any nonresident may receive the benefit of the exemptions hereinbefore provided for by filing with the deputy collector of any district a true list of all his property and sources of income in the United States and complying with the provisions of section —— of this act as if a resident. In computing income he shall include all income from every source, but unless he be a citizen of the United States he shall only pay on that part of the income which is derived from any source in the United States. In case such nonresident fails to file such statement,

the collector of each district shall collect the tax on the income derived from property situated in his district subject to income tax, making no allowance for exemptions, and all property belonging to such nonresident shall be liable to distraint for tax: *Provided*, That nonresident corporations shall be subject to the same laws as to tax as resident corporations, and the collection of the tax shall be made in the same manner as provided for collection of taxes against nonresident persons.

It shall be the duty of every collector of internal revenue, to whom any payment of any taxes is made under the provisions of this act, to give to the person making such payment a full written or printed receipt, expressing the amount paid and the particular account for which such payment was made; and whenever such payment is made such collector shall, if required, give a separate receipt for each tax paid by any debtor, on account of payments made to or to be made by him to separate creditors in such form that such debtor can conveniently produce the same separately to his several creditors in satisfaction of their respective demands to the amounts specified in such receipts; and such receipts shall be sufficient evidence in favor of such debtor to justify him in withholding the amount therein expressed from his next payment to his creditor; but such creditor may, upon giving to his debtor a full written receipt, acknowledging the payment to him of whatever sum may be actually paid, and accepting the amount of tax paid as aforesaid (specifying the same) as a further satisfaction of the debt to that amount, require the surrender to him of such collector's receipt.

Sections 3167, 3172, 3173, and 3176 of the Revised Statutes of the United States as amended are hereby amended so as to read as follows:

"SEC. 3167. It shall be unlawful for any collector, deputy collector, agent, clerk, or other officer or employee of the United States to divulge or to make known in any manner whatever not provided by law to any person the operations, style of work or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any income return by any person or corporation, or to permit any income return or copy thereof or any book containing any abstract or particulars thereof, to be seen or examined by any person except as provided by law; and it shall be unlawful for any person to print or publish in any manner whatever not provided by law, any income return or any part thereof or the amount or source of income, profits, losses, or expenditures appearing in any income return; and any offense against the foregoing provision shall be a misdemeanor and be punished by a fine not exceeding $1,000 or by imprisonment not exceeding one year, or both, at the discretion of the court; and if the offender be an officer or employee of the United States he shall be dismissed from office and be incapable thereafter of holding any office under the Government.

"SEC. 3172. Every collector shall, from time to time, cause his deputies to proceed through every part of his district and inquire after and concerning all persons therein who are liable to pay any internal-revenue tax, and all persons owning or having the care and management of any objects liable to pay any tax, and to make a list of such persons and enumerate said objects.

"SEC. 3173. It shall be the duty of any person, partnership, firm, association, or corporation made liable to any duty, special tax, or other tax imposed by law, when not otherwise provided for, in case of a special tax, on or before the 31st day of July in each year, in case of income tax on or before the 1st Monday of March in each year, and in other cases before the day on which the taxes accrue, to make a list or return, verified by oath or affirmation, to the collector or a deputy collector of the district where located, of the articles or objects, including the amount of annual income, charged with a duty or tax, the quantity of goods, wares, and merchandise made or sold, and charged with a tax, the several rates and aggregate amount, according to the forms and regulations to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, for which such person, partnership, firm, association, or corporation is liable: *Provided*, That if any person liable to pay any duty or tax, or owning, possessing, or having the care or management of property, goods, wares, and merchandise, articles or objects liable to pay any duty, tax, or license, shall fail to make and exhibit a list or return required by law, but shall consent to disclose the particulars of any and all the property, goods, wares, and merchandise, articles, and objects liable to pay any duty or tax, or any business or occupation liable to pay any tax as aforesaid, then, and in that case, it shall be the duty of the collector or deputy collector to make such list or return, which, being distinctly read, consented to, and signed and verified by oath or affirmation by the person so owning, possessing, or having the care and management as aforesaid, may be received as the list of such person: *Provided further*, That in case no annual list or return has been rendered by such person to the collector or deputy collector as required by law, and the person shall be absent from his or her residence or place of business at the time the collector or a deputy collector shall call for the annual list or return, it shall be the duty of such collector or deputy collector to leave at such place of residence or business, with some one of suitable age and discretion, if such be present, otherwise to deposit in the nearest post-office a note or memorandum addressed to such person, requiring him or her to render to such collector or deputy collector the list or return required by law, within ten days from the date of such note or memorandum, verified by oath or affirmation. And if any person on being notified or required as aforesaid shall refuse or neglect to render such list or return within the time required as aforesaid or whenever any person who is required to deliver a monthly or other return of objects subject to tax fails to do so at the time required, or delivers any return which, in the opinion of the collector, is false or fraudulent, or contains any undervaluation or understatement, it shall be lawful for the collector to summon such person, or any other person having possession, custody, or care of books of account containing entries relating to the business of such person, or any other person he may deem proper, to appear before him and produce such books, at a time and place named in the summons, and to give testimony or answer interrogatories, under oath, respecting any objects liable to tax or the returns thereof. The collector may summon any person residing or found within the State in which his district lies; and when the person intended to be summoned does not reside and can not be found within such State, he may enter any collection district where such person may be found, and there make the examination herein authorized. And to this end he may there exercise all the authority which he might lawfully exercise in the district for which he was commissioned.

"SEC. 3176. When any person, corporation, company, or association refuses or neglects to render any return or list required by law, or renders a false or fraudulent return or list, the collector or any deputy collector shall make, according to the best information which he can obtain, including that derived from the evidence elicited by the examination of the collector, and on his own view and information, such list or return, according to the form prescribed, of the income, property, and objects liable to tax owned or possessed or under the care or management of such person, or corporation, company, or association; and the Commissioner of Internal Revenue shall assess all taxes not paid by stamps, including the amount, if any, due for special tax, income or other tax, and in case of any return of a false or fraudulent list or valuation intentionally he shall add 100 per cent to such tax; and in case of a refusal or neglect, except in cases of sickness or absence, to make a list or return, or to verify the same as aforesaid, he shall add 50 per cent to such tax. In case of neglect occasioned by sickness or absence as aforesaid the collector may allow such further time for making and delivering such list or return as he may deem necessary, not exceeding thirty days. The amount so added to the tax shall be collected at the same time and in the same manner as the tax unless the neglect or falsity is discovered after the tax has been paid, in which case the amount so added shall be collected in the same manner as the tax; and the list or return so made and subscribed by such collector or deputy collector shall be held prima facie good and sufficient for all legal purposes."

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Texas.

Mr. ALDRICH. I move that the consideration of the amendment be postponed until the 10th day of June.

The VICE-PRESIDENT. The Senator from Rhode Island moves that the consideration of the amendment be postponed until the 10th day of June.

Mr. BAILEY obtained the floor.

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. Does the Senator from Texas yield to the Senator from Kansas?

Mr. BAILEY. I yield.

Mr. BRISTOW. I have another amendment to the sugar schedule, which relates to the duty on sugar. If it could be considered before we go into the discussion of the amendment offered by the Senator from Texas, without the Senator from Texas forfeiting any right he would otherwise have, I would appreciate it.

Mr. BAILEY. I am entirely willing to yield to the Senator from Kansas for that purpose, with the understanding that the pending amendment——

Mr. ALDRICH. I object to that. We might as well dispose of this matter now.

The VICE-PRESIDENT. Objection is made. The amendment of the Senator from Kansas can only now be offered by the Senator from Texas first withdrawing his amendment or by unanimous consent.

Mr. BAILEY. Mr. President, the "Senator from Texas" will not withdraw the amendment, because the "Senator from Texas" fears that the Senator from Rhode Island might have other matters to occupy the attention of the Senate.

Mr. President, this is one of the rare instances in the history of legislation where the chairman of a great committee in charge of a great measure is not willing to facilitate a vote on one of the most important amendments offered to it. The Senator from Rhode Island has from time to time exhibited some degree of impatience at the delay in the progress of his measure; and yet, impatient because he can not reach a vote on the final passage of the bill, he refuses to consent to the disposition of the most important amendment that has been or will be offered to it—the most important both because of the principle involved and by reason of the revenue which would be collected under it.

The Senator from Rhode Island will find it somewhat difficult to persuade the country that he is sincerely anxious for an early vote upon his bill itself, while he seeks to delay a vote on the principal amendment. His present motion fixes the consideration of this amendment beyond the time which, only two days ago, he asked for a final vote upon the passage of his bill. I think the RECORD will disclose that even within the last week the Senator from Rhode Island preferred the request that the final vote on the passage of the pending bill and all amendments should be set down for the 5th of June; and yet to-day he moves to postpone this amendment until the 10th of June. Surely the Senator from Rhode Island can not wonder if I doubt his thorough and perfect sincerity in heretofore asking for such an early vote upon the bill itself.

Instead, Mr. President, of postponing this amendment until practically every schedule has been disposed of, the natural, orderly, and proper sequence would have been to have disposed of it before proceeding to the consideration of the various schedules. I say that for this reason—and when I state it the force of it will be obvious to every Senator—the committee in the beginning of its task was, of course, required first to ascertain the amount of revenue which it was needful to provide by this bill, and, accordingly, with that amount of revenue constantly in their minds, all of these duties were adjusted. Now, sir, if, instead of requiring the tariff duties to raise $320,000,000, the Senate had adopted an income tax which would provide $80,000,000, there would be but 75 per cent of what they now

intend to raise necessary to be collected from customs duties, and therefore every rate in this tariff bill would have been adjusted—and they would have been compelled by the necessities of their situation to adjust every rate in this tariff bill—with a view to the collection of this $80,000,000 from an income tax; and yet, strange to say, the Senator from Rhode Island and his associates on the committee insist that they shall be permitted to go through with this bill, which they constantly avow will raise enough revenue without any additions or amendments, until they have perfected it, and then they will be permitted to stand up here and say that it raises all the revenue which the Government needs, and therefore this amendment would simply impose unnecessary taxation.

Now, what I want to do, and what I believe the country has a right to demand that the Senate shall do, is, first, to determine whether or not an income tax shall be levied; and if that question shall be determined in the affirmative, then every other rate and schedule in the act must be dealt with accordingly; while on the other hand, if the Senate, by deliberate action, shall reject this income-tax amendment, then it can address itself to these schedules with the single purpose of so framing them that they will raise the necessary $320,000,000.

I appeal to our friends on that side who are sometimes described as "progressive Republicans," and who have been striving from the beginning to reduce what they themselves denounce as the exorbitant rates of this bill, and I ask them if they are willing to wait until the Finance Committee have finished their work, arranged their rates, perfected their schedules, and are thus able to say that an income tax is wholly unnecessary?

If you progressive Republicans are in earnest—and I believe you are—then let us here and now take the judgment of the Senate. Let us here and now determine if we intend to raise any important amount of revenue outside of these tariff duties; and if we so decide, then the chairman of the Finance Committee, with all his skill in the management of this measure and with all his power among his political associates, will find it impossible to resist a reasonable reduction in its rates. The chairman of the committee now says that the bill as he has reported it will raise enough money. Then, certainly, if we add an amendment which of itself will yield some $80,000,000, the chairman of the committee must agree to reduce the collections under the customs provision of the law. It will not do for him to answer and say that if he reduces the rate he will increase the revenue and thus aggravate the situation, because we answer that statement by saying that if we can not reduce the duty on all things, which I think we can, and thus remit to the consumer of every article a proportion of the burden which he bears to-day, we can at least transfer some of the common necessities of life to the free list, and we can afford a much needed relief in that manner. But whether it shall be by transferring particular and necessary articles to the free list or whether it shall be by a general reduction running through every schedule, the obvious and sensible thing for the Senate to do is to decide whether it intends to collect this $80,000,000 from an income tax and then adjust all schedules to that decision.

Mr. CLAPP. Mr. President——

The VICE-PRESIDENT. Will the Senator from Texas yield to the Senator from Minnesota?

Mr. BAILEY. I do.

Mr. CLAPP. Realizing and appreciating the force of what the Senator says, if this proposed income tax was, without any question, to be taken as a matter of course as to its validity, I do concede the force of the argument that it ought to be disposed of before we attempt to fix the schedules with reference to the customs revenue. I shall vote against the motion, because I shall vote against any motion to fix any time or place any limitation upon our right to vote here. But I want to ask the Senator if he thinks it would be wise to adopt this amendment, and then—no matter how thoroughly he and I and others are convinced of the validity of it—still risk a revenue measure based upon the absolute elimination of any question as to the validity of this amendment? I think that is a matter which should commend itself to our very serious consideration.

Mr. BAILEY. I thoroughly agree with the Senator from Minnesota. If Congress was not required by the Constitution to convene every year, and if, as a matter of fact and under the law as it now stands, Congress would not convene within the next eight months, I should hesitate about passing any law that might leave the Government without the means to promptly meet its current expenses. But in view of the fact that Congress must convene the first of December, and in view of the fact that Congress is apt to be in session when the final decision in this case is rendered, if it shall be taken to the courts, and will thus be able to supply any deficiencies between the revenue and expenditures immediately and without embarrassment to any department of the Government, I have no hesitation in voting to put the amendment on this bill. If Congress, like some of the state legislatures, only met in biennial session, I would even go so far as to insert in this bill an authority that the bill will probably carry, even if this amendment is rejected, to borrow money to meet unexpected deficiencies.

Mr. CARTER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Texas yield to the Senator from Montana?

Mr. BAILEY. I do.

Mr. CARTER. I ask the Senator this question, for the purpose of ascertaining whether or not I correctly understand his position: Do I understand the Senator to mean that he would raise by customs duty only such an amount as equaled the deficiency in the revenue raised by an income tax?

Mr. BAILEY. The Senator states it differently, I think, from what he intends to state it. If he means to ask me if I would deduct from customs duties the amount to be collected through the income tax, I answer "yes."

Mr. CARTER. Then I will put my question in a different form. The Senator, according to my understanding, would first pass an income tax, and rely upon customs duties to raise such revenue as the income tax did not raise to meet public necessities. The amount of the revenue duties would therefore be dependent upon the proceeds of the income tax, instead of having the proceeds of the income tax rest on deficiencies arising from the failure of the customs dues to meet the needs of the Government. Do I correctly understand the Senator?

Mr. BAILEY. The Senator undoubtedly understands me, and has stated my position correctly. I do not propose the income tax as a mere means of providing for an emergency. I propose it as a deliberate, fixed, and permanent part of our fiscal policy.

Mr. CARTER. Mr. President——

The VICE-PRESIDENT. Does the Senator yield further?

Mr. BAILEY. I do.

Mr. CARTER. I understand, then, that the Senator would depart from the policy which has prevailed from the beginning, of resorting to an income tax as an emergency measure, and would now and hereafter rely upon an income tax as a main basis of revenue.

Mr. BAILEY. Not as a main basis.

Mr. CARTER. As one of the chief sources of revenue, relying upon customs dues as only an incidental source to make up deficiencies.

Mr. BAILEY. Mr. President, that does not precisely state my position. I recognize, as I stated here, that we will collect three times as much from the custom-houses as we hope to collect through this income tax; but it is not an experiment for us to fix the rates of a tariff bill, with a view to other sources of governmental income. For instance, how did the Senator from Rhode Island [Mr. ALDRICH] and his associates determine the amount of revenue which they were required to raise by this bill? They first considered the expenses of the Government; they then took the collections from all other sources, including the Post-Office Department and the collections from internal revenue; and subtracting them from the total expenses of the Government, they ascertained the amount which they were required to raise through customs taxation. With the amount which they were required to raise thus fixed, they proceeded to levy their duties accordingly. And I have no doubt in this world that it would be just as sensible for us to decide this income-tax question and lay it aside, if we adopt it, as so much revenue for which the tariff act need not provide as it was for the committee to take under consideration and into account every other source of revenue now enjoyed by the Government before they began to fix their duties.

Every rate in this bill—I will not say every rate, either, because some of them are designedly and purely protective and prohibitory, but I will say that every schedule in this bill—is drawn, even by the extreme protectionists, with a view to the revenue which must be collected through the customs. In other words, there are probably duties here that would be higher than they are except for the necessities of the Government. The Senator from Rhode Island and the most ultra of the protectionist Senators in this Chamber can not escape, and do not attempt to escape, the fact that a tariff bill must be drawn so as to produce a given amount of money.

Now, in drawing that tariff bill to raise that given amount of money, undoubtedly they distribute the rates purely with a view of protection; and it is possibly true that if the Government needed no money at all, the extreme school of protection would still levy tariff duties for the purpose of protecting our home industries against foreign competition; but while they

are animated by this purely and essentially protective purpose, they can not escape, and do not attempt to escape, the necessity for raising revenue. Therefore, according to their own proceeding, they ought to take this $80,000,000 into account, if it is to be collected, and lay it aside, just as they laid the collections under the internal-revenue law aside, just as they laid the post-office receipts aside, and calculate, with this added to the other present and permanent sources of revenue, what the deficiency would be, and raise that deficiency through the custom-houses.

Mr. President, I am not inclined, upon the motion to postpone, to occupy the time of the Senate in discussing the merits of the question. I shall perhaps find some other occasion for that, and I am content to have stated, as they appear to me, the reasons why the motion to postpone ought not to prevail.

I took the Senate into my confidence a few days ago and explained to it my great anxiety for a vote. I am no novice here. I know how bills are passed and how amendments are rejected. I know the arguments and the persuasion at the command of a majority, and I know the outside influences which from time to time have been employed to insure the defeat of this income-tax amendment. I am perfectly sure that the quicker we vote on it the more votes it will receive, and I make no concealment of that fact.

Mr. President, before I resume my seat, I believe I will call attention to an article which was printed last Sunday, I believe, in the New York Times. The Senate will recall that something like a week or ten days ago I stated that I believed there had been a deliberate and systematic effort made to misrepresent the attitude of Democratic Senators with respect to the tariff schedules. I then confined my statement to tariff rates. But last Sunday my attention was called to an article which goes much further than a mere effort to exaggerate our differences and misrepresent our attitude. I find in the New York Times of Sunday, under a Washington date line, a statement that the income-tax amendment was introduced for the purpose of aiding the Senator from Rhode Island. I want to read the matter, and then I wish briefly to comment on it. Referring to the Democrats of the Senate, this article proceeds:

> They are headed by that distinguished son of Texas, JOSEPH WELDON BAILEY. Again and again BAILEY has taken a position on one fight or another in the Senate that has played directly into ALDRICH'S hand. His action on the income-tax amendments, now pending, is the latest demonstration of his willingness to help his Rhode Island leader out of a difficult situation. He has maneuvered so as to divide the adherents of the income-tax proposition while apparently favoring it, and himself introducing an amendment providing for such a tax. The result, despite the efforts of the real friends of an income tax to effect a compromise, will no doubt be to defeat the proposition which ALDRICH has been vigorously opposing.

Of course the man who wrote that is an infamous liar, and I am not therefore at all surprised that he wrote this particular lie. I am, however, very greatly surprised that a paper like the New York Times could be induced to print it, because it is a challenge to the intelligence of every man who reads that paper. Of course the miserable creature who penned this libel did not attempt to explain how I have assisted, or how I could assist, those in charge of the measure by introducing an income-tax amendment, and he did not do so because he knew that the dullest man who read it would easily detect the fallacy of any explanation which he could invent. Unable to explain it, because it was not susceptible of explanation, he simply made the statement on the calculation that if he could make one man in twenty who read his article believe his lie he had helped his side just that much.

Mr. President, this creature, and all his kind, forget that for twelve years I have been trying to force the adoption of an income-tax law. I offered an income-tax amendment to the war-revenue measure when a Member of the House, something like eleven years ago. From that day till this I have been an earnest advocate of it, and these men know it, but they do not want the people to know it, and they seek to create the impression that Democrats are trying to muddy the water and to aid the men in charge of this bill. If any other Democrat had proposed this amendment, they would have told about him the same lie they have told about me.

Mr. President, suppose I reverse the position. Suppose the Senator from Iowa [Mr. CUMMINS] had introduced his amendment, and then I had introduced mine. A shallow-thinking man might find some extenuation, and an ignorant man might find some excuse, for saying that my purpose in introducing a second amendment was to divide the friends of an income tax. But the RECORD shows—and every Senator recalls—that I introduced my amendment a week before the Senator from Iowa introduced his. And yet there is no suggestion that that Senator, a distinguished Republican, was trying to divide the honest friends of an income tax.

But the suggestion is that this side, which made the first attempt to secure the adoption of such an amendment, are actuated by some purpose to disturb the harmony and divide the councils and dissipate the strength of those who favor this just and wise and philosophic system of taxation.

I go further, Mr. President. Suppose I had introduced the kind of an amendment which the honorable Senator from Iowa has introduced. Suppose I had graduated the tax as he has. These people would have said at once that I had tried to introduce a new and a dangerous question before the Supreme Court upon the rehearing. Or suppose I had concurred with him, and had levied a tax on the individual and exempted all corporations. Every penny-a-liner who will repeat that libel would have sworn that I was trying to exempt the great corporations and to lay the burden of government upon the man of flesh and blood, made in the image of his God. If I had introduced that kind of a proposition, they then might have excused themselves for such a libel.

But that, Mr. President, is in line with the deliberate, sedate, and steady policy, not only to misrepresent individual Democrats, but to misrepresent all on this side. I desire, however, in this public and explicit way, to acquit Republican Senators of that charge. I do not believe they have inspired it. I doubt if a Republican Senator in this body is low enough to associate with a man who would write a lie like that. I know if he would he is not fit to associate with the other Senators here. A fearless, a truthful, an incorruptible press is the greatest safeguard of a free republic. But a venal, a treacherous, and a lying newspaper is one of the most corrupting agencies that can exist in a free government. The man who defames an honest representative of the people is almost as vile as the man who defends a dishonest one.

Mr. President, so far as I am concerned, I am ready to support any measure which will at all commend itself to my conscience and my judgment, having for its object a relief for the consumers of this country and a tax on those who are able to bear it. I believe we ought to decide that question now. I know we must decide it later.

I understand what is the present programme on the other side, and I will put it in the RECORD, in the hope that it will deter them from following it out. I will at least have the satisfaction of having outlined it for them in a public way. Their present plan is to move to postpone the present consideration of this amendment, and then when the time comes that they must vote, according to their own motion, they intend to refer it to the Judiciary or some other standing committee of the Senate. That is their purpose. And thus they hope and plan to prevent a direct and decisive vote on the question, so that every man who advocates an income tax at home and votes against an income tax in the Senate can say he did not vote against adoption of this amendment.

I do not think there are many Senators of that kind. I know there ought not to be a single one of that kind. A Senator whose judgment and conscience tell him this amendment ought not to be the law, ought to be willing to vote against it. He ought to be willing to take his political destiny in his hands and sacrifice it, if need be, as a tribute to his conscientious judgment. If a Senator believes it is a just and a wise and an equal tax, why postpone the adoption of it? Surely it is as fair to tax a man on an enormous income as it is to tax him on a moderate appetite, and, as between your tariff schedules that tax men on what they eat and wear, and an income tax which assesses them according to what they own, I think the people of this country will have small difficulty in choosing.

Mr. CUMMINS. Mr. President, as Senators know, I have also proposed an amendment imposing an income tax. I am as deeply interested in the subject as can be the Senator from Texas, and I have been somewhat concerned in the efforts that have been made to embroil the advocates, the defenders, and supporters of an income tax sitting upon opposite sides of this Chamber. I very earnestly hope that these efforts will be unsuccessful, and that, when the moment arrives, the income-tax amendment, whether it comes from the Senator from Texas or whether it comes from a Senator upon this side of the Chamber, will receive the full strength that is here in favor of such a provision in the law.

I say for myself that I prefer in some respects the amendment I have presented; and I may say, in passing, that in deference to the wish of friends of the income tax upon this side of the Chamber I have eliminated from my amendment its graduated feature, hoping that I might in that way gather together all the strength there is here for a measure of that character. But while I like it better, if the amendment proposed by the Senator from Texas shall first come on, I shall vote for his amendment. I shall do whatever I can to see to it

that we commit ourselves to the policy of raising a part of the revenue necessary to carry on the affairs of our Government by a tax of this character.

But I can not agree wholly with the Senator from Texas with regard to the logical procedure. If I were helping to create a law, having as my guide simply the raising of a revenue upon imports, I would quite agree that the reasonable thing would be first to fix the revenue to be created by the income tax. However, inasmuch as I am doing what I can—although some of my Republican friends think my efforts are very ill directed—not only to create a revenue by duties upon imports, but to protect our markets against unfair competition, from my point of view, the time at which we ought to consider the income-tax amendment is the moment we pass from a consideration of the paragraph which imposes duties upon imports and before we pass to other portions of the bill.

I believe that in our work touching duties we ought to give some consideration to the part that that income tax is to play in the drama of our Government. I am one who is firm in the belief that when you pass this law, if it is passed precisely as it came from the committee, or if passed as we have reason to believe it will be passed, there will still be a deficiency of $40,000,000 a year between it and the necessities of our Government. Therefore I have no fear whatsoever that we will create such a revenue in this bill, aside from the income tax, as will make it unnecessary to impose a burden of that character. That is one of the reasons why, believing that we did not need protection on iron ore, I voted for free iron ore, for I wanted no revenue from that source. That is the reason, in part, why I voted for free lumber, believing that we need no protection upon lumber; that it is amply able to care for itself. I would rather raise the revenue that is created by an impost on lumber by an income tax.

So we pass on through the bill, and when we reach that part of our work I believe there will be no doubt in the minds of Senators that we will need some revenue from an income tax. We can then determine better than at any other time whether the tax shall be 2 per cent or 3 per cent or 1 per cent.

Therefore, as a sort of composition of the whole subject, I ask unanimous consent to take up the income-tax amendments as soon as we have considered and disposed of the paragraphs imposing duties on imports, and that we continue that consideration until the matter is disposed of. That involves a direct vote upon the income-tax amendment and suggests, at least, that there be no motion to refer these matters to the Judiciary Committee or any other.

Mr. ALDRICH. Mr. President, it would be impossible to get unanimous consent to that suggestion.

Mr. BAILEY. If the Senator from Rhode Island will agree that we may have a direct vote on the amendment, I will cheerfully concur in the suggestion of the Senator from Iowa.

Mr. CUMMINS. I very much hope the Senator from Rhode Island will not make the unanimous consent impossible. It can not do the country any harm to have a vote upon the income-tax amendment.

Mr. BAILEY. I want to say to the Senator from Iowa, before the Senator from Rhode Island responds, that while I think now is the time to settle it, I do not regard that as of sufficient importance to justify any division among the friends of the measure. I will agree to let the Senator modify his motion to take it up then and dispose of it. All I want is a distinct understanding that we are to have a direct vote instead of an indirect one. I prefer to vote now, but will yield that preference.

Mr. CUMMINS. I understand that the rules of the Senate preclude a motion of that character; that is, the motion must be to postpone to a time fixed, and that what I have suggested can only be accomplished by unanimous consent.

Mr. ALDRICH. Mr. President, I am willing to agree that this amendment and that all amendments with reference to the income tax shall be postponed and be taken up immediately after the agreement upon the schedules of the bill, to be then proceeded with and disposed of according to the rules of the Senate. I do not intend to make any agreement as to any particular disposition or as to any votes upon any particular amendments or proposition.

Mr. BAILEY. The Senator from Rhode Island, then, declines to agree that we may have a direct vote on the question.

Mr. ALDRICH. I can not agree to that, because that is a matter for the majority of the Senate at the time to dispose of.

Mr. BAILEY. A unanimous agreement would bind not only the majority but every Senator. An agreement of that kind I think——

Mr. ALDRICH. I have never known in my experience an agreement of that kind made. I think this is the first time I have ever heard a suggestion of that kind made. It is simply impossible for me to agree to bind the Senate as to any particular form of disposition to be made of the proposition.

Mr. BAILEY. The Senator from Rhode Island is not asked to bind the Senate. The Senator from Rhode Island is asked to allow the Senate to bind itself, and it would do it, in my opinion, except for his objection.

Mr. ALDRICH. I think not. It is my purpose, in making the motion which I have made, to have the income tax taken up on the date to which it would be postponed if the motion should prevail, and it was my further purpose, if the schedules have not then been disposed of, to move a further postponement of the consideration until the schedules are disposed of. It seems to me perfectly apparent, and it must be to everybody, that the orderly way to dispose of the bill is to go on and consider the bill by paragraphs and by schedules, and fix upon the rates and upon the consequent revenue which may be expected from them. After that is accomplished we can then tell whether an income tax is necessary and what rate of taxation should properly be fixed.

So all this seems to me to be premature. It does not affect really, I think, the judgment of the Senate, and I do not believe it misleads anybody in the country either. I shall object to any arrangement by unanimous consent which includes any agreement to vote in any particular way upon that amendment.

Mr. CUMMINS. Mr. President, I hoped very much that the Senator from Rhode Island would not prevent unanimous consent to the disposition of the income-tax amendment at the time and in the manner I suggested. I can not conceive a reason that will prevent or ought to prevent a vote upon this subject on its merits. However, I recognize that if the subject were postponed until June 10, or if it were determined now, the amendment would be subject to the motion that is in the mind of the Senator from Texas and in the mind of the Senator from Rhode Island.

Therefore I bow to what seems to be an imperious necessity, and I ask unanimous consent to take up and consider the income-tax amendments immediately after the disposition of the paragraphs relating to the duties upon imports, without further qualification.

Mr. BAILEY. Mr. President, I am not going to agree to that unless I can get an agreement to vote on the direct question.

Mr. ALDRICH. As far as I am concerned, I have no objection to the suggestion of the Senator from Iowa. In fact, I have no disposition to try to prevent the Senate from considering this question. I realize that it is bound to come up and bound to be disposed of. I am quite willing to accept the suggestion of the Senator from Iowa as far as I am concerned.

Mr. BAILEY. I do not intend for the Senator from Rhode Island and the Senator from Iowa to get together, if I can help it. I withdraw that objection.

The PRESIDING OFFICER (Mr. CARTER in the chair). The Senator from Iowa asks unanimous consent that upon the completion of the schedules of the pending bill the amendment known as the "income-tax amendment" be taken up by the Senate——

Mr. CUMMINS. I beg pardon of the Chair; I put it in the plural.

The PRESIDING OFFICER. That the amendments be then taken up for consideration. Is there objection?

Mr. DOLLIVER. There appears to be an amendment to the amendment to strike out the House provision in respect to an inheritance tax. I think that ought to be considered in the same connection.

Mr. ALDRICH. I think that would be included in the order for amendments relating to an income tax.

Mr. BEVERIDGE. It would not, perhaps, be necessary, I will say; but such an amendment may be offered as a substitute for the income tax. Any legislative procedure of the kind will necessarily be included in the unanimous consent.

Mr. BAILEY. Mr. President, the request is now pending. Of course the motion of the Senator from Rhode Island will be disposed of. I will leave it to go that way, because I believe that a number of Republicans on that side who say they are in favor of an income tax and who, I have no doubt, will favor it, would feel constrained to vote for the motion of the Senator from Rhode Island. Rather than to divide the friends, I ask the Senator from Rhode Island if he will not modify his motion to postpone until the schedules have been disposed of?

Mr. ALDRICH. That is taken care of by the unanimous consent.

Mr. BAILEY. Not exactly. I have another idea in my mind. I do not know but what the Senator from Rhode Island would arrange it so that the particular amendment I have offered would not be voted on.

Mr. ALDRICH. Oh, no; I have no such purpose.

Mr. BAILEY. The way it is now I am certain to get a vote on it, because if his motion were to prevail to postpone it, he would have to dispose of——

Mr. ALDRICH. It is my purpose to withdraw the motion to postpone.

Mr. BAILEY. Yes; and then leave the whole matter open; and when the time comes——

Mr. ALDRICH. The amendment of the Senator from Texas would certainly be included in the proposition of the Senator from Iowa.

Mr. CUMMINS. It is so intended, at least.

Mr. BAILEY. It is, if I can get the eye of the Chair, and I have had some experience in that line.

Mr. ALDRICH. I think the Senator from Texas will have no trouble in getting the attention of the Chair.

Mr. BAILEY. I have the matter now where I know I can get some kind of a vote on it. I think I——

The PRESIDING OFFICER. The Chair understood, and so stated, that the request of the Senator from Iowa for unanimous consent included all amendments relating to the income tax.

Mr. BAILEY. Mr. President, that is absolutely nothing. A unanimous consent of that kind amounts to nothing, because it is only equivalent to agreeing that the Senate will consider an amendment that has been offered. That is playing, as it were. That can be done without any unanimous consent. I do not ask the permission of the Senator from Rhode Island to offer an amendment in this body. I do not ask any Senator's permission when I offer one, except the one who happens at that particular time to occupy the Chair.

The request made here now amounts absolutely to nothing; it involves nothing; it concedes nothing; it gives us no right that we do not enjoy under the rules, and abridges a right that we do enjoy, because if this unanimous consent shall be entered upon the record, I would feel myself bound in good faith to observe it, and I would feel precluded from offering any amendments on this subject until the time specified by the Senator from Rhode Island. I am asked here and now to withdraw an amendment I have pending and upon which I can not be deprived of a vote of some kind, and I am rewarded for my courtesy in that respect by an assurance that at some time I shall have the right to do what nobody could prevent me from doing anyway. That is not exactly the kind of an arrangement that appeals to me.

The PRESIDING OFFICER. The Chair understands the Senator now to object to unanimous consent.

Mr. BAILEY. I do object.

The PRESIDING OFFICER. Objection is made.

Mr. NEWLANDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nevada.

Mr. CUMMINS. I do.

Mr. NEWLANDS. I wished to make an inquiry regarding this unanimous consent. I believe that has been disposed of by an objection.

Mr. KEAN. It has been objected to.

Mr. CUMMINS. I was about to suggest to the Senator from Texas that I really think he takes a narrow view of this subject and of the scope and effect of the unanimous consent for which I asked. If the Senate now enters into an agreement, and that is the effect of the unanimous consent, when these paragraphs have been disposed of, and they must be disposed of some time, thereupon it will take up any amendment that may be offered for the purpose of imposing an income tax and proceed to the disposition of those amendments.

Mr. BAILEY. But the Senator from Iowa must know that it needs no unanimous consent to that effect. That is not only a concession on our part without any equivalent concession on the other part, but it is absolutely denying ourselves a right that we otherwise enjoy. No rule in the Senate can prevent the Senator from Iowa or the Senator from Texas from offering these amendments, either now or when the schedules are disposed of; and therefore we are invited to cross our hands and let the Senator from Rhode Island tie them for us, while he gives us nothing, not even the poor assurance that we can have a direct vote upon the proposition.

Mr. CUMMINS. The Senator from Texas can not get me in any quarrel with him, because I want to preserve the strength we have for the income tax, but he is in error in regard to the effect of the unanimous consent. Suppose we wait until these paragraphs are disposed of and the Senator offers his amendment, as he has a right to do, as he can, and suppose then the Senator from Rhode Island should move to postpone the consideration of that amendment until sometime later——

Mr. BAILEY. He reserves that——

Mr. CUMMINS (continuing). Then you are again prevented from the consideration of the thing in which you are interested. Now, this unanimous consent will compel——

Mr. BAILEY. No; he reserves that right.

Mr. CUMMINS. He does not object.

Mr. BAILEY. He does reserve the right to make a motion to postpone or to refer.

Mr. CUMMINS. I do not so understand it.

Mr. BAILEY. I consented to it if he would agree to give us a vote.

Mr. CUMMINS. There is a difference between——

Mr. BAILEY. The Senator from Rhode Island explicitly refused to bind himself against a motion to refer.

Mr. ALDRICH. I understand this agreement to be to take up these amendments after these other matters are disposed of, and keep them before the Senate until they are disposed of—disposed of by the rules of the Senate.

Mr. BAILEY. Let me ask the Senator from Rhode Island, Could we not do that without this unanimous consent?

Mr. ALDRICH. Not necessarily.

Mr. BAILEY. Why can we not? Name the rule that prevents me from offering an amendment. I could not perhaps get a majority of the Senate to agree to it, but even a majority of the Senate can not keep me from presenting it.

Mr. ALDRICH. Oh, no.

Mr. BAILEY. You can not keep me from choosing where I present it. I would have under this unanimous-consent agreement no more right than I have now, because I can force the consideration of it. Of course the Senate can dispose of it then as now, but the Senator from Rhode Island will not look serious when he tells me that he is making a concession to us in the agreement for which unanimous consent is now asked.

Mr. ALDRICH. I make a concession——

Mr. BAILEY. He seems confused now. [Laughter.]

Mr. ALDRICH. I am making the same concessions that are always made in these unanimous-consent agreements; that is, to fix a time to proceed to the consideration of a measure, and to proceed with the consideration of it until it is disposed of by the Senate.

Mr. BAILEY. This measure is now before the Senate; and any Senator can offer any amendment at any time that he can secure recognition from the Chair. The Senator from Rhode Island will go to his room and laugh at us if we agree to this request, for the effect of it is simply to say that he will agree that we shall have the right to do what we have a right to do anyway. Of course I object to it.

Mr. ALDRICH. I was not a party to this agreement between the Senator from Iowa and the Senator from Texas, but I seem to be the only party criticised about it. The Senator from Iowa made a suggestion which the Senator from Texas accepted. I accepted, and now I am the only party who seems to be criticised.

Mr. BAILEY. I saw you had the best of us, and I withdrew it before it was too late.

Mr. CUMMINS. I have no doubt that the Senator from Texas is able to take care of himself, as he has established many times heretofore. I feel that I am able to take care of myself as well. Therefore I limit the unanimous consent for which I ask to my own amendment and allow the amendment of the Senator from Texas to take its course.

Mr. BAILEY. I object to that. I am not going to separate them.

Mr. NEWLANDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Nevada?

Mr. CUMMINS. I do.

Mr. NEWLANDS. I wish to ask the Senator from Rhode Island whether his understanding of this unanimous consent is that it will prevent him when the income tax comes up for consideration from moving its postponement or the reference of the question to a standing committee?

Mr. ALDRICH. Mr. President, the Senator's acute observation of what is going on in the Senate has misled him this time. There is no proposition before the Senate.

Mr. NEWLANDS. I understand that we are now considering the question of unanimous consent——

The PRESIDING OFFICER. Objection has been made——

Mr. NEWLANDS (continuing). Asked for by the Senator from Iowa [Mr. CUMMINS], to which the Senator from Rhode Island [Mr. ALDRICH] gave his assent; and the question has now arisen as to what is the meaning of that unanimous consent.

The PRESIDING OFFICER. Objection was made to the request for unanimous consent, both as to the last and the first proposition presented by the Senator from Iowa.

Mr. CUMMINS. I should like to answer the question of the Senator from Nevada.

Mr. NEWLANDS. As I understand, the Senator from Iowa yielded to an interruption from me for the purpose of presenting that inquiry.

Mr. CUMMINS. Precisely.

Mr. NEWLANDS. The Senator from Iowa has made this request for unanimous consent upon the assumption, as I understand, that we shall have a direct vote when we get through with these schedules upon these income-tax amendments, and that they will not be subject to a motion for postponement or for a reference to a standing committee. Is not that the understanding of the Senator from Iowa?

Mr. CUMMINS. Mr. President, I did originally ask for a unanimous-consent agreement that would prevent a motion to refer the income-tax amendments to a standing committee or to any other committee. That was refused. I then asked for a unanimous-consent agreement that would put the Senate upon the consideration of these amendments immediately after the disposition of the paragraphs imposing duties on imports, to continue until the amendments were disposed of. I assumed, and still assume, that such unanimous-consent agreement would prevent a motion to postpone to any future time——

Mr. ALDRICH. Oh, no.

Mr. CUMMINS (continuing). Inasmuch as the very purpose for which I asked the unanimous-consent agreement was to bring on the consideration of the subject at that time.

Mr. NEWLANDS. I ask whether the Senator from Rhode Island assented to that unanimous-consent agreement with the understanding which has been expressed to us by the Senator from Iowa?

Mr. ALDRICH. Mr. President, I stated that my understanding of the agreement was that the amendments should be taken up and kept before the Senate until they were disposed of under the rules of the Senate.

Mr. BAILEY. Now, Mr. President, a question. Under the rules of the Senate, would the Senator from Rhode Island have the right to move either to postpone or to refer the proposition to a standing committee?

Mr. ALDRICH. Unquestionably.

Mr. BAILEY. And the Senator from Rhode Island intends to do it.

Mr. ALDRICH. Mr. President, I have not expressed any purpose of that kind. I have stated that the matter would be disposed of under the rules of the Senate. Just what disposition that would be, would be subject to the wishes of the majority of the Senate, and not to my wishes.

Mr. BAILEY. The Senator from Iowa [Mr. CUMMINS] and the Senator from Nevada [Mr. NEWLANDS] both understand the purpose of the Senator from Rhode Island. All the Senator from Rhode Island will agree to now is that the Senator from Iowa and myself may have such rights as the rules of the Senate accord us, and absolutely no more than that under this unanimous-consent agreement.

Mr. CUMMINS. Whatever may be the intent of the Senator from Rhode Island I do not know; but that was not the unanimous consent for which I asked; it was not the unanimous consent that was granted, save, as I understand, for the objection of the Senator from Texas.

Mr. BAILEY. Mr. President——

Mr. CUMMINS. Just a moment.

Mr. BAILEY. You want that corrected at once. The Senator from Texas cordially joined in that request, yielding his judgment upon the statement that they would give us a direct vote. The Senator from Rhode Island refused to have the unanimous-consent agreement as construed by the Senator from Iowa, and upon his refusal to accept that construction I made the objection.

Mr. ALDRICH. There should be no misunderstanding of the statement as I made it. I am willing that the matter shall be taken up by the Senate, and kept before the Senate until it is disposed of.

Mr. BAILEY. Ah, Mr. President, but let us be frank.

Mr. ALDRICH. I am perfectly frank.

Mr. BAILEY. But does the Senator from Rhode Island intend to move to refer that proposition?

Mr. ALDRICH. I do not know. I intend to reserve all the rights which I have or——

Mr. BAILEY. And to surrender none.

Mr. ALDRICH (continuing). That any other Senator has.

Mr. BAILEY. And we surrender ours. That is the kind of trades the Senator from Rhode Island frequently tries to make; but that is not the kind he will make with me.

Mr. TILLMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. CUMMINS. I do.

Mr. TILLMAN. The fencing of these experts has got me a little confused, though I think I smell something up the creek. [Laughter.] I want to ask somebody who may be willing to answer, if we have men here who are willing to vote for an income-tax amendment who will prefer to dodge it by voting to postpone it?

Mr. GALLINGER. We will find that out on the vote.

Mr. CUMMINS. Time alone can tell.

Mr. ALDRICH. Mr. President, there may be Senators here who are honestly in favor of an income tax who might not be in favor of it if we furnish sufficient revenue by this bill to obviate the necessity of unnecessary and onerous taxation.

Mr. BAILEY. Now, the gentlemen on the other side understand the line of action.

Mr. BEVERIDGE. We do.

Mr. CUMMINS. Mr. President, the Senator from Texas [Mr. BAILEY] will understand that I am not the guardian of the Senator from Rhode Island [Mr. ALDRICH]. I asked for a unanimous-consent agreement, which was that we take up this matter and proceed with its consideration. If the Senator from Rhode Island had it in his mind to reserve the right to postpone the consideration of that amendment to some other time, he was, I am sure, inaccurate in interpreting the consent for which I asked. The unanimous consent for which I asked was that this amendment should be taken up for consideration, and a motion to postpone the amendment for consideration to some future time would be inconsistent with and repugnant to the very consent for which I asked. If the Senator from Rhode Island says that he does not understand that he surrenders the right to postpone the consideration of this amendment to another time, then, of course, he is not consenting to the matter for which I asked.

Mr. ALDRICH. Mr. President, I have never had any purpose to move the postponement of the consideration of the amendments. I could not do that under the unanimous consent. I could make a motion, or any other Senator could make a motion, to refer or to commit or any of the other motions that are authorized by the rules; but I had no idea of doing anything except carrying out the agreement in perfect good faith; not to postpone the consideration to another and further time if it was important that the Senate should take any particular action upon the subject not inconsistent with the agreement to keep the matter before the Senate until it was disposed of. Of course, I should have a right to make those motions; and I do not intend, and I think there could not be any intention on the part of anybody, if this agreement is entered into, to postpone the consideration in violation of the agreement.

Mr. BEVERIDGE. It could not be done under the agreement.

Mr. CUMMINS. That is as I understood the Senator. But, further, my consent embraces the agreement to proceed with the consideration as against a motion to postpone to a future time. If that consent is granted, I think we have made great headway on the income-tax amendments.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Wisconsin?

Mr. CUMMINS. I do.

Mr. LA FOLLETTE. I should like to ask the Senator from Iowa what distinction there would be between a motion to postpone consideration to another time and a motion to refer to the Committee on the Judiciary or to any other committee? That would work a postponement indefinitely of this proposition.

Mr. CUMMINS. So far as the inquiry of the Senator from Wisconsin is concerned, Senators have the right to do that now.

Mr. LA FOLLETTE. Then, what is accomplished by a unanimous-consent agreement that the matter be taken up and considered until disposed of? That will effect nothing, so far as the vote is concerned, unless it includes a proposition that the amendments shall not be referred, because that is only another means of postponing them indefinitely.

Mr. CULBERSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Texas?

Mr. CUMMINS. I do.

Mr. CULBERSON. I simply suggest to the Senator from Iowa to put his request, as he interprets it, to the Senate, and ask unanimous consent of the Senate to take up these amendments immediately after the disposition of the schedules of the bill, to be considered and determined by a direct vote of the Senate.

Mr. GALLINGER. Oh, no.

Mr. CUMMINS. I understand that that request was refused. I asked unanimous consent to so dispose of the matter, and it was not given. I believe that it would further the interests of the income-tax amendments if the second request that I made were granted. That request is, that at the close of the consideration of those paragraphs imposing duties on imports the income-tax amendments—I care not how you phrase that part of it—be taken up and proceeded with until disposed of, not, however, to be disposed of by a motion to postpone to some future time. I suppose that we are men of honor. We understand the spirit of agreement. I believed that that would facilitate the agreement, as well as the disposition of the subject; I believe so still; and I ask unanimous consent in the terms I have now stated.

Mr. BAILEY. Mr. President, pending that I desire to be indulged for a moment. Of course the Senator from Iowa is able to take care of himself.

Mr. CUMMINS. Will the Senator yield to me for just a moment?

Mr. BAILEY. Certainly.

Mr. CUMMINS. It is manifest that there can be no unanimous consent upon any subject whatever——

Mr. BAILEY. I am not sure about that.

Mr. CUMMINS (continuing). And I therefore withdraw my request for unanimous consent.

Mr. ALDRICH. Let us have a vote, then, on the motion.

Mr. BAILEY. Mr. President, just a moment. I think when the Senator from Iowa reads the transcript of the stenographic notes of what has just transpired, he will not be entirely satisfied with the situation in which he has left himself. He preferred a request, and, in preferring it, he interpreted it. His interpretation was that his request required a direct vote on the income-tax amendment or amendments. I stated from my place here that while I believed it preferable to dispose of the matter now, with a view to the adjustment of the schedules according to the disposition of the income tax, yet, to avoid any friction between the advocates of the policy, I would yield my judgment and cordially concur in the request of the Senator from Iowa.

The Senator from Rhode Island declined to allow that unanimous consent entered upon the record with the understanding that it should bring the Senate to a direct vote upon the question. I think I know—though I do not get it from any Senator on the other side authorized to speak—that their programme is exactly what I have already outlined. They have verified my understanding of the first half of it by moving to postpone the consideration of my amendment, exactly as I prophesied they would, and I have no shadow of doubt that they will in time verify the second half of my prophecy by moving to refer the income-tax amendments to the Judiciary Committee.

I made that prediction in a bare, but, I think, a vain hope that I might deter them from it; but that they have not been moved from their determination is apparent now, because the Senator from Rhode Island refuses his consent to the request of the Senator from Iowa when the Senator from Iowa construes it.

The Senator from Iowa will also recall that the Senator from Rhode Island, in reply to me, declared that the Senate would proceed with the consideration of these amendments under the rules of the Senate. Now, what are the rules of the Senate? Here are the motions:

To adjourn.
To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.
To take a recess.
To proceed to the consideration of executive business.
To lay on the table.
To postpone indefinitely.
To postpone to a day certain.
To commit.
To amend.

Under the rules of the Senate the Senator from Rhode Island—and he reserved his right expressly to act under the rules of the Senate—would have the right to move to commit the amendment to the Judiciary Committee as clearly as he would have the right to amend it. Am I not stating the interpretation of the rule as the Senator from Rhode Island understands it?

The Senator from Rhode Island nods his assent. Therefore, if the Senator from Iowa had obtained the unanimous consent for which he asked and in the terms in which he asked it, the Senator from Rhode Island would have been at perfect liberty to move either to postpone until the next session of this Congress—because the motion to postpone is one of the motions under the rules of the Senate, and the Senator from Rhode Island expressly reserved his right to act within the rules——

Mr. ALDRICH. I stated to the Senate that I had no intention to move to postpone to any future time, and I was perfectly willing that the agreement should include the fact that no motion to postpone was intended.

Mr. BAILEY. Now, include the words "to refer," and we will agree to the unanimous consent.

Mr. ALDRICH. The Senator has made that suggestion half a dozen times, and I have stated positively that we could not consent to that.

Mr. BAILEY. Therefore, Mr. President, what difference would it make whether the Senator from Rhode Island moved to refer it to a committee or to postpone it indefinitely, for if you send it to a committee, according to our experiences, that is equivalent to postponing it indefinitely? What I want—and I will agree to any unanimous consent that secures that right—is a direct, unequivocal vote on the question. I want every Senator to record his judgment, not whether the matter ought to be further investigated, but whether the Congress of the United States should lay a tax upon the incomes of our prosperous classes. That is all I ask.

Mr. HALE. Will the Senator allow me to ask him a question?

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Maine?

Mr. BAILEY. Certainly; I do.

Mr. HALE. Everything of this kind must be disposed of, if any agreement is made as to the time when it shall be taken up, by the action and the will of the Senate. All that I understand the Senator from Texas seeks, and that the Senator from Iowa now seeks, is that when the schedules of the bill are completed the income-tax proposition shall be taken up and considered by the Senate; and it has been substantially agreed that there shall be no motion for delay—that is, to postpone.

Now, the Senator says that what he wants is an ironclad agreement by the Senate to-day, this day of May, that when the Senate, under the agreement, takes the matter up, it shall be bound to certain restrictions as to its motions. The Senator loses no right——

Mr. BAILEY. And gains none.

Mr. HALE. Yes; he gains this, under the proposition of the Senator from Iowa, that when we are through with the schedules we take up the income-tax amendments.

Mr. BAILEY. Are you not bound to do that anyway?

Mr. HALE. No.

Mr. BAILEY. How could you avoid it?

Mr. HALE. Because there are a hundred other different propositions in the bill that a majority of the Senate might conclude to go to, and not take up the income tax until the whole bill had been completed.

I wish to say that, as I understand the feeling upon this side and of the committee, this proposition is not a thing that can be avoided; it will come up; it will be disposed of by the will of the Senate when it comes up, and the Senator loses no right by the agreement; and when the schedules of the bill are completed, no motion can be made to take up any other part of the bill. We go to the income-tax propositions and consider them under the rules of the Senate.

The Senator is afraid that a motion will be made to refer to the Committee on the Judiciary or to some other committee. If, when that time comes, Mr. President, the Senator has the majority of the Senate at his back, the Senate will vote down the proposition to refer to the committee and will vote directly upon the amendments.

Mr. BAILEY. The Senator from Texas does not think that he will have a majority if we wait until that time, and that is the reason the other side want to wait; and it is the very reason I do not want to wait.

Mr. HALE. Mr. President, I do not know what the Senate would do to-day or what it will do when the schedules are completed, but, to me, it is a fair, serious, honest proposition, with no gain or loss to either side, as it is now presented by the Senator from Iowa. If the agreement is entered into when we reach the consideration of the amendment, if any motion is made, as it can be made under the rules of the Senate, to commit the proposition to the Judiciary Committee, if a majority of the Senate does not want that done, it will vote it down. We will come to a direct vote by the will of the Senate, and that will dispose of the whole thing. I take it that the Senator from Iowa realizes that situation.

Mr. DANIEL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Virginia?

Mr. BAILEY. I do.

Mr. DANIEL. Mr. President, I should like to ask the Senator from Maine or the Senator from Iowa a question. Would

they consent to add to the request of the Senator from Iowa, for unanimous consent, the words "and disposed of by direct vote before the adjournment of this session?"

Mr. HALE. That has been proposed and objected to.

Mr. BEVERIDGE. It has been objected to.

Mr. DANIEL. Then I understand it will not be consented to.

Mr. BACON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Georgia?

Mr. BAILEY. I do.

Mr. BACON. With the permission of the Senator from Texas, I desire to submit an observation to the consideration of the Senate. As I understand the motion of the Senator from Rhode Island, it is that the amendment offered by the Senator from Texas shall be postponed for consideration until a future date—the time stated. Am I correct?

Mr. ALDRICH. That is, that the consideration be postponed, to put it slightly different.

Mr. BACON. Yes; the consideration. In other words, that it be removed now from the consideration of the Senate to a time fixed.

Mr. President, I have not the slightest doubt in my mind—not a particle—that there is no warrant in parliamentary law for any such motion, and I think I can sustain that contention beyond a possibility of doubt. Of course, I mean in saying "the possibility of doubt" not to exclude the fact that other Senators may be equally convinced the other way; but upon every principle of parliamentary law that motion is without support and, so far as I know, absolutely without precedent.

Mr. President, the proposition is this: According to a well-recognized and indisputable principle of parliamentary law, as an original proposition, in the absence of any rule to vary it, when an amendment is offered, it can not be removed from the consideration of the body temporarily without carrying with it the original proposition.

Every man at all familiar with parliamentary law knows that is a fundamental proposition in parliamentary law. When an original proposition is before a body and an amendment is offered, in the absence of any special rule to control it, according to parliamentary law a motion to dispose of that amendment in any other way than to vote upon it will carry with it the original proposition. Everybody knows that fact.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from New Hampshire?

Mr. BACON. I will, if the Senator insists, but I have not yet stated my proposition, and it might be well for me, before the Senator makes an inquiry, to state my proposition.

Mr. GALLINGER. I wish to call the attention of the Senator to the fact that under general parliamentary law we can not table an amendment without carrying the main question with it.

Mr. BACON. I assume that the Senator does not suppose that I am ignorant of the rule of the Senate with reference to that, and I am coming to it.

Mr. GALLINGER. And under the rule of the Senate, general parliamentary law is overruled.

Mr. BACON. But it is not overruled in this particular, and that is what I am trying to prove, if the Senator will give me an opportunity to do so.

Mr. GALLINGER. We think it is on all fours with it.

Mr. BACON. I wish to state the proposition consecutively, and therefore I repeat that according to general parliamentary law an amendment can not be disposed of by a motion to postpone it in any way; to lay it upon the table, or in any other way. The simple reason is this: If an amendment is offered to a substantive proposition, to postpone it and then go on and decide the substantive proposition to which it is offered as an amendment, is to defeat the amendment in an indirect way; and therefore that rule of parliamentary law stood in the way absolutely as a barrier in the Senate to the disposition of any amendment in any way except by a vote upon it.

Now, that was found by the Senate to be inconvenient. It was not in order, according to parliamentary law, to move to lay an amendment on the table without carrying the main proposition with it, and therefore the Senate passed a special rule varying the general parliamentary law. The general rule of parliamentary law being that no amendment could be disposed of by a postponement of any kind, the Senate passed this rule, found on page 18 of our manual:

> When an amendment proposed to any pending measure is laid on the table, it shall not carry with it or prejudice such measure.

That is now the law of the Senate. Without that a motion to lay an amendment on the table would not be in order except with the result stated. Why? Not because previous to that we had any rule that an amendment should not be laid upon the table, but because there was a general rule of parliamentary law controlling not only this body, but every other body recognizing parliamentary law, which said that no amendment could be disposed of in a collateral way, but that it must be met by a direct vote; that if it was disposed of in a collateral way, the main proposition should go with it, in order that the amendment should not lose its place.

Now, to what extent did the Senate vary the general rule by the adoption of this special rule? No further than its terms expressed; no further than to say that, while it is true that an amendment can not be disposed of in a collateral way as a general thing, we do provide that it may be disposed of in a particular way, and in only a particular way, and that is by a motion to lay upon the table. There is no doubt about the fact that the Senator from Rhode Island would be in order to move to lay it upon the table, because we have a rule which, while utterly inconsistent with the theory of parliamentary law, is nevertheless binding upon this body, and that rule permits it to be laid upon the table; but in no other respect is the general rule of parliamentary law varied which says that an amendment can not be disposed of in a collateral way. And so, Mr. President, I do not think there is any question about it. There is certainly no question in my mind that the rule has been varied to that extent and to that extent only. There is no question of the existence of the rule. No man who knows anything of parliamentary law will deny that, and there is no question that we have only varied it to that extent and no further. We have varied it only to the extent of saying that an amendment can be laid upon the table, and we have not in the slightest particular varied in any other way the general rule of parliamentary law that an amendment can not be disposed of collaterally.

Mr. HALE. What does the Senator say to the rule beginning at the bottom of page 20?

Mr. BACON. That has nothing to do with it.

Mr. HALE. Will the Senator read it?

Mr. BACON. Oh, yes; that is the order in which motions can be made; but, of course, those motions have to be legal motions, proper motions; and if the Senator will give me his attention, I think I can satisfy him of it.

PRECEDENCE OF MOTIONS.

When a question is pending, no motion shall be received but—
To adjourn.
To adjourn to a day certain, or that when the Senate adjourn it shall be to a day certain.
To take a recess.
To proceed to the consideration of executive business.
To lay on the table.
To postpone indefinitely.
To postpone to a day certain.
To commit.
To amend.

Mr. HALE. Mr. President——

Mr. BACON. Now, will the Senator pardon me a minute? He has asked me a question, and he should allow me to answer it. I can not answer two questions at once. The Senator has asked me a question, and I am proceeding to give him the best reply I know.

Now, suppose that there had been no rule such as that I have read from on page 18, which permits an amendment to be laid upon the table; would the Senator say that, even in the face of the general parliamentary rule which I have repeated and which no man can dispute, it would still be in order to move to postpone an amendment to a day certain?

Mr. HALE. Undoubtedly.

Mr. BACON. I will suggest to the Senator from Maine, when he says "undoubtedly," that he has been trained in a very different school of parliamentary law from any of which I have ever had any knowledge.

Mr. HALE. Undoubtedly, under the rule to which I have called the attention of the Senator, and which he has just read, whenever a question is before the Senate. Is not the amendment offered by the Senator from Texas, or the amendment offered by the Senator from Iowa, or any other amendment, a question before the Senate? The rule is intended for the guidance of the Senate.

Mr. BEVERIDGE. What is the question?

Mr. HALE. The amendment.

Mr. BEVERIDGE. Certainly.

Mr. HALE. There is no other question, and can not be. Until that amendment is disposed of in some way it is the ever present and engrossing question before the Senate; and in framing the rules, a way has been provided to dispose of a question; and so carefully is it provided, that the order of motions which can be made for the disposition of the question before the Senate is given in concise and indisputable terms; and that becomes

and is, as the Senator from Indiana says, the law under which the Senate is acting.

Mr. BACON. I have the greatest confidence in the Senator from Maine as to most matters which pertain to the Senate. He is a Senator of very large experience, very industrious, and has given closer attention to the business of the Senate than possibly any other Senator who is now a Member of it; but I must confess that I have not a very high estimate of the knowledge of the Senator from Maine of the science of parliamentary law. Parliamentary law is a science, just like the common law, depending upon principles; and any proposition must be defended or overturned according as it may agree with those general principles.

Now, the matter of the order of precedence of questions is no new matter. It is as old as parliamentary law. The questions the Senator has had me read are questions which have existed from the foundation of parliamentary law as to precedence; but the Senator will search in vain, and I challenge him to do it, not only this afternoon but at any other time; he may take all the books on parliamentary law he can find in the Library of Congress, and he will fail to find anything which will support the proposition that an amendment can be removed from the consideration of the body by a motion to postpone it to a time certain or to any other time. On the contrary, I assert that it is beyond the possibility of question as a fundamental proposition in parliamentary law, outside of any particular rule which may be adopted by a body, that an amendment is dependent upon the original proposition, and that you can not remove the amendment from the consideration of the body without the original proposition going with it; and it was only because of the inconvenience that that occasioned that the Senate adopted a rule permitting a motion to lay an amendment upon the table without taking the original proposition with it. In the absence of this particular rule which is found in our manual, a motion to lay upon the table would be entertained; but if carried, it would carry the entire proposition to the table; and it was to avoid that result that the Senate adopted a rule by which the motion to lay upon the table should not carry the original proposition with it to the table; and if the general principle of parliamentary law should prevail, according to the rule which would have required a vote to lay an amendment upon the table to have carried with it also the principal proposition, a motion to postpone an amendment to a day certain would have also carried with it the original proposition for consideration on the same day.

Mr. LODGE. Mr. President——

Mr. BAILEY. Mr. President, I have not yielded the floor.

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Massachusetts?

Mr. LODGE. Mr. President, I believe I have not spoken before on this question.

Mr. BACON. I asked the Senator from Texas to yield to me.

The PRESIDING OFFICER. The Senator from Texas yielded to the Senator from Georgia.

Mr. BAILEY. Mr. President, I desire to occupy only a moment, and that in reply to what was said by the Senator from Maine.

You may always be certain that when the Senator from Maine is not absolutely candid, it is a hard case, because he is one Senator in this Chamber who, as a rule—and I believe this afternoon is the only exception I have ever known him to make—is absolutely candid.

The Senator asks the Senate to believe that we who insist upon the disposition, and the prompt disposition, of this case would acquire some new right by assenting to a request for unanimous consent that after all the other things have been done we may do this. Or, if the Senator is not satisfied with that way of stating it, I will state it in this way: That after we have disposed of all the schedules—and that includes the right of every Senator to offer any amendment to any schedule, and surely when we have done that we will have finished our work—we may then offer these income-tax amendments.

Mr. President, I aver, and I will stake my reputation for candor upon it, that we have that right full and perfect without any unanimous consent. Therefore what do we gain?

Mr. HALE. Does not the Senator concede that a fitting time to consider this amendment, a suitable time, is not now, when we are considering the customs schedules? This is not a matter of customs duties. It comes within what I suppose the Senator and I, with our experience in legislation, would call the "internal-revenue features." There are none of those in the customs schedules. I do not use the word offensively, but is it not rather intrusive that the Senator should ask us to consider the income-tax amendment when we are not considering and have not reached that branch of the revenue under which the income tax could be taken up and considered? Is it in any way seeking to impair the natural right of Senators when the committee ask that the consideration of the income-tax proposition, which we know we have to consider—which we know we have to face—shall be postponed until we have considered the customs schedules?

If the Senator will allow me, I was not consciously uncandid when I stated that if that agreement was made, the Senator would lose no rights; the advocates of the income-tax proposition would lose no rights. But I agree with the Senator from Iowa that something is gained in its being determined now; that when the schedules have been disposed of we will take up this proposition, and none other, until the Senate shall dispose of it.

I like to agree with the Senator from Texas; I appreciate his complimentary phrase—from no one would it come more agreeably than from the Senator from Texas—but I hope he will not think in making that proposition there is anything unfair or uncandid. I think the Senator from Texas gains something; I think the Senator from Iowa gains something by the consent to take up at that time this proposition and dispose of it, as the Senate will at that time desire to dispose of it.

Mr. BAILEY. Mr. President, the Senator from Maine will not deny that the Senator from Iowa or I have the right, when recognized by the Chair, to offer these amendments now. Therefore when you give us the right to offer them at the end of the bill, you give us absolutely no right which we do not now possess. But, on the contrary, you abridge our right to offer them anywhere by confining us to offering them at the conclusion of the bill. I can not comprehend how a Senator can say that when I have a right to offer an amendment anywhere, I gain something by agreeing that I will not offer it until the end of the bill.

Mr. HALE. Mr. President——

Mr. BAILEY. Now let me finish.

Mr. HALE. Yes; I will not interrupt the Senator.

Mr. BAILEY. The Senator will let me finish that. The Senator says the Senate agrees to do nothing else. Of course not, because the Senate will have done everything there is to do, except this particular matter.

Mr. HALE. No.

Mr. BAILEY. You reserve the right to dispose of every schedule before you dispose of this amendment.

Mr. HALE. The customs schedules.

Mr. BAILEY. I understand. The other parts are not schedules. They are mere paragraphs or sections. I used the word "schedules" accurately.

Differing with the Senator from Maine, I would have decided this question first instead of last, for the reasons I have already stated to the Senate, and which I will not consume time by repeating. I think it was necessary for us to know how much revenue was required to be raised by this bill before we began to fix the schedules or the rates of the schedules, and consequently the orderly and natural place for the decision of this question was at the very beginning of the bill.

I tried time and again to obtain a unanimous-consent agreement to fix a day. That request each time was denied. The Senator from Rhode Island did not deceive me at all with his objection. I do not mean to say he intended to deceive me. But when the Senator from Rhode Island objected to fixing a day, I knew why. I know now. The Senate knows now, because he admits it, and that is because he thinks they will be stronger against this amendment as the time progresses than they are now. Let me see if I state it correctly in effect. The Senator says he does not want to vote on it until he gets through the schedules, because he believes that he can then show that there will be revenue enough, independent of an income tax, and he proposes to appeal to Republicans that, with an abundant revenue, they shall not vote to levy a new tax.

It is passing strange that the most ardent opponents of the income tax are the sponsors for this motion, if it is not intended to assist in defeating the proposition I have made.

Mr. HALE. Right here, will the Senator allow me?

Mr. BAILEY. I will.

Mr. HALE. The Senator says he gains nothing if he consents to this proposition. Let me tell him what he does gain. He makes the proposition, and at once the Senator from Rhode Island, the chairman of the committee, moves to postpone it until the 10th of June. If this agreement is made, no such motion can be made.

Mr. BAILEY. No; but a motion can be made to refer to a committee, and what is the difference?

Mr. HALE. There is a great deal of difference.

Mr. BAILEY. What is the difference?

Mr. HALE. There is a great deal of difference.

Mr. BAILEY. Explain it to the Senate.

Mr. HALE. But to-day the Senator is met by the motion to postpone. It is agreed that when we take this up, if we do, after the schedules are completed, there shall be no dilatory motion of that kind made.

Mr. BAILEY. No; but there will be a motion to send it to a committee.

Mr. HALE. That is not a dilatory motion.

Mr. BAILEY. But it disposes of it without a direct vote, and that is what I do not intend to have done, if I can prevent it.

Mr. HALE. The Senator gains this: There will be no more motions to postpone, if the agreement is made. It will come right square at once to the proposition on the amendment, if the Senate wants it, or if somebody moves to commit it, and the Senate wants that. But the Senator will get rid of every motion to postpone, and I think the Senator from Iowa feels that that is a great advantage.

Mr. CUMMINS. Precisely. I hoped we might have unanimous consent to vote directly upon the income-tax amendment. That was denied. The next best thing is to get a vote on the motion to commit, if you please, and I preferred the request for unanimous consent in order to eliminate just such motions as that which the Senator from Rhode Island has now made—a motion to postpone the consideration of the amendment to some other time. I believe we would gain an advantage by such a unanimous-consent agreement, or I would not have asked for it, and I believe the Senate ought to consent to it. But when a request for unanimous consent creates debate, intense and earnest, as this has created, evidently that is the end of the matter, and I therefore have withdrawn the request for unanimous consent.

Mr. BAILEY. The Senator from Rhode Island moves that we postpone this until the 10th of June. That is earlier than we would reach it under the request for unanimous consent. The Senator from Rhode Island, let me tell him, will not have disposed of these schedules by the 10th of June.

Mr. ALDRICH. Then I will say to the Senator from Texas that I shall then move to postpone again until we have reached it.

Mr. BAILEY. So I notify the progressives who say they favor an income tax to see the dish the Senator sets before them—a postponement after a postponement.

Mr. CUMMINS rose.

Mr. BAILEY. I yield to the Senator from Iowa.

Mr. CUMMINS. I am sure that the Senator from Texas does not intend to challenge the sincerity of the progressives of the Senate.

Mr. BAILEY. No——

Mr. CUMMINS. We are just as much in favor of an income tax as are the Senators upon the other side, and I hope no degrees of fidelity will be conferred. Let me say that we on this side who are in favor of the income tax—I speak now for most of them, I am sure—believe that the time to take up that subject and dispose of it is when we have finished these schedules, and we intend to bring about that result if we can do it.

Mr. BAILEY. Mr. President, I have not said anything to challenge the sincerity of the Senator from Iowa, but I do very distinctly challenge his wisdom about this particular question. I want to tell the Senator from Iowa now that when he finds himself agreeing with the Senator from Rhode Island, and they are on different sides, he will be wiser after the event than he was before.

Mr. CUMMINS. All I can say is that up to this time I have not voted oftener with the Senator from Rhode Island than has the Senator from Texas.

Mr. BAILEY. Mr. President, the Senator from Rhode Island has been right twice during this session, and I voted with him both times. He has been wrong all the other times, and I voted against him. The Senator from Iowa can not say as much.

Mr. President, the Senator from Iowa knows as well as I do what is going on with this income-tax amendment. The Senator from Iowa knows that we are not as strong to-day as we were three weeks ago.

Mr. CUMMINS. Mr. President——

Mr. BAILEY. Does the Senator think so?

Mr. CUMMINS. So far as the Republican Senators are concerned, we are stronger now than we were three weeks ago.

Mr. BAILEY. We can adopt the income-tax amendment this afternoon, if that is true. All we need to do is to vote down the pending motion and call the roll on the amendment. If you are stronger than you were two weeks ago, we can defeat the motion to postpone and adopt the amendment this afternoon. Does the Senator want to adopt it now?

Mr. CUMMINS. There are more Republican Senators in favor of an income tax, in my opinion, now than there were three weeks ago. That is not synonymous with discussing and determining the income tax at this time, rather than at the close of the schedules.

Mr. BAILEY. Would the Senator adopt it this afternoon, if he could?

Mr. CUMMINS. I will.

Mr. BAILEY. Then we can do so if we are stronger on the Republican side than we were three weeks ago.

Mr. CUMMINS. I shall vote against a postponement of the motion on this subject.

Mr. BAILEY. Three weeks ago a Republican Senator showed me a list of 17 Republican Senators who then favored this amendment. I have that list now; and if there have been no defections, we can adopt this amendment now. Since the Senator says he intends to vote against the motion, if there have been no losses, we will vote down the motion of the Senator from Rhode Island, and I will be ready to vote on the main proposition without a moment's discussion.

But I want to admonish all friends of the income tax on both sides that if we postpone it until the Senator from Rhode Island is ready to vote, we will not carry it, for he will stay here until the dog days before he will allow us to come to a vote on this question, if he can help it, until he feels reasonably sure of defeating it.

I do not complain that the Senator from Rhode Island does that. I presume that any other Senator opposed to a proposition as important as this would seek delay after delay until he was ready to vote. The Senator from Rhode Island is so uncertain now about being able to defeat it, even when we reach the end of the bill, that he will not agree to take a direct vote on the main proposition. I have offered to agree to a postponement of it here and now, if the Senator from Rhode Island will agree, in the presence of the Senate and have it entered upon the record, that we shall have a direct vote on the main proposition.

Mr. BORAH rose.

Mr. BAILEY. I yield to the Senator from Idaho.

Mr. BORAH. Mr. President, as far as I am individually concerned, I am ready to vote upon an income tax at any time. I have had the opinion, to some extent, that it would be proper to submit to the programme of the Senator who has charge of the bill, and it was my disposition to do so. I think, however, there is one thing that those loyally in favor of an income tax ought to guard against, and that is the possibility of not having a direct vote upon the measure at all.

I believe that we owe it to ourselves since this discussion has taken the trend that it has, and we owe it to the country, and I want to say to the leaders of the Republican party that we owe it to the Republican party, to meet this measure squarely and vote for it directly, and either vote it up or vote it down. It is a measure which involves, in my judgment, not only a question of interest to the great masses of the people, but it involves in another way the integrity of the constitutional power of this Government. It has been discussed for the last four or five years; it has been discussed here in the Senate for the last two or three weeks, and we ought to be prepared to say to the American people that we either favor this measure or that we do not.

I appeal to the Senator from Rhode Island to consent here and now not only that we may take it up when the schedules are finished, but that there shall be no interference with a direct vote upon the measure.

Mr. BAILEY. Mr. President, that would settle all disagreement here this afternoon. I think now is the time, but the question as to when you do a thing that ought to be done is a mere matter of form and is wholly unimportant when compared with whether or not you do it. I yield that, and if the Senator from Rhode Island will respond to the sensible suggestion of the Senator from Idaho, I am ready to consent to it.

Mr. ALDRICH. Mr. President, my responsibility as the Senator in charge of this bill would be violated and I should abdicate my functions as a Senator if I should not, by every means in my power, press the consideration of the bill to a conclusion upon the schedules relating to the tariff before any additional taxation is suggested or voted upon.

I can not consent to the suggestion of the Senator from Idaho, for the reason that I think it is our imperative duty to determine first what the forms of taxation or the rates of duty shall be under the bill before we take up the question of additional taxation.

Mr. BAILEY. I borrow the expression, and say "Let us determine the form" before we go any further.

Mr. ALDRICH. The Senator from Texas has stated positively and definitely that it is his purpose, if the income tax should be adopted, to go back and revise the tariff schedules of the bill.

Mr. BAILEY. Therefore we ought to adopt it first, so that we would not have to go back.

Mr. ALDRICH. I say to every friend of this measure, sitting on either side of this Chamber, that if we now take up the question of an income tax and proceed to the consideration of it to the exclusion of all the tariff schedules, and if we adopt a tax which will levy on the people of the United States $80,000,000, I shall be ready to join the Senator from Texas in revising the schedules. It would be our imperative duty to revise them, not in the interests of protection, but for the opposite reason.

Mr. BACON. The Senator means in the interests of the consumer.

Mr. ALDRICH. If Senators sitting on this side of the Chamber desire deliberately to abandon the protective policy and to impose an income tax for the purpose plainly avowed by the Senator from Texas to reduce and destroy the protective system, I will say to those Senators that I do not intend to consent to that programme so far as I am concerned; and that I intend, so far as it is within my power, to proceed with the consideration of the bill; and that when the schedules are completed we will then take up the propositions involved in the income tax and consider those. But until, under the leadership of the Senator from Texas, this bill is taken from my charge, I intend to press its consideration, and I say that to every Senator. I do not intend to be swerved from that duty by any suggestions from any source.

Mr. BAILEY. Mr. President, that is a right touching appeal to the loyalty of the Republican side. I have no idea that they are going to displace the Senator from Rhode Island or select me as their leader on this particular occasion.

But the Senator from Rhode Island risks quite too much when he appeals to Republicans that they must put their conscience and judgment in duress, or that if they vote the way they think they are voting to depose him from the leadership of his party in the Senate.

The Senator from Rhode Island, unwittingly, of course, made a strong argument in support of my position and against his motion, because he says that if we adopt this income tax we must go back and revise the schedules. I want to adopt it to begin with so that we will go on and revise them in accordance with what we have done. The Senator from Rhode Island makes it manifest, indeed he asserts, that after he has finished the bill and after he has laid it here as the work of his hands it will produce revenue enough, and that if we then adopt an income-tax amendment we must go back and revise the tariff bill under the leadership of the Senator from Texas.

The Senator from Texas can never aspire to equal the Senator from Rhode Island in his knowledge of the tariff and in his management of men, but in a spirit of becoming modesty I must be permitted to say that the Senator from Texas could make for the people of the United States an incomparably better tariff bill than the one the Senator from Rhode Island is now engaged in making. I not only would make it better in that I would make the duties lower, but I would make it better still in that I would lift from the backs and the appetites of the toiling millions of this Republic and lay a large part of the burden of this Government upon the incomes of those who could pay the tax without the subtraction of a single comfort from their homes.

We are ready to go to the American people upon that proposition; and yet as I stand here this evening in the presence of my colleagues and my countrymen I affirm that I would rather see this income tax adopted and have it eliminated from politics than to have the advantage which I know your defeat of it will give to the Democratic party. I do not pretend to know much about the people's sentiment; I am not accurate in gauging what the voters think; but if I can judge by the voluntary messages which have come to me, and, singularly enough, most of them have come from Republican States, if I can judge of what the people think by what a part of them have said to me, I have no hesitation in saying that, submitted to a direct vote of the people of the United States, 9 voters out of every 10 would vote to impose this income tax.

Yet the Republican party, in the face of this universal and overwhelming demand, will stand here and trifle with the judgment and conscience of Republican voters and refuse to lighten the burdens of the American people. If you choose to do it, the responsibility and the injury are on you; the advantage and the victory will come to us.

And yet, seeing an advantage of that kind, I have conferred more freely with Republicans upon this measure than I have with Democrats. The fact is, my Democratic associates have done me the honor to take my judgment about it, and they have not demanded of me many explanations or amendments. Most of the time that I have spent in conference on this amendment has been spent with Republican Senators who have at heart not only the welfare of the country, but the success of the Republican party.

Gentlemen, go ask them; put it to them. Do you believe they are truthful men? Ask them how the vote would stand, and they will answer you, as I now declare, that nine men out of every ten believe this is a wise and a just and an equal system of taxation. If it is, you may postpone it, but that is all you can do. You can not ultimately defeat it. You have no chance to reduce the expenditures of the Government, and therefore your only chance to meet these enormous and increasing expenditures is to lay a part of the burden upon the incomes of the rich. You will do it. Your consciences and your judgment now demand of you to do it now, and it is only a party loyalty, to which the Senator from Rhode Island has but just now appealed, that restrains you.

If I were framing an issue upon which the embattled hosts should decide the next election, I would not ask a better advantage than this. I would not ask a greater assurance of success than that we may go to the country advocating the reduction of tariff duties and the levy of an income tax, while you are opposing both. If you dare to repudiate this demand of the people, if you turn a deaf ear to this voice that calls upon you for justice, yours is the responsibility, ours will be the triumph.

Mr. LODGE. Mr. President, I want to say a word, as the question of order has been raised.

The PRESIDING OFFICER. The Chair does not understand that any question of order was presented.

Mr. LODGE. I do not know that it has been put in the direct form, but the question of order was raised by the Senator from Georgia. I merely wish to say that if we were under general parliamentary law, no doubt it would have great weight resting on the principle of an amendment not being separable from the original.

But, Mr. President, we are not under general parliamentary law. We are living under the rules of the Senate, which is a very different proposition. I served in the House of Representatives for some weeks under general parliamentary law, and it was a very different system from the system under which the Senate does or fails to do business. Senators would find a great many rights and privileges which they are very much attached to sadly curtailed if they were put under general parliamentary law.

Now, Mr. President, we are doing business, or trying to, under the rules of the Senate in accordance with the general proposition which is laid down in Jefferson's Manual and familiar to everybody—

> It is proper that every parliamentary assembly should have certain forms of questions so adapted as to enable them fitly to dispose of every proposition which can be made to them.

And those are enumerated. We have adopted a series of motions under the rule which is found on page 20, Rule XXII. It is a great deal more than precedence of motions. The rule is: "When a question is pending, no motion shall be received"—except the enumerated motions. They are not limited, and they can be applied in any case. They are not under the control of general parliamentary law.

Moreover, Mr. President, if we turn to Rule XXVI, which applies to motions for reference, which is all that this contest is about (it is an attempt to cut off the motion to commit, which is one of the privileged motions), we find that the motions are made for reference, not of a question, not of a bill, but of a subject. It is made as broad as possible that any subject can be referred; and if at any time a Senator chooses to move the reference of a subject to a committee, that motion is in order in the line of precedence established by the Senate in Rule XXII.

Mr. President, I do not think there can be any doubt that the motion is in order.

Now, one word about the income tax and the proposition which has been made. I am not likely to be very much prejudiced against an income tax, for we have one in my State and have had one always, in addition to a general property tax. I believe, without going into a constitutional question, that it is an eminently proper tax to levy when necessity requires.

But, Mr. President, there is a great deal more involved in this question than the mere question of the imposition of an income tax. The Senator from Texas stated that he believes nine out of ten of the people of this country want an income tax. They embodied in the Democratic platform, which I hold in my hand, a declaration in favor of an income tax last year, and we put none in our platform. I did not observe at the election that nine out of ten supported the proposition for an income tax.

But, Mr. President, that is only by the way. We are here to decide what is best for the public business and what is best for the country. The country intrusted the work of the revision of the tariff to the Republican party, and the Republican party in each Chamber has undertaken that work and is responsible for it when it is done. If in the middle of the custom schedules, before we know what the rates are to be, before we have any idea as to what, on the final summing up, our income from imposts and duties is likely to be, we are to inject an income tax carrying seventy or eighty million dollars, we utterly and totally change the character of the bill. It makes no difference, as far as that goes, whether it is at the end or in the middle. We have gone half way through the schedules imposing duties. We should have to change them all. We should have to cut off in all directions, for it would be, to my mind, a very great mistake to impose by internal-revenue taxes, added to customs duties and imports, an amount of taxation largely and obviously in excess of our needs.

Mr. President, after the schedules are agreed to, and we can determine what deficit, if any, exists, we can then determine not only whether we need an income tax or whether we need an inheritance tax or a tax on the dividends of corporations, but we shall then be in a position to determine how much, if any, of such taxes should be imposed. Up to this point the bill has been intrusted to the majority on this side of the Chamber. They are responsible for the result; they are charged, under their platform, not only with the duty of revising the tariff and raising sufficient revenue for the needs of the Government, but they are charged specifically with the maintenance of the protective system. If the two things are to remain together, if we are to have sufficient revenue and the maintenance of the protective rates, it is impossible to tell what other taxes are needed until we know what the rates may be.

I do not mean to be unduly partisan, Mr. President, and I have nothing but admiration for my friend from Texas [Mr. BAILEY]; but, on the whole, I think, so long as we are charged with the making of this bill, we had better do it under the Republican organization and under Republican responsibility.

There is one thing much worse for the country, much worse for the party, and much worse for every individual than whether we have an income tax or whether we leave it off, or just how high or just how low we make the rates, and that is to have the legislation fail entirely. It would be better to proceed with caution and circumspection, so that we may not endanger the passage of any legislation, and find ourselves thrown back without revision and with a continued tariff agitation pending over the country with the Dingley law rates.

Mr. BACON. Mr. President, I shall occupy the attention of the Senate but for a moment in replying to what the Senator from Massachusetts has said upon the question of parliamentary law. The Senator says that we are not acting under general parliamentary law. We are acting under general parliamentary law, except so far as the general parliamentary law has been varied by particular rules. The only particular in which the rule says that an amendment shall not be removed from the consideration of the body by any collateral motion is the rule which permits that amendment to be laid on the table. I am not going to discuss that any further, because I have stated the proposition, I think, quite fully. I am very frank to say that I had hoped, when it was stated, that it would be so apparent in its correctness that it would not be necessary to proceed further with its discussion.

I challenged the other side, and I repeat the challenge, to show any rule in any work on parliamentary law which permits it, or any precedent by any parliamentary body which has ever practiced it. I make that broad challenge, not simply for the present—for, of course, it will take some investigation to find a precedent, and Senators will have the whole range of parliamentary practice within which to make the search—but I will prophesy that they will not find it, whilst I have to go but a very short distance to find a precedent to the contrary.

I presume Senators who disagree with me this afternoon will not dispute the precedent when it is found in our own body. But the Senator from Maine and the Senator from Massachusetts both rest their contention upon the fact that in the order in which it is stated motions may be made, there is the specification of the motion to postpone to a day certain, and it is argued that therefore that must be now permitted which otherwise would not be permitted. I shall not stop to discuss that, Mr. President, because I think it is really so very untenable as to not require discussion. That is simply a question of order of precedence. If you extend it to the field of jurisdiction, it is only those things which legitimately belong to it that can be in order.

Unfortunately for the Senators, in that enumeration there is also the authority to make a motion to commit. Therefore any argument which would be used in support of the contention that a motion to postpone to a day certain is in order, would apply with equal force to a motion to commit. Unfortunately, we have a precedent in the Senate, in which the Senate on a vote decided that that motion was not in order, and the Senator from Massachusetts and the Senator from Maine were both present when that precedent was established, and doubtless contributed to the result one way or the other. I will read it. It so happens that the point of order was made by the junior Senator from Texas [Mr. BAILEY]. It occurred in the Fifty-ninth Congress, first session, on May 9, 1906, and is found in the CONGRESSIONAL RECORD, at pages 6552 and 6559:

The railroad rate bill (H. R. 12987) to amend an act to regulate commerce, etc., being under consideration in Committee of the Whole,

On motion of Mr. Hopkins, to refer an amendment as amended, together with a proposed amendment thereto, to the Committee on Interstate Commerce,

Mr. BAILEY raised a question of order: That it was not in order to refer to a committee an amendment to a pending bill, and the Senate decided by a vote of 25 yeas to 48 nays that it was not in order. (See CONGRESSIONAL RECORD, pp. 6552–6559.)

Mr. President, when I stated my proposition, my distinguished friend from Massachusetts nodded his assent, that the same rule which would control in the case of a motion to commit would apply and control in the case of a motion to postpone to a day certain.

It might be stated that that rule would remove from the Senator from Texas the apprehension which he had that the Senator from Rhode Island would move to commit when the time came for consideration, if we had a general agreement that the proposition should be considered at a certain time. I would only reply to that, that the same influence which would cause the Senate now to override—which they would now do if they should persist in maintaining the motion of the Senator from Rhode Island—the same consideration which would induce them to override the proposition as contained in this parliamentary question, would also induce them to set aside this precedent and to commit, if they had the votes to do it.

Mr. President, I have not made any motion. I have not made any point of order, for the reason, as stated by me, that I supposed when I suggested so plain a parliamentary proposition as this one, buttressed by every principle of parliamentary law, the Senators on the other side would recognize it and yield the point; but as they evidently do not do so, it would be a vain thing to offer it, for the reason that if they have got the votes to pass the motion made by the Senator from Rhode Island, they also have the votes to vote down the point of order.

Mr. LODGE. On the question of parliamentary law, if we were proceeding under general parliamentary law, the amendment of the Senator from Texas [Mr. BAILEY] would be ruled out in a minute, because it is not germane. So we are not proceeding under general parliamentary law, but, as I stated before, under the rules of the Senate. The precedent which the Senator from Georgia produced simply meant that the Senate at that moment did not care to refer those amendments.

Mr. BACON. I suppose that it now means that the Senate at this moment proposes to support the proposition of the Senator from Rhode Island [Mr. ALDRICH].

Mr. LODGE. Very likely; but I am speaking of the general principle. There is not an appropriation bill which goes through this body where we do not refer amendments to the committee. We have done so in this bill. Amendments have been introduced here and have been referred since this bill has been under consideration.

Mr. BACON. If so, it has been by consent. The Senator can not show a precedent——

Mr. LODGE. So is this by consent. This would be by consent after the Senate has voted.

Mr. BACON. That is a very different thing. The consent does away with all rule; but I prophesy the Senator can not find a precedent for the position that, upon a vote, the Senate, or any other parliamentary body, has ever referred an amendment or postponed an amendment to a day certain.

Mr. LODGE. Unanimous consent is a vote, Mr. President.

Mr. BACON. That is a different thing.

Mr. GALLINGER. It is a unanimous vote.

Mr. LODGE. It is absolutely equivalent to a vote.

Mr. BACON. The Senator begs the question there.

Mr. LODGE. Whether that is so or not, Mr. President, I think it is equivalent to a unanimous vote; but to call one a consent and the other a vote is, it seems to me, begging the question, to begin with. Unanimous consent implies a unanimous vote, of course. That is only differing over words.

Mr. BACON. You would not need any unanimous consent if you do it by vote.

Mr. LODGE. If I understand the distinction which the Senator makes, that you can do anything by unanimous consent, I quite agree.

Mr. BACON. If the Senator will pardon me, we have unanimous consent to do a thing when it is not in order to do it by a majority vote. That is when we ask consent.

Mr. LODGE. Certainly.

Mr. BACON. Otherwise we do it by vote.

Mr. LODGE. You could not exclude these motions if you did not have unanimous consent. They are all privileged.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Minnesota?

Mr. LODGE. Certainly.

Mr. NELSON. I was about to say, Mr. President, that I expect my colleagues here regard me as a kind of heretic on a great many of these tariff schedules; but, if it is permissible for a heretic to speak on this occasion, I want to suggest this thought to Senators: No man in this Chamber, no matter how ardent a friend he may be of an income tax, can ever guarantee to us what the Supreme Court may do. The Supreme Court, if the question is put up to them again, may decide as they did in the last decision; and what would be the effect?

If we frame this bill on the theory of supplying a part of our revenues from the income tax and the Supreme Court should decide against it, it would leave the country entirely without sufficient revenue. So, Mr. President, while, as a general proposition, I am in favor of an income tax, it seems to me that the only safe way to proceed in this case to guard against any contingency that might happen by an adverse decision of the Supreme Court is to proceed with the tariff bill and complete it on the theory that that bill will supply us with sufficient revenue.

I may add as a postscript—and then I will sit down—that I was very warmly in favor of an income tax, but it has occurred to me since the vote on the lumber schedule that there is less reason for an income tax than ever before, and that we probably shall have revenues enough without it. [Laughter.]

Mr. NEWLANDS. Mr. President, I do not know whether the Senator from Rhode Island has withdrawn or not his motion to postpone.

Mr. LODGE. No.

The PRESIDING OFFICER. The motion is pending.

Mr. NEWLANDS. But what I have to say will apply to the situation, whether the pending question be the motion of the Senator from Rhode Island or the amendment of the Senator from Texas.

I wish to state briefly my views upon the question of an income tax. I shall favor an income tax, and I shall vote for any amendment for an income tax, whether it be a graduated tax or a flat tax, or a tax limited in its operations. I shall vote for any income tax that does not violate the essential principles of what an income tax should be.

As to the necessity for an income tax, I wish to call the attention of the Senate briefly to the fact that there is to-day a deficiency which it is hoped to remedy by economy in administration. The country is intent upon constructive work in the future, constructive work which as yet has not been undertaken in any comprehensive way. The country has already undertaken the constructive work of irrigation, and has provided a fund for that purpose derived from the sales of the public lands. It has entered upon the constructive work of the Panama Canal, and has provided for that work by the issue of bonds. The country is determined to enter upon other constructive work, the development and the improvement of the waterways of the country; and there is a popular demand, voiced by both parties, that that work shall be entered upon in some scientific and comprehensive way, and that there shall be a total annual expenditure upon it of at least $50,000,000.

In addition to this the country will doubtless enter upon constructive work on its public buildings in some orderly way under a bureau of construction and arts, utilizing the talents of the great architects and artists and the great constructors of the country, and there will be a demand that at least $30,000,000 annually be spent in this work.

We have there before us at least $80,000,000 of constructive work annually, which must be provided for.

While I should, if necessary, vote for bonds to carry out a part of this work—that relating to the waterways—I think it is incumbent upon us to provide in our general scheme of taxation for ample revenue that will cover this great constructive work which must be conducted by the country, in addition to the constructive work of our navy, in addition to the constructive work of our fortifications, in addition to the constructive work of our irrigation system, and in addition to the constructive work of our Panama Canal system. Eighty million dollars, therefore, in addition, must be provided. I believe that there is but one way of providing for it, and that is by an income tax; and, regardless of the revenue afforded by this bill, which will all be used for administrative purposes, there will still be the ever-present demand for $80,000,000 annually in order to meet the great constructive work of the future.

As the administrative expenses of the Government, amounting to over $600,000,000 annually, are to be paid by taxes on consumption, derived from internal revenue and customs, it is but fair that the additional burden, made necessary by needed public improvements, should be imposed upon wealth; and a tax on the surplus incomes over and above $5,000 annually, gradually increasing with the income, is a tax upon that form of wealth which can best stand the burden. I believe we should test this question now, in the light of the new views presented in the recent debates, and not leave the present decision to get the sanctity which age will give it. I believe that unless the Nation now asserts its right to this form of taxation the States will gradually adopt it; and then, when a time of emergency comes, the objection will be made that we ought not to reach out for fields of taxation already occupied by the States. In time of emergency, such as war, this tax may be required to save the life of the Nation; and we should assert now the right of the Nation to this form of taxation, or it may be forever lost.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. ALDRICH. On that I ask for the yeas and nays.

The yeas and nays were ordered.

The Secretary proceeded to call the roll, and Mr. ALDRICH responded to his name.

Mr. BACON. I think, Mr. President, where there has been a debate on a question that, whenever a motion is to be put to the Senate, it ought to be stated what the motion is. The Chair puts the question, and the Secretary, without giving an opportunity for any Senator to even ask that the question be stated, begins to call the roll. That seems to have become the invariable practice.

The PRESIDING OFFICER. The Chair stated that the question was on the motion of the Senator from Rhode Island.

Mr. BACON. Yes, sir; but I desire to know what that motion is.

The PRESIDING OFFICER. That motion, as the Chair understands, is to postpone the consideration of the amendment presented by the Senator from Texas [Mr. BAILEY] until the 10th day of June. The Secretary will call the roll.

The Secretary resumed the calling of the roll.

Mr. SMITH of Michigan (when his name was called). I am paired with the Senator from Mississippi [Mr. MCLAURIN]. If he were present, I would vote "yea."

The roll call was concluded.

Mr. DANIEL. I desire to announce that my colleague [Mr. MARTIN] is paired with the Senator from Oregon [Mr. BOURNE]. If my colleague were present, he would vote "nay."

The result was announced—yeas 50, nays 33, as follows:

YEAS—50.

Aldrich	Crane	Gamble	Penrose
Beveridge	Crawford	Guggenheim	Perkins
Bradley	Cullom	Hale	Piles
Brandegee	Curtis	Heyburn	Root
Briggs	Depew	Johnson, N. Dak.	Scott
Brown	Dick	Jones	Smoot
Bulkeley	Dillingham	Kean	Stephenson
Burkett	Dixon	Lodge	Sutherland
Burnham	du Pont	McCumber	Warner
Burrows	Elkins	McEnery	Warren
Burton	Flint	Nelson	Wetmore
Carter	Frye	Oliver	
Clark, Wyo.	Gallinger	Page	

NAYS—33.

Bacon	Cummins	La Follette	Smith, Md.
Bailey	Daniel	Money	Smith, S. C.
Bankhead	Dolliver	Newlands	Stone
Borah	Fletcher	Overman	Taliaferro
Bristow	Foster	Owen	Taylor
Chamberlain	Frazier	Paynter	Tillman
Clapp	Gore	Rayner	
Clay	Hughes	Shively	
Culberson	Johnston, Ala.	Simmons	

NOT VOTING—8.

Bourne	Davis	Martin	Richardson
Clarke, Ark.	McLaurin	Nixon	Smith, Mich.

So Mr. ALDRICH's motion was agreed to.

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After eight minutes spent in executive session the doors were reopened, and (at 4 o'clock and 55 minutes p. m.) the Senate adjourned until to-morrow, Friday, May 28, 1909, at 10 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate May 27, 1909.

PROMOTIONS IN THE NAVY.

Capt. Herbert Winslow to be a rear-admiral in the navy from the 27th day of May, 1909, vice Rear-Admiral Edwin C. Pendleton, retired.

Commander William Braunersreuther to be a captain in the navy from the 27th day of May, 1909, vice Capt. Herbert Winslow, promoted.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 27, 1909.

PROMOTION IN THE ARMY.

GENERAL OFFICER.

Col. Richard T. Yeatman to be brigadier-general.

POSTMASTER.

Henry W. Driggers, at Punta Gorda, Fla.

HOUSE OF REPRESENTATIVES.

THURSDAY, *May 27, 1909.*

The House met at 12 o'clock noon.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D.

The Journal of the proceedings of Monday, May 24, was read and approved.

THE TARIFF ON COTTON BAGGING AND TIES.

Mr. BARTLETT of Georgia. Mr. Speaker, I ask permission to print in the RECORD certain telegrams which have been received relative to the matter of the tariff on cotton bagging and ties and the costs to the producer. I do not desire to make any speech, but simply to print this information.

The SPEAKER. The gentleman from Georgia asks unanimous consent to print in the RECORD certain telegrams touching the tariff upon cotton bagging and ties. Is there objection? [After a pause.] The Chair hears none.

Mr. BARTLETT of Georgia. Mr. Speaker, in reply to efforts being made to have cotton bagging and ties placed on the free list, some have contended that the cotton planter is paid for same at the price received for the cotton, without deduction for the bagging and ties, and that the cotton spinner does not allow for the tare, as represented by the weight of the bagging and ties. This contention, I knew, was not capable of being sustained by proof. To show what the truth is, the gentleman from Texas [Mr. BURLESON] and myself have sought and obtained the information contained in the telegrams which we have received, and which are as follows:

WASHINGTON, D. C., *May 25, 1909.*

Hon. W. W. GORDON,
Savannah, Ga.:

Opponents free bagging and ties claim producer is paid for same at price of cotton by spinner without deduction for tare. Please wire what deduction is made for bagging and ties, and in what way and how considered in fixing price. Does rule apply to both foreign and domestic spinners?

C. L. BARTLETT.

SAVANNAH, GA., *May 26, 1909.*

Hon. C. L. BARTLETT,
House of Representatives, Washington, D. C.:

Offers from Europe name a price which includes cost of freight, marine insurance, and 6 per cent tare on a 500-pound bale. Six per cent would be 40 pounds, which covers 16 pounds for 8 yards of bagging, 8 pounds for 8 ties, and 6 pounds for natural drying of cotton and consequent shrinkage in weight; nominally, the farmer is paid for bagging and ties, but the spinner can't spin them. He sells them for junk; consequently the price he offers is a figure arrived at after deducting what his loss will be on the bagging and ties; also is true that farmer in reality is not paid for bagging and ties. American spinners usually get 28 pounds tare, and also deduct from price they pay for cotton the loss they will sustain on the bagging and ties.

W. W. GORDON.

NEW ORLEANS, LA., *May 26, 1909.*

Hon. A. S. BURLESON,
House of Representatives, Washington, D. C.:

Your contention in dispatch concerning tare on cotton is true. When the farmer buys bagging and ties he pays therefor some 9 cents per bale more than he would pay if free. When the spinner buys from the farmer he deducts from the worth of the cotton the amount of his loss by bagging and ties. Therefore the spinner does not pay the tariff profit that goes to the manufacturers of bagging and ties and the farmer does. But even if spinner did pay, antagonists' argument is not strengthened, because spinner would add excess to manufactured product and thus increase the cost to consumer. In either case the trust collects the profit and the people pay.

W. B. THOMPSON,
President New Orleans Cotton Exchange.

NEW ORLEANS, LA., *May 26, 1909.*

Hon. A. S. BURLESON,
House of Representatives, Washington, D. C.:

It is a well-known fact that all buyers on both sides of the Atlantic allow in the prices they pay fully enough, if not more than enough, to offset the weight of bagging and ties on a bale. As a general thing 6 per cent is allowed for tare by foreign spinners. While all spinners practically buy on the basis of tare, care is generally taken that allowances always equal and frequently exceed actual tare.

HENRY G. HESTER.

NEW ORLEANS, LA., *May 26, 1909.*

Hon. A. S. BURLESON,
House of Representatives, Washington, D. C.:

Referring to my previous dispatch for your information, Carolina mills have a rule that they will not allow for more than 24 pounds bagging and ties on a compressed bale and 20 pounds on an uncompressed bale. If bagging and ties exceed that in weight, the seller must refund the difference.

C. LEE MCMILLAN.

NEW ORLEANS, LA., *May 26, 1909.*

Hon. A. S. BURLESON,
Washington, D. C.:

Cotton exporters calculate 6 per cent tare for bagging and ties; eastern spinners, 23 to 25 pounds per bale. Carolina mills' rule 4 reads: "On compressed cotton the tare should not exceed 24 pounds, and on uncompressed cotton, 20 pounds per bale." Cotton producers pay for their bagging and ties. Any spinner will give more for 500 pounds net cotton than for a bale weighing 500 pounds gross, including bagging and ties.

C. LEE MCMILLAN.

NEW ORLEANS, LA., *May 27, 1909.*

A. S. BURLESON,
House of Representatives, Washington, D. C.:

All cotton sold for export deducts 6 per cent tare for bagging and ties; domestic mills claim 4 to 5 per cent tare.

NORMAN EUSTIS,
Acting Chairman Cotton Factory Association.

NEW ORLEANS, LA., *May 27, 1909.*

A. S. BURLESON,
Washington, D. C.:

Cotton sold for export carries 6 per cent deduction for tare; domestic mills calculate about 5 per cent.

NEW ORLEANS COTTON BUYERS AND EXPORTERS' ASSN.,
A. J. WEST, *President.*

These telegrams are from gentlemen of the highest character and standing in the business world, whose word will be accepted by all who know them as absolutely the truth.

Gen. W. W. Gordon, of Savannah, Ga., is a prominent cotton merchant, a buyer and exporter of cotton for many years, and who is in every way qualified by information, knowledge, and experience to give testimony on this subject; and there can be no question that his statements contain the absolute truth.

The other telegrams are from the president and secretary of the New Orleans Cotton Exchange and other prominent and reliable merchants, cotton buyers, and exporters of that city. No one who is familiar with the facts and who has the proper regard for the truth will assert that the cotton planters are paid for the bagging and ties at the price paid for the cotton when it is bought by the spinners. Such a statement does not convey the truth, and those who oppose placing the bagging and ties used in baling the South's cotton on the free list must find some other pretext, because the assertion that the former is paid for the bagging and ties when he sells his cotton is absolutely without foundation, and these telegrams prove this without question.

JOHN RIVETT.

Mr. KINKAID of Nebraska. Mr. Speaker, I ask unanimous consent for the present consideration of the bill H. R. 9609, and it will be necessary to ask for a suspension of the rules.

The SPEAKER. The gentleman from Nebraska asks unanimous consent for the present consideration of the following House bill, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 9609) to grant to John Rivett privilege to make commutation of his homestead entry.

Be it enacted, etc., That John Rivett be, and he is hereby, granted the privilege, at his option, to make commutation of his homestead entry of the southwest quarter of section 28, township 22 north, range 50 west, sixth principal meridian, in the State of Nebraska, as provided by law for the making of commutation of homestead entries; and that private act No. 167, for the relief of John T. Rivett, approved February 24, 1909, be, and the same is hereby, repealed.

The SPEAKER. Is there objection?

Mr. LIVINGSTON. Mr. Speaker, I want to ask what is the necessity for legislation? Why did he not make this entry under the law?

Mr. KINKAID of Nebraska. If the gentleman will pardon me, the purpose of this bill is to correct a mistake made in the name of a private bill passed at the recent regular session. The initial "T" was used as an initial, when it should not have been used.

Mr. LIVINGSTON. I remember it, Mr. Speaker, and it ought to be corrected.

The SPEAKER. Is there objection. [After a pause.] The Chair hears none.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. KINKAID of Nebraska, a motion to reconsider the last vote was laid on the table.

Mr. PAYNE. Mr. Speaker, I ask for the regular order.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message, in writing, from the President of the United States was communicated to the House of Representatives by Mr. Latta, one of his secretaries.

UNIVERSAL AND INTERNATIONAL EXPOSITION, BRUSSELS.

The SPEAKER laid before the House the following message from the President of the United States (S. Doc. No. 63), which was read, referred to the Committee on Foreign Affairs, and ordered to be printed.

The Clerk read as follows:

To the Senate and House of Representatives:

On January 5, 1909, my predecessor recommended to the Congress that an appropriate provision be made for participation by the United States in a Universal and International Exposition to be held at Brussels in 1910, in response to the invitation extended by the Government of Belgium.

No action on his recommendation having been taken by the Sixtieth Congress, and the invitation having been again extended by the Belgian Government, I renew the recommendation.

I transmit herewith a report by the Secretary of State, which has my cordial indorsement, stating reasons why it is desirable that the United States should take part officially in this exposition and showing the importance and necessity of an appropriation for the purpose being made during the present session of Congress if the United States is to take part in the exposition.

WM. H. TAFT.

THE WHITE HOUSE, *May 27, 1909.*

The SPEAKER. The gentleman from New York demands the regular order. The Clerk will call the committees.

The committees were called.

PORTO RICO.

Mr. PAYNE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of bills on the Union Calendar.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of bills on the Union Calendar, Mr. TOWNSEND in the chair.

Mr. PAYNE. Mr. Chairman, I call up the bill H. R. 9541.

The motion was agreed to.

Mr. DOUGLAS. Mr. Chairman and gentlemen of the committee, it is my wish to say a few words in reference to this bill and the recommendation of the President thereon. And I desire heartily to assure the members of the committee that I do so in no partisan spirit whatever. I am sure that those who have taken the deepest interest in the welfare and progress of Porto Rico, and who know most about the progress of the island are those who have most deeply regretted the action of the house of delegates in bringing on the crisis which now confronts them and us and makes this bill necessary. It seems to me that whatever our individual views may be with reference to the future of Porto Rico or the duty of the Congress with reference to Porto Rico now or in the immediate future, there ought not to be any serious difference of opinion with reference to our action in the present crisis in that island. Whether we believe, as was said by the distinguished gentleman from Missouri [Mr. CLARK], that the time has come to erect Porto Rico into a territorial government and let her work out her own salvation, or not; whether we believe we have gone too far in giving self-government to the Porto Ricans, or not far enough; or whether we believe, as some of us do, I think, that perhaps we have gone too far in some directions and not far enough in others, I submit that it ought not to influence our views with reference to the recommendations of the President with regard to the present crisis and the bill which has been introduced by the gentleman from Pennsylvania [Mr. OLMSTED].

It seems to me that, briefly stated, the situation in Porto Rico amounts now to just this: The government there consists of a governor and two houses of congress or legislature. The upper house is known as the "legislative council," and the lower house is known as the "house of delegates." They have been unable to agree. They have adjourned without passing any appropriation bill for the carrying on of the government during the next fiscal year, and I submit that the house of delegates has assumed simply this position with regard to the legislation that it desires: It demanded that the executive council or upper house should purchase the passage of the appropriation bill by yielding their convictions regarding other parliamentary measures and bills which the house of delegates had passed.

I submit to the Members on both sides of this Chamber that it is absolutely impossible for us to assent to any such condition or to any such proposition.

Mr. FITZGERALD. Will the gentleman yield for a question?

Mr. DOUGLAS. I will.

Mr. FITZGERALD. Has not the gentleman read of similar conditions in the history of England, where the Crown withheld from the people certain rights, and where the representatives of the people insisted upon and obtained such rights? Was it then claimed that representative government was a failure because the representatives of the people had insisted upon and obtained what they were contending for?

Mr. DOUGLAS. I have, of course, read of such events in the history of England and this country; but that, in my judgment, is by no means the present situation in Porto Rico. As I was saying——

Mr. SHERLEY. I would like to ask the gentleman a question. How is the upper house constituted?

Mr. DOUGLAS. How is the upper house constituted?

Mr. SHERLEY. Yes; how are the members selected?

Mr. DOUGLAS. They are appointed by the President.

Mr. SHERLEY. That is a very important fact that ought to be brought out in connection with the subject.

Mr. DOUGLAS. I thought all of the members of the committee knew it, as I am sure the gentleman from Kentucky knew it. Whatever may be the constitution of either house it is by the organic law under which Porto Rico is governed made a coordinate branch of the Porto Rican legislature. And for one house to say to the other house, "We will stop the wheels of government and substantially destroy the execution of the laws and of the courts, and the general movement of government in the island unless you agree to certain bills which we want to pass," I submit that whatever the constitution of the upper house or the lower house may be, that that sort of thing amounts to anarchy, and nothing else. It amounts to revolution, and nothing else.

While I am perfectly willing to admit, as the gentleman from New York [Mr. FITZGERALD] intimated, that revolution may be justified in cases of oppression, I submit, and shall attempt briefly to show, that there is no such oppression in Porto Rico that has called for any such revolution there.

Now, I want briefly to call the attention of the House to that part of the message of the President, which, I think, fairly discusses the differences between the legislative council and the house of delegates.

It is found on page 2 of the Senate document in which the President's message is published and is as follows:

> In the last regular legislative assembly the house of delegates passed a bill dividing the island into several counties and providing county governments, a bill to establish manual-training schools, a bill for the establishment of an agricultural bank, a bill providing that vacancies in the offices of mayors and councilmen be filled by a vote of the municipal councils instead of by the governor, and a bill putting in the control of the largest taxpayers in each municipal district the selection in great part of the assessors of property.
>
> The executive council declined to concur in these bills. It objected to the agricultural-bank bill on the ground that the revenues of the island were not sufficient to carry out the plan proposed, and to the manual training school bill because in plain violation of the Foraker Act. It objected to the change in the law concerning the appraisement of property on the ground that the law was intended to put too much power, in respect to the appraisement of property for taxation, in the hands of those having the most property to tax. The chief issue was a bill making all the judges in municipalities elective. Under previous legislation there are 26 municipal judges who are elected to office. By this bill it was proposed to increase the elective judges from 26 to 66 in number and at the same time to abolish the justices of the peace.

I want to say a word with reference to these various bills. There was one other bill, House bill 76, to which the upper chamber refused its consent, and that was a bill to legalize cockfighting and create one cockpit in each municipality, control of which should be leased to the highest bidder.

Mr. LARRINAGA. Will the gentleman yield to me?

Mr. DOUGLAS. Certainly.

Mr. LARRINAGA. This is the first time I have heard any reference whatever to any such thing.

Mr. DOUGLAS. I am sorry to hear it.

Mr. LARRINAGA. Let us have both sides.

Mr. DOUGLAS. But I can give the gentleman the newspaper containing the bill in full, which I read, and it is also contained in the report that I have seen with reference to the last session of the House.

Mr. HUMPHREYS of Mississippi. Is that one of the measures that was in controversy between the two houses?

Mr. DOUGLAS. I have understood from one gentleman that it was. Whether or not he was correct in so stating I do not know; but such a bill was passed by the legislative assembly, as I saw in the newspaper called the "Democracio," published by Mr. Munoz Rivera, the leader of the Unionist party. I saw that such a bill was passed, and I wrote to a friend in Porto Rico and got a copy, and it was so stated in the letter. If I am misinformed, I am glad of it.

Now, with reference to the other bills: The first bill referred to is a bill creating an agricultural bank. I have no disposition to discuss the merits of that bill. That question has been before the assembly of Porto Rico for years. It has been referred to again and again in the reports of the governors there. This was a bill that provided that $2,000,000 should be borrowed by the State to lend again to agriculturists at a decreased rate of interest, or a lower rate of interest than the ordinary rate prevailing in the island. Whatever may be said, whatever may be the individual opinion of the Commissioner or myself, or you, or anyone in reference to the merit of that bill, it is a bill which did not meet the approval of the executive council, and it was a bill upon which, I submit, honest and honorable legislators may well differ.

Now, with reference, in the next place, to the bill creating a training school, or industrial training schools, in the island. This was a very elaborate bill, which created a great deal of interest, and about the wisdom of which I think men might plainly differ, because it seemed to me to go further than there was any necessity for going. The organic act—the Foraker Act, as we commonly call it—provides that educational matters shall be within the direct purview of the Commissioner of Education, and that he shall approve of all expenditures for school purposes in the island. Now there are, as you know, six executive departments there, the heads of which are members of the executive council. The executive council allowed the lower house to create a seventh department, known as the "department of health, charities, and corrections," and that was, as the house of delegates desired it should be so, placed under a Porto Rican as its head. This bill under consideration provided that this new department, these new industrial schools, should be placed under the department of charities and corrections, so that it would fall within the superintendency of the Porto Rican who is at the head of that department.

Understand me, I have not the slightest objection to the advancement in every direction of the Porto Ricans to places of importance and office provided for in the development of the island. But surely the Porto Ricans have nothing to complain of in that regard. The President in his message points out—and I think he rather understates than overstates the fact—out of in the neighborhood of 3,300 offices of all sorts in the island of Porto Rico, less than 12 per cent are held by Americans, and over 88½ per cent are held by Porto Ricans.

Mr. HUMPHREYS of Mississippi. Will the gentleman yield?

Mr. DOUGLAS. Yes.

Mr. HUMPHREYS of Mississippi. Since the Foraker Act has been in effect have any Porto Ricans been appointed to any of the departments of the government of Porto Rico?

Mr. DOUGLAS. The Porto Rican of whom I have just spoken and whose name I have forgotten—the Commissioner no doubt could tell us—is at the head of this department of health, charities, and corrections.

Mr. LARRINAGA. Will the gentleman permit me to explain that point?

Mr. DOUGLAS. I would rather have the gentleman do it in his own time.

Mr. HUMPHREYS of Mississippi. That is the only one, is it not?

Mr. DOUGLAS. Yes.

Mr. HUMPHREYS of Mississippi. Under the Foraker Act five of this executive council must be Porto Ricans?

Mr. DOUGLAS. Yes.

Mr. HUMPHREYS of Mississippi. Ever since we have been in the island the men who compose that executive council, the executive officers, the heads of the departments, have been Americans, have they not?

Mr. DOUGLAS. I believe that is true. Whether it has been universally true or not I do not recall.

Mr. HUMPHREYS of Mississippi. Does not the gentleman think that Porto Ricans are entitled to have a little more say in the administration of their affairs than that?

Mr. DOUGLAS. I do, Mr. Chairman; and in a speech that I made to a rather depleted committee at the last session of Congress I said so. I felt so very heartily. As I say, we have progressed too fast along some lines, and not fast enough along others. Now, then, with reference to this matter, the essential trouble with the proposition—with the bill; House bill No. 36—the especial defects of the bill and the reason why it was opposed by the legislative council was because it was a plain violation of the organic act; so that even if men might, as they certainly might, fairly differ with reference to the merits of the bill, there could be no substantial difference that it was the duty of the legislative council to decline to concur in a bill which was substantially an abrogation of one of the most important parts of the organic act.

In the next place, Mr. Chairman, the bill relating to the appraisement of property for taxation is one of the points at issue. This was one of the bills about which the two houses both radically differed. Under the present law the property of Porto Rico is appraised for taxation by a group of men or a committee from the treasury department, made up of both Americans and Porto Ricans, having no object but to bring about a fair appraisement of the property, real and personal, for taxation. The bill about which the two houses differed, and which was passed by the house of delegates, was this: It provided for a board of 5 men in each municipality for the appraisement of property for taxation; to be made up, first, of the president of the local council; second, of the tax collector of the municipality; and then the other three, a majority of the appraisers, were to be selected by lot from the names of the 20 largest taxpayers in the municipality. I submit, Mr. Chairman, that to create a board in Porto Rico a majority of which is drawn by lot from the very men whose property is to be taxed is simply to insure beforehand an unjust, or more than likely to insure an unjust, appraisement of property.

In the next place and finally, the act about which the houses especially differed was the one with reference to the appointment of the municipal judges and the abolition of justices of the peace. I want to call the attention of the committee to the fact that the President in his message demonstrates clearly that this was the act about which the greatest difference existed, and that perhaps if this had been conceded by the executive council the appropriation bills would have been passed. The President in his message, if you will remember, goes on to say that when this committee of the house of delegates called upon him he proposed to them that if they would pass the appropriation bills he would send a man, or, as he expresses it, "a representative of the Government" of the United States to Porto Rico to carefully inquire into this legislation and to try to bring about harmony.

ADJOURNMENT OVER DECORATION DAY.

Mr. PAYNE. Mr. Chairman, I will ask the gentleman from Ohio if he will permit an interruption for a moment?

Mr. DOUGLAS. Yes.

Mr. PAYNE. Mr. Chairman, I am going to ask unanimous consent that the committee rise informally in order that I may make a request of the House that when it adjourns to-day it adjourn to meet to-morrow at 12 o'clock; and that when it adjourns to-morrow it adjourn to meet on Tuesday next, so that we will have a chance to get over Decoration Day without a meeting of the House. I do not think there would be any objection to that on either side of the House.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. MACON. Mr. Chairman, the gentleman has not taken anybody into his confidence as to why he wants to do this.

Mr. PAYNE. Mr. Chairman, I stated what I supposed showed the reason. My intention was to ask that when the House adjourns to-day it adjourn to meet to-morrow at 12 o'clock, in order that we may adjourn to-morrow until Tuesday, running over Decoration Day, which is next Monday. Of course unless we do meet to-morrow, we can not adjourn over, except to Monday, because that would be beyond the three-day limit, under the Constitution. That is the reason for the request, made for the accommodation of Members on both sides of the House.

Mr. MACON. Mr. Chairman, that explanation is entirely satisfactory, but I wanted the gentleman to take us on this side of the House into his confidence, so that we might understand why it was necessary to change the time for the convening of the House.

The CHAIRMAN. Is there objection?

There was no objection.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TOWNSEND, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9541, and had come to no resolution thereon.

Mr. PAYNE. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet to-morrow at 12 o'clock, and that to-morrow when the House adjourns it adjourn to meet on Tuesday next at 12 o'clock. I think I have stated the purpose so that all Members understand.

The SPEAKER. Is there objection?

There was no objection, and it was so ordered.

PORTO RICO.

Mr. PAYNE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. TOWNSEND in the chair.

The CHAIRMAN. The gentleman from Ohio is recognized.

Mr. DOUGLAS. Mr. Chairman, I was saying at the time of the interruption that the President had made the proposition, which I have stated, to the committee from the house of delegates, and which he has also set forth in his message. The reply of the delegates to that suggestion indicates what the real crux of the situation actually was. They answered in effect that if in the proclamation—that is, the proclamation calling for an extraordinary session for the passage of the appropriation bills—the judicial and municipal reforms would be mentioned; and if the executive council would agree that the present justices of the peace be abolished and municipal judges created in every municipality, and that vacancies occurring in mayorships and judgeships be filled by municipal councils as provided by this so-called "municipal bill" passed by the house at the last session, then the commissioners believed that the appropriation bills would be passed in the house as introduced in the council without delay.

In other words, Mr. Chairman, the proposition was fairly made that if this bill abolishing the justices of the peace and creating municipal judges in every municipality, to be elected by the local council, were passed, then they would pass the appropriation bills. Now, I want to say a word or two with reference to that proposition. I can not discuss it at any length, because I doubt if the House would care to listen to any lengthy argument concerning it.

I do believe, and I think that anyone will agree with me who has carefully studied the situation in Porto Rico both before and since our occupation, the very greatest reform, the most wholesome thing, next, perhaps, to the large increase in education which has been accomplished, has been the purification of the administration of justice by the local courts in Porto Rico. It is impossible for us, I think, to conceive, unless we have given the matter some careful consideration, either concerning Porto Rico or some country of like character, how low the local administration of justice may fall and how it may paralyze local business and the local relations of the people. The truth about it is that prior to our occupation and for a time since, as has been pointed out by men as friendly and loyal to Porto Rico as a whole as any men can possibly be, the administration of justice was a matter purely of personal favoritism, of bribery, and of political influence. That is the literal truth with regard to the matter; and this law which was attempted to be forced, as a political measure purely, upon the executive council, meant simply a return to those conditions. Now, Mr. Chairman, I dislike to say so much. I have, indeed, the very warmest and most cordial feeling for the island of Porto Rico and the greatest faith in its progress, materially, intellectually, and politically; but such I believe to be the literal truth; and the object of this measure was to destroy the system now in force in the island, which is admittedly giving satisfaction to the people of the island, and to substitute for it 66 municipal judges, many of them in small municipalities where they do not need a judge at all, and to add to each judge a marshal and a secretary, and to make those positions spoils of political office. I submit, as was said on the floor of the municipal council by one of the members, that this surely means a return to conditions which had been found intolerable and which no one really having the interests of the island at heart desires to see reestablished.

Now, that is the measure for which the legislative assembly distinctly undertakes to barter the whole question of passing the appropriation bill. They simply say, If you will throw these 3 times 66 officers into our hands for distribution by us, we will pass this bill. I submit, without regard to partisan feeling in the matter, that it was a question about which honest men certainly might differ, and that the executive council was justified, and more than justified, in saying, "We can not purchase even the passage of the appropriation bill by the rehabilitation of that old system in the island."

Now, gentlemen of the committee, I have said substantially all that I care to say on this subject. I submit that the principle for which the house of delegates contended was absolutely inadmissible—that they should go to the President or go to the executive council or go to the governor of the island and treat with him for the passage of the appropriation bill upon the condition that a coordinate branch of the legislature should yield its convictions and agree to certain measures to which it was conscientiously opposed. In answer, now, to the gentleman from New York [Mr. FITZGERALD], I am perfectly willing to admit, and, indeed, any Anglo-Saxon can not but admit, that the right to refuse supplies is inherent to meet oppression. That doctrine no one in America who has read the history of his own or mother country can for a moment deny; but the whole question, then, is, Have we oppressed the Porto Rican people? It is folly for anybody who knows a scintilla about the true conditions in Porto Rico to pretend that we have oppressed that people. It is true, as the President in his message has said, that Porto Rico has been "a favorite child of the United States." Free trade with Porto Rico costs us $15,000,000 a year. They have an abundant measure of self-government. What is self-government?

I defy any man to adequately define it in any way that will not include Porto Rico within the definition. They substantially govern themselves in every essential respect. More than that: What State in the Union expends through its own legislature any taxes raised from the people of that State for customs duties and internal revenue? Not one. And yet the legislature of Porto Rico to-day expends the whole of the revenues of the island, derived not only from local taxation, which is not one-half of the total revenues of the island, but also expends more than one-half of the total revenue derived purely from United States taxes, internal revenue, and customs duties. Where is there another part of this whole domain of ours that has any such privilege? The gentleman himself, the distinguished Commissioner from Porto Rico, paid as high a tribute to the material prosperity that has followed the flag into Porto Rico as I can pay when he declared that every particle of the farming land and real estate of Porto Rico to-day is worth three times what it was when we took possession of that island. There can be no doubt about the material prosperity of Porto Rico in every direction. The balance of trade, which was nearly $12,000,000 against them, has been changed into a balance last year of nearly three and a quarter millions of dollars in their favor.

I am perfectly willing to admit that there are things dearer to men than prosperity; but I do believe that any careful consideration of the present condition of things in Porto Rico will bear out the statement of the President that they have a substantial measure of self-government. In certain directions I believe this self-government might be increased; in others I believe it ought to be diminished. In view of the fact that the house of delegates, without just cause, has tied up, or proposes to tie up, the government of Porto Rico, under circumstances such as I have detailed, we in this House ought to pass this bill without serious opposition. No one is more solicitous to gain the approval and good will of the people of that island than the half dozen young Americans who are there in charge of the executive departments and who work disinterestedly and intelligently for the good of the island.

In conclusion, let me urge that, without regard to partisan feeling, we unite in passing this bill so earnestly recommended by the President, which will provide for carrying on the government of Porto Rico whenever for any reason new appropriations are not made.

It certainly will have a bad effect in Porto Rico if the political leaders there are encouraged by our vote to think that we are a House divided against itself so far as Porto Rico is concerned. Their political leaders, misguided as I believe them to be, should receive no support in this House for the course they have pursued and the unfortunate crisis which they have created. Feeling, therefore, as I do, most cordially anxious for the promotion of the prosperity and political rights of the people of that island, I very sincerely hope that the vote of this House upon this measure will not be divided by the center isle. [Applause.]

Mr. GARRETT. Mr. Chairman, I am perfectly well aware of the fact that a very grave and delicate situation—aye, a

very embarrassing situation—exists in the island of Porto Rico, but I shall see that situation cured by the passage of this bill in its present form with very great regret.

The gentleman from Ohio [Mr. DOUGLAS], who has just concluded his able remarks upon this question, appealed, it seemed to me, that there should be no word spoken against this measure, because of the bad effect that it might have in Porto Rico. Mr. Chairman, I do not know how much force there may be in the suggestion which the gentleman from Ohio offered in that respect, but I feel that as a Representative, charged with the duty of a Representative, I ought to express my honest opinion upon this question.

The Foraker Act is to Porto Rico what the Constitution of the United States is to the United States. It is the organic, the fundamental, law of the island. Under the terms of that fundamental law the legislative power of the island is vested in two bodies—the executive council and the house of delegates. The executive council consists of 11 members, all of whom are appointed by the President of the United States, by and with the consent of the Senate. At least 5 of these, under the terms of the act, must be natives of Porto Rico. The house of delegates consists of 35 members, elected by the people of the island, and to these two bodies is delegated all the legislative authority of the island, subject, however, to the power of repeal, reserved to the Congress of the United States by the Foraker Act.

Under the constitution granted by the Spanish Crown to Porto Rico in 1897 the majority of the executive council, or the body which corresponds to what is now the executive council, were required to be elected by the people of Porto Rico. It is true that there are subjects now within the jurisdiction of the legislature of Porto Rico under the Foraker Act that were not within the jurisdiction of the Porto Rican legislature under the constitution of 1897 granted by Spain, but within the limits of the powers that were delegated the assembly as constituted under the constitution granted by the Crown of Spain was more supreme, was more in the hands of the people of Porto Rico, than it is under the Foraker Act.

Mr. DOUGLAS. Will the gentleman from Tennessee yield for a question upon that point?

Mr. GARRETT. Certainly.

Mr. DOUGLAS. I want to call his attention, if he will permit me, to this paragraph in the remarks I made to the committee on the 16th of January in reference to the decree of November 25, 1897:

> Under this decree of November 25, 1897, the governor-general represented not the people of Porto Rico, but the King of Spain. He had power to appoint all of the officers of the insular government. He had the power to pardon or reprieve criminals. He had the right to promulgate or to suspend the laws. In the name of the King he could call or prorogue a session of the insular legislature. He had power to suspend, if in his opinion public order required it, certain essential guaranties relating to personal liberty, and in effect to declare martial law. And to enforce all this authority, he was made commander in chief of all the land and naval forces of the island. It is idle to pretend that such powers as these are consistent with any reasonable degree of local autonomy or of political liberty.

Does the gentleman from Tennessee find anything amiss or contrary to the facts in this statement?

Mr. GARRETT. Oh, I have stated, Mr. Chairman, that greater powers are conferred under the Foraker Act—that is, a wider range of subjects; but the suggestion I offered was that under the Spanish constitution of 1897 the people had more power over such subjects as were conferred, because the majority of the executive council were elected as well as all the house of delegates.

Mr. LARRINAGA. Will the gentleman permit?

Mr. GARRETT. Certainly.

Mr. LARRINAGA. Not only that, but the gentleman from Ohio [Mr. DOUGLAS] may read article 44, which says:

> ART. 44. No executive order of the governor-general, acting as representative and chief of the colony, shall take effect unless countersigned by a secretary of the cabinet, who by this act alone shall make himself responsible for the same

Mr. DOUGLAS. Will the gentleman yield?

Mr. GARRETT. I will yield.

Mr. DOUGLAS. Referring again to my remarks on that day, I will read in reference to the constitution of the Porto Rican legislature, to which the gentleman from Tennessee (Mr. GARRETT) refers, what I then said on this subject:

> The upper house of the so-called "parliament" was composed of 15 members, who must each be the owner of real estate yielding an annual revenue of 4,000 pesos, or Spanish dollars; and of those 15 rich landowners, 7 were to be appointed by the governor-general. The lower house was composed of 1 representative for each 2,500 inhabitants. Moreover, this insular parliament was not permitted to make any appropriations of money for purely insular purposes until what was called the "state budget" was provided for—such as the army and navy, the church (which in 1897 enjoyed a revenue of $235,000 from the insular treasury), post-offices, coast defenses, quarantine lighthouses, etc. The duty on goods and products passing from Porto Rico to Spain and from Spain to Porto Rico was to be fixed by agreement between the island and the mother country.

Now, does the gentleman think that this statement was incorrect, and if correct, does he still maintain that this legislature was more representative or free than at present?

Mr. GARRETT. I will let it go at that. I do not propose to argue or undertake to compare the general conditions in Porto Rico now with what they were during Spanish occupation. I do not subscribe to the sentiment that I sometimes hear, that Porto Rico is in a worse condition than it was while Spain held it. I know that many make that assertion, but I doubt if it is true. I do not believe it is true, but there are those who believe it is. What I was stating as to Porto Rican parliamentary powers was merely a little statement of history. I do not want to go into any further controversy about that, because it is wholly immaterial in this discussion. For the past several years the house of delegates in Porto Rico, elected by the people, responding to the wishes of those who elected them, have been seeking to obtain certain legislation. The executive council has uniformly refused this legislation. I do not mean that all the legislation that they demanded this last session has been demanded for several years, but some of the acts have been. It was persistently refused by the executive council, composed of six Americans and five Porto Ricans. At length the situation became such that the members of the house of delegates who have been elected again and again by the people, anxious to respond to the wishes of those who elected them, representing the sentiments of their constituents, determined to take the only course that was left, and that course was the course which has been taken by English-speaking peoples for a thousand years. "The power over the purse" has been the mainstay of English liberty for a thousand years. So this house of delegates refused to pass the annual appropriation bill unless the executive council would concur in some other legislation.

Mr. HARDY. Can the gentleman give, right in this part of his remarks, the vote by which the assembly adopted or took the stand that it has, whether it was unanimous?

Mr. GARRETT. It was a unanimous vote of the house of delegates; and it is my information that some of the members—two or more of the native members—of the executive council stood with them on a part of the legislation they desired.

Mr. SCOTT. Does the gentleman not think it ought to be stated in this connection that all of the members of the house of delegates belong to the same political party, as an explanation of the unanimity of the vote?

Mr. GARRETT. That is my understanding. I understand that Porto Rico is as solid politically in the house of delegates as Kansas is in this House. [Laughter.]

Mr. HUMPHREYS of Mississippi. Will the gentleman permit me to ask him a question for information?

Mr. GARRETT. Certainly.

Mr. HUMPHREYS of Mississippi. How are the delegates to the legislature chosen?

Mr. GARRETT. By popular vote.

Mr. HUMPHREYS of Mississippi. By popular vote of the island or by districts?

Mr. GARRETT. By districts. There are seven districts; five representatives from each district.

Now, Mr. Chairman, I think it is pitiful that affairs have reached the point where the drastic action proposed in this bill is thought to be necessary.

I think it marks a distinctively backward step in the colonial policy of the Republic. I think it is painful that a power once extended to a people should be withdrawn from that people. I am not willing, until, at least, I know more than I have been able to learn about the conditions, to take that practically revolutionary step, and allow this modification, this limitation, upon the power of the chosen representatives of the people of Porto Rico over the expenditures. This bill simply provides that if hereafter the legislature fails to pass an appropriation, then it shall be deemed to be passed in amount equal to that last appropriated. It almost destroys the power of the house of delegates over appropriations.

Mr. SCOTT. Can the gentleman state what his alternative would be?

Mr. GARRETT. I will say this to the gentleman: I think I should be willing, if this bill were amended so as to provide that the majority of the executive council should be elected by the people of Porto Rico, to let this proposed condition as to appropriations go in. Failing that, my next alternative would be to refuse to pass the bill, let the governor call an extra session of the legislature, and let the executive council make some concessions. I do not think the house of delegates has done all the wrong and do not think it should have to do all the yielding.

Mr. SCOTT. Well, in the event that the executive council could not be made to yield any concessions, and the Congress of the United States had in the meantime adjourned, the condition which would remain would, of course, be that the government of Porto Rico would fall to pieces for lack of financial support. What position would the gentleman take in that situation, which is, I think, more than remotely possible?

Mr. GARRETT. I will say if this Congress were to adjourn without taking action, that the executive council would find its way clear to make some concessions. That would be my judgment about it. I would risk that as one guess, anyway.

Mr. SCOTT. If the gentleman will pardon one more question: Is the gentleman willing to say that if he were a member of the executive council of Porto Rico he would be willing to pass all of the bills, the failure to pass which has been alleged as the reason of the action of the house of delegates in this matter?

Mr. GARRETT. Well, Mr. Chairman, I will say this. I do not know about that manual training school bill which is said to be in conflict with the Foraker Act—in just what respect I have not been able to determine, because I have not had an opportunity of examining the bill in its entirety. If it is in conflict with the Foraker Act, I take it that the courts would hold it to be unconstitutional anyway, but if it is in conflict, of course that ought not to pass. Outside of that, however, I believe that the other propositions they asked for are entirely reasonable and easily defensible, and I think the purpose of that act was good, but can not say as to its constitutionality.

Mr. HARDY. Will the gentleman yield right there?

Mr. GARRETT. Yes.

Mr. HARDY. If it is in conflict with the Foraker Act, the fundamental law of the island, should the passage of that conflicting law even stand in the way of an arrangement or an adjustment by the executive council with the legislative body, because the courts would hold that to be void and its passage should not be considered of such importance by that council?

Mr. GARRETT. I think that is true, and as a governmental proposition I think it would be better to take that chance even than to strike this fundamental blow at the power of the people of Porto Rico over the purse of Porto Rico.

Mr. SCOTT. Will the gentleman yield?

Mr. GARRETT. Yes.

Mr. SCOTT. Would the gentleman be willing to support that proposition in relation to selecting the board of appraisers or assessors, which provides that the selection shall be made, as I understand it, from among twenty of the largest taxpayers in the district?

Mr. DOUGLAS. By lot.

Mr. GARRETT. Let me ask the gentleman from Kansas, Who is better qualified and who has a better right to assess taxes than the men who are going to pay the taxes?

Mr. SCOTT. Under Anglo-Saxon conditions such as prevail in the United States, there is of course but one reply to the gentleman's question, but if he were familiar with the conditions that exist in every Spanish-speaking country that I know anything about, he would hardly ask that question, because he would realize that the levy of the assessment by the men who own the largest amount of property would mean that the poor would pay the taxes and the rich would escape.

Mr. LARRINAGA. Will the gentleman allow me right there to explain to the gentleman from Kansas?

Mr. GARRETT. Certainly.

Mr. LARRINAGA. The bill was intended to substitute the present appraisers of the property for municipal boards, to be appointed by the treasurer of Porto Rico and by the taxpayers. So it was very little participation asked in behalf of the people who furnish the money, but leaving yet in the hands of that master of our purse, the treasurer of Porto Rico, the appointment. The fact is, Mr. Chairman, that those gentlemen will not yield to any of the bills whatever, because it has been their rule not to do it.

They never wanted to compromise either on the training-school bill, that they say is in conflict with the Foraker Act, or any other. They think that the minute they yield the least little bit of right or consideration or personal respect to one of the other members, the whole structure of the colonial system in Porto Rico will crumble down to dust. That is their feeling, and that is the cause that blinds them as to accepting anything, no matter how reasonable it is. Gentlemen here may see that we are reasonable in this or that, but they will always fail to see it.

Mr. GARRETT. Now, Mr. Chairman, I understand that that appraisement system is the old system which they had. I understand that about half the tax assessors down there now are young men from the United States who are given positions down there, who know practically nothing, however bright and intelligent they may be, about property conditions in Porto Rico; and I strongly suspect that those people have some good reason for desiring a change from the present system of assessment. But, Mr. Chairman, the President's message practically states, and, as I understand it from every source, it is conceded, that the main thing in the way of agreement between delegates and council was the matter of the judges; and I understand it is practically conceded that if the executive council would have agreed to the substitution of municipal judges in place of justices of the peace, and made them all elective, as 26 municipal judges are now, the difficulty would have been settled and the appropriation bills would have been passed. Now, I want to talk just a moment about that judgeship matter.

There are four classes of courts in Porto Rico—justices of the peace, municipal judges—and I am not speaking now of the mayors of the towns—the district court and the supreme court. There are 40 justices of the peace who are appointed by the governor, perhaps by and with the consent of the executive council—I don't remember just how that is. There are 26 municipal judges elected by the people. The other places are appointive. Now, the only court at which the house of delegates struck was the lowest court of the island.

Mr. DOUGLAS. Will the gentleman yield?

Mr. GARRETT. In a moment. The only judges that they asked the right to elect were the very lowest grade of judges. They elect already 26 municipal judges. Why, if they are competent to elect that grade of judge, are they not competent to elect the lower grade of justices of the peace?

Mr. DOUGLAS. Will the gentleman deny that the lower house struck at the United States district court?

Mr. GARRETT. I think it did, but——

Mr. DOUGLAS. I think the gentleman stated that it did not. In other words, they undertook to reduce 90 per cent of the salary of every person connected with the district court of the United States.

Mr. GARRETT. Yes. They have some prejudice down there against the federal court. That is true, but subsequently they withdrew that. They did not insist on that as the condition precedent to the passing of the appropriation bills. They did file a protest about that matter, but they withdrew that.

Mr. DOUGLAS. I beg the gentleman's pardon. They actually passed the bill and struck off the last figure from every salary, making $1,800 one hundred and eighty dollars and $1,000 one hundred dollars, etc.

Mr. GARRETT. I understand, but they did not make the acceptance of that by the executive council a condition precedent to the passing of the appropriation bills.

Mr. DOUGLAS. It is difficult to tell just what they did make the condition precedent.

Mr. SCOTT. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Kansas.

Mr. SCOTT. I think without any qualification the last statement of the gentleman from Tennessee [Mr. GARRETT] may bear a wrong interpretation. It is true that the bill to which allusion has been made was not insisted upon as the condition precedent to the passage of the budget, but that was for the reason that in the consultation which was held between the members of the council and the members of the house and the governor certain bills were selected which the two Houses agreed would be considered. The executive council refused absolutely to give any consideration to this bill, and for that reason it was not included in the list.

Mr. GARRETT. I thank the gentleman for that statement, and just on that I want to say that I believe—though I have not given consideration to it—that the federal court down there ought to be sustained by this Government anyway. I do not believe Porto Rico ought to have to sustain that federal court. Tennessee does not sustain out of her revenues the federal judges and the federal courts existing there.

Mr. HILL. But Tennessee does not draw the customs duties and internal revenues that Porto Rico does.

Mr. GARRETT. That is true.

Mr. LARRINAGA rose.

Mr. GARRETT. I yield to the gentleman from Porto Rico.

Mr. LARRINAGA. Mr. Chairman, I will say to the gentleman from Connecticut [Mr. HILL] in all kindness, that we will be very willing to yield all of those revenues and many more in order that we may obtain some of the rights that the State of Tennessee enjoys to-day. [Applause.] Mr. Chairman, some time ago, in the last legislature, I was musing upon the course of my country when I heard a young man on the other side of this Chamber shout "we would rather have liberty without prosperity than prosperity without liberty." My heart bounded, Mr. Chairman. I looked and saw it was a young man from Missouri, and I then thanked God Almighty that my grandchil-

dren hail from the State of Missouri from which that gentleman comes. Mr. Chairman, what the gentleman from Ohio [Mr. DOUGLAS] was saying about the reducing of 90 per cent of the salaries, does not amount to anything.

In the first place, it does not touch the judge or the marshal or any other of the employees which, by the Foraker Act, have their salaries fixed by the Government here. It only affected the petty clerks, and then even that was entirely withdrawn, and the council confess it, and it has no bearing on this argument at all. We pay the federal court, it is true. We are willing to pay, because we have some other advantages financially; but if I was to go into that perhaps I would take too much of the time of the gentleman from Tennessee [Mr. GARRETT]. But, I repeat, give us some of the rights of the State of Tennessee and you will hear in Washington the hurrah coming from Porto Rico to bless you gentlemen, and you may take all of the revenues.

Mr. GARRETT. Mr. Chairman, I think it is well enough for us simply to bear in mind that we are not dealing with infants. From such information as I have been able to obtain, I am going to venture the assertion that the Porto Rican house of delegates, consisting of thirty-five members, or thirty-four now, one having died since his election, will compare favorably with the legislature of any State in the Union.

They stand representing a constituency whose wishes they respect, and they have had the courage to take the only recourse left, to use the only weapon they had to try to bring about that which the people desired, and that which the people did desire appeals very strongly to my reason and my sense of justice. It is true, of course, that much favor has been shown to Porto Rico by the United States. It is true that when the storm swept the island and destroyed the coffee plantations we spent something like $200,000 there. It is equally true that last year, when Messina was destroyed, we spent money there. It is true that some fifteen millions of trade has gone to Porto Rico from this country, but is the seller the only man who is benefited? The mistake which gentlemen make is to assume that in a trade the man who sells is the only man who is benefited. If they have sold to us we have bought from them what we wanted, and the transaction certainly is equal, and we do not owe it to them to destroy the power over the purse simply because in the past we have bought from them some fifteen millions of dollars' worth of stuff that we wanted.

Now, Mr. Chairman, I do not really know that I care to say anything further upon the matter, except——

Mr. CANDLER. Mr. Chairman, I desire to ask the gentleman this question as a matter of information. You spoke about the right of the governor of Porto Rico to reconvene the house of delegates and this executive council. What power does he possess? I ask this for information. Has he the power of veto or the power to control in any respect beyond the power of appointing some officers?

Mr. GARRETT. He appoints justices of the peace down there.

Mr. CANDLER. Is that the extent of his jurisdiction?

Mr. GARRETT. No; he appoints many officers. Of course he has no power over initiating legislation. He has veto power. Of course he has the power to call the legislature in session.

Mr. CANDLER. He recommends legislation in his messages and then he has the right to veto legislation after it passes.

Mr. GARRETT. Yes, sir; he did call the legislature in this case; he called a special session of the legislature, which remained in session three days and then adjourned without taking any action because of the condition there—the failure of the executive council to yield. That, I repeat, Mr. Chairman, is substantially all I have to say upon the matter.

Mr. HUMPHREYS of Mississippi. Mr. Chairman, I desire to ask the gentleman for some information before he takes his seat: Is there a property qualification there for exercising the right of suffrage?

Mr. GARRETT. None now.

Mr. HUMPHREYS of Mississippi. The gentleman from Kansas suggested that under the law proposed by the legislative council the rich would require the poor people to pay all the taxes. Have the poor people the right to vote in the matter of officers and members of the legislative council, and if that be true, does not that answer the suggestion of the gentleman?

Mr. GARRETT. I think so. The suggestion of the gentleman from Kansas was, they were going to create 5 members of the board of appraisers, 3 of whom would be drawn by lot from 20 of their highest taxpayers, and the suggestion of the gentleman from Kansas was, that being the case, those largest property owners would relieve themselves of taxation and impose it on the poorer people. Now, I apprehend that, having the right of suffrage, the poor people are competent to take care of that.

Mr. HUMPHREYS of Mississippi. I suppose it is also true that the poor people of Porto Rico are in a majority. [Laughter.]

Mr. GARRETT. Well, I should not be surprised if that were true.

Mr. GREGG. May I ask the gentleman a question?

Mr. GARRETT. Yes.

Mr. GREGG. Is there a law requiring uniformity of taxation; could they discriminate?

Mr. GARRETT. I am not thoroughly familiar with the taxing law——

Mr. GREGG. In other words, could the tax board discriminate on the property to be taxed, or does the law require uniformity of taxation?

Mr. GARRETT. I am not familiar with the details of their tax statute. I am hardly familiar with the details of the tax laws of my own State, but I understand there is an act which is supposed to bring about uniformity of taxation in so far as the law possibly can.

Mr. GREGG. They could not put taxes upon one character of property and not upon all property?

Mr. GARRETT. Not under the law, not at all; that would be in plain violation of the Foraker Act itself.

Mr. LARRINAGA. The gentleman is right. The taxation was to be uniform, and we wanted to give a kind of a protection. We appointed the men to take charge of the vote. It was left to the treasurer, and the treasurer was to bring that about. Now, I will tell the gentleman from Tennessee, in connection with that, and in connection with the protection of the poor man, after the cyclone a bill was passed in the lower house condoning all the taxes of the small farmers who could not pay, and the executive council refused, and instead of trying to help the poor people, the treasurer of Porto Rico has been year after year selling at public auction all those little farms for four or five or six dollars of taxes, and wealthy men are gathering in all that property and destroying one of the best features of Porto Rico, which is division of property.

Mr. GARRETT. If the committee will pardon me just a moment, I want to add this to what I have said. I want to invite the attention of gentlemen to the specific language in the bill offered by the gentleman from Pennsylvania [Mr. OLMSTED]. It is very broad and sweeping in its terms. It is very near the language of the Hawaiian and Philippine laws, but there is quite a distinction as to them. They have never had the power in respect to appropriations that the Porto Ricans have enjoyed to some extent under Spain and to a large extent under us. Under this amendment here, suppose the legislature should make a wildly extravagant appropriation one year, and the next year fail to make any, it still leaves it within the power of the governor to utilize the same extravagant appropriation. Or suppose in the judgment of the house of delegates in the future the appropriation for some specific work should be stopped, I submit that under the terms of this bill it can not be stopped unless the governor and council decide that the appropriation is not necessary to maintain the government.

It vests wide and sweeping power in the governor. This bill will simply reduce the house of delegates to a nonentity, and so far as its future is concerned it might as well disband. It practically lodges all legislative power in the council.

Now, this other thing, and I am going to quit. I have no doubt this bill will pass this body, but what will happen to it in the other end of the Capitol I do not know.

Mr. HILL. Will the gentleman kindly state to the House what the qualifications are for suffrage in Porto Rico?

Mr. GARRETT. They have to be 21 years of age.

Mr. HILL. And do they have to know how to read or write?

Mr. GARRETT. No; I do not think so.

Mr. HILL. Everybody has the right to vote, practically, that is 21 years of age?

Mr. GARRETT. That is my understanding.

Mr. HILL. I would like to ask the Delegate from Porto Rico if that is correct?

Mr. LARRINAGA. Yes, sir.

Mr. HILL. And yet you ask for the same form that we have in Tennessee.

Mr. GARRETT. And in Connecticut.

Mr. HILL. And in Connecticut they are required to read and write, and read intelligently, and have a residence there.

Mr. DOUGLAS. Will the gentleman from Tennessee [Mr. GARRETT] yield?

Mr. GARRETT. I will.

Mr. DOUGLAS. I was simply going to say that certainly the gentleman from Tennessee would admit a very marked difference between the illiteracy in Tennessee and in Porto Rico if he knew anything about the conditions.

Mr. GARRETT. I have no doubt that is true, I will say to the gentleman; but I will tell you that we make a mistake, gentlemen, in talking about this matter of self-government.

Mr. DOUGLAS. No doubt about it.

Mr. GARRETT. Every tribe in Africa governs itself in some way. Porto Rico never will, so long as the Spanish blood preponderates there, govern itself like we govern ourselves, but she can govern herself satisfactorily to herself and I am in favor of letting her do it.

Mr. HILL. You would give them absolute freedom for withholding appropriations for the orderly and intelligent government of Porto Rico, by their own action, if a condition precedent was that the upper house refused to ratify and transfer the allegiance of the island to Spain?

Mr. GARRETT. If the upper house refused what?

Mr. HILL. If the upper house refused to agree to an act transferring allegiance to Spain.

Mr. GARRETT. That is not pertinent.

Mr. HILL. It is as pertinent as the course now being taken.

Mr. GARRETT. The house of delegates would have no authority to pass an act transferring allegiance to Spain. I submit with all possible——

Mr. HARDY. If the gentleman will permit, from the understanding that I have of this suffrage question, at least three-fourths of the States have, and in Texas until recently we had nothing but manhood qualification for suffrage there, the same as in Porto Rico. Now, there is a poll tax to be paid, and we are starting on the line of property qualification for voting there, the wisdom of which I very much doubt. I think that the original American idea was that free manhood suffrage was the ideal of the lover of freedom. It is applied to these Spanish people; and I do not think that we ought to apply one rule to ourselves and another to some one else; for the whole history of the human race is a struggle upward from a lower condition, yet we propose to deprive these people of the opportunity to struggle upward in the field of self-government.

Mr. GARRETT. I thank the gentleman from Texas for his suggestion. I do not believe that the gentleman from Connecticut used his characteristic candor in his question.

Mr. HILL. I admit the question was an extreme question, but it is a question that might occur, and occur on all fours with what has occurred now in Porto Rico.

Mr. GARRETT. It was decided some forty years ago that the people of the States themselves could not secede; and I have acquiesced in that. I am not going to quarrel over things that are dead. Our fathers fought that out; and I am going to leave that proposition that way. [Loud applause on the Democratic side.] We have had no dealings with any question in respect to secession since, I believe, except in the case in which our Government ratified the secession of Panama from Colombia, because we were supposed to need Panama in our business. [Great laughter and applause.]

Just one word further that I desire to say. I suppose this bill will pass this body. I do not know what will happen to it in the other body. Perhaps if they do not pass it we can hold up an appropriation some time and force them to do it. [Laughter.] But at any rate, I wish to say, in all seriousness, I believe the conditions in Porto Rico testify to the necessity for a revision of this Foraker Act. I believe whatever the fate of this bill may be that at the ensuing session of Congress in honesty and in justice we ought to approach the revision of that organic law. There have never been many political differences here about Porto Rico, everybody and every party agreeing that Porto Rico ought to be ours, Porto Rico herself agreeing, and meeting our soldiers in 1898 with flowers and not with guns. It is undoubtedly true that many of the provisions of the Foraker Act are very unsatisfactory to the majority of the people there, very unsatisfactory in the judgment of men whose intelligence, whose character, and whose rights entitle them to respectful consideration. Whatever the fate of this bill may be I shall insist at the regular session that we take up the Foraker Act and proceed to see if we can not remove some of the difficulties. [Loud applause.]

Mr. OLMSTED. Mr. Chairman, we all agree with the statement of the gentleman from Tennessee, that this is not a question in which politics ought to enter or have any place in this House. We have heard from the gentlemen who have already spoken very considerable discussion in respect to the form of government now obtaining in Porto Rico, and as to that which preceded it under Spanish rule. While there is no manner of doubt that the present is vastly superior to any that ever preceded it, it is quite possible that the so-called "Foraker Act," which now bears to the people of Porto Rico much the same relative position as the Constitution of the United States does to us, needs to be revised. It is more than probable that it ought to be revised. If so, the proper time to do that will be at a regular session of Congress, when the committees have been appointed; when testimony may be heard; when both sides and all sides may be heard fully and the report of the committee presented to this House so that it may act with all the information and intelligence possible.

But on this occasion, Mr. Chairman, it is my purpose in the few minutes I shall occupy to confine my remarks as strictly as possible to the bill immediately before the House and to the necessity for its passage.

We have all read the President's message. The gentleman from Ohio [Mr. DOUGLAS] has just quoted from it as showing the demand for this proposed legislation. To state in a very brief way the occasion for this action, let me say that the Porto Rican legislature at its last regular session failed to pass the usual appropriation bills for the current and necessary expenses of the government. Its fiscal year ends on the 30th of June, the same as ours. The governor called the legislature into extra session, as he was authorized to do. I will read from the report of the governor of Porto Rico, addressed to the Secretary of the Interior here at Washington, showing exactly what occurred. In a communication dated March 17, 1909, he says:

> At 10 o'clock on Friday, the 12th, the extra session convened, and I sent in a message which permitted them to consider those bills which the council and house appeared to desire most.

I infer that that included not only appropriation bills, but other bills which were in dispute between the two houses. And he continues:

> And I also warned the legislature informally that a special session of Congress would convene on the 15th, and that they must come to some settlement before that time, otherwise congressional action would be sought. The legislature sat through Friday and Saturday, then adjourned over until Monday morning.
>
> On Sunday, the 14th, a general assembly of delegates of the Union party from all over the island was held in San Juan, which all the members of the lower house attended. Certain resolutions as to the policy of the party were adopted at this assembly, in secret session.
>
> On Monday the attitude of the house was more inflexible, and it came to the point where they actually refused to pass the appropriation bills unless the council accepted certain house measures which the council would not accept. On Monday afternoon I received a cable from Mr. Winthrop, asking me whether the extra session had passed the appropriation bill. I then verbally notified the leaders of both houses that unless the appropriation act was passed by midnight I should cable to Washington requesting congressional action.
>
> The house remained firm in its attitude, and at about 3 o'clock in the morning they were absolutely deadlocked and the leaders of both houses realized that no further action was possible, and they therefore adjourned without passing the appropriation act.

Now, Mr. Chairman, I do not propose to attempt to demonstrate that the blame for that action or lack of action rests entirely upon either branch of the Porto Rican legislature. It is not necessary for the purposes of this case for us to decide who was to blame. The object of this bill is to meet a condition, not necessarily to determine the exact cause of it. Perhaps each side has some grievances. Perhaps the Porto Rican house felt very much as this House has sometimes felt, that its rights were being trampled upon at the other end of the Capitol. We have sometimes rebelled. I have heard loud declamations on this floor as to the arbitrary action of the upper body. Sometimes we were right, perhaps, and sometimes there were reasons that we did not fully consider. Perhaps the house of delegates was entirely at fault. But whoever may have been right or whoever may have been wrong in the first instance—and I may say to-day that, on the face of the papers, the house of delegates seems to have been more in the wrong than the other body—but no matter which side was right or wrong, no matter what revision ought to be made in this Foraker Act, the fact is that we are face to face with this situation: That the general session of the Porto Rican legislature having adjourned, and the extraordinary session having adjourned, and there being no provision whatever for the payment of the necessary expenses of the insular government after June 30, 1909, it is up to Congress to do something.

The President has told us what we ought to do. There is no man living, I think, who understands the Porto Rican situation or is better prepared to advise concerning it than he, and he has suggested to us the provisions in the Philippine and the Hawaiian bills on this subject and recommended the adoption of something of that kind to cover this case and bridge over the difficulty until the Porto Rican legislature shall compose the difference between its two houses and act.

Mr. CLARK of Missouri. I would like to ask the gentleman a question. Will he yield, Mr. Chairman?

The CHAIRMAN. Does the gentleman yield?

Mr. OLMSTED. Certainly.

Mr. CLARK of Missouri. Has the gentleman considered the fact that they did not make appropriations as either revolutionary or demonstrating their unfitness for self-government?

Mr. OLMSTED. Mr. Chairman, that is one of the subjects that I propose to avoid discussing. Whether determined one way or the other, its determination would not affect or destroy the necessity for this bill.

Mr. CLARK of Missouri. The reason I ask the gentleman is this, that in 1874 the legislature of West Virginia got at loggerheads and adjourned without passing a single solitary appropriation bill. That cost me two or three hundred dollars. I happened to be the president of the state college down there, and they gave me warrants and I had to shave them, and that is the lesson which has been burned into my mind so that I shall never forget it. It seems to me, if it was revolutionary down there in Porto Rico to do that kind of thing, then the West Virginians were revolutionary when they did it.

Mr. DOUGLAS. The gentleman will admit, whether it is revolutionary or not, it is uncomfortable.

Mr. CLARK of Missouri. Certainly.

Mr. OLMSTED. Mr. Chairman, it is just exactly to prevent the school-teachers in Porto Rico and the judges of the courts and everybody else concerned there from having to shave Porto Rican warrants that this bill is to be passed, and I have no doubt the gentleman from Missouri will give it his cordial support for that and other reasons. As I have said, I have not felt it necessary to discuss whether their action was revolutionary or not, or to determine upon which side to lay the blame. The question we are to meet here is what ought to be done in this crisis. There is absolutely no appropriation now for the payment of the expenses of that government after June 30, 1909. Now, we have in the law which Congress passed providing for the Philippine government this provision:

And provided further, That if at the termination of any session the appropriations necessary for the support of government shall not have been made, an amount equal to the sums appropriated in the last appropriation bills for such purpose shall be deemed to be appropriated; and until the legislature shall act in such behalf the treasurer may, with the advice of the governor, make the payments necessary for the purposes aforesaid.

That language is quoted word for word in this bill and is the provision in the bill. We do not attempt here to determine which side ought to yield. We provide that until they do come together—and this provision of law will stand only until the legislature does come together and pass an appropriation—the old appropriations which were passed by both branches and approved by the governor shall remain in force. They are to be treated as reenacted for the ensuing fiscal year unless the legislature shall act. Unless we do this there will be absolute paralysis of governmental functions down there. There are over 3,000 school-teachers there.

Mr. HUMPHREYS of Mississippi. Does the gentleman think it practicable to limit the duration of this amendment to one year?

Mr. HILL. That provision is not in the others.

Mr. HUMPHREYS of Mississippi. I understand that. But is there any serious reason why it should not be done?

Mr. OLMSTED. It could be done, but I see no serious reason why it should be done. In the Hawaiian and Philippine acts we made that a permanent provision. If they want to change the existing appropriations, they will get together and do it. If they are satisfied with them, as they are, they may omit to make appropriations. If we should make it run for one year, and then a bill revising the Foraker Act should be offered at the next session of Congress and get in controversy between the two Houses and fail of passage, we might be in the same condition a year from now that we are in to-day, and have to pass the bill over again. It seems to me that it is better to leave it just as it is in this bill. If, in the general revision of the Foraker Act, it shall be found necessary to put in some other provision, or limit the operation of such provision, that can readily be done at that time. But it seems to me that at the present time we had better put it in this form, as we have it in the Philippine act.

Mr. Chairman, there are in Porto Rico over 3,000 schools, in which there are over 100,000 pupils. They will all have to stop unless those teachers are willing to accept warrants and submit to having them shaved; and I do not see how they will even get warrants, because there is no authority of law for the drawing of warrants, unless this bill is passed. Those schools will have to stop, the courts will have to stop, the administration of justice will have to stop, and all the governmental functions in Porto Rico will have to stop. That is a condition of affairs which the people of the United States can not submit to for a moment. Further than that, we did, in the so-called "Foraker Act," make an express provision that there shall be paid out of the revenues of Porto Rico on the warrant of the auditor-general, countersigned by the governor, the salaries of the governor, of the secretary, of the attorney-general, of the treasurer, of the auditor, of the commissioner, of the commissioner of the interior, the commissioner of education, the chief justice of the supreme court, the associate justices of the supreme court, the marshal of the supreme court, the United States district judge, the United States district attorney, and the United States district marshal. They are all specified in the act of Congress.

There can be no doubt about the appropriation that must be made for them. They are declared by act of Congress. The action of the Porto Rican legislature sets the act of Congress absolutely at naught. Not only does it control the purse down there, but it takes control of the act of Congress, and their action, if permitted to stand, if no appropriation is provided for, not only will disgrace Porto Rico and financially bankrupt it, but the Government of the United States will be absolutely disgraced, because we are responsible for the conduct of affairs down there. We are not responsible for the financial affairs in the State of Tennessee or in the State of West Virginia. They may appropriate or not appropriate, as they please, but the Government of the United States is responsible for the government of Porto Rico, and when that government stops for want of funds, the Government and the people of the United States will be disgraced in the eyes of all of the nations of the world. Now, it seems to me, Mr. Chairman, that there can be no serious objection to this bill. I have heard none urged, and I shall therefore refrain from consuming further time, merely expressing the hope that the bill may be passed very soon.

I reserve the balance of my time.

Mr. MARTIN of Colorado. Mr. Chairman, if a new Member can ever be said to feel glad on such an occasion, I can say that I feel glad to be able to crack the ice a little at a time when the business of the House is in such a state of ease that the indulgence will not materially harm anybody but myself, and also, I notice, when I am unembarrassed by any larger attendance than ought properly to be here when we are merely engaged in making or amending a government for an alien people. The government of Porto Rico as it is now constituted was wound up and set going by the Congress some eight or nine years ago; I believe it was in 1900. It appears now that it has run down, and that it is proposed, through the medium of the amendment to its organic law now before the House, to furnish that government with some sort of a Keeley motor or perpetual motion attachment by means of which, like Tennyson's brook, it will run on forever. [Applause and laughter.]

When the President's special message, relating to the conditions in this island and recommending this remedy, was read to the House, I gave it very close attention, and I have since read it with considerable care, because, in common with all other Members of the House, sometime in April I had received what purported to be the brief of a commission of the house of delegates of Porto Rico, detailing their statement of the legislative difficulties existing in that island. These two statements, I think, Mr. Chairman, furnish a basis for some observations about the workings of the colonial policy of the United States in general, and in the island of Porto Rico in particular.

Before proceeding to consider the issue presented by the message and the brief, I want to note in passing the make-up of the legislative department of Porto Rico, which has been alluded to at some length by the gentleman from Tennessee [Mr. GARRETT], because I believe that in the very make-up and constitution of that body there was sown the seeds of discord and disruption which find fruitage to-day in the conditions existing in that island. The Porto Rican legislature, under the organic act, commonly known as the "Foraker Act," as has been stated, consists of an executive council, appointed by the President, and a house of delegates, selected by the people of the island. There are 11 members of this executive council, only 5 of whom must be natives of the island, and I want to call attention to the fact that only 5 of them are natives of the island. The other 6, the controlling number—the majority—being Americans, in which respect that body would appear to be inferior to the one referred to by the gentleman from Ohio [Mr. DOUGLAS] a little while ago, the council existing under the Spanish régime, which he stated consisted of 15 members, only 7 of whom should be appointed by the Crown, or by the Crown through the governor-general.

Mr. GARRETT. Will the gentleman permit? I did not catch the remark of the gentleman from Ohio, which the gentleman has just quoted. That was prior to the Spanish constitution of 1897, of which he was speaking?

Mr. MARTIN of Colorado. Yes.

Mr. GARRETT. Subsequent to the Spanish constitution of 1897, that executive council or upper house, whatever it was called, I do not remember, consisted of 35 members, 18 of whom were elected and 17 appointed.

Mr. MARTIN of Colorado. The substance of the gentleman's statement, as I remember it, was that under the Spanish rule the minority of the body only were appointed by the Crown or by the Crown through the governor-general, while now under American rule a controlling majority of the executive council are aliens or Americans. But not only that, Mr. Chairman, these six Americans fill all of the administrative offices of the island with the exception of governor, so that as a matter of fact they constitute the bulk of the government. In other words they are "it" in the island of Porto Rico. And I might ask, Mr. Chairman, what precedent does the history of popular government or representative government afford for such a governmental structure as we have created in the island of Porto Rico? Where in all the history of free institutions will a model for such a government be found? Not only is the merging of the executive and the legislative functions repugnant to every theory of free government and utterly contrary to the American system of government, but the vesting of these dual functions in the hands of aliens could not more surely result in disruption and trouble if the system had been designed to that end, and I am not surprised that trouble has grown out of it. This was the logical and inevitable result; and the very fact that it has been so long in coming to a head entitles the people of Porto Rico to the pacific and peace-loving character which has been given them by Governor Winthrop and other Americans who have been there.

It appears now that the division between the executive council and the house of delegates has become so marked that they adjourned without passing the annual appropriation bill to meet the expenses for the fiscal year beginning on July 1 next, and it is proposed by the pending amendment to the organic law of the island to indefinitely extend the operation of the existing appropriations.

The case of the house of delegates is stated in the brief and it has been ably stated upon the floor of this House by Mr. LARRINAGA, the Commissioner from the island. To show that the case of the executive council, and of the executive council only, is stated in the message of the President, I want to call attention to the closing paragraph of that message, which I shall ask leave to read in order that it may be incorporated into the RECORD. The President in his message said:

> There is not the slightest evidence that there has been on the part of the governor or of any member of the executive council a disposition to usurp authority or to withhold approval of such legislation as was for the best interests of the island, or a lack of sympathy with the best aspirations of the Porto Rican people.

The President goes on to say in his message that this action of the house of delegates in Porto Rico in refusing to pass the annual appropriation bill in retaliation for the action of the executive council in refusing to pass certain reform measures favored by the house, demonstrated—and I quote from the message—

> Demonstrates the willingness of the representatives of the people in the house of delegates to subvert the government in order to secure the passage of certain legislation.

No language, I take it, could be more harsh or condemnatory of those people than this language in the message, and no statement of their case by the executive council could logically be more extreme than that which we might anticipate in a message containing this language.

Furthermore, the President goes on to suggest, and it is true the suggestion is veiled in nice language, that those people are ungrateful for what the United States has done for them; that they are incompetent for self-government; that we have been overgenerous in this regard; and he intimates that in addition to the passage of this amendment it may be found necessary to revise the organic act of Porto Rico in the way of further restrictions upon the powers now supposed, at least, to be possessed by the legislature of the island.

The Commissioner from Porto Rico has said that the newspapers of this country, in commenting upon the difficulties in Porto Rico, have deluged its people with abuse, and I think myself that the language of the message and the general trend of it justify the summarization which finds expression in the headlines of a Washington daily newspaper, showing what the press of the country thinks about the attitude of the administration as reflected in the message. I read from the headlines of the Washington paper referred to, as follows:

> Taft would cut voters' power in Porto Rico—President, in message to Congress, urges some change in Foraker Act—Flays assembly for derelictions.

I have noticed during this session of Congress that it has been popular to quote party platforms, and in the light of the attitude of the administration toward the people of the Porto Rican Island and their representatives, I want to quote from a political-party platform, and I want to ask how the party promises in that platform comport with the performance which it is proposed shall be given those people through the action of Congress. I read from the Republican national platform of 1908, under the head of "Colonial," as follows:

> We believe that the native inhabitants of Porto Rico should at once be made, collectively, citizens of the United States, and that all others properly qualified under existing law residing in said islands should have the privilege of becoming naturalized.

Mr. DOUGLAS. Will the gentleman yield?

Mr. MARTIN of Colorado. Yes, sir.

Mr. DOUGLAS. As one who has been in favor of a certain measure of citizenship for the Porto Rican people very heartily for many years, I would like to have the gentleman point out, if he can, in what respect the amendment proposed by the gentleman from Pennsylvania [Mr. OLMSTED], or the President's message, in whole or in part, takes issue with or differs from that. The President does not in any respect or anywhere refer to the question of citizenship for Porto Rico or Porto Ricans, but appeals for the meeting of an emergency which has been brought upon the country by an act of the house of delegates.

Mr. MARTIN of Colorado. I shall not at this time notice how the amendment affects this question, but I hope to have something to say a little later, if I have sufficient time to get that far in my remarks; but with reference to the message of the President, the only construction I can place upon it is that it points in a direction opposite to full citizenship and toward a restriction of such powers as they now have, and a deprivation of the semblance of popular government that we have constructed in those islands. That is how I view that matter.

This language, "collective citizenship," may be said to be a little ambiguous. I think full citizenship means statehood; and if it does not mean that, then I want to contend that it does mean what was promised in another national platform, namely, the Democratic national platform, from which I read, under the heading of "Alaska and Porto Rico," as follows:

> We demand for the people of Alaska and Porto Rico the full enjoyment of the rights and privileges of a territorial form of government, and that the officials appointed to administer the government of all our Territories and the District of Columbia should be thoroughly qualified by previous bona fide residence.

I take the pleasure at this time of incorporating into the RECORD in the consideration of this amendment for the assurance of the Porto Rican people the unqualified pledges of the two great controlling political bodies in this country, the one to give them what it calls "collective citizenship" and the other a complete territorial form of government.

Mr. SCOTT. Will the gentleman yield for a question?

Mr. MARTIN of Colorado. I will, sir.

Mr. SCOTT. The creation of a Territory implies the ultimate creation of a full-fledged State. Does the gentleman believe that Porto Rico should now, or at any time in the future, be made a State of the Union?

Mr. MARTIN of Colorado. I would like to ask the gentleman, in turn, before answering that question, to interpret the term "collective citizenship."

Mr. SCOTT. My understanding of the term as used in the Republican platform is to confer upon the people of Porto Rico all the civil rights that are enjoyed by citizens of the United States in any part of our dominion.

Mr. DOUGLAS. Residing in Porto Rico or elsewhere.

Mr. HARDY. I should like to interrupt the gentleman——

Mr. MARTIN of Colorado. The gentleman may interrupt me.

Mr. HARDY. My recollection is that in the days of the old Roman Empire, when full citizenship was conferred upon the people of some conquered nation, they had the right to participate in all questions of government that any citizen of Rome had, and the term "collective citizenship" in its large and real sense meant to give them the right of freemen.

Mr. MARTIN of Colorado. I thank the gentleman for the definition, and I will make reply to the question of the gentleman from Kansas as to whether I favor the erection of Porto Rico into a Territory at this time by saying that I most emphatically do; and that if Porto Rico, after being erected into a Territory, is denied statehood as long as some of our Territories have been denied it in the southwestern portion of this country, it ought to be fully qualified at the end of that time for admission as a State. [Laughter and applause.]

I do not want to drift away from the subject, Mr. Chairman, but I never got hold of this little pocket manual until this morning, which, I see, gives all the Republican and Democratic platforms from 1856 down to date. I happened to look at the first platform, and the first thing I saw in the first plank of the first platform adopted by the Republican party was the following language, in which the convention pledged itself to the mission—

Of restoring the action of the Federal Government to the principles of Washington and Jefferson.

Not Hamilton, the man who is now being touted by some as the model constructor of government in all time and who wanted about the same kind of government in this country that we have given the Porto Ricans.

I want to ask, Mr. Chairman, where in the teachings of Thomas Jefferson will be found any authority for the construction of such a government as we have set up in the island of Porto Rico? So I think I can say that in the discussion of this bill I am taking the position of the restoration of the action of this Government to the principles of Thomas Jefferson with reference to that territory.

There is a feature about the Porto Rican message of the President which furnishes to my mind a very striking contrast to that delivered to the Congress when this session convened. This session of Congress was called together to legislate upon a subject vital to the interests of 90,000,000 American people, and that message was universally remarked upon as being of unprecedented brevity. In some 300 words we were told to get busy and legislate on the tariff. Whether that legislation should be up, down, or sidewise, the message did not indicate. Ninety million of American people and Congress waited, and waited in vain, for the single word that would indicate the direction our activities ought to take. Then came a message dealing with a million people of an island in the Atlantic Ocean and their squabbles, filling three columns of a newspaper, finely printed; and it was not lacking in point. In fact, it was very pointed, and the President indicated that he possessed both the words and the force wherewith to express himself with reference to the condition, as to what was to blame, who was to blame, and what ought to be done about it. In a message of 300 words Congress was turned adrift on the high seas of tariff legislation without mariner or compass, where we are still drifting, while more than 3,000 words, and very strong and decided words, were employed to point the way of Porto Rico's little craft into the harbor of carpetbag government. [Laughter and loud applause.]

And that is not all, Mr. Chairman, about this situation, and it is not the worst of it, in my judgment. There are four bills now pending before Congress, two of them dealing with our domestic concerns and two of them with our colonial possessions. I say it is a waste of time for Congress to neglect the vast interests of the American people to make and amend governments for people about whom we know little or nothing, about whom we care little or nothing, and with whom we have little or nothing in common. They take up the time of Congress, and the very discussions that have occurred here to-day indicate how little fitted we are to consider the merits of the controversy now before us.

Mr. Chairman, it was said by that great apostle of human liberty, whose mantle has since covered so many of the sins of his party, that no man is good enough to govern another man without that other man's consent; and it is attributed to Jefferson that he refused to write the constitution of another people because he was not qualified to do so. Even if a Member of Congress were good enough to legislate for and govern Porto Rico, I submit that the measures over which its legislative bodies are at loggerheads indicate that he is not wise enough, and the slightest reflection should serve to satisfy him that he never will be wise enough. However, I do not care to moralize about colonialism at this time. I simply want to direct attention to the aspects of this situation that appeal to me as reasons why Congress ought to go very slow in acting upon the recommendations of the President, unless there shall be coupled with this action some action holding out a hope or promise to the people of Porto Rico that that situation down there is not only going to be remedied, but remedied for their benefit instead of the benefit of a carpetbag government.

Mr. OLMSTED. Will the gentleman yield for a question?

Mr. MARTIN of Colorado. Yes, sir.

Mr. OLMSTED. Does the gentleman think that a carpetbag government in which the entire membership of one branch of the legislature is elected by the people and five-elevenths of the upper branch also elected by the people?

Mr. MARTIN of Colorado. I undertook to show at the outset of my remarks, I will say to the gentleman from Pennsylvania, that the executive council of Porto Rico was so constituted, a controlling majority being Americans, and combining with their legislative capacity all of the administrative offices, they virtually controlled the island.

Mr. OLMSTED. But they can not pass a law without the concurrence of the lower branch, which is composed entirely of natives.

Mr. MARTIN of Colorado. No; they can not. But they can keep the island at a standstill and prevent the people, through their representatives, enacting such legislation as the people desire.

Mr. HARDY. Will the gentleman yield for a question?

Mr. MARTIN of Colorado. Yes, sir.

Mr. HARDY. Does not it also appear from the action now that when they can not pass legislation they seem to think they have a right to come to Congress to pass it for them—those six members?

Mr. MARTIN of Colorado. I believe that the executive council of Porto Rico, to the best of my information, is now in session in Washington and has been in session here ever since it adjourned in San Juan.

Mr. SCOTT. Will the gentleman yield?

Mr. MARTIN of Colorado. Yes, sir.

Mr. SCOTT. In response to his last statement, I wish to say that there has not been during any time this winter more than three members of the executive council in Washington, and there is now only one.

Mr. OLMSTED. And that there were three members of the lower branch here.

Mr. SCOTT. And three members of the lower branch were also here, but they have now returned. I rose to ask the gentleman if he does not think in all candor that his argument in respect to a carpetbag government falls to the ground in the presence of the fact that, so far as the records show, there never has been on any important measure a nationality line of division in the executive council. In other words, upon not a single one of the bills which are now in controversy was the vote in the executive council divided so that the Americans were all on one side and the Porto Ricans all on the other.

Mr. GARRETT. Will the gentleman permit me to ask a question right there? Was there not one of those bills—I think the county bill, making the counties—on which the five native Porto Ricans voted for the bill? They did not on the others, I should say.

Mr. SCOTT. I am not certain which bill it was. It was one of those six bills upon which all Porto Ricans did not vote, in accordance with the vote that had been taken in the house, but upon not a single one of them was the vote unanimous.

Mr. HUMPHREYS of Mississippi. Did the Americans divide at all?

Mr. SCOTT. Oh, yes; frequently.

Mr. HUMPHRIES of Mississippi. On this proposition?

Mr. SCOTT. I do not know about that.

Mr. DOUGLAS. Will the gentleman from Colorado permit me to interrupt him before he proceeds?

Mr. MARTIN of Colorado. Mr. Chairman, I want first to answer the gentleman from Kansas [Mr. SCOTT]. I want to say this: He may consider my bump of suspicion rather largely developed, but I want to beg of him the right to reserve a very healthy doubt about the class of Porto Ricans who were so fortunate as to be appointed by the President of the United States to the executive council of Porto Rico. I must have some evidence to satisfy my mind about the patriotism and devotion to the true interests of their country of those gentlemen, more than the mere fact that they have Spanish blood in their veins.

Mr. DOUGLAS. I can assure the gentleman from personal acquaintance with them all that they are of the highest type of citizenship in Porto Rico. I want to call the gentleman's attention to this sentence in the President's message and ask him in what respect he disagrees with it:

The great body of substantive law now in force in the island—political, civil, and criminal code, codes of political, civil, and criminal procedure, the revenue, municipal, electoral, franchise, educational, police, and public works laws, and the like—has been enacted by the people of the island themselves, as no law can be put upon the statute books unless it has received the approval of the representative lower house of the legislature. In no single case has the Congress of the United States intervened to annul or control acts of the legislative assembly. For the first time in the history of Porto Rico the island is living under laws enacted by its own legislature.

If that is true, is it not inconsistent with the charge that the government is a carpetbag government?

Mr. MARTIN of Colorado. Mr. Chairman, in reply to the gentleman, I will say that there is no doubt in my mind that in the early days of this experiment, with this queerly constructed government, and before prejudice had time to crop out and factional lines manifest themselves, a great deal of cooperative work was accomplished, but it was due, in my judg-

ment, very largely to the newness of the situation and before the real attitude of this Government upon local autonomy, or home rule, became manifest to the people of Porto Rico. The novelty of the thing seems to have worn off on both sides, and however much they may have accomplished when the condition and situation down there were new, I think it is rather too evident for argument at this time that under that system of legislative government further progress is almost at an end.

I have referred, Mr. Chairman, it is true, to that government as a "carpetbag" government, and it is a severe term, but I believe that it is a term that is justifiably used, and I want to say that I for one distrust the source of the information which the President has received and which he has placed before the Congress as to the conditions which are existing down there; and it must be evident to every Member that the administration does rely wholly and solely upon the executive council and not at all upon the house of delegates for the facts and conditions which he has presented to us.

Those men down there constituting the executive council are the appointees of the adminstration, holding office under the administration, owing their very bread and butter to the administration, and I want to say that it is unfortunate at least for the people of Porto Rico that the presentation of the conditions existing down there is based upon alleged facts or statements coming from such a source.

Mr. SCOTT. May I ask the gentleman if there is any material difference in the statement of the facts as presented by the members of the executive council and presented by the committee from the house?

Mr. MARTIN of Colorado. I will undertake to show in a little bit that there is one very material difference between the allegations as to the material facts between these two parties. I say that the President has received his information from deeply and intensely interested parties to begin with, from men who could not qualify to sit as jurors in that case, and, yet, upon their verdict we are asked to enter up a sweeping judgment for one party as against the other. Even if they were witnesses, a jury would be strictly charged as to the weight and credibility to be given their statements, because of their bias or prejudice through the interest which they have in the issues down there, and the outcome of those issues.

Mr. Chairman, we have had an experience in this country with what I term a "carpetbag government," and that is a government made up of men from some other section of the country, or some other country, over whose selection the people governed have no voice, a government imposed not by consent, but by superior power upon them; and no right-minded man would want to return to that condition in this country. And the successors in interest of that class of people in this country have fallen into such disrepute with the very gentleman who penned this message to Congress that he proposes to reorganize his party in that section of the country by disregarding that class of people and by recognizing men who have some other interest than their mere salaries and self-aggrandizement, who have some real interest in the country itself. And it is passing strange to my mind, in view of that fact, in view of the fact that he can see so little virtue in his present party leadership in the South, that he can see so much virtue in another specie of the same genus in Porto Rico, and which enables him to present a statement of the situation down there wholly creditable to the executive council and wholly discreditable to the representatives of the people, who have, he says, by their action demonstrated their entire willingness to subvert that government.

The personnel of the house of delegates has been described by the Commissioner from Porto Rico [Mr. LARRINAGA]. He has shown you that of the 35 members of that body, more than one-third are lawyers; that the remainder are civil engineers and planters, a couple of labor leaders, and that more than 80 per cent of them are college-bred men. That is the class of men who make up this body which it is said has shown what substantially amounts to treason in the island of Porto Rico.

They have got some interest in that island besides their salaries; they are not down there governing an alien people as their reward for having been handy around some political headquarters during the campaign [applause and laughter on the Democratic side], and expecting to pull out of there with what little they can save from the ruck when the job ends. Those delegates did not get their present positions——

Mr. DOUGLAS. Will the gentleman yield? Does the gentleman personally know the men about whom he speaks?

Mr. MARTIN of Colorado. No; I do not personally know them. I know the system they represent, and that is all I want to know. [Applause on the Democratic side.]

Mr. DOUGLAS. The gentleman was not speaking of the system. He was speaking of the men.

Mr. MARTIN of Colorado. I say, Mr. Chairman, the house of delegates of Porto Rico are not holding office as a reward for carrying water to the elephant; they are holding it because they belong to Porto Rico and because Porto Rico belongs to them, because, when they die, their bones and blood will mingle with the dust that gave them birth and which sustains them all through life. They leave their business, their plantations, and law offices, and for a paltry $5 a day spend two months every year legislating for their country. Now, what do these men say about the crux of this matter? They deny that the house ended all proceedings by adjourning, and they undertake to fix the blame for this action and the resultant crisis upon the executive council, and with such particularity that what they state ought to be a matter of record, which ought to be capable of verification if they have stated falsely. I want to call attention to the statement on page 3 of the brief:

> On Tuesday, March 15, at 2 o'clock in the morning, the house was yet patiently waiting, every member occupying his seat. All of a sudden the executive council decided to adjourn and close the legislative session.

And that was done, leaving the house, as the brief shows, in full session with every member present. Now, I ask whether that looks like this executive council has attempted in good faith to reach an agreement with the house of delegates; or does it look as if they put an end to the proceedings down there knowing that they might run up here to Washington and pour their appeal into the sympathetic ear of the President and have him get them what they want from Congress.

Mr. SCOTT. Mr. Chairman, the gentleman knows, of course, the statement that he has just quoted is very strongly contravened by the representatives of the council.

Mr. MARTIN of Colorado. Yes.

Mr. SCOTT. I think that ought to be stated as a matter of fairness.

Mr. MARTIN of Colorado. I think the representatives of the council, if they were pinned down to the ultimate proposition, would not deny the exact statement of facts here, but would say that it had become apparent to them that further negotiations would be fruitless; that the house had taken such a position that they had just as well adjourn.

Mr. DOUGLAS. With the gentleman's permission, let me state to the gentleman that in conversation with two gentlemen with reference to the statement, they assured me this was a fact: That the speaker of the house, about half past 1 in the morning, sent word to the executive council asking them if they were ready to adjourn, and if so, for them to send the usual formal announcement of that fact to the house and they would both adjourn; and that was done and that is made the excuse for the statement in the brief.

Mr. LARRINAGA. With the permission of the gentleman from Colorado, that statement has been made, the gentleman from Colorado is right, and the speaker of the house in a public document has discredited and denied that statement and said that such a thing never occurred.

Mr. SCOTT. With the permission of the gentleman from Colorado, I would like to ask the gentleman from Porto Rico if it is not a fact that before any suggestion of an adjournment was made the council had acted upon all the bills upon its calendar and had nothing before it for consideration in the absence of action of the house?

Mr. LARRINAGA. But they had refused all of those bills of the house and wanted to pass some of their own, including the appropriation bill.

Mr. CLARK of Missouri. With the permission of the gentleman from Colorado, I would like to ask the gentleman from Kansas a question; and that is, if within his memory the House has not repeatedly taken short recesses the very last night of the session because we had nothing to do, waiting for the Senate to transact business?

Mr. SCOTT. Exactly; and the Senate was transacting business——

Mr. CLARK of Missouri. How do you know the Senate was transacting business?

Mr. SCOTT. We take judicial notice of those things.

Mr. CLARK of Missouri. They are mighty slow about transacting business, if that is the case.

Mr. SCOTT. I agree with the gentleman that sometimes such has been the case, but he will hardly assert there has ever been a time when this House has been idle because the Senate was refusing to transact business.

Mr. CLARK of Missouri. No; but the House, as the gentleman very well knows, has been idle at the close of the session

because somebody over in the Senate was consuming time filibustering on some proposition or other.

Mr. SCOTT. Undoubtedly that is true, but that is not quite on all fours with the state of affairs in Porto Rico.

Mr. CLARK of Missouri. The thing I can not understand, to save my neck, about this is why we are called on to condemn Porto Ricans for doing the very identical thing we do ourselves in our state legislatures or Congress whenever it suits our convenience to do it.

Mr. OLMSTED. There is nothing in this bill that condemns it.

Mr. SCOTT. I do not care to take up any more time of the gentleman from Colorado, but in my own time I shall express some observations on that subject.

Mr. GAINES. If the gentleman will permit, I would like to know whether the gentleman from Kansas clearly meant to imply that the senate or the executive council had completed its business, or meant to imply all the business before both houses had been somehow disposed of when adjournment took place.

Mr. SCOTT. With the gentleman's permission——

Mr. MARTIN of Colorado. I yield.

Mr. SCOTT. I will answer very briefly, because I intend in my time to discuss the matter more at length, by saying that I meant only to give the impression that the council only had completed its calendar, but that business still remained on the calendar of the house.

Mr. MARTIN of Colorado. I think it is true that the council had completed all their business, because all they wanted was the appropriation. They did not have any other business that I ever heard of except that. It may be said that it would take a court of inquiry to determine which body first adjourned, but it is fairly discernible which of them is the more blameworthy for the condition resulting in that action.

It is further urged against the house of delegates as showing its guilt, both by the executive council and the President, that the house, through its representatives who came to Washington, presented an ultimatum which must be complied with before they would do business of any kind or consider an appropriation bill with the executive council; and, as I have listened to the arguments here, it seemed to me that all the reforms they have ever demanded down there have become mixed up in the minds of the members with reference to what they finally did disagree over, when a close examination will reveal the fact that the ultimatum was very limited indeed in its scope.

This matter of reducing the salaries of employees in the federal court was long ago abandoned. And I want to read from the language of this so-called "ultimatum" itself to show that, with one exception, every other reform demanded by the house of delegates was practically abandoned or subordinated for the time being. I find this paragraph, setting out the so-called "ultimatum" of the representatives of the people:

> However, if in the proclamation calling for an extraordinary session the judicial and municipal reforms would be mentioned, and if the executive council would accept that the present justices of the peace be abolished and municipal judges created in every municipality, and that vacancies occurring in mayorships and judgeships be filled by the municipal councils, as provided in the so-called "municipal bills" passed by the house in its last session, then the commissioners believe that the appropriation bills will be passed in the house as introduced in the council without delay.

So it appears from this statement that at that time they had for the time being abandoned all these reforms except the single one of abolishing the justices of the peace and electing municipal judges in their stead and filling vacancies in the office of mayor by the municipal council, just as they are filled, by the way, in this country. It is true they asked that some of these other reforms be mentioned, and that was quite natural. They wanted them mentioned for the purpose of keeping them alive, but after asking that these other reforms be mentioned, then it is true they did say that the reform affecting the municipal judges must virtually be conceded to them.

And what, may I ask, was the objection to conceding this reform, an objection which found approval by the President and who incorporated and laid stress upon it in his message to the Congress. I will read from the message:

> The change was objected to on the ground that the election of municipal judges had already interfered with the efficient and impartial administration of justice, had made the judges all of one political faith and mere political instruments in the hands of the central committee of the Unionists, or dominant party.

And that, to my mind, is a very significant statement, that if we allow the people of Porto Rico to select their judges they would all represent one political party. The significance of that statement is that the people of Porto Rico are now so united against the policy of this Government and against its administration in that island, that if they were granted the powers we enjoy, politically speaking, they would elect all of their officials in opposition to the policy of this Government. That is the significance of that statement to my mind. And it is the most severe arraignment and characterization of our present attitude toward those people and the kind of government we are giving them down there that could be framed by any opponent of the system—the mere statement by its proponents that, if we gave those people the opportunity, they would show a united front and show they were unanimously and, as the saying goes, enthusiastically opposed to our policy in their island.

I have not gone into, and I am not going into, the merits of this legislation down there. I have heard it discussed on the floor, and practically all of it seems to come within the purview of the organic act. The principal question seems to be with reference to the wisdom or desirability of this legislation from our standpoint, and not whether it is legal; and if it is not legal, why, from what little knowledge I have of how it works in this country, I would be perfectly willing to trust the supreme and federal courts of Porto Rico, appointed by the President of this country, to take care of that sort of legislation. And it strikes my mind, as has been stated, that they were following ancient and well-established precedents in attempting to get these reforms. I happened to belong to a legislature once myself, and the two houses got at loggerheads, and the one in which the appropriation bill was pending held it up and refused to pass it, and the governor had to call an extra session of the legislature in order to pass the bill. There was an extra session called in Porto Rico, but I can not think it was in very good faith. I can not think that any particular effort was made down there in this two-day special session to get these two bodies in harmony. I do not know the governor of Porto Rico—he is probably a very nice gentleman—but I do know, if he were governor of an American State and allowed such a condition to come about as has come about down there and had dealt with it as incompetently as he has that situation, what the people would do to him the next time they got a crack at him.

I have wondered what would have happened in that respect if it were not for the fact that it so occurs that Congress is in session at this time. We are not supposed to be in session, and I am seized with the suspicion that if we had not been in session the administration would not be confronted with this situation, nor would the people of Porto Rico. [Applause.] The government down there is, indeed, a feeble thing if it is dependent upon the extraordinary situation that just at this juncture the American Congress should be in session.

But, I repeat, these people were availing themselves of a well-established precedent since parliaments first throttled kings, and one which indicates that they are sufficiently sophisticated for self-government. In fact, they seem to be educated right up to the American standard of the game; and if I did not know anything more about the people of Porto Rico than this one act of their using as a club on the other house an appropriation bill, I should say that they were a very highly developed people. [Laughter and applause.] It is the very highest standard of which I have cognizance, but with Congress in session in Washington it failed to work in Porto Rico. And now, because the ways of those people down there are not our ways, do not conduct their affairs as we would have them, we are to consider them a failure or a lot of ingrates worthy only of condemnation, and to have what little semblance of self-government they possess restricted or taken away from them.

The truth is that every recurrence of trouble in these island possessions of ours—we call them "insular" possessions, again demonstrating the error of the poet when he said there was nothing in a name, "that a rose by any name would smell as sweet." We have our "insular" committees and "insular" possessions. In England they call them "colonial" possessions; and that is what they are. And here is a colonial possession which does not seem to be as well off in the form of its government as a great many of England's colonial possessions. Our idea is that they have not yet progressed to that high state of civilization which justifies us in intrusting them with the power of governing themselves. I say the truth is that every recurrence of these troubles shows the mistake we made when we grafted the European colonial policy upon this country, a policy which seems to be working, both in Porto Rico and the Philippine Islands, to the unanimous dissatisfaction of those peoples, and in our own country to the demoralization of our own ideals of government, our principles, and traditions.

What, may I ask, is our compensation, past, present, or prospective, for this departure?

So far as Porto Rico is concerned, it is set out in the message of the President at some length. It appears we have conferred upon them a great many blessings, from our standpoint, and improved their conditions, and we have no doubt done so in a material sense. We have built a great many schools, but it was out of the taxpayers' pockets. We have built a

great many miles of road, but we have built them out of the taxpayers' pockets——

Mr. FOSTER of Vermont. Would you expect that we should build them out of our own pocket?

The CHAIRMAN. The gentleman has consumed an hour, and his time has expired.

Mr. CLARK of Missouri. Mr. Chairman, I ask unanimous consent that the gentleman may be allowed to conclude his remarks.

Mr. OLMSTED. I believe the gentleman ought to specify some time.

Mr. CLARK of Missouri. Well, fifteen minutes, then.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent that the gentleman from Colorado may proceed for fifteen minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. MARTIN of Colorado. No; I would not build them out of our pocket; but I would not take too much credit to myself for building them out of their pocket, either. [Great laughter.]

Mr. SCOTT. Is it not a fact that these roads are built out of our money, built out of money that every State in the Union contributes to the Federal Treasury in customs duties and internal-revenue taxes?

Mr. MARTIN of Colorado. In that way, yes; for, in addition to these benefits which the President has pointed out, we are losing, he says, $15,000,000 a year of customs duties by reason of free trade with Porto Rico, and, as the island's land valuation is only $100,000,000, it appears that in seven years' time the United States will lose in tariffs alone the entire value of the land of Porto Rico as compensation for the blessings we are conferring upon them by providing them with a government they do not want and running it for them.

So that, at whatever angle of the question you look, Mr. Chairman, the venture is a benefit to the people of Porto Rico and a loss to the people of the United States. I do not think anybody will claim that we will ever be repaid other than with the rewarding consciousness that we have elevated these people, according to our notions, from their benighted condition to a state of enlightenment where they will be able after a while to conduct their own affairs.

It is the same in the Philippine Islands as it is in Porto Rico, only magnified a hundredfold. It is said those islands have cost this country now more than $700,000,000, and that we would not get it back in a hundred years; and what is our compensation for that condition? Everybody knows that the Philippine Islands is the weak spot in the armor of this Government to-day; that it is the heel of Achilles, so to speak, in Uncle Sam's anatomy. Everybody knows that there might be struck a blow in a fortnight which would cost a hundred dollars and a hundred men to retrieve for every dollar and every man the blow cost. Where does the agitation for a great navy come from, for a fleet in the Pacific as large as that in the Atlantic? What is the mainspring and inspiration of that demand? And I am not going to say that I am going to deny it. It comes from our possession of those islands, and it does not come from any other source, because there are not enough people in Asia to put a foot on the Pacific coast or who would ever attempt it.

But there is where a blow could be struck that would wound the pride of this country and its pocketbook, just as the pocketbook of Russia and her pride were wounded in the same locality. We have given them free trade and imposed a tariff on them against all the rest of the world. They do not ask for free trade. They ask us for independence, for self-government. But I can not go into this now.

It is said the people of Porto Rico are more blameworthy than the Filipinos because they came to us voluntarily. They rushed into our arms, and now they are to be blamed because they want to take their doll rags and play with them themselves. It is true they did come to us voluntarily. In the outburst of enthusiasm following the Spanish war they did come to us. Some of them now think they jumped out of the frying pan into the fire. The novelty has worn off. They are facing the real thing in the way of government by a huge country which has not even the sympathy of their former masters, the sympathies and ties of race and language and temperament and religion and social customs, and all that these mean; but mind you, I do not coincide with the view that Spain was better to them or would do better by them. I do not believe it at all.

But it is a fact in their minds, and that is what we have got to deal with. We have got to deal with the fact in the Porto Rican mind, and not the fact as it may in cold truth be; and the question is, How are we going to deal with it? Are we going to deal with it by still further restricting their powers of self-government or are we going to take the rational line of enlarging those powers and doing such things as reforming that legislature down there and making it a real legislature, leaving the administrative officers of the island to perform their proper functions and the legislature its proper functions; and, as I have said, the governor with the veto power and the federal and supreme courts appointed by the American President will look after the rest. I say, let us try the American experiment in government first. If that fails, there will then be time to consider the European system.

This amendment on its face is a harmless thing. I hope I am not impractical, and it may be admitted right at this juncture that it is a necessary thing, for the sake of argument; but my objection to it, Mr. Chairman, is that, unqualified as it is, it is absolutely decisive of the issue, and for that reason I shall oppose it and vote against it. This is apparently all that the executive council want. It is all that they ask for. As has been pointed out, they had no unfinished business on their calendar, because all in the world they ever had to pass was the appropriation bill, which was then over in the house of delegates.

Their platform is evidently the old flag and an appropriation; and when you give them what they ask for by passing this amendment, what then? What will be the result of that action? Will it not inevitably be to put a premium upon the present attitude of the executive council, which has brought about this condition? Will not they go back there and say to the people of Porto Rico, "Now, you see what happened to you agitators down here. We went up to Washington and got what we wanted, and we want you to understand we can always get it." So I say it would be putting a premium upon the contumacy of this executive council down there to pass this amendment, unattended by any other promise or hope of relief, and indefinite and unlimited in its workings; and it furthermore would be a slap in the face of the people of Porto Rico. If there is any justice in their cause, if there is any right or equity in it, if they are only partially to blame for this condition, this action will be a crushing of their hopes beneath the weighty heel of the great Government to which they have been looking for succor and sympathy and fair treatment, and still further estranging them. I want to call attention in this connection to the fact that the Secretary of the Interior himself, to whom this matter was referred, only reluctantly and as a last resort advocated any such action as this. I shall read the very words of the present Secretary of the Interior, who seems to have suggested as a remedy that these salaries down there, which it was proposed to cut, be fixed by Congress, and perhaps that would cure the difficulty. Then he says:

> Another solution has been suggested in the form of adopting the provision which was made to meet like situations in the Philippines and Hawaii, namely, to carry forward the prior appropriations in the event of the legislature failing to pass the regular appropriation bill. Our reason for preferring the solution first suggested to this is that the latter involves a wider departure from the present law than the former.

So, in the opinion of the Secretary of the Interior, this is a wide departure, and one to be taken only as a last resort; and even at that, in my judgment, one to which reasonable, practicable modifications could be suggested by those who are in a position to look at this matter even more impartially, so far as the executive council is concerned, than the Secretary of the Interior. This is a matter to which we ought to give much closer and more careful consideration than in legislation affecting ourselves; because, if this body passes a bill to which I am opposed—and in all probability it will do so after a while—that bill will affect you just as it will affect me, and we will all have to live under it equally; but in the measure before us we are amending the government of another people, and putting the administration of it in the hands of men and under a system which has already lost the confidence of the people to whom it applies.

Confronted by a situation such as this, if this measure must pass, I would limit its operation at least to the ensuing year, and I would couple with the passage of it as a concurrent condition, by resolution, some action calculated to reassure those people—the appointment of a special committee or subcommittees from the Insular Committees now in existence, to go down there and investigate the situation—not to take the word of these men forming the executive council, but to make a thorough investigation with full power, and to report their findings and conclusions to the regular session of Congress. And, by the way, some such proposition as this was held out by the President when he said to the committee of the house of delegates that if they would return and pass the appropriation bill he would appoint a special commissioner to go down and investigate the situation and report, showing that he must have had some doubt in his own mind as to where all the blame rests and as to just what the truth is.

I say, then, in the light of this situation, I would limit this amendment in operation not exceeding the next fiscal year, and I would attach some such condition as I have suggested to the passage of this amendment, taking the position that the one should not pass this Congress without the other, and in taking that position I would still deny the charge that I was willing to subvert the government of the island of Porto Rico or violate my obligation taken in this Congress. [Applause on the Democratic side.]

Mr. SCOTT rose.

Mr. GARRETT. Mr. Chairman, before the gentleman from Kansas [Mr. SCOTT] begins his remarks, I desire to ask the gentleman from Pennsylvania a question, if I may.

The CHAIRMAN. The gentleman is recognized for that purpose.

Mr. GARRETT. I want to invite the attention of the gentleman from Pennsylvania particularly to this language, that "If at the termination of any session the appropriations," and so forth, and to ask him if he does not think that ought to be changed in some way. I am not prepared to suggest the language just at this moment that should be used, but some language which would provide that if at the end of the fiscal year the appropriations failed, because they may have many sessions of the legislature. Of course they have only one regular session. Would it not be well to amend that so as to provide that if at the termination of any fiscal year the appropriations have not been made, and so forth?

Mr. OLMSTED. I would suggest to the gentleman from Tennessee that it seems to me to have that effect now. Of course if the legislature adjourns without making the appropriation the appropriation for the then current fiscal year has already been made, and this act would not be operative upon that. It would not in any event be operative until after the fiscal year for which the appropriations had been made had passed.

Mr. GARRETT. But, if the regular session should adjourn without making an appropriation and then a special session should be called and that special session should pass an appropriation bill in which there were some items not included that the governor might think ought to have been included, would not this language justify the construction then that any session, or one, had adjourned?

Mr. OLMSTED. I think not, Mr. Chairman, because the bill expressly provides that it shall be effective only until the legislature shall act. That is in a further part of the bill.

Mr. GARRETT. That is true, but I am sure I have not made myself plain to the gentleman.

This provides that if any session adjourns, or at the termination of any session; I think it ought to be at the termination of any fiscal year.

Mr. OLMSTED. I think, Mr. Chairman, that the act accomplishes the purpose the gentleman has in mind, because if there should be an extra session and it should act in the matter of making appropriations, then this act immediately ceases to be operative. This act is for the purpose only of keeping the government in operation by providing for the appropriations until the Porto Rican legislature acts.

Mr. GARRETT. I will go further into this before the bill comes to a final vote.

Mr. SCOTT. Mr. Chairman, I should like to inquire of the gentleman in charge of the bill if it is his wish to protract the debate with a view to finishing the consideration of the measure this evening.

Mr. OLMSTED. I hope we may get it through the committee this evening, although we may not be able to get a final vote upon it in the House this evening.

Mr. SCOTT. Mr. Chairman, I have just returned from Porto Rico, where I went, in the excellent company of the gentleman from Colorado [Mr. RUCKER], to see the island; to note the progress or lack of progress that has been made there under American rule; to become acquainted so far as we might with the character, customs, and point of view of the people; to examine and inquire into economic conditions; and to obtain, if possible, information upon which to base an accurate judgment with regard to the political situation that exists in that island. It is the common experience that the only way, at least the best way, to obtain a satisfactory comprehension of conditions existing in a distant country, particularly if that country is inhabited by an alien race, is to visit the country and study the problems that are presented on the ground where they have grown up. I would be the last to claim that by reason of a brief visit to Porto Rico I am able to speak with greater authority regarding conditions there than other gentlemen of the committee. I do feel, however, that my colleague and myself obtained information and absorbed, as it were, the atmosphere of the situation that can not fail to go far toward helping us, at least, to reach a conclusion more satisfactory in our own minds than we would have been able to reach otherwise. Certainly if we did not obtain such information, it was not through lack of facilities placed at our disposal.

The distinguished Commissioner of Porto Rico was kind enough to supply me with letters of introduction to his political friends, which I had great pleasure in presenting. Other gentlemen favored me with letters to substantial and representative business men in different parts of the island. The able and accomplished governor of the island, Hon. Regis H. Post, and his associates on the executive council were indefatigable in helping us to secure full and accurate answers to all our inquiries. We feel, therefore—and I use the plural pronoun because I am sure that my Democratic friend [Mr. RUCKER] came back with substantially the same impressions as myself—we feel, therefore, that we have learned some things and reached some conclusions that perhaps will make our participation in this debate justifiable.

I am sure that I went to Porto Rico with an open mind. I am jealous, as every American citizen is, of the good name of my country. I am immeasurably anxious that in every land over which our flag floats it should stand as the symbol of liberty and justice, of happiness, prosperity, and security to all the people of that land. I never recall without a thrill of pride the remark which is reported to have been made by the British consul at Manila on the evening of the day that the American forces first took possession of that city.

A European woman had come in terror to the consulate imploring protection during the night.

Certainly—

The consul said—

you may stay here if you wish; but, madam, I want to assure you that life and property and the honor of women are safer in Manila tonight than they have been for three hundred years.

[Applause.]

It is because I want that sentiment to be true wherever American rule prevails that I should resent as a personal injury the misconduct of any official representing the sovereignty of the United States in any of our insular possessions. I am sure therefore that I went to Porto Rico with a mind open—nay, with a mind critical to mistakes that might have been made in the administration of justice in that island, and I believe if there had been any evidence of misrule there, if there had been any suggestion that the laws enacted for the government of the island were unjust to the people, were such as to make it impossible for them to prosper and to enjoy the rights to which they are entitled, I believe we would have detected them, and I am sure that we would not have hesitated to have brought the facts to the attention of the people and the Congress of the United States and to have located the blame where it belonged.

But we did not find such conditions. As the President has stated in his message, it is idle for gentlemen to maintain that the conditions existing in Porto Rico now are to be compared in any respect, socially, politically, or economically, with the conditions that existed under the rule of Spain. Gentlemen have frequently referred to the "autonomic government," so-called, that was granted by Spain in 1897.

It is well understood that this system, this so-called "constitution," was yielded under the pressure of conditions existing in Cuba and to prevent the occurrence of similar conditions in Porto Rico. And it is well understood, also, as the President so strongly says:

It was a tentative arrangement, revocable at the pleasure of the Crown, and had, in its provisions, authority for the governor-general to suspend all of the laws of the legislature of the islands until approved or disapproved at home, and to suspend at will all constitutional guaranties of life, liberty, and property, supposed to be the basis of civil liberty and free institutions. The insular legislature had no power to enact new laws or to amend existing laws governing property rights or the life and liberty of the people. The jurisdiction to pass these remained in the hands of the National Cortes and included the mass of code laws governing the descent and distribution and transfer of property and contracts, and torts, land laws, notarial laws, laws of waters and mines, penal statutes, civil, criminal, and administrative procedure, organic laws of the municipalities, election laws, the code of commerce, etc.

To compare such a governmental plan as that with the institutions which we have taken to Porto Rico is worse than idle. It is preposterous and absurd.

In contrast with this—

To quote the language of the President further—

In contrast with this, under its present form of government the island legislature possesses practically all the powers of an American commonwealth, and the constitutional guaranties of its inhabitants, instead of being subject to suspension by executive discretion, are absolutely guaranteed by act of Congress. The great body of substantive law now in force in the island—political, civil, and criminal code, codes of political, civil and criminal procedure, the revenue, municipal, elec-

toral, franchise, educational, police, and public works laws, and the like—has been enacted by the people of the island themselves, as no law can be put upon the statute books unless it has received the approval of the representative lower house of the legislature.

To insist, as has been done upon this floor, that such a great body of laws as the President summarizes could have been passed by unanimous consent, without compromise and concessions between the two houses of the legislature, is, of course, to contradict all legislative experience. The mere fact that such a great body of substantive laws has been enacted is in itself conclusive proof that the charge—which has been made elsewhere, if not here—that the executive council has shown no disposition to meet the wishes and the judgment of the lower house of the legislature is wholly without foundation in fact.

But before passing to a discussion of the merits of this bill and of the political situation which brought about the emergency that has made it necessary, it has occurred to me that it may not be without interest to bring before the House some of the facts which have led me to the conclusion which I propose later to express, to report briefly upon the conditions, the economical and agricultural as well as social and political conditions, that now exist in Porto Rico.

The beauty of the island has been often described, but no description, however enthusiastic, can exaggerate it. The littoral of the island consists in large part of alluvial lowlands, the wash of centuries, pushing the sea back a little from the foothills. But for the most part the country is mountainous, and ex-President Roosevelt aptly described the interior as the Switzerland of the West Indies. The mountains have been practically denuded of their forests except in the most remote and inaccessible regions, but, thanks to the warm climate and abundant rainfall, there is vegetation everywhere and always green, so that the slopes do not look bare or desolate. The soil seems to be most tenacious also, for we saw hillsides that could not have been at a less angle than 60 degrees which were in cultivation and apparently producing good crops.

Agriculture, of course, constitutes practically the sole industry of the island, and we found this to be in a most flourishing condition. It could hardly be otherwise and yet furnish support for the dense population. The district which I have the honor to represent is about 50 miles wide by 120 miles long, and, although it includes a city of 100,000, and nine counties in the most populous part of Kansas, the total population is only 265,000. Porto Rico is but 35 miles wide by 104 miles long, and yet it supports a population of nearly 1,000,000 souls. The leading crop of the island is sugar, which is produced on the low alluvial lands near the coast. The product next in importance is coffee, to which all of the interior of the island is adapted, and then come tobacco and fruits. As an evidence of the splendid progress that has been made in the development of these industries during American occupation, I trust the House will indulge me while I read a few figures taken from the last annual report of the governor.

In 1901 the total number of tons of sugar exported was but 68,909; in 1908, 234,606. Expressed in dollars, this means that in 1901 the value was $4,700,000, while last year the value of the same product was $18,600,000. Expressed in acreage, ten years ago we had but little more than 100,000 acres devoted to sugar, while now there are more than 195,000 acres. In value, the tobacco grown in 1901 was $681,642; last year—and I am referring always to fiscal years—it was $5,401,195. The value of the coffee grown in 1901 was $12,157,240; last year, $35,245,480. The value of all the fruits which were exported in 1901 was $93,000; last year they had risen to the very handsome figure of $1,159,420. Summing up all the exports and imports, we find that in 1901 the total trade of Porto Rico was $17,951,190, while last year it was $56,470,151. I submit, Mr. Chairman, that such a record as that could not have been made in a country of so limited an area under governmental conditions that were not at least reasonably satisfactory.

Mr. HUMPHREYS of Mississippi. Mr. Chairman, will the gentleman allow me a question?

Mr. SCOTT. With pleasure.

Mr. HUMPHREYS of Mississippi. What about the ownership of the sugar plantations? Are they owned by the Porto Ricans generally, or largely by Americans, or is the ownership in a few companies? What about that?

Mr. SCOTT. The organic act, as I remember it, limits the amount of land which any corporation may own at 500 acres. Obviously that is too little to warrant the investment of large capital in the sugar business, and therefore the big companies that have gone to the island to engage in that business are extending their area through the device of contracts with the local landowners. The title to the land remains in the Porto Ricans, who simply contract the product with the corporation operating the sugar mills.

Mr. HUMPHREYS of Mississippi. Now, as to the tobacco plantations. Does the same rule apply?

Mr. SCOTT. The same rule of ownership and the same practice as to contracts prevails. My information is that the tobacco output of the country is largely monopolized by the American Tobacco Company. At least, we were told as we passed through the district of La Plata, the most fertile and richest tobacco district in the island, that the larger proportion of the entire product was bought by the American Tobacco Company.

Mr. DOUGLAS. If the gentleman will permit me, I can state as to sugar and tobacco as the result of some special investigation of my own. The majority of the sugar product is owned by Americans, and certainly almost half is owned by the Porto Ricans. Some of the largest sugar plantations or centrales in Porto Rico are owned absolutely by Porto Ricans, and entirely independent of the trust. So far as tobacco is concerned, the larger proportion is owned by the American Tobacco Company, but, both at Arecibo, Caguas, and Cayey, and other centers where tobacco is produced, there are large independent producers and large independent factories.

Mr. SCOTT. I can speak with considerable knowledge of the facts concerning one sugar mill which we visited, known as the "Tuanica Centrale." It is owned and operated by American capital. The corporation only owns 500 acres of land, but it manufactures the product of 16,000 acres of land and produces 45,000 tons of sugar annually, worth $3,000,000, and it would interest the House if I were to take the time to describe the magnificent uplift which has come to that district through the establishment of that institution. It was a splendid illustration of the beneficent results that have been brought about by American energy and industry and square dealing.

Mr. HUMPHREYS of Mississippi. The purpose of my inquiry was to ascertain if there was a tendency on the part of the Porto Ricans themselves to engage in the production of sugar and tobacco.

Mr. SCOTT. Oh, there is, indeed. I wish to assure the gentleman from Mississippi that a great many native Porto Ricans are shrewd, successful business men. I might add also that I had the privilege personally of talking with many of them, and they were emphatic and unanimous in the expression that the conditions politically, as well as in a business way, were simply incomparable with those which prevailed under Spanish rule. The men in Porto Rico who are making their money out of business and not out of politics are abundantly satisfied with existing conditions, and have no complaint to make about American "tyranny" and "oppression."

Not only has there been this splendid progress in the matter of agriculture, as shown by the figures I have read, but there has been an equivalent advancement made in the establishment of schools and the building of roads. It is sufficient to say that under Spanish rule there were no school buildings erected as such, while we have now over 160, built at a cost of more than half a million of dollars.

Under Spanish rule the island had 551 so-called "schools," with an attendance of 21,000 pupils. To-day there are over 2,400 schools, according to the message of the President, with an attendance of 114,367 pupils. During the last year of the Spanish rule there was spent upon the schools $35,000. During the current year the appropriations are $1,146,619. When we went there, there were 172 miles of macadam road. There are now 624 miles. We have built four times as much road in ten years as the Spaniards built in 400 years.

All of these facts I have presented because they seem to me to justify the contention I make, that our rule has been beneficent in the island of Porto Rico, and to fully vindicate the system of government which we have established there. The most radical of the political agitators of the island will not deny that conditions economically are better now than ever in the history of the island, and I did not find one or hear of one who, when he was talking privately and telling the truth, believed that the island should be made independent, a republic under its own flag.

You may naturally inquire, therefore, since these conditions do exist, why it is that there should be such widespread anti-American sentiment. I answer in one word—politics. In making this answer, and in all I shall say hereafter relating to the political situation in Porto Rico, I do not wish to be understood as expressing or entertaining any feeling other than of the utmost sympathy and kindness toward the Porto Rican people. We have politics in our own country. There are men among us now and then who take an extreme position on some public

question because they think it may bring them popularity and promotion to office. We have among us now and then, unfortunately, a man who deserves the epithet "demagogue;" but in this good country of ours the career of such a man, if, indeed, his public life lasts long enough to be dignified by such a name, is usually brief, because the people know as much and sometimes a great deal more than he does, because there is an intelligent and sound public opinion upon public questions, and the misrepresentation which a demagogue may make is quickly detected and refuted.

But in Porto Rico the situation is vastly different. When the demagogue goes upon the stump in Porto Rico, he finds before him men 90 per cent of whom are unable to read; men who are emotional, excitable, possessed by an intense racial pride; men who have been accustomed through all their lives, as were their fathers and grandfathers and forebears for a thousand generations before them, to the domination and dictation of one man.

Given that sort of condition, given people with such customs and traditions and characteristics, is it not clear enough that the word of a demagogue would "go" there if it were the popular word, if it appealed to the prejudice and the passion and the pride of the men to whom it was addressed?

It is this difference, this diametric and immeasurable difference between the people of Porto Rico and the people of the United States, in education, in temperament, in character, in traditions, in the institutions to which they have been accustomed, that I wish to emphasize and make clear if I can to the membership of this body. If it were an American community we were talking about or an Anglo-Saxon people, then there would be absolutely no answer to the criticisms that have been made here against the system of government we have instituted in Porto Rico. But we are not talking about such a community or such a people. We are talking about a community and a people as widely different from our own as the east is from the west; and no argument which fails to take this difference into consideration is worthy a single moment of serious consideration. We must remember always that we are discussing a system of government, not for the most universally educated people in the world, with a thousand years of training in self-government behind them, but for a people nine-tenths of whom are wholly illiterate, among whom in the very nature of things there can be no sound, informed public opinion, who have had substantially no experience in governing themselves, whose sense of public responsibility has never been trained, whose racial temperament and traditions and customs make it hard for them to understand even the meaning of the word "democracy."

I appeal to gentlemen to bear these things in mind, for they are true. And because they are true, it follows that arguments which would be axiomatic if applied to continental United States are almost grotesquely illogical and misleading when addressed to Porto Rico. What better evidence could we have of the truth of all I have been saying than the very emergency which has made necessary the bill we are now considering? How false a conception of the privileges and responsibilities of free institutions it is which has led men to destroy their government because it is not in all particulars to their liking; and yet, remembering the facts of race and history, how characteristic it is.

But this is a phase of the subject which I do not wish to discuss at length at this time. I have adverted to it only because it seemed to me some members of the committee were in danger of forming their judgment upon the assumption that what has been found good in a governmental way for the United States would be equally good for Porto Rico, and I wanted to warn them against so fatal an error. I referred to it also because, in my judgment, it explains why, in spite of all the benefits American rule has brought to Porto Rico, the prevailing sentiment is undoubtedly anti-American. It is not that the common people, if left to themselves, would have this feeling, for they can not help realizing that the island is more prosperous now, that wages are higher, that investments are more profitable, and that personal rights are more secure than ever before. But because they are uneducated and have no knowledge of their own with which to combat error, and because they have been accustomed to political dictatorship, crafty and unscrupulous men have been able to make them believe that we have not dealt justly with them.

Mr. FOSTER of Vermont. Does this anti-American feeling go to the extent of criticising the American administration there, or is it limited to the form of government which we give them?

Mr. SCOTT. To use the word "criticising" in connection with the assaults that are made upon the American government in Porto Rico, and upon the men administering that government, would be to choose a most mild and innocuous word. I have been told that at the beginning of the American occupation the editors of newspapers, the editor of one newspaper in particular, which from the outset has been violently anti-American, began by merely hinting disagreement with some of the acts of the administration; that the next day or the day after he would make his language a little stronger, and the day following yet stronger, evidently cautiously feeling his way to see how far he could go without making trouble for himself; and when he found that the "lid was off," when he found that we were really and actually permitting a free press in the island of Porto Rico, all restraint was thrown to the winds and the denunciations of American rule, of the governor and his assistants in the administration, have been as violent and unmeasured as they have been unwarranted and false.

This is illustrated further by the fact, which gentlemen perhaps have noticed in recent newspaper dispatches, that the editor of one of the illustrated magazines of the island has been arrested on a charge of sending indecent matter through the mail. The charge is based upon the publication of a most obscene and opprobrious cartoon of the President of the United States, a cartoon which I have seen, but which, in the presence of the gentlemen of this Chamber and of the ladies in the gallery, I would not attempt to describe.

It is politics. I wish to say again that I do not intend to be understood as harshly criticising it. It is most natural under the conditions which exist there that such things should be printed, that such speeches as those to which I have referred should be made. It would be unreasonable to expect anything else. We Anglo-Saxons have worked out only through blood and tears and after a thousand years of conflict the measure of self-government of which we are now capable. How could we expect that a race which never in any quarter of the globe has yet developed a satisfactory system of self-government should be able overnight, in the twinkling of an eye, to so change its nature as to maintain self-restraint and adopt always a conservative policy? I do not mean to speak harshly, let me say again; I am simply stating the facts so that gentlemen may have, as I hope, a clearer understanding of the conditions which have brought about the emergency that now confronts the island and which the pending bill is designed to meet.

Mr. GILLESPIE. I believe that under the law there a corporation can not own but 500 acres of land.

Mr. SCOTT. That is my understanding.

Mr. GILLESPIE. But as a matter of fact the sugar trust, through some kind of a contract with the landowners there, owned or controlled 16,000 acres of land.

Mr. SCOTT. Oh, I beg the gentleman's pardon. I did not intend to say that and I think he must have misunderstood me. My understanding is that the Guanica Centrale, to which I referred, has no relation whatever to the sugar trust.

Mr. GILLESPIE. Well, leaving out the sugar trust, this one plant under the law could own but 500 acres of land.

Mr. SCOTT. Yes.

Mr. GILLESPIE. And yet, as a matter of fact, they have made some kind of a contract with the owners of the land there by which they controlled 16,000 acres. Has the gentleman ever seen one of these contracts?

Mr. SCOTT. I have one of the contracts and I wish I could show it to the gentleman. It is printed in Spanish and in English, and it is one of the fairest contracts, I think, that could possibly be drawn. The gentleman will understand that this contract relates merely to the crop produced upon the land and does not in any way affect the title of the land itself.

Mr. GILLESPIE. How long will it run?

Mr. SCOTT. Three years, I think, is the length of time for which they make the contract. Under the terms of that contract the man who owns the land and grows the cane is paid for it just in the manner that the man who brings milk to the creamery is paid for the milk. In the case of the milk the seller is paid for the butter fat which the milk contains. In the case of the sugar cane the seller is paid by the saccharine contents of the cane. Particular pains are taken to make certain that each man gets the product of his own cane, and the weighing is done with absolute fairness.

Mr. GILLESPIE. The Commissioner from the island [Mr. LARRINAGA] I have heard several times, in addressing this body, say that the landowners there, especially the small landowners, were unable to even pay the taxes on the land, and felt the land slipping from the ownership and control of the natives into the hands of the purchasers, and out of that condition arose this demand for an agricultural bank to try to save the land of the island to the people of the island and to keep these people from losing it. I want to know if the gentleman saw any condition that would justify that.

Mr. SCOTT. Answering categorically, I would say that I did not. On the contrary the conditions which I saw seemed to warrant an entirely different conclusion. It is doubtless

true in Porto Rico, as it is in every other country, that an occasional bit of land may be sold for taxes, and yet the facts which are of record seem to make it clear that there is really unusually little complaint or unusually little ground for complaint that injustice is worked in the assessment and collection of taxes.

I have before me a statement taken from the official records, which shows that according to the tax rolls there were 90,000 different property holdings in the island. The tax law, of course, provides for a board of review, to which complaints of unjust assessment may be taken. We call them in our country "boards of equalization." Last year there were taken upon appeal before that board only 314 cases for review. Does that look as if there was much injustice in the assessment of values? Those 314 cases included property aggregating in value, as assessed originally, $2,116,366, and the board, upon consideration of all the facts, reduced the assessment to $2,073,996, a reduction of practically 2 per cent.

But notice this very significant fact in connection with the figures I have read: There were but 314 complaints out of 90,000, and yet the aggregate value of the property included in those plans was over $2,000,000. What does that mean? Why, it means that the rich are complaining; that the average value of the holdings of these 314 men was over $7,000——

Mr. FITZGERALD. Will the gentleman yield?

Mr. SCOTT. With pleasure.

Mr. FITZGERALD. Does not that simply follow what happens all over, that although there may not be great complaints against assessment values, that it is only the rich who can afford to appeal, and it proves nothing as to whether the average property holder is satisfied or dissatisfied?

Mr. SCOTT. I think that the inference which the gentleman seeks to draw is not warranted, for the reason that every possible facility is given dissatisfied taxpayers to appeal to this board of equalization.

Mr. RUCKER of Colorado. And it does not cost anything to appeal.

Mr. SCOTT. And, as the gentleman from Colorado states, it costs nothing to appeal.

Mr. HINSHAW. Will the gentleman permit a question?

Mr. SCOTT. Certainly.

Mr. HINSHAW. Where are these complaints made when appeals are made from the appraisement? Are there local places to which they can appeal?

Mr. SCOTT. The treasurer of the island appoints local appraisers, who assess property in the first instance. The appeal lies from these local appraisers to the board of equalization, which is constituted, as I recall now, of three Americans and two Porto Ricans.

Mr. HINSHAW. At the capital city?

Mr. SCOTT. At the capital city.

Mr. HUMPHREYS of Mississippi. What is the tax rate?

Mr. SCOTT. The tax rate is very low, as I now recall it—in the neighborhood of one-half of 1 per cent on the actual value of the property.

Mr. HUMPHREYS of Mississippi. Is the rate the same all over the island, or is it different in different districts?

Mr. SCOTT. The rate is the same all over the island. Under the law the insular government not only makes assessment but collects the municipal taxes, merely charging the municipalities 10 per cent for the cost of collection and turning the remainder back into the municipal treasury.

Mr. HUMPHREYS of Mississippi. In addition to what we call "state taxes," or taxes imposed by the insular government, is there a tax imposed by the different municipalities?

Mr. SCOTT. No; except, perhaps, some little market licenses and things of that sort.

Mr. FOSTER of Vermont. Did the gentleman from Kansas hear any complaint relative to extortionate rates of interest in the island?

Mr. SCOTT. I did not. Of course it need not follow that there are no such complaints; but in that connection it may interest the committee to know that this American sugar company to which I have referred loans large sums of money to the men with whom it makes contracts. It has out all the time from $200,000 to $400,000, and its loans are at a rate from 8 to 10 per cent, which seems to me very reasonable under the conditions existing there. As a result of this liberal policy a great many people who were in absolute poverty five years ago are now in affluence. I was told that one gentleman who had left of his patrimony, which originally was 900 acres, only 70 acres of land, by this extension of accommodation through the sugar company has been able in the last five years to buy back his original patrimony, and his net profits from the production of sugar this last year were over $14,000.

The value of land in that neighborhood has grown from $35 an acre to $350 an acre in the last five years. A retired army officer told me that land which he was offered at the time of the American occupation for $9 an acre, within a few miles of San Juan, is now held at $150 an acre, and reports of that nature you hear on every hand. As the gentleman from Porto Rico has himself said, the value of the island has increased at least threefold during the past ten years.

And now to come to a consideration of the political conditions which led up to and the events which precipitated the emergency which we are endeavoring to find a way to meet. The pending bill is so worded that it can not be possibly tortured into an approval of one or disapproval of the other party to this unfortunate controversy. But I should be untrue to every instinct of fairness, knowing the men and the situation as I believe I do, to allow the harsh criticisms of the governor of Porto Rico and his American associates in the executive council which have been made in the course of this debate to pass without challenge. Nothing could be wider from the fact than the statement, made I am sure without sufficient consideration, that these men are of the class that may usually be found hanging about political headquarters. The truth is that political considerations were not in the smallest measure responsible for the appointment of a single one of them.

Regis H. Post was a New York lawyer when, in 1903, he was sent to Porto Rico as auditor. A year later he became secretary, and after serving for three years in that capacity under Governor Beekman Winthrop he was appointed governor. The promotion was fairly earned by long years of faithful and highly efficient service.

W. F. Willoughby, secretary and ex officio president of the executive council, was a member of the United States Commission to the Paris Exposition in 1900 and received the cross of the Legion of Honor from the French Government. Later he was a lecturer in economics at Johns Hopkins and Harvard universities, and has several times represented the Department of Commerce and Labor at international congresses and in the investigation of labor conditions in Europe. He is the author of a number of important books on subjects relating to political and social economy. He went to Porto Rico first as treasurer in November, 1901, and his present position is only the deserved recognition of conscientious and very able service.

S. D. Gromer, treasurer, has college degrees from Missouri, Harvard, Columbia, and Chicago universities and was on the faculty of the Missouri State University when he received his present appointment.

George D. Ward, auditor, was a practicing lawyer in New York.

E. G. Dexter, commisssioner of education, was professor of education in the University of Illinois.

Henry M. Hoyt, attorney-general, has been a practicing lawyer since 1885, was for three years United States attorney at Nome, Alaska, and represented the Department of the Interior as special attorney in the prosecution of the land-fraud cases in the State of Washington.

L. G. Graham, commissioner of the interior, was engaged in newspaper work in the State of New York and had made a special study of the subjects that come within his jurisdiction in Porto Rico.

All these gentlemen have taken their families to the island, are making their homes there, have acquired the Spanish language, and have thoroughly identified themselves with the interests of Porto Rico. I specifically questioned the most radical leaders of the anti-American sentiment, and every one of them expressed absolute confidence in the personal integrity of all these gentlemen, and did not voice even a suspicion that any of them was actuated by any other than the highest motives. I wish to make it especially clear that there is absolutely no taint of graft upon the American administration of affairs in Porto Rico, and no accusation of the arbitrary exercise of power. Indeed, the only complaint I heard against the American members of the executive council was that they have gone too far in the direction of concession and compromise rather than not far enough.

Passing from this, I should like to discuss in detail the various bills the failure to agree to which on the part of the executive council is alleged by leaders of the house as a justification for their refusal to agree to the budget. This has already been so well done, however, by the gentleman from Ohio and others and the ground is so fully covered by the President's message that I shall content myself with but brief comment upon some of the more important of these measures.

The statement filed by the delegation from the house complains bitterly because the executive council would not pass bill No. 35, which provided for the creation of industrial and

professional schools of arts and trades on the island of Porto Rico. What ground is there for this complaint, in the face of the fact that this bill proposed to place all the schools created by it under the direction of the department of health, charities, and corrections, when the Foraker Act expressly provides that the commissioner of education "shall superintend public instructions throughout Porto Rico, and all disbursements on account thereof must be approved by him?"

So far as I could learn no other reason was given for this attempted violation of the organic act than that the department of health, charities, and corrections is presided over by a native Porto Rican, and the expenditures growing out of the establishment of the new schools would therefore be in Porto Rican and not in American hands. As a matter of fact, my information is that the council was entirely willing to pass the bill with such changes as would bring it in harmony with the Foraker Act, so that, so far as the merits of the measure are concerned, it might have been passed.

Touching the bill to reorganize the judiciary of the island, it should be remembered that under the existing law the following system prevails: There is a supreme court of 5 judges, appointed by the President; 26 municipal judges, elected by the people; and 44 justices of the peace, appointed by the governor. The bill proposed to abolish all the justices of the peace and to increase the number of municipal judges to 66, although in many cases the municipal district was so small that there was absolutely no necessity for a separate municipal court. The bill provided, of course, that these judges should be elected, and, pending the next election, the governor should fill the newly-created courts by appointment. Please notice, however, the conditions under which this appointive power was to be exercised. I quote from the bill as follows:

> The appointment shall be given to such persons as belong to the political party obtaining the majority of votes in their respective municipalities during the last elections of November 3, 1908. *The governor shall appoint the candidate suggested to him for such office by the superior directive committee of the political party.*

The bill further provided that the marshals and secretives of the court shall be elected in the same manner, and where the governor had to fill vacancies he would be required to follow the same rules as above set forth in respect to filling vacancies for the office of judge. This was one of the bills that the house insisted that the council pass, practically in the form as passed by the house, as a condition precedent to the passing of the appropriation bill by the house. It was a purely political measure, having for its purpose to do away with courts presided over by persons appointed by the governor, and to substitute in their places ones presided over by officials elected, or, if appointed, appointed at the dictation of the party leaders. The bill called for unnecessary courts, unnecessary expenditures, the substitution of the bad system of selection of judges for a good system, and the making of all judicial officers to which the bill related a matter of political influence. To have passed it would have been to destroy the work of ten years by which a strong independent judiciary had been developed on the island by the present government in substitution of the corrupt system formerly existing, under which political and other influence had full sway and justice bought and sold throughout the island. And yet the gentleman from Tennessee [Mr. GARRETT] is willing to say that he might vote for that kind of a measure.

Mr. GARRETT. Yes; I think for that character of an election.

Mr. SCOTT. What kind of a character?

Mr. GARRETT. A pretty fair character. It elects mayor in the alternate.

Mr. SCOTT. Would the gentleman, as a Member of the House of Representatives of the Congress of the United States, be willing to father, or even remotely and distantly to follow, a proposition of this body imposing upon the governor of some State, or upon the President of the United States, the necessity of taking the recommendation of a political committee in the appointment of judges?

Mr. GARRETT. I do not understand that to be the reading of that, however.

Mr. SCOTT. But it is the reading—

> That the governor shall appoint the candidate suggested to him for such office by the superior directive committee of the political party.

Mr. GARRETT. It has been my understanding that that act, with all these terms, means that the second candidate should be appointed—the man who came second in the race.

Mr. SCOTT. There was this kind of a proposition originally, I am informed, in this bill: That there should be three judges elected, and in case of the disability or removal of the first judge, then the second one should be called into the office. But that was not insisted upon, and the provision I have read certainly means a good deal more than the gentleman seems to believe it does. As an illustration, there recently occurred a vacancy in the office of the mayor of Caguas, I believe. The governor of Porto Rico has always recognized the propriety of consulting the dominant political party in making his appointments, and I may say in passing that he has been recognized upon the island as extremely friendly to the Unionist, the present dominant party, and has been criticised because of his partiality for that organization.

There also was a recognition of the propriety of consulting the representatives of the dominant party when a vacancy was to be filled, and so when this vacancy occurred at Caguas he asked the party committee to present three names for his consideration. This was done, and after obtaining all of the facts relating to the three candidates which he was able to get, he decided to appoint the man whose name appeared second on the list of three. Thereupon there was a great uproar and fierce denunciation because he had not taken the first man, the man who was designated as the first choice of the committee.

Mr. BARTLETT of Georgia. Of course the gentleman does not believe in that sort of selection of officers.

Mr. SCOTT. It does not seem to me to make for good government in Porto Rico.

Mr. BARTLETT of Georgia. The gentleman knows that a great number of States in the Union have had both judges and postmasters and all federal officers appointed upon the recommendation of two or three men in each State from one political party.

Mr. SCOTT. The gentleman must concede that it is not done through any law.

Mr. BARTLETT of Georgia. No.

Mr. SCOTT. Nobody would have the audacity to have put such a law on the statute books.

Mr. BARTLETT of Georgia. But it is done by a very vicious custom existing for many years in the Republican party.

Mr. SCOTT. Has it ever existed in any other party?

Mr. BARTLETT of Georgia. I never heard of it doing so.

Mr. OLMSTED. But it never did apply to judges.

Mr. BARTLETT of Georgia. Well, I believe it did, if the gentleman will examine.

Mr. SCOTT. I will ask the gentleman from Georgia if he would vote for such a law for the people of the United States to-day?

Mr. BARTLETT of Georgia. No, sir; I would not.

The CHAIRMAN. Does the gentleman yield to the Commissioner from Porto Rico?

Mr. SCOTT. Just a moment, if the Commissioner will pardon me.

Mr. BARTLETT of Georgia. It is a very vicious system.

Mr. SCOTT. We know of the things that have occurred, not to use any adjective, even in the States represented by the gentleman who is now facing me [Mr. BARTLETT] and the gentleman from Tennessee [Mr. GARRETT] relating to the system to which reference has been made; and it occurred to me as peculiarly queer that the gentleman from Tennessee should favor the enactment into law of a similar system in Porto Rico.

Mr. GARRETT. If the gentleman will permit me——

Mr. FITZGERALD. Mr. Chairman——

Mr. SCOTT. Inasmuch as reference has been made to the gentleman from Tennessee, I yield to him.

Mr. GARRETT. The so-called "referee system" as regards federal appointments has never applied in Tennessee in the same way that it has applied in other Southern States.

Mr. SCOTT. That is why I should think the gentleman would hardly be in favor of the passage of an act putting it in effect in Tennessee.

Mr. GARRETT. Well, no; I do not think I would. [Laughter.] But the gentleman understands that in Tennessee there is a great, strong Republican party.

Mr. SCOTT. We have abundant evidence of that on this side of the Chamber. And the gentleman from Tennessee, I am sure, would not believe that any of the other States should have such a system applied to the selection of the judiciary.

Mr. GARRETT. I am sure the gentleman agrees with me that other vicious provisions are contained in this bill.

Mr. LARRINAGA. Mr. Chairman, I want to say in regard to this point and in explanation of the custom in Porto Rico, that the political party that has carried the election in a particular town has always been accorded the right to present the candidates; but it was not the dominant party of the island, but the dominant party of that particular town. The dominant party of that particular town is allowed the privilege of presenting its candidates. That party was presented not as the candidate of the party of the majority of the whole island, but of the dominant party of the town itself.

Now, that bill was introduced to correct an abuse; and I honestly will say that the abuse has not existed so much for the last few years. The bill was introduced to correct an abuse that took place during the first four years of the civil government there, when the justices of the peace were appointed by the governor and were the political weapons of the governor that he used when he wanted to elect a lower house of his own political friends. It is just to correct that injustice—that governors could use that power to elect their friends and give us the same kind of treatment that Governor Allen and Governor Hunt did.

Mr. SCOTT. Why, you would not take the position that it should be given by law to a committee—a political committee?

Mr. FITZGERALD. Do I understand the gentleman from Kansas to say that the act which the house of delegates desired was one to permit a committee of the dominant party to select officers, and which would require the governor, in appointing, to select the candidate suggested to him by the central committee of the dominant party? Let me call the attention of the gentleman from Kansas to a communication from the Secretary of the Interior to the President of the United States, transmitted to Congress by the President with his message.

Mr. SCOTT. What page does the gentleman read from?

Mr. FITZGERALD. I read from page 7, in which he—the Secretary of the Interior—says that the bill was, after mentioning other things, such as the election of mayors and councilmen and judges by the votes of the people instead of the appointment by the governor:

> What the house of delegates wanted was to have the vacancies filled by a popular election and take the appointment from the governor; not to put it in the hands of a political committee to control the patronage, and have the governor act merely as a figurehead.

Mr. SCOTT. Mr. Chairman, the gentleman is talking about one thing and I have been discussing another. The gentleman is referring to a bill in relation to filling appointments in the case of a vacancy occurring in the office of mayor, while I am talking about the appointment of judges.

Mr. FITZGERALD. The gentleman cited, as an illustration, one case where three names were selected for the mayor of the place, and a great uproar occurred because the second man on the list had been appointed instead of the first. I call his attention to the fact that the grievance of these people is not that they were not permitted to name the man that the governor should appoint, but their grievance is that they are not permitted to have officials selected by a vote of the people, instead of by the governor, in any form. I accept the statement of the Secretary of the Interior in this report to the President, because he had been designated by the President to ascertain the facts.

Mr. SCOTT. I have not taken time during this colloquy to read the language of the report, but I am sure there is no material contradiction between the statement of the Secretary of the Interior and the assertions that I have been making. It is true that the lower house desired to have in the case of a vacancy in the office of mayor an appointment or selection made by the members of the city council. The mayor at present in all the towns is elected by the people, and under the present law in the event of a vacancy an appointment is made by the governor. The lower house desired to have that law changed so as to permit the council to select the mayor's successor. The council itself was willing to compromise on that measure to the extent of permitting the council to select the successor of the mayor in all cases except where the mayor was removed for cause; but in that event they thought the law ought to provide for the appointment by the governor, so that there might not be a little clique in some municipality that would pass the offices around among themselves, regardless of the manner in which the duties were performed. I think that must be the statement to which the gentleman refers, quoting from the letter of the Secretary of the Interior, but the bill I was discussing related to the selection of the judges.

Mr. FITZGERALD. In this document to which I referred it says "mayors, judges, and councilmen." It says they desire them to be elected, "the mayors, councilmen, and judges," by a vote of the people instead of by the appointment of the governor.

Mr. SCOTT. The Secretary must have been writing hastily and including a great deal in one sentence, because mayors and councilmen are already elected.

Mr. FITZGERALD. Oh, I hardly wish to charge the Secretary of the Interior with any such carelessness as that in a report to the President on such an important matter. It is too serious an indictment to make of this new Secretary of the Interior.

Mr. SCOTT. I present no indictment of the Secretary. It would be easy enough for anyone, not giving especial attention to the situation there, to make such a mistake.

Mr. FITZGERALD. But was he not delegated by the President to meet the representatives of the council and the house of delegates to ascertain the facts and report to him? And this is his report to the President.

Mr. SCOTT. I must decline to enter into any further controversy about a matter which is not at all essential to the point I am discussing.

Mr. FITZGERALD. I have just one thing else to say, and that is that the President has transmitted this to us for our information, to guide us, and I think we are entitled to rely upon the information sent in such a way and not to have it impeached.

Mr. SCOTT. I think I have made it clear to the members of the committee, aside from the gentleman from New York, that there is no material contradiction between the statement made in the letter of the Secretary of the Interior and the statement I have just made myself; but even if there were a heaven-wide difference, it would not go to the merits of this question. It is perfectly obvious to anyone who knows the facts, who is acquainted with the situation, that the purpose, and the only purpose, entertained in the mind of the house of delegates in presenting this bill was to get control of a greater amount of political patronage. They virtually admit this themselves when they refer to the bill as "a movement in the direction of greater autonomy," for that is what they mean when they use that phrase.

Mr. FITZGERALD. Was not that charged against the Congress of the United States in the last session by the President of the United States in reference to a certain bill?

Mr. SCOTT. I do not remember that it was.

Mr. FITZGERALD. Oh, I call the attention of the gentleman to the census veto. I think it is very emphatically along the same line.

Mr. SCOTT. Even if it were, it is hardly a justification of one man's offense to cite a similar delinquency on the part of another.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CLARK of Missouri. I ask unanimous consent that the gentleman be permitted to continue for fifteen minutes longer.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SCOTT. Mr. Chairman, I am very greatly obliged to the committee for its courtesy, and will try to conclude in the time allowed.

Mr. AUSTIN. Mr. Chairman, will the gentleman yield to me for a minute?

Mr. SCOTT. Yes.

Mr. AUSTIN. I wish to correct an unintentional misstatement of my colleague from Tennessee [Mr. GARRETT] in reference to the referee system in Tennessee. The facts are that the referee system in Tennessee did prevail during the recent administration, a very unsatisfactory system, resulting in the appointment of a number of very undesirable federal officials. I think the prevailing of that system under the recent administration inured largely to the interest of the Democratic party, for it resulted in keeping down the Republican vote in that State, and the Democratic party, by virtue of that system, have at least two seats on that side of the House as well as gaining the electoral vote in the recent election there. But I hope we are through with the referee system in Tennessee and that we have seen the last of it in the South.

Mr. GARRETT. Will the gentleman yield?

Mr. SCOTT. I regret exceedingly that the gentleman from Tennessee [Mr. AUSTIN] should have diverted the discussion into this channel. It hardly relates to the question at issue, and unless the other gentleman from Tennessee [Mr. GARRETT] feels it very important, I would like to ask him to postpone his remarks.

Mr. GARRETT. I did not catch exactly what the gentleman from Tennessee [Mr. AUSTIN] said. I understood he wanted to correct some statement that I made. I stated that there was a good, strong Republican party in Tennessee. I do not want to offend him, and if he wishes, I will withdraw that. [Laughter.]

Mr. AUSTIN. It was not that statement. In order that the RECORD may be correct, my colleague did state that he did not know of any referee system in Tennessee. I wish to say that there was a referee system under the recent administration in Tennessee, and a very objectionable one.

Mr. SCOTT. Mr. Chairman, I should be glad, if time permitted, to discuss some of the other measures which have been in controversy between the two houses of the legislature of

Porto Rico, but it is really not germane to the bill now pending before us, because we are not called upon to take sides with either party. I disagree wholly with my friend from Colorado [Mr. MARTIN] in his statement that we are deciding the merits of this controversy by the vote which we shall cast upon this bill. On the contrary, we are distinctly not passing upon the merits of the controversy. We are simply taking a measure rendered necessary by a condition which exists and which would mean chaos if it were allowed to continue. The gentleman from Tennessee [Mr. GARRETT], speaking hastily, I am sure, in response to an interruption and expressing a sentiment which, upon mature reflection, he would be far from insisting upon, stated that his remedy for the existing situation would be to refuse to pass this bill, to let the governor call an extra session of the legislature, and rely upon the executive council to make some concessions.

In the first place, there remains but little more than thirty days before the 30th of June, when by limitation the present appropriations expire. The gentleman certainly is well aware of the fact that it would be wholly impossible to carry out his programme—to have the House refuse to pass this bill, to wait for the Senate to take similar action, for word of that course to be cabled to Porto Rico, for a special session of the legislature to be called, and for agreements to be reached, all to be done before the 1st of July; and, in the second place, he reflects most seriously, it seems to me, upon the good sense, upon the level-headedness, upon the dignity and the sincerity of the gentlemen composing the executive council when he suggests that they would be willing now to grant concessions which they were unwilling to grant at the last regular and at the recent special session of the legislature. Certainly they would be unworthy of the responsible places they fill if they were willing to permit such a situation as now exists to be brought about through any other than the most solemn and inexorable sense of duty and obligation. But even if time permitted, and even if the executive council were willing to stultify itself, the course the gentleman suggests would be an inexcusable blunder.

It would be, in effect, a judgment in favor of the house of delegates, which would make the position of the council intolerable, and bring a condition of political chaos upon the island and bring open contempt upon American rule. There is nothing for us to do but to pass this bill.

Before closing there is one more fact to which no reference has been made, either by the gentleman from Porto Rico in his address in the Chamber or in the brief of the Rivera committee, which I wish to bring to the attention of the House, because I regard it as more significant than any statement which appears in either document.

The legislature of Porto Rico assembled on the 12th day of last January. On the evening of that very day, before the house had had the slightest reason to think that the executive council would do other than to use every effort to work harmoniously with the house, the latter body assembled in joint caucus with the central committee of the Unionist party—I hope the Members will note the close contact and combination between these two bodies—to formulate a policy to be followed by the house in the session just beginning. At that meeting there was presented the following resolution:

> The house to abstain from the introduction of any bills and to indefinitely postpone all bills of the council, declaring, if necessary, that it adopts this attitude because it considers that the Foraker Act is a tyrannical yoke imposed on Porto Rico, and that the house is a figurehead, whose laws are not even complied with and are in practice of no account and useless.

This resolution received the votes of nine members of the house of delegates. It was made apparent, however, by the discussion that it really expressed the sentiment of a majority of the house, but the more conservative leaders regarded it as inexpedient at the time. As a substitute, therefore, the following resolutions were unanimously adopted:

> 1. That at all costs it is necessary to act energetically against the existence of the Foraker Act, which destroys the personality of Porto Rico, and against the manner in which the central officers are applying it.
>
> 2. That, however, resort should not be had to any act of systematic opposition, and it should only be understood that the house adopts a position of irrevocable independence.
>
> 3. That the house of delegates ought to vote and support laws of an automatic character for the entire life of the country, to enter upon a severe criticism of the administration in its distinct services, and utilize the political means that it possesses to the end that those laws shall be approved and the administration corrected in an effective manner.
>
> Following this nom of conduct, the central committee and the house will do whatever circumstances require, and, always within legal means, making all possible sacrifices.

It is entirely apparent, therefore, that from the beginning it was the intention of the leaders of the house of delegates to take an uncompromising attitude, with the deliberate purpose and intention of forcing a rupture with the executive council. The failure of the council to pass the house bills, which was brought forward by the Rivera committee as a reason for and in justification of the course of the house, is plainly a pretext, and not, in fact, a reason. Indeed, one of the leaders of the house, a member of the committee which recently visited the United States, personally admitted as much to me. He said frankly that for nine years the house of delegates had waited patiently for amendments to the Foraker Act which would give the people of Porto Rico greater participation in the government, but had finally concluded that the only way to reach this end was to bring about a political crisis which would attract the attention of the people and the Congress of the United States.

The merits or demerits, therefore, of the particular bills which have been discussed here, as a matter of fact, cut no figure in the case. The crux of the whole contention lies in the question: Shall the people of Porto Rico be given a larger share in the government of the island than is granted them under the Foraker Act? That is not the question at immediate issue, of course, but it is the contention underlying the disturbance which has made the pending bill necessary.

If I had longer time I should be glad to consider this phase of the subject, but at this late hour I do not feel like taxing the patience of the House to do so. What I have just said makes it conclusively clear, it seems to me, that there was from the beginning an intention on the part of the leaders of the Porto Rican house to force a condition which would make a rupture inevitable, which would make a compromise impossible. Indeed, in private conversation they do not hesitate to avow that this was their purpose. I interrogated a member of the committee which came here two months ago to represent the house of delegates specifically in regard to this matter. I asked him what he hoped to gain by such procedure. I said to him:

> Did you entertain the thought that the people of the United States, that the Congress of the United States would be aghast with consternation when they learned that the legislature of Porto Rico had failed to pass the appropriation bill and would make haste to grant whatever demands you might make? Admitting that reforms may be necessary, did you imagine that Congress could be coerced into granting them? Was it your opinion that procedure along this line would tend to convince the people of the United States that you are entitled to a greater measure of self-government than you now have?

And his only reply was that they had been patiently waiting for nine years to obtain greater participation in the government, but without avail, and therefore felt that the only way to secure consideration for their demands was to precipitate a crisis. Perhaps they are not to be blamed for entertaining that opinion. It is their immeasurable misfortune that throughout all their experience as Spanish subjects they were never able to obtain any governmental reform except through revolution or the threat of revolution. But, surely, no Member of this body will believe that it was a wise method to pursue or that they who followed it should be encouraged by permitting it to succeed. The very first lesson which must be taught to the new peoples who have been brought under our flag is that government by revolution is not the United States way. They must be taught that only by patient demonstration of their capacity to exercise wisely the political privileges already accorded them can they hope to secure an extension of those privileges. By the passage of this bill we have an opportunity to give the people of Porto Rico a lesson, not by way of rebuke or of harsh accusation, but in all kindness and good will, which will surely not be lost upon them. At the proper time in the future the Congress of the United States, without doubt, will consider to what degree, if at all, the privileges of American citizenship should be further extended to them. But the question immediately before us is, Shall we provide for the orderly conduct of government in Porto Rico or shall we allow chaos to come again in that island? It seems to me——

The CHAIRMAN. The time of the gentleman has again expired.

Mr. SCOTT. If I may have one more minute——

Mr. PAYNE. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the gentleman from Kansas may be allowed five minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. SCOTT. It seems to me, Mr. Chairman, that the passage of the bill now before the House is the only sensible and reasonable and natural way out of the difficulty.

And it should be passed in exactly its present form. To load it down with such amendments as have been suggested by various gentlemen would be most deplorable on account of the construction that would inevitably be placed upon such action

in the island. It is declared that by passing this bill we will be taking sides in favor of the executive council. How can such a contention be made, in view of the fact that if the present emergency had been brought about wholly through fault of the council exactly the same bill would have become necessary? But suppose a rider is attached to this bill promising in effect to see to it that the demands of one party to the controversy are conceded. That indeed would be to take sides; and I can not believe that any considerable number of the Members of this House will be willing to embarrass their country in a performance of the very delicate and difficult task which at best it has in Porto Rico by favoring such a proposition. Granting that gentlemen on the other side of the aisle are not in accord with the policy by which we have acquired Porto Rico, and that they do not approve of the system of government we have instituted there, yet I submit that to vote against this bill or to force embarrassing riders upon it can not possibly operate to change that policy or to alter that system of government. Whatever the future may have in store as to our other insular possessions, no gentleman in this Chamber either desires or expects that we will ever relinquish Porto Rico. Why, then, should we not stand as a unit in insisting that government there shall proceed in an orderly fashion, and that if grievances exist they should be presented to this body by resolution and not by revolution? I appeal to the members of the committee, therefore, to consider well the vote which they shall cast upon this measure and to let it represent not their hope of partisan advantage but their patriotic desire to maintain the dignity and preserve the good name of their country.

I am greatly obliged to the committee for the patience with which it has listened to what I have had to say. [Applause.]

Mr. PAYNE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. DALZELL having taken the chair as Speaker pro tempore, Mr. TOWNSEND, Chairman of the Committee of the Whole House on the state of the Union, reported that the committee had had under consideration the bill H. R. 9541—the Porto Rican bill—and had come to no resolution thereon.

WITHDRAWAL OF PAPERS.

Mr. GARDNER of Michigan, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of James W. Sears, no adverse report having been made thereon.

PROPOSED AMENDMENTS.

Mr. GARRETT. Mr. Speaker, I ask unanimous consent to insert some amendments in the RECORD, for the information of the committee, and in connection with the Porto Rican bill.

The SPEAKER pro tempore. Is there objection to the motion of the gentleman from Tennessee?

There was no objection.

The proposed amendments are as follows:

Line 9, paragraph 2, strike out the word "session" and insert in lieu thereof the words "fiscal year."

Line 10, after the word "government," insert the words "for the ensuing fiscal year."

ADJOURNMENT.

Mr. PAYNE. I move the House do now adjourn.

The motion was agreed to.

Accordingly (at 4 o'clock and 26 minutes p. m.) the House adjourned.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

A letter from the Secretary of the Interior, transmitting the journal of the legislative council of Porto Rico (H. Doc. No. 42)—to the Committee on Insular Affairs and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the conclusions of fact and law in the French spoliation cases relating to the schooner *Sally*, John D. Farley, master (S. Doc. No. 57)—to the Committee on Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the conclusions of fact and law in the French spoliation cases relating to the brig *Drake*, Jonthan M. Tredick, master (S. Doc. No. 58)—to the Committee on Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the conclusions of fact and law in the French spoliation cases relating to the brig *Two Brothers*, Alexander Forrester, master (S. Doc. No. 61)—to the Committee on Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the conclusions of fact and law in the French spoliation cases relating to the schooner *Willing Maid*, Comfort Bird, master (S. Doc. No. 62)—to the Committee on Claims and ordered to be printed.

A message transmitting a report by the Secretary of State, with accompanying papers, stating reasons why it is desirable to take part officially in the Brussels Exposition—to the Committee on Appropriations.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. BRADLEY: A bill (H. R. 10106) authorizing the acceptance by the United States Government from the Woman's Relief Corps, auxiliary to the Grand Army of the Republic, of a proposed gift of land, contiguous to the Andersonville National Cemetery, in the State of Georgia—to the Committee on Military Affairs.

By Mr. ELLIS: A bill (H. R. 10107) to provide for the purchase of a site and the erection of a public building at The Dalles, Oreg.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10108) for the relief of certain officers and enlisted men of the Second Regiment of Oregon Volunteer Infantry and other officers and enlisted men for special service in the Philippine Islands—to the Committee on Military Affairs.

By Mr. PEARRE (by request): A bill (H. R. 10109) for the testing of the Mason McCarty high-powered gun and cartridges—to the Committee on Military Affairs.

By Mr. BRADLEY: A bill (H. R. 10110) to provide for the casting in bronze and erection in the city of Washington of the colossal equestrian group known as The Indian Buffalo Hunt—to the Committee on the Library.

By Mr. WEBB: A bill (H. R. 10111) to authorize the Court of Claims to admit as evidence affidavits in certain cases—to the Committee on the Judiciary.

By Mr. WICKLIFFE: A bill (H. R. 10112) for the erection of a federal building at Hammond, La.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10113) for the erection of a federal building at Donaldsonville, La.—to the Committee on Public Buildings and Grounds.

By Mr. BRADLEY: A bill (H. R. 10114) to provide for a park road at the light-house reservation at Stony Point, on the Hudson River, in the State of New York—to the Committee on Interstate and Foreign Commerce.

By Mr. RUCKER of Colorado: A bill (H. R. 10115) to remove the charge of desertion now standing against any officer or enlisted man who served in the Army, Navy, or Marine Corps at any time for a period of ninety days or more during the civil war—to the Committee on Military Affairs.

By Mr. HAYES: A bill (H. R. 10116) extending the limits of the District of Columbia—to the Committee on the District of Columbia.

By the SPEAKER: Memorial of the legislature of Iowa, for the calling of a constitutional convention to amend the Constitution in relation to the election of Senators by the people—to the Committee on Election of President, Vice-President, and Representatives in Congress.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. ADAIR: A bill (H. R. 10117) granting an increase of pension to Nancy Sipe—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10118) granting an increase of pension to John Bothart—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10119) granting an increase of pension to Jerome T. Richter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10120) granting an increase of pension to Raleigh Bowden—to the Committee on Invalid Pensions.

By Mr. ALEXANDER of Missouri: A bill (H. R. 10121) granting an increase of pension to Enoch Plummer—to the Committee on Invalid Pensions.

By Mr. AUSTIN: A bill (H. R. 10122) granting a pension to William May—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10123) granting an increase of pension to Richard P. Chandler—to the Committee on Invalid Pensions.

By Mr. BOEHNE: A bill (H. R. 10124) granting an increase of pension to Benjamin A. Sutton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10125) granting an increase of pension to John Beiger—to the Committee on Invalid Pensions.

By Mr. BRADLEY: A bill (H. R. 10126) granting a congressional medal of honor to Lieut. John Ritchie—to the Committee on Military Affairs.

By Mr. BYRNS: A bill (H. R. 10127) granting an increase of pension to G. W. Wheeler—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10128) for the relief of James C. Price, of Davidson County, Tenn.—to the Committee on War Claims.

Also, a bill (H. R. 10129) for the relief of the estate of Zebulon Evans, late of Bedford County, Tenn.—to the Committee on War Claims.

By Mr. CAMERON: A bill (H. R. 10130) granting an increase of pension to Frances Alexander—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10131) granting a pension to George R. Watt—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10132) granting certain land to the town of Yuma, in the Territory of Arizona—to the Committee on the Public Lands.

By Mr. CASSIDY: A bill (H. R. 10133) granting an increase of pension to Charles M. Rome—to the Committee on Invalid Pensions.

By Mr. CHAPMAN: A bill (H. R. 10134) granting an increase of pension to William M. Smith—to the Committee on Invalid Pensions.

By Mr. CLINE: A bill (H. R. 10135) granting an increase of pension to Amos H. Cory—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10136) granting an increase of pension to Isaiah B. Smith—to the Committee on Invalid Pensions.

By Mr. COLLIER: A bill (H. R. 10137) for the relief of James K. Hamblen, of Madison County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10138) for the relief of Mrs. C. V. Wilkins, of Warren County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10139) for the relief of W. W. Warren, administrator of the estate of Jackson Warren, deceased, of Canton, Madison County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10140) for the relief of Mrs. Mary S. Miller and Charles E. Bullock, heirs of J. L. W. Bullock, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10141) for the relief of Abner P. Bush, of Hinds County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10142) for the relief of the estate of Nancy Maria Minter—to the Committee on War Claims.

Also, a bill (H. R. 10143) for the relief of the estate of Reuben Millsaps—to the Committee on War Claims.

Also, a bill (H. R. 10144) for the relief of the estate of James S. Winters, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10145) for the relief of the estate of Emily R. Martin, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10146) for the relief of the estate of James P. Smith—to the Committee on War Claims.

Also, a bill (H. R. 10147) for the relief of the estate of Jacob Oates, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10148) for relief of the estate of Rebecca E. Sexton—to the Committee on War Claims.

Also, a bill (H. R. 10149) for the relief of the estate of Henry E. Windley—to the Committee on War Claims.

Also, a bill (H. R. 10150) for the relief of the heirs of Mrs. C. M. J. Williamson, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10151) for the relief of the heirs of Harvey Latham, deceased, and for other purposes—to the Committee on War Claims.

Also, a bill (H. R. 10152) for the relief of the heirs of Mrs. H. C. Henderson, deceased, late of Warren County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10153) for the relief of the heirs of Joseph Wilson, deceased—to the Committee on War Claims.

By Mr. CRUMPACKER: A bill (H. R. 10154) granting an increase of pension to John W. Erwin—to the Committee on Invalid Pensions.

By Mr. EDWARDS of Kentucky: A bill (H. R. 10155) granting an increase of pension to William Bishop—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10156) granting an increase of pension to John L. Jones—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10157) granting an increase of pension to Jacob S. Bruton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10158) granting an increase of pension to Granville Riley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10159) granting an increase of pension to Richard L. Wilson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10160) granting an increase of pension to Charles Ross—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10161) granting an increase of pension to James Campbell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10162) granting an increase of pension to Harvey D. Burnett—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10163) granting an increase of pension to John C. Duff—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10164) granting an increase of pension to Daniel Parker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10165) granting an increase of pension to Henry Scott—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10166) granting an increase of pension to William H. Waddle—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10167) granting an increase of pension to William W. Matlock—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10168) granting an increase of pension to Hugh T. Ross—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10169) granting an increase of pension to William H. Meece—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10170) granting an increase of pension to Minter Bailey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10171) granting an increase of pension to Rufus J. Carter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10172) granting an increase of pension to William J. Lawless—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10173) granting an increase of pension to Arthur R. Frogge—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10174) granting an increase of pension to Jefferson Colwell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10175) granting an increase of pension to Robert E. Sawyer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10176) granting an increase of pension to William Ingram—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10177) granting an increase of pension to Levi Ferrel—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10178) granting an increase of pension to Benjamin Messer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10179) granting an increase of pension to Wiley Couch—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10180) granting an increase of pension to John F. M. Stewart—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10181) granting an increase of pension to John Jackson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10182) granting an increase of pension to Thomas B. Norris—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10183) granting an increase of pension to Jesse Young—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10184) granting an increase of pension to William Collier—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10185) granting an increase of pension to Thomas Spradlin—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10186) granting an increase of pension to Jesse M. Silvers—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10187) granting an increase of pension to John M. Hardgrove—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10188) granting an increase of pension to Clay Jackson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10189) granting an increase of pension to William G. Ping—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10190) granting an increase of pension to George W. Barlow—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10191) granting an increase of pension to Darius Young—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10192) granting an increase of pension to Constantine C. Davis—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10193) granting an increase of pension to David Lynch—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10194) granting an increase of pension to James C. Barton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10195) granting an increase of pension to Francis M. Hale—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10196) granting an increase of pension to Reuben Maggard—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10197) granting an increase of pension to Thomas O. Letcher—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10198) granting an increase of pension to John T. James—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10199) granting an increase of pension to Milford M. Britton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10200) granting an increase of pension to Sherrod W. Barnett—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10201) granting an increase of pension to Jackson Crawford—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10202) granting an increase of pension to Milton Perdue—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10203) granting an increase of pension to James Banks—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10204) granting an increase of pension to William Cross—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10205) granting a pension to Hannah E. Carroll—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10206) granting a pension to Robert E. Meadors—to the Committee on Pensions.

Also, a bill (H. R. 10207) granting a pension to Thomas Gentry—to the Committee on Pensions.

Also, a bill (H. R. 10208) granting a pension to Washington Craft—to the Committee on Pensions.

Also, a bill (H. R. 10209) granting a pension to Orville Fox—to the Committee on Pensions.

Also, a bill (H. R. 10210) granting a pension to Dudley R. Sloan—to the Committee on Pensions.

Also, a bill (H. R. 10211) granting a pension to Vanna Cox—to the Committee on Pensions.

Also, a bill (H. R. 10212) granting a pension to Catherine Spencer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10213) granting a pension to Doolin Ford—to the Committee on Pensions.

Also, a bill (H. R. 10214) granting a pension to William H. Chambers—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10215) granting a pension to Amy Jackson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10216) granting a pension to William Jackson—to the Committee on Pensions.

Also, a bill (H. R. 10217) granting a pension to William Pace—to the Committee on Pensions.

Also, a bill (H. R. 10218) for the relief of William Wells—to the Committee on War Claims.

By Mr. ELLIS: A bill (H. R. 10219) granting an increase of pension to Charles G. Jenkins—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10220) granting a pension to Jackson Yates—to the Committee on Pensions.

By Mr. ESTOPINAL: A bill (H. R. 10221) for the relief of the Louisiana State Bank—to the Committee on Claims.

Also, a bill (H. R. 10222) for the benefit of the Citizens' Bank of Louisiana—to the Committee on War Claims.

Also, a bill (H. R. 10223) for the benefit of the Citizens' Bank of Louisiana—to the Committee on Claims.

By Mr. FITZGERALD: A bill (H. R. 10224) granting an increase of pension to Michael Carney—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10225) granting an increase of pension to James E. Reilly—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10226) granting an increase of pension to Daniel Hines—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10227) granting an increase of pension to David S. Brower—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10228) granting a pension to John S. Woods—to the Committee on Pensions.

Also, a bill (H. R. 10229) to correct the military record of Simon W. Larkin—to the Committee on Military Affairs.

Also, a bill (H. R. 10230) to remove the charge of desertion from the naval record of Patrick J. Skelly—to the Committee on Naval Affairs.

Also, a bill (H. R. 10231) to remove the charge of desertion from the military record of John T. Johnson—to the Committee on Military Affairs.

By Mr. FLOYD of Arkansas: A bill (H. R. 10232) granting a pension to James H. Evans—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10233) granting an increase of pension to Franklin Pilcher—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10234) for the relief of James H. Gaines—to the Committee on War Claims.

Also, a bill (H. R. 10235) for the relief of Samuel Choate—to the Committee on War Claims.

Also, a bill (H. R. 10236) for the relief of A. M. Webb—to the Committee on War Claims.

Also, a bill (H. R. 10237) for the relief of Ben Mahuren—to the Committee on War Claims.

Also, a bill (H. R. 10238) for the relief of the estate of Nathan P. English, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10239) for the relief of heirs of Jesse Hollingshead, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10240) for the relief of the heirs of Matthias Price, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10241) to correct the military record of Elijah Keeling—to the Committee on Military Affairs.

Also, a bill (H. R. 10242) to carry into effect the findings of the Court of Claims in the matter of the claim of the Cumberland Presbyterian Church, of Mount Comfort, Ark.—to the Committee on War Claims.

Also, a bill (H. R. 10243) to carry into effect the findings of the Court of Claims in the matter of the claim of the estate of John Brewer, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10244) to carry into effect the findings of the Court of Claims in the matter of the claim of the estate of Benjamin Pigman, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10245) to carry out the findings of the Court of Claims in the case of Samuel B. Derreberry—to the Committee on War Claims.

By Mr. FOSTER of Illinois: A bill (H. R. 10246) granting a pension to Mary C. Lloyd—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10247) granting an increase of pension to Eben R. Lindsey—to the Committee on Invalid Pensions.

By Mr. FOSTER of Vermont: A bill (H. R. 10248) granting an increase of pension to Joseph Stone—to the Committee on Invalid Pensions.

By Mr. GUERNSEY: A bill (H. R. 10249) granting an increase of pension to John H. McGregor—to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 10250) granting a pension to Maude Strange—to the Committee on Pensions.

By Mr. HIGGINS: A bill (H. R. 10251) granting an increase of pension to Lucius Austin—to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 10252) for the relief of Benjamin F. Howe, alias Benjamin Burhas—to the Committee on Claims.

By Mr. HULL of Iowa: A bill (H. R. 10253) granting an increase of pension to Martin Hogan—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10254) granting an increase of pension to Sarah Littleton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10255) granting an increase of pension to James F. Burgess—to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 10256) for the relief of Col. William F. Stewart, United States Army, retired—to the Committee on Military Affairs.

By Mr. KENNEDY of Ohio: A bill (H. R. 10257) granting an honorable discharge to James H. Davis—to the Committee on Military Affairs.

By Mr. McCALL: A bill (H. R. 10258) to correct the naval record of John Coughlan—to the Committee on Naval Affairs.

By Mr. MACON: A bill (H. R. 10259) for the relief of the estate of John Holleman, deceased—to the Committee on War Claims.

By Mr. MARTIN of South Dakota: A bill (H. R. 10260) granting a pension to Fred Olson, alias William Brown—to the Committee on Invalid Pensions.

By Mr. MOON of Tennessee: A bill (H. R. 10261) for the relief of Fred Fox, jr., of Chattanooga, Tenn.—to the Committee on Claims.

By Mr. OLDFIELD: A bill (H. R. 10262) granting an increase of pension to James Hatfield—to the Committee on Invalid Pensions.

By Mr. PADGETT: A bill (H. R. 10263) granting an increase of pension to William H. Smith—to the Committee on Invalid Pensions.

By Mr. A. MITCHELL PALMER: A bill (H. R. 10264) granting an increase of pension to Uriah Shell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10265) granting an increase of pension to Jacob Itterly—to the Committee on Invalid Pensions.

By Mr. PRATT: A bill (H. R. 10266) granting a pension to Charles L. Washburne—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10267) granting a pension to R. W. McStraw—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10268) granting an increase of pension to Henry A. Sampson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10269) granting an increase of pension to Charles E. Storrs—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10270) granting an increase of pension to John Marley—to the Committee on Invalid Pensions.

By Mr. RUCKER of Colorado: A bill (H. R. 10271) granting a pension to Walter Cox—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10272) to remove the charge of desertion from the military record of Joseph D. Campbell—to the Committee on Military Affairs.

By Mr. TOU VELLE: A bill (H. R. 10273) granting a pension to Asher V. Swisher—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ALEXANDER of Missouri: Paper to accompany bill for relief of Enoch Plummer—to the Committee on Invalid Pensions.

By Mr. CASSIDY: Petitions of Merchants' Association of New York and Cleveland Chamber of Commerce, favoring a tariff commission—to the Committee on Ways and Means.

By Mr. COOK: Petition of Merchants' Association of New York, for a tariff commission—to the Committee on Ways and Means.

By Mr. ESTOPINAL: Petition of Leonard Crower, of New Orleans, favoring rate of duty on diamonds as fixed in the Payne tariff bill—to the Committee on Ways and Means.

Also, petition of Gardeners' Protective Association of New Orleans, favoring the Currier good-roads bill—to the Committee on Agriculture.

By Mr. FITZGERALD: Petition of New York City Federation of Women's Clubs, against increase of duty on gloves and hosiery—to the Committee on Ways and Means.

Also, petition of National Coffee and Tea Association, against duty on tea and coffee—to the Committee on Ways and Means.

Also, petition of New York State League of Cooperative Savings and Loan Associations, for reduction of duty on material for dwellings—to the Committee on Ways and Means.

Also, petition of Jewelers' Board of Trade of New York, favoring creation of a tariff commission—to the Committee on Ways and Means.

Also, petition of Hide and Leather Association of New York, favoring free hides—to the Committee on Ways and Means.

Also, petition of Commercial Exchange of Philadelphia, favoring a reciprocity treaty with Canada—to the Committee on Ways and Means.

Also, papers to accompany bill for relief of David S. Brower and Daniel Hines—to the Committee on Invalid Pensions.

By Mr. FLOYD of Arkansas: Paper to accompany bill for relief of Elijah Keeling—to the Committee on Military Affairs.

Also, papers to accompany bills for relief of Jesse Shoemaker, Horatio M. McGaughey, Franklin Pilcher, James H. Evans, and John W. Say—to the Committee on Invalid Pensions.

Also, petition of citizens of the Third Congressional District of Arkansas, favoring a national highway commission—to the Committee on Agriculture.

By Mr. HOLLINGSWORTH: Petition of W. T. Sherman Command, No. 2, Union Veterans' Union, Department of New York, against picture of Jeff Davis on silver service of battle ship *Mississippi*—to the Committee on Naval Affairs.

By Mr. McKINNEY: Petition of Tri-City Labor Congress, of Moline and Rock Island, Ill., and Davenport, Iowa, favoring the Kendall anti-injunction bill—to the Committee on the Judiciary.

By Mr. MOON of Tennessee: Paper to accompany bill for relief of Scott Thompson—to the Committee on Invalid Pensions.

By Mr. MURPHY: Petitions of various farmers' unions of Texas County, Mo.—to the Committee on the Post-Office and Post-Roads.

By Mr. NELSON: Petition of Woman's Club of Madison, Wis., against increase of duty on gloves and hosiery—to the Committee on Ways and Means.

By Mr. O'CONNELL: Petition of citizens of Dorchester, Mass., for reduction of the tariff on wheat—to the Committee on Ways and Means.

By Mr. PEARRE: Petition of Altamont Lodge, No. 148, Brotherhood of Locomotive Firemen and Engineers, of Cumberland, Md., favoring S. 1986 and H. R. 7553; also favorable action on S. 236—to the Committee on Interstate and Foreign Commerce.

By Mr. SIMMONS: Petitions of 12 business men of Middleport, 7 business men of Medina, and 15 business men of Albion, N. Y., favoring a parcels-post law—to the Committee on the Post-Office and Post-Roads.

SENATE.

FRIDAY, *May 28, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

EXECUTIVE COUNCIL OF PORTO RICO.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, one copy of the journal of the executive council of the first session and extraordinary session of the fifth legislative assembly of Porto Rico (H. Doc. No. 42), which, with the accompanying document, was referred to the Committee on Pacific Islands and Porto Rico.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. Browning, its Chief Clerk, announced that the House had passed a bill (H. R. 9609) to grant to John Rivett privilege to make commutation of his homestead entry, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. SMITH of Michigan. I present memorials of 5,519 farmers and business men in the State of Michigan, protesting against the reduction of the present rate of duty on sugars. These memorials include 277 farmers and business men of Gratiot, 446 farmers and business men of Sanilac, 700 farmers and business men of Huron, 1,942 farmers and business men of Saginaw, 156 farmers and business men of Lapeer, 388 farmers and business men of Genesee, 120 farmers and business men of Lenawee, and 1,490 farmers and business men of Tuscola. I will not ask to have the memorials read, but I would like to have the memorial of Levi Bardwell, of Cass City, read for the information of the Senate.

There being no objection, the Secretary read the memorial, as follows:

The honorable the Senate of the United States:

We, the undersigned residents of the State of Michigan, are interested in the beet-sugar industry, and particularly the raising of sugar beets in this State, and we realize that any reduction of the duty from the present rate would be disastrous to the beet-sugar industry in this State and in the United States, and will work great damage to the farmers in the business of raising sugar beets and indirectly seriously affect the general business interests of all beet-sugar promising States; it will compel the sugar factories, in order to live, to so reduce the price of sugar beets to the farmers that they can not afford to raise them, and it will thus work ultimate ruin to the beet-sugar industry.

The farmers, even under present conditions, require every encouragement possible to induce them to raise sugar beets, and they are just beginning to be educated and interested in that line of business. The ultimate result of a reduction from the present duty would not only be to drive the farmers out of that line of business, but to render valueless the many millions of dollars now invested in the beet-sugar business in the United States, and deprive many thousands of laborers of employment in that line of business.

We therefore petition your honorable body to see to it that no legislation is passed reducing the present rate of duty on the sugar coming into the United States, and your petitioners will ever pray.

LEVI BARDWELL (and others),
Cass City.

The VICE-PRESIDENT. The memorials presented by the Senator from Michigan will lie on the table.

Mr. FLETCHER. I present a resolution of the city council of Tampa, Fla., which I ask may be read.

There being no objection, the resolution was read and ordered to lie on the table, as follows:

Whereas the Committee on Ways and Means of the Congress of the United States has proposed a bill to provide that 150,000,000 cigars shall be permitted to come from the Philippine Islands free of duty in any one fiscal year; and

Whereas Tampa is the largest clear Habana cigar-manufacturing center in the United States; and

Whereas there is now employed in the city of Tampa and the city of West Tampa, approximately, between 15,000 and 16,000 cigar makers; and

Whereas one-fourth of the population of the city of Tampa depend upon the cigar industry for their livelihood and the necessities of life; and

Whereas it is the opinion of the cigar unions and the cigar manufacturers of the city of Tampa that the passage of this bill would greatly interfere with the sale and manufacture of cigars from the city of Tampa; and

Whereas it is the opinion of the council that the passage of this bill would be harmful and have a tendency to lessen the output of cigars from our home industries: Be it therefore

Resolved by the city council of the city of Tampa in the regular session convened: First. That the city council of the city of Tampa does hereby most earnestly protest against the passage of such a bill, and requests the representatives in both Houses from the State of Florida to use every legal and legitimate means to prevent the passage of said bill.

Second. That a copy of this resolution be served after its passage upon each Member of Congress and each Member of the Senate from the State of Florida.

Passed by the city council of the city of Tampa this 14th day of May, 1909.

W. LESLIE BROWN,
President City Council.

Attest:
W. A. JOHNSON, *City Clerk.*

Approved by me this 17th day of May, 1909.
[SEAL.]
F. L. WING,
Mayor City of Tampa.

Mr. BURTON. I present a petition of the board of directors of the Chamber of Commerce of Cleveland, Ohio, praying for the adoption of an amendment to the pending tariff bill authorizing the President to appoint tariff experts, and so forth, which I ask may be read.

There being no objection, the petition was read and ordered to lie on the table, as follows:

THE CLEVELAND CHAMBER OF COMMERCE,
May 21, 1909.

Hon. THEODORE E. BURTON,
Washington, D. C.

DEAR SIR: The board of directors of the Cleveland Chamber of Commerce has instructed me to communicate to you its indorsement on behalf of the chamber of the following amendment to the pending tariff bill, reported April 30 by the Finance Committee of the Senate:

"That to secure information to assist the President in the discharge of the duties imposed upon him by section 2 of this act, information which will be useful to Congress in the preparation of tariff legislation and to the officers of the Government in the administration of the customs law, the President is hereby authorized to employ, from time to time, such persons as may be required to make thorough investigations and examinations into the production, commerce, and trade of the United States and foreign countries and all conditions affecting the same."

The board of directors hope that you will find it consistent to support this amendment.

Very respectfully, yours, MUNSON A. HAVENS,
Secretary.

Mr. SUTHERLAND. I present a number of petitions of citizens of the State of Utah, asking that the present duty on sugar be retained in its existing form. The petitions are signed by all classes of people—farmers, tradesmen, and business men. I ask that one of the petitions be read and that they be ordered to lie on the table.

The VICE-PRESIDENT. The petitions will lie on the table. Without objection, one will be read, as requested.

The Secretary read as follows:

To the honorable the United States Senate:

We, whose names are subscribed below and whose residence and occupation are set opposite our names, respectively, respectfully petition and pray the Senate of the United States to continue in force in the proposed new tariff act the tariff as it presently exists upon all grades of sugar, and we represent that the manufacture of beet sugar in Utah has become one of the leading industries of the State, and has become so solely by reason of the protection afforded by existing tariff laws; and we further represent that if the present tariff upon any grade of sugar is reduced by the proposed legislation, it will result in the complete destruction of the beet-sugar industry in Utah, upon which the farming and rural communities of the State are dependent.

W. F. RUSSELL (farmer) and others.
Roy, Utah.

Mr. FLINT. I have received a telegram relative to the Mexican Petroleum Company, which I ask may be read.

There being no objection, the telegram was read and ordered to lie on the table, as follows:

LOS ANGELES, CAL., *May 27, 1909.*

Hon. FRANK P. FLINT,
United States Senate, Washington, D. C.:

Please deny to Congressmen and Senators that the Mexican Petroleum Company is controlled by Standard Oil Company. Newspaper reports and reports attributed to David T. Day, of Bureau of Mineral Resources, to this effect have no shadow of foundation. Standard Oil Company has no connection, direct or indirect, with our interests.

NORMAN BRIDGE.

Mr. FLINT. I have also received a number of affidavits from various sugar companies of California, which I ask may lie on the table and be printed in the RECORD.

There being no objection, the affidavits were ordered to lie on the table and to be printed in the RECORD, as follows:

UNION SUGAR COMPANY,
San Francisco, May 19, 1909.
(Dictated May 18.)

HENRY T. OXNARD, Esq.,
Washington, D. C.

DEAR SIR: Answering your telegram, I would say that the Union Sugar Company was organized in the year 1897 for the manufacture of beet sugar, and that I have been continuously the president of that corporation and am in position to know the character of the interests that own the shares.

To my knowledge, the American Sugar Refining Company has never had any direct or indirect interest in the stock of this company.

Yours, truly,
JOHN L. HOWARD, *President.*

Subscribed and sworn to before me this 19th day of May, 1909.
[SEAL.]
JAMES MASON,
Notary Public in and for the City and County of San Francisco, State of California.

STATE OF CALIFORNIA, *County of Los Angeles, ss:*

W. C. Petchner, being first duly sworn, deposes: I am the secretary and attorney of the Pacific Sugar Corporation, and have been such ever since its incorporation; that I am familiar or acquainted with all of the stockholders of said corporation, and their business pursuits, avocations, and affiliations; that as such secretary and attorney all the books of the corporation are in my care and custody, as well as all the contracts, papers, and files thereof; that I personally know and have taken part in the formation of all the business and financial relations of said Pacific Sugar Corporation from the time of its incorporation to the time of this deposition; that said Pacific Sugar Corporation has not now and never had any business relations of any character whatsoever with the American Sugar Refining Company; and said American Sugar Refining Company has not now, and never has had, either directly or indirectly, any interest of any character whatsoever in, or any business relation of any character whatsoever to, or with, said Pacific Sugar Corporation, but said last-named corporation is absolutely independent of any connection of every character whatsoever with any other sugar corporation wherever situated.

W. C. PETCHNER.

Subscribed and sworn to before me this 17th day of May, 1909.
[SEAL.]
FRANK L. MILLER,
Notary Public in and for Los Angeles County, Cal.

STATE OF CALIFORNIA, *County of Los Angeles, ss:*

J. Ross Clark, being first duly sworn, on his oath deposes and says: I am the vice-president and general manager of the Los Alamitos Sugar Company, which corporation owns and operates the beet-sugar plant located at Los Alamitos, Orange County, State of California.

The entire capital stock of said corporation is held and owned by W. A. Clark and members of his family, myself and members of my family, Mrs. Joseph K. Clark, and T. F. Miller, except 12½ shares owned by A. W. Jones, auditor of said company, and 1 share owned by W. H. Comstock, who is a director of said corporation; that the American Sugar Refining Company is not interested directly or indirectly in any of said shares of stock nor in the business of said corporation in any manner whatsoever.

J. ROSS CLARK.

Subscribed and sworn to before me this 14th day of May, 1909.
[SEAL.]
W. E. LADY,
Notary Public in and for said County and State.

My commission expires September 10, 1912.

STATE OF CALIFORNIA, *County of Los Angeles, ss:*

E. A. Pardee, being duly sworn, deposes and says that he is the secretary of the Sacramento Valley Sugar Company, a corporation, and has been since the enterprise represented by it was started.

That he is acquainted with all of the stockholders of said Sacramento Valley Sugar Company, and that no sugar-refining company has any interest in said corporation, either directly or indirectly, but that all of the capital stock of said corporation is held by individual members, and in their own right.

[SEAL.]
E. A. PARDEE.

Subscribed and sworn to this 17th day of May, A. D. 1909, before me.
[SEAL.]
EDWIN J. LOEB,
Notary Public in and for the County of Los Angeles, State of California.

STATE OF NEW YORK, *City and County of New York, ss:*

H. Rieman Duval, being duly sworn, deposes and says that he is the president of the American Beet Sugar Company, and that the American Sugar Refining Company does not now and never has owned a controlling interest in the stock of the said American Beet Sugar Company, nor does the name of the American Sugar Refining Company appear upon the certified list of stockholders or upon the stock transfer books of the said American Beet Sugar Company; that the American Sugar Refining Company does not, directly or through any of its directors, hold any stock in the said American Beet Sugar Company, and has never had a representation on the board of directors of the said American Beet Sugar Company, nor any voice in the management of said company.

That the board of directors of the said American Beet Sugar Company is as follows: H. Rieman Duval, R. Fulton Cutting, R. Bayard Cutting, Robert Oxnard, Henry T. Oxnard, Dumont Clarke, Kalman Haas, Edwin M. Bulkley, Charles J. Peabody, James G. Hamilton, and Lucius K. Wilmerding.

That the officers of the said American Beet Sugar Company are as follows: H. Rieman Duval, president; Robert Oxnard, vice-president; Henry T. Oxnard, vice-president; and John E. Tucker, secretary and treasurer.

H. RIEMAN DUVAL.

Sworn to before me this 19th day of May, 1909.
[SEAL.]
MAITLAND L. BISHOP,
Notary Public.

Mr. DICK presented a memorial of members of the Roessler Brothers composing room, of Cincinnati, Ohio, remonstrating against the imposition of a duty on print paper and wood pulp, which was ordered to lie on the table.

He also presented a memorial of sundry business firms of Columbus, Ohio, remonstrating against an increase of the duty on thorium nitrate, which was ordered to lie on the table.

Mr. WARNER presented a petition of sundry citizens of Missouri, praying that an increase of the pension to $25 per month be granted the survivors of the Mexican and civil wars, and also that a pension of $20 per month be granted to their widows, which was referred to the Committee on Pensions.

Mr. CLAPP. I have a telegram here that I desire to put in the RECORD. It is not exactly a petition, but it is a telegram from the Carver County Sugar Company, of Minnesota, to the effect that they are not in the American Sugar Refining Company. I wish to supplement it with the statement that I not only believe but I have every reason to know that the contents of the telegram are correct and true.

The VICE-PRESIDENT. Without objection, the Secretary will read the telegram.

The telegram was read, and ordered to lie on the table, as follows:

CHASKA, MINN., *May 26, 1909.*

Hon. MOSES E. CLAPP,
Washington, D. C.:

This company is not controlled by the American Sugar Refining Company, and you may deny the statement.

CARVER COUNTY SUGAR CO.,
F. C. HICKS.

Mr. LA FOLLETTE. I present the affidavit of R. G. Wagner, president of the Wisconsin Sugar Company, of Milwaukee, Wis., making certain statements as to the ownership, control, and management of that company, which I ask may be read.

There being no objection, the affidavit was read and ordered to lie on the table, as follows:

STATE OF WISCONSIN, *County of Milwaukee, ss:*

Personally appeared before me the undersigned officer, R. G. Wagner, who, being first duly sworn, on oath states that he is the president of the Wisconsin Sugar Company, of Milwaukee, Wis., a corporation organized under the state laws of Wisconsin, and that he has been the president of this company since its organization in 1901, and that the American Sugar Refining Company never had nor has at the present time, any interest whatever in the ownership, control, or management of the Wisconsin Sugar Company; also, that all the shareholders are residents of Wisconsin, and that the company is entirely independent of any other company or interests engaged in the sugar industry.

R. G. WAGNER.

Sworn to and subscribed before me this 19th day of May, 1909.
[SEAL.] WALTER W. OEFLEIN,
Notary Public, Milwaukee County, Wis.

My commission expires October 13, 1912.

Mr. BURKETT. I have had handed to me an affidavit in reference to the American Beet Sugar Company, in the State of Nebraska, in regard to their not having connection with the American Sugar Refining company. I ask that it be read.

There being no objection, the affidavit was read and ordered to lie on the table, as follows:

STATE OF NEW YORK, *City and County of New York, ss:*

John E. Tucker, being duly sworn, deposes and says that he is the secretary of the American Beet Sugar Company, and that the American Sugar Refining Company does not now and never has owned a controlling interest in the stock of the said American Beet Sugar Company, nor does the name of the American Sugar Refining Company appear upon the certified list of stockholders or upon the stock-transfer books of the said American Beet Sugar Company; that the American Sugar Refining Company does not directly or through any of its directors hold any stock in the said American Beet Sugar Company, and has never had a representation on the board of directors of the said American Beet Sugar Company, nor any voice in the management of said company.

That the board of directors of the said American Beet Sugar Company is as follows: R. Rieman Duval, R. Fulton Cutting, R. Bayard Cutting, Robert Oxnard, Henry T. Oxnard, Dumont Clarke, Kalman Haas, Edwin M. Bulkley, Charles J. Peabody, James G. Hamilton, and Lucius K. Wilmerding.

That the officers of the said American Beet Sugar Company are as follows: H. Rieman Duval, president; Robert Oxnard, vice-president; Henry T. Oxnard, vice-president; and John E. Tucker, secretary and treasurer.

JOHN E. TUCKER, *Secretary.*

Sworn to before me this 19th day of May, 1909.
[SEAL.] MAITLAND L. BISHOP,
Notary Public.

Term expires March 30, 1910.

Mr. DEPEW presented a petition of Corning Lodge, No. 195, Brotherhood of Railway Trainmen, of Corning, N. Y., praying for the passage of the so-called "Burkett boiler-inspection" bill and the "full-crew" bill, which was referred to the Committee on Interstate Commerce.

He also presented memorials of members of the Chamberlin Composing Room Chapel, of Syracuse; of the New York Globe Composing Room Chapel, of New York City; of the Kay Publishing House Composing Room Chapel, of New York City; of the Standard-Union Composing Room Chapel, of Brooklyn; and of the Daily Courier Composing Room Chapel, of Buffalo, all in the State of New York, remonstrating against the imposition of a duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented a petition of James A. Garfield Council, No. 41, Junior Order United American Mechanics, of Brooklyn, N. Y., praying for the adoption of an amendment to the pending tariff bill increasing the head tax on immigrants from $4 to $10, which was ordered to lie on the table.

Mr. BOURNE presented a memorial of sundry farmers and tradesmen of La Grande and Island City, in the State of Oregon, remonstrating against a reduction of the present duty on sugars, which was ordered to lie on the table.

Mr. SIMMONS presented a petition of Whedbee & Morris and sundry other citizens of Franklinton, N. C., praying that hides be placed on the free list, which was ordered to lie on the table.

He also presented petitions of D. N. Mackay and sundry other citizens of Asheville; of T. K. Murphy and sundry other citizens of Salisbury; and of the McDaniel-Saunders Company and sundry other business firms of Rutherfordton, all in the State of North Carolina, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. STEPHENSON presented a memorial of the board of trustees of Park Falls, Wis., remonstrating against any reduction of the duty on print paper and wood pulp, which was ordered to lie on the table.

He also presented the petition of William H. Hufnagel and 24 other citizens of Wisconsin, praying for a removal of the duty on hides, which was ordered to lie on the table.

He also presented the memorial of H. Hamminsen and 6 other citizens of Appleton, Wis., remonstrating against an increase of the duty on hosiery and gloves, which was ordered to lie on the table.

Mr. LA FOLLETTE presented petitions of sundry citizens of Hudson, Dale, Hustisford, Maiden Rock, West Salem, Sheboygan, Ripon, Iron Ridge, Woodland, Horicon, Roberts, Hamherst, Melrose, Wilton, Medford, Sauk City, Milton, Livingston, Washburn, Waukesha, Cedar Grove, Endeavor, Clappville, Monroe, Browntown, Spencer, Milwaukee, Walford, Oshkosh, and Manitowoc, and of sundry bankers of Madison and Milwaukee, all in the State of Wisconsin, praying for a removal of the duty on hides, which were ordered to lie on the table.

BILL INTRODUCED.

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RAILEY (by request):

A bill (S. 2491) for the relief of William H. Taylor; to the Committee on Claims.

AMENDMENTS TO THE TARIFF BILL.

Mr. BURTON submitted four amendments intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which were ordered to lie on the table and be printed.

WITHDRAWAL OF PAPERS—JAMES PHELPS.

On motion of Mr. DICK, it was

Ordered, That there may be withdrawn from the files of the Senate the papers in the case of James Phelps (S. 2283, 60th Cong., 1st sess.), no adverse report having been made thereon.

PETROLEUM FIELDS IN MEXICO.

Mr. CUMMINS. I submit a resolution, for which I ask present consideration.

The resolution (S. Res. 53) was read, considered by unanimous consent, and agreed to, as follows:

Senate resolution 53.

Resolved, That the Secretary of the Interior be directed to furnish to the Senate such information as Dr. C. W. Hayes, chief geologist of the Geological Survey, can furnish respecting his investigations and observations as to the character and development of petroleum fields in the Republic of Mexico, the character of the oil produced, the location of the oil regions, the ownership of or interest in concessions granted by the Mexican Government, the probabilities of increase in production, and, generally, all the information with respect to petroleum and its products procured by the said Hayes upon his visit or visits to the Republic of Mexico.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed. The calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The pending question is on agreeing to paragraph 213.

Mr. BRADLEY. Mr. President——

Mr. PAYNTER. Mr. President, I know that my colleague is going to discuss a question of great importance, and I should like to have the presence of a quorum. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clark, Wyo.	Frye	Page
Bailey	Clay	Gallinger	Paynter
Beveridge	Crane	Gamble	Penrose
Borah	Crawford	Gore	Perkins
Bradley	Cullom	Hale	Rayner
Brandegee	Cummins	Heyburn	Root
Briggs	Curtis	Hughes	Scott
Bristow	Daniel	Johnson, N. Dak.	Smith, Mich.
Brown	Depew	Johnston, Ala.	Smith, S. C.
Bulkeley	Dick	Jones	Smoot
Burkett	Dillingham	Kean	Stone
Burnham	Dixon	La Follette	Sutherland
Burrows	Dolliver	Lodge	Taliaferro
Burton	Fletcher	McCumber	Tillman
Carter	Flint	Nelson	Warner
Chamberlain	Foster	Oliver	Warren
Clapp	Frazier	Overman	

Mr. JONES. My colleague [Mr. PILES] is unavoidably detained from the Chamber this morning.

The VICE-PRESIDENT. Sixty-seven Senators have responded to the roll call. A quorum of the Senate is present. The Senator from Kentucky will proceed.

Mr. BRADLEY. Mr. President, at the outset of what I shall say on the repeal of the 6 cents tax on leaf tobacco, I desire to return my thanks to Congressman STANLEY for much valuable statistical information furnished by him, which has cost him years of toil to acquire.

I desire to say further that I listened with both pleasure and profit to the instructive, able, and thoroughly conservative speech of my distinguished colleague [Mr. PAYNTER] on this question.

During parts of the years 1907 and 1908 we had in Kentucky what was known as the "tobacco war," and the "Night Riders" in Kentucky and Tennessee were guilty of such outrageous conduct as to merit the condemnation of all good people within and without those States. The governors of the two States, in their efforts to vindicate the law, showed themselves to be worthy and patriotic. As my distinguished colleague said, it is somewhat humiliating to me that such things occurred in the State of Kentucky, for I love Kentucky as every loyal son loves his mother.

I love her for her virtues and for her glorious past, upon which these outrages, deplorable as they are, are but as spots on the face of the sun. The honesty of her people stands out as conspicuously as her rugged hills; their bravery has been told in story and in song, and, from the time of their conflict with the savage to this good hour, their blood has enriched every battlefield of the Republic.

No man or set of men can bring reproach on Kentucky without incurring my resentment. I am somewhat like an old gentleman whom I knew years ago, who was in the habit of speaking in very plain terms of his wife's conduct by reason of her high temper. He would arraign her most severely, but he always wound up with the declaration, "I can talk about Betsy, but no other man can talk about her before me without a fight or a foot race." [Laughter.] So I say about Kentucky.

I am frank to say, Mr. President, that after this lawlessness had reached its full fury I was so much impressed with its atrocity that I did not take the time to consider the cause, nor had I at that time made any study of the conditions. But that there was a cause there can be no sort of doubt, for law-abiding people do not suddenly, without reason, become outlaws. I desire now to say something about the causes which led up to this disturbance.

You have already been told by my colleague how the American Tobacco Company, under the innocent guise of a manufacturer of cigarettes, with a capital of $25,000,000, rather a suspicious amount for that business, entered the commercial world in 1890; how it deliberately swallowed its competitors; how it enlarged its business by establishing subsidiary companies for the manufacture of plug and smoking tobacco, snuff, and so forth, which in turn rapidly devoured their competitors by lowering prices so that they could not compete and then destroyed them, or absorbed them by purchase, until holding the majority of stock in all these corporations it silenced all competition in this country and stood without a rival in the United States.

After this had been accomplished, and it was the absolute monarch of all it surveyed in America, not content, it conceived the idea of destroying its great competitor in Great Britain, the Imperial Tobacco Company, which had destroyed all competition in that country, thus cutting off all avenues of escape to that market from the American farmer. By offering princely contributions to those who would patronize its business in Great Britain it drove the Imperial to a compromise, and obtained an agreement by which the American farmer was excluded from that market and by which the Imperial Tobacco Company agreed to confine its purchases to foreign lands, leaving the field in this country uncontested to the American Tobacco Company.

Long prior to 1894—indeed many years ago—Italy, France, Austria-Hungary, and other countries determined to go into the purchase of tobacco under what was known as the "regie system." In other words, those Governments became the purchasers of tobacco in this country through their agents and shipped it to those various countries and sold it, turning whatever might be made out of the traffic into their treasuries.

The American Tobacco Company, finding itself confronted with these rivals, proceeded to treat with them. The result of that treaty was that in the States of Kentucky and Tennessee they divided up the territory, with an agreement that no one of those companies should enter the territory of another or of the American Tobacco Company, and that all of them should buy at the same fixed price.

Prior to that time the American farmer had found a good market for his tobacco in Bremen, and seeing that Great Britain was closed against him, seeing that his own markets at home were closed against him, large quantities of tobacco were shipped to Bremen, and on arrival the American Tobacco Company was found standing there with its millions of pounds and proposing to sell them at cost price in the United States. So it was every avenue of escape was closed. The American Tobacco Company had not only become possessed of control in this country, but had swept on triumphantly until it had not a competitor on the face of the earth, as the waters of a great flood swept on without a shore.

The stock of $25,000,000 has risen in all now to over $500,000,000. In 1895, as shown by my colleague, they declared a dividend of 20 per cent; in 1896, of 22½ per cent; in 1897, of 25 per cent; and in 1898, of 32½ per cent, besides leaving large surpluses in the treasury.

Mr. TILLMAN. If the Senator will pardon me, I should like to know the amount of stock the dividends were on. Was it on the original $25,000,000 or the watered addition?

Mr. BRADLEY. The statement was made by my colleague, and I will ask him to answer.

Mr. PAYNTER. The dividends, of course, were declared upon the amount of the common stock which was in existence at the time the dividends were declared.

Mr. BRADLEY. Such had become the power of this company that the representatives of kings and emperors knelt before it and were proud to do it reverence. The producers and farmers then appealed to Congress. Three times the lower house of Congress unanimously passed an act removing the 6 cents tax on natural leaf tobacco, but that act never even reached a vote in the Senate. As a last resort, feeling that there was no hope from any source aside from individual effort, the tobacco growers of Kentucky and Tennessee formed societies under different names numbering 60,000 members, but all with the same object, the purpose of which was to pool their tobacco; that is, to hold it all under one control a sufficient length of time to force the American Tobacco Company to buy at fair prices, because of the fact that their customers would insistently demand that they should furnish them tobacco.

At this point I wish to say to Senators, you will find the proof of my statements concerning this tobacco company in the hearings before the Ways and Means Committee and the Finance Committee and the report of the Commissioner of Corporations, which only a few days ago was laid on the desk or sent to the office of each Senator.

Now, when this pooling commenced there were quite a number of farmers who refused to enter the societies, but who insisted that they would continue to raise and sell their tobacco. They held their tobacco, however, long enough to get the benefit of the delay occasioned by the societies, to some extent, and thereby received reasonably good prices.

The trust, for I shall no longer call it the "American Tobacco Company," bought this tobacco, first, because it was sorely needed, and, secondly, hoping by giving good prices for it to induce others to believe that they could likewise sell their tobacco, and in this way destroy the organization, thereby putting the farmers again at their mercy.

When this condition presented itself, there were those who felt sorely aggrieved. Every effort was made to try to induce all the farmers to go into the organization. Every effort was made to try to induce them not to produce any more tobacco, but to hold everything as long as might be necessary until the combine was forced to purchase from them at fair prices. Some of these persons, feeling themselves aggrieved, as I have said, commenced the violation of the law. First, tobacco beds were scraped; second, the barns of the trust in some instances, and of these independent farmers in others, were burned. Men who were purchasing for the Regie Company and the American Tobacco Company were whipped and forced to leave the State, and in some instances, I say with deep humiliation, even human life was taken. Such crimes can find no apologist. Thus this terrible condition of affairs was developed, without justification, but not wholly without reason. The profitable market theretofore prevailing was destroyed and an arbitrary price that was a mere pittance was fixed at home, while the markets abroad were closed by conspiracy and fraud.

I beg you, Mr. President and Senators, to look at this condition as it is. Here were these farmers cut off from all hope. Where they once had competition from hundreds of purchasers, they found they had three or four in collusion at a fixed price.

Tobacco, which it costs $6 a hundred to raise, was, of necessity, sold for three and a half dollars a hundred. The farmer who had invested his all saw that he was unable to get any return; the tenant who had raised tobacco "on the halves" saw the fruits of his labor vanish; the laborers' wages were cut to starvation prices; tenants and laborers beheld in the eyes of their wives and children an expression of hunger and despair and saw them shivering, half clad, in the winter's blasts.

Some idea may be formed of the injury that was done to Kentucky, and only a faint idea, by an examination of the Statistical Abstract, which shows that in 1908, at the end of the fiscal year, as compared to 1907, at the end of the fiscal year, there was a decrease in the tobacco produced in Kentucky of 44,878,000 pounds, and a decrease in its value of $6,729,400. But this is only one evidence of the losses of those people.

We now appeal to this Senate for aid, and we can obtain it in no other way. The remedy, and the only remedy, is by the removal of the 6-cent tax from tobacco in its natural condition whenever and wherever sold. You may say, "Well, you have had your protective society in Kentucky; by long delay you have sold your tobacco for from eight to twenty dollars per hundred, and why come to Congress for aid?"

Mr. President, in order to sell that tobacco, some of it was held in pool for nearly three years. Imagine, sir, the hardship to the poor man who had to wait all this time or even for one year to sell his tobacco and get the fruits of his labor. They may control this thing in the future, as they have in the past; but what is the inevitable result? The same delay, the same attempted sales by independent tobacco raisers, the same attempted increase in the production, and necessarily a repetition of the same things in Kentucky and Tennessee which have occurred in the past, for, under similar circumstances, history will always repeat itself.

But it may be said these outbreaks did not occur in all the tobacco States. By no means. Why? In those States producing cigar tobacco and cigar wrappers the trust had not gained control. The cigar industry was the only tobacco industry in the United States which had not fallen a victim to the rapacious greed of this combine; but allow me to predict that the time is not far distant, if the statute remains as it is, when even that industry must succumb.

Another thing. The combine had not seen fit to divide out the territory and put up their collusive bidders at the same price, save in Kentucky and Tennessee. There were disturbances, I believe, in the southern part of Indiana and some in the southern part of Ohio, but the great bulk of this trouble was in Kentucky and Tennessee.

Mr. President, the farmer can sell without restriction anything he raises except his tobacco. It requires more labor to produce tobacco than any other crop. It takes thirteen months from the time the tobacco seed is sown in the bed to the time that the tobacco is completely cured and ready for sale. During all that time, more, or less, the farmer is at work on that product.

We have in Kentucky, and in all the States which produce tobacco, soil peculiarly adapted to its production. Possibly we have more of that character of soil in Kentucky—which, by the way, produces nearly one-third of all the tobacco raised in the United States—than has any other State. There are thousands of acres of land in Kentucky which will produce good tobacco, but which is totally unfitted for the profitable production of any other crop.

As I said, we raise in Kentucky nearly one-third of all the tobacco of the United States, and in 1908 the tobacco of that State was valued at $17,799,600, which was much less than in some preceding years. Aside from the large number of producers interested, there were employed in Kentucky that year, in round numbers, more than 80,000 laborers, all of whom, with those dependent upon them for support, aggregated in the neighborhood of 400,000 people. Next to Kentucky, in 1908, came North Carolina, and next Virginia, and next Ohio; but there were large quantities raised in South Carolina, Tennessee, Wisconsin, Pennsylvania, Maryland, Indiana, and Connecticut. There was also more or less raised in New Hampshire, Vermont, Massachusetts, New York, Georgia, Florida, Alabama, Mississippi, Arkansas, Illinois, Missouri, West Virginia, Texas, and Louisiana. In other words, tobacco is raised in 25 States of the Union.

The total output of tobacco in the United States in 1908—which was not a year of full production—was 718,061,380 pounds, of the estimated value of $74,130,185.

This immense production representing this enormous sum of money, aside from the number of owners of the soil, involves in round numbers 292,000 laborers, who, with those dependent upon them, aggregate a vast army of more than 1,000,000 people.

In view of these conditions, the importance of fair and just legislation affecting this product can not be overestimated. I beg Senators to give me their attention while I proceed to show that such legislation does not exist and will not, unless in their wisdom they should enact into law the amendment which I have offered.

I will state in the beginning that under the present statute and rulings of the Commissioner of Internal Revenue the producers are so hampered and restricted in the sale of their leaf tobacco that they are substantially placed at the mercy of the great trust, which has blighted their hopes and desolated their homes.

Mr. President, the Republican party at its national convention in 1888, being alive to conditions, even as they then existed, and which have since become a thousand times worse, declared in its platform:

> The Republican party would effect all needed reduction of the national revenue by repealing all the taxes on tobacco, *which are an annoyance and burden to agriculture, etc.*

In 1890 the Republican party redeemed that pledge in the McKinley tariff bill, which provided:

> SEC. 26. That on and after the 1st day of May, 1891, all special taxes imposed by law now enforced upon dealers *in leaf tobacco*, retail dealers *in leaf tobacco*, dealers in tobacco, manufacturers of cigars, and peddlers of tobacco are hereby repealed.

But that law required that the manufacturers should register with the collector "their names, place of residence, trade, or business, and the place where such trade or business is to be carried on," and so forth, and provided a penalty for failure so to do.

In another portion of the act, smoking and manufactured tobacco was required to be put up in "packages" and stamped, the tax being fixed at 6 cents per pound.

In section 27 it was provided:

> That all provisions of the statutes *imposing restrictions of any kind whatsoever upon farmers and growers of tobacco in regard to the sale of their leaf tobacco*, and the keeping of books and the registration and report of their sales of leaf tobacco, *or imposing any tax on account of such sales, is hereby repealed.*

It was further provided, however, that farmers or planters of tobacco producing and selling leaf tobacco should, on demand of any revenue officer or agent, furnish him, under oath, a true and complete statement of all sales of leaf tobacco, the number of hogsheads, cases, or pounds, with name and residence of the purchaser and place delivered, and a punishment was fixed for a failure so to do. In this way the tracing of leaf sales was secured.

It remained for the Democratic party, in 1894, to repeal this just law providing for the free sale of leaf tobacco by the passage of the Wilson bill, which bill has been the fruitful source of all our woe. And yet, in justice to those who voted for that bill, I am of the opinion that 90 per cent of them did not know that in its specious wording there was contained a provision that substantially destroyed the protection that had been afforded the farmer by the McKinley bill. Indeed, I know if those gentlemen who passed that bill had understood its purport, they never would have given it their support.

I call your attention, Mr. President, to the language of the Wilson bill in providing who should be considered a manufacturer. Although it professed to give even more relief to the farmer than the McKinley bill, it absolutely destroyed all hope for his relief. The following is its language:

> SEC. 69. Every person shall be regarded as a manufacturer of tobacco whose business "it is *to sell leaf tobacco in quantities less than a hogshead, case, or bale; or who sells directly to consumers*, or to persons other than duly registered dealers in leaf tobacco, or duly registered manufacturers of tobacco, snuff, or cigars, or to persons who purchase in packages for export; and *all* tobacco so sold by such persons *shall be regarded as manufactured tobacco* and *such manufactured tobacco* shall be put up and prepared by such manufacturers *in such packages only as the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, shall prescribe.*"

After having thus destroyed the power of the farmer's vendee to sell his leaf tobacco to the consumer, except on the payment of the tax, this misleading proviso was added:

> *Provided*, That farmers and growers of tobacco who sell leaf tobacco of their own growth and raising shall not be regarded as manufacturers of tobacco; and so much of section 3244 of the Revised Statutes of the United States, and acts amendatory thereof, as are in conflict with this act are hereby repealed.
>
> *Provided further*, That section 27, chapter 1244, page 863, volume 1 of Supplement to the Revised Statutes of the United States (which was the McKinley law) "be amended by striking out all after the word 'repealed.'"

This is the section of the McKinley bill requiring the farmer to give information as to his sales.

Hence it was represented, and believed to be true by nine-tenths of those who supported the Wilson bill, that the farmer and his vendee were not only allowed to sell without restriction, as provided by the McKinley bill, but in addition the farmer was relieved from keeping any memoranda or giving

information as to his sales on demand of any officer of the Government.

Such was the belief of the farmer, who hailed with delight the passage of the Wilson bill and affectionately looked upon the Democratic party as his "guide, philosopher, and friend." But later, when attention was called to the law by the rulings of the Commissioner of Internal Revenue, he awoke to the fact that he had been deceived and placed completely in the power of the trust. To this bill he had looked as his "friend in every present hour of need." Before the grinding effect of the combine was experienced, the real value of the McKinley bill had not been appreciated; but when the American Tobaccco Company, which was organized in 1890 with a suspiciously large capital, ostensibly for the harmless purpose of manufacturing cigarettes, had enlarged its powers by forming subsidiary corporations and had gone into every branch of tobacco manufacturing, destroying all competitors except those who entered with it into an agreement of oppression, and the farmer saw his market gradually contract from hundreds of independent buyers to three or four in collusion, the farmer and his laborers, in their frantic appeal to the Wilson bill for relief, found that it had absolutely closed the door of hope upon them, and that the McKinley bill was indeed their friend.

Hence, Congress was asked to enact a bill in many respects the same as the McKinley bill, and three times, as I have said, the House of Representatives passed that measure unanimously, and three times it came into this Chamber, and died in the Finance Committee without ever having been reported. I understand that the main reason for this was that that bill as passed did not contain any clause providing for tracing the sales of leaf tobacco. It passed the House again unanimously without provision to trace leaf sales during the present session. It came to this body, but was stricken from the bill by the Finance Committee because, as I understand, of the failure to provide the means of tracing leaf sales.

Mr. TILLMAN. Mr. President, if it will not interrupt the Senator——

Mr. BRADLEY. Certainly not.

Mr. TILLMAN. I should like to know the years when the bills to which the Senator refers passed the House of Representatives.

Mr. BRADLEY. Well, really, I will say to the Senator that I do not know.

Mr. TILLMAN. Since 1900?

Mr. BRADLEY. Oh, yes.

Mr. TILLMAN. Have not the Republicans been in full control here since then?

Mr. BRADLEY. Yes.

Mr. TILLMAN. Then, why does the Senator charge this to the Democracy?

Mr. BRADLEY. I simply charge that, if it had not been for the Democrats, this trouble never would have existed.

Mr. TILLMAN. I know; but if we have been fooled once, why do the Republicans follow our bad example?

Mr. BRADLEY. I do not want them to follow your example.

Mr. TILLMAN. They have.

Mr. BRADLEY. And I am trying my best now to prevent it; but I want to show further along why the Republicans have not passed these bills.

Right at this point, I want to call attention a little more particularly to the differences which existed between the Wilson bill and the McKinley bill. Under the McKinley bill the farmer had the right to sell his tobacco without the payment of tax and his vendee had the right to sell without the payment of tax; in other words, leaf sales were free. Under the Wilson bill the farmer had the right to sell without the payment of tax, but his vendee had no such right. You will see, therefore, the very great difference existing between these two bills.

Under the rulings of the Commissioners of Internal Revenue the right of the farmer to sell his leaf tobacco under the Wilson bill has been held to be a personal privilege that can not be delegated by him to another person. He can not employ another to travel from place to place to sell and deliver his tobacco, not even a member of his own family; nor has he the right to place it in the hands of any person to be sold for him except a manufacturer, as described in section 69 of the Wilson law; and those manufacturers are in each case required to pay 6 cents per pound tax on all tobacco sold. I may add here that these persons, in nearly every instance, are under the control of the trust, and thousands of them are now protesting to the Senate against the removal of the tax as provided in the present amendment.

So it is, Mr. President, as the law now stands, the farmer must leave his farm and travel over the country in order to sell and deliver his tobacco. This he can not do, for two reasons: First, on account of the expense attending it; and, second, because he can not neglect his farm and family. Like Tantalus, he is surrounded by water, yet can not drink. His privilege amounts to nothing, comparatively speaking, in his own neighborhood, because there are so many tobacco producers in his vicinity that his market is wholly with the consumer, and he can not exchange his tobacco at the country store for goods, wares, or merchandise without paying the 6 cents tax, for the merchant will not take it, even if he is a licensed dealer, unless he protects himself by charging the 6 cents tax that he must pay for the privilege of reselling.

The law as it now stands amounts substantially to the permission that the mother gave her daughter when she told her that she could go out to swim, but must not go near the water.

Mr. TILLMAN. That is the Dingley bill.

Mr. BRADLEY. No, sir; that is the Wilson bill.

Mr. TILLMAN. But the Wilson bill is dead; it is repealed.

Mr. BRADLEY. The Wilson bill is not wholly dead; it only "sleepeth" in part. Let me say that the provisions of the Wilson bill as passed in 1894, about which I am talking, were not interfered with by the Dingley bill, but the law stands to-day as it stood then, a monument of injustice to the farmers of this country.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kentucky yield to the Senator from South Carolina?

Mr. BRADLEY. Certainly.

Mr. TILLMAN. Will the Senator deny that the present law in regard to tobacco is the act, or omission to act, of the Republican party?

Mr. BRADLEY. I deny that it is their act.

Mr. TILLMAN. Well, if the Democrats made a mistake, or committed a crime, we will say——

Mr. BRADLEY. Oh, not a crime.

Mr. TILLMAN. It is a crime to rob farmers of their living—I do not agree with the Senator on that proposition; I say it is a crime—if the Democrats committed a blunder or a crime and the Republicans left it alone, after the tobacco trust had organized and got its tentacles and its influence in here, where does the blame rest?

Mr. BRADLEY. Well, it seems to me that the man who does the devilment is more responsible than the fellow who lets the devilment alone after it is done.

Mr. TILLMAN. That is a question of ethics.

Mr. BRADLEY. But, as I said to the Senator a moment ago, I do not approve of that; and I want to give the reason later on why it was done. What I am trying to do now is to induce the Republican party to go back to the provisions of the McKinley bill and do the farmers of this country and also the laborers justice.

Mr. TILLMAN. If the Senator had confined his argument to a plea for justice to the farmers, every Democrat here was listening to him with an earnest desire to help him; but when he undertakes to turn his argument into a partisan one and to lay all the blame on the Democrats, when his own statement of fact shows that it is not true, I do not see what the Senator expects to accomplish.

Mr. BRADLEY. Mr. President, it was not my purpose to cause any Senator to become excited or to lose his temper. I am giving the history of this bill, and I am putting the responsibility where it belongs. So far as it may belong on the Republican party by act of omission, I am putting it there, and so far as it belongs on the Democratic party by act of commission, I am putting it there. I want the people of this country to know exactly how this thing came about and exactly why it has continued; and I will show them before I am through. I am not undertaking to make a partisan speech; I am putting the blame where it belongs in the first instance; I am asking for justice to one of the great industries of this country; and I am asking that an iniquitous law shall be repealed.

It matters not so much who is responsible, nor the degree of that responsibility, for, whoever is responsible, the law should no longer remain upon the statute book. I will discuss later the question as to what is the cause of the present position of affairs, and why it is that this law which was adopted by the House has never passed the Senate.

There are two objections made to my proposed amendment, and to those objections I desire for a few minutes to call the attention of Senators. First, it is objected that the passage of this amendment will open the door to fraud and render uncertain the enforcement of the tobacco tax; secondly, that it will materially decrease the amount of revenue collected.

As to the first proposition, it may be said that no law can be devised which will entirely prevent fraud. As long as human cupidity and ingenuity exist, just so long will fraud be perpetrated. There are violations every day of internal-revenue

laws, and they will continue more or less as long as those laws remain on the statute book. Indeed, the same may be said of all laws.

In support of the contention named, the letters of the late Secretary Cortelyou and the present Acting Commissioner of Internal Revenue will be quoted. A close examination of these letters, in connection with the clear and explicit statements of late Commissioner of Internal Revenue Yerkes, the operations of the McKinley bill, the constant violations of the present law, and the additional safeguard established by the proposed law, will show how very little foundation there is for the apprehensions of the ex-Secretary and the acting commissioner, whose communications are substantially the same, both going back to the report of the commissioner in 1871, calling attention to the large amount of leaf tobacco sold at retail directly to the consumer without payment of any tax, and, quoting the language of the then commissioner, that—

> The traffic was so injurious to the manufacturers and prejudicial to the revenue that the manufacturers asked to be protected from such sales.

It seems that while the commissioner's ear was keenly attuned to the complaint of the manufacturer and his plea for protection, it was deaf to the cries of the producer and laborer, who were suffering by reason of the practices of the manufacturer. The manufacturers, however, are generally too modest to ask for protection. They usually confine themselves to expressions of great concern lest the revenue may be curtailed. The exhibition of their desire to protect the Government is truly pathetic, and may be likened to the great desire of the wolf to protect the shepherd in order that he may fatten upon his sheep.

Mr. Cortelyou proceeds to tell how a law was passed in 1873 imposing such taxes as rendered it impossible for any person to carry on the business of selling raw leaf tobacco directly to consumers or others than leaf dealers or manufacturers. But he forgot to mention that the laws up to 1871 did not throw the safeguards around the sale of tobacco that have since been provided; and he forgot also to mention the fact that the law of 1873 was wiped from the statute books by the McKinley Act in 1890 and laws passed such as would and did make more difficult the commission of fraud than ever before, and these laws are in force to-day. Mr. Cortelyou says—and here is the milk in the cocoanut—that fraud will be hard to detect when "the present means of tracing leaf sales is practically abandoned."

It is upon that theory that heretofore the commissioners of internal revenue, some of them, have given their opinions. It is for that reason that this bill did not pass the Senate and was never reported to the Senate by the Finance Committee; because, although the bill had passed the House four times, there was no provision in it in any way providing for the tracing of the sales of leaf tobacco. Hence it was that the commissioners and the Secretary of the Treasury objected to its passage. The section which provided for the tracing of leaf sales in the McKinley bill was repealed by the Wilson bill, and no provision of a similar character was embraced in the act that four times passed the House of Representatives; but now, by the amendment which I propose, that provision is restored, and hence all the apprehensions that may have been felt by reason of frauds liable to be committed on the revenue, or because of a decrease in revenue on account of the fact that the sales of leaf can no longer be traced, are now provided for in the amendment which is offered, restoring that provision.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kentucky yield to the Senator from Indiana?

Mr. BRADLEY. I do.

Mr. BEVERIDGE. The Senator says the reason why the bill which passed the House four times was not reported by the Finance Committee of the Senate was because it left out this provision for tracing the sales. That could readily have been inserted by the committee, and it does not seem to me to be a very good reason, because it could have been inserted in a moment; so that the objection of the Treasury Department and the committee could have been obviated by inserting that. Is not that true?

Mr. BRADLEY. I will say to the Senator from Indiana that I agree with him that such provision could have been inserted, but its absence was the reason given by the committee why it should not pass, and the attention of the committee, I will say in justice to them, was not specifically called to the insertion of such a clause, but their attention was called to the danger of fraud under the bill as proposed by the letters of the commissioners and the letter of the Secretary of the Treasury that the law did not provide for the tracing of leaf sales.

I am not here to make excuses for anybody, nor am I here to unjustly condemn anybody. I have no doubt the committee did what they conscientiously believed was right. I have no doubt that when gentlemen passed the Wilson bill they voted for what they conscientiously believed was right, and, as I said a moment ago, voted without knowing the effect of their votes, or their votes would never have been given for the bill.

Mr. SIMMONS. I understand the Senator to say that when the Wilson bill was passed those who voted for it voted without knowing what its effect would be. Now, the Wilson bill was repealed three years after that. Did not those who voted to repeal it vote knowing what they were doing?

Mr. BRADLEY. I will say to the Senator, as I said a moment ago, that the Wilson bill has not been repealed. In some respects it has, but in this respect it has not. As to whether the men who voted for the repeal of portions of that bill considered this matter I do not know, but I do know as to the others, because I have had Democratic friends tell me that they did not know what the effect of the Wilson bill was, or they would not have voted for it.

Mr. SIMMONS. When I said "repealed," I meant to use the word "reenacted." When those who voted for the Dingley bill reenacted the provision which the Senator speaks about in the Wilson bill, did they not then act with that light which the Senator says those who voted for the Wilson bill did not have at the time?

Mr. BRADLEY. I repeat, Mr. President, that the Dingley bill did not repeal this provision of the Wilson bill, nor did it reenact it.

Mr. SIMMONS. I said "reenacted." It would probably have been more accurate to have said "continued" this provision of the Wilson Act.

Mr. BRADLEY. It was not necessary to reenact it, or to continue it. It remained the law without disturbance.

Mr. TILLMAN. Then the Senator's real complaint is that the Republicans did not repeal it, instead of the Democrats having acted.

Mr. BRADLEY. If the Senator so understands me, he is mistaken. That is not my complaint, Mr. President, and I am trying very hard to make myself understood. It seems I am making very poor progress.

Mr. TILLMAN. I understand you perfectly.

Mr. BRADLEY. The Republicans failed to reenact the McKinley bill. Now, you ask me whether I approve of that. I say, No; I do not. I do not approve of their failure to reenact the McKinley bill any more than I approve of the Democratic party passing the Wilson bill; but if the Wilson bill had not been enacted, no reenactment of the McKinley bill would have been necessary.

Mr. LODGE and Mr. BAILEY rose.

The VICE-PRESIDENT. Will the Senator yield, and to whom?

Mr. BRADLEY. I yield to the Senator from Massachusetts.

Mr. LODGE. I merely desire to ask the Senator a question. The distribution of blame seems to me to be unimportant. The Senator's statement is a most interesting one, and I have listened to the whole of it; and what I am anxious to get at is how the removal of the internal-revenue tax on leaf tobacco, or, if you please, the shifting of the payment onto the consumers, is going to relieve the tobacco grower from the control of the American Tobacco Company? If it disturbs the Senator's argument to answer me now, and he will take it up later, of course that will be perfectly satisfactory to me.

Mr. BRADLEY. I will take that up later.

Mr. BAILEY. I want to help the Senator from Kentucky, because I happen to know something about the conditions that exist in his State, and I happen to have a special fellowship with those Kentuckians. The trouble was more in the construction placed upon the Wilson bill than it was in the bill itself; and without intending to criticise anybody, I think there was never anything more foolish than to hold that when Congress permitted a man to do a thing it required him to do it in person instead of permitting him to do it through an agent.

I want also to suggest, in addition to that fact, that when the Wilson bill was passed the tobacco trust had not been organized. If it had been I have no doubt that the matter would have been attended to more closely.

Mr. BRADLEY. Mr. President, it may be that the construction placed upon this law by the commissioners of internal revenue went further than it should have gone, in holding that the farmer must himself sell and deliver his tobacco, but that at last was not the trouble. The trouble was that the vendee of the farmer could not sell his tobacco without the payment of the tax. The farmer might have sold as much as he chose, but he was limited necessarily in the field of his operations, because he could sell alone to consumers. The man to whom he sold could not resell without paying the tax; and

so far as the organization of the tobacco trust was concerned, I say, in response to the Senator from Texas, that the American Tobacco Company was organized in 1890, which was long before the passage of the Wilson bill.

Mr. BAILEY. The Senator from Kentucky took that statement from across the aisle, and it is not true. I know, and the Senator from Missouri [Mr. STONE], if he were in his seat now, would bear me witness, that the American Tobacco Company never controlled or acquired its great competitor in the Southwest, the Liggett & Myers Tobacco Company, until long after the Wilson bill had been passed. The American Tobacco Company as a trading corporation may have been organized before that. That has never been a matter of any importance, and I have never inquired into it; but the organization of the trust as it is now constituted occurred long after the Wilson bill was passed, and, in my opinion, occurred after the Dingley bill was passed.

Mr. PAYNTER. Mr. President——

Mr. BRADLEY. Will my colleague kindly wait a moment? As to when the American Tobacco Company was organized, I have stated, and I repeat, that it was organized in 1890. As to when it put its various competitors out of business, I do not know, but I do know that the American Tobacco Company long before 1894 formed many subsidiary companies and engaged in manufacturing plug and smoking tobacco, and put many of its competitors in that line out of business. That seems to have been its favorite employment from the time of its inception up to the time when it became absolute ruler of the markets of the world. Long before 1894 it had proven itself with its subsidiary companies a most oppressive and powerful trust. It must not be forgotten that the regie system was in full flower long before 1904.

Mr. SIMMONS. I understood the Senator a little while ago to say that the farmer was in his present predicament largely as the result of certain arrangements between the American Tobacco Company, which he calls "the trust," and the Imperial Tobacco Company, of Great Britain, which have divided between themselves this country and the world——

Mr. BEVERIDGE. No.

Mr. SIMMONS. A large part of the world.

Mr. LODGE. Most European countries are under governmental monopoly.

Mr. SIMMONS. Those under the regia system. I understood the Senator from Kentucky to say that the present difficulty of the tobacco farmer in finding unmonopolized markets was largely due to the establishment by various countries of what he designates as the "regia system" and the agreement between a certain manufacturer's trust here and abroad. What I desire to ask the Senator—and I ask it merely as a matter of information—is this: When did the Imperial Company and the American Tobacco Company enter into this arrangement by which they partitioned the market here and in certain other countries, and when did these foreign countries introduce this regia system?

Mr. BRADLEY. I have not the exact date. I have it among my papers. But I assert that the troubles of the farmer could not have come upon him but for the passage of the Wilson bill.

Mr. SIMMONS. The Senator says that the combination between our trust and the foreign trust and the establishment of the regia system have put the farmer in his present predicament. I will ask the Senator if he does not know that this trust combination in this and in foreign countries and the establishment of the regia system did not take place till after the passage of the Wilson bill?

Mr. LODGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kentucky yield to the Senator from Massachusetts?

Mr. BRADLEY. Certainly.

Mr. LODGE. The government monopolies with respect to tobacco in Europe are nothing new. As to when the arrangement was made with the American Tobacco Company, I know nothing, but the idea that these government monopolies are new is a great mistake.

Mr. SIMMONS. Will the Senator from Massachusetts furnish the Senate with information as to when the American Tobacco Company and the Imperial Company entered into this combination?

Mr. LODGE. I do not know the date of the arrangements which have been made.

Mr. SIMMONS. Does not the Senator know that it was after the passage of the Wilson bill?

Mr. LODGE. The Imperial Company is not a government monopoly.

Mr. SIMMONS. The Senator need not tell me that. It is not a government monopoly. It is a private corporation, just as the American Tobacco Company is. There is no government monopoly in Great Britain.

Mr. LODGE. It exists in France, Italy, Spain, Russia, and Austria certainly; I think in Germany, but I am not sure. But at all events in all those countries it has existed for a great many years. What I wanted to find out was when the arrangement was made with those government monopolies by the American Tobacco Company.

Mr. SIMMONS. The Senator from Massachusetts can not have failed to understand the inquiry. I think it is valuable that the Senate should know when that combination was made.

Mr. BEVERIDGE. I can give the Senator the date, if he would like it.

Mr. LODGE. The Senator from Indiana no doubt has information on that point.

Mr. BEVERIDGE. I can give the Senator the information, if he wants it.

Mr. SIMMONS. That information may be very familiar to the Senator from Massachusetts, who happens to be possessed of more information than some of the rest of us. But that is no reason why we should not desire it.

Mr. BEVERIDGE. The Senator wants to know at what time the British combination was made.

Mr. SIMMONS. I want to know that, because the Senator has laid great stress upon that as one of the chief sources of oppression——

Mr. BEVERIDGE. Yes.

Mr. SIMMONS (continuing). From which he is now seeking by the amendment to relieve the tobacco farmers of his State.

Mr. BEVERIDGE. That particular campaign—the trust's campaign in England—was begun in 1901–2, and the result of the operations of the American Tobacco Company in the British markets was the formation of this Imperial Tobacco Company, which, as a matter of fact, was practically composed of the same men and of their competitors in Great Britain. Immediately after that another company was formed, controlled by the same men in control of the American Tobacco Company and the Imperial Tobacco Company. This new company was called "the American-British Tobacco Company," which, as the Senator from Kentucky has truthfully said, divided the then remaining markets of the world. The Imperial Company was given the exclusive trade of the United Kingdom; the American Tobacco Company was given the exclusive trade of this country and dependencies; the British-American Company was given the remainder of the world. That began in 1901–2.

The American Tobacco Company itself was formed in 1890, as the Senator from Kentucky correctly says, and in 1891, a year after its formation, it began to broaden its field by its process of absorption. It began by buying large plants that manufactured plug and smoking tobacco.

Mr. SIMMONS. I understand this process of absorption began as soon as the trust was formed in 1890.

Mr. BEVERIDGE. I do not think the trust was formed in 1890—only its foundation laid.

Mr. SIMMONS. It did not reach its consummation until 1901.

Mr. BEVERIDGE. That is quite right. I do not think it is accurate to say that the trust was formed in 1890. What was formed in 1890 was the original American Tobacco Company, which is not the present American Tobacco Company, which may be well called the "American Tobacco Company No. 2," and is known as the "trust." The original American Tobacco Company, formed in 1890, had at its inception a practical monopoly of cigarettes, and so vast were its profits that it determined to prosecute the policy it has since followed of buying up manufacturing plants in other branches, beginning with plug and smoking tobacco.

This went on until 1908, when it had formed the Continental Tobacco Company, absorbed the Union Tobacco Company, and developed the tremendous combination known as the "trust." It has gone right on since then. But the question you asked about—its British operations—was 1901 and 1902.

Mr. BRADLEY. I did not say that the tobacco trust was formed in 1890.

Mr. BEVERIDGE. No.

Mr. BRADLEY. I said the American Tobacco Company entered the commercial world in 1890——

Mr. BEVERIDGE. That is right.

Mr. BRADLEY (continuing). Under the innocent guise of a manufacturer of cigarettes, with a capital of $25,000,000, and proceeded at once to swallow its competitors.

Mr. BEVERIDGE. That is right.

Mr. BRADLEY. Now, as to when this contract was made with the Imperial Company, is wholly immaterial. It may have been made, and doubtless was made, after the passage of

the Wilson bill. But that does not break the force of what I have said when I say that by reason of the Wilson bill being upon the statute book the farmers of this country were unable to protect themselves, whereas had the McKinley bill remained they could have protected themselves against this combine.

Mr. BAILEY. Mr. President, I stated that the tobacco trust was formed after the Wilson bill had passed, and, in my opinion, after the Dingley bill had passed. I have in my hand a very interesting volume called "The Truth About the Trusts," handed me by a Senator, and I find in it the statement that the tobacco trust was incorporated at Trenton, N. J., under New Jersey laws, in June, 1901. That is the tobacco trust. That there was earlier than that a consolidation of certain companies is true, but it is likewise true that that consolidation up to that time neither in the case of tobacco nor in any other case, except, perhaps, in the case of the oil companies, had proceeded to such extent as to especially arrest the attention of Congress and of legislatures.

I simply wanted to be accurate; and I also wanted to turn the discussion from a political aspect, because I am anxious to see the Senator from Kentucky and his colleague, representing, as they do, different political parties, poll a practically united vote in behalf of this motion.

Mr. BRADLEY. I have been trying to do that, and hope to succeed.

Mr. PAYNTER. Mr. President——

Mr. BRADLEY. I yield to my colleague.

Mr. PAYNTER. Mr. President, I do not rise to express any difference with my colleague upon this question, neither do I have any difference with him as to what should be the effect of the legislation sought. The Senator from Texas has given the date of the organization of the American tobacco trust. After that time it began its aggressions against and absorptions of the competing plants. This took place after the passage of the Wilson bill and after the passage of the Dingley bill. At the time these bills were passed no one in Congress anticipated that the tobacco trust would be created and, of course, the dire results that were to follow. It was asked a moment ago—and that was the reason why I rose—when it began its campaign in Great Britain. It was in 1902, and by a reference to a speech which I delivered on the 13th of May, it will be seen the first step it took was to offer its customers about a million dollars yearly to induce them to buy tobacco from it. It created such terror in the minds of competing concerns that they were forced to agree to the terms to which reference has already been made.

Mr. BEVERIDGE. The date of the organization of the so-called "tobacco trust," under the laws of New Jersey, given by Moody as being in June, 1901, was in reality the date of the incorporation of what was called the "Consolidated Tobacco Company." The Consolidated Tobacco Company was purely a "holding company," such as the Northern Securities Company was in the matter of railroads. The Consolidated Tobacco Company took over the American Tobacco Company and the Continental Company. Both were controlled by the same men as was the "holding company." That might be accurate, so far as Moody is concerned, as stating the date of the company's formation. But the whole process up to that time, as to the absorption and control of the tobacco market, had gone on under the name and, in fact, under the power of the American Tobacco Company and its affiliated concern, the Continental. The trust really existed in as bad a form, for practical purposes, years before the "Consolidated" as it does to-day.

In 1904 or 1905 the American Tobacco Company No. 2 took over all the business of the Continental Company and of the old American Company, and the "Consolidated" Company was dissolved. It was merely as a holding company.

The Consolidated Tobacco Company dissolved in order to escape the effect of the decision of the Supreme Court in the Northern Securities case, and then, I believe it was about 1904 or 1905, the American Tobacco Company took over all of the business of the Continental and of the old American and of the Consolidated which succeeded it.

Mr. BRADLEY. As I said a moment ago, it is entirely immaterial so far as this discussion is concerned as to when this combination took place. The question is, What was the law at the time those combinations took place?

Mr. SIMMONS. Mr. President——

Mr. BRADLEY. I shall decline to yield any further.

The VICE-PRESIDENT. The Senator from Kentucky declines to yield further.

Mr. BRADLEY. I wish to proceed now with what I have to say.

As I said a moment ago, one of the objections that has been made is, so far as these four bills were concerned, that the law would be open to the commission of fraud. I want to call attention to this fact.

With the existing law requiring stamps representing the payment of the 6 cents tax to be affixed upon each package of manufactured tobacco and providing severe punishment for a failure so to attach them; fixing the weight and requiring stamps to be affixed to each box or package of cigars or cigarettes, representing the payment of the 6 cents tax, with the proper precautions for the destruction or cancellation of such stamps; the law requiring the registry of each manufactory and regular reports of inventory, of which the collector is required to keep a record; and the reenactment of the provision of the McKinley bill, which enabled the tracing of leaf sales, it seems to me it provides against the commission of fraud as well as human ingenuity can provide against it; and such provision relieves the bill of the objection of Secretary Cortelyou and the Acting Commissioner and the Commissioner of Internal Revenue in regard to the absence of any rule which provided for the "means of tracing leaf sales." Of course frauds will be committed under this bill in whatever form it may be passed.

I wish to call the attention of Senators to another fact. The McKinley law remained in force for more than three years, and I affirm that during all that time it can not be found that a single officer of the Government ever reported that there was an increase of fraud by reason of the passage of the McKinley law. On the hearings which took place before the Ways and Means Committee having in charge the Wilson bill, in 1894, there was not one iota of proof in regard to the increase of frauds under the McKinley law.

You will be told that the Commissioner of Internal Revenue, in 1892, speaks of the decrease of revenue under the McKinley bill. This is true, and here is what he says:

> The decrease of collections for the last fiscal year, as compared with those for the previous fiscal year, was $1,795,777.90.

But in the very next sentence he states the reason why:

> This is due to the reduction by the act of October 1, 1890—

The McKinley bill—

> *of the tax on snuff, chewing and smoking tobacco,* January 1, 1891, *from 8 to 6 cents per pound,* and to the repeal of special taxes relating to tobacco, May 1, 1891.

I affirm that an examination of statistics will show that the chief decrease was by reason of the reduction from 8 cents to 6 cents, and not by reason of the repeal of special taxes so far as leaf is concerned.

Here we have the authority of the commissioner that the increased sale of leaf tobacco did not alone cause the decrease, but that it was caused by a variety of agencies, chief of which, I have affirmed, was the reduction of the tax from 8 to 6 cents per pound.

The purpose of the amendment is in substance and effect to reenact the McKinley bill, and if that bill operated well for three years, both as to fraud and revenue, as I have shown, there can be no reason why it would operate otherwise now. This is the most conclusive argument that can possibly be made in favor of the proposed amendment, for that which experience has shown both safe and sound may be risked with the expectation that the future will prove what the past has demonstrated.

The letter of Commissioner Capers is based upon the same proposition as those of the Secretary of the Treasury and the acting commissioner, that the "means of tracing leaf sales" did not exist.

But suppose that all these apprehended frauds upon the revenue should be committed, suppose we are wrong in saying that they have been provided against, I ask the Senate what are the commission of those frauds against the Government when compared to the commission of frauds upon the people? Is it not better that the Government should lose a comparatively small amount than that a large number of its citizens should be made paupers? Is it not better that the petty thief here and there should escape with his little plunder than that a giant corporation should escape with millions filched from the suffering poor?

Commissioner Yerkes states that in the event this tobacco is twisted it will reduce the revenue in the neighborhood of $750,000 annually. The law proposed, Mr. President and Senators, does not even ask for so slight a concession as that. The law proposed only asks that the farmer shall sell his tobacco "in hand" and that his vendee shall so sell it. "In the hand" means the leaves are simply stripped from the stalks and a leaf is tied around the upper ends of a number of leaves for the purpose of curing them; and every man knows tobacco can not be so readily sold arranged in that way as when it is placed in the more convenient shape of a twist.

Here is what Commissioner Yerkes said to Chairman DALZELL in a letter:

Allow me to say, first, that so far as the effect upon the revenue is concerned, should this proposed bill be enacted, it is impossible to make an accurate, definite statement. To the extent that leaf tobacco *in the "hand"* displaces manufactured tobacco, both chewing and smoking, the revenue will be decreased, as in this way tobacco paying no tax will displace tobacco paying 6 cents per pound in its manufactured condition. *I am of the opinion that the decrease of revenue will be comparatively small.*

Then Mr. Yerkes was brought before the Committee on Ways and Means, and he testified as follows:

I do not think it would materially injure the revenue of the Government. *I do not think it would materially affect the proper enforcement of the revenue law, and I believe it would give large relief to the tobacco grower.*

Mr. BEVERIDGE. I was just going to call the Senator's attention to the fact that even if it were conceded that this small amount of revenue would be lost to the Government, still the amendment which I have on another phase of this same question would supply the Government unquestionably and accurately with over $21,000,000.

Of course the trust does not want the Senator's amendment, because it would weaken the trust's control of the leaf market. Neither does it want my amendment, because that would prevent it from putting into its pockets the money it once collected for the Government and which it now still collects and keeps for itself.

The point which I am making in aid of the Senator's argument is that even if it were conceded, which I think it is not, that there would be some slight loss to the revenues, an inconsiderable amount, still the amendment which I have proposed would furnish the Government with more than $21,000,000. That makes up several hundred or several thousand per cent of the loss caused by the Senator's amendment, even if there was any.

Mr. BRADLEY. But upon the percentage of loss under the act of 1871, when the provisions and safeguards that now exist did not exist, it is estimated that this measure would cost the Government of the United States $3,000,000. The total loss from all sources under the McKinley bill for 1892 was only $1,795,000, hence it is impossible that we shall now suffer a loss of $3,000,000. But suppose the loss would reach $3,000,000, what is this sum of money in comparison to the crippling of a great industry, for as surely as the sun shines, if conditions are continued, they will lead to its destruction in Kentucky.

What is this sum of money as compared with the happiness and well-being of more than a million people? What is this sum of money when compared with the failure of a great Government to protect its people from injustice and pillage? Governments are not constituted alone for revenue. No such sordid basis of government exists. They are instituted, above all things, for the protection of life and liberty and the equal distribution of justice. Revenue is merely a secondary consideration and can always be found by some method rather than binding a large body of people hand and foot and turning them over to a rapacious trust.

There are many ways in which revenue may be supplied, one of which the distinguished Senator from Indiana [Mr. BEVERIDGE] has alluded to, and I call attention to some others.

The proper increase of the tariff on Turkish tobacco, which comes from a country which will not allow the import of our tobacco under any circumstances, will produce one million and a half dollars more than it now produces. Which is better, that we should deny justice to our own people, or collect revenue from the haughty, ignorant, and intolerant Turk?

A tax of 1½ cents per pound on jute and jute butts, the product of ignorant and degraded laborers paid 5 cents per day, which competes with American labor paid $1.50 per day, which now does not yield a single cent of revenue to our Government, would produce $3,600,000—$600,000 more than the highest and most extravagant estimate that has been made by reason of loss under this amendment.

Shall we abandon our own people in the hour of extremity or collect a tariff on articles produced by degraded foreign labor?

Mr. President, I stand for my own country against all other countries, for the American home and fireside against the homes and firesides of all the remainder of the world, and for my own people against all other people.

But we are asked, Why should you allow the farmer, his vendee, and others to sell without payment of taxes, and then collect 6 cents a pound from the manufacturer? I might ask, What justice is there in collecting a tax from the sale of beer, when there is no tax on hops, barley, or other things that make it? I might ask, What justice there is in collecting a tax on spirits, when there is no tax on corn, rye, or wheat that enter into its manufacture? We must remember, Mr. President, that by manufacturing the value of the original article is very much increased. One pound of natural leaf will make nearly 1½ pounds of manufactured plug.

Mr. BEVERIDGE. That is quite a difference.

Mr. BRADLEY. Yes; it is on account of the licorice and other things. That manufactured plug sells, I believe, at from 40 cents to $1 per pound, an average of 70 cents a pound.

Yet in selling a pound and a half they sell only 1 pound of tobacco, and they get an average price of 70 cents per pound, when the farmer's vendee can not sell that tobacco with the tax taken off of it for more than 20 cents, if that much. So the manufacturer gets more than three times as much for 1 pound of tobacco as the farmer.

Now, take smoking tobacco. It costs only 1 cent a pound to manufacture smoking tobacco. It sells at from 25 to 80 cents per pound, an average of 52½ cents. Thus it appears that even smoking tobacco with 1 cent of labor bestowed on the pound sells for nearly three times as much per pound as 1 pound of natural leaf.

I ask what injustice is there in protecting the farmer to this small extent? You charge a tax to the manufacturer who in a few days, comparatively, makes his tobacco, while it takes the farmer thirteen months to cure his crop of tobacco. What harm is there in giving some protection to the sweat of the farmer's brow as against the art, the ingenuity, and frequently the deception of the manufacturer?

The amendment that I offer in plain terms allows the farmer and all others to sell unstemmed natural leaf without the payment of any tax. The Senator from Massachusetts [Mr. LODGE] asked me awhile ago, and I regret that he is not in the Senate now, to show him how the taking off of this tax will benefit the farmer. As it is, the farmer has no bidders except those who are in collusion, unless he delays the sale of his tobacco until absolute necessity forces a fair price. He is left to-day in this circumscribed condition. He must keep his tobacco for years and pay all expense of storage and all it requires to raise and cure it without any return.

But the moment that this law passes the farmer will have a market. To-day he can not even sell his tobacco in exchange for merchandise at the country store because the merchant must pay the tax before he can resell it. But pass this law and the farmer can sell his leaf tobacco from one end of the country to the other to the merchant and the middleman, who will sell to the consumer, and in this way the farmer's market will be increased a hundredfold above what it is to-day.

Take the negro on the cotton plantations of the South. There is not one of them who does not prefer the natural leaf tobacco on account of its strength, on account of its flavor, and on account of its cheapness. Take the poorer grade of whites throughout the country and you will find the same thing, in a considerable degree, to exist. Whenever you lift the embargo, whenever you give freedom to the farmer of this country in the sale of his leaf tobacco, you will give him a market which will relieve him from the coils of the commercial boa constrictor that is now crushing out his life, and not only so, but you will benefit the consumer, who will no longer be forced to buy the high-priced tobacco.

I wish you to bear in mind, Senators, that there are protests here from all over the country—from the cigar makers and the so-called "independent" manufacturers—against this amendment. Who are these so-called "independent" manufacturers? Do you suppose that this great combine, before which multimillionaires have trembled and begged for mercy, would allow a single one of these comparatively insignificant manufactories to exist, unless it agrees to act in harmony with it? They are the helpless Trilbys of the trust, that sing or remain silent at its command.

The cigar makers say they will be injured. I say no. Why? Because the people who will use this leaf tobacco are not able to buy cigars and do not buy cigars, and, whether this law passes or not, will not buy cigars. Therefore the cigar maker is not in any way affected.

I have listened during this session, Mr. President, to eloquent pleas by Senators from different sections of the country in behalf of the workingman. Time after time we have been told that the Republican party in its platform provided that the workingman should be protected, and that the producer and manufacturer should have a reasonable profit as well. I very frankly admit that I am in sympathy with that sort of doctrine, but while it is proper to extend the shield of protection over the workingman in the factory, in the forest, in the mine, to protect our people from foreign labor abroad, it is even more necessary to protect them at home from the greed of a rapacious trust that has dishonored and robbed American labor and humiliated American manhood.

We have been reminded of industries where 50,000, 10,000, 5,000 men were employed. I appeal to you to-day in behalf of an industry which in the State of Kentucky alone involves 80,000 laborers, and, counting the farmers, the wives, and the children of the producers and laborers, involves the happiness of 400,000 people.

I have voted in every instance for the protection Senators have asked for their people. I am a protectionist, and I believe it is not only right, but to the interest of the whole country. Now, I ask you, my friends, and those of you who have appealed to me to protect your people, will you protect mine? Are you really in earnest, and will you practice the teachings of the golden rule—"do unto others as you would have them do unto you?"

I appeal to you Senators in behalf of hundreds of thousands of Americans who have been stricken down by the ponderous mace of an all-powerful trust. I appeal for homes now in squalid poverty where once wholesome plenty reigned; for homes now dark and silent which once resounded with the innocent prattle and ringing laughter of happy children, who, with smiling mothers, in the eventide welcomed the weary toilers home. I appeal to you in the name of justice, which, with blinded eyes and steady hand, holds the evenly balanced scales in which sooner or later all will be weighed; and I not only appeal, but I demand justice for my people. In the hour of the Nation's extremity they answered its every call, and now they demand, in their extremity, that the Nation which many of their kindred died to save shall answer theirs.

If this call shall go unheeded, we have the satisfaction at least of knowing that there will come a time when our oppressors shall be weighed in the balances by a great and all-powerful God, whose judgment will be, "Thou art weighed in the balances and art found wanting."

Mr. CRAWFORD. Before the Senator from Kentucky takes his seat, I wish to suggest a question. It is whether the position of the Senator does not really involve the removal entirely of the internal-revenue tax from leaf tobacco, in order to make it effective? For instance, if you find it necessary to include the vendee of the farmer, will it not also be necessary to protect that vendee by extending it beyond him, or you will come up against a stone wall?

Mr. BRADLEY. Certainly; the object is to make it free in the hands of everybody after the farmer sells it, unless it is manufactured.

Mr. BRISTOW. Mr. President, I should like to have the extract which I send to the desk from the Wall Street Journal read.

The PRESIDING OFFICER (Mr. BRANDEGEE in the chair). Without objection, the Secretary will read as requested.

The Secretary read as follows:

[The Wall Street Journal, April 22, 1909.]

AMERICAN SUGAR REFINING'S REMARKABLE DIVIDEND RECORD—IN EIGHTEEN AND A HALF YEARS HAS RETURNED TO ITS SECURITY HOLDERS MORE THAN $132,000,000—COMMON STOCK IN THAT TIME HAS PAID 175¼ PER CENT IN DIVIDENDS AND PREFERRED STOCK 109½ PER CENT—EACH CLASS OF STOCK INCREASED FROM $25,000,000 TO $45,000,000—UNDER FAVORABLE TARIFF REVISION AND BETTER PRICES, THIS YEAR WILL MAKE BETTER SHOWING THAN 1908.

During the eighteen and one-half years of its corporate existence the American Sugar Refining Company has returned 7 per cent per annum to the holders of its preferred stock and a total of 175¼ per cent to the holders of the common stock. This is a record that it would be hard to parallel, the more so because the company has not paid dividends at the expense of its working capital or made disbursements which prevented it from going ahead with replacement work.

In the ten years from 1891 to 1902 the amount of common stock was increased from $25,000,000 to $45,000,000, and since that time there has been no change, nor any variation from the dividend rate of 7 per cent per annum.

The following table shows the rate and amount paid each year since the company's organization:

Year.	Stock outstanding.	Rate.	Dividends paid.
		Per cent.	
1909 [a]	$45,000,000	3½	$1,575,000
1908	45,000,000	7	3,150,000
1907	45,000,000	7	3,150,000
1906	45,000,000	7	3,150,000
1905	45,000,000	7	3,150,000
1904	45,000,000	7	3,150,000
1903	45,000,000	7	3,150,000
1902	45,000,000	7	3,150,000
1901	44,140,185	7	3,089,807
1900	36,968,000	7½	2,865,020
1894-1899, inclusive	36,968,000	75	25,616,960
1893	36,773,000	21½	7,906,195
1892	25,000,000	10½	3,750,000
1891	25,000,000	4	1,000,000

[a] First half year.

Mr. BRISTOW. Mr. President, as an evidence of who were the real parties in interest in the failure of the Senate to remove the provision relating to the Dutch standard from the pending tariff bill, I wish to say that, after the vote was taken yesterday, the stock of the American Sugar Refining Company went up five-eighths. I now desire to have the article read which I send to the desk, from the Wall Street Journal.

The PRESIDING OFFICER. Without objection, the Secretary will read the article as requested.

The Secretary read as follows:

SUGAR DIRECTORS AND THE PUBLIC.

There are certain officials of the sugar company who must have been aware, from the fact that they were buying imported sugar at one weight and paying duty on it at a lower one, that some irregular practice was going on. They might have been deceived if the matter had resulted from occasional unavoidable mistakes, but a uniform discrepancy was so patently a fraud that every official who had the handling of these figures became a party to the crime.

There are three directors of the American Sugar Refining Company who joined the board within the past two years, and it may be allowed that they are not in any great measure responsible for the conditions they found. The name of one other director first appears in the list of officers published with the report for 1905. President H. O. Havemeyer is dead and L. M. Palmer retired, but there are five other directors whose names appear from year to year during part or all of the time covered by the frauds.

Following the excellent principle of the law, this newspaper assumes every man innocent until he is proved guilty. It does, however, recognize that a man of honor does not care to have his name remain under a cloud. It is no excuse in law or morals to suggest that some of these directors did not direct. Two of them, at least, have become, respectively, the president and the vice-president of the company since H. O. Havemeyer's death; and the other three are men of equal position and standing in the financial community. They can not, as men of ordinary common sense, suppose that the world will believe that a small band of subordinate employees, receiving salaries of not more than $30 a week each, at the outside, would, among themselves, organize a plot to put upward of two millions of the public's money into the pockets of the American Sugar Refining Company out of sheer altruism.

The supposition is absurd, and it is equally absurd to suppose that the existence and method of this peculiarly dastardly swindle was not known in quarters much more exalted. Public opinion will certainly not be satisfied with the punishment of one or two of the sugar company's weighers, or even a couple of customs officers, who might, quite easily, have lost their positions had they carried their suspicions past their immediate superiors. As men of the most elementary personal and commercial honor, the responsibility of handing over the real criminals rests with those directors who sat upon the board of the American Sugar Refining Company through the past ten years. They are: President, W. B. Thomas; vice-president, Arthur Donner; John E. Parsons, J. Mayer, C. H. Senff.

Mr. BRISTOW. Mr. President, I take it for granted that the Senate has probably heard all of the sugar discussion that it desires to hear at this time, so I shall not offer any additional amendments to this paragraph now; but when the bill reaches the Senate I hope to have some amendments to offer, and I hope then to be able to induce the Senate to change the provisions of this paragraph.

Mr. ALDRICH. I ask that the paragraph be agreed to.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. The Senator from Rhode Island asks that paragraph 213 be now adopted.

Mr. McCUMBER. Before the adoption of the paragraph, I ask to have read a letter which I have received from home. I only want to say that in the western part of North Dakota, where we have irrigation projects, and all along the Missouri, we have, perhaps, better soil and climate for the production of beets, and consequently for a valuable beet industry, than can be found in any other place in the United States. This letter bears upon that subject, and gives the view of those people who have farms and who live near these irrigation projects. I ask that the letter may be read and printed in the RECORD. It will speak for itself.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read the letter.

The Secretary read as follows:

WILLISTON LAND COMPANY,
Williston, N. Dak., May 17, 1909.

Hon. P. J. McCUMBER,
Washington, D. C.

DEAR SIR: I am advised that discussion of the sugar tariff will come before Congress shortly and that action detrimental to the sugar-beet interests of the country may possibly result. In view of the fact that we are to have a beet-sugar factory at Williston in the near future, and the further fact that the success of the Williston and Buford-Trenton irrigation projects, as well as all projects which may hereafter be installed in North Dakota, will depend largely upon the sugar-beet industry, I deem it advisable to bring the matter to your attention. A number of our farmers are growing small tracts of beets this season under the ditch, and they are all working industriously to have the factory built next season. Representatives of the beet-sugar company have looked the ground over several times and are willing to invest their money in a factory, in the belief that it will supply practically the entire sugar demand of North Dakota. Should the existing protection to the sugar-beet industry be removed or reduced, however, it is more than likely they would abandon, or, at least, indefinitely postpone, their present plans. The same situation exists in many sections of the West, espe-

cially those dependent upon irrigation. The sugar-beet industry is of such great and growing importance to the development and prosperity of the entire country that it must necessarily be given due consideration before removing or reducing the protection afforded it by existing tariff laws.

Very truly, yours, JOSEPH W. JACKSON.

Mr. CURTIS. I ask to have printed in the RECORD an affidavit of the president of the United States Sugar and Land Company, who have a plant established at Garden City, Kans.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kansas? The Chair hears none, and permission is granted.

The paper referred to is as follows:

STATE OF COLORADO, *County of El Paso, ss:*

I, Charles M. MacNeill, being first duly sworn according to law, on my oath depose and say that I am the president of the United States Sugar and Land Company; that said company is a corporation organized under the laws of the State of Colorado and is engaged in the business of manufacturing beet sugar; that the factory of said company is located at Garden City, in the State of Kansas; that the American Sugar Refining Company is not directly or indirectly interested in said the United States Sugar and Land Company either as a stockholder or otherwise; that said the United States Sugar and Land Company is wholly and entirely independent of the American Sugar Refining Company; that the directors of the United States Sugar and Land Company are all residents of the State of Colorado, and that practically all of the stock of the United States Sugar and Land Company is owned and held by citizens of Colorado, and that none of said stock, as affiant believes, is held or owned by any person connected directly or indirectly with the American Sugar Refining Company.

C. M. MACNEILL.

Subscribed and sworn to before me, Mary L. Richardson, this 17th day of May, 1909.

[SEAL.] MARY L. RICHARDSON,
Notary Public.

My commission expires January 11, 1911.

Mr. ALDRICH. I ask that paragraph 213 be agreed to.

The VICE-PRESIDENT. Without objection, paragraph 213 is agreed to.

Mr. GORE. Mr. President, is that the sugar paragraph?

The VICE-PRESIDENT. That is the first sugar paragraph.

Mr. GORE. Does it include the duty of a dollar and ninety cents on refined sugar?

The VICE-PRESIDENT. It does.

Mr. GORE. I want to offer an amendment to that paragraph.

The VICE-PRESIDENT. The amendment proposed by the Senator from Oklahoma will be stated.

Mr. GORE. The amendment I propose is, on page 73, line 8, after the word "refining," to strike out all that follows down to the words "1 cent per pound," so that the proposed duty on refined sugar will be 1 cent per pound.

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 73, line 8, after the word "refining," it is proposed to strike out "one cent and ninety one-hundredths of."

Mr. GORE. Only a word, Mr. President. I wish to say, first, that if the Senate, through any sudden burst of virtue or patriotism, should adopt this amendment, I should, of course, follow it with another motion to conform the duty on raw sugar and the differential to this reduction. I know that a great many Senators are devoted to the differential, and I should propose to harmonize the entire paragraph as between raw sugar and refined sugar.

The reason that I submit this motion is this: I know full well that it will not pass; I know that no motion to make a substantial reduction on sugar, or on any other necessary of life, can possibly prevail in this Senate; but I am unwilling for this schedule to be adopted without, at least, a motion being made to bring about such a substantial reduction. The motions for reductions hitherto proposed have not been substantial; and if they had been adopted, there would have been no material relief brought to the people and to the consumers of this country.

Mr. President, in my judgment, unless the people of this country can purchase the necessaries of life cheaper after this measure has passed than they could purchase those necessaries before this measure had passed, all our revision is in vain. The only object which anyone could have in revising the tariff is to reduce the price of necessary articles to the purchasers and to the people of this country.

Sir, what is the reduction proposed by the Senate and by the House? The present rate of duty on refined sugar is $1.95 per hundred pounds. The House generously reduced that to $1.90 per hundred pounds, and the Senate, sharing the generosity of the House, has proposed the same munificent reduction; so that, after this measure has been approved, the duty on refined sugar will be $1.90 per hundred pounds instead of the onerous and burdensome duty of $1.95 per hundred. What does that reduction mean? It means a reduction of one-twentieth of 1 cent a pound on refined sugar. In other words, when the laboring man in this city has consumed 20 pounds of sugar he has saved 1 penny by virtue of this reduction, and is enabled to enjoy the luxury of one copy of the Washington Evening Times—and, by the way, I think he ought to purchase that paper and read about the iniquities of the sugar trust and how this Congress is laboring to alleviate his burden.

It means more than that; it means that when the washerwoman of this city has consumed 100 pounds of sugar she has saved the splendid sum of 5 cents—one nickel, one picayune—she has saved the price of a bar of soap; and she can read in those prices the generous help and assistance vouchsafed to her by the revision of the tariff!

Mr. President, it means more than that; it means that when the President of the United States has devoured his weight in sugar he has saved the price of a shave. [Laughter.] When the President consumes 300 pounds of sugar, sir, he has saved 15 cents.

That may be the meaning of the Republican platform when it promised tariff revision; that may have been the meaning of the President of the United States when he pledged himself to a revision downward; and that may be the purpose for which this Congress was convened in extraordinary session—to indulge in a penny for 20 pounds, a picayune for 100 pounds, 15 cents for 300 pounds of revision, and $1 a ton. If that be the purpose, and if that be the object of this extraordinary session, then this Congress ought to be branded and it ought to go down in history bearing the title of Shakespeare's comedy, "Much Ado About Nothing."

Sir, I do not believe that the reduction proposed would materially reduce the revenues of this country; and if it should, we still have recourse to the income tax. We still have an opportunity to levy the burdens of this country upon the wealth of the rich instead of upon the wants of the poor. But the reduction itself would not of necessity reduce our revenues. Let us see. What is England's customs tariff upon sugar? On sugar not exceeding 76° polarization the duty is 20 cents per hundred pounds, ours 95 cents; on sugar exceeding 98° of polarization the English duty is 44 cents per hundred pounds, whereas our tariff is $1.95 per hundred pounds. In other words, the American rate is more than four times the English rate; and yet, while England imports only three-fourths as much sugar as we import, with a tariff rate only one-fourth of ours, she raised $33,000,000 in 1907, whereas we in the United States raised $60,000,000 with a tariff rate four times the English rate.

So I insist that even with this reduction of rate there would not be a substantial reduction in the revenues of this country, and in order that we should not adjourn and allow it to be said that not even a motion was made to bring about a reduction that the people could feel, I have submitted this amendment.

The VICE-PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Oklahoma [Mr. GORE].

Mr. ALDRICH. I ask for a vote by yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. BEVERIDGE. Let the amendment be stated, Mr. President.

The VICE-PRESIDENT. The Secretary will again state the amendment, on which the yeas and nays have been ordered.

The SECRETARY. On page 73, lines 8 and 9, strike out the words "one cent and ninety one-hundredths of," so that it will read:

Refining, 1 cent per pound.

The VICE-PRESIDENT. The Secretary will call the roll.

Mr. BACON. Mr. President——

The Secretary proceeded to call the roll, and Mr. ALDRICH responded to his name.

Mr. BACON. Mr. President, I addressed the Chair before the clerk called a name, and I shall again protest, and I wish to do it in the most emphatic manner, against the habit of the clerk in calling the first name on the roll when a Senator is on the floor; and if no other means will correct it, Mr. President, I shall ask that our business be suspended and that that matter be dealt with. It is the constant practice of the clerk to do that thing—I have called attention to it before—and it is an abuse of the position.

Mr. President, this is no slight matter.

The VICE-PRESIDENT. May the Chair make a statement, please?

Mr. BACON. Certainly.

The VICE-PRESIDENT. The Chair had already directed the clerk to call the roll. The Chair had not seen the Senator rise. As the Chair had directed the clerk, the Chair thinks he is more at fault than the clerk in this case.

Mr. BACON. Mr. President, it is a matter of constant grievance, and for that reason I speak earnestly about it. I wish to illustrate the way in which this practice on the part of the clerk can work hardship in the Senate. Of course the rule is that after there has been a response no other business is in order and nobody can be heard; but if a Senator is on the floor at the time, and the clerk knows the fact, it is his business to suspend, and not to call the first name on the roll until the Senator can say what he desires to say in addressing the Chair.

I will go further, Mr. President, and say that it is the duty of the clerk, when the Chair has submitted a matter to the Senate, to wait to see whether anybody desires to say anything before he calls the first name.

Mr. HALE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Maine?

Mr. HALE. The Senator in that statement is investing the clerk with a power and a discretion where he has none whatever. It is not the business of the clerk to watch and see if a Senator is on the floor; the clerk has nothing whatever to do with recognition. If a Senator rising has not been seen by the Chair and has not been recognized by the Chair, and the Chair has given the direction to the clerk to proceed with the calling of the roll, there is but one thing that the clerk can do, and that is to call the first name on the roll. The Senator can not for a moment maintain his position that it is the business of the clerk to be looking about to see if a Senator rises. He has nothing whatever to do with that; and the Chair is entirely right that, if there is any fault in the case, it is with the Chair and not with the clerk. When the Chair directs the clerk to call the roll, there is no discretion whatever left in the clerk. If a dozen Senators rise, he has nothing to do with that; but is to carry out the edict, the direction, of the Chair. The Senator must see that he is entirely wrong when he says that the clerk should watch and not commence the roll call.

Mr. BACON. Mr. President, I have listened to the honorable Senator with great patience, although he interrupted me without asking my consent that he should do so. I have heard him through to the end, and now I propose to reply, if he will permit me, in my own time.

Mr. HALE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Maine?

Mr. BACON. No; I will not at the present time.

Mr. HALE. Then, I can not get the floor, of course.

The VICE-PRESIDENT. The Senator from Georgia declines to yield.

Mr. BACON. I do, for the present.

Mr. President, I do not make any such contention as that which the Senator from Maine [Mr. HALE] suggests is the one I have made. I do not contend that it is the place of the clerk to watch; but I do contend that it is the place of the clerk, after he receives the direction from the Chair, at least to pause long enough for any Senator who desires to address the Chair to have an opportunity to do so.

As this matter comes up, I am going to make a practical application of it. I quite agree with the Senator from Maine that it is none of the clerk's business to be taking part in what may be the proceedings of the Senate other than that which strictly belongs to his office; but I say also, in this connection, it is not the place of the clerk to call a name with the view and with the purpose to cut off Senators. That is what I am talking about. The clerk is not there as the representative of a party or as the representative of any Senator on this floor. He is there to do his duty as an officer of the body, without regard to party or without regard to the wishes of particular Senators.

Mr. President, I did not know that I should ever say this; but, as the Senator challenges me, I will say that I have seen, and other Senators have seen, on this floor in the last session upon a memorable occasion, when that action of the clerk was taken advantage of to make it operate as a clôture in this Senate; and I have good authority—or, rather, I will not put it in that way, although I might do so, but I will say I have good reason to believe, and if my belief is challenged, I will endeavor to furnish the proof—that it was done with the knowledge of the fact that that was the intent and purpose. I refer to the occasion when the Senator from Wisconsin [Mr. LA FOLLETTE] had addressed the Chair at some length, and when the Senator from Missouri [Mr. STONE] was intending to address the Senate, and when the Senator from Oklahoma [Mr. GORE] had addressed the Senate, and before opportunity for anybody to be heard in addressing the Chair, the clerk hurriedly called the first name on the roll. The name of the Senator from Rhode Island is the first upon the list and, of course, he can answer with promptitude. In that way clôture was then effected, and can be had in the Senate, when there is no intention on the part of the Senate, under its rules, that the roll call shall be used for any such purpose.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Rhode Island?

Mr. BACON. I do.

Mr. ALDRICH. I assume that it is my constitutional prerogative to answer to my name when it is called?

Mr. BACON. Exactly.

Mr. ALDRICH. And I intend to exercise that right, without suggestions to the contrary from anybody.

Mr. BACON. Yes, indeed; I have no doubt of that, and I intend to exercise my constitutional right to say that the Senator from Rhode Island and the clerk combined can not so conduct the business as to unduly cut off debate and effect a clôture which the rules of the Senate do not permit.

Mr. President, I have not told all I know about this thing, and I do not propose to do so unless urged to do so; but if the matter is pressed, I will tell what I know about it, and I will tell what I know about that particular instance.

Mr. STONE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Missouri?

Mr. BACON. Yes.

Mr. STONE. I do not wish to press the Senator, but I would be delighted if he would do so.

Mr. BACON. No; I will not do it unless Senators on the other side press me. If they do so, I will. But, Mr. President, I will say another thing, that when I tell what I know about that, I will tell that it was not a matter which originated in that particular session, but that it had a precedent in a former Congress, that that precedent was recalled, and that particular device was then adopted purposely and intentionally to effect a clôture in the Senate by that means.

Mr. President, I had occasion to call attention to this matter two or three days ago. When the Chair puts a question, Senators on this floor have a right to be heard. Things are to be done in the Senate decently and in order, and not by any sleight-of-hand performance. I insist upon it that when the Chair puts a question to the Senate there should be opportunity for Senators to be heard. The presiding officer is rapid in speech—that is natural and proper, and I do not mean that as a criticism, but I am simply speaking of it as a fact—and if Senators can not when the Chair proposes to put a motion to the Senate spring to their feet with the utmost activity, even younger men than myself, without being cut off by the haste—the undue and indecent haste—of calling the roll and having a response made in order that Senators shall not be heard, then, indeed, the customs and practices and courtesies of the Senate are put not only at defiance, but put in jeopardy and in danger of absolute destruction and overthrow.

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. If the Senator from Kansas will permit the Chair for one moment, the Chair desires to say that, in his construction of the rules of the Senate, it is the duty of the clerk to call the roll when the Chair orders it. The Chair did not on this occasion, and never will, intentionally order the clerk to call the roll for the purpose of cutting off any Senator. Certainly had the Chair seen the Senator from Georgia rise, he would not have directed the clerk to call the roll.

Mr. BACON. I am not speaking about myself in particular. I have had it in mind ever since that occurrence in a former Congress, and I have called attention to it before. It is proper, in the orderly conduct of the business of the Senate. We are not a crossroads debating society. We are presumed to be here in the exercise of a very high function, with very grave responsibilities, and things should be done in an orderly way; and it is not the office of the Secretary, or of the clerk acting in his place, immediately, before there is an opportunity for anybody to be heard, with a practice which has become almost uniform, by a hasty calling of the first name on the roll, absolutely to cut off the opportunity of Senators to be heard, and, in some instances, effect a clôture.

Mr. BEVERIDGE. There has been an amendment offered and reported to the Senate. I suppose, in one word, we may be informed of the effect of the proposed amendment.

Mr. ALDRICH. The effect of the amendment offered to the Senate is to reduce the duties on refined sugar from 1.90 to 1 cent.

Mr. BACON. On refined sugar.

Mr. ALDRICH. Yes; it reduces the duty one-half, approximately.

Mr. CLAY. I would suggest to the Senator from Oklahoma that to arrange his schedule simply by reducing the tariff on

refined sugar to 1 cent, without rearranging the duty on raw sugar, would hardly be satisfactory.

Mr. ALDRICH. The Senator from Oklahoma, as I understood him, stated that if this amendment was adopted, he would follow it up with another which would correspondingly reduce the duty upon raw sugar.

Mr. CLAY. I have an amendment that is now pending, providing:

Sugars, tank bottoms, sirup of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75°, 50 cents per hundred pounds.

It is 75 cents per hundred pounds in the bill, according to my recollection.

And for every additional degree shown by the polariscope test, 2 cents per hundred pounds additional, and fractions of a degree in proportion. And on all sugar which has gone through a process of refining, $1 per hundred pounds—

And so forth. In order to place refined sugar at 1 cent, it becomes necessary that a change be made on raw sugar, otherwise raw sugar would pay a higher duty on coming into this country than refined sugar would.

Mr. GORE. I will state to the Senator from Georgia that the purpose which I had in view in offering this amendment was merely to offer it as a test amendment; and if the Senate shall adopt it, I will then follow that up with a reduction of the rates on raw sugar, so that there will be a correspondence between them, on the principle now incorporated in the bill.

Mr. CLAY. I would suggest to the Senator that it would probably be better to have it all in one amendment.

Mr. GORE. I think it would be better; but the schedule is on the eve of being adopted without any amendment of this sort being submitted and voted on, and I shall be very glad, if the Senator from Georgia will offer his amendment, to withdraw mine.

Mr. CLAY. I would suggest to the Senator and the chairman of the committee that, in my judgment—I may be mistaken, and a majority of the Senate doubtless differ with me—if there is any schedule in this bill that ought to be considered by the Finance Committee, it is the sugar schedule; and I say this: That when you look at the fact that we are expecting to bring in 300,000 tons of raw sugar from the Philippine Islands, and when the refiners are expected to use that without any tariff duties, and when we are expecting to have an increase in the production of raw sugar in the Hawaiian Islands and Porto Rico, and when this revolution has taken place in regard to raw sugar in this country, to let the Dingley bill stand just as it was before, is, in my judgment, absolutely indefensible. I do not speak of it from a partisan standpoint, but I speak of it as one who desires to do right. To save my life I can not understand how you can let the tariff on refined sugar stay at $1.90 and on 90° $1.68½——

Mr. ALDRICH. Ninety-six degree sugar.

Mr. CLAY. That is correct, 96° sugar, $1.68½ per hundred pounds. We knew that, when the Dingley bill was framed, nearly 90 per cent of the raw sugar that came into this country was paying a duty of $1.68½ a hundred; and no man can ever convince me that a refiner will not make more money on raw sugar when it comes in free than when he pays $1.68½ per hundred pounds duty upon it. Suppose to-day all of the sugar that we consume came into this country free and no tariff duty whatever was paid. Then the refiners would save $1.68½ on every 100 pounds. For the refiners to get their raw sugar free, and then be able to sell the refined sugar at the same price they sold it at when they were paying a duty of $1.68½, is, in my judgment, absolutely indefensible.

I maintain that a reduction on refined sugar and raw sugar, so as to keep them practically together, will not injure the beet-growers or the cane growers either. You simply reduce your duties to meet conditions that have confronted you in the last few years. I do not apprehend that Mr. Dingley would ever have thought of a tariff of $1.90 on refined sugar and $1.68½ on raw sugar had he contemplated the conditions which exist at the present time. And when we get 300,000 tons of sugar free from the Philippine Islands, I want to say to you that there will then be no sugar imported into this country paying the full duty of $1.68½ per hundred pounds.

Mr. President, it has been a rule of my life never to repeat. I have stated fully and earnestly how I feel about this matter. I feel that we are granting favors to the most unconscionable trust that ever existed in the United States; a band of thieves, swindling and defrauding the Government and robbing the American people, and I retract nothing that I have said; for I know, from the investigation which I have made, that the trust will get the benefit of this free raw sugar unless you make a reduction in the duty on your refined sugar.

The VICE-PRESIDENT. The question is on the amendment of the Senator from Oklahoma.

Mr. GORE. Mr. President, I trust the Senator from Georgia will agree that I may withdraw this amendment and that he substitute his, because I realize that it is better to have the entire matter voted on at one time. My amendment was offered on the spur of the moment, without opportunity to arrange and revise the entire schedule, and merely to prevent the paragraph being adopted without at least an effort or a motion being made to amend it as it ought to be amended. If the Senator intends now or will agree that hereafter his amendment shall be proposed and voted upon, I will withdraw mine.

Mr. CLAY. I expected to discuss this amendment at length, for an hour, at least, pointing out why it should be adopted; but for the last few days I have not been in physical condition to discuss it. I have expected to offer this amendment in the Senate, and to press it vigorously when the matter comes up.

Mr. CULBERSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Texas?

Mr. CLAY. I do.

Mr. CULBERSON. I understood the Senator from Rhode Island [Mr. ALDRICH] to ask that paragraph 213 be passed.

Mr. ALDRICH. I did not. I asked that it be agreed to, and that is what the motion will be when this amendment is disposed of.

Mr. CULBERSON. Is it agreeable to the Senator from Georgia to present his amendment——

Mr. CLAY. I will present my amendment now.

Mr. ALDRICH. This paragraph, if agreed to in Committee of the Whole, will be open to amendment in the Senate.

Mr. CULBERSON. I understand that, of course.

Mr. CLAY. I will offer my amendment now, and get through with it.

Mr. GORE. I will withdraw my amendment. I merely wanted to register a protest.

The VICE-PRESIDENT. The Senator from Oklahoma asks unanimous consent to withdraw his amendment, and to annul the order for the yeas and nays. Is there objection? The Chair hears none. The Senator from Georgia [Mr. CLAY] now offers an amendment, which the Secretary will report.

The SECRETARY. Strike out paragraph 213 and insert the following, to be known as "paragraph 213," in lieu thereof:

Sugars, tank bottoms, sirup of cane juice, melada, concentrated melada, concrete and concentrated molasses testing by the polariscope not above 75°, 50 cents per hundred pounds, and for every additional degree shown by the polariscope test 2 cents per hundred pounds additional, and fractions of a degree in proportion. And on all sugar which has gone through a process of refining, $1 per hundred pounds; molasses testing not above 40°, 20 per cent ad valorem; testing above 40° and not above 56°, 3 cents per gallon; testing above 56°, 6 cents per gallon. Sugar drainings and sugar sweepings shall be subject to duty as molasses or sugar, as the case may be, according to polariscopic test.

Mr. CLAY. Mr. President, just a word. That amendment includes an amendment which we have already voted on—that is, to strike out the No. 16 Dutch standard. It also provides that 75° sugar, instead of paying a duty of 95 cents per hundred pounds, shall pay 50 cents; and it goes on up, increasing it 2 cents per hundred pounds until it reaches 100° sugar. It makes the duty on refined sugar $1, and no differential whatever between raw and refined sugar, as provided by the amendment which we voted on the other day. Consequently two features of this amendment have been voted on already.

The principal feature left to be voted on is the question whether or not there shall be a reduction in the duty on raw and refined sugar.

Mr. BRISTOW. In discussing the sugar schedule I have offered all the arguments that were at my command in behalf of eliminating the provision relating to the Dutch standard, because I think it is one of the most infamous provisions that was ever incorporated into a legislative act. It now serves the purposes and adds enormous profits of a corporation that is plundering the American public; and I am in absolute accord with the denunciation that the Senator from Georgia has made of that corporation.

However, the reducing of the duty on raw and refined sugar in the amount suggested by the amendment of the Senator from Georgia would, in my opinion, wreck a great many beet-sugar factories that have been established under the present law. We have been levying a duty of $1.95 per hundred pounds on refined sugar, which is the kind of sugar that beet-sugar factories make. If by one act we reduce that duty from $1.95 to $1, we thereby jeopardize the investments that have been made in these enterprises under this high duty, and it seems to me that would be bad faith on the part of the Government. I think a slight reduction could be made, as I indicated yester-

day, without any injury to the legitimate profits of these enterprises that have been established by virtue of this invitation extended to capital by the Government twelve years ago.

So, sympathizing with the Senator from Georgia in his efforts to correct the evils of this legislation, I can not go with him as far as he has suggested by this amendment in reducing duties, because I believe it would be injurious to the factories that have been established by the invitation extended by the Government under the high duties that are now imposed; and I feel that I should make this statement before the roll is called.

Mr. ALDRICH. I ask that the vote be taken by yeas and nays.

Mr. CLAY. One minute. I think I can demonstrate that this amendment will not interfere with or injure the beet growers or the cane growers. This morning I am not feeling well enough to go on and make a speech. Neither did I yesterday. Consequently I will withdraw the amendment and introduce it when the bill goes in to the Senate, when I can discuss it at length and present the reasons, convincing to me, why it ought to be adopted.

Mr. BACON. If my colleague will permit me——

The VICE-PRESIDENT. Will the Senator from Georgia yield to his colleague?

Mr. CLAY. With pleasure.

Mr. BACON. I wish to suggest that that is not the best direction to be given to this matter. When the bill goes through the Committee of the Whole, after long and tedious debate, there is going to be very little disposition on the part of the Senate to give careful consideration to anything that is left over. Now is the time to do it. The Senator from Rhode Island has repeatedly, for particular reasons, passed over different paragraphs when they were in order to be voted upon. It seems to me the reason suggested by my colleague is a sufficient one why a vote should not be taken upon this matter and why he should have an opportunity to address the Senate upon it.

Mr. ALDRICH. The paragraph will be absolutely open to amendment in the Senate.

Mr. BACON. I understand.

Mr. ALDRICH. And the action of the Senate in agreeing to it now will not cut off the Senator from Georgia from any of his rights.

Mr. BACON. Nobody disputes or doubts that.

Mr. ALDRICH. If the Senator from Georgia expects that his speech will change the opinion of the Senate, that is one thing; but I think——

Mr. CLAY. I hardly think it will change the opinion of the Senate, unless I can get your consent.

Mr. ALDRICH. The Senator will not get my consent to reduce the duties upon sugar to 1 cent; that is perfectly certain. And whether the vote is taken now or in the Senate will make no difference in the result, in my judgment.

Mr. CLAY. I think it but just to myself and to my friends, who have asked me to explain this at length—I mean for at least thirty or forty minutes—that I should say that this morning I am not feeling well enough to explain it. In fact, I would not undertake it. For that reason, if the Senator wants to go on with the schedule, I will withdraw the amendment and offer it when the bill gets into the Senate, and press it.

Mr. ALDRICH. That is satisfactory to me. I ask that the paragraph be agreed to.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to.

Mr. DANIEL. I ask unanimous consent of the Senate that the paragraph be passed over until to-morrow, when the Senator from Georgia says he will be ready to speak.

The VICE-PRESIDENT. The Senator from Virginia asks that the paragraph be passed until to-morrow. Is there objection?

Mr. ALDRICH. Of course, if the Senator desires that, I can not resist it.

Mr. CLAY. I intended to speak yesterday. I thought I would finish my remarks to-day. I can not promise to submit my remarks to-morrow. I have been advised by my physician not to do so. It will probably be several days before I will be ready.

Mr. ALDRICH. If the paragraph is agreed to, whenever the Senator from Georgia is ready to offer his amendment, I will ask that it be reconsidered for that purpose.

Mr. DANIEL. All right.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to.

Mr. BACON. I do not desire that it shall be disposed of in that way. I do not ask for the yeas and nays, but I ask that the question on agreeing to the paragraph be put to the Senate.

The VICE-PRESIDENT. The question is on agreeing to the paragraph.

The paragraph was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 214:

Maple sugar and maple sirup, 4 cents per pound.

The VICE-PRESIDENT. Is there objection to the paragraph? The Chair hears none, and it is agreed to.

The SECRETARY. Paragraph 215—saccharine.

The VICE-PRESIDENT. Is there objection to agreeing to the paragraph? The committee amendment was agreed to when the bill was first read.

Mr. BACON. Mr. President, there are possibly many paragraphs where that form of the adoption of a paragraph would not be objectionable to anyone, but there are others where Senators do not wish to be understood as agreeing to them. Therefore I think, although I dislike very much to put the Chair to the extra trouble, that upon the sugar schedule at least it should not be put in that form.

The VICE-PRESIDENT. The Chair will comply with the suggestion of the Senator from Georgia and put the question.

Mr. STONE. Mr. President, I do not rise to discuss the sugar schedule, now under consideration, or to discuss any other particular schedule, but to make some general observations.

While it may be well enough to protract debate on the schedules of this bill for a while longer, we know it will not eventuate in any practical legislative result. Its only effect will be to let the country know what is being done and how it is done in the Senate, and that will doubtless serve a good purpose; but we know now almost as well as we will know at the end just what the result will be. For all practical legislative purposes we might as well vote on the bill and all amendments now as a month later.

Mr. President, evidently, as I think, we have reached a point in the consideration of this bill where it has been demonstrated that opposition to the will of the Finance Committee is futile. I do not adopt the usual formula and say that the Senator from Rhode Island [Mr. ALDRICH] is master of the situation, but I do say that the Finance Committee, under his leadership, is master of the situation.

Mr. DANIEL. You mean the Republican members.

Mr. STONE. The Senator from Virginia amends the suggestion, to which I agree, that the Republican members of the committee are masters of the situation. In stating the case in that form I do not mean to detract from the well-recognized influence or from the acknowledged Republican leadership of the Senator from Rhode Island, but I adopt that form of statement because I deem it more courteous and respectful to all the members of the committee, each of whom represents a strong individual force, and because I believe that that form of statement will be more agreeable, even to the Senator from Rhode Island himself. The Finance Committee is in the saddle. We had as well recognize that now as later. Hereafter, if we have any suggestions to make looking to a change in any provision of the bill, if we approach the committee through its chairman—that most noble tribune of the people—and approach him after the fashion of old Deucalion, humbly casting the stones behind, it may be we will be distinguished by a hearing, but not otherwise.

Mr. President, when the consideration of this bill was first begun, and for some days before, there were some on this side so optimistic as to hope that there were enough Republican Senators opposed to the inequalities and the iniquities of the present tariff law to bring about a revision that would in some measure respond to the popular demand, but the occurrences since then, and especially of the last few days, have surely been sufficient to dissipate that hope in the breast of the most credulous. There was really and in fact an ominous reform thundering in the index—a preliminary roar that had in it a half-inspiring note of promise—but the threatened storm has long since spent its force. The light of victory already shines like a halo around the omnipotent heads of the big chief and his associates of the Finance Committee. Well might they cry in joyous acclaim:

> Now is the winter of our discontent
> Made glorious summer by this sun of York;
> And all the clouds that lower'd upon our house,
> In the deep bosom of the ocean buried.
> Now are our brows bound with victorious wreaths;
> Our bruised arms hung up for monuments;
> Our stern alarums chang'd to merry meetings,
> Our dreadful marches to delightful measures.
> Grim-visag'd war hath smooth'd his wrinkled front;
> And now, instead of mounting barbed steeds,
> To fright the souls of fearful adversaries—

Though we may not as yet caper nimbly along a primrose path, we can at least plod along with firm, confident, and ever quickening step to a victorious culmination.

True, a tremulous Republican voice is still heard now and then in protest, but it no longer bears the note of triumph or of defiance. It has now more the sad semblance of wailing—timid, apologetic, discordant, and, altogether, not without pathos. It is a pitiable ending of a somewhat pompous beginning.

Mr. President, I am not disappointed. I am not disappointed because I have never believed that it was possible to secure a substantial, much less a general, reduction of tariff rates through the agency of this Congress. There was a great blowing of horns and there were many Republican tariff-reform banners afloat during the campaign of last year, but experience and intuition alike convinced me that all of it was but the seductive and deceptive pageantry of a confidence game. True, there was throughout the country a wide demand for a real revision of the tariff, for lower taxation, and for a substantial retrenchment of expenditures. Mr. Roosevelt favored a tariff revision with a general lowering of the rates. So did Mr. Taft. At least so declared both these official heads of the Grand Old Party. But Roosevelt is now far distant in Africa, performing murderous feats without parallel. He no longer counts for much, politically. He is only a memory and hardly worth a quotation. But Taft is a living potentiality. He is still here, and his hand is on the helm. His utterances should be worth remembering. I have several of his sayings here—things said by him during the campaign of last year, but I will quote from only two or three.

QUOTES TAFT.

In his speech of acceptance, delivered at Cincinnati, July 28, 1908, Mr. Taft said:

In 1897 the Dingley tariff bill was passed, under which we have had, as already said, a period of enormous prosperity. The consequent material development has greatly changed the conditions under which many articles described by the schedules of the tariff are now produced. The tariff in a number of schedules exceeds the difference between the cost of production of such articles abroad and at home, including a reasonable profit of the American producer. The excess over that difference serves no useful purpose, but offers a temptation to those who would monopolize the production and the sale of such articles in this country to profit by the excessive rate. On the other hand, there are some few other schedules in which the tariff is not sufficiently high to give the measure of protection which they should receive upon Republican principles, and as to these the tariff should be increased.

Mark you, in this first utterance he said there were "a few," only a few, schedules which should be raised; the others, of course, were to be reduced.

Again, in a speech at St. Paul, on September 26, he said:

Now, we are going to revise the tariff, too, but it is going to be a thorough revision, an honest one; a revision in accordance with the protective system, which requires that every industry in the country which needs it shall have a tariff measured by the difference in the cost of production here and the cost of production in the countries abroad.

In the making up of that tariff both interests ought to be heard, and will be heard, because the people insist upon it and the crystallized sentiment of the Republican party is in favor of it, both to protect the industries and the consumer. But Mr. Bryan says we can't get over the influence of the protected interests. Hasn't the Republican party risen above corporate influence before? It is entirely right that the protected interests should come in and be heard, and see to it that their property and business is not destroyed.

But, of course, they are interested parties, and what they say must be weighed with other evidence. The Republican party will not pass a tariff bill that will destroy a single industry in this country, but, on the other hand, it does insist that excessive rates shall not continue.

Now, the rates generally, or most of them, are too high. Some are not high enough, according to that standard. *The revision, therefore, will probably be downward;* but whatever it is, I am here to plight the faith of the Republican party, in accordance with its platform, that the revision will be honest and exact according to the measure stated in the platform.

Again, at Sioux City, on September 29, he said:

I am interrogated as to whether the tariff should be revised up or down. My own impression is, without being familiar with the schedules as an expert, that in most cases the operation of the protective system has been normal, the cost of production has been reduced, and that therefore *the revision with respect to those schedules should be downward.* There are a few—pottery is one—of which no such change has taken place. Indeed, the change has been the other way, and in that respect, probably, the tariff should be raised.

I will make one other quotation. This is from Mr. Taft's speech at Topeka, on October 3:

The principle of protection is that all industries that need it shall be protected by a customs tax equal to the difference between the cost of production here and the cost of production abroad.

Mark the expression. He does not say the difference in daily wage, but the difference in the cost of production here and the cost of production abroad.

That cost of production is determined by three elements—the cost of material, the cost of labor, and the interest on capital, or what is known as the "manufacturer's profit."

The normal operation of protection where competition has free scope is to lower the cost of producing, and so to reduce prices to the public. As a consequence, *after ten years' operation of a particular schedule* it ought to result that the cost of production in this country is made less, and therefore that the difference between the cost of production in this country and abroad is less, and therefore *that the duty ought to be reduced.*

If I am elected, as I expect, I shall exercise all the legitimate influence that the President or head of the Republican party can to see to it that the plighted faith of the party on this subject, in letter and in spirit, is observed.

Numerous additional quotations of like import could be furnished, but this suffices to outline the campaign attitude of Mr. Taft. These utterances might well be criticised as being at times somewhat ambiguous and not altogether ingenuous, but let it be remembered that the orator was the candidate of the Republican party, full of a high ambition to become the President of the United States. As the candidate of his party, and having an intelligent conception of public sentiment and of the difficulties of his position, we can well understand how he sought to practice the difficult art, not of dissimulation, but of not offending, even though he might fail to please. Upon the one hand were the protected interests—grown opulent through the favor of the Government, and exacting because of opulence—which for decades had been the dominant and governing force of his party; and upon the other hand was still a mightier force—mightier in numbers if not in effectiveness—which was not in accord with the other element. The one clamored for a tax rate so high that monopoly might stand erect under its ægis, while the other, those who footed the bills, demanded that the tax burden should be lighter made. The candidate therefore was between the flame of the sulphurous lake and the raging of the wild sea. Under the circumstances, we may look with leniency upon his failure to speak out with absolute straightforwardness. Nevertheless, the patent truth remains that the people who heard the President's anteelection speeches believed, and had a right to believe, that he stood for lower rates in the tariff schedules; in other words, for a substantial revision downward. Every fair-minded man knows and must admit that that was the judgment of the country, and the country believed that Mr. Taft was not only speaking for himself, but was also speaking with authority for his party.

If any there be who think I misinterpret the President, then I ask why, in the light of these quoted utterances, did he call this extraordinary session of Congress? This question has been asked more than once, but it bears repeating. In the light of his declaration when he accepted the Chicago nomination, and in the light of his later deliverances—and believing, as we all do, that Mr. Taft is a sincere and upright man—it can not be believed that he assembled this Congress with the idea of having tariff rates increased or to have the rates of the Dingley law practically reenacted. The one would have been an act of bad faith with the American electorate, and the other would have been an act of consummate and costly stupidity. I have no doubt that the President honestly desires to keep faith with the people who elected him, and that he desires, therefore, to see the law revised so as to secure a substantial downward scaling of the rates. But Mr. Bryan was right when he declared in the campaign that even if Mr. Taft desired a reduction of tax rates he would, if elected, be powerless to execute his purpose.

Mr. President, that is so because the Republican party is in the control and under the domination of favored interests—interests which are protected by law and which, under the operation of law, are enabled to extort from the great masses of the people. These interests are represented in compact, intelligent, and powerful organizations; they print and distribute, year after year, enormous quantities of literature containing arguments, plausibly and most persuasively presented, in advocacy of that policy which is the bulwark of their opportunities, and in the hour of political and party contest they supply the shining sinews of war. Upon these sheltered interests depends the hope of the Republican party; they constitute its chief reliance. The public men who dominate that party, and those who have dominated it for years, are so closely aligned with these interests, and are under such political obligations to them, that they dare not falter in their service; and so, Mr. President, I have believed with Mr. Bryan that no one Republican, even though he be the President, could swerve his party from the old, beaten path blazed out by the industrial monopolies upon which that party leans with greatest confidence; and I doubt if there ever was or will be a Republican President who will strive with earnestness and persistent effort to lead his party on a different line.

REPUBLICAN POLICY.

Mr. President, the Republican platform of last year, proclaimed at Chicago, declared that—

The true principle of protection is best maintained by the imposing of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries.

That was the official declaration of the entire Republican party, formally expressed by a national convention. Upon that platform Mr. Taft was nominated and made his race for the Presidency. Reverting to his Topeka speech, from which I have quoted, it will be seen that he accepted that declaration as expressive of the Republican policy. He declared that—

All industries that need protection shall be protected by a tax equal to the difference between the cost of production here and abroad.

What did he mean when he said—

All industries that need protection shall be protected—

And so forth?

Have we, indeed, some industries that do not need protection? What industries are they, and what did the presidential candidate have in mind? In the earlier days the advocates of the protective policy contended that that policy was necessary to protect our new, struggling, undeveloped infant industries against the sharp competition of the older, better-developed, richer, and more powerful competing industries in other countries. We were told then that when, under the selter of this policy, our manufacturing industries were firmly established, and had become rich enough and strong enough to hold their own in the markets of the world, there would no longer exist the need of imposing duties for protection, but that the duties would be levied for revenue. It is a matter of common knowledge that the American industries have now grown until this has become the greatest manufacturing nation of the earth, and that here in America we have the most opulent and powerful manufacturing corporations in the world. There are none others anywhere that can rival them in this respect. Are these the industries that Mr. Taft had in mind as those that did not need protection?

But, Mr. President, of course we know that the Republican party has long since abandoned the earlier contention to which I have referred, and they have abandoned it because the growth and power and wealth of American industries have become such that the old contention could be no longer made. They have shifted the position and have predicated their contentions upon the ground that labor was higher in the United States than in other countries, and that tariff duties ought to be levied to cover that difference; partly, as they say, to protect the American workman against the competition of cheaper-paid workmen abroad; and partly to protect the manufacturer who employs this higher-priced labor. The platform and the President declare that duties should be imposed to cover the difference in the cost of production between this and other countries. The President explains all that himself. He said: "That cost of production is determined by three elements, the cost of material, the cost of labor, and the interest on capital, or what is known as 'the manufacturer's profit.'" There are three elements, therefore, so we are told, which are to be considered in determining the difference in the cost of production when a tariff law is to be enacted. One of these elements—namely, material—may be eliminated, for the reason that in the purchase of raw materials for manufacturing the different great manufacturing and commercial nations of the world stand upon a footing of substantial equality. There is no need, in most cases at least, of putting that element into the calculation.

LABOR COST.

Now, Mr. President, a word or two about the labor cost of production. What does that mean? It does not mean by universal consent; it does not mean that in determining the difference in the labor cost of production between two or more countries we are to take the daily or weekly wage paid in the different countries to the respective workmen engaged in the same lines of employment and make that the basis of the calculation. That would not do, because it is a matter of general knowledge that the per cent of difference in the daily wage paid in different countries may be much greater than the per cent of difference in the labor cost of production. For example, if we should find that American workmen in a given industry received 40 per cent more for a day's work than a like workman in some other country, we might, on pressing the inquiry to a conclusion, find that the difference in the labor cost to the employer in producing his wares was not more than half as much as the difference in the daily wage. The correct way to determine this question is to take a given article of commerce and find out just what it cost the manufacturer to produce it. We then find that his raw material had cost a certain amount; that he had paid his laborers a certain amount to make that article; that he had paid so much for fuel, and so on and so forth. Now, reckoning on that basis, we could find out how much the American employer paid for the labor that entered into the manufacture of the given product and how much the foreign employer had paid for the labor entering into his production, and that difference would represent the cost of production. Undoubtedly the actual daily or weekly wage paid to American mechanics is, generally speaking, higher than in other countries. It may be truthfully asserted that the American standard of daily wages is the highest in the world; but, on the other hand, it is also true that the difference in the labor cost of production in America is, generally speaking, nothing like as great as the difference in actual daily wage. This is so because our industries are better organized, better equipped, better managed, and because the American workmen, as a rule, are more intelligent, industrious, and skillful. The American manufacturer gets a better result in every way from his higher-paid employees than the European manufacturer gets from his lower-paid employees. This absolute economic fact is well known and generally recognized. I could burden the RECORD with proofs of this statement—proofs coming from the lips and pens of numerous men who are best qualified to speak, some speaking officially after investigation and some speaking from actual and wide experience. I will content myself with one witness. I will introduce Mr. Schwab, who was educated and fitted for his remarkable career by Andrew Carnegie. He was a workman in the Carnegie mill, and rose step by step from that position to become the head of the great Carnegie establishment at Pittsburg. Subsequently he was the president of the United States Steel Corporation, known as the "steel trust." From that office he retired to take charge of the Bethlehem Steel Works. He is more or less interested in and associated with these great industries, as he is with other great enterprises. I read the following from a recent utterance of Mr. Schwab:

I have been in contact with labor of all kinds for years, and I know what it can do. I know that American laborers can produce more steel in a given time than any other workmen in the world. I know that they can put out better steel than any others.

We can compete with any other country. We have nothing to fear by a cut in tariff, because we have the best goods. It is true that we have to pay our workmen most; you always have to pay the most skillful workmen the highest wages.

The Americans are the best workmen on earth. The highest paid labor is the cheapest to the employer. The man that understands his work thoroughly and executes it without mistakes is the man that makes money for his employer.

The man that is employed at a cheap wage and goes slowly and makes blunders produces cheaper steel or any other goods and can not compete with the man that thoroughly understands his business and produces good material.

Now, Mr. President, if upon investigation it should be found that the actual difference in the labor cost of a given product between the American employer and the European employer was, for instance, 20 per cent or 30 per cent, and this Congress should levy a tax upon that product of 40 per cent or 50 per cent or 60 per cent, for whose benefit would that excess be imposed? Not for the benefit of the workman, to be sure, for only so much of the duty would be levied for his benefit as represented the difference in the labor cost of production. That is the theory of the Republican platform itself and of President Taft. It would not result in increasing the wage of the workman, and, therefore, he would not share in this bounteous excess. Manifestly this excess of duty over and above the difference in the labor cost of production would be levied wholly in the interest of the manufacturer and employer. And that sort of thing is now being justified by the Finance Committee of the Senate and those cooperating with them. Day after day we are considering paragraphs in different schedules reported here by the Finance Committee, and which are being adopted which impose tariff burdens far in excess of the difference in labor cost sometimes as much as two or three or four times as great as that difference. For the first time in our history the Republican party made the bold declaration in the Chicago platform that duties should be levied among other things to insure a profit to the manufacturer, but before I enter upon that, which I intend to do briefly, there is one other thing to which I wish to call attention.

THE GERMAN WAGE.

Mr. President, day after day, as these paragraphs are considered, members of the Finance Committee and others upon that side attempt to muddy the water and obscure the real issue about the enormous difference in the amount of daily wage paid in this country and Europe. As I have already shown, that is only a question of secondary and minor importance, the real question being the difference in the cost of production; but Senators who stand for these exorbitant duties endeavor by artifice and maneuvering to keep the real question in the background. They are not willing to test the issue between us even according to the standard laid down in their platform and by Mr. Taft himself. Nor is that all. They come in here and assert that the difference between the American and European wage is greater than it is. They take the floor and solemnly read bald assertions, made by the swarm of mun-

ufacturers who appeared here before the Ways and Means Committee and the Finance Committee to secure higher rates of duty on their respective products, statements in which they undertake to give the daily wage paid here and that paid by their foreign competitors. We are asked to accept this testimony, often ex parte, as trustworthy and true. We have had numerous disputes here as to the accuracy of these statements made by these interested men. Mr. President, I do not like to speak with unkindness, much less with offense, of the Finance Committee, but regarding this matter of which I am speaking I fear the committee has not dealt fairly with the Senate. I will not say that the committee has suppressed information in its possession, but that they have withheld information to which the Senate was entitled and which it ought to have had. As illustrative of this disposition on the part of the committee, I call attention to a circumstance which in a pointed way attracted the attention of the Senate a few days ago. It was during the debate on the cutlery schedule, and particularly that paragraph in the schedule relating to the duty on razors, which duty the Finance Committee in the bill reported has raised almost 100 per cent above the present Dingley law.

The Senator from Utah [Mr. SMOOT], who seems to be the chief lieutenant of the chairman of the Finance Committee, and who is eminently worthy of the post, is often put forward in the front of the fight. If the Senator from Rhode Island is the head, the Senator from Utah is the right arm of the committee. He told us repeatedly, in the presence of the chairman and other members of the committee, and, therefore, I assume, with their approval, that the wages paid American workmen employed in the manufacture of razors were three times as much as those paid to their competitors engaged in the same employment in Germany.

It so happened that during the course of this debate I was called to the corridor just back of the Chair by a gentleman who was familiar with the subject and who had been engaged as one of the experts, as I understood him, in the service of the Finance Committee when this bill was being considered by the committee. He told me that there was on file in the State Department a report made by the German Government to our State Department, duly transmitted through diplomatic channels, as to the amount of wages paid in Germany in various lines of industry, and among them this particular one of manufacturing razors, and he gave me some tables of wages paid in Germany as shown in this report which had been transmitted, as I have said, by the German Government to the Government of the United States. I put the matter he gave me in the RECORD on that day, and called particular attention to it. I do not know how many Senators have read that statement. If there be any who have not they can find in it most interesting and instructive matter relating to several things. The Senator from Utah and his colleagues of the committee told us that the American wage in razor making was three times that of the German wage in the same business. Mr. President, I desire to insert at this point, or rather to reinsert, for it already appears in the RECORD, the table relating to German wages in razor manufacturing, as it was supplied by the German Government itself authoritatively and officially. The Senator from Utah said the wage rate paid in this country was three times that paid in Germany, while this report shows that the German workmen receive twice as much as the Senator from Utah asserted they were receiving.

Mr. GORE. I should like to ask the Senator from Missouri if he knows whether or not the report of the German Government, to which he refers, had been called to the attention of any member of the Committee on Finance?

Mr. STONE. I will speak of that in a moment. Mr. President, the table which I desire to insert in my remarks is as follows:

	Actual earnings.		Incorrect statement as submitted in the tariff hearings.
	Marks.	*Dollars.*	*Dollars.*
Schmiede (forgers)	35 to 45	8.33 to 10.71	4.30 to 7.00
Haerter (hardeners)	42 to 48	10.00 to 11.43	4.30 to 6.00
Dry grinders			4.30 to 5.70
Schleifer concavers (polishers)	65 to 75	15.47 to 17.85	4.30 to 9.00
Reider (handle makers)	40 to 44	9.52 to 10.47	4.30 to 5.00
Abzieher (honers)	40 to 45	9.52 to 10.71	2.50 to 6.00

It will be observed that the table shows the amount actually paid in marks and in dollars, as reported by the German Government, and in a parallel column it shows what the American manufacturers who came here asking higher duties told the committee the German workmen were receiving. The committee told us what the manufacturers told them, but they did not tell us what the German Government had said about it. This latter I happened to discover in the nick of time, almost by accident.

Now I will answer the question of the Senator from Oklahoma [Mr. GORE]. I assert on reliable information—if I am wrong, of course I desire to be corrected—but I assert that this report of the German Government relating to wages in numerous industries was in the hands and possession of the Finance Committee long before this question was raised here in the Senate and before the committee reported the bill. They knew about it; the State Department had furnished them with this information; they had it in their possession; and yet, when we were discussing this question and trying to get at the facts, the real facts, not a word was said about this report. The Senator from Utah stated that he had an affidavit made by some workman in a New York establishment—I believe it was in New York—to the effect that he had come from Germany to the United States; that he had worked in the industry there and here; and that he knew that the German wage was only about one-third of the American wage. I do not know the name of that affiant. It was not given. I do not know who furnished the committee with the affidavit, although I could easily imagine. I do not suppose that that workman came down here, certainly not at his own expense, to confer with the Republican members of the Finance Committee. But his employers were here. Who is this man? How was this affidavit procured? Who induced him to make it? Was it purely voluntary, or was it upon suggestion?

This shows, Mr. President, how utterly unreliable is testimony given in that way—ex parte testimony, without an opportunity afforded to the Democratic members of the committee or to anyone to cross-examine the witness in order to ascertain the absolute truth; and it shows, also, how utterly foolish it is for us to accept and act upon statements made to us by interested parties concerning questions of this character. And yet we were asked to accept this very kind of testimony, to believe it, and to act upon it, when at that moment the committee had in their possession this official and authoritative report, showing a very different state of facts.

Mr. President, the committee is the creature, the agent, the servant of the Senate, and I would like to know why the Senator from Utah, or some other Senator of this committee, did not tell us about this? Why were we left to discover it almost by accident? After I had called attention to the matter, the Senator from Wisconsin [Mr. LA FOLLETTE], a day or two later, after conferring with me, introduced a resolution, which has been agreed to, asking the State Department or the President to furnish this report to the Senate. It has not yet been furnished; but, Mr. President, what was the need——

Mr. LA FOLLETTE. Mr. President——

Mr. STONE. Just a moment. What was the need of calling upon the State Department to send that information here when it was already in the hands of the Finance Committee? Why does not that committee—an organized agency of the Senate—furnish it itself? Now I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. I will say, Mr. President, for the information of the Senator from Missouri, that I am advised by the State Department that that document will be transmitted to the Senate to-day. I hope it will be in print and in the hands of Senators within another day.

Mr. STONE. Mr. President, that the table I have just put into the RECORD is correct is evidenced by a letter, which I hold in my hand, from the State Department. In reply to an inquiry I made of the department as to whether it was correct, the Acting Secretary, Mr. Wilson, on May 19, wrote me as follows:

> In reply, I have the honor to inform you that a comparison of the statistics in the table printed on page 2149 of the CONGRESSIONAL RECORD for May 18, 1909 (which is evidently the table to which you refer), with the department's file copy of the original statement by the German Government relative to wages paid in Germany to workmen engaged in the manufacture of razors, shows no discrepancies.

Mr. President, I have taken time and pains to press this matter upon the attention of the Senate, and, as far as I can, upon the attention of the country, because it illustrates, first, that the Finance Committee is not dealing candidly with the Senate, and, secondly, that the "testimony" the committee offers on the wage question is under a cloud and is subject to revision.

Mr. President, I turn now to another phase of this discussion——

Mr. CULBERSON. Before the Senator passes from this question of fact, I ask him if he means to say substantially

that members of the Finance Committee presented affidavits as to the difference between the wages in Germany and in the United States which were contradictory to the official information from the German Government which was then in the hands of the committee?

Mr. STONE. Mr. President, the members of the Finance Committee did not, nor did any member of that committee, so far as I recall, actually present an affidavit; but the Senator from Utah stated that he had such an affidavit or affidavits.

Mr. SMOOT. Will the Senator object if, at this point in the discussion, I put in the affidavits? I have them here, or will send for them, and if he desires I will put them in right now.

Mr. STONE. I think the Senator had better put them in in his own time. I will ask the Senator, however, to which he gives the greater credence, an affidavit—I say "affidavit;" are there more than one?

Mr. SMOOT. There are more than one.

Mr. STONE. How many?

Mr. SMOOT. I have not counted them; but there are a number of them, I will say to the Senator.

Mr. STONE. All supposedly from German workmen, who had come here from that country?

Mr. SMOOT. Mr. President, I would rather—and will later, if not now—put the affidavits in the RECORD, and then the Senator can see just who the affiants are and just what they have to say.

Mr. STONE. To which would the Senator attach the greater credence—the affidavits or the official report of the German Government?

Mr. SMOOT. Mr. President, we were discussing the question as to American wages, and it does seem to me that the affidavit of a man who has within a short time labored in Germany, received his wages there, and moved to this country, working in the same identical business and carrying on the same class of work here, ought, at least, it seems to me, to be taken into consideration without a doubt.

Mr. STONE. Would the Senator from Utah object to my putting this question to him: Whether he believes the Government of Germany would make a false official report to this Government?

Mr. SMOOT. Mr. President, I think a question of that kind is out of place to be discussed here.

Mr. STONE. Well, I leave that to the judgment and discretion of the Senator from Utah. May I ask the Senator, since he has interposed——

Mr. SMOOT. I did not interpose.

Mr. STONE. Let me ask this question: Why the Senator did not inform the Senate of this report of wages furnished by the German Government when this matter of comparative wages was under discussion?

Mr. SMOOT. I will say frankly to the Senator that, so far as the report is concerned, I did not examine it.

Mr. STONE. Did not examine it?

Mr. SMOOT. No.

Mr. STONE. Then the Senator merely examined the affidavits—merely took the statements of interested witnesses, manufacturers and employees, and turned the official report of the German Government down. He did not consider it, it seems, of sufficient importance even to pass it under his inquiring eye.

Mr. ALDRICH. I do not quite know what the Senator is referring to; but I understand that he says the German Government sent a report here which is in the possession of the Finance Committee.

Mr. STONE. Yes; I said that.

Mr. ALDRICH. The German Government sent a report here, or, at least, a report was sent to us from the State Department in German, which has never been translated, and we never have had the time to translate it. The Senator from Missouri seems to know what is in it. I do not.

Mr. STONE. It would seem that the Senator from Rhode Island did not want to know what was in it.

Mr. ALDRICH. I wanted to know very much, but I have not had the time, as the Senator realizes, to have that long report translated. The Senator seems to have some information about it. I have no information on the subject.

Mr. STONE. I have some information about it.

Mr. ALDRICH. Well, that is all right.

Mr. STONE. I have some information about it; and I did not get it from the Senator from Rhode Island or from his committee.

Mr. ALDRICH. No, of course not; because——

Mr. STONE. And the Senator from Rhode Island had at his command the entire State Department, and all the other departments, with an army of experts, translators, and so forth, if he needed them, to put this German document in English. The translation could have been made with ease and facility.

Mr. ALDRICH. But, Mr. President, the committee had absolutely no knowledge of what was in the report. At the time it was received I sent for an expert to have it examined, with a view of reporting to us what was in it. Since that time the State Department has asked us to return it; and there has been no time for anybody to have ascertained what was in it, unless the Senator has some knowledge of it of his own.

Mr. STONE. Mr. President, this presents a curious situation. Here are Senators composing a great committee, engaged in framing a tariff bill; and in the framing of which the question of wages and the cost of production was one of the most important things to be considered. This report from the German Government, sent to our State Department, was delivered to the committee over which the Senator from Rhode Island presides. He knew what it was about; but unfortunately he can not read German, and this report is in German, and therefore he did not go to the trouble of having it translated that he might find out in English what it was about.

Mr. ALDRICH. This report was sent to the committee from the State Department, without any statement as to what it was about, in connection with, I imagine, two or three hundred other similar communications from foreign governments in reference to the tariff. It came to the committee in connection with thousands of pages of written or printed or typewritten matter, which it has been absolutely impossible for the committee to examine. The Senator, I imagine, has some sort of a conception of the duties of that committee.

Mr. STONE. Some sort of conception.

Mr. ALDRICH. Yes; I hope so, anyhow.

Mr. STONE. Yes.

Mr. ALDRICH. And he realizes, I think, that it would not be possible for the members of that committee to read, if they knew German ever so well, several hundred, if not several thousand, pages of a report from the German Government.

Mr. STONE. Well, Mr. President, it seems to me that if I were a member of that great committee, and had any right to speak, which the Democratic members did not have, and a report as to the wages paid in sundry industries in Germany had been officially made to our State Department, and had been transmitted to the committee, I would have been curious to know what it was, and if I had not been able to read it in German I would have had it translated——

Mr. ALDRICH. Mr. President——

Mr. STONE. Wait a moment—and certainly I would not have come into this Chamber and urged the adoption of paragraph after paragraph of this bill, upon the ground that the wage in Germany is only one-third of what it is in America, when I had in my possession proof furnished by the Government itself that the statement was incorrect.

Mr. ALDRICH. Mr. President, I was so curious that I sent at once to the Bureau of Statistics to have them send a man to examine this report. I want to say to the Senator from Missouri that if we had nothing else to do except to examine this one report as to German wages, that statement would not have been necessarily conclusive as to our action on any item in this bill.

Mr. STONE. No; not conclusive.

Mr. ALDRICH. I can send to the Senator, if he desires, 100 volumes of statements of the relation between American and German wages, many of them as authentic as the report to which he now refers; and, if the Senator is at all curious upon the subject, I will ask the librarian of the committee to send to him in German, in French, and in English a hundred volumes, if he wants to read them, upon this subject.

Mr. STONE. Oh, the Senator is fencing; he is evading. I have equal access with the Senator to all information in the libraries. I have not sought his aid in that direction. I am talking of a different kind of information. And here I will say, I think if the Senator had time to scan the 100 volumes of which he speaks and which he invites me to peruse, he might have found time to read an official report made recently by the Government of one of the greatest nations of the world concerning an important feature of the very matter he was legislating about.

Mr. ALDRICH. I have been reading upon this subject for twenty-five years, as I suppose the Senator from Missouri has, and I have a very clear conception about the relation between the rate of wages in Germany and in the United States. As I said to him the other day, I have a very recent report made by our Labor Bureau, of which Doctor Neill is the head, which compares in certain industries in the United States, in Great Britain, and in Germany wages of certain specified kinds. To my mind

that report is more conclusive, because it is a comparison, an official comparison, if you please, between the wages of the two countries. I assume that this report of the German Government does not undertake to say what are the wages paid in the United States.

Mr. STONE. I assume it does not undertake to say what are the wages paid in the United States, but I assume, also, that it does undertake to say what are the wages paid in Germany. We know ourselves about the American wage, and the German Government and the German people ought to have some definite and accurate idea as to the wage in Germany. I do not believe the German Government would deliberately make a false report to our Government. I would have been glad, at least, to have known what they had to say.

Mr. ALDRICH. If the Senator would not consider it impertinent, I would be glad to ask him how he ascertained what the contents of that report were?

Mr. STONE. It is not impertinent. I have stated it already.

Mr. ALDRICH. I happened to be out.

Mr. STONE. I put that in the RECORD several days ago, and I said at the time that it was furnished to me—not only this table, but some others—by Mr. Montague Lessler, formerly a Member of Congress.

Mr. ALDRICH. What relation has he to the German Government?

Mr. STONE. None; but I understood he had some relation to the Finance Committee.

Mr. ALDRICH. He could not have had any relation to that report, because it certainly has not been translated.

Mr. STONE. Well, he had relation to the Finance Committee, and he knew of this report and told me about it.

Mr. ALDRICH. What relation did he have to the Finance Committee?

Mr. STONE. The Senator from Rhode Island ought to know more about that than I.

Mr. ALDRICH. He has no relation with the Finance Committee, to my knowledge. I never heard the man's name before.

Mr. STONE. Well, I do not know, of course.

Mr. ALDRICH. I am now told that he was employed as an attorney by the importers; but I never happened to hear of him before.

Mr. STONE. I only know what he said, or what I understood him to say. I saw him for a few minutes only, and I may have misunderstood him. But that is wholly immaterial, and I do not propose to be drawn off by a thing of that kind. It does not matter how or from whom I got the information, or whether Mr. Lessler was engaged as an expert by the Finance Committee or by any member of the Finance Committee. All that is immaterial. What I care about, and all I care about, is that the report of the German Government to the State Department was here in the possession of the Senate committee, and we were not given the benefit of the information it contained.

Mr. ALDRICH. If that is the gentleman, it now appears he is the attorney for the importers in this case.

Mr. STONE. What difference does that make as to the thing I am talking about?

Mr. ALDRICH. It makes no difference whatever; but when the Senator says that he is an expert of the Finance Committee, or that he is in any way connected with the Finance Committee, I will say that there is nothing whatever of that kind true. I myself never heard of the man's name before.

Mr. STONE. I accept the Senator's statement as to that.

Mr. ALDRICH. He certainly has never been connected in any way with the Finance Committee; and if he has any knowledge of an official report which has been sent to the State Department, I am curious to find out how he secured that information.

Mr. STONE. I do not know how he secured it; I do not care how he secured it; but the Senator from Rhode Island does not deny that there is such a report or that his committee has had possession of it, nor, I presume, will he question its authenticity or accuracy any more than the German Government would question an official report of like kind from this Government to the Government at Berlin.

Mr. ALDRICH. I ask the Senator from Missouri how he knows that this statement of the attorney is correct, and that the statement which he makes is a part of the report of the German Government?

Mr. STONE. Does the Senator from Rhode Island call it in question?

Mr. ALDRICH. I think the presumption is all against it.

Mr. STONE. Does the Senator from Rhode Island think that the tables I printed as coming from that report are untrue or incorrect?

Mr. ALDRICH. I have no information about it at all. I do not know whether they came from the report, and the Senator from Missouri is not able to state from his own knowledge that it did.

Mr. STONE. Well, I have knowledge. I have a letter here from the Acting Secretary of State, which I read a few moments ago, in response to an inquiry I made of the Secretary as to the accuracy of the table I had put into the RECORD, and he says that it is accurate.

Mr. ALDRICH. Who says that?

Mr. STONE. The Acting Secretary of State, Mr. Wilson.

Mr. MONEY. Will the Senator read the letter again?

Mr. STONE. I have read it, and I have just restated the substance of it.

Mr. ALDRICH. I will be glad to have it read.

Mr. STONE. I will read it again for the benefit of the Senator. Here it is in full:

DEPARTMENT OF STATE,
Washington, May 19, 1909.

Hon. WILLIAM J. STONE,
United States Senate.

SIR: I have the honor to acknowledge the receipt of your letter of the 17th instant requesting that information be sent you by the department as to the accuracy of a table compiled by Hon. Montague Lessler, respecting wages paid in the razor industry in Germany, printed in the CONGRESSIONAL RECORD.

In reply, I have the honor to inform you that a comparison of the statistics in the table printed on page 2149 of the CONGRESSIONAL RECORD for May 18, 1909 (which is evidently the table to which you refer)—

And it was—

with the department's file copy of the original statement by the German Government relative to wages paid in Germany to workmen engaged in the manufacture of razors, shows no discrepancies.

I have the honor to be, sir,
Your obedient servant,

HUNTINGTON WILSON,
Acting Secretary.

Mr. ALDRICH. Mr. President, the experts of the committee who have examined this document reported to me that it was not a report of the German Government at all; that it was a report of certain German boards of trade, giving what purported to be a statement of the wages paid in certain industries by certain firms, and that the names of the firms were in every case withheld.

Mr. STONE. It seems, then, that the matter was discussed by the Senator with the experts. He did not ignore the report, nor was he wholly ignorant of its contents. He did not pass it by without a thought or without attention. While he was reading these 100 volumes he refers to, relating to the wage question between foreign countries and the United States, he did take at least a few moments to talk with the experts about this report and was informed by them as to its contents. I do not know what the experts told the Senator, but the Acting Secretary of State, Mr. Wilson, says that the table printed, when compared with the department's file copy of the original statement by the German Government, shows no inaccuracy. "The original statement made by the German Government" is the language of the Secretary of State.

Mr. DEPEW. Mr. President——

Mr. STONE. In just a moment. When we get a response to the resolution adopted the other day, calling for this document, I suppose we shall have it in full. I said a moment ago that it seemed to me to be a useless task to impose upon the State Department to furnish this matter to us, when the information was already in the possession of a committee of the Senate. I still think so, but I suppose we will have to wait. Now I yield to the Senator from New York.

Mr. DEPEW. I simply want to ask whether that statement, giving the rate of wages, includes the hours per day of labor?

Mr. STONE. The table I printed does not. I do not know to what extent the report itself has gone.

Mr. DEPEW. The reason I ask the question is that I understand that while the hours with us are, as a rule, eight, they are there, as a rule, ten.

Mr. STONE. I do not know whether that statement is correct. It may be so; but that is a wholly different question. The complaint I make is that this information, whatever it is, was not furnished to the Senate by the Finance Committee. When we get the report, if we ever do, the Senator from New York can better discuss it then. It can then be taken up and discussed, examined, and explained, but not before. What the Senator says may be so, or it may not be so. He does not assert it as a matter within his own knowledge, but he says that is his information. That information may have come from some such affidavits as those the Senator from Utah says he has. For myself I want something more definite. I have lost faith in bald assertion and in that vague thing called "in-

formation," coming from nobody knows where, or from whom. But now, Mr. President, I drop this and pass to another phase of the discussion.

THE REASONABLE PROFIT.

I wish now to say something about the closing sentence in that clause of the Chicago platform which I have quoted—I mean that part which lays down the policy of insuring, and which proposes to insure "a reasonable profit to the manufacturer." That is a new thing in our political economics.

It is not only a new doctrine, but startling as well. Insure a reasonable profit to the manufacturer! Why should the Government of the United States assume that obligation? By what right under the Constitution, or under anything else with which we are familiar, does the Government of the United States undertake to insure a reasonable profit, or any kind of profit, to any man engaged in any business? And why give this guaranty to the manufacturer and to nobody else? It is not given to the farmer, to the merchant, to the ordinary mechanic, to men engaged in professional work, or to the common laborer. The farmer, Mr. President, rises when the clarion call of the chanticleer gives notice of the coming dawn, and plods his weary way until the circling orb sinks into the shadow of the night; and the same is relatively true of other men. Who assures them, or any of them, a profit on their industries? They have money and brawn and brain invested, but they have no governmental guaranty of profit behind them. One class only is singled out and separated from all others—the manufacturers—and it is now undisguisedly proposed to levy taxes upon all others to assure a "reasonable profit" upon the investments of manufacturers. It would seem that when the American manufacturer was upon equal footing with the foreign manufacturer in the purchase of raw material, and then after we have imposed a protective duty sufficient, and in most cases more than sufficient, to cover the difference in the labor cost between this country and other countries, that the manufacturer might be left to his own ingenuity, enterprise, and prowess to meet the competition of the world for the markets of the world. But it seems that they have become so spoiled, pampered, and debauched by this policy of high protection that they are not satisfied to enter the race for commercial supremacy on equal terms with their competitors, but they demand a government indemnity against loss; and even more than that, they demand a government guaranty of profit. Mr. President, the most amazing thing of all is that this remarkable demand is not only tolerated, but it is granted. Can it be conceived that the Republican party grants a demand so monstrous without a consideration? And there I leave that question.

ATTACK ON MERCHANTS.

Mr. President, I turn now to another thing. The cost of living in this country is very high. The American workingman does get a higher wage for his day's work than the European workingman receives for his, but then he pays a great deal more for the privilege of living. If there is a marked difference in the day's wage in favor of the American, there is also a difference against him equally marked in the cost of living. But this question of higher cost of living in America concerns not only the wage-earner, but it concerns everyone. Much has been said recently upon the floor of the Senate as to this matter of higher cost of living in America. Everybody knows we pay more for food, for clothing, for rents, for everything—far more—than is paid in any other country in the world. The people have begun to inquire into the cause and the wherefores of this pronounced difference, and the inquiry propounded by the people at home has been repeated here on the floor of the Senate. And what has been the answer? Several Senators here of Republican faith, not discreetly measuring the significance of what they said, charged, directly or by inference, that the exorbitant prices exacted of American consumers was not due to the manufacturers, who are the immediate and chief beneficiaries of the protective system, but was due to the greed and conscienceless extortions of wholesale and retail merchants throughout the country. These merchants were here indicted by Republican Senators, and charged with the crime of extorting from the American people; while, on the other hand, the great industrial monopolies that have grown up under the fostering shelter of these tariff impositions have been pictured as struggling and hard pressed. I know that since the junior Senator from Oklahoma [Mr. GORE] a few days since delivered his scathing philippic, his caustic reproach, to those who made this charge, they have been hunting cover. Since then they have realized their mistake and have been affrighted because of it. Since then they have been making explanations and denials. Only the other day the Senator from Montana [Mr. CARTER] declared in so many words that no such charge had been preferred against the merchants. Nevertheless, though he was emphatic, he is mistaken. It may be that some of those who made this attack did not do so in terms as direct as others, but there were several who made statements of alleged facts, who made comparisons, and who assumed to trace various articles from the factory to the final purchaser, and in doing this they did in substance and effect indict the merchants. Mr. President, I believe all the Senators who made this outrageous attack upon the wholesale and retail merchants of the country, with one exception, have endeavored to run away from it and escape its consequences. As soon as they found they held a hot wire they have tried to drop it—all but one. I think he ought to have a chance to make explanation and apology. I refer to the Senator from California [Mr. FLINT], and I am sorry I do not see him present.

Mr. BEVERIDGE. He is here.

Mr. STONE. I am delighted to see that the Senator is present, so that I may afford him an opportunity to tender his apology to the retailers of the country and join the others at the altar of confession and repentance. I read from the RECORD of May 15:

Mr. CLAPP. What I was speaking of, Mr. President, is the unfairness—not intentional, perhaps—of characterizing the difference in cost to the retailer on what he sells as a profit, when out of that increased difference in price must come the share of the entire expense of the business.

Mr. President, I not only think we ought to have this information for our own use, but I believe that, unintentionally perhaps, an injustice has been done the retailers of this country.

Mr. FLINT. The Senator looks around to me when he speaks of injustice being done to the retailer. As far as any statement I have made in reference to the retailer is concerned, I reiterate it—I think no injustice has been done the retailer. In my opinion, the retailers of this country are making exorbitant profits. Many of the retailers who have been making exorbitant profits have taken pains to circulate the report that the high prices are caused by the protective tariff. This is not a fact. I think many of these articles that have appeared in the public press have been inspired by department stores. The effect of the articles has been to call attention to the fact that they are making extravagant and exorbitant profits out of their business. I want to repeat and reiterate what I have said on this subject.

And then he added:

I say that the retailers in this country have taken pains to circulate petitions in their stores asking that the duty on this article or that article be reduced on the ground that the tariff upon the article made the high cost to the consumer. I want to say that in each instance where they have sent in these petitions the tariff is not a factor in fixing the price, but it is the exorbitant price charged by the retailer, and a reduction in the duty would not reduce the price charged by the department stores and other retail stores throughout the country.

Mr. FLINT. Mr. President——

Mr. STONE. I yield to the Senator from California with great pleasure.

Mr. FLINT. I simply wish to say to the Senator from Missouri that I am receiving hundreds of letters from consumers in the country who believe that there is a combination in many of these stores to charge exorbitant profits, and before this debate shall have been finished I propose to show that the price charged by the manufacturers in this country for their goods is not excessive; in other words, that the manufacturers of this country are receiving only a reasonable profit on their sales. The article then goes to a jobber, then to a wholesaler, and then to the retailer, each making a profit. I am not prepared to say, and do not say, that the net profit to the retailer is so great, but I do say that the amount of expenses in connection with the conduct of the retail stores throughout this country in the large cities is so great that it makes an additional charge to the consumer; that it is not the tariff that makes the increased cost of the article, but the expense of conducting stores throughout the country and the great profits that they make.

Mr. STONE. Mr. President, the Senator has made a halfway apology to the retailers. He has not retreated, however, as far from his position as did other Senators. He has much of that fearless strength of character which belongs to far western people, and therefore he stands a little more resolutely by his guns. He retracts only in part; not in whole, as the others did. He only modifies; he does not supplicate. Still the Senator's explanation does not explain. He now says that he is not prepared to assert that the retailers do in fact receive a larger profit than they ought. The Senator shakes his head.

Mr. FLINT. I say the net profits.

Mr. STONE. Well, the net profit is what counts.

Mr. FLINT. There may lie the difference between the Senator and myself.

Mr. STONE. Oh!

Mr. FLINT. I want to say very clearly that I think that the difference between what an article costs one of these department stores and what it sells for is in every instance greater than the duty on a similar article brought into this country.

Mr. STONE. But the retailer pays a given price for his article to the manufacturer or the jobber or the wholesaler,

and then sells it to his customer for a given price, and the difference between the two is supposed, in a general way, at least, to represent his profit.

Mr. FLINT. Stating it just as the Senator from Missouri has stated it, I contend that that is an excessive profit. The expense of conducting business may bring down the net profit, but the difference, as the Senator says, between what those goods cost the retailer or the department store and what they sell them for is an excessive and an exorbitant profit, in my opinion.

Mr. STONE. Of course the retailer incurs expense in running his business, which has to be charged against the cost of what he sells.

The Senator from California declared in the extract which I have read from the RECORD that the profit of the retailer is exorbitant. Now he says he is not willing to stand by that declaration without the modification he makes. But, Mr. President——

Mr. MONEY. He said it was outrageous, too.

Mr. STONE. My friend the Senator from Mississippi suggests that I ought to add that the Senator from California declared that the profit realized by the retailer was both exorbitant and outrageous.

Mr. President, I do not believe that charge to be true. The wholesale merchants have built up their businesses without protection. Often from small beginnings, by close attention to business, by frugality, by industry, by all the things that contribute to success, they have forged ahead without asking for laws that would compel other people to pay them tribute. The retailers, at least in my State, and I think in all the States, fight their own battles, and they are not usually easy battles. In nine-tenths of the towns and villages of the United States the retail merchants make their own fires, sweep their own stores, often work in their shirt sleeves, and live in unpretentious homes. The manufacturers—the special pets of this system of taxation, against which I protest—live for the most part, as everybody knows, in palaces, race over the country in automobiles, and sail the seas in luxurious yachts. I am not "kicking" because these men have bamboozled the people and the Congress and are therefore fortunate. I simply do not want their sins unloaded on others.

Mr. President, I want to ask what is a "reasonable profit?"—and I want to put the Republican Senators here to the test on that. What is a "reasonable profit?"

Mr. CULBERSON. The Senator from Missouri, if I understand him, is discussing the general proposition whether or not the tariff is added to the cost of the article to the consumer. He is also discussing the question as to whether this addition is reaped by the retailer or by the manufacturer. With reference to the first of these questions, by permission of the Senator, I want to incorporate just here a sentence or two from the report of the committee, which has been called to my attention, and my memory has been refreshed about it by an enterprising editor in New York. The report is from the proceedings of the Congress of the Confederacy for December 16, 1782, and was submitted by Mr. Hamilton, chairman of the committee, of which Mr. Madison and Mr. Fitzsimmons were the other members. The sentence to which I desire to invite attention in support of the general proposition of the Senator from Missouri is the following:

The most common experience—

Says Mr. Hamilton in this report—

joined to the concurrent opinions of the ablest commercial and political observers, has established beyond controversy this general principle, that every duty on imports is incorporated with the price of the commodity and ultimately paid by the consumer, with a profit on the duty itself as a compensation to the merchant for the advance of his money.

Mr. STONE. Mr. President, I am gratified that my friend the Senator from Texas has injected that very pertinent matter into my speech. I resume at the point I was on when the Senator agreeably and profitably interrupted me.

MANUFACTURER'S PROFIT.

Mr. President, I have been endeavoring through interruptions to discuss the Chicago platform declaration proposing to guarantee to the manufacturers a "reasonable profit" on their investments, and I have said that I wanted to put Republican Senators and I want to put the President to the test as to that. There are a number of schedules that I might select for this purpose, and I have hesitated as to which I should select for the purpose of presenting this question in its most striking and aggravating aspect. Mark you, the platform and Mr. Taft, as the party candidate upon that platform, announced the new and strange doctrine that a profit was to be guaranteed to men investing in manufacturing enterprises, but they said that it was to be only a "reasonable profit"—nothing beyond that. Now, among many that might be well selected for the purpose, I have chosen the cotton schedule to illustrate and emphasize what I have in mind. The cotton manufacturers of Massachusetts, Rhode Island, and other States have been here in Washington before the House Ways and Means Committee and the Senate Finance Committee clamoring for increased tariff rates on their products. They are not only asking for higher rates, but for new and strange classifications. If you will examine, as no doubt every Senator has, the statistical abstract prepared by the Finance Committee, you will observe that on the face of this document certain things are set down as luxuries and certain other things as necessities. Surprising as it may be, it is nevertheless true that the committee have set down many cotton fabrics, such as are commonly used as dress goods by the women and girls in the middle classes—that is to say, the wives and daughters of what is usually designated as the "common people"—as luxuries. Common cotton dress goods, almost universally used, costing from 15 to 50 cents per yard in the country stores, are set down and taxed in this bill as luxuries. Such goods are already covered by a customs duty that any man not tariff-mad would call highly protective, if not prohibitory; but the makers of these commodities come here and ask for an increase of duty, and that there may be some justification for this demand they have these things of common necessity described as "luxuries."

Mr. President, let us look at this. The Republican platform and the President say that tariff taxes should be imposed, among other things, to insure a "reasonable profit" to the manufacturers. Let us apply the good faith of this declaration as it stands exemplified in this cotton schedule. These manufacturers have come here from the New England States to ask for an increase of the duty, and the committee has yielded to that demand. The rates have been appreciably enhanced practically all along the line, and in many instances they have been doubled, or almost so. What justification can be found for this recommendation of the Finance Committee? Is this increase necessary to insure these particular manufacturers a "reasonable profit" on their investment? Let us see. Mr. President, I hold in my hand a statement showing dividends paid by the principal cotton manufacturers in New Bedford, Mass., which would be especially benefited by the propositions advanced in this cotton schedule as reported by the Finance Committee, showing the dividend payments of these mills for 1908. These figures are authentic. They have been published by Sanford & Kelley, bankers, in New Bedford, who deal in the stocks of these manufacturing corporations. Moreover, they are matters of public record, made so under the law of the State, and may be easily verified. I submit to the Senate the following tables, giving the names of several corporations, the capitalization of each, and the dividends paid by each in 1908:

Corporation.	Capital.	Dividend, 1908.
		Per cent.
Acushnet Mills	$500,000	16
City Manufacturing Co	750,000	18
Dartmouth Manufacturing Co	600,000	66
Hathaway Manufacturing Co	800,000	10
Pierce Manufacturing Co	600,000	10

The amount of the surplus of these corporations is not at this time available; nor are the market values of their shares.

I have not been able, Mr. President, to obtain possession of figures showing dividends paid in 1907. But the above percentages are comprised in total dividends paid by all cotton-goods mills in 1908, of $1,798,595, against a total paid in 1907, of $2,489,750. In other words, the general dividends paid by New Bedford mills averaged over 38 per cent more in 1907 than in 1908; and, on this basis, the mills above would have paid an average dividend in 1907 of 34.7 per cent. I am told it is a matter of common knowledge in the trade, however, that the above mills did even better than this in 1907.

The average dividend shown by the above figures for 1908 is 25.2 per cent.

Mr. President, it is proper to say that these statistics were furnished me by Mr. F. B. Shipley, president of the Publicity Committee of Wholesale Dry Goods Merchants of New York. I have another statement here from the same source, equally interesting, which I shall lay before the Senate.

This statement shows the dividends paid by nine cotton-goods mills of Fall River, Mass., who would be principally benefited by the proposed advances in the schedule. These figures are published by Edwin J. Cole, banker and broker, of 8 South Main street, Fall River, Mass. These figures are matters of public record in Massachusetts and may easily be verified. The table to which I am about to refer gives the name of the corporation,

the capital of the corporation, the surplus of each, the dividend for 1907, and the market value of the shares January 1, 1909:

Corporation.	Capital.	Surplus.	Dividend, 1907.	Market value of shares January 1, 1909.
			Per cent.	
Border City Manufacturing Co.	$1,000,000.00	$107,266.54	23.5	$150.00
Cornell Mills	400,000.00	233,578.76	16	180.00
Flint Mills	580,000.00	139,804.08	12	108.00
Narragansett Mills	400,000.00	142,220.35	11.5	135.00
Richard Borden Manufacturing Co.	1,000,000.00	468,024.67	20	180.00
Sagamore Manufacturing Co.	900,000.00	348,763.57	30	180.00
Tecumseh Manufacturing Co.	750,000.00	249,188.02	14.5	150.00
Union Cotton Manufacturing Co.	1,200,000.00	572,544.66	35.5	195.00
Troy C. & W. Manufactory	300,000.00	366,529.28	67	* 330.00

* This is based on par of $100 per share. The actual par of shares is $500, and the market price $1,650.

The average dividend actually paid in 1907 was 25¼ per cent.

The average selling price of all these companies on January 1, 1909, of $100 shares was $178.66.

It should be borne in mind that the above mills are those making the general class of goods which would be most seriously affected by the proposed advances of the Aldrich bill. Although it is not a matter of public record, it is a matter of common knowledge in the trade that, in addition to the above dividends, these mills have paid enormous salaries to managing officers, and that for some years they have been rebuilding and enlarging their plants out of profits.

One of the largest "fine goods" mills of Fall River, not mentioned above, is "King Phillip" Mills, which for the past fourteen years has averaged 13.86 per cent dividends, including extra dividends amounting to 100 per cent. Capital, $1,500,000; surplus, $871,083.91; 135,072 spindles. It is said that in addition this company has recently given away a lot of bonds to its stockholders, probably paying additional dividends in that way, and in that way attempting to conceal the payment.

Mr. President, I am told that the statutes of Massachusetts require manufacturing corporations to furnish for public record such data as that I have quoted. Some of the largest manufacturing plants of the country are in Rhode Island. I sought diligently to procure some authentic data as to those mills similar to that I have read relating to the mills in Massachusetts. I was unable to obtain it. The Yankee in Rhode Island seems to be somewhat shrewder than his brother in Massachusetts. Rhode Island is little more than a miniature State, but the people there know their business. Their chief business is manufacturing, and they live on the balance of the country. They have not passed any laws requiring the publication of data that might prove embarrassing on occasions like this. In this respect little Rhode Island has outgeneraled the old Bay State.

Mr. President, notwithstanding all I have said, these manufacturers are here clamoring for higher duties. I want to know, and I put the question to Republican Senators and to the President, whether this is the "reasonable profit" contemplated in the Chicago platform? Is this the "reasonable profit" Mr. Taft had in mind when he was addressing the American voters last year? Is it not enough as it is? And why should they come here and ask and receive at the hands of this Congress a higher duty upon their products? Take this case and tell me who is extorting from the people—the manufacturers or the merchants? And remember, Mr. President, that I cite this case only as an example; it is not exceptional.

PANIC 1893—CAUSE.

Now, Mr. President, hoping to conclude very soon, for I am beginning to feel somewhat fatigued, I pass from all this, putting aside some things I had in mind, to discuss another matter and to refute some silly things that have been uttered here over and again. Whenever we talk on this side of the Chamber, or whenever the so-called "progressive Republicans" talk on the other side of the Chamber, of reducing the tax burden, the Wilson law is flaunted in our faces, and the panic of 1893 to 1897, attributed to that law, is paraded as a solemn warning. One might suppose from what we so often hear upon the other side that the country had never been afflicted with a panic except the one to which I have referred.

But we had panics and industrial depressions long before and since the Wilson law. We had one in the seventies, another in the eighties, and another recently, from the effects of which we have not yet recovered. They have fallen upon the land like a blight periodically.

Mr. President, I affirm what I believe to be absolutely true and demonstrable, that the so-called "Cleveland panic," from 1893 to 1897, was not due to the Wilson law. That law had little, if anything, to do with that disturbance.

Mr. SMITH of Michigan. The Senator from Missouri is bound to say that the panic continued as long as that law was on the statute book.

Mr. STONE. Yes; and it began before that law was on the statute book. The Wilson law, so called, or the Gorman-Wilson law, although it laid somewhat lower rates of duty than the Dingley law, was yet a highly protective statute. We all know that after that bill came from the House it was so changed in the Senate that its progenitors could not have recognized it on the street. We know that by a combination of Republicans and certain Democrats here in the Senate the House rates were substantially and almost universally increased. We know that Mr. Cleveland refused to sign the bill, because, as he said, it represented party "perfidy and dishonor;" that it did not keep faith with the American people according to the pledge made in the platform upon which he was elected; and he permitted it to become a law under the provisions of the Constitution by declining either to sign or to veto it. I wonder if Mr. Taft will follow this distinguished example when he is put to the test a few weeks hence.

Mr. President, that panic storm of 1893 to 1897 broke on the country a year before the Wilson law was enacted and while the McKinley law was still in force. A widespread industrial depression had prevailed throughout this country long before Cleveland was elected President in 1892, and it prevailed abroad as well as in this country. These are historical facts, and therefore what is the need of men who care for the truth of history, and who are not swayed wholly by narrow partisan consideration, denying what they know to be true?

Every Senator upon that side, as well as upon this, knows that the gold supply of the Treasury was practically exhausted before Cleveland was elected President in 1892, and you know how that was brought about. President Harrison had determined upon the policy of permitting every man holding any obligation of the Government to demand its redemption and payment in gold, even though under the law and the contract it might have been paid in either gold or silver. The Senator smiles. Does he deny the accuracy of the statement?

Mr. SMITH of Michigan. The Senator from Washington [Mr. PILES] smiled.

Mr. STONE. I am speaking of the Senator from Washington.

Mr. PILES. I was just amused at the exaggeration of the Senator from Missouri.

Mr. STONE. Wherein have I exaggerated? I challenge the Senator to say where I have exaggerated or misstated the truth.

Mr. BURKETT. Let me read the Senator a quotation from a Democratic paper as to the statement the Senator made.

Mr. STONE. I do not care for that.

Mr. BURKETT. I just wanted to show the exaggeration——

Mr. STONE. Does the Senator deny the accuracy of the statement?

Mr. PILES. I thought the Senator was greatly exaggerating when he said the panic preceded the Wilson bill for about a year, I think he said.

Mr. STONE. Yes; I said that, and I repeat it. The storm cloud of that panic was already high on the horizon before Cleveland was elected, and it swept the country with all its fury months before the Wilson bill was passed and became the law of the land. I state that as a matter of absolute historical fact—a fact not too old to be forgotten by the men of this generation.

Mr. BURKETT. I will say that I did challenge the statement that there was any panic in this country before Cleveland was elected, and I was going to read some Democratic newspaper clippings that I happen to have at hand to demonstrate it to the Senator. Of course if he objects to my reading them, I can not demonstrate it.

Mr. STONE. If the Senator has clippings from Democratic papers, he had better read them at home. [Laughter.]

Mr. President, I suppose it will not be denied that during the Harrison administration preparation had been made to issue bonds to borrow money in that time of peace to supply the depleted gold reserve of the Treasury, nor will it be denied that the plates for those bonds had been prepared before Cleveland was elected.

I overheard some Senator over there say in undertone that this is getting into old things, and so it is; but you talk of old things and so will I. I will not sit here and listen to Senators upon the other side charge day after day that the panic of

1893 to 1897 was the outgrowth of the Wilson law, when they must know and do know as well as we that that law was not the cause nor even an important contributing factor to that panic. I will not permit that silly political falsehood to go unchallenged. Senators know that that panic was on the country long before the Wilson bill was enacted, and that the country was suffering from its dire effects for practically a year before the Wilson Act became operative.

Senators shake their heads. Nevertheless, I speak the truth. Republicans have got so much in the habit of assigning that panic to the Wilson law that I suppose the weaker ones among them really believe it. But, Mr. President, there are some Republican Senators who know better, and who are candid enough to say that the Wilson Act was not the cause, at least the chief cause, of that panic. On April 22 of this year, answering this very charge, the distinguished Senator from Minnesota [Mr. NELSON] said:

> Let me answer the Senator from New Hampshire. While I do not justify the law of 1894, I want to be fair enough and manly enough to say that all of the stagnation that prevailed during those dreary years from 1893 to 1897 and 1898 was not altogether owing to that law. It was more owing to the vicious conditions under which our currency existed. It was on account of that as much as on account of the tariff.

That Senator knew the truth, as others know it, but he had more courage and candor than some others in telling it. I wish there were more than there are upon that side as broad and liberal and fair as the Senator from Minnesota. But most of you have made up your minds to stick to this old story, true or false. You have found it to be a dividend-paying political asset, and so you intend to keep on peddling it in the press, in the CONGRESSIONAL RECORD, and from the stump. Except for the question of veracity involved, I do not blame you.

Mr. SMITH of Michigan. Mr. President, I am very much interested in the argument of the Senator from Missouri, and I do not want to disturb him; but I should like to ask him whether the languishing of the woolen industry in this country was attributable to free raw wool from Australia and New Zealand, or to our financial laws?

Mr. STONE. O Mr. President, the Senator from Michigan is seeking to divert me now into the discussion of a particular schedule.

Mr. SMITH of Michigan. I was just taking one.

Mr. STONE. I am discussing general conditions as they existed then——

Mr. SMITH of Michigan. I thought I would take one.

Mr. STONE. But I will not be diverted from a general argument into a controversy over a detail.

Mr. President, I affirm, as the Senator from Minnesota [Mr. NELSON] affirmed a few days since, that the oft-vaunted Cleveland panic was due far more to financial conditions than to the tariff. It was due to an inadequate supply of money to meet and accommodate the business demands of the American people. Mr. President, I want here to put some indisputable facts in the RECORD regarding this. I want to show what the general financial situation was at that time with respect to the people at large. First, at the time of Cleveland's second inauguration, in 1893, the per capita circulation of the United States was only about $19 to $20. Those who know anything know that values of property are affected by the volume of money in circulation and available; that these values are more affected by that than by any other one thing. When the money volume is too small, property values go down, and then again they go up in correspondence with any perceptible increase in the volume of currency. Not only are property values affected in this wise and from this cause, far more than from any other cause, but labor wages and industrial conditions are likewise affected and in like degree by the same cause.

Mr. GALLINGER. Has the Senator from Missouri any figures to show what the per capita circulation of money was in 1893, as compared with the preceding year? Was there an actual scarcity of money in that year?

Mr. STONE. Yes.

Mr. GALLINGER. Has the Senator from Missouri the figures to show that?

Mr. STONE. There was an actual scarcity of money. I have not at hand the exact information in official form which the Senator calls for. I have not at my desk at this moment the reports of the Treasury Department or the other available sources of information on this subject; but I did not suppose that that would be called in question. That, I assumed, was a matter of such common, acknowledged, and universal information that I did not suppose it would be called in question.

Mr. GALLINGER. I do call it in question, for I have every reason to know that there was not a shrinkage in the per capita circulation of money at that time.

Mr. STONE. The Senator says "a shrinkage." I am speaking of the actual amount available.

Mr. GALLINGER. Then, I will put it in that form.

Mr. STONE. The per capita circulation of the country——

Mr. GALLINGER. I put it in that way, for I have every reason to believe that there then was sufficient money to carry on the business of the country.

Mr. STONE. There may have been in New Hampshire.

Mr. SMITH of Michigan. There was more money then in circulation than ever before.

Mr. GALLINGER. The Senator from Michigan suggests that there was more.

Mr. STONE. I do not think so. I join issue on that.

Mr. SMITH of Michigan. There was more circulation per capita than ever before.

Mr. STONE. I join issue on that. The Senator says there was more money in circulation——

Mr. GALLINGER. If the Senator from Missouri will permit me, he calls attention to the difference which existed before the time that President Harrison went out of office. We all admit that the Senator has stated it substantially correct; but the Senator is doubtless very familiar with the platform adopted by the Democratic party on June 21, 1892, in which the threat was made, which every manufacturer in the United States understood to mean, that the protective principle would be absolutely withdrawn if the Democratic party came into power. The Senator knows that.

Mr. STONE. I know what the platform said.

Mr. GALLINGER. The Senator knows it.

Mr. STONE. I know the platform declared in favor of a tariff for revenue.

Mr. GALLINGER. Yes; and a little more than that. It declared that—

> The Federal Government has no constitutional power to impose and collect tariff duties, except for the purposes of revenue only.

Mr. STONE. I adhere to that.

Mr. GALLINGER. And the platform declared that it was unconstitutional to collect money for any other purpose.

Mr. STONE. I will ask the Senator from New Hampshire to state now if he believes that the Congress of the United States has the constitutional right to levy a tax purely for the purpose of protection and without reference to revenue?

Mr. GALLINGER. Certainly not; but I will say to the Senator from Missouri that I agree with Washington, with Jefferson, with Madison, with Monroe, and with Jackson, that we ought, in levying taxes, to take care of our manufacturing industries. The Senator from Missouri knows that. So I need not go into it.

Mr. STONE. Of course, I agree to that.

Mr. GALLINGER. That is exactly what the Democratic party denied in the platform preceding the election of Mr. Cleveland.

Mr. STONE. No; the Democratic party never denied that.

Mr. GALLINGER. Oh, yes; they did.

Mr. STONE. They never denied that any duty levied upon imports is, to the extent of that duty, a protection to American industries; and while we stand for the fundamental doctrine of a tariff for revenue, we are glad to give to American industries the benefit of that tax.

Mr. GALLINGER. I differ with the Senator from Missouri on that point; and I make the assertion that if $2 is a protective duty, $1 may be absolutely destructive to the protected interests of the country; that it is not necessary to go to absolute free trade, but that the moment we get beyond the protective point our manufacturing industries must go to the wall, because they can not compete with foreigners.

Mr. STONE. Well, a duty of a dollar levied upon a given article certainly is a protection to that extent. It might not, in the view of the Senator from New Hampshire, be a protection to the extent he desired. He would probably desire to exclude foreign competition altogether, or at least to cripple it as much as possible by the higher rate. But, Mr. President, I will not proceed further on this line, for I do not wish to become involved in the discussion of the details of a tariff policy.

Mr. GALLINGER. If the Senator will permit me, a duty is not any protection if it does not put us on an equal footing with foreign manufacturers. If it enables them to come into our market places and underbid us, then the so-called "protection" that the Senator speaks of is not any protection at all. We are at their mercy.

Mr. STONE. The Senator is still insisting upon an academic discussion.

Mr. GALLINGER. Not at all.

Mr. STONE. Yes. But let us be practical, rather than theoretical. Your platform proposed to levy a duty only high

enough to cover the difference in the cost of production abroad and in the United States and to assure a reasonable profit to the manufacturers. You declared that when that was done the duty was high enough, and Mr. Taft declared that anything beyond that was excessive. There is no use in theorizing or engaging in academic debate. You have yourselves established a rule to be followed in laying duties. You established a rule, but you do not adhere to it. As we pass along from one thing to another you hear arguments from that side to the effect that a given duty, estimated in accordance with the platform declaration, is not, in the language of the Senator from New Hampshire, sufficient "to put us on an equal footing with foreign manufacturers, and that, therefore, the so-called 'protection' is not any protection at all." Mr. President, I have shown in argument and by specific illustrations that the plan followed here is to impose duties not in accordance with the rule prescribed at Chicago, but to please the manufacturers and satisfy their greed. I have shown instances where the tariff not only covers every possible difference in the cost of production, but that under the tariff we now have the manufacturers were making a profit on their investment of from 20 to 30 per cent and over, and yet the Finance Committee are proposing in those very industries to increase the rates. I presume that that is being done on the theory of the Senator from New Hampshire. For myself, while intensely anxious to be in all things fair and just to the manufacturers, I desire also to be equally fair and just to the consumers.

TAXING POWER.

Mr. SUTHERLAND. Will the Senator permit me to ask him a question?

Mr. STONE. Yes.

Mr. SUTHERLAND. The Senator from Missouri has assailed the protective policy as being unconstitutional. Laying aside the power of the Government under the taxing clause of the Constitution, the Senator from Missouri will recognize that the Government of the United States is a sovereign Nation, having all the powers of any other sovereign nation.

Mr. MONEY. I deny that.

Mr. SUTHERLAND. And as such, may it not absolutely prohibit some particular class of goods coming in from a foreign country if it deems that their importation is harmful? If it may do that, may it not impose duties, or in any other way enact laws, that will prevent their coming in in such way as to be injurious to the United States or to the industries of the United States?

Mr. STONE. Mr. President, I think the Government of the United States is a Government of limited and delegated powers, and not of inherent powers.

Mr. SUTHERLAND. Mr. President, if the Senator will permit me right there, I agree with the Senator that the Government of the United States is a Government of delegated powers so far as its relations with the various States of the Union are concerned; but I deny that it is a Government of delegated powers when it comes to deal with a foreign nation. In our dealings with foreign nations, as I claim, the Government of the United States is a sovereign power dealing with foreign nations in its sovereign capacity, and not by virtue of its delegated powers.

Mr. STONE. Declining to be provoked into a protracted discussion of these old questions with the Senator from Utah, for that would divert me from my present purpose, I should like, nevertheless, to inquire of the Senator whether he agrees with his colleague, the Senator from New Hampshire [Mr. GALLINGER], that the Government of the United States can not pass a law imposing taxes solely for the purpose of prohibiting the introduction of foreign goods into the United States? Would such a law, so entitled, be a constitutional enactment?

Mr. SUTHERLAND. Yes, Mr. President, I think the Government of the United States has absolute power to prohibit the importation of goods from any particular country in the world that it sees fit to do. The Government of the United States has done that in the case of convict-made goods. We have absolutely prohibited the importation of convict-made goods from foreign lands; and that, if the Senator will permit me, illustrates very well the difference between what I may call the sovereign powers of the Government and the delegated powers of the Government. I think we can not prohibit the transportation of convict-made goods from one State to another, but I think that we have the absolute power to prohibit the importation of convict-made goods from a foreign nation, because in the latter case we are operating under the sovereign power of the United States, and in the other case, that of the transportation of goods among the States, we are acting under the delegated powers.

Mr. RAYNER. Mr. President, will the Senator from Missouri allow me?

Mr. STONE. I yield.

Mr. RAYNER. I should like to know whether the Senator from Utah means that we can use the taxing power to prohibit importations?

Mr. SUTHERLAND. I was not discussing the taxing power. I expressly stated——

Mr. RAYNER. Yes; but the Senator from Missouri was discussing the taxing power. He was not discussing the regulation of commerce.

Mr. SUTHERLAND. If the Senator from Maryland will permit me, the Senator from Missouri was asserting, as I understood him, that we have no power to protect the industries of this country by prohibiting the importation of goods from abroad. He was discussing it under the taxing power.

Mr. RAYNER. One moment——

Mr. SUTHERLAND. I was simply, if the Senator will permit me further, directing the attention of the Senator from Missouri to the whole power which the Government of the United States may exercise.

Mr. RAYNER. The point I want to get at is this: Does the Senator from Utah contend that we can levy a tax for the purpose of prohibiting importations? That is the question that I should like to have answered.

Mr. SUTHERLAND. I do, Mr. President. I contend that very thing.

Mr. RAYNER. Well, Mr. President, the Senator from Utah is against all the text writers on the subject.

Mr. SUTHERLAND. Well——

Mr. RAYNER. Just one moment upon that proposition.

Mr. SUTHERLAND. Let me say——

Mr. RAYNER. Let me just finish my statement.

Mr. SUTHERLAND. Very well.

Mr. RAYNER. The Senator from Missouri is not discussing the power of Congress to prohibit importations under the right to regulate commerce. That is an open question, and the authorities lean toward the proposition of the Senator from Utah; but the proposition that I assert—and I assert it now, because I intended to discuss it this afternoon, but I shall defer doing so until some other opportunity presents itself—is that we have no right to use the taxing power for the purpose of preventing importations or of prohibiting importations. The taxing power can not be used for any such purpose, and if upon the face of this bill, with hundreds of importations prohibited, you proclaim that you are using the taxing power for that purpose, this bill would be unconstitutional. In every case that has gone before the Supreme Court, they have said that they could not decide upon the constitutionality of the question, because the bill upon its face set forth that it was for the purpose of collecting revenue.

Now, before the Senator answers me, let me give him just a line or two upon this subject in the discussion of this proposition by one whom I consider the best text writer upon the subject, because it is not only said by him, but followed up by Cooley and substantially conceded by Story. He states the proposition thus, and I read from Tucker on the Constitution:

> What, then, does the power to regulate commerce mean?
>
> First. It does not mean the power to levy duties upon foreign imports, for the reasons already given; and these reasons are sustained by this additional observation: Suppose the Constitution had granted the power to regulate commerce and had not granted the power to tax, could Congress have taxed under the power to regulate commerce? Or, *e contra*, if the power to tax had been granted, but that to regulate commerce had been denied, could Congress, under the power to tax, have regulated commerce?

My proposition is this: That if you want to prohibit imports, you can prohibit them under the clause to regulate commerce. You need not say so; and there is where you are practicing a fraud upon Congress, upon the Constitution, and upon the Supreme Court; but when you levy a duty, you must levy that duty for revenue. The Supreme Court has stated that they can not hold any of these bills to be unconstitutionnl simply because they can not tell upon the face of them whether the duty is levied for revenue or not. If you would send to the Secretary's desk now—and I propose to do it when the opportunity presents itself—a bill which declared upon its face that a revenue duty was laid for the purpose of prohibiting importations and shown to the Supreme Court that that was the purpose of the measure, I assert now, without the fear of successful contradiction, that that bill would be an unconstitutional bill upon its face.

I have never heard that proposition contradicted. All the text writers—Cooley and all of them—agree upon that proposition. If you want to accomplish the prohibition of importations, you must do it under the right to regulate commerce. You can never abuse the taxing power of the Government for

the purpose of preventing and prohibiting importations; you must do it ostensibly for the purpose of collecting revenue. That was the decision in the great case of Fenno *v.* The Veazie Bank, in Eighth Wallace, which my friend from Utah will recollect.

Mr. SUTHERLAND. Mr. President, will the Senator from Missouri permit me just a word?

Mr. STONE. I yield to the Senator.

Mr. SUTHERLAND. I will not trespass upon the Senator's time, if he objects.

Mr. STONE. No; I will yield.

Mr. SUTHERLAND. I was not discussing the power of the Government of the United States under the taxing clause of the Constitution. The Senator from Maryland says that, when we prohibit the importation of goods from a foreign country, we are doing it under the commerce clause of the Constitution. I do not think so. The commerce clause of the Constitution gives Congress the authority to regulate commerce, not to prohibit it; and when we prohibit the importation of goods from a foreign country, my position about it is that we are proceeding under the sovereign powers of the Government of the United States, which powers are to be distinguished from the delegated powers.

Mr. RAYNER. Mr. President, there is no sovereign power in the Government of the United States. I emphatically protest against the assertion of such a proposition. There is no power in the Government of the United States except the power that is contained in the enumerated articles of the Constitution.

Mr. SUTHERLAND. I beg to differ with the Senator from Maryland——

Mr. RAYNER. The Senator——

Mr. SUTHERLAND. Just a sentence, and then I will close, because I realize that I am trespassing on the time of the Senator from Missouri.

I take the position that the Government of the United States possesses two classes of powers; namely, its delegated powers, in its operations among the various States of the Union, and its sovereign powers, which are the sovereign powers of any sovereign nation in the world.

Mr. RAYNER. Will the Senator from Missouri indulge me?

Mr. STONE. Certainly.

Mr. RAYNER. Does the Senator from Utah assert, for the first time in this Chamber (with one single exception, perhaps, and that is the senior Senator from Indiana, who has asserted that proposition), that there is any inherent power in the Government of the United States, or that it has any power whatever, except such powers as are contained in the Constitution and in the enumerated articles of the Constitution? Does the Senator pretend that we could even collect revenue, or that we could regulate commerce, or that we could do anything else, except in accordance with the enumerated powers of the Constitution?

The right to regulate commerce comes from no inherent power vested in the Government of the United States. The right to regulate commerce comes in pursuance of the provisions of the Constitution. The right to impose taxes, duties, excises, or imposts does not originate from any inherent power in the Government of the United States. It comes from the article of the Constitution that gives us that power; and now, if the Senator from Missouri will excuse me, before I resume my seat, I will quote four or five lines from perhaps the greatest text writer on this subject, to show that under the power to collect revenue you can not lawfully use that power for the purpose of preventing and prohibiting importations. I will quote this from Judge Cooley:

> Constitutionally a tax can have no other basis than the raising of revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is not to raise revenue, but to discourage and indirectly prohibit some particular import for the benefit of some home manufacturer, may well be questioned as being merely colorable, and therefore not warranted by constitutional principles.

And I want to call the attention of the Senator from Utah to this particular proposition. He says that as it is a duty from which revenue may be derived, the judicial power, where the motive of laying does not appear on the face of the act, can not condemn it as being unconstitutional, but it is none the less a violation of the Constitution by the legislator who knows its object, and levies the duty from a motive not justified by the Constitution.

Mr. MONEY. Will the Senator from Missouri permit me there?

Mr. STONE. Certainly.

Mr. MONEY. Mr. President, I do not want to intrude into this debate, except to say that if the argument of the Senator from Utah, that this Government has any sovereign or inherent powers is correct, then it was absolutely useless to delegate any powers to it. There would be an absolute absurdity in any convention delegating to the Government everything which it already had. If it was sovereign, it had all the powers of sovereignty. There is no difference in sovereign States, however small or however large they may be; they are exactly the same, and there can be no delegation of power where that power already exists.

Now, in answer to what the Senator from New Hampshire [Mr. GALLINGER] has said and what the Senator from Utah [Mr. SUTHERLAND] has said upon this subject, I want my friend, the Senator from Missouri, to read a quotation that I have here, which, however, is somewhat long, and I want to say that this is almost uniform with all the text writers—I believe all except one—and that I have selected it from Mr. Cooley, because he is not only one of the greatest jurists this country ever produced, and one of the clearest and most accurate in his expressions, but because he is a Republican, and his authority ought not to be questioned here. I will ask the Senator from Missouri if he is willing to incorporate this as a part of his remarks?

Mr. SUTHERLAND. Will the Senator from Missouri permit me to ask the Senator from Mississippi a question?

Mr. STONE. I will permit the Senator to ask a question, but it seems to me that I have been already overindulgent.

Mr. SUTHERLAND. The Senator has been very kind. I simply want to ask the Senator from Mississippi if the States of the Union, in forming the Constitution, reserved to the States any power to deal with foreign nations?

Mr. MONEY. If the Senator will read the ninth and tenth amendments to the Constitution, he will see that the powers not expressly delegated to the General Government are reserved to the States and the people thereof. That is the answer.

Mr. SUTHERLAND. The Senator does not quite answer my question.

Mr. MONEY. I thought I had completely answered the question, but I want to read more, if the Senator will permit me.

Mr. SUTHERLAND. Has any State in the Union the power to deal directly with a foreign nation?

Mr. MONEY. Nobody has contended so. That is not a question that can be properly raised here, for nobody has ever contended that it could. On the contrary, it is understood that their relations with foreign nations ceased, and they now act only through a certain form of government which they instituted for that very purpose, of communicating with foreign countries.

Mr. SUTHERLAND. Then, the States did not reserve that power?

Mr. MONEY. They did reserve all the power that is not given to the General Government.

Mr. STONE. Mr. President, I must decline to yield further. While this debate has been interesting and instructive, it has drifted entirely away from the line I was attempting to follow. I can not protract it, nor permit it to be done, or else my speech will get lost in the shuffle. However, as the Senator from Mississippi [Mr. MONEY] has handed me some matter taken from one of Judge Cooley's commentaries, with the suggestion that I read it and incorporate it in my remarks, I will pause long enough to do that before again taking up the original thread of my discourse. What I am about to read is a part of Chapter IV, beginning on page 57, of Cooley's Principles of Constitutional Law:

> THE PURPOSES.
>
> Constitutionally a tax can have no other basis than the raising of a revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is not to raise revenue, but to discourage and indirectly prohibit some particular import for the benefit of some home manufacturer, may well be questioned as being merely colorable, and therefore not warranted by constitutional principles. But if any income is derived from the levy, the fact that incidental protection is given to home industry can be no objection to it, for all taxes must be laid with some regard to their effect upon the prosperity of the people and the welfare of the country, and their validity can not be determined by the money returns. This rule has been applied when the levy produced no returns whatever, it being held not competent to assail the motives of Congress by showing that the levy was made not for the purpose of revenue, but to annihilate the subject of the levy by imposing a burden which it could not bear. (Veazie Bank *v.* Fenno, 8 Wall., 533.) Practically, therefore, a law purporting to levy taxes, and not being on its face subject to objection, is unassailable, whatever may have been the real purpose. And perhaps even prohibitory duties may be defended as a regulation of commercial intercourse.
>
> LEVIES FOR PRIVATE PURPOSES.
>
> Where, however, a tax is avowedly laid for a private purpose, it is illegal and void. The following are illustrations of taxes for private purposes: A tax levied to aid private parties or corporations to establish themselves in business as manufacturers (Loan Association *v.* Topeka, 20 Wall., 655, 663; Allen *v.* Jay, 60 Me., 124); a tax to supply with provisions and seed such farmers as have lost their crops (State *v.* Osawkee, 14 Kans., 418); a tax to build a dam which, at discretion, is

to be devoted to private purposes (Attorney-General *v.* Eau Claire, 37 Wis., 400); a tax to refund moneys to individuals which they have paid to relieve themselves from an impending military draft (Tyson *v.* School Directors, 51 Penn. St., 9; Crowell *v.* Hopkinton, 45 N. H., 9; Usher *v.* Colchester, 33 Conn., 567; Freeland *v.* Hastings, 10 Allen (Mass.), 570; Miller *v.* Grandy, 13 Mich., 540); and so on. In any one of these cases the public may be incidentally benefited, but the incidental benefit is only such as the public might receive from the industry and enterprise of individuals in their own affairs and will not support exactions under the name of taxation.

But, primarily, the determination what is a public purpose belongs to the legislature, and its action is subject to no review or restraint so long as it is not manifestly colorable. All cases of doubt must be solved in favor of the validity of legislative action, for the obvious reason that the question is legislative, and only becomes judicial when there is a plain excess of legislative authority. A court can only arrest the proceedings and declare a levy void when the absence of public interest in the purpose for which the funds are to be raised is so clear and palpable as to be perceptible to any mind at first blush. (Broadhead *v.* Milwaukee, 19 Wis., 624, 652; Cheaney *v.* Hooser, 9 B. Monr. (Ky.), 330, 345; Booth *v.* Woodbury, 32 Conn., 118, 128; Hammett *v.* Philadelphia, 65 Penn. St., 146; Tide Water Co. *v.* Coster, 18 N. J. Eq., 518.)

Where a law for the levy of a tax shows on its face the purpose to collect money from the people and appropriate it to some private object, the execution of the law may be resisted by those of whom the exaction is made; and the courts, if appealed to, will enjoin collection, or give remedy in damages if property is seized. But if a tax law on its face discloses no illegality, there can, in general, be no such remedy. Such is the case with the taxes levied under authority of Congress; they are levied without any specification of particular purposes to which the collections shall be devoted, and the fact that an intent exists to misapply some portion of the revenue produced can not be a ground of illegality in the tax itself. In cases arising in local government an intended misappropriation may sometimes be enjoined; but this could seldom or never happen in case of an intended or suspected misappropriation by a State or by the United States, neither of them being subject to the process of injunction. The remedies for such cases are therefore political, and can only be administered through the elections.

AVERAGE AD VALOREMS.

Mr. President, I will now return to the line of discussion I was following when interrupted. I was then endeavoring to show that the panic of 1893–1897 was not due to the so-called "Gorman-Wilson bill," but was chiefly due to the financial or monetary conditions prevailing at that time. I said, and I repeat, that the Gorman-Wilson bill was essentially a protective measure. It certainly was not a purely revenue measure. It ranked well among the highest protective laws we had ever had up to that time.

I sent down the other day to the Bureau of Manufactures asking to be furnished with the ad valorem rate of duty charged and collected on dutiable importations during the existence of the law of 1883, during the McKinley Act, during the Wilson Act, and during the Dingley Act, with the average of the duty for the different years covered by the different laws. According to the statement furnished me, the average duty paid on dutiable imports between 1884 and 1890, under the act of 1883, covering a period of seven years, was 45.18 per cent; under the McKinley Act, from 1891 to 1894, the average on dutiable imports was 48.67 per cent; under the Gorman-Wilson Act, from 1895 to 1897, the average on dutiable imports was 41.29; and under the Dingley Act, from 1898 to 1906, the average was 48.64 per cent.

So it will be observed that there was only a slight difference in the average ad valorem rate collected under the act of 1883 and the average collected under the Gorman-Wilson Act. This plainly shows that all of these laws were essentially protective, and that fact will become all the more evident if you compare any of these laws with the previous protective-tariff laws enacted by Republican Congresses.

And so I reassert, and am well justified in doing it, that the depression and stagnation of business in 1893–1897 was not the result of "Democratic free trade," as Republicans so persistently and foolishly insist, but was due to an inadequate supply of available money to accommodate the business needs of the country. Money was scarce, the rates of interest high, industrial activity was limited, business enterprise made difficult, if not impossible, and the people generally were forced to incur a vast burden of indebtedness. Nothing better illustrates this contention than the fact of that widespread and almost universal individual indebtedness of the people.

Mr. President, there has never been a time in our history when the people of the country everywhere, in all the States, were so weighted with individual indebtedness as they were when Mr. Cleveland took his oath of office in 1893. And this indebtedness was for the most part incurred, and it grew with amazing rapidity, during the prevalence of Republican tariff laws and when the Republican party was in control of the machinery of government.

If we examine the census of 1880, we will find that the number of mortgages then in force was 2,587,610, securing an indebtedness of $2,494,870,088. In ten years, from 1880 to 1890, while high protective laws enacted by a Republican Congress were still in force, the private mortgage indebtedness of the people—I am speaking now of real estate mortgage indebtedness, not other descriptions of personal indebtedness—increased in the number of mortgages from 2,587,610 to 4,770,698, and the amount of the debts secured increased from $2,494,870,088 to $6,019,679,985. The increase in the number of mortgages in ten years was 84.64 per cent, and the increase in the amount of the debts secured during this halcyon decade of supreme Republican control was 141.28 per cent.

And, Mr. President, here is another startling fact which throws further and additional light upon the situation: When Mr. Cleveland became President in 1893, 60.32 per cent of the entire acreage of the State of Kansas was under mortgage; 54.73 per cent of the entire acreage of Nebraska was under mortgage; 51.76 per cent of the entire acreage of South Dakota was under mortgage; 46.95 per cent of the entire acreage of Iowa was under mortgage. And other States—many of them—were in substantially the same condition. The States I cite are but examples; they are not exceptional. Moreover, even before the date of Cleveland's inauguration 28.80 per cent of the entire acreage of the United States, or more than one-fourth, was under mortgage—that is, lands outside of towns and cities—and 23.99 per cent of all the town and city lots of the United States were under mortgage.

And now let me say a word as to the per capita of private indebtedness at that time and give some striking examples: Excluding Los Angeles and San Francisco, the per capita indebtedness of California at that date was $192, and in Los Angeles and San Francisco the per capita indebtedness was $215. The per capita in Colorado, outside of Arapahoe County, in which Denver is located, was $134, and in Arapahoe County $360. The per capita in Illinois, outside of Cook County, was $73; in Cook County, embracing the city of Chicago, it was $161. The per capita in Minnesota, outside of Hennepin and Ramsey counties, embracing Minneapolis and St. Paul, was $90, and in the two counties named, $337. The per capita in Nebraska, outside of Douglas County, or Omaha, was $117, and in Douglas County, $171. In my own State, outside of St. Louis and Jackson County, in which Kansas City is located, the general per capita indebtedness was $49, and in those cities it was $184.

These official figures, taken from the census, are illustrative of a general and widespread condition and show how the people had become engulfed and overwhelmed by an enormous individual indebtedness.

Now, I ask, if the protective tariff is such a blessing, such a sure harbinger of sunshine and prosperity, and such a sure bulwark of industrial safety, how did it happen that the American people became so terribly, almost hopelessly, involved in debt? One would suppose, to hear Senators upon the other side talk, that when we have a protective tariff shadows over the industrial world and obstacles in the way of industrial progress are impossible.

Mr. GALLINGER. Has the Senator figures which will show whether there was a reduction or an increase in mortgages during the continuance of the Wilson tariff law?

Mr. BEVERIDGE. I was just going to ask that question.

Mr. STONE. I have not that data in a way to be furnished in official form.

Mr. GALLINGER. I think it is fortunate the Senator has it not, for his side of the argument.

Mr. STONE. No; it would not be unfortunate. I have no doubt, Mr. President, that the amount of mortgage indebtedness was increased during the Cleveland administration. It had been increasing year after year for a long period.

Mr. GALLINGER. What does the Senator have to say about the result of the McKinley tariff law in that matter? Were the mortgages increased or reduced during the "McKinley law," so called?

Mr. STONE. My statement has been made already that it was during the prevalence of Republican tariff laws, running from 1883, and back of that, up to the date of Mr. Cleveland's second term, that this enormous indebtedness was accumulated.

Mr. GALLINGER. Mr. President, I will ask the Senator another question. Will not the Senator agree with me that indebtedness oftentimes comes from an undue expansion of business? I have in mind a community in my own State in which almost every house is mortgaged, and yet it is a prosperous community, for the reason that young men have purchased houses and have mortgaged them and are paying for them as fast as they can. May it not be that our farmers and others purchased additional land, and it was a prosperous time for the workingman the country over, and that this indebtedness to some extent was due to that fact?

Mr. STONE. The farmers are still buying and always have in the past bought additional land, and men have purchased lots and built homes. That has been common throughout our

history. But I can not concede that during the decade following 1880 there was such an expansion of business out in Kansas and Nebraska, Missouri and Illinois, and other States, that the mortgage indebtedness on town lots, business lots, business houses, and on farms would grow on account of "business expansion" nearly 150 per cent.

Mr. GALLINGER. Mr. President, then again——

Mr. STONE. And, if the Senator will pardon me, if the effect of a high tariff is to so expand business that the people of necessity must burden themselves with oppressive debts, I can not regard it as a blessing. I can not subscribe to the notion that widespread indebtedness is a sign of prosperity. If that be so, then the people who owe the most should esteem themselves the happiest and most fortunate of men.

Mr. GALLINGER. Well, Mr. President, I quite agree with the Senator on that point, but I do not agree with him in his conclusion that it is at all due to the tariff laws. Then again, these mortgages, I suppose, were held by citizens of the United States who advanced the money.

Mr. STONE. I think some of them were, of course.

Mr. GALLINGER. Most of them.

Mr. STONE. I should think so. I know, if the Senator will pardon me, that in my State during that period the great insurance companies of the East, and other large financial interests of that section, which was then as now the most fortunate section of the Union, loaned money to our people, and I know also that to some extent similar concerns in Europe loaned them money.

Mr. GALLINGER. I did not suppose that to any considerable amount farm mortgages or mortgages on city property were held by foreigners. I think that must be a mistake.

Mr. STONE. I do not know to what extent.

Mr. GALLINGER. What I wanted to emphasize was that, after all, we had the money in the country and we loaned it to the Western farmer and the Western merchant, who was perhaps expanding his business and trying to be more prosperous than he had been previous to that time.

Mr. BURKETT. Mr. President, will the Senator permit me to make a suggestion? It seems to me the point the Senator from New Hampshire suggested, and which the Senator from Missouri rather denied, that the matter of extending credit and increasing loans is necessarily a sign of good times, is absolutely correct.

Mr. GALLINGER. It ought to be so.

Mr. BURKETT. In fact, more of the business of the world is done on credit than is done on cash. Our credit is as much of an asset as cash. Let me say that previous to the time when Cleveland was President it was possible for a man to use his credit and pay interest on it, but the trouble was that after they had borrowed the money and bought farms, when they could pay interest on their credit and still have something left and finally own the farm, the Democratic administration came in and the prices went down and they could not pay the interest on their loans.

Mr. STONE. The prices were already down.

Mr. BURKETT. In Mr. Cleveland's term they did reduce the number of mortgages, but they reduced them by foreclosure, and Congress reduced the indebtedness of those people by passing a bankruptcy law to get them out of debt, as a result of the four years of Grover Cleveland's administration.

The fact that they could do business on their credit previous to the time when Mr. Cleveland became President indicated a very good condition of affairs, and it exists to-day, let me say to the Senator. To-day the price of corn, wheat, and oats, and the other things we produce in Nebraska, Missouri, or Iowa, is enough to warrant a young man, or an old man, who has not the cash to buy a farm, to go out and get credit upon that farm and put his name on a loan and agree to pay interest, realizing that if those times continue he can pay the interest, and he can live on his own farm and ultimately make the farm clear of debt. But let conditions come as they did from 1893 to 1897, and the same conditions prevail that prevailed then, and they will only get out of their indebtedness by foreclosing the mortgages and by Congress passing a bankruptcy law to relieve them of their individual indebtedness.

Mr. STONE. Mr. President, we have had more than one bankruptcy law. Republicans have passed bankruptcy laws to meet conditions arising when they were in power, and the bankruptcy courts were busy in those days, as they still are. It is a very common argument, if, indeed, it can be dignified as such, which the Senator from Nebraska makes. One might suppose from what he says that the owner of a farm or a house in town could not borrow money on his property during the Cleveland administration. Of course the assumption is absurd, but it is with just such absurdities that such orators seek to beguile the people. You could borrow money then, if your security was ample, just as you could during the Harrison administration or at any other time. There was no trouble about that. I have no doubt about conditions remaining substantially the same during the Cleveland administration as they were when he was inaugurated, with a somewhat constant accentuation of industrial distress. That was inevitable; for, unfortunately, the Harrison policies were substantially continued during Cleveland's term. One might suppose from the Senator's observations that there were no mortgages foreclosed until Cleveland became President. But everybody knows that that is also an absurdity. What is the need of making such statements on the floor of the Senate or elsewhere? I say it is an absurdity and is contradictory to what every intelligent man knows to be the truth.

Mr. BURKETT. Will the Senator yield to me?

Mr. STONE. Yes; the Senator does not want to make a speech? I want to conclude.

Mr. BURKETT. I was just going to reply to the suggestion that one could borrow money; that is all.

Mr. STONE. Does the Senator say that money could not be borrowed then?

Mr. BURKETT. Let me suggest to the Senator that if he had permitted me, I would have read to him from Democratic sources and further convinced him of the condition of affairs. When Mr. Cleveland was elected in the fall of 1892, things were going along in a prosperous condition.

Mr. STONE. That I deny.

Mr. BURKETT. I know the Senator denies it, and he refused to let me read from half a dozen Democratic papers and from Democratic statements to prove my statement.

Mr. STONE. I did refuse to let you read from a lot of newspapers.

Mr. BURKETT. Let me say that credit got into such a condition that it was impossible not only to borrow money or to renew loans, but factories at once began to close down. I will tell the Senator of one in my own home town, one of the most important we have in the city of Lincoln. It was doing a most prosperous and thriving business. Like most manufactories of any importance, it had its capital borrowed. After that election the men who held their loans told them they wanted them to pay some on it, just the same as they did all over the country, and within a year from that time that institution, which was doing a thriving and prosperous business, not only could not borrow the money to extend its business, but it was absolutely closed out, and the stock was sold out in order to pay the loan that it did have. That was the condition. If the Senator will allow me, I can read him of 47 separate manufacturing institutions of the United States that closed down within twelve months of the time when Mr. Cleveland was elected, because they could not renew their loans.

Mr. STONE. The request of the Senator is as unreasonable as his statement. Because one concern in his town went into bankruptcy or was closed down and sold out during the Cleveland administration, therefore it follows that the Cleveland administration was responsible for it.

Mr. BURKETT. They closed down in this country on an average of 15 a day during the months of January and February in the next year after Cleveland became President.

Mr. STONE. Being from Missouri, I would want to be "shown" about 15 concerns being closed down in Lincoln. It could not have run at that rate many days until Lincoln would have been wiped off the map.

Mr. BURKETT. Oh, no; the Senator did not understand me. I said in the country.

Mr. STONE. It has become a habit for Senators upon the other side to make just such exaggerated statements as that the Senator from Nebraska has made. Recklessness of assertion is a common thing with them. They seem to think that all they have to do is to assert something and stick to it. The Senator from Nebraska is just enthusiastic and exuberant; that is all. He has made statements that he must know are not justified by the facts of history. And then he complains because I will not let him read into my speech extracts from some 40 Democratic papers, as he says, to prove something he wants to prove, I know not what.

FIGHT OF 1896.

Mr. President, the fight that the Democrats made in 1896 was not so much for silver as it was to increase the volume of currency, from the lack of which the country was suffering, and which was the prime cause of the industrial depression then prevailing, and of the oppressive indebtedness that weighted

the people. I will not now discuss that old coinage question, although, I will say, I believe as much to-day as I ever did that under the conditions then existing the Democratic party was absolutely right in its proposition. We were seeking to increase the amount of available money for the uses of the people, and at that time there was apparently no other way of doing it. Our contention was that if the amount of money should be increased to an adequate supply, enterprise would be revived, industrial activity restored, workmen given employment, and that the general conditions of the country would be improved.

Mr. President, we were defeated. The Republicans had their way; but the Lord was kinder than they. There was a tremendous demand for gold. The enormous pressure upon that metal had so augmented its value that men were stimulated to go out into the world everywhere and search for it, and they found it. The discoveries were phenomenal, surpassing anything in the history of the world. New discoveries were made in our own mountains and in the mountains of the countries to the south, and were made in Alaska, in Australia, and in Africa. Gold was found all over the world—found in granite walls and in the sands of the sea. The increase in the gold supply of the world since the election of McKinley in 1896 is phenomenal. It furnishes a chapter in history without a parallel. The world's gold production in 1893 was $157,494,800; in 1900 it was $254,576,300; and in 1906, $400,342,100, or two and one-half times as much as it was when Cleveland took his oath of office in 1893. In consequence, our circulation grew rapidly. The larger part of this gold went into the coinage of the world, and no part of the world received more than the United States. The aggregate of our money volume has been practically doubled, and our per capita circulation has increased approximately 60 per cent, and this notwithstanding the increase in our population. What was the result? As the money volume grew, property values advanced; enterprise awakened; industrial activity revived; labor found employment; and the clouds that hung over us began to break and disappear. What we said would happen with an increased supply of money did happen. Our contention has been vindicated. Industrial revival did not come from the Dingley bill, but from the gold miner and the mint. Tariffs neither make nor prevent panics. If a high tariff is a panic preventive, how shall we account for the panic of 1907? Shall we lay the blame of that to the Dingley law? You lay the blame of the previous panic to the Wilson law. What is the difference? The Dingley law was in full force in 1907, as it is to-day, and yet, with this law in operation, one of the most disastrous panics known to our history has swept the country. Do you require witnesses as to the disastrous effects of this panic? Then call the transportation companies of the country and have them tell you of the tens of thousands—may I not say, hundreds of thousands—of empty cars. My friend here from Oklahoma [Mr. GORE] says there were 340,000 empty cars lying idle on side tracks or in the yards of the companies.

Call the industrial establishments, whose furnace fires were extinguished, whose industries were stagnated, and whose workmen were sent adrift with little money in their hands and less hope in their hearts. Call the mining companies and examine them. And call the merchants and bankers, hundreds of whom went into the hands of receivers. Look at the long, dull, plodding, profitless months of that panic. Call the wage-earners and inquire of them. There were not only thousands, but millions of them idle. Mr. Samuel Gompers, the head of the American Federation of Labor, stated in his official paper and in his speeches that from reports sent to him from the labor organizations scattered throughout the country he was prepared to say that at least 2,000,000 wage-earners had lost their employments and were wandering over the country, vainly seeking for something to do to earn an honest wage wherewith to feed themselves and their dependents. And yet, Mr. President, in the face of all this, Senators stand here and talk of prosperous times under Republican tariffs, and wail over the Gorman-Wilson law as the provoking cause of the panic of 1893. Mr. President, it is astounding that intelligent and honorable men can stand up, look you in the face, and say such things in broad daylight.

Mr. President, there were one or two other things I intended to advert to, but I have already occupied so much time and I feel so much fatigued that I will close, although it be somewhat abruptly, at this point. A little later on I may renew the discussion with my friends over there.

The VICE-PRESIDENT. The question is on agreeing to paragraph 215 as amended.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will read the next paragraph passed over.

The SECRETARY. The next paragraph passed over is No. 216.

Mr. McCUMBER. I ask that that paragraph be passed over until the chairman of the committee arrives.

The VICE-PRESIDENT. The Chair thinks that paragraph 216 has been agreed to.

Mr. McCUMBER. There is an amendment to that paragraph.

Mr. ALDRICH entered the Chamber.

Mr. McCUMBER. I now withdraw the request that the paragraph be passed over.

The VICE-PRESIDENT. The question is on agreeing to paragraph 216.

The paragraph was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is No. 217. On page 74, line 17, the Committee on Finance propose to strike out the colon after the word "pound" and the proviso.

The VICE-PRESIDENT. The question is on the amendment proposed by the committee.

Mr. DANIEL. I should like to hear the proviso which the committee propose to strike out read, Mr. President.

The VICE-PRESIDENT. The Secretary will state the amendment in full.

The SECRETARY. On page 74, line 17, after the word "pound," it is proposed to strike out the colon and the words:

Provided, That on filler tobacco produced in or imported from countries that prohibit the importation of tobacco from this country, the duty on such tobacco shall be, if unstemmed, 75 cents per pound, if stemmed, $1 per pound.

The VICE-PRESIDENT. The question is on the amendment proposed by the Committee on Finance.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over was paragraph 218.

The VICE-PRESIDENT. Without objection, the paragraph will be agreed to. It is agreed to. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over was paragraph 219.

The VICE-PRESIDENT. A pro forma amendment to that paragraph was agreed to. Without objection, the paragraph will be agreed to as amended.

Mr. DANIEL. I should like to have it read, Mr. President.

The VICE-PRESIDENT. The Secretary will read paragraph 219.

The Secretary read as follows:

219. All other tobacco, manufactured or unmanufactured, not specially provided for in this section, and scrap tobacco, 35 cents per pound.

The VICE-PRESIDENT. Without objection, the paragraph as amended will be agreed to. It is agreed to. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over was paragraph 220.

The VICE-PRESIDENT. Without objection, paragraph 220 is agreed to. It is agreed to.

Mr. DANIEL. I will not ask that that paragraph be read, Mr. President, because I have it before me.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over was paragraph 221.

The VICE-PRESIDENT. Without objection, paragraph 221 is agreed to.

Mr. DANIEL. Mr. President, I should like to call attention to that paragraph and its reading. It reads:

221. Cigars, cigarettes, cheroots of all kinds, $4.50 per pound and 25 per cent ad valorem, and paper cigars and cigarettes, including wrappers, shall be subject to the same duties as are herein imposed upon cigars.

I should like to inquire if the chairman of the committee can inform me why paper cigars and cigarettes, including wrappers, shall be subject to the same duties as are imposed upon cigars? Why should paper cigars and tobacco cigars and cigarettes have the same tax?

Mr. ALDRICH. Will the Senator from Virginia suggest why they should not?

Mr. DANIEL. They are different substances which you are taxing—one is tobacco and the other is paper.

Mr. ALDRICH. Oh, no; only the wrapper is paper.

Mr. KEAN. Only the wrapper is paper.

Mr. DANIEL. I understand that; but why should a paper wrapper be taxed like a tobacco wrapper? I will say, for instance, that a manila wrapper——

Mr. ALDRICH. This has always been the law, and I think it is to the interest of the American producer, as it is intended to be.

Mr. TALIAFERRO. I should like to know what is meant by "paper cigars." The paragraph goes on and says, "including wrappers." Is there any such thing as a paper cigar? That is the point to which the Senator from Virginia [Mr. DANIEL] was calling attention.

Mr. ALDRICH. "Including wrappers." It does not say "paper wrappers."

Mr. DANIEL. I understand; but it says "paper cigars."

Mr. TALIAFERRO. What are paper cigars?

Mr. ALDRICH. They are cigars made of tobacco with paper wrappers.

Mr. DANIEL. That is my understanding.

Mr. TALIAFERRO. It says, "paper cigars and cigarettes, including wrappers."

Mr. ALDRICH. These are paper wrappers, or the language is "including wrappers." That is the exact language of every act which has been passed for a great many years. It is simply to keep out the paper cigars, if you please, and put a duty upon them to make it impossible to import them.

Mr. DANIEL. I should like to have a "paper cigar" defined, if the Senator can define it.

Mr. ALDRICH. In the act of 1890 the same language was used; in the act of 1894 the same language was used; and in the act of 1897 the same language was used.

Mr. DANIEL. We might have used it a thousand times and still not know the meaning of it. The question is what it means.

Mr. ALDRICH. Both of the Senators come from tobacco States, and ought to know the meaning of it.

Mr. DANIEL. I should, if we made paper cigars down there. I want to understand it.

Mr. ALDRICH. It probably is intended to be a prohibitory duty on paper cigars.

Mr. DANIEL. But what is a "paper cigar?"

Mr. ALDRICH. A cigar made of tobacco with a paper wrapper, which is to pay the same rate of duty that it would if it had a tobacco wrapper. That means that they can not be imported. It is entirely in the interests of American producers of cigars.

Mr. TALIAFERRO. As the Senator from Rhode Island suggests, I come from a cigar State, but I confess that I have never before heard of a "paper cigar." I imagine that the idea of the Senator from Rhode Island was that this language meant tobacco cigars with paper wrappers. If that is the meaning, I do not see why the bill should not so express it.

Mr. ALDRICH. The Senator has heard of paper cigarettes?

Mr. TALIAFERRO. Never. I have heard of cigarettes with paper wrappers.

Mr. ALDRICH. That is what is intended here—what are technically and commercially known as "paper cigarettes."

Mr. SCOTT. Mr. President, I find in the Wilson law, in paragraph 188, the exact language which is used in this bill.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over was paragraph 226.

The VICE-PRESIDENT. Is there objection to agreeing to the paragraph as amended? The Chair hears none. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over was paragraph 227, to which the Committee on Finance report an amendment, on page 76, line 20, to strike out the word "twenty-four" and insert "thirty."

Mr. McCUMBER. Mr. President, I have passed by, not without some impatience, I will confess, frequent attacks on the duty on cereals—wheat, oats, barley, and so forth. I deemed it more proper to answer those attacks when the subject should be under discussion. The expressions indicated to me that they were made with very little understanding or study of the subject.

I want to speak a very few minutes upon the subject of the duty upon cereals, whether such duty is necessary, and if any duty should be levied, the extent of that duty.

No man can make a just claim to statesmanship who fails to look not only at conditions as they exist to-day, but as they will in all probability exist to-morrow or in the immediate future; and he who fails to calculate the conditions under which the law is to operate in the immediate future, but blindly enacts just for to-day, can hardly be said to represent a progressive people.

That want of foresight, with its attendant evils and extravagances, is manifested in our public-building appropriations, where our structures have to be almost rebuilt in most instances in from five to ten years. They are built for to-day and not for the growing demands of our business and our people.

We are making this tariff with the hope and the expectation that it will continue in force for at least a decade. I know our friends on the other side say they will revise it themselves in less time than that. I am not prepared to say they are not right. I sometimes think that the American people have got to learn a fearful lesson about every fifteen years in order to bring them back to safe, economic principles.

But I hope we shall not have to take another lesson such as we had during the last anti-Republican administration. The punishment is altogether too severe for the mild offense of lack of memory or good judgment.

Anyway we should start this bill as near right as our conflicting views will allow us and with the idea that it will last for ten years. If I thought it would be materially revised in a year or two, I should not concern myself much about any raise on any agricultural product. But if I think it will last ten years, and I make no provision for the rapid changes that are taking place, I certainly shall fail to properly represent the people of my State during that time.

To-day we are exporting wheat, oats, barley, and rye. Eleven years from to-day, in 1920, we shall in all probability not be exporting a bushel of either of these cereals. The last year we raised about 650,000,000 bushels of wheat, and western Canada, adjoining my State and the western part of the United States, raised about 125,000,000 bushels. Ten years from to-day we may maintain our production of wheat to, say, 650,000,000, possibly 700,000,000, bushels, and by that time Canada, immediately north of the United States, will probably raise from five hundred to seven hundred million bushels of wheat.

What will happen then? We shall be importing wheat in less than ten years, and on the other side of an imaginary line six hundred to seven hundred million bushels of Canadian wheat will be ready to find its nearest market in the United States. Then, in my judgment, not even a duty of 30 cents a bushel is going to keep it out of the United States, and there will be a considerable importation to this country.

The value of wheat will steadily increase as the population increases, and the ratio of production of wheat to population will decrease as the population increases. Therefore 25 cents per bushel at that time will, in my opinion, not be adequate protection.

Now, I want to call the attention of Senators to a map [exhibiting] of the United States and Canada, and probably I can give them something of an idea of what the wheat production of western Canada will mean before 1920. I will draw a line on the east side of my own State [indicating], parallel with the Red River of the North, and will continue it down to the Gulf of Mexico on the south, and on the north to the Arctic Ocean. West of that line will be found nearly two-thirds of the entire territory of the United States, and west of that line in Canada will be found more acres that will produce grain and cereals of all kinds than can possibly be found in the United States west of that line. Here is a tract of country [indicating], about 1,200 miles by 800 miles, interspersed with lakes, rivers, and small bodies of timber, nearly ever acre of which, outside of the small mountainous portion, is capable of producing all kinds of cereals except corn, and probably that can be raised in some sections. As far north as the sixtieth parallel of latitude [indicating] grain is being raised to-day, and wheat is being raised fully 100 miles north of that line.

I have lately been over that country. I know something about it. I know that the rainfall is a great deal more than it is on the American side west of that vast section and east of the mountains. I do not believe that the soil has the lasting quality of the soil in the United States, but I do know that in less than twenty years this section of Canada will be the wheat granary of the entire world, and I believe that in making this tariff we should take into consideration this most important fact.

Only a very small portion of this entire tract is at present under cultivation. I believe that in 1908 the report of Mr. Young, superintendent of railway lines in Canada, showed that about 120,000,000 acres of this land were then occupied and that about 8,000,000 acres were under cultivation.

I want to call attention to another fact, and that is that all of the great transcontinental lines of Canada are crossing this section and are building their spurs on both sides for hundreds of miles. Here [indicating] is the Canadian Pacific traversing it; here [indicating] is the Grand Trunk, reaching far to the north; here [indicating] is the Canadian Northern traversing the same section; and every one, with their smaller lines or feeders,

is bringing every section of this country convenient to railways. So, Mr. President, we may reasonably expect that in less than ten years there may be raised as much wheat in this great Northwest as there is raised in the United States.

A number of Senators have reiterated several times that the farmer can not be benefited by a duty on his products so long as he is exporting them; but, Mr. President, any man who has lived in my State for the last ten or twelve years and on one side of an imaginary line has regularly seen the price of wheat from 12 to 22 cents a bushel more than it is upon the opposite side of that line is pretty well convinced that there is something in the matter of American protection—that he does get protection.

I wired a few days ago to a place in North Dakota called "Pembina," which is on the Canadian border line, opposite to Emerson, in Manitoba, to get the price of grain at those two points—and remember that all of this time both the Canadian and American grain were being exported. I received a telegram in reply giving the respective prices for October in each year from 1904 and 1908, inclusive. In 1904 the American price was $1 and the Canadian price 78 cents, or 22 cents a bushel in our favor; in October, 1905, the Pembina price was 70 cents and the Emerson price 64 cents, or 6 cents a bushel in our favor; in 1906 the Pembina price was 65 cents and the Emerson price 59, or 6 cents in favor of the American side; in October, 1907, the Pembina price was $1.04 and the Emerson price 94 cents, or 10 cents in our favor; and in October, 1908, the Pembina price was 93 cents and the Emerson price 81 cents, or 12 cents a bushel in favor of the American side.

Mr. President, those are the conditions when we are raising wheat for export; but I want to show now that it will be impossible for the American people to be exporting in 1920. Let us see whether I can establish that fact beyond any reasonable doubt.

What will our population be in 1920, or eleven years from to-day? I have made a careful estimate, and have taken the estimates made by others who have given the subject considerable attention, and the estimate is that in 1920 our population will be about 117,000,000 people, at the present ratio of increase, taking into consideration a reasonable immigration from Europe.

The average yearly consumption of wheat varies considerably, dependent upon industrial conditions of the country. Under normal conditions we use for seed and bread about 7 bushels per capita; under the conditions that existed from 1893 to 1897 the consumption outside of seed was only about half of the usual consumption.

With a population of 117,000,000 we will need, in 1920, to feed our own people and for seed 819,000,000 bushels of wheat. Where are we going to get that? Where are we going to raise it? We must remember that, while we have been increasing our acreage very rapidly year by year, we have nearly reached the limit of our public land, and we are now having to depend upon irrigation and other processes, and probably in five years all the public lands upon which we can raise crops without irrigation will be entirely in private ownership.

With a growing population, our old lands can not raise wheat year after year; their acreage is demanded for other purposes, and even if that were not true the soil would be so soon exhausted that we would be compelled to raise other crops. It is fair to say, then, that our present average capacity is 650,000,000 bushels. With increasing population will necessarily come an increased production, but not in the same proportion, as I have stated. We grew 504,185,470 bushels of wheat in 1882, when our population was a little over 52,000,000 people, and 634,087,000 bushels in 1907.

The wheat yield since 1882, during the years when much of the new lands in the West were being brought under the plow, advanced a little over 25 per cent, while the population increased 33,000,000 in that time, or over 63 per cent. So, Mr. President, we will observe that while the acreage and the production may increase for the next ten years at the rate of 10 or 15 per cent, the population will increase four or five times as much, so that, necessarily, we will not be a wheat-exporting country by 1920.

Now, what influence has the tariff upon the question of the value of wheat in the United States? I want to show you just what the immediate result is the moment that our crops get the least bit short.

I want to call the attention of Senators to one fact, and that is in 1904 we had what we called a short crop in the United States, and I want to show the difference in importations and in prices due to that fact. The difference in price, as I have shown you, was 22 cents a bushel between two points on opposite sides of the boundary line.

I will take the importations of wheat, and here insert a table of importations:

Wheat.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Bushels.	*Dollars.*	*Dollars.*	*Dolls.*	*Per ct.*
1894	25 cents per bushel	2,742.35	3,010.86	685.58	1.10	22.77
1895	do	1,253	1,448.50	313.25	1.16	21.63
1896	20 per cent	18,771	11,658.92	2,331.77	.62	20.00
1897	do	26,935.84	9,503.12	1,901.20	.352	20.00
1898	do	4,909.09	3,289.08	657.81	.67	20.00
	do	63	32.00	6.40	.508	20.00
1899	25 cents per bushel	9,824	7,793.08	2,455.85	.793	31.52
1900	do	5,594.34	7,225.85	1,398.53	1.29	19.35
1901	do	3,451.88	4,705.87	892.97	1.36	18.34
1902	do	5,409.14	5,681.11	1,352.43	1.05	23.81
1903	do	31,233.26	24,454.01	7,808.52	.783	32
1904	do	7,032.73	6,874.89	1,758.21	.977	25.57
1905	do	6,536.21	7,218.40	1,634.10	1.10	22.64
1905	do	1,645,563.34	1,488,619.44	411,390.86	.905	27.63
1906	do	43,428.75	40,907.49	10,857.18	.942	26.54
1907	do	19,142.90	16,586.10	4,785.73	.867	28.85
	Duty remitted.					
1905	Sec. 15, act July 24, 1897.	601,600	527,227.00		0.876	
1906	do	79,802	67,417.00		.832	

Now, notice that in 1902 we imported only 33,000 bushels. We had the usual crop. In 1904 we imported 6,536 bushels; that is, for the year ending June 30, 1904. That was our short-crop year; and, consequently, our importations would be counted in the year ending June 30, 1905. Those importations immediately jumped from 6,536 bushels to 1,645,563 bushels. That shows what the result will be the moment that our crop gets the least bit short; and this was a condition when we were still exporting some grain. Then in 1905 we obtained our usual crop again, and importations immediately dropped down to 43,428 bushels, a mere bagatelle. I cite these figures to show what the condition will be the moment that we cease to be an exporting nation. Even before we had ceased exporting and raised but a little more than we needed for home consumption, the 25 cents per bushel did not keep wheat out of the country. And 30 cents a bushel will not keep it out when our production and consumption balance; and when we do not produce enough for home production, then 40 cents a bushel will not be prohibitive.

Now, this is not all. When I come to the question of flour, I find practically the same result. In 1904 we imported but 1,114 barrels of flour; value, $7,715. The very next year our importations jumped up to 40,652 barrels; value, $175,512; so that in wheat there was this vast difference between one year and the other, and flour along about the same ratio.

If I follow these tables throughout, I will find a similar result in barley and other cereals, except in corn, and I admit that the tariff on corn, perhaps under present conditions, may be said to be more or less needless, and I am not interesting myself in that.

I want to call the attention of Senators to what the difference between 30 cents a bushel upon barley and the 30 per cent ad valorem meant in the importations into this country; and first I call attention to the 30 per cent, which was in existence until 1897 and a part of 1898.

In 1897, when the duty was 30 per cent ad valorem, we imported 1,254,968 bushels of barley. At 40 cents a bushel that meant a duty of 12 cents a bushel. We raised that duty to 30 cents a bushel, and the importations immediately dropped from 1,254,468 bushels to 10,220 bushels. And yet in the face of these figures I find Senators asserting that protection has not the slightest thing to do with the value of the cereals raised in the United States. And so, Mr. President, I can go through with every one of these grain schedules and show that a low tariff does greatly increase the importations and consequently depresses prices on this side. Our present duty makes a difference in value of wheat from 12 to 22 cents a bushel, but in the near future, as the price of grain goes up, the percentage of protection will be lessened, and I do not expect we will ever see wheat, after five years from to-day, much less than $1 or $1.50 a bushel. I wish to raise the protection so that it will be commensurate with future values, then your 30 cents a bushel will be a very meager duty indeed, and considering the

production in Canada and the decrease of production in the United States, there is no reason to doubt that we will be importing very heavily during that time.

Now I appreciate the fact that when that good time arrives, a great many of our people will be crying for cheaper food products; but I hope and anticipate that by that time we will have the same organization of the farmers throughout the entire cereal-producing regions of the United States that we have among the manufacturers and among laborers, and that we will be able, to some extent at least, to control, not the output, but the time of selling and the price to be demanded for those products. That will be somewhat difficult as long as we are exporting heavily, but it will not be difficult the moment that our consumption in the United States is about equivalent to our production.

And in voting for these higher duties upon farm products, I am taking into consideration something not only that we may think will happen, but something that is just as sure to happen as that the population of this country is going to increase and the acreage of the country is not going to increase.

So in looking over these schedules I do not find a single one in which I believe the duty will be too high, and I do not find one that I think will be prohibitive whenever the condition arrives that our consumption will about equal the production in the United States.

I want to say one word in answer to a statement made by the Senator from Missouri [Mr. STONE] as to the increasing mortgages on the farm lands of the United States. What the Senator has said is undoubtedly true, but I want to call his attention to the cause of that condition, and to the fact that it means prosperity, and nothing but that.

The Senator spoke for some time about the increasing amount of money in the United States which gave us these more prosperous times; but he forgot to mention that the increase was due to the balance of trade in our favor. It made quite a difference whether all of our mills in the United States were idle, or were sufficiently prosperous to pay the farmer a fair price for his grain, or whether we were importing those things we ought to have manufactured ourselves and pauperizing the American labor to an extent that he could not purchase the farmer's products at a fair price.

The average balance of trade in our favor for the last twelve years has been about $500,000,000 annually. Now, what does that mean as compared with the condition during the four years preceding, when I think it was less on an average than $250,000,000? It means that there were 500,000,000 gold dollars taken annually from the other side of the ocean and landed upon this side of the ocean. And continuing that for ten years meant $5,000,000,000. Now, what became of all that money? Some of it went back into the old country again to pay interest on bonds that they held against our railroads; immense sums of it went back there to pay the expenses of American tourists; and I am sorry to say that a large amount of it went over there to buy dilapidated dukes for the daughters of American millionaires, and to support them afterwards. But the great bulk of it stayed in this country and performed the usual functions of currency. What became of it? Why, it moved over this country like ten great tidal waves of gold dollars. It rolled over the Atlantic border, it pressed on over to the State of Minnesota, and your pine-stump lands that were not worth a dollar and a half an acre jumped to five, ten, fifteen, and twenty dollars an acre.

It pressed onward over to Iowa, and your 15 and 20 cent a bushel corn jumped to 30, 40, 50, and 60 cents a bushel. Your farm lands, that were then worth $40 and $50 an acre, increased immediately to $60, $70, $80, and $100 an acre. Your young men sold out their interest in those farms and came up into North Dakota. They poured over the valley of the Red River of the North, and our lands there raised from $20 to $30, $40, $50, and $60 an acre. This great tidal wave of dollars rolled over the western section of our State and the lands raised there from $3 to $5, $15, and $20 an acre. It passed onward again over the plains of Montana. It began to dig irrigating ditches, and your 50-cent land became worth $100 to $200 an acre. It pressed onward over the Rocky Mountains, down the western slope, into Oregon and Washington, and your pine lands and fruit lands doubled, trebled, and quadrupled in value. And it did not stop there. That mighty tide of gold dollars, representing the balance of trade in favor of this country, and that caused by the protective-tariff system, in less than ten years leaped over that imaginary boundary line and began to buy up Canadian lands, and during those ten years it has bought up about one-third of the entire Canadian empire.

Every dollar of it has been an American dollar, and every dollar of it is measured by the balance of trade, and back of that balance of trade is the protective tariff that keeps our money at home. The farmers in the Northwest have received that benefit from our protective system. It was not a direct benefit, but it was an indirect benefit. Lands did not go up a dollar in value from 1893 to 1897. Everything then that the farmer owned or produced was at the lowest price and seemed to be looking for a hole to get lower.

There were practically no sales at all. But how did this prosperity for the past dozen years affect the mortgaging of our lands? I will tell you how it affected them. Iowa farmers, after they had sold their land, came over and bought this land in our State, which prior to that time in my own county was worth $20 an acre. The owner got $20 cash and $30 or $40 more an acre, and received a mortgage back for the deferred payment. And so they plastered the whole eastern part of the State with mortgages that represented a value almost double the original value of the farm lands. Those mortgages, in other words, represent profits. That accounts in a great measure for the excessive amount of mortgages about which Senators have been speaking. They can pay for those lands with the present price of cereals. They could not have paid for them at any price during the period from 1893 to 1897.

I intended to confine my remarks simply to the one question of the possibilities and the probabilities of the condition of the Canadian northwest in the next ten years and to the demand that we should have a tariff upon our products that would meet conditions as they are bound to exist within the next ten years.

I ask permission to insert in my remarks certain tables which I have here.

The VICE-PRESIDENT. Without objection, permission is granted.

The tables referred to are as follows:

Importations.

WHEAT FLOUR.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Barrels.	*Dollars.*	*Dollars.*	*Dolls.*	*Per ct.*
1894	25 per cent	313	1,997.26	499.32	6.38	25.00
1895	do	210.50	1,156.50	289.12	5.49	25.00
1896	20 per cent	1,841	7,894.00	1,578.80	4.29	20.00
1897	do	1,201.12	6,258.69	1,251.73	5.19	20.00
1898	do	1,088	6,270.05	1,254.01	6.04	20.00
1899	do	101	460.00	92.00	4.55	20.00
1900	25 per cent	1,273	7,025.93	1,756.53	5.52	25.00
1901	do	609.59	2,569.19	642.31	4.21	25.00
1902	do	773.09	3,757.12	939.29	4.86	25.00
1903	do	656.20	3,465.72	866.43	5.28	25.00
1904	do	744.11	3,585.37	896.46	4.82	25.00
1905	do	597.18	4,480.30	1,120.10	7.50	25.00
1906	do	1,114.04	7,715.79	1,928.94	6.93	25.00
1907	do	40,652.35	175,512.75	43,878.20	4.32	25.00
	do	47,195.55	177,160.70	44,290.21	3.75	25.00
	do	48,005.12	157,539.85	39,384.99	3.28	25.00

OATS.

1894	15 cents per bushel	8,387.28	3,874.21	1,258.12	0.46	32.47
1895	do	2,690	1,089.05	404.85	.40	37.18
1896	20 per cent	311,638	79,824.43	15,964.89	.26	20.00
1897	do	20,323.83	6,933.80	1,386.76	.341	20.00
1898	do	27,462.45	7,328.60	1,465.72	.27	20.00
1899	do	224	76.00	15.20	.339	20.00
1900	15 cents per bushel	8,874	3,190.58	1,331.23	.359	41.71
1901	do	11,483.79	4,461.72	1,722.59	.389	38.85
1902	do	40,554.93	18,361.67	6,083.26	.453	33.24
1903	do	18,960.43	9,202.55	2,844.08	.485	30.91
1904	do	24,659.60	11,642.21	3,698.97	.473	31.78
1905	do	59,937.75	21,794.41	8,990.66	.364	41.25
1906	do	170,956.27	57,870.53	25,643.48	.339	44.31
1907	do	38,855.30	18,704.58	5,828.32	.481	31.16
	do	22,671.47	10,727.33	3,400.75	.473	31.70
	do	37,129.47	17,265.53	5,569.47	.465	32.26

Comparative prices of wheat.

October—	Pembina.	Emerson.	Difference.
1904	$1.00	$0.78	$0.22
1905	.70	.64	.06
1906	.65	.59	.06
1907	1.04	.94	.10
1908	.93	.81	.12

Importations of breadstuffs.

BARLEY.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Bushels.	*Dollars.*	*Dollars.*	*Dolls.*	*Per ct.*
1894	30 cents per bushel	862,083.41	392,078.60	258,625.03	0.45	65.99
1895	do	89	35.00	24.00	.44	68.56
	30 per cent	2,074,076	851,717.90	255,515.36	.41	30.00
1896	do	826,017.29	312,224.15	93,667.23	.378	30.00
1897	do	1,254,968.78	388,259.81	116,477.94	.31	30.00
1898	do	10,220	3,194.00	958.20	.312	30.00
	30 cents per bushel	104,298	37,590.53	31,289.42	.360	83.24
1899	do	110,329.32	53,699.35	33,006.10	.487	61.48

Importations of breadstuffs—Continued.

BARLEY—continued.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Bushels.	*Dollars.*	*Dollars.*	*Dolls.*	*Per ct.*
1900	30 cents per bushel	161,613.83	78,257.52	48,484.15	.484	62.00
1901	do	178,320.07	87,408.45	53,496.04	.49	61.21
1902	do	57,414.66	33,250.17	17,224.41	.579	51.80
1903	do	59,523.34	28,587.38	17,857.00	.48	62.51
1904	do	88,254.55	44,907.63	26,476.37	.501	58.84
1905	do	79,182.47	38,563.39	23,754.75	.487	61.59
1906	do	19,930.25	10,825.88	5,979.07	.543	55.23
1907	do	11,815	6,008.00	3,544.50	.559	59.04

Grain crops of the United States.

The following table represents the crops of grain and potatoes in the United States for a number of years, as presented by the Agricultural Department at Washington:

Year.	Wheat.	Corn.	Oats.	Rye.	Barley.	Buckwheat.	Potatoes.	Hay.
	Bushels.	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Bushels.*	*Tons.*
1886	457,218,000	1,665,441,000	624,134,000	24,489,000	59,428,000	11,989,000	108,051,000	41,796,000
1887	456,329,000	1,456,161,000	659,618,000	20,008,000	56,812,000	10,844,000	124,108,000	41,454,000
1888	415,868,000	1,987,790,000	701,735,000	28,415,000	62,884,000	12,050,000	202,365,000	46,643,000
1889	490,560,000	2,112,892,000	751,515,000	28,420,000	78,333,000	12,110,000	204,990,000	66,830,000
1890	399,262,000	1,489,970,000	523,621,000	25,807,000	67,168,000	12,433,000	148,079,000	60,198,000
1891	611,780,000	2,060,154,000	738,394,000	31,752,000	86,829,000	12,761,000	254,427,000	69,818,000
1892	515,949,000	1,628,464,000	661,035,000	27,979,000	80,097,000	12,143,000	156,655,000	59,824,000
1893	396,132,000	1,619,496,000	638,855,000	26,555,000	69,869,000	12,132,000	183,034,000	65,766,000
1894	460,267,000	1,212,770,000	662,087,000	26,728,000	61,400,000	12,668,000	170,787,000	54,874,000
1895	467,103,000	2,151,139,000	824,444,000	27,210,000	87,073,000	15,341,000	297,237,000	47,079,000
1896	427,684,000	2,283,875,000	707,346,000	24,369,000	69,695,000	14,000,000	252,235,000	59,282,000
1897	530,149,000	1,902,968,000	698,768,000	27,363,000	66,085,000	14,997,000	164,016,000	60,655,000
1898	675,149,000	1,924,185,000	730,907,000	25,658,000	55,792,000	11,722,000	192,306,000	66,377,000
1899	547,304,000	2,078,144,000	706,178,000	23,962,000	73,382,000	11,094,000	228,788,000	56,656,000
1900	522,230,000	2,105,103,000	809,126,000	23,906,000	58,926,000	9,567,000	210,927,000	59,111,000
1901	748,460,000	1,522,520,000	736,809,000	30,345,000	109,933,000	15,126,000	187,598,000	50,591,000
1902	670,063,000	2,523,648,000	987,843,000	33,631,000	134,954,000	14,530,000	284,633,000	59,858,000
1903	637,822,000	2,244,177,000	784,094,000	29,363,000	121,861,000	14,244,000	247,128,000	61,308,000
1904	552,400,000	2,467,481,000	894,596,000	27,295,000	139,749,000	15,008,000	332,800,000	60,696,000
1905	692,979,000	2,707,994,000	953,216,000	28,486,000	136,651,000	14,535,000	260,741,000	60,582,000
1906	735,261,000	2,927,416,000	964,904,000	33,375,000	178,916,000	14,642,000	308,088,000	57,146,000
1907	634,087,000	2,592,320,000	754,443,000	31,506,000	153,597,000	14,290,000	297,942,000	63,677,000
1908	664,902,000	2,668,651,000	807,156,000	31,851,000	166,756,000	15,874,000	278,985,000	70,798,000

Comparative exports of leading domestic products.

The following table exhibits the exports of domestic merchandise enumerated during each of the past seven years ending June 30, as compiled from the statements of the Bureau of Statistics of the Treasury Department:

	1907-8.	1906-7.	1905-6.	1904-5.	1903-4.	1902-3.	1901-2.
Wheat.....bushels..	100,371,057	76,569,423	34,973,291	4,394,402	44,230,169	114,181,429	154,855,102
Flour.....barrels..	13,927,247	15,584,067	13,919,048	8,826,335	16,999,432	19,716,634	17,759,206
Wheat and flour.....bushels..	163,043,058	146,700,424	97,608,917	44,113,009	120,727,613	202,906,273	234,772,515
Corn.....do....	52,445,800	83,300,708	117,718,657	88,807,223	55,858,985	74,833,257	26,636,552
Corn meal.....barrels..	654,515	766,820	543,794	371,595	509,774	451,506	348,034
Oats.....bushels..	1,158,622	4,014,042	46,224,935	5,479,308	1,153,714	4,613,899	9,971,139
Oatmeal.....pounds..	24,584,199	42,701,257	37,972,900	52,450,848	14,526,477	67,823,933	50,516,512
Rye.....bushels..	2,419,958	749,455	1,355,528	1,423	765,108	5,422,731	2,697,863
Rye flour.....barrels..	4,105	3,377	5,383	4,721	3,160	3,757	2,369
Barley.....bushels..	4,349,078	8,228,842	17,729,369	10,661,655	10,881,627	8,429,141	8,724,206
Bacon.....pounds..	241,189,929	250,418,609	351,210,553	262,246,635	249,665,941	207,336,009	383,150,624
Hams.....do....	221,769,634	209,481,496	194,267,949	203,458,794	194,948,864	214,183,365	227,653,232
Pork, salted and pickled.....do....	149,595,937	177,895,188	155,285,158	133,883,473	130,958,996	116,253,487	160,067,949
Lard.....do....	603,413,770	627,559,680	741,516,886	610,238,809	561,302,643	490,755,821	556,840,222
Tallow.....do....	91,397,507	127,857,739	97,567,156	63,536,902	76,924,174	27,368,964	34,035,758
Butter.....do....	6,403,061	12,544,777	27,360,537	10,071,487	10,717,824	8,893,166	16,002,169
Cheese.....do....	8,439,091	17,285,230	16,562,451	10,134,424	23,335,172	18,987,178	27,208,184

Mr. ROOT obtained the floor.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Rhode Island?

Mr. ROOT. Certainly.

Mr. ALDRICH. I was about to make a motion that the Senate adjourn, but I should like to take up a single committee amendment before doing so.

Mr. ROOT. Then I will defer until morning what I was about to say.

Mr. ALDRICH. I ask unanimous consent to take up paragraph 87, on page 20, for the adoption of an amendment which has been agreed upon by the committee.

The VICE-PRESIDENT. Is there objection to returning to paragraph 87? The Chair hears none.

Mr. ALDRICH. On page 20, line 13, paragraph 87, I move to strike out "$6 per ton," and insert "three-eighths of 1 cent per pound;" and, in line 14, to strike out "15 per cent ad valorem" and insert "one-fourth of 1 cent per pound."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. I move that the Senate adjourn.

The motion was agreed to, and (at 5 o'clock and 3 minutes p. m.) the Senate adjourned until to-morrow, Saturday, May 29, 1909, at 10 o'clock a. m.

HOUSE OF REPRESENTATIVES.

FRIDAY, *May 28, 1909.*

The House met at 12 o'clock noon, and was called to order by its Clerk, Alexander McDowell, who read the following communication:

SPEAKER'S ROOM,
HOUSE OF REPRESENTATIVES,
Washington, D. C., May 28, 1909.

I hereby designate the Hon. JOHN DALZELL, of Pennsylvania, for Speaker pro tempore for this day.

J. G. CANNON.

Prayer by Rev. John M. Schick, D. D., pastor of Grace Reformed Church, Washington, D. C.

The Journal of the proceedings of yesterday was read and approved.

Mr. PAYNE. Mr. Speaker, I call for the regular order.

The SPEAKER pro tempore. The gentleman from New York demands the regular order. The Clerk will call the committees.

The committees were called.

PORTO RICO.

Mr. PAYNE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of bills on the Union Calendar.

Mr. MACON. The only purpose of the gentleman's motion is to call up the Porto Rican bill for debate?

Mr. PAYNE. I do not propose to ask for a vote on that bill until I am sure there is a quorum present.

Mr. MACON. All right; that is good. I want a quorum here when the bill is passed.

Mr. PAYNE. Mr. Speaker, I renew my motion.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of bills on the Union Calendar, Mr. TOWNSEND in the chair.

Mr. PAYNE. Mr. Chairman, I call up the bill H. R. 9541.

Mr. SCOTT. Mr. Chairman, I wish to ask unanimous consent to include in the print of my remarks of yesterday certain data bearing directly on the subject under discussion, which I was obliged to omit for lack of time.

The CHAIRMAN. The gentleman from Kansas asks unanimous consent to extend his remarks of yesterday in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. BORLAND. Mr. Chairman, this bill (H. R. 9541) to amend the so-called "Foraker Act" for the government of Porto Rico ought not to pass, and it will not pass if the Members of this House will give the matter the consideration that its gravity demands. This bill is not merely a makeshift to tide over a temporary emergency, but it is, as a matter of fact, a distinct step backward in the conduct of affairs in the colonial possessions. I know it was said here yesterday, and by a gentleman whose information is very recent on the subject, that the purpose of this act was not to decide the merits of the controversy between the contending political parties of Porto Rico; but I hope to be able to show that gentleman and the House that it not only will decide the merits of the present dispute between political parties, but that it actually will put in the power of one party the domination of the political affairs of that island.

It appears from the message of the President and the report accompanying that message that the legislative assembly of Porto Rico adjourned its regular session without passing an appropriation bill; that the governor thereupon called an extra session of the legislative assembly, which adjourned three days later, without passing the appropriation bill. It is a matter of very grave dispute, even from the papers submitted in the President's message, upon whom fell the burden of the second adjournment.

The immediate cause for the adjournment was a deadlock between the two branches of the legislative assembly over certain general legislation. That general legislation consisted of a bill to establish an agricultural bank, a bill to establish an industrial training school, a bill providing county government in Porto Rico, a bill to increase the number of elective judges, and a bill providing that the assessment of property for taxation should be in the hands of the local taxpayers of the district assessed.

Now, it is not necessary for our purpose to examine into the merits of the respective bills. The difficulty here grows out, not of the character of the measures proposed, but out of the whole structural and frame of government for the island of Porto Rico. This deadlock was as likely to have occurred on any other piece of legislation as on the pieces of legislation on which it occurred. You already are familiar with the fact, from the previous debate, that the legislative assembly of Porto Rico consists of two bodies. The upper house, or executive council, is composed of the six heads of executive departments at Porto Rico, namely, the secretary, the attorney-general, the commissioner of the interior, the commissioner of education, the treasurer, and the auditor; and it is further composed of five native Porto Ricans appointed by the President of the United States. So that it appears the upper house is entirely appointive, and the majority of that house are not citizens of Porto Rico, and that its principal duties are executive in character. The lower house is composed of 35 members, elected from seven representative districts by popular vote. Now, it is claimed that 34 members now composing the lower house (one being dead) are members of one political party, and it is assumed from that fact, and probably correctly, that these measures are party measures. In the President's message we are told that there is considerable doubt under the Foraker Act as to whether the legislative assembly had the power at all to pass an appropriation bill, but that it is too late to change the construction which had been adopted. An examination of the Foraker Act, Mr. Chairman, will show that there is no ambiguity on that question. The general legislative powers of Porto Rico are in the legislative assembly. In section 12 of that act it is provided:

> That all expenses that may be incurred on account of the government of Porto Rico for salaries of officials and the conduct of offices and departments, and all expenses and obligations contracted for the internal improvement or development of the island, not including defenses, barracks, harbors, light-houses, buoys, and other works instituted by the United States, shall be paid by the treasurer of Porto Rico out of the revenues in his custody.

And by section 27 it is provided:

> That all local legislative powers hereby granted shall be vested in the legislative assembly, which shall consist of two houses, etc.

Without any further qualification there is no question but what that would put in the power of the legislative assembly the general appropriation of money from the treasury of the island. The money in the treasury belongs to the people of Porto Rico; it was put there for the purpose of paying the expenses of the government in Porto Rico; and the legislative power of Porto Rico was delegated to the legislative assembly of Porto Rico.

Mr. OLMSTED. Will the gentleman yield for a question?

Mr. BORLAND. Certainly.

Mr. OLMSTED. When the act of Congress fixes salaries and says that all salaries shall be paid by the treasurer of Porto Rico, did that require legislation by the insular legislature?

Mr. BORLAND. Undoubtedly.

Mr. OLMSTED. And in section 36, to which the gentleman has not referred——

Mr. BORLAND. I expected to refer to that.

Mr. OLMSTED. Specifically providing the salaries of the governor and certain officers, and declaring they shall be paid by the treasurer, does not the gentleman think that if it were a new question, it might well be decided that no legislative act by the insular body were necessary?

Mr. BORLAND. I will reply to that in full very clearly. I do contend, in answer to the question of the gentleman from Pennsylvania [Mr. OLMSTED], that a general grant of legislative powers carried a general power of appropriation over the money belonging to that sovereignty or jurisdiction in the treasury of that jurisdiction, and there must be specific exception in the organic law to control that general construction of law. Let me call your attention to another thing. In section 26 of the Foraker Act, providing for five members of the executive council other than the heads of the executive departments, it is said:

> And they shall receive as compensation for their services such annual salaries as may be provided by the legislative assembly.

Mr. OLMSTED. That clearly requires legislation.

Mr. BORLAND. Undoubtedly. And in section 37:

> That the provisions of the foregoing section (36, to which I will next allude) shall not apply to municipal officers. Their salaries and the compensation of their deputies, assistants, and other help, as well as all other expenses incurred by the municipalities, shall be paid out of the municipal revenues in such manner as the legislative assembly shall provide.

Now, the only exception to that general grant of legislative power is contained in section 36, which provides that the salaries of certain officers appointed by the President are fixed, and section 36 also provides:

> That the salaries of all officials of Porto Rico not appointed by the President, including deputies, assistants, and other help, shall be such, and be so paid out of the revenues of Porto Rico, as the executive council shall from time to time determine.

It is on that language that it is claimed that the ambiguity arises as to whether the power of appropriation is solely in the executive council or solely in the legislative assembly. Where the general grant of power was made to a legislative assembly and reenforced in two other instances in the same

act, an exception to that grant of power must be confined to the purposes within the view of the exception. While that language undoubtedly would, if there were nothing else in the act to limit or construe it, create a conflict with the other provisions of the act, yet we find back here in section 18, relating to the executive council, that they shall have the power to employ all necessary deputies and other assistants for the proper discharge of their duties as such officials and as such executive council.

So that there is no question, I may say to the gentleman from Pennsylvania [Mr. OLMSTED], in my mind, at least, but what the construction of that would be that they having by section 36 the power to pay certain deputies, the deputies meant would be the deputies within their power to appoint and not the general expenses of the island. So that there is in fact no ambiguity. We can assume as a matter of fact that the legislative power of appropriation was in the legislative body, and the report accompanying the President's message, not having designated what were the items of these appropriation bills, we must assume that the items in the appropriation bills were within the power of the legislative body.

Mr. LIVINGSTON. Will the gentleman discuss this point as to the remedy? The remedy therefore being the United States Government must take possession of their revenues and make these appropriations. Is not that a legitimate consequence?

Mr. BORLAND. I thank the gentleman for the suggestion, and I will reach that point later on.

Now, it is claimed also in the message of the President that it was the universal custom of the legislative assembly of Porto Rico to hold up the appropriation bills until the last moment of the legislative session in order to force the executive council to act upon general legislation, and that has been the custom since the creation of that legislative assembly. In fact, the Foraker Act says, in section 30:

> That this house of delegates shall have and exercise all the powers in respect to the conduct of its proceedings that usually appertain to parliamentary legislative bodies.

So that there is nothing new in that situation, that they did hold up these appropriations, and that they had been holding up these appropriations year after year, for the purpose of forcing action by the executive council on matters of general legislation.

Mr. SCOTT. Does the gentleman think that that is reprehensible, to indulge in that sort of conduct?

Mr. BORLAND. I do not.

Mr. SCOTT. The gentleman believes it is entirely proper for the legislative body or members of the legislative body to barter appropriations necessary to carry forward the machinery of the government for legislation such as they insist on having?

Mr. BORLAND. The gentleman will have to reverse a long line of precedents if he does not adopt that view.

Mr. SCOTT. I think the gentleman in making that remark, if he refers to the precedents in this country, either in the state legislatures or in the Congress of the United States, is not warranted by the record. There may have been isolated cases in which appropriation bills have been held up in order to obtain other legislation, but in my personal experience, and I believe the gentleman will have difficulty in citing anything to the contrary, whenever such action has been taken it has been through a disagreement on some item included in the appropriation bill itself and not a disagreement in relation to other legislation.

Mr. BORLAND. Mr. Chairman, I will say to the gentleman that not only in my view of the matter is that the precedent and custom of legislative bodies, but that it does not constitute a barter, and more than ever it has become a fixed custom in Porto Rico, according to the presidential message, on account of the peculiar constitution of the upper house of that assembly. Where both houses of the legislature are elected by the same body of electors, even though at different times, and a deadlock occurs between those bodies, there is but one tribunal to which recourse can be had as to which body is in the right, and that is the people that elected them; but these Porto Ricans are not confronted with that condition.

Mr. SCOTT. There would be a great deal of force in what the gentleman is saying and in what other gentlemen have said along the same line touching the constitution of the upper house of the Porto Rican legislature if the records showed that the upper house had divided along racial lines; but the record shows, on the contrary, that such division has not taken place. I have looked it up carefully, and in only one important measure was there a division between the continental and the island members of the upper house. In every other case the vote has not been along that line.

Mr. BORLAND. I assume the gentleman is correct about that. I recall his words of yesterday, that this was a pure political fight between two political parties, and I had the pleasure also of reading this morning in the Kansas City Times of Wednesday, May 26, an interview with the gentleman from Kansas [Mr. SCOTT] in which he said that the political party down there now in control of the lower house was headed by a man named Rivera, and he goes on to say that the leader of the other political organization, known as the "Republican party," is a negro named Barbola. So there is a fight between this negro, Doctor Barbola, who has not commanded a majority of the people of Porto Rico, and the leader of the other political party.

Mr. SCOTT. Mr. Chairman, I have not read the interview to which the gentleman alludes, but I rise merely to correct the name of one of the gentlemen mentioned; and that is, it is Doctor Barbosa——

Mr. BORLAND. I am glad the gentleman has made that correction.

Mr. SCOTT. And I may say that he has been for several years a member of the upper house, appointed by the President of the United States, and is recognized as one of the ablest and most distinguished citizens of Porto Rico.

Mr. BORLAND. Mr. Chairman, I am very glad to have that information from the gentleman. It appears, then, that the leader of this Republican party, which was unsuccessful at the polls, is a member of the upper house, one of the native Porto Ricans appointed by the President, and that for some reason or other he has lost control of the political force in the island. His party was unsuccessful at the polls, and the other party—not led, I assume then, by a negro—was successful at the polls and elected unanimously the lower house of the Porto Rican legislature. Now, it is not necessary for us to go into the political fight between Rivera and Barbosa or into the wisdom or unwisdom of these measures which they propose. We may have our own views, undoubtedly, as to the soundness or unsoundness of some of these measures. We may have our own views as to the wisdom or unwisdom of the course they adopted in undertaking to force those measures through the upper house. We may believe or we may not believe that they were of sufficient importance to the people of Porto Rico to have justified the course they pursued, but the question remains that these measures were party measures and that from the time the Porto Rican assembly has been organized they have had no other means of bringing general legislation to the attention of the upper house save by delaying the appropriation bill to the last moment. It further appears from the statements on both sides of this controversy that if this were a deadlock between the ordinary legislative assemblies it would not and could not and did not go beyond the stage of compromise.

In fact, I notice in the President's message that when the commissioners from the lower house came here to present their side of the case they did not insist on all of those measures, but finally limited their demand to two measures, namely, the "judicial reforms," as they called them, or the election of justices of the peace instead of their appointment, and the filling of vacancies in the municipal mayor and council by election of the council instead of appointment by the governor. I take it that all the abuse and all the side lights and the departure from the record which were indulged in yesterday in regard to these Porto Ricans has scarcely a commentary more striking as to their capacity for self-government than their limitation of their demands down to what they considered vitally important to the measures of reform. If these men had been imbued with the spirit of anarchy and disloyalty with which they have been so freely accused, would they have come here with a proposition for compromise, a proposition which would have gone through any legislature in the world, a proposition for compromise similar to what this House itself must face from time to time with its coordinate legislative branch, and which it has faced on every important measure of legislation? And I say, gentlemen, there is no proof in that state of affairs that the Porto Ricans have not or have lost their power for self-government.

Now, in answer to the gentleman from Georgia [Mr. LIVINGSTON], or, more properly, in response to his kind suggestion, I want to take a glance at the remedy proposed by this bill. It is provided in this bill that if at the termination of any session the appropriations necessary for the support of the government shall not have been made an amount equal to the sums appropriated in the last appropriation for such purpose shall be deemed to be appropriated, and until the "legislature," meaning probably the legislative assembly, shall act on that behalf the treasurer may, with the advice of the governor, make

payments necessary for the purposes aforesaid. In other words, we are told that this bill is a mere makeshift to tide over this present emergency, when in reality it is intended to take away from the legislative assembly of Porto Rico the power of legislative appropriation. If that does not constitute a distinct step backward, then it is difficult to understand where——

Mr. OLMSTED. If the gentleman will permit, this does not take away from the legislature the power to legislate at all. This simply covers the period until they do legislate. They may legislate to-morrow or the next day if they choose; this will not prevent them; and when they have legislated, this bill will by its very terms cease to operate.

Mr. BORLAND. I believe I can satisfy even the gentleman from Pennsylvania on that point. If, as the President says, and we must assume it to be correct, it has been the universal custom to hold up appropriations for the purpose of securing general legislation, it would certainly appear from that fact that general legislation did not originate as a general proposition in the upper house.

Mr. DOUGLAS. Just there may I interrupt the gentleman? I am sure he misstates the President and the whole situation—excuse me—when he says it has been the custom of the lower house of Porto Rico to hold up the appropriation bill to secure general legislation. There is nothing of the kind in the case. It is simply that they have held up general legislation and refused every session to pass the appropriation until after midnight on the last night of their session in order to compel the upper house to pass certain specific bills which they wanted passed, and not that the upper house refused to engage in general legislation a particle more than the body at the other end of this Capitol——

Mr. LARRINAGA. Will the gentleman from Missouri permit in that connection——

Mr. BORLAND. Very gladly.

Mr. LARRINAGA. The upper house has been holding up for nine years to pass all the legislation that the lower house wanted, threatening the lower house that this would come to pass, that they would come here and get Congress to take away from them the right to concur in the budget.

Mr. BORLAND. I want to call——

Mr. CLARK of Missouri. Mr. Chairman, I would like to ask the gentleman from Missouri two or three questions——

Mr. BORLAND. I will yield gladly.

Mr. CLARK of Missouri (continuing). To see if we can not get at the foundation of this thing. The propositions that the lower house over there offer are in the nature of riders to appropriation bills; that is the sum and substance of it.

Mr. BORLAND. I think not. No; they are separate bills, as I understand.

Mr. CLARK of Missouri. They make their appropriations conditional on certain other legislation being passed.

Mr. BORLAND. That is the idea.

Mr. CLARK of Missouri. Now, has not that been the practice of English-speaking communities, from the foundation of things?

Mr. OLMSTED. Suppose it has. Are we going to allow Porto Rico to go bankrupt and the United States to be disgraced because, if you please, the two houses hold each other up? We want to make a provision here that will tide them over until they get ready to act.

Mr. CLARK of Missouri. I want to ask the gentleman from Pennsylvania how it comes that we are asked to condemn these people and punish them for doing the very same identical things that we do ourselves, and that our ancestors, clear back to the beginning of parliamentary history in England, did all the time?

Mr. OLMSTED. I do not think our ancestors ever did anything of this kind, but even if they did, this bill does not propose to punish anybody. There is not a punitive provision in it. It intends to prevent either house, or both houses, in Porto Rico from punishing the people of the United States in defying the act of Congress which says that certain sums of money shall be paid. Their present conduct leaves the treasury bankrupt. Their warrants will have to be shaved in the same way as the gentleman knows was done at one time in West Virginia. The Government of the United States, which now has assumed control of that island, will be held up to contempt and ridicule all over the world because the mandates from our Congress, which say that certain things shall be done, are not complied with.

Mr. CLARK of Missouri. What is the difference in principle between having these demands of theirs formulated in separate bills in connection with appropriation bills, and having them tacked on to the appropriation bills as riders?

Mr. OLMSTED. I do not think that is a question that arises in the discussion of this bill. This bill does not settle that question at all, nor attempt to. They can put them on as riders or have them as separate bills, or do what they please. In the meantime, the necessary current expenditures of the government, which are necessary to be paid for the maintenance of the credit of the Porto Rican government, and still more for the credit of the United States Government, will be paid under the provisions of this bill.

Mr. CLARK of Missouri. Now, do you not think that to take away from that lower house its functions is in the nature of a punitive measure?

Mr. OLMSTED. This does not take away from them any function.

Mr. CLARK of Missouri. It says they shall legislate down there the way that council wants them to legislate, or somebody will step in and assume their functions.

Mr. OLMSTED. Both houses are trying to secure a change in the Foraker bill, and I suppose that will have to be faced sooner or later by Congress in regular session. This bill does not contemplate the consideration or determination of those questions to-day. This merely provides for the payment of the necessary expenses of the government until they can be considered, or until the Porto Rican legislature shall appropriate.

Mr. BORLAND. I want to say to the gentleman from Pennsylvania [Mr. OLMSTED] that I am very sorry I can not concur in the statement that his bill is temporary in its character. It reads on its face that at the termination of any session the previous appropriations shall go automatically on.

Mr. OLMSTED. Until the legislature acts.

Mr. BORLAND. Until the legislature acts; and that would put it in the power of the upper house, by refusing to act, to continue automatically, or it is proposed to give them that power—but I want to show you it will not—to continue automatically the previous appropriation. Now, the gentleman from Ohio [Mr. DOUGLAS], if he will look on page 2 of the President's message, will see that the President says:

> Ever since the institution of the present assembly—
>
> Not the present elective membership—
>
> the house of delegates has uniformly held up the appropriation bills until the last minute of the regular session and has sought to use the power to do so as a means of compelling the concurrence of the executive council in legislation which the house desired.

Then, there is nothing new in that method of procedure, nor is it confined to this present elected house of delegates. And it has grown out of the fact, undoubtedly, that only by such a method would general legislation be brought forcibly to the attention of the upper house.

Mr. OLMSTED. May I ask, Mr. Chairman, what the gentleman would like to have done at this time—anything or nothing?

Mr. BORLAND. I will reach that later.

Mr. OLMSTED. I will be glad to know what the remedy is.

Mr. BORLAND. I would not get up here and take the time of the House to discuss this matter unless I had a remedy to meet the situation.

Mr. COOPER of Wisconsin. Will the gentleman permit me to ask the gentleman from Pennsylvania a question? This provision of this bill is identical with the phraseology of the provision of the Philippine bill?

Mr. OLMSTED. The same, word for word.

Mr. COOPER of Wisconsin. And the Hawaiian bill? Now, suppose it provided that, in the event of the adjournment of the session, any session, without the appropriations having been made, the previous appropriations will be considered to be reenacted. Now, suppose a regular session of that legislature shall adjourn without the enactment of that appropriation bill; then this law of Congress takes effect, and the previous appropriations have been reenacted. It is a law of Congress. Then, suppose that the governor should call a special session for the purpose of passing appropriation bills; it would not be contended that an act of the Porto Rican legislature could repeal an act of Congress. This act of Congress will have gone into effect immediately upon the adjournment of the session.

Mr. TAWNEY. It will continue in effect only so long as the legislature of Porto Rico fails or refuses to make appropriations to maintain the life of the government.

Mr. COOPER of Wisconsin. Now, there will be a conflict right there. It says: "If there shall be an adjournment of any session, the previous appropriations will be considered as enacted." That will be by a law of Congress.

Mr. OLMSTED. Yes; but the law of Congress, assuming this bill shall become law, would be deemed the appropriation until the legislature shall enact in such behalf. The minute the

Porto Rico legislature should act, then this law would become inoperative and their law would become operative.

Mr. LIVINGSTON. But suppose the legislature never gives the governor the support that he wants; then what would you have?

Mr. BORLAND. That is just exactly the whole matter.

Mr. OLMSTED. Suppose we never pass this bill; then there will be perpetual chaos.

Mr. BORLAND. I will say to the gentleman from Pennsylvania that that would be exactly the case if this bill passes here, if it accomplishes what he thinks it accomplishes, that these appropriations would go automatically on; that the council, composed of the several heads of the executive departments, would have the spending of this money, and they would not agree to any regulation of the appropriations.

Mr. OLMSTED. But it is the amount of money to which both branches have already agreed for the current year.

Mr. CULLOP. Suppose that the legislature, as we call it, should make appropriations less or more. What would be the effect?

Mr. BORLAND. If the legislative assembly——

Mr. CULLOP. And for different purposes.

Mr. BORLAND. If the legislative assembly, representing the people of Porto Rico, undertook to cut down any of these appropriations in any department against the will of the upper house, under this act of Congress the appropriations would go right on. They would have no power over it, and they would have no power left in their hands to force the other house to agree to their views. We are attempting to create an irresponsible bureaucracy, responsible nowhere except to the distant and slow-acting home Government. That is the intention of this bill. It is intended to furnish these commissioners down there with an irrepealable source of supply, so that they need not regard the wishes of the people of Porto Rico in anything respecting either general legislation or financial. Supposing, now, if this bill had been passed, if there were any extraordinary expenses in the department where, under the wisdom of the people, it became necessary to cut down the expenses or to abolish any one of these works. Well, as a matter of fact—and if I am wrong in that respect the Commissioner can correct me—as the upper house is composed of men who are the heads of these departments, when any appropriation should be limited and be a matter that is affecting the service of their particular department, there is a spirit of comity existing between the members of the executive council, and the whole of the commissioners will vote for everything desired by the commissioner of the department to which that appropriation relates.

Mr. DOUGLAS. What is the gentleman's authority for such a statement as that?

Mr. BORLAND. My authority is right here.

Mr. DOUGLAS. If the gentleman appeals to the commissioner, and the commissioner gives him authority to state such a thing, I say that the history of Porto Rico absolutely refutes that.

Mr. BORLAND. It is as natural as sunlight.

Mr. LIVINGSTON. Is it not a fact that this appropriation bill originated in the executive council, and not in the house of delegates?

Mr. BORLAND. I so understand.

Mr. LIVINGSTON. Unlike under our system, where the appropriations originate in the House of Representatives; and all these commissioners, as members of the executive council, first originate and prepare the appropriation bills, and send them to the house of delegates, and then, if the house undertakes to exercise its right to curtail any of these appropriations proposed by the men who are to spend the money themselves, they are coerced.

Mr. BORLAND. I so understand the matter.

Mr. CULLOP. Would not the passage of this bill practically lodge such a power in the upper chamber that it would nullify the power of the lower legislative body altogether? They could hold this as a club over them for the passage of just such legislation as they sought to have passed.

Mr. BORLAND. I will say to the gentleman from Indiana [Mr. CULLOP] that I would not be at all surprised if a fair investigation of this matter would show that that was the very intention of proposing this bill, and I want to say that it has come through a good many hands before it was introduced on the floor of this House. It did not originate here in our wisdom. It did originate somewhere, and it originated after a political fight down there in which the party policies of one party were triumphant throughout the island.

Mr. DOUGLAS. Will the gentleman yield?

Mr. BORLAND. Yes.

Mr. DOUGLAS. Where did it originate?

Mr. BORLAND. From the report here, it originated with the commission.

Mr. DOUGLAS. The gentleman is mistaken. The report of the commission distinctly suggested another remedy.

Mr. BORLAND. Yes; they suggested this, however, in the alternative.

Mr. DOUGLAS. They did not suggest it in this form, or in even substantially this form, but the remedy which they suggested and urged should be adopted was a totally different one.

Mr. BORLAND. I will undertake to say that it was equally drastic, if they suggested or urged it.

Mr. DOUGLAS. Neither of them is drastic in my opinion, I assure the gentleman.

Mr. FITZGERALD. Does the gentleman from Ohio know who drew the bill?

Mr. DOUGLAS. I take it that the gentleman from Pennsylvania [Mr. OLMSTED] copied it from the bill relating to Hawaii and the Philippine Islands, although I have not the honor of knowing.

Mr. OLMSTED. It is copied, word by word, from the provision in the Philippine law, and who originally drafted that law I do not know. The suggestion of its adoption is found in the message of the President of the United States.

Mr. FITZGERALD. Has the gentleman any information as to the source of the suggestion that the President made? These documents show that the governor of Porto Rico threatened the house of delegates at various times that if they did not pass these bills he would appeal to Congress.

Mr. OLMSTED. Very properly.

Mr. FITZGERALD. Is he the man that had in mind the practical abolition of the house of delegates?

Mr. OLMSTED. I never heard that he did.

Mr. FITZGERALD. In the documents transmitted by the President, have not the officials of Porto Rico themselves submitted a draft of a bill identical with the first section of the pending measure, drafted by the gentleman from Pennsylvania?

Mr. OLMSTED. Never. In fact, they submitted an entirely different proposition.

Mr. FITZGERALD. If the gentleman will examine the report——

Mr. OLMSTED. I have read it.

Mr. FITZGERALD (continuing). In the documents transmitted by the President, he will find exactly the first section of this bill suggested as a remedy for the situation there.

The CHAIRMAN. To whom does the gentleman from Missouri yield?

Mr. BORLAND. I have ceased to yield now to anybody.

The CHAIRMAN. The gentleman refuses to be interrupted.

Mr. BORLAND. Mr. Chairman, it is as clear as sunlight, I take it, to most of the Members of this House, some of whom are not without political experience, that this proposition did originate in the mind of some interested party, and that its purpose was not to tide over an emergency, but to decide a political controversy. That is the purpose of most appeals to the home government from a colonial government.

Mr. LIVINGSTON. Rather to reverse the action of a political party.

Mr. BORLAND. I accept the correction—to reverse the action of the people at the polls.

Now, I want to call the attention of the gentleman from Pennsylvania [Mr. OLMSTED] again to the peculiar construction of this bill. He says it is only a temporary measure, designed to tide over an emergency, and it is something absolutely essential to carry on the government of Porto Rico and to preserve our integrity, and to save us from being ridiculed as a failure as a colonial power. If we do not pass this bill, we are exposed to the world as a failure as a colonial power, and therefore we must pass it. Now, I want to say that not only do the consequences of the bill not stop there with the temporary tiding over of an emergency; not only does it attempt to decide the merits of these bills which have been approved by the people of Porto Rico and urged by the legislative assembly; not only does it attempt to put an obstacle in the way of the consideration of general legislation demanded by the lower house, and take away from them a peaceful and forcible remedy that they have had in the past; not only does it fasten upon them an irresponsible bureaucracy, supposed to be clothed with an irrepealable source of supply—not only does it do all that, but it undertakes to strike a blow at the Porto Rican people which they have yet the power to resent. Now, I want to show you what I mean by that. Suppose those people down there are driven to another extremity, and still desiring to refute this allegation that they are animated by anarchy or disloyalty, and still refusing to resort to arms as a protest against what they believe to be injustice, and still give us an example of

their power of self-government and self-control, of which we have reason to be proud; suppose this legislative assembly should refuse to levy any taxes, where would this irrepealable source of supplies come from then, except from the receipts of the customs? This Foraker Act, in section 38, says:

But taxes and assessments on property, and license fees for franchises, privileges, and concessions, may be imposed for the purpose of the insular and municipal governments, respectively, as may be provided and defined by act of the legislative assembly.

Now, if we are going to take away from them the power to appropriate the money that belongs to Porto Rico and is in her treasury, let us go a step further then, in the name of justice, and take away from them the power to levy taxes on their people, for by what right can we demand that an elected body representing the citizenship of Porto Rico, elected at a fair election about which there has been no question—by what right shall we demand that they sit there and tax the inhabitants of Porto Rico to support an irresponsible bureaucracy with an irrepealable source of supply? Let the gentleman from Pennsylvania [Mr. OLMSTED] go a little further in his makeshift bill and say whether he will take away from them that power given in section 38.

But we are confronted, gentlemen, with a condition—a condition demanding immediate action. As I said, I would not be here taking up the time of the House unless I intended to do something more than to protest. I understand the condition of affairs down there, as you do, after the able speeches that we have listened to in this debate. These gentlemen have sought to provide county government, and they have been defeated. The result is that they have a centralization of government down there, and that the municipalities depend upon the insular treasury for their support. The roads, the schools, the police magistrates, the ordinary maintenance of public order and conduct of affairs all depend upon these appropriation bills and the condition of the insular treasury.

I want to say, in another compliment to the people of Porto Rico, that they have undertaken to correct that form of government, and have undertaken to provide for county organization. I find by reading the reports which have been furnished to us from down there from time to time that there is an evil in this lack of county organization, and that these pueblos or villages are combined in their political relations with the outlying agricultural territory, and that the people who live in the agricultural districts are in the same position as if a large city were located in a county and all of the money collected from the county revenues were expended on the streets of the city. They have sought to correct that, as I understand; but by the wisdom of the executive council they have been refused the right to correct it, and we are asked to take away from them the power to bring the executive council to their way of thinking, and so we are confronted with another difficulty. They say now that because of this centralization of power we are confronted with a crisis by which all governmental business will stop on June 30 unless this bill is passed by the House. I say that that is a more severe commentary on our powers of colonial government than it is on the powers of the Porto Ricans for self-government. I am not proud of that condition of affairs nor proud of the argument which gentlemen make in support of this bill, nor can I rejoice before the American people that after nine years we have still left them in a position where any misfortune of this kind stops the wheels of government.

But we have left them in that position. The thing for us to do, then, is to make this bill that the gentleman from Pennsylvania has introduced what it has been represented and purported to be—a temporary measure. It is incumbent upon us, having assumed the responsibility of governing those people, to provide a government for them which shall not stop by any deadlock. It is absolutely essential that this provision for the incoming fiscal year be made; but in my judgment, gentlemen, and I hope that a sufficient number of this House will concur with me, it is just as great a responsibility on our shoulders to see that that condition of affairs does not occur again. We should limit this bill, and I propose to offer an amendment to the bill limiting this act of Congress to the fiscal year beginning July 1. That will compel the consideration by Congress of the entire Foraker Act at the next session of Congress. Whenever a crisis reaches the stage where it has been brought forcibly to the attention of the home government, where it is possible to stop the wheels of government, that crisis is serious enough to demand the careful consideration of this Congress, and I say, for one, that, if we are to have colonies at all, when they reach that position of deadlock then is the time that I want to see them come to Congress that we may have an opportunity once more to reexamine the condition of affairs. You say that if we pass this for only one year they might be back here next year. If they are, I say let them, and it is our duty to sit here and hear them, and if we shrink from that duty we are shrinking from a duty which we owe, having assumed the government and responsibility for their civil administration. We have no right to meet a crisis by a permanent act. If this is a makeshift act, let us agree and make it a makeshift act, and I say to the gentleman from Pennsylvania that he will have all the help from this side, so far as I am concerned, that can be given.

Now I want to say another thing, and that is that I noticed in the President's message that he says that the Foraker Act is pretty bad. He does not quite use this language, but he says that doubtless it is subject to amendment; he says if the people of Porto Rico desire an amendment of the Foraker Act they should have brought the matter to the attention of Congress in an orderly way. Now, what orderly way since the dawn of history has there been to bring a reform to the attention of a home government? I read one time, it seems to me, a document called the "Declaration of Independence," which in 1856 and 1860 was very popular with the Republican party, but which immediately went out of popularity and never has been referred to since, in which it was said that the right of petition had been ignored and denied. We have heard on the floor of this House that the legislative body of Porto Rico at the very beginning of its session, after what the President criticises as a continuous course of holding up appropriation bills to get some action by the executive chamber, after a continuous course since its existence of that method of battling for general legislation, undertook to adopt a resolution to demand a repeal of the Foraker Act, and by another example of self-control and self-government withheld their hand and did not demand it.

Mr. LARRINAGA. Will the gentleman permit me?

Mr. BORLAND. Certainly.

Mr. LARRINAGA. Ever since the inception of the civil government our people have presented at every opening of the session of the legislature a message sent to Congress and to the Executive. My first work in Congress was to introduce a bill in the House, which was referred to the Committee on Insular Affairs, and I do not blame, I say so honestly, the chairman of that committee for not having been able to present it here, because he was striving nobly here to get in a bill giving American citizenship to the Porto Ricans, and he has never succeeded. For years we have made representations to Congress and to the President asking for an amendment of the Foraker Act.

Mr. BORLAND. I want to say in regard to this orderly petition to Congress—it may sound like a bitter jest to those people down there; it may sound like a joke to us here, but as far as orderly petitions have gone there is no lack of knowledge on the part of Congress as to the desire of those people for an amendment to the Foraker Act, and I want to say, more than that, that the Foraker Act itself purported to be a temporary act. By section 40 of that act it was provided that a commission should be appointed to devise a permanent system of government for Porto Rico. They were told to—

Frame and report such legislation as may be necessary to make a simple, harmonious, and economical government—

Harmony was one of the features they were to look after—

To make all other provisions that may be necessary to secure and extend the benefits of a Republican form of government to all the inhabitants of Porto Rico.

That commission was appointed and did a great deal of very good work; unfortunately it has been "love's labor lost" in most cases. But by reference to page 56 of the report of that commission I find that they call attention to this very condition of affairs and prophesy this very deadlock:

The provisions of "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," of the 12th of April, 1900, makes the executive council the upper house. The present organization of this chamber, with a majority composed of heads of executive departments and a minority of Porto Ricans appointed by the President, can not readily be defended either in theory or practice. It is not desirable in theory because under it the executive authority exercises legislative functions, with a consequent confusion of governmental powers. It is undesirable in practice because it produces distrust in the public mind by creating the belief that legislation is framed and passed through the concerted action of administrative or executive officers. In the representative system, which is the basis of the government of the United States, the prestige and power of law must proceed from the fact that it not only is but also appears to emanate from the free and spontaneous will of the representatives of the people, and this end is not attained by the present system.

So Congress has had this in mind for eight years. This report was made in 1901. No more clear statement of the difficulty or prophecy of the result could be formulated than that disinterested and able commission formulated. So that we

have had full warning and information in regard to amending the Foraker Act.

Now, it may be said, and I will say right now that I agree with the finding of this commission in favor of a territorial government for Porto Rico. And I agree with their provision for an elective upper house. We have provided the veto of the governor of Porto Rico. We have the veto of Congress, and what good purpose can be served by a third veto in the hands of the members of the upper house, representing the executive department elected by the legislature? What lesson of self-government are we teaching them by the continuation of that kind of a system? Now, it is no answer to that proposition to say that any of those measures that are proposed are unwise. We are supposed to sit here and revise them for them. The governor of Porto Rico is supposed to put his veto on them. The denial to them of an upper house in harmony with the lower house is not answered by the contention that these measures are unwise; but if they were unwise, does not every lesson in self-government demand that people may make mistakes? If we have clothed them with power to act, we have clothed them with the power to make mistakes and suffer from their mistakes, and in no other way will they be educated in self-government. If the officials whom they select have betrayed the rights of the people or have failed to conduct the affairs of government in such a way that it is successfully carried on, there is the tribunal, who have suffered by those mistakes, to whom those officials must answer.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SLAYDEN. Mr. Chairman, I ask that the gentleman from Missouri be permitted to conclude his remarks. He was interrupted repeatedly and for prolonged periods of time.

Mr. OLMSTED. I hope the gentleman from Texas will specify some stated time.

Mr. SLAYDEN. I ask for twenty minutes, Mr. Chairman.

The CHAIRMAN. The gentleman from Texas asks unanimous consent that the gentleman from Missouri [Mr. BORLAND] may proceed for twenty minutes. Is there objection?

There was no objection.

Mr. BORLAND. All that I can contribute to this debate I think has been embraced in what I have said. I only desire further to state that the Porto Ricans have apparently given this Government as little trouble as could be expected under any circumstances of colonial acquisition. It must be said, to the credit of Porto Rico, not only that they welcomed the advent of the Americans, but that they honestly attempted to work in harmony with the Americans, and that the transfer from the military government of a captain-general, or a governor-general, to which they had been accustomed for three hundred years, the lifting of that terrible burden of oppression under which they had been laboring, brought her no license, no disloyalty, no anarchy.

Mr. SLAYDEN. Will the gentleman from Missouri permit a question?

Mr. BORLAND. Yes.

Mr. SLAYDEN. He makes a statement that puzzles me, because I have been under the impression that the island of Porto Rico was treated somewhat differently from other Spanish colonies, and I want to ask him if, as a matter of fact, they did not have a representative government in a way; if they did not have their representatives in the Spanish Cortes for time immemorial?

Mr. LARRINAGA. I will say that at the beginning of the last century we had. Then the politics of Spain cut that out. For the last sixteen years we had 16 members in the house, and some of them are to-day in the Spanish parliament, representing some Spanish districts. Some of them have been among the most brilliant statesmen there, and they are there yet.

Mr. BORLAND. I understand also that in 1897 Spain, to head off the troubles in Cuba, undertook to give them a more liberal constitution, which never was enforced long enough to demonstrate its practicability. But the fact remains, as I understand from the reading of Porto Rican history, that the people of Porto Rico had in a large measure suffered through political oppression, poverty and disorder, lack of government and lack of knowledge, and that they welcomed the American arms and acted in cooperation with them, and for eight years have given the American Government no trouble.

Now, it is stated in the President's message that in the eight or ten years the Americans have been there that the exports of the island have increased from $22,000,000 to $56,000,000. If that is true, I am glad of it. I am glad to claim for our country and for our Executive every benefit, every glory, that flows from that condition of affairs; but I am not willing to assume that as an argument against the power of Porto Rico for self-government. I do not believe in, and I am here to deny, the proposition that prosperity is solely because of the administration in power. I believe that prosperity springs from the people. It springs from the intelligence, from the industry, and from the virtue of the people. If the people of Porto Rico, with their political difficulties settled, and with a settled form of government, and with free elections, have been able to increase their prosperity, it has been due, in some measure at least, to the virtue, the intelligence, and industry of the people of Porto Rico.

That argument is an argument in favor of the growth of the people of Porto Rico in civil rights and in favor of taking an advanced stand in favor of civil rights instead of retrograding. Now, suppose we pass the bill, and deny them the right to appropriate money out of their own treasury and curtail their legislative responsibilities. Suppose we go the next step—as we will have to go, I assure the gentleman from Pennsylvania—and take from the Porto Ricans all control of taxation at all. Suppose we go the next step and relegate them back from civil government to military government, what have we gained of glory or credit for the United States? Is it not due us to give to those people of Porto Rico, who have been patient, who may have made mistakes, and may now be in the wrong, a sample of self-control, of self-government, of patience, and of sympathetic interest in their needs, such as we think will secure the affections of those people, instead of uniting them against us? Rightly or wrongly, we have no right to get up here and say that the people who by unanimous vote elected 35 members of the house who were all of one political party, that all those people are absolutely guilty of anarchy. We have no right to approach the solution of this problem on the theory or the implied charge that they are absolute anarchists. Let us give them the opportunity, then, to show whether their powers of self-government have diminished in the eight years. Let us extend to them sympathetic interest in their needs. I thank you. [Loud applause.]

The CHAIRMAN. The gentleman from New Jersey is recognized.

Mr. BORLAND. Mr. Chairman, if it is in order at this time, I desire to offer an amendment to the text.

The CHAIRMAN. It is not in order now.

Mr. PARKER. Mr. Chairman, it is a condition that confronts us. It is a question whether ordinary government shall go on in Porto Rico, or whether the deadlock between the two branches of the legislature, such as might occur in any one of our States, shall do there what it would not do in any one of those States—stop all government, executive or judicial, close the courts, close the charitable institutions which are usual in our counties and towns, open the jails, disband the police, or at least leave them without money for their ordinary expenses, and put the country more or less in a condition of anarchy.

In this situation it is lamentable that we should have any question as to the motives with which the measure is introduced, because all, on both sides, agree that some such measure is necessary. It is recommended by the President, whose affection for and interest in all our insular possessions is acknowledged throughout the United States.

The gentleman who has just spoken recommends a continuation of the budget at least for a year as a temporary measure. Our friend, the friend of all of us, the Commissioner of Porto Rico, when he was asked by me, "What suggestion does the gentleman make, so that the courts and schools may go on?" answered:

> Mr. LARRINAGA. I suggest, Mr. Chairman, that you do just as the President has advised—that the budget of the previous year go on, provided that the Foraker Act is taken up by the Committee on Insular Affairs and amended in a liberal sense. If the gentleman from New Jersey will accept my resolution, I will introduce one providing that the Foraker Act be revised at the next session of Congress, and the budget of last year shall go on.

We all agree that government must continue.

Mr. Chairman, I have not the good fortune to know much of anything personally about Porto Rico; but I have given its affairs study for many years, and have spoken often in this House upon Porto Rico and its affairs. I favored the continuance of a preferential tariff between that country and the United States, so as to build up its smaller industries and avoid a land tax. A tax on the selling price of land is unknown anywhere in the world except in the United States. Taxes abroad are on rents or produce, and not upon lands; and this tax, even at the small rate of one-half of 1 per cent, or, as I believe it is now, 1 per cent in Porto Rico, seems to do some harm where people in the farming country are not forehanded. I have read or glanced through all of their statutes and the report of the governor and their finances as reported by the treasurer and the auditor. We learn from those documents, as everywhere from the appropriation bills and estimates, what the government is. Nothing tells us so well. We find in Porto Rico that, unlike any State

in this Union, they receive every year about $1,000,000 of customs duties under the Dingley Act. I refer to the report of the treasurer (S. Doc. 578, p. 63). They received $1,138,555 in 1906–7 and $979,990 in the following year, so that we can call the customs, in round numbers, $1,000,000. Porto Rico likewise has the right—which belongs to no one of our United States—to impose excise taxes by stamps, which right brought in over $1,000,000 from liquors and $543,000 from tobacco and cigars, while other items, including $136,000 on document stamps and over $200,000 in licenses to liquor dealers and manufacturers, brought the excise taxes up to $1,917,000. Altogether about $3,000,000 by this Foraker Act are put annually into the treasury of Porto Rico.

We should remember that they are within our tariff lines and have free trade for their sugar and produce with the United States, and that if they were a territorial government or a state government under the United States these moneys would not go into the treasury of Porto Rico as such Territory or State, but into the Treasury of the United States. Customs and excise are appropriated for their benefit by the United States. As we find in the Foraker Act, these were held first as a separate fund, placed at the disposal of the President, to be used for the government and benefit of Porto Rico until a government should be organized. The same act provided for the organization of that government. It provided—I think it may be said rightly—that these moneys, which are not raised by them, but which are United States moneys, should be administered with a right of veto on the part of trustees for the United States of any wrongful expenditures; and for that reason the executive council, or the upper house, was established. Its members are appointed, partly American and partly Porto Rican, to establish the salaries and the offices, and really to see to the distribution of those moneys. Is it unfair? Jamaica is governed by England, whose policy with its islands has always been liberal, and the government of Jamaica is admired in the world. It is governed by one house, of which a majority is appointed, while Jamaica pays the same high duties on her sugars when they go to England that any other part of the world pays, and has no preference in the English market such as we have given to Porto Rico. Such generosity, Mr. Chairman, toward an insular possession has, in my judgment, never been shown by any country in the world as has been shown by the United States to the island of Porto Rico; and if the executive council, as the upper house, thinks it unwise to lend moneys that the United States thus provides through an agricultural bank, on the security of land or, at least, to guarantee such loans, did they not do right to reject that bill?

If that council think that they ought to administer those moneys and know something about their management, instead of distributing them for the use of counties and towns without check, are they or are they not wise? These are not questions that can be disposed of here, because we have not the information; but so long as $3,000,000 of United States money are to be administered in Porto Rico for the benefit of her people, that administration must at least be shared by representatives of these United States. At least it seems to me that it is fair that this should be done. If Porto Rico were independent, it would collect its own tariff dues, but it would not have free entry for its goods into the United States. They and we would pay a tariff as between the two countries exactly like any foreign country, and Porto Rico would have the miserable position of many of the West India Islands, which have no good market for their products. Or if Porto Rico were a State or a Territory with self-government inside of the United States, it would raise its own local taxes, and the jails, the courts, the insane asylums, the blind asylums, the leper asylums, the girls' and boys' industrial schools, the general education, and the roads would be paid for out of the local taxes, as they are inside of the United States, with an assessment of 2 or 3 per cent on high valuations, instead of being paid almost altogether, or two-thirds of them, at least, out of the moneys raised by excise and by customs, which we have granted to them from our national revenues. If a tax of 1 per cent on land is complained of, how would it be with a tax of 3 per cent? Our generosity was founded upon good sense, because we had to establish a new and liberal form of government, with all the public institutions that belong to liberal government in these days, and we were generous in furnishing the means. It is right, however, that there should be some control.

Porto Rico has a legislature which is composed of a governor, an executive council, and a house of delegates. The assent of the two bodies is necessary to the passage of any law. That assent is shown not only in the code adopted in 1902, but in yearly statutes, not so bulky as those of some of our States. They are intelligent and intelligible statutes, and it is a pleasure in looking over them to see so many acts devoted to the subject of good roads, education, and schools. There are municipal governments, and those municipal governments are supported partly by a division of the million or million and a half of land taxes, already referred to, which are collected by the insular government and partly by their own license taxes. That is to say, every store pays $20 to $60, according to the size of the town and the character of the store, and there are license fees for inns and taverns, places of amusement, cabs, carriages, animals, and so forth; all the ordinary forms of license taxes furnish the funds to the towns, which also receive their share of the money collected from the general property tax. Now, in this country, if the legislature of any State fails to do business, what happens? It is not impossible, let me suggest, that we might have some wild theorists in some of our state legislatures who would refuse to do any business until various institutions were broken down or various laws were passed; it is not beyond possibility that one legislative body should say to the other that they would make no appropriations unless those laws be passed. But in such case the roads would still be managed by the town roadmaster or by the city. The school taxes would still be laid by the town and by the city. The county would still pay its county judges and courts and support its county jails, county asylums, and schools; and all the various beneficent institutions would go on just as before. I will go further. In old England, which has been quoted here, if Parliament had refused to make appropriations, it would have touched little except the army or the navy.

They believed in those days that the judiciary should be independent, and they paid them in the old times by fees for every order and for every judgment. The judges and the courts would have gone on. The sheriff would have taken care of his prisoners and taken pay from the party who had them imprisoned. The old law of England did not make the judiciary subject to annual appropriations of the legislature, and the declaration in so many of our constitutions that the judicial, the legislative, and the executive branches of the government should be independent of each other did not mean simply that that should be a matter of words, but that government should go on whether the legislature shall make laws or not.

It is suggested by the commissioners from the council that it was the intention of the Foraker Act that all expenses, as well as salaries, should be allotted by the executive council, and that the function of the house of delegates should be that of making laws and not of making appropriations. There is something to be said in favor of this statement. Section 36 says:

> That the salaries of all officials of Porto Rico not appointed by the President, including deputies, assistants, and other help, shall be such and be so paid out of the revenues of Porto Rico as the executive council shall from time to time determine: *Provided, however,* That the salary of no officer shall be either increased or diminished during his term of office. The salaries of all officers and all expenses of the offices of the various officials of Porto Rico appointed, as herein provided, by the President, including deputies, assistants, and other help, shall also be paid out of the revenues of Porto Rico on the warrant of the auditor, countersigned by the governor.

The council suggest that this act provided for the salaries of all officers and the expenses of those appointed by the President, and that it was a mere oversight that the expenses of the other officers and the other parts of the government, as well as their salaries, should not have been also intrusted to the legislative council. They suggest an amendment to the law in that respect so as to cover those expenses and to leave the matter of appropriations to the council, as they think was intended by this act. The President, I think very wisely, has refused unnecessarily to go into a matter of so much importance as the relations of the various branches of the government in Porto Rico and to make any changes in those relations at the present time. He has recognized the condition of affairs and the need of continuing the government.

In the last year's appropriations—see same document, pages 115, and so forth—the expenditures included over $54,000 for the session of the legislature and their expenses. The executive departments spent two and one-half million dollars. This includes the expenses of the governor, the secretary, the attorney-general, the treasurer, including the collectors of internal revenue; the auditor's office, commissioner of the interior, all construction and maintenance of public roads and bridges, maintenance of telegraph, the extension of the insular telegraph system, irrigation works, the work on insular roads, construction and repair of public buildings, construction and repair of docks and piers, the expenses of the commissioner of education, the expenses, as well as salaries, in the public schools; the funds for the University of Porto Rico, support of deserving students who are now working in the United States and elsewhere, summer schools and institutes, libraries and museums, besides the charitable institutions for lepers, blind, and insane; girls' and boys' charity schools; subvention to various hospitals; the

penitentiary, with about 10 jails, and food for prisoners and payment of their expenses and those of the police throughout the island. Judicial expenditures were $379,000, but not merely in the payment of judges.

The United States court takes only $42,000 for the judge and the clerk, including over $12,000 for the expenses of the court, for traveling, jurors, and witnesses. Sixty thousand dollars went in like expenses for the insular courts. Certain smaller items of miscellaneous, of loans to municipalities, of loans to school boards, and transfers make a total insular expenditure of about $3,500,000. The insular government likewise accounts for "trust funds;" that is to say, an apportionment to the municipalities of taxes collected for them by the insular government, amounting to $1,250,000, and a road-bond fund of $572,000. Are all these functions of government to be stopped because, forsooth, one house of the legislature wants a new law?

Mr. Chairman, there are two ways of dealing with a condition of this sort. It is a condition and not a theory that confronts us. One way would be simply to say, If you want anarchy, take it; we will do nothing. Perhaps the only way to teach a people what anarchy means is to let them try it. It would not be three months before they would have to come back and agree that the budget should go on for the next year and revoke and reverse this anarchical policy of saying that there shall be no government unless new laws be passed.

We have been actually told by leaders of the opposition in this House that it was the orderly course of English government that grievances should be redressed before relief was granted. Yes and no. The Commons told the King that they would not appropriate their own funds for his army or his navy unless certain reliefs were granted. They never told the people of England that government throughout England in the courts and towns, in the counties, the offices of the sheriffs, the schools, the school rates, and the aid of the church should cease. The Commons have said that they would not appropriate for the army or the navy. We have a provision in our Constitution that no appropriation shall be made for the army for longer than two years. The Constitution obviously contemplated that permanent appropriation should or might be made for the support of the judges and to carry on the courts for longer than two years. It never meant that if the House and Senate refused to come together the necessary expenses for the courts and the administration of justice should cease throughout the United States. It is a singular fact, one that we shall feel in these United States before long, that there has been a quiet, hidden change in the mode of carrying on government; that whereas everything in old times was done through the local divisions of counties and towns we have increased the civil service, we have governmental institutions instead of county institutions, we have state asylums, we have state charities, we have built up such a marvelous system of central departments and institutions—and this is not only in this country, but on the other side of the water also—which are dependent on the annual appropriations, that we have made the legislature more supreme than it ever was in the history of any country. The judges used to be independent. Their fees were paid on every case. But now they would not get their salaries—I mean judges of the highest state courts, nor would those of the United States courts—unless the legislature appropriated for them every year. I myself have sometimes wondered whether we ought not to have modified the fee system so as to give only a maximum in each case and let the rest go in the state treasury rather than to take away the independence which belonged to the judge of all legislative appropriation. It is a danger that the judiciary and the executive are so much placed under legislative action from year to year.

It is a danger that may beset us here. It is a danger which has come upon us in Porto Rico. Fortunately for that little island, we need have none of the hesitation which we should have if they were raising the taxes which are to be expended. It is not their taxes or taxes on their property which are to be expended by this bill, except in a small degree, for all their property taxes, except 10 or 15 per cent, go back to the various municipalities, to be disposed of by them, and are not disposed of by the central government. The money we are disposing of now by this bill, in which we order that the budget of last year shall go on, are the moneys of the United States which we allow the island to take from customs and excise, and are sufficient to pay what expenses are necessary for the benefit of the island under laws which have been passed by the legislature of that island, which were in effect under the appropriations of last year and which are in effect now. And we feel that when we enact that the budget of last year shall be continued, that the budget of any year where a deadlock takes place shall be continued for the following year, when we decide that government shall go on and that our money shall be used for that purpose, we believe we are enacting a law which is for the benefit of Porto Rico and within the rights of the United States of America, morally as well as legally. [Applause.]

Mr. OLMSTED. Mr. Chairman, as it seems that no one else cares to engage in debate, I suggest that the Clerk proceed with the reading of the bill.

Mr. COOPER of Wisconsin. Will the gentleman from Pennsylvania let me say one word?

Mr. OLMSTED. Certainly.

Mr. COOPER of Wisconsin. When I put the interrogatory to the gentleman from Pennsylvania this morning, I did not have a copy of the bill here, and I could not remember the phraseology of the Philippine bill, but I see that there is a provision that, if the legislature acts, the appropriations shall not be continued.

Mr. OLMSTED. The gentleman from Wisconsin is entirely right about that. I thought we should agree when he saw the bill.

Mr. Chairman, I call for the reading of the bill.

The Clerk read as follows:

Be it enacted, etc., That the act entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900, is hereby amended by inserting at the end of section 31 of said act the following additional proviso:

"*And provided further*, That if at the termination of any session the appropriations necessary for the support of government shall not have been made an amount equal to the sums appropriated in the last appropriation bills for such purpose shall be deemed to be appropriated; and until the legislature shall act in such behalf the treasurer may, with the advice of the governor, make the payments necessary for the purposes aforesaid."

Mr. GARRETT. Mr. Chairman, I wish to offer two amendments there.

The CHAIRMAN. The gentleman from Tennessee offers two amendments, which the Clerk will report.

Mr. BORLAND. Mr. Chairman, a parliamentary inquiry. I would like to know whether it would be in order to introduce an amendment at this time?

Mr. GARRETT. Let these amendments be offered, so as to perfect the bill.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Line 9, paragraph 2, strike out the word "session" and insert in lieu thereof the words "fiscal year."

Line 10, after the word "government," insert the words "for the ensuing fiscal year."

Mr. OLMSTED. Mr. Chairman, the gentleman from Tennessee [Mr. GARRETT] has kindly submitted those amendments heretofore, and they have been printed in the RECORD. I have carefully examined them. I think that the bill in its present form would carry out the object of the amendments; but the amendments certainly make the matter very clear. There is no possible objection to them, and I hope they will be agreed to.

The CHAIRMAN. The question is on agreeing to the amendments offered by the gentleman from Tennessee [Mr. GARRETT].

The question was taken, and the amendments were agreed to.

Mr. BORLAND. Mr. Chairman, I desire to offer an amendment to the first section.

The CHAIRMAN. The gentleman from Missouri [Mr. BORLAND] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Strike out, after the word "further," in line 8, and insert in lieu thereof the following:

"That for the fiscal year beginning June 30, 1909, for the expenses, support, and legal obligations of the government in all its departments an amount equal to the sums appropriated in the last appropriation bills for such purposes shall be deemed to be appropriated, which shall be paid in the usual course by warrant drawn by the auditor upon the treasurer, countersigned by the governor."

Mr. BORLAND. I would only say that the act as drawn provides for a continuance of these appropriations at any session in which the legislature fails to appropriate. The purpose of this amendment is to limit it to the fiscal year for which the appropriation has failed to be made.

I would also call attention to the fact that the act as drawn does not correspond with the Foraker Act in that it provides that the treasurer may, with the advice of the governor, make payment for the purposes aforesaid. The Foraker Act provides that these payments shall be made by warrant drawn by the auditor on the treasurer, countersigned by the governor. There is no apparent reason for cutting the auditor out, in the interest of keeping a record of the public means, and say that the treasurer shall make these payments in the future on the advice of the governor, nor is it made plain what is meant, whether a warrant is to be drawn, countersigned by the governor, or a mere special order from the governor to pay the money,

and there is nothing to say what shall be the nature of it. At any rate it is out of harmony with the act. It should read so that it was to be paid on the warrant in the usual course, drawn by the auditor and countersigned by the governor, and it should be limited to the fiscal year commencing June 30, 1909.

Mr. PAYNE. Mr. Chairman, I should dislike very much to see any such amendment as this adopted. I can see no reason why the House should not unite in this simple remedy proposed in this bill. I do not so much blame the Porto Ricans for trying to "hold up" the government, however vain it may appear. It is not the first time that that has been attempted by a legislative body. Away back during the Hayes administration there was a party in power in one branch of Congress that tried to "hold up" the Government on the appropriations, in order to force the repeal of the federal election laws, and we had the spectacle of that vain effort for a good many months. Mr. Garfield, in one of the best speeches of his life, dissected that attempt and analyzed it, tracing it to the last analysis, and took the position that it was just as much an act of treason to the Government to try to starve it to death as it was to shoot its soldiers. His speech at that time impressed me, reading it from the newspapers, as it impressed the country, and seemed to impress those gentlemen who were engaged in that attempt at a "hold up." Very soon after that they yielded and made the appropriations for the support of the Government for the next year, and the law was not repealed at that time.

Mr. CLARK of Missouri. I would like to ask the gentleman, Is it not true that they held out, and that forced an extra session of Congress in the spring of 1877, and that they never did agree to that appropriation bill until certain persons in interest down South entered into an arrangement with President Hayes that these troops were to be taken out of the South, so far as operations around the polls were concerned?

Mr. PAYNE. It was not merely an attempt to take the federal soldiers out of the South, but it was to repeal all the federal election laws.

Mr. CLARK of Missouri. Did not they afterwards repeal the federal election laws?

Mr. PAYNE. Oh, yes; not then; not until after I came to Congress; and it was years before I came to Congress that I speak of.

Mr. CLARK of Missouri. I do not want to enter into a controversy with the gentleman.

Mr. PAYNE. I am not entering into a controversy. I simply want to call attention to the fact that the Porto Ricans have had an example. They have failed to look beyond and see what the result was, and then judge what the result would be in this case.

Now, with all kindness toward the Porto Ricans—and God knows I would do everything I could to help them work out their own salvation down there in that island—with all kindness toward them, it seems to me that this is not a time for compromise or anything of that nature. The Congress of the United States ought to declare in no uncertain tones that the Government is not to be bulldozed; that the Government is not to be dragooned or driven into adopting laws or changing laws simply because they fail to make appropriations; that they can not destroy the government there by starving it to death. I think we ought to have a provision in this law, as we have in the Philippine Islands law, relating to every year, so that there will be no temptation in the future for Porto Ricans to put themselves in the attitude they are now in. It makes no difference as to the merits of the legislation that was proposed in the island. We are not considering that now. That, I hope, will be considered by the Committee on Insular Affairs, if they should conclude to bring in a bill amending the general act relating to the government of Porto Rico. That is a matter for future consideration. This is simply to provide the government with funds now and in the future, that it may be known in Porto Rico and everywhere else in the world that the money for the support of the government does not depend upon whether one branch or other of the legislature agrees to the proposed legislation that is presented by the other branch. Let these matters stand by themselves, on their own merits, and pass this bill, so that it shall be certain from year to year that the appropriations will still be forthcoming, notwithstanding the houses may disagree as to other measures.

Mr. OLMSTED. Mr. Chairman, there are one or two gentlemen on that side of the House and one or two on this side of the House who have expressed a desire to be heard on this amendment, which it was understood would be offered, or one of its character; but not expecting that general debate would be concluded, they have left the Hall for the day. I therefore move that the committee do now rise.

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. CLARK of Missouri. Let us have a division.

Mr. PAYNE. I do not know what the gentleman's intention is. He heard me promise the gentleman from Arkansas [Mr. MACON] this morning that there should be no vote on this bill unless a quorum were present, and I shall see to it that there is not.

Mr. CLARK of Missouri. But we want to vote on this amendment.

Mr. PAYNE. I said on any vote.

Mr. CLARK of Missouri. What I say is that we want to vote on this amendment.

Mr. PAYNE. You will not get a vote on this amendment that will do you any good.

Mr. CLARK of Missouri. Well, we will stay here, then.

Mr. PAYNE. We will see whether we do or not.

Mr. CLARK of Missouri. A division, Mr. Chairman.

The committee divided; and the Chairman reported—19 ayes, 22 noes.

Mr. DALZELL. Mr. Chairman, I make the point that there is no quorum present.

The CHAIRMAN. The gentleman from Pennsylvania makes the point of no quorum.

Mr. STAFFORD. Mr. Chairman, I demand tellers.

Mr. CLARK of Missouri. It is too late to demand tellers.

Mr. DALZELL. Mr. Chairman, I insist upon my point of no quorum.

The CHAIRMAN. The Chair will count. [After counting.] Forty-six gentlemen present; not a quorum.

Mr. DALZELL. Then, Mr. Chairman, under the rules of the House, we have to rise as a matter of course.

The CHAIRMAN. Does the gentleman make the motion that the committee do now rise?

Mr. DALZELL. Under the rules of the House, when it appears that no quorum is present in the Committee of the Whole, as a matter of course the committee automatically rises and reports to the House.

The CHAIRMAN. Not until after the roll has been called.

Mr. DALZELL. The roll has to be called, of course.

Mr. OLMSTED. I move that the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from Pennsylvania that the committee do now rise.

The question was taken; and on a division (demanded by Mr. STAFFORD) there were—ayes 25, noes 29.

Mr. OLMSTED. Mr. Chairman, I demand tellers.

Tellers were ordered, and Mr. OLMSTED and Mr. CLARK of Missouri were appointed tellers.

The committee again divided; and the tellers reported to the Chairman, who announced that there were—ayes 37, noes 34; and that the motion was agreed to.

Mr. CLARK of Missouri. Wait a minute, Mr. Chairman. Let us see. Here are three or four men right here who desire to vote in the negative.

Mr. PAYNE. Oh, suppose if seven or eight were to come in, what of it?

Mr. CLARK of Missouri. But the gentleman from Pennsylvania [Mr. OLMSTED] deserted his place as a teller.

The CHAIRMAN. On this vote, as reported to the Chair by the tellers, there were—ayes 37, noes 34; so the committee determines to rise.

Mr. SHERLEY. Mr. Chairman, I insist that it is the right of Members to have counted those who desire to vote when a count is being taken by tellers, and it does not lie at the option of one teller, while men are coming in to vote, to determine that the vote shall cease.

The CHAIRMAN. If gentlemen on that side seriously contend that the vote is not properly taken, the Chair can order another vote.

Mr. CLARK of Missouri. There were three or four gentlemen here, and one of them got as far as I am now, and farther.

Mr. PAYNE. I understand that there were three or four on both sides on their way to the Hall.

Mr. CLARK of Missouri. Well, the easiest way out of it is to have the vote taken again.

Mr. OLMSTED. Mr. Chairman, there were no gentlemen offering to pass between the tellers, and the tellers had announced the vote before I retired, but a number of gentlemen have since entered the room. There is no objection to taking the vote again.

The CHAIRMAN. The Chair will take the responsibility of ordering the vote again taken, and the tellers will take their places. The question is on the motion of the gentleman from Pennsylvania that the committee do now rise.

The committee again divided; and the tellers reported—ayes 51, noes 47.

So the motion was agreed to.

Accordingly the committee rose; and Mr. TOWNSEND, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 9541, the Porto Rican bill, and had come to no resolution thereon.

ADJOURNMENT.

Then, on motion of Mr. OLMSTED (at 2 o'clock and 10 minutes p. m.), the House adjourned until Tuesday, June 1, 1909, at 12 o'clock m.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. ANDREWS: A bill (H. R. 10274) reserving from entry, location, or sale lots 1 and 2 in section 33, township 13 south, range 4 west, New Mexico prime meridian, in Sierra County, N. Mex., and for other purposes—to the Committee on the Public Lands.

By Mr. HANNA: A bill (H. R. 10275) to authorize the sale and disposition of a portion of the surplus and unallotted lands in the Fort Berthold Indian Reservation, in the State of North Dakota, and making appropriation and provision to carry the same into effect—to the Committee on Indian Affairs.

By Mr. WEEKS: A bill (H. R. 10276) to protect migratory birds of the United States—to the Committee on Agriculture.

Also, a bill (H. R. 10277) granting thirty working days' leave of absence in each year, without forfeiture of pay during such leave, to certain employees at United States arsenals, proving grounds, and supply stations—to the Committee on Military Affairs.

Also, a bill (H. R. 10278) to provide mobile defense for Atlantic coast and Gulf ports—to the Committee on Naval Affairs.

Also, a bill (H. R. 10279) changing the status of certain officers on the retired list of the navy who were retired on account of wounds or other disability incident to service—to the Committee on Naval Affairs.

Also, a bill (H. R. 10280) to authorize the Chief of Ordnance, United States Army, to receive twelve 3.2-inch breech-loading field guns, carriages, caissons, limbers, and their pertaining equipment from the State of Massachusetts—to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. DE ARMOND: A bill (H. R. 10281) granting an increase of pension to Joseph A. Scoggin—to the Committee on Invalid Pensions.

By Mr. HAYES: A bill (H. R. 10282) granting a pension to Charles Francis Marshall—to the Committee on Pensions.

Also, a bill (H. R. 10283) granting an increase of pension to Charles A. Lyon—to the Committee on Pensions.

By Mr. HULL of Tennessee: A bill (H. R. 10284) granting a pension to Isaac L. Andrews—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10285) granting an increase of pension to Joseph Bergdorf—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10286) for the relief of William Strong—to the Committee on Military Affairs.

Also, a bill (H. R. 10287) for the relief of the heirs of Dillard McMillian, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10288) granting pay to Faver Cason—to the Committee on Invalid Pensions.

By Mr. JAMIESON: A bill (H. R. 10289) granting an increase of pension to Elisha Stearns—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10290) granting an increase of pension to William A. Gordon, alias John Baker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10291) granting an increase of pension to James A. Butt—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10292) granting an increase of pension to William T. Zimmer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10293) granting an increase of pension to Thomas Porter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10294) granting an increase of pension to James W. Pray—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10295) granting an increase of pension to Wesley J. Banks—to the Committee on Invalid Pensions.

By Mr. LINDSAY: A bill (H. R. 10296) granting an increase of pension to Henry Masel—to the Committee on Invalid Pensions.

By Mr. MACON: A bill (H. R. 10297) granting an increase of pension to John L. Barnes—to the Committee on Invalid Pensions.

By Mr. OLDFIELD: A bill (H. R. 10298) granting an increase of pension to Thomas G. Massey—to the Committee on Invalid Pensions.

By Mr. SMITH of California: A bill (H. R. 10299) granting a pension to Eliza McKellar—to the Committee on Invalid Pensions.

By Mr. THOMAS of Kentucky: A bill (H. R. 10300) granting an increase of pension to Zachariah Stovall—to the Committee on Invalid Pensions.

By Mr. WEEKS: A bill (H. R. 10301) granting an increase of pension to Jacob A. Dyer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10302) granting an increase of pension to Frank S. Nickerson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10303) granting an increase of pension to Laura A. W. Fowler—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10304) granting an increase of pension to Alden Bradford—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10305) granting an increase of pension to John McEnany—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10306) granting an increase of pension to Martha R. Griswold—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10307) granting a pension to Louisa L. Metcalf—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10308) granting a pension to Ethel K. Guerin—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10309) granting a pension to Barton E. Gardner—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10310) to correct the naval record of Edgar F. Crawford—to the Committee on Naval Affairs.

Also, a bill (H. R. 10311) to pay Frederick W. Cotton amount found due him by Court of Claims—to the Committee on War Claims.

Also, a bill (H. R. 10312) authorizing the payment to the administrator of the late Ephraim Perkins, captain, of the value of his three-fourths of brigantine *Eliza* and cargo, illegally captured by the French, as ascertained by the Court of Claims—to the Committee on War Claims.

Also, a bill (H. R. 10313) to provide for the appointment and retirement of late Ensign John Tracey Edson as lieutenant in the United States Navy—to the Committee on Naval Affairs.

Also, a bill (H. R. 10314) for the relief of Elizabeth L. W. Bailey, administratrix of the estate of Davis W. Bailey, deceased—to the Committee on Claims.

Also, a bill (H. R. 10315) for the relief of David Smith—to the Committee on War Claims.

Also, a bill (H. R. 10316) for the relief of Mary E. Quinn—to the Committee on Claims.

Also, a bill (H. R. 10317) for the relief of John Ware Page—to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. CALDER: Petition of United Societies of Philadelphia for Relief and Protection of Immigrants, against an increase of tax on immigrants—to the Committee on Immigration and Naturalization.

Also, petition of citizens of Brooklyn, N. Y., favoring reduction of the tariff on wheat—to the Committee on Ways and Means.

Also, petition of New York State League of Cooperative Savings and Loan Associations, favoring reduction of tariff on dwellings material—to the Committee on Ways and Means.

Also, petition of Hay-Budden Manufacturing Company, of Brooklyn, N. Y., against reduction of duty on anvils—to the Committee on Ways and Means.

Also, petition of Cornelius Kahlen and George Staber, business firms of New York City, favoring a duty not to exceed 25 per cent ad valorem on imitation onionskin paper—to the Committee on Ways and Means.

Also, petition of the Paul Taylor Brown Company, against increase of duty on Singapore pineapples—to the Committee on Ways and Means.

Also, petition of J. E. Rhoads & Sons, of New York City, favoring free hides—to the Committee on Ways and Means.

By Mr. FITZGERALD: Petition of presidents and vice-presidents of United Societies of Philadelphia for Relief and Protection of Immigrants, against increase of tax on immigrants from $4 to $10—to the Committee on Immigration and Naturalization.

Also, petition of Marine Trades Council of New York, against disrating employees in the Brooklyn Navy-Yard—to the Committee on Naval Affairs.

By Mr. HOLLINGSWORTH: Petition of E. M. Stanton Post, Department of Ohio, Grand Army of the Republic, against engraving of portrait of Jefferson Davis on silver service for battle ship *Mississippi*—to the Committee on Naval Affairs.

By Mr. HUBBARD of West Virginia: Petition of G. M. Snook Company and others, of Wheeling, W. Va., against increase of the tariff on gloves—to the Committee on Ways and Means.

By Mr. O'CONNELL: Petition of presidents and ex-presidents of United Societies of Philadelphia for Relief of Immigrants, against increase of tax from $4 to $10—to the Committee on Immigration and Naturalization.

By Mr. WEEKS: Petition of Federation of Woman's Clubs of Massachusetts, opposing any increase of duty on hosiery and gloves—to the Committee on Ways and Means.

Also, petition of Hannah Goddard Chapter, Daughters of American Revolution, favoring passage of Newlands bill, providing for placing Lincoln memorial on the park commission site—to the Committee on the Library.

SENATE.

SATURDAY, *May 29, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

FINDINGS OF THE COURT OF CLAIMS.

The VICE-PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact filed by the court in the following causes:

In the case of Daniel W. Beckham, administrator of the estate of Alexander F. Beckham, deceased, *v.* United States (S. Doc. No. 65); and

In the case of the Town of Nicholasville, Ky., and the Presbyterian Church of Nicholasville, Ky., *v.* United States (S. Doc. No. 66).

The foregoing findings were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a petition of the National Florence Crittenton Mission, of Washington, D. C., praying for the enactment of legislation to embody in such form as may be consonant with the Constitution a clause in the immigration law relating to the protection of young girls for a period of three years after their arrival in the United States, which was referred to the Committee on Immigration.

He also presented a memorial of the board of presidents and ex-presidents of the United Society for the Relief and Protection of Immigrants, of Philadelphia, Pa., remonstrating against the proposed increase of the head tax on immigrants, which was referred to the Committee on Immigration.

He also presented the memorial of W. H. Maughan and sundry other citizens of Wellsville, Utah, remonstrating against any change being made in the present duty on sugars, which was ordered to lie on the table.

Mr. BURNHAM presented a memorial of sundry citizens of Derry, N. H., remonstrating against an increase of the duty on imported gloves, which was ordered to lie on the table.

He also presented a petition of the Board of Trade of Rochester, N. H., praying for a reduction of the duty on raw and refined sugars, which was ordered to lie on the table.

Mr. PERKINS presented a memorial of Local Union No. 238, Cigarmakers' International Union, of Sacramento, Cal., remonstrating against a removal of the duty on cigars from the Philippine Islands, which was ordered to lie on the table.

He also presented petitions of sundry citizens of San Francisco, Eureka, and Bayard, all in the State of California, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. ROOT presented memorials of sundry citizens of New York City, Brooklyn, Buffalo, and Rochester, all in the State of New York, remonstrating against the imposition of a duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented a memorial of Local Grange No. 1068, Patrons of Husbandry, of Belfast, N. Y., remonstrating against the proposed increase of the duty on gloves, which was ordered to lie on the table.

He also presented a memorial of the Steel Founders' Association of America, remonstrating against any increase of the duty on ferrosilicon, which was ordered to lie on the table.

He also presented a memorial of sundry citizens of New York, remonstrating against the imposition of a duty on tea in bulk, which was ordered to lie on the table.

He also presented a petition of sundry citizens of New York, praying for the imposition of a protective duty on post cards, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Denmark and Pond Eddy, in the State of New York, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a petition of sundry citizens of New York, praying for a reduction of the duty on wheat not to exceed 10 cents per bushel, which was ordered to lie on the table.

He also presented a memorial of the board of presidents and ex-presidents of the United Society for the Relief and Protection of Immigrants, of Philadelphia, Pa., remonstrating against the proposed increase of the head tax on immigrants, which was ordered to lie on the table.

He also presented a petition of the Merchants' Association of New York, praying for the appointment of a permanent tariff commission, which was ordered to lie on the table.

Mr. STEPHENSON presented a memorial of members of the Milwaukee News composing room, of Milwaukee, Wis., and a memorial of the Young Churchman composing room, of Milwaukee, Wis., remonstrating against the imposition of a duty on print paper and wood pulp, which was ordered to lie on the table.

COMMITTEE ON PUBLIC EXPENDITURES.

Mr. KEAN. I am directed by the Committee to Audit and Control the Contingent Expenses of the Senate, to whom was referred Senate resolution No. 50, to report it favorably with an amendment, and I ask for its present consideration.

The Senate, by unanimous consent, proceeded to consider the resolution, as follows:

Senate resolution 50.

Resolved, That the Committee on Public Expenditures be, and they are hereby, authorized and directed, by subcommittee or otherwise, to make investigations as to the amount of the annual revenues of the Government and as to the expenditures and business methods of the several departments, divisions, and branches of the Government, and to report to the Senate from time to time the result of such investigations and their recommendations as to the relation between expenditures and revenues and possible improvements in government methods; and for this purpose they are authorized to sit, by subcommittee or otherwise, during the recesses or sessions of the Senate, at such times and places as they may deem advisable, to send for persons and papers, to administer oaths, and to employ such stenographic, clerical, expert, and other assistance as may be necessary, the expense of such investigation to be paid from the contingent fund of the Senate.

The amendment was, in line 16, after the word "necessary," to insert "and to have such printing and binding done as may be necessary."

The amendment was agreed to.

The resolution as amended was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BURNHAM:

A bill (S. 2492) granting a pension to Lillie Warburton; to the Committee on Pensions.

By Mr. MONEY:

A bill (S. 2493) to make Scranton, in the State of Mississippi, a subport of entry, and for other purposes; to the Committee on Commerce.

By Mr. GAMBLE:

A bill (S. 2494) granting an increase of pension to Milton Yeager (with the accompanying papers); to the Committee on Pensions.

By Mr. DANIEL:

A bill (S. 2495) providing for the payment of a specified sum to the estate of Henry Yonge, deceased; to the Committee on Claims.

AMENDMENT TO THE TARIFF BILL.

Mr. BACON submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

VISITOR TO NAVAL ACADEMY.

Mr. BURROWS was, on his own request, relieved from service upon the Board of Visitors to the Naval Academy at Annapolis, Md.

The VICE-PRESIDENT appointed Mr. CLAPP a member of the Board of Visitors on the part of the Senate to attend the annual examination of the cadets at the United States Naval Academy at Annapolis, Md., in place of Mr. BURROWS, resigned.

CONRADO DIAZ.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 67), which was read and, with the accompanying paper, referred to the Committee on Pacific Islands and Porto Rico and ordered to be printed:

To the Senate and House of Representatives:

In accordance with section 32 of the act of Congress approved April 12, 1900 (31 Stat., 84), entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," I have the honor to transmit herewith for the consideration of the Congress certified copy of a franchise granted by the executive council of Porto Rico, May 6, 1909, entitled "An ordinance repealing an ordinance entitled 'An ordinance granting to Conrado Diaz, his heirs and assigns, the right to use for irrigation purposes 32 liters of water per second from the river Rio Jueyes, in the barrio Jauca, municipal district of Santa Isabel.'"

WM. H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

PAN-AMERICAN SCIENTIFIC CONGRESS.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 64), which was read and, with the accompanying papers, referred to the Committee on Foreign Relations and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith for the information of Congress the report of the delegates of the United States sent to the Pan-American Scientific Congress held at Santiago, Chile, in pursuance of the sundry civil act approved May 27, 1908, "To enable the Government of the United States to be fittingly represented at the first Pan-American Scientific Congress to be held at Santiago, Chile, during the year 1908."

WM. H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

WAGES IN GERMANY.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 68), which was read and, with the accompanying paper, referred to the Committee on Finance and ordered to be printed:

To the Senate:

In response to the resolution of the Senate dated May 25, 1909, requesting the President, if not incompatible, in his judgment, with the public interest, to transmit to the Senate the statement of the German Government, or its officers, in relation to the wages paid to German workmen, for the use of the Senate in connection with its consideration of the pending tariff bill, I transmit herewith a letter from the Secretary of State stating that all the information on this subject which has been received from the German Government has been transmitted by the Department of State to the Committee on Finance of the Senate for use in the consideration of the pending tariff bill.

WM. H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

Mr. NELSON. I see from the letter of the President sent in this morning that the report as to wages in Germany that was called for by the Senate resolution was furnished to the Finance Committee here on the 3d and 13th of April. I ask that the report called for by the resolution be printed as a Senate document.

The VICE-PRESIDENT. The Senator from Minnesota asks unanimous consent——

Mr. NELSON. I want to say in this connection, I am surprised that the Finance Committee have withheld it from Senators until this moment.

Mr. ALDRICH. Mr. President, since the discussion yesterday I have made some investigation as to the character of the so-called "government report." It is a report of certain boards of trade in Germany, transmitting anonymous statements of German exporters in answer to testimony taken before the House committee. It is the first time in the history of the country, I assume, when a foreign government has undertaken to send through diplomatic channels to the United States anonymous testimony of manufacturers to answer statements made before a committee of Congress. I am quite willing that this statement shall be printed.

Mr. NELSON. I ask that it be printed as a Senate document.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Minnesota?

Mr. ALDRICH. It has been sent back to the State Department, but will be retransmitted here. It is in German. It has not yet been translated, but the translation can be proceeded with as rapidly as possible. I have no objection to the order being made to have it printed in English.

The VICE-PRESIDENT. The Senator from Minnesota, the Chair assumes, intended to ask that it be printed in English.

Mr. NELSON. Certainly.

Mr. MONEY. I did not exactly understand what was said on the other side. I wish to know whether or not this communication comes through the official channel to Congress, or is it from an individual?

Mr. ALDRICH. The Committee on Finance received some time ago, I do not know exactly how long ago, a mass of documents in German through the State Department.

Mr. MONEY. Through the State Department?

Mr. ALDRICH. Through the State Department. They were transmitted to the Committee on Finance for its information, with the statement that the names of the parties who furnished it——

Mr. MONEY. That is quite sufficient for my purpose.

Mr. ALDRICH (continuing). Were to be kept secret. As a matter of fact, the State Department erased all the names of the parties who made the statements. The casual examination which I have made of the papers since the statement was first made in the Senate shows me that they are statements of manufacturers in Germany, transmitted through the State Department, in answer to statements made before the House Ways and Means Committee——

Mr. MONEY. What I wanted to know——

Mr. ALDRICH (continuing). And making certain corrections according to their ideas.

Mr. MONEY. The explanation of the Senator is unnecessary to me. What I want to know is, Whether the communication was received through the State Department only.

Mr. ALDRICH. It was transmitted by the Secretary of State to the Finance Committee, for their information.

Mr. CULBERSON. I will ask the Senator from Rhode Island if this statement from the German Government is a voluntary statement, or was it made in response to a communication from the State Department of the United States?

Mr. ALDRICH. I am not so certain about that. The statements are observations in the nature of criticisms of statements made before the Ways and Means Committee of the House. I do not know just how they came to the State Department. I am not confident about that. I know they were transmitted to the committee; but in the great mass of material that has been transmitted to the committee, as I said yesterday, we had to get the experts of the Department of Commerce and Labor to ascertain what they were. I had no information myself, they being in German, as to the character of them at all. I did not know until very recently what they were.

I will say also that the committee has on its files I should say 200 communications from foreign governments, or from the representatives of foreign governments, with reference to matters which are now pending before Congress. I have not thought it desirable—I am subject, of course, to the instruction of the Senate—but I have not thought it is specially desirable that those communications should be printed for the use of the Senate. They were sent to the committee for its information. There are a large number of them, and I must confess I have not yet had time to examine them carefully.

Mr. LA FOLLETTE. Mr. President, I wish to inquire of the Senator from Rhode Island whether any portion of this document has been translated?

Mr. ALDRICH. No portion of it has been translated. I have had the experts to give me an abstract of their contents, and that abstract is——

Mr. LA FOLLETTE. I should like to suggest, then, to the Senator from Minnesota that he modify his request, to include also the printing of the abstract that has been made, as stated by the Senator from Rhode Island. I suggest to the Senator from Minnesota that if he waits for the translation of the document, this debate may have been concluded in the Senate before it is received in English and printed for the information of the Senate.

Mr. ALDRICH. The memorandum which I have referred to was a simple memorandum of the character of each one of these statements.

Mr. LA FOLLETTE. I will ask unanimous consent that that memorandum or abstract of the document may be printed as a Senate document for the information of the Senate.

The VICE-PRESIDENT. The first request is that of the Senator from Minnesota.

Mr. NELSON. I am quite willing to have my request modified as suggested; that it be translated as soon as possible into English and printed as a document.

Mr. LA FOLLETTE. I suggest to the Senator from Minnesota that he make his request as originally made, and supplement it to include also this abstract of the document. I think it will be useful to the Senate to have this abstract, as well as the entire document, printed. The abstract can be printed at once. I think it will be useful to the Senate hereafter if the entire document is printed as a Senate document; but if we wait for its translation now a goodly portion of the debate upon the pending bill may have gone by; indeed, the consideration of the bill may have been concluded before the document can be translated. It is, as I am informed, quite voluminous.

Mr. MONEY. Mr. President, there is no difficulty in translating any known language. The State Department should never have sent to the Senate any document in German for their instruction. The State Department have translators, because they deal with every country that has a minister or representative here.

I give notice now that I shall introduce a resolution to-day at some time requiring of every department of this Government and every official and every agent everywhere whenever he sends a document to Congress that it shall be in the English language.

Mr. ALDRICH. Mr. President——

Mr. MONEY. Excuse me one moment. I want to say now that I have had occasion to call on the Department of Commerce and Labor for some tariffs, and they sent me tariffs with the money values in a foreign language which I do not understand. I go to the dictionary and look at it, and in fifteen minutes I have forgotten it and I have to look again.

There is no necessity for that. If I get the support of the Senate, I shall require that everything that expresses weight, space, distance, or value shall have the same terms printed in the original language printed in the English language as spoken in America. I recollect that I had that once put in the consular reports which came here in all sorts of terms as to values and measures and distances and all that. I think it is an easy task for the State Department to transmit in English what they desire us to consider. We do not speak here in the German language and some of us do not know anything about it; in fact, our knowledge of English is not too extensive.

Mr. DEPEW. Mr. President, I rise for information. If I understand this matter, these are unverified statements made by German firms, manufacturing firms, who are already competing and want a larger entrance into the American market.

Mr. GALLINGER. And they do not even give their names.

Mr. DEPEW. I understand that they have no more force than a prospectus of each firm as to what they could do or propose to do. I want to know if it is in any sense an official report made by the German Government. Of course, if the German Government became responsible for this document, and it was the result of their investigation, it would give it a force that Congress ought to take notice of, but if it is, as this seems to be, simply an effort on the part of certain German firms to discredit the statements of their rival American firms, then we have a trade contest between American and German manufacturers of specific articles, with the Senate to judge which one tells the truth.

Under those circumstances it seems that the document can have no value whatever. If it had value, it would have been transmitted through the regular diplomatic channel; the German Government would have sent it to the German ambassador, and the German ambassador would have presented it to the State Department, and the State Department would have sent it to the President, and he would have transmitted it to Congress. But in its present form it seems to me it is nothing but a trade prospectus to get into our markets under an alleged government certificate of its truth.

Mr. LA FOLLETTE obtained the floor.

Mr. GALLINGER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. Certainly.

Mr. GALLINGER. I wish to call the Senator's attention to what doubtless has attracted his attention, the fact that in this contest between American and German manufacturers the American manufacturers give their names and the German manufacturers suppress their names.

Mr. LA FOLLETTE. Mr. President, we will know more about this document when it reaches the Senate, if it ever does. It will be found, I venture to say, that this document came through the ambassador of the German Government to the State Department.

Mr. STONE. Will the Senator from Wisconsin permit me?

Mr. LA FOLLETTE. In a moment. While I am on my feet I wish to submit another request. I believe that any information which the Finance Committee has in its possession to aid it in fixing the rates reported by the bill to the Senate is information which the Senate should have when it comes to discuss the bill and finally determine as to the rates. Therefore I ask that all information in the possession of the Senate furnished by foreign governments with respect to wage rates and cost of production be printed at once as a Senate document.

Mr. ALDRICH. Mr. President, I will repeat that the State Department sent to us representations made by the representatives of foreign governments here in a large number. In some of these cases the request is made that the information should be treated as confidential, in others it is not. It has never been the habit of the Senate or of any of its committees to print any such statements, and I have very grave doubts in my own mind whether they ought to be printed now. They are in the nature of confidential communications, a great many of them, as to the effect which certain changes of rate would have upon the commercial relations of the two countries. Several of them are communications of such a nature that, in my judgment, they ought not to be printed.

They do not contain, as the Senator from Wisconsin suggests, any information which has been valuable to the committee, because we are making this tariff, at least so far as I am concerned and so far as the committee are concerned, for the American people, and not for the representatives of foreign governments.

I do not think that we should undertake to make a wholesale order and print the statements of these gentlemen, especially when they are of a diplomatic character and confidential in their nature, without some examination as to their character.

Mr. LA FOLLETTE. Mr. President, the request which I have submitted is for the printing of so much of such documents as relates to wages and the cost of production. Such information transmitted by any foreign government, I assert, can not have been communicated in confidence, but has been submitted with a view of having it considered by the legislative branch of the Government together with other testimony which it would have before it in framing a tariff bill.

The fact that this report from the German Government with respect to the wages paid in various occupations has not been submitted to the Senate for its consideration, and not even examined by the Senate Finance Committee, has been the subject of criticism. I am informed that some feeling has resulted on the part of the German Government because information which it furnished in response to a request from this Government has been treated with utter indifference.

In the request which I have submitted, I have not asked for anything that could by any possibility disturb diplomatic relations with any foreign power. I am asking simply for information in the possession of the committee bearing upon the wage cost and the cost of production in foreign countries which may have been sent to this country. For what purpose? To be considered, sir, in framing this legislation.

I submit to the Senate that it can pass with knowledge and intelligence upon these rates upon no one-sided statement of facts. If we are supplied with information with respect to the rates of wages in this country and in foreign countries only by domestic manufacturers who want exclusive control of this market, do you apprehend that you will arrive at an approximation of the difference in the cost of production between this and foreign countries?

I venture to say that a comparison of the foreign wage rates furnished to this committee by domestic manufacturers will show that they are in some cases the same rates furnished by them to the Committee on Ways and Means twenty years ago. The wage rate of the world has lifted, sir. There is no country in Europe competing with this country which is not to-day paying higher wages than it paid when the McKinley bill was framed, higher wages than it paid when the Wilson bill was framed, higher wages than it paid when the Dingley bill was framed, and higher wages than it paid three years ago.

Are we to settle this question upon a basis of the difference in the cost of production in this and foreign countries—and that is the measure of fair protection to the producers and to the people of this country, and that is the pledge made by the Republican party in its platform—are we to settle that question upon testimony furnished ex parte by just one side, both as to wage rates in this country and abroad? A matter involv-

ing the fraction of a dollar is not settled in a court of justice in that way.

Mr. President, I believe that not only the information furnished by foreign governments should be given to the Senate, but I believe that the information obtained by the Republican members of the Finance Committee from those who appeared before that committee should be printed as a Senate document. A portion of it, the chairman of the Committee on Finance stated on this floor, has been taken down by stenographers, and we have a right to assume that the important portion of that testimony has entered into the judgment of the committee in framing this bill and fixing these duties. Has the Committee on Finance any duty to discharge in relation to this bill higher or more important than the duty of the Senate? They framed this bill. If the Senate is not to be permitted to consider the justice of these schedules and the testimony on which they are based as well as the committee, we may as well surrender this whole matter to the Committee on Finance, or even to the chairman of the Committee on Finance, and let the country know that the Senators whose States commissioned them here are discharging no obligations to the interests of those States or to the country.

So I add to my first request a further request that all testimony taken by the Republican members of the Committee on Finance and reduced to writing be printed for the information of the Senate.

Mr. DEPEW. May I ask the Senator from Wisconsin a question?

Mr. LA FOLLETTE. Certainly.

Mr. DEPEW. I am very much interested in the Senator's speech, but it strikes me that he has not touched the main question in this inquiry. It is not whether we should be informed what testimony has been received by the Finance Committee and not transmitted to the Senate, but it is as to the value of the testimony under consideration. It seems to me, as I understand it, that we are asked to place before the Senate as testimony unverified statements by anonymous parties in contest with American representatives, the one side being foreigners who will not reveal their names and will not swear to their statements and the other side being testimony taken by our committee of our own manufacturers. I am a Yankee, and I stand by the American manufacturer.

Mr. LA FOLLETTE. Oh, Mr. President, I will not say that is cheap; I will not use that language. I will say to the Senator from New York that this testimony contained the names of the manufacturers who furnished it, and much of it was sworn to. Those names were simply withheld in the State Department. When the document was transmitted to the committee, those names were erased.

Mr. DEPEW. Still, if the Senator will allow me——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New York?

Mr. LA FOLLETTE. Certainly.

Mr. DEPEW. It is still a contest of veracity between the American and the German.

Mr. LA FOLLETTE. Certainly; these people undoubtedly wish to enter this market. Nobody is so shallow as not to see that. But, Mr. President, are we to determine contests, facts, all on the testimony of the men who want this market exclusively, and who by combination between themselves arrange to charge the consumers of this country just what prices they will, if you exclude even the approach to foreign competition as a partial regulator of prices and a partial protection to the consumers of this country?

The theory that prevails in fixing rates here from day to day is that the foreigner shall be excluded from this market; that there shall be no foreign competition, not even enough to serve as the slightest sort of check upon advancing prices; that we shall sit here supinely while the men who have been given this exclusive market make their combinations and suppress domestic competition and then charge the consumers of this country what they please.

Now, I say that this tariff ought to be framed in accordance with the party pledges to equal the difference in the cost of production, and I want to see duties so levied as to give this market to home manufacturers upon such a narrow margin as will operate to prevent excessive charges by our own manufacturers to our own people. We should not go about this business blindly, fixing duties solely upon the statement of the interested parties here, who claim that they must have a high tariff in order to control our market.

But we should avail ourselves of all possible testimony within reach. We should take the evidence of our own manufacturers, the testimony of experts, the testimony of importers, and the reports and statistics of foreign governments, as well as any statements which they may furnish as to wages paid by foreign manufacturers and weigh it all carefully for what it is worth. We are not obliged to take it at its face value; but all these facts and all that we can obtain from every source will not be too much information upon which to determine as to the rates which should be written into this proposed tariff law.

Mr. STONE. Before the Senator takes his seat I should like to call his attention to the situation—rather curious, though not surprising to me. After the statement sent to this Government by the German Government had gone into the hands of the Finance Committee—and not reported to the Senate—without that committee even informing the Senate of its existence, and it was somewhat accidentally discovered to be on file in the State Department, the Senator from Wisconsin drew a resolution which brought it in here.

Mr. LA FOLLETTE. No; it is not here, I will say to the Senator.

Mr. STONE. I understood it was reported this morning.

Mr. LA FOLLETTE. No. I introduced that resolution. It was read once and then read the second time, at the request of the chairman of the Committee on Finance, so that there could be no doubt about what it related to, and yet there was not a word said by the chairman of the Committee on Finance to inform the Senate that the committee had possession of this document at that time. The Senate was permitted to pass the resolution calling upon the President to transmit that document here.

Mr. STONE. The Secretary of State.

Mr. LA FOLLETTE. No; the President. And then, after three or four days, a communication comes from the President to the Senate informing the Senate that the document is in the hands of the Committee on Finance; and now we are informed by the chairman of the Committee on Finance that yesterday it was sent back to the State Department.

I do not know how we are going to get this elusive document, which seems to be batted back and forth between the Finance Committee and the State Department, but I think we ought to have it if we can secure it. I think we ought to get it just as soon as possible. If any translation has been made of any portion of it, we ought to have that portion at once, and the whole of it ought to be translated and be made a part of the record of this body.

Mr. STONE. I will call the attention of the Senator to the fact that during this delay and this morning the Senator from Rhode Island and the Senator from New York [Mr. DEPEW] are seeking in advance to discredit this report from the German Government, even before it is laid before the Senate, before the Senate is advised as to its contents, and before any Senator in this body is advised as to its contents, except the members of the Finance Committee. It seems to me to be a remarkable performance that the Senator from New York should rise and undertake to discredit in advance testimony that he never saw and knows nothing about.

Mr. LA FOLLETTE. Well, Mr. President, I think the Senate will be able to determine for itself the value of the report when it sees it. I do not think it will accept any unverified statement or anonymous statement with any more force and effect, and perhaps not with as much force and effect, as anonymous and unverified statement made by some one in our own country who seeks to secure an advantage by making it.

I think that the Senate is entitled to all the information it can get at the earliest possible moment, so that it may apply that information to the fixing of these rates. That is all I seek to get. I think that the Senate is entitled to it. I think we should have had it in the beginning, but we did not get it. It is in the power of the Senate to secure it now. We are entitled to it. We should get all of it, and get it as soon as possible.

I simply put it in the form of a request.

Mr. ALDRICH. Mr. President, it is true that I asked to have the resolution offered by the Senator from Wisconsin read. I had not the slightest idea after it was read what the document was that he wanted to have transmitted to the Senate, and I certainly had no objection to any request for information. The report which is now under discussion—call it a report or whatever you may—the statement, was sent to the Committee on Finance, as I said, as were two or three hundred, at least, in my judgment, similar statements from foreign governments or representatives of foreign governments, bearing upon the tariff. This particular statement was in German. It was accompanied by a statement of the Secretary of State that the names of the parties were to be confidential who had furnished the information, and to avoid any possible mistake the State Department had erased the names from the various statements.

I immediately asked to have an expert of the Department of Commerce and Labor tell us what the statement was about,

and in time we got an abstract, a memorandum of what the statement was, but that memorandum did not reach me until yesterday.

Mr. LA FOLLETTE. Will the Senator yield?

Mr. ALDRICH. Not just at this moment; I will later on. All these statements were sent to us through the diplomatic channels. They are suggestions with reference to the tariff rates, suggestions why certain rates ought not to be imposed by us, affecting the commercial relations between our country and these other countries. They are not sent to the Senate. This statement was not sent to the Senate. It was sent to the Committee on Finance for their information.

As I have already stated to the Senate, every statement that is sent to the Committee on Finance is open to the inspection of any member of that committee, and has been at any time.

I have not objected to the printing of this statement, but I doubt very much whether it ought to be printed. I doubt very much whether it ought to be spread before the people of this country. I doubt very much whether the German Government themselves would desire to be put in the position of having certain of their manufacturers undertake to answer testimony taken before the House committee as to matters entirely within our interests and not matters of negotiations or diplomatic——

Mr. TILLMAN. Mr. President, I was out of the Chamber when this discussion arose, and——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from South Carolina?

Mr. ALDRICH. I do.

Mr. TILLMAN. I should like to inquire how it is that this character of testimony reaches us?

Mr. ALDRICH. It reached the Committee on Finance through the Secretary of State.

Mr. TILLMAN. How came the Secretary of State to send it?

Mr. BEVERIDGE. Through our ambassador.

Mr. ALDRICH. No; our ambassador in Germany sent it.

Mr. TILLMAN. How did he send it here; for his private information?

Mr. ALDRICH. It was sent to the committee for their information.

Mr. TILLMAN. But was it sent to the Secretary of State by our ambassador in Germany for his private information?

Mr. ALDRICH. Undoubtedly not; it was sent, undoubtedly, to be transmitted to the committee who have this matter in charge, I presume, as the other information.

Mr. TILLMAN. Was it confidential?

Mr. ALDRICH. It certainly was confidential, because the names on the statement were all erased.

Mr. TILLMAN. I mean was it confidential to the Secretary of State? We do not want to act in bad faith toward the German Government; but if there is any information worth while, it looks to me like the Senate ought to have it, or else the Committee on Finance ought not to have it.

Mr. ALDRICH. The Senator is, I suppose, quite aware that at that time communications were constantly passing between the two Governments.

Mr. TILLMAN. I understand that a great many of those communications are entirely private and confidential, and therefore not to be made public; but if it is not acting in bad faith——

Mr. ALDRICH. I have no objection to printing this statement, but, as I have just said, I have some question about the wisdom of doing so. I certainly do not object to its being printed, and I am willing that it shall be printed immediately, if the Senator wants it printed, either in German or in English.

Mr. TILLMAN. I do not know enough about it to have any clearly defined opinion on the subject.

Mr. ALDRICH. But as to the printing of these other communications, I am quite willing that the Committee on Foreign Relations——

Mr. LA FOLLETTE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Wisconsin?

Mr. ALDRICH. Not at present.

The VICE-PRESIDENT. The Senator from Rhode Island declines to yield at present.

Mr. LA FOLLETTE. Just upon that point, with reference to this German report, before the Senator leaves that, if I may inquire——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield for an inquiry?

Mr. ALDRICH. I yield.

Mr. LA FOLLETTE. I should like to inquire how long ago it was that the Senator from Rhode Island requested the Department of Commerce and Labor to furnish a man to inform the Senate committee of the contents of that document.

Mr. ALDRICH. The next day but one after it was received.

Mr. LA FOLLETTE. I did not hear the Senator's answer.

Mr. ALDRICH. Within a short time after it was received.

Mr. LA FOLLETTE. May I inquire if the man was furnished at once?

Mr. ALDRICH. The man came down to the committee room, so far as I know—he was not able to see me, and I am not quite sure whom he did see—and he was told as to the general nature of the document and the fact that we desired to have the document translated, or, at least, an abstract made of its contents.

Mr. LA FOLLETTE. Just one word further on the propriety of printing this document. Assuming, as the Senator has stated, that it was furnished to meet testimony given before the Committee on Ways and Means, I call his attention to the fact that that testimony was publicly given; and if any facts were transmitted to meet that testimony, it is scarcely fair to assume that they were intended not to be used just as publicly as the facts which they were sent to answer.

Mr. ALDRICH. That might be true, Mr. President, if it were not for the fact that we were——

Mr. LA FOLLETTE. Just one word further—that the only reservation communicated to the chairman of the Committee on Finance with respect to this document was with reference to the names of the men who made the statement, and that those names were erased, so that there is not any possibility of violating any confidence.

Mr. ALDRICH. That is all there is as to the testimony. The testimony either has value or it has no value. Anonymous testimony has no value whatever to me. It may have to the Senator from Wisconsin, but it has no value to me.

Mr. LA FOLLETTE. Facts would have value.

Mr. TILLMAN. Mr. President——

Mr. ALDRICH. I can not yield further now.

The VICE-PRESIDENT. The Senator from South Carolina can not interrupt unless the Senator from Rhode Island gives permission.

Mr. ALDRICH. If the Senator from South Carolina will permit me to finish the sentence——

Mr. TILLMAN. Certainly.

Mr. ALDRICH. So far as I am personally concerned, I do not care for the anonymous statements of anyone as to questions affecting the tariff which we are now considering; I do not care whether they are transmitted to us through the State Department or through any other source. There is no way in which such statements can be verified, and there is no way in which they can be contradicted, unless we know the source from which they come. That is the only thing I have stated. I have not objected to the printing of this document, although, as I have said before and as I say now, I have very great doubt as to whether we ought to print it.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from South Carolina?

Mr. ALDRICH. Certainly.

Mr. TILLMAN. If the Senator will permit me, he is casting reflections upon the good faith and intelligence of the Secretary of State.

Mr. ALDRICH. I am not casting any reflections upon anybody.

Mr. TILLMAN. But wait a minute.

Mr. ALDRICH. I will state in addition——

Mr. TILLMAN. I do not say the Senator is intentionally doing that; but his utterances here would seem to indicate that, for he says this evidence would be anonymous. Is it possible that the Secretary of State has been sending to the Finance Committee anonymous testimony? I understood that it was testimony furnished——

Mr. ALDRICH. If the Senator had been in the Senate when this matter was under discussion, he would have known all about it. This statement was sent to the Finance Committee by the Secretary of State for its information, but with a statement that the names were to be considered confidential, and, in order to avoid any trouble about the names being exposed to the public, the department had erased from the statement the name in every case.

Mr. TILLMAN. Then it is not anonymous at all; but the State Department took the precaution, as a matter of international comity, to simply withhold the names, though they give them the credit for it.

Mr. ALDRICH. The transmission from the German Government, or from its representative, was with the condition that the names were not to be made public.

Mr. TILLMAN. Then it was not anonymous, but it was simply confidential?

Mr. ALDRICH. It was anonymous so far as we are concerned.

Mr. TILLMAN. No; that is not entirely fair, I think.

Mr. ALDRICH. It is absolutely anonymous so far as we are concerned, because not one name is contained in the statement, every name being carefully erased from the statement. I do not think this is important.

Mr. TILLMAN. Mr. President——

Mr. ALDRICH. If the Senator will permit me, I wish to speak about something else.

As to the other statements, a very large number of them have been sent to the Committee on Finance from the representatives of other governments. I do not think they ought to be printed. I am perfectly willing that the Committee on Foreign Relations, or any other committee which has time to examine them—I have not—shall take these statements and go through them, and if it is found that there is anything that affects the question of wages that is not confidential in its character, I have no objection to their publication, although they are not, in my judgment, fit matter to be published by the Congress of the United States. Such matters have never been published heretofore, but have always been treated as matters simply for the information of committees, and not for publication. I shall object to the printing of those documents.

Now one word further. The question of the taking of testimony by Republican members of the Committee on Finance has been thrashed out here a dozen times. We have taken no testimony. The minority members of the committee objected to our even taking memoranda, unless they were taken in their presence, and very properly; and so there are no memoranda in existence and no testimony in existence. The committee has a great mass of correspondence, which most of us have never been able to read. We have a great mass of briefs, which, I imagine, very few members of the committee have ever read or ever will read. If the Senate desires to have all those published, I have no objection; but as to other publications——

Mr. NELSON. Mr. President, will the Senator yield to me for a moment?

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Minnesota?

Mr. ALDRICH. I do.

Mr. NELSON. As I understand from the statement of the chairman of the Committee on Finance an abstract of these documents was prepared by the Department of Commerce and Labor.

Mr. ALDRICH. Oh, no; not at all. Not by the Department of Commerce and Labor. We had some men who were familiar with the German language make a memorandum as to what each one of these statements contained—that is, what their nature was—nothing, I imagine, that would be of any special use to the Senate.

Mr. NELSON. Are they translated into English?

Mr. ALDRICH. Oh, yes; but they are simply memoranda as to what each one of these statements contained.

Mr. NELSON. I asked the question for the purpose of limiting my request for the printing of that statement which the Senator describes. I do not care to go any further, if it is a fair abstract.

Mr. ALDRICH. The memoranda would simply state the nature of these various statements.

Mr. NELSON. Very well. Then I ask to have my request limited to that.

Mr. SMITH of Michigan. Mr. President, when the Senator from Wisconsin [Mr. LA FOLLETTE] introduced his resolution the other day, I interrogated him as to the wisdom of including other countries in his request. I did not know what the Senator from Wisconsin desired, but I felt that he wanted the actual wage scale of Germany. I then remarked that there had come to my notice a statement of the wage scale in certain lines of industry in Sweden, which I thought would be of interest to the Senate in framing this bill. I desire now to call attention to a report by Special Agent H. W. Davis, to the Department of Commerce and Labor, dated November 14, 1908, in which he gives the conditions of labor and the wage scale in the iron and steel industry of Sweden. I am merely going to quote one or two sentences from it. He says:

> The following statement of wages paid was furnished by one of the larger concerns in Sweden, but located at a point remote from a large city. The scale is therefore less by 20 to 25 per cent than where similar labor is employed in cities with much higher rents and living expenses.

Then he says:

> *Blast furnaces.*—Foremen, $486 per year; furnace men, twelve hours per day, $5.83 per week; helpers, twelve hours, $5.50 per week; topmen, eight hours, $5.30 per week.
>
> *Charcoal and roasting furnaces.*—Some working three shifts of eight hours each, others two shifts of twelve hours each, the pay ranging from $4.70 to $5.30 per week.
>
> *Martin furnaces.*—Pay is by the ton, amounting, on the average, to the following wage per year: Foremen, $540; melters, $486 to $513; helpers, $350 to $378; ladlemen, $350 to $378; flaskmen, $300 to $330; stokers, $324; watchmen, $300; cranemen, $324; other helpers, $300. Work is in night and day shifts, twelve hours each, the week ending at 3 or 4 o'clock Saturday afternoons. Furnaces are charged from 6 to 12 o'clock Sundays for the ensuing night shift. Sunday labor is paid for time and a half.

Now, one thing more. He says of the wages:

> *Bessemer converters.*—Foremen, $513 per year; furnace men, 89 cents per day; helpers, 76 cents; flaskmen, 76 cents; ladlemen, 89 cents; cranemen, 92 cents. This daily wage is for twelve hours' labor, the shifts being two to cover the night and day work, but there is an additional allowance depending on the tonnage gotten out, which averages about 65 cents per man per day.
>
> *Rolling mills.*—Foremen, $10.80; heaters, $9.45; and rollers, $8.64 per week.
>
> *Pipe and tube mills.*—Foremen, $10.80; heaters, $9.45, and helpers, $7.83; rollers, $8.64; sawmen, $6.76; greasers and electric engineers, $6.75; plug boys, at about 20 years of age, $5.80; boys of 16 years, $4.18; boys 14 to 16 years, $2.70; day laborers in mill, $5.26; all the foregoing per week. Inspectors, per year, $365.
>
> *General laborers.*—Machinists, $7.70 per week; firemen, eighty hours per week, $6.35; stationary engineers, seventy-five hours per week, $5.60; bricklayers, $6.48; house carpenters, $5.26; ordinary day laborers, fifty-nine hours per week, $4.86.

He says, in addition, that this scale includes also the foregoing figures and the percentage upon the tonnage turned out.

Mr. President, I am not going to linger any longer——

Mr. STONE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from Missouri?

Mr. SMITH of Michigan. With pleasure.

Mr. STONE. I do not understand what the document is.

Mr. SMITH of Michigan. This document is a consular report made to the Department of Commerce and Labor—No. 3331—and issued Saturday, November 14, 1908. It was prepared by Special Agent H. W. Davis, who investigated trade conditions in the iron and steel industry in Sweden, and from one of the largest concerns in that country obtained the figures which he gives.

Mr. STONE. I should like to ask the Senator if that document also furnishes information as to the cost of living to the Swedish workmen and the cost of production of the articles they are engaged in making—the labor cost?

Mr. SMITH of Michigan. Does the Senator mean the general cost of production?

Mr. STONE. Well, the labor cost of production.

Mr. SMITH of Michigan. Yes; it does——

Mr. STONE. And the cost of living?

Mr. SMITH of Michigan. It does deal somewhat with the cost of living; for instance, it dwells upon the question of apartments where the laborers live and the rental charge, and also the food cost.

But, Mr. President, I simply read this statement in order that Senators might know that we are dealing with a question intimately related to the wage scale of the American workmen, and that, compared with the wage scale in any other country in the world, ours is the highest.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Michigan yield to the Senator from New Hampshire?

Mr. SMITH of Michigan. Certainly.

Mr. GALLINGER. I will state to the Senator from Michigan that the question of the cost of living does not enter into the matter at all. Those men are manufacturing in competition with our people, and it is a mere question as to the cost of manufacturing where they invade our markets.

Mr. SMITH of Michigan. Yes. But that prompts me to say to the Senator from New Hampshire that Mr. Davis did go into the cost of living somewhat. He says:

> Since most forms of food cost more in Sweden than in the United States, particularly the high-class breadstuffs and meats, it follows that at the low wages prevailing the standard of living is comparatively low. Coarse-ground rye and graham are principally used for bread. Bacon is largely used, but meat is not usually served more than once a day on the workingman's table. Clothing costs less than in the United States; particularly is this noticeable in the better class of men's clothing, but goods consisting largely of cotton or rough goods of the cheaper variety, usually worn about shops and factories, cost only slightly less than in America.

Mr. President, I do not intend to delay the Senate at all to elaborate upon these figures, which I think are carefully prepared and are entitled to some credence when we are engaged in fixing the difference between the cost of production in Europe and the cost here. No Senator can say that the wage scale of any other country in the world is the equal of our own, and no Senator can say that the manner of living among the workmen in any other country in the world is the equal of our own. Consequently, in perfecting a bill so intimately related to the welfare of the great mass of the American workmen as is this tariff bill, we ought to be guided by such practical lessons as this.

Mr. OWEN. Mr. President, on last Monday, in criticising the New York press with regard to the omission of news relative to

the sugar-trust frauds there, while in the body of the quotations which I made it was expressly set forth that the New York Sun and the New York Evening Post had given accounts of this matter properly, I failed to mention it in my comments upon the matter, and seemed to imply that there were no exceptions. These honorable exceptions I wish to put in the RECORD, because I think it is due to them.

I rose for that purpose alone; but while on my feet I wish to call the attention of the Senate to the record made in regard to the cost of production by Carroll D. Wright. It is true that it was ten years ago, but in the matter of the cost of production it shows, for example, that the cost of labor in transforming material such as basic pig iron amounts to 6.25 per cent of the total cost of the product; and in the case of Bessemer pig iron the labor cost is only 12.29 per cent of the total cost, while the tariff is 35 per cent. This discrimination shows all the way through in all the comparisons. There are 426 instances where the relative cost of production and the percentage of labor in the cost of production is set forth in this report; but the Senate has not been furnished with the difference in the cost of production of articles at home and abroad, although it was upon that basis that this bill was to be written. I think the Senate is entitled to that information; I think the bill ought to be written in the light of the national platform of the Republican party and upon that basis.

The Senate should be furnished with the information, and I think the chairman of the Committee on Finance should explain why it is that it is not furnished to the Senate.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Michigan?

Mr. OWEN. With pleasure.

Mr. SMITH of Michigan. The Senator is speaking of the report of Mr. Wright, made ten years ago?

Mr. OWEN. I am.

Mr. SMITH of Michigan. Does the Senator think that would be a proper measure for us to consider now in perfecting this bill? Methods of manufacture have improved the world over, and the living cost has increased largely in our own country and has not perceptibly increased abroad.

Mr. OWEN. Mr. President, I will answer the Senator from Michigan, and say to him that it is better than no record at all, and that we are entitled to a proper record, and that it can be obtained is shown by Carroll D. Wright's report, made in answer to a resolution of the Senate heretofore.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield further to the Senator from Michigan?

Mr. OWEN. I yield, with pleasure.

Mr. SMITH of Michigan. The Senator from Oklahoma, whom I know desires the same result that we desire—accurate information—must know that Mr. Wright spent several years gathering those statistics.

Mr. OWEN. Mr. President, I know the contrary.

Mr. SMITH of Michigan. How long did he spend in it? He could not do it in a few days.

Mr. OWEN. The Senator has stated it erroneously, if he will excuse me.

Mr. SMITH of Michigan. Mr. President, I withdraw the statement, if the Senator can correct me accurately.

Mr. OWEN. The document itself, if the Senator had given it any attention, would have shown that this was due to a resolution of the Senate of June 26, 1897, and that the report was made on December 7, 1898, at the second session of Congress following.

Mr. SMITH of Michigan. Mr. President, that sets this information back twelve years. Now, let us proceed in good temper, and let me ask the Senator from Oklahoma whether he believes that that report—which was made in 1897, following the panic, before our industries had assumed either the strength or the importance that they have since assumed—is a proper measure from which to reckon the difference between the cost of labor production here and abroad, and if we can get such information as I have given to the Senate this morning, which is contained in a public document by a regular official, would not that be far better as a criterion than the information contained in the document held by the Senator from Oklahoma?

Mr. OWEN. Mr. President, in answer to the Senator from Michigan, I will agree with him that the later the information the better; but in the absence of any information, the report of Carroll D. Wright is better than none at all. He gives the cost of production and the relative percentage of labor in the cost of production in 426 articles, and that is evidence that this information can be obtained. I call the attention of the Senator from Michigan to the fact that no effort has been made to obtain this information, notwithstanding the promise was made to the American people that this tariff bill should be based upon the difference in the cost of production at home and abroad; and I have a right to ask the chairman of the Committee on Finance why he has not furnished it.

Mr. ALDRICH. Mr. President, the Senator has a right to ask any question he pleases, I think. I do not know of any constitutional objection to the contrary.

Mr. OWEN. So long as it is respectful, I take it, I have.

Mr. ALDRICH. The Government of the United States has furnished thousands of pages for the information of the Senator, if he would apply a little of the industry which he gives to other subjects to the question of the relative wages between this country and abroad. There are the reports of the Commissioner of Labor, the consular reports, and thousands of pages of information. If it will help the Senator, I can have some of the clerks of the committee give the Senator a list of those documents; and possibly, if we had time, we could furnish somebody to edit them for us; but I am sure we can not furnish the intelligence to consider them for him, because that would not be necessary.

Mr. OWEN. Mr. President, the satirical reply of the Senator from Rhode Island—pointing me to the volumes in the library and to thousands and thousands of miscellaneous documents which he might, perhaps, have the kindness to have some clerk compile for my benefit, that I might in my leisure moments make up this table for myself—is interesting, but not very illuminating. As a Member of this body, I take it that a Senator has the right to ask of the chairman of the Committee on Finance and of the Finance Committee the record and the compilation of the facts with regard to the difference in the cost of production in this country and abroad, and that the failure to furnish it is a most obvious confession that this bill is not to be drawn for the purpose of measuring the difference in cost of production between this country and abroad, with a reasonable profit to the manufacturer. For example, with regard to woolen goods, in the matter of blankets, 15 per cent of the cost is labor. I ask the Senator from Rhode Island, the chairman of the Finance Committee, to explain why it is that the duty on blankets, instead of being based upon 15 per cent of the labor cost, goes up to a tremendous figure, far beyond any question of the difference in cost in this country and abroad? I do not wish to annoy the chairman of the Committee on Finance with these inquiries, but I take it that the Senate is entitled to this information, and that a committee charged with the duty of furnishing the Senate with a proper basis for its action ought to furnish information as to the difference in the cost of production at home and abroad, so that this bill may be written in the light of the promises made to the people of this country.

Mr. CULBERSON. Mr. President, I should like to ask the Senator from Rhode Island a direct question.

Mr. ALDRICH. I have been having so many direct questions put to me this morning, I hope I will be able to answer one more.

Mr. CULBERSON. This inquiry, Mr. President, goes directly to the question at issue before the Senate, and that is, Where is this communication from the German Government with respect to the labor cost in Germany as furnished the committee by the Secretary of State?

Mr. ALDRICH. I am not able to answer that question at the moment. I will see if we can not locate it, and I have agreed that an abstract should be printed. I understand the Senator from Minnesota [Mr. NELSON] has modified his request so that an abstract of the communication is to be printed for the use of the Senate. I will try to locate the document and have the abstract prepared at the earliest possible date and submitted to the Senate.

Mr. CULBERSON. What I desired to say was that if this document is not in the possession of the Senate at this time——

Mr. ALDRICH. It is not, and never has been.

Mr. CULBERSON (continuing). Or if the document is not in the possession of the Committee on Finance of the Senate, then I do not think a proposition to print it could be very well entertained, though I am in favor of printing it when we can. Now, if the Senator will state that the document is not now before the Committee on Finance——

Mr. ALDRICH. It is not. It was sent back to the President, but we can recall it from the President, I assume; and I would be very glad to have the Senator look at it and see for himself whether he thinks it ought to be printed. There certainly can be no objection to printing the abstract, and I will ask immediately to have the document returned to the committee. I will have the abstract prepared and have it printed for the use of the Senate at once; and then I should be glad if the Senator from Texas himself would look at it and see whether he thinks, under all the circumstances, the document itself ought to be printed. I shall be perfectly willing to be governed by his judgment in the premises.

Mr. CULBERSON. I do not care to take any such responsibility. I am not a German scholar, and I understand that so far this document has not been translated into English.

But before I sit down I want to call attention to two facts, which, perhaps, may have been already stated, but I will state them again. The first is that this is not an anonymous or irresponsible document, sent here by private parties, but it is an official document sent to the Secretary of State by the German Government, according to the message of the President, which is before me, and according to the letter of transmission of the Acting Secretary of State. It is therefore entitled in greater degree than otherwise to the confidence of the Senate, and to a degree, it seems to me, the statements which it contains are vouched for by the German Government.

Mr. ALDRICH. The document is only anonymous to the extent that it is anonymous as to the parties furnishing the information. There is no evidence as to where the information came from. The German Government sends it to us, but with a request that the names be considered as confidential, and that they be not disclosed. Now, that is the only sense in which it is anonymous.

Mr. CULBERSON. It has been stated once or twice, particularly by the Senator from South Carolina [Mr. TILLMAN], that this document is not anonymous, even as to the names of the witnesses.

Mr. ALDRICH. It is, so far as the Senate or the committee are concerned.

Mr. CULBERSON. But the names of the parties are in the possession of the Secretary of State, and to be regarded as confidential; but those names can be gotten in confidence by the Senate Committee on Finance or by the Senate itself.

Mr. MARTIN. Vouched for by the German Government.

Mr. CULBERSON. And, as suggested by the Senator from Virginia, vouched for by the German Government; and I take it, Mr. President, the places of their residence in the German Empire will also be indicated, so that even that information could be obtained by the Senate. Now the other point I wish to suggest——

Mr. HALE. Mr. President——

The VICE-PRESIDENT. Will the Senator from Texas yield to the Senator from Maine?

Mr. CULBERSON. Yes.

Mr. HALE. The Senator says the committee or the Senate can get these names. It can get these names only by a request. The Senator Monday morning can introduce a resolution asking that these names be given to the Senate by the President—it is a matter of diplomacy—if not incompatible with the public interest. The reply will be that the communication from the German Government was attended by a request that the names should not be given, but should be considered confidential, and that therefore it is not compatible with the public interest, or whatever the phrase is, to send those names to the Senate; and under the practice of diplomacy the State Department, replying for the President, could do nothing else than that. It is a part of the communication from the German Government that the names shall not be given.

Now, the result of that is undoubtedly that it makes them anonymous contributions. A communication of that kind, without knowledge of the party who makes it, without being able to identify him, without being able to show who he is, or what authority he has to speak, is nothing. If you do not have that, you have nothing; and the committee considered, when it had nothing but this communication, and the department had been requested by the German Government not to give the names, that it practically had no information.

Mr. CULBERSON. Mr. President, a sufficient reply to what the Senator from Maine has just stated would be the suggestion that he assumes that the President of the United States would not, at the request of the committee or the Senate, furnish these names. I do not know about that.

Mr. HALE. When the department has been requested, with the communication, to keep the names confidential, what does the Senator think the department should do?

Mr. CULBERSON. Even the suggestion that there is any confidential communication of any character is unknown officially to the Senate. It is true it has been stated by one or two Senators; I do not know upon what authority. I do know that I have in my hands the message of the President which was sent to the Senate in reply to the request to send to this body this communication from the German Government, if not incompatible with the public interest, and he intimates very clearly that he has no objection to sending that communication to the Senate, and would not do so except for the fact that it is now practically in the possession of the Senate through one of its committees.

The other suggestion I have to make is that this communication of the German Government was transmitted to the Finance Committee by the Secretary of State, for what? Not for its private information, necessarily.

Mr. HALE. Why was it not sent to the Senate?

Mr. CULBERSON. It was sent to the Finance Committee on the 3d and 13th of April, to be used in the consideration of this pending bill.

Mr. HALE. If it had been intended that it should——

Mr. CULBERSON. Now, I will not stop to read the message of the President——

The VICE-PRESIDENT. Does the Senator from Texas further yield to the Senator from Maine?

Mr. CULBERSON. Certainly.

Mr. HALE. If it had been intended that it should be made public and that names should be given, why was it not sent through the common channels to the Senate itself, to be by this body referred to the committee? It amounted to not much more than a memorandum sent from the department, bound, as it was, hand and foot by the request of the German Government that the authors of the communication should not be given.

Mr. CULBERSON. One answer to that would be that probably the President did not send the communication directly to the Senate because that was not requested, and I think it was appropriately sent in the first instance to the Committee on Finance because that committee had charge of this bill.

Now, I want to call attention to the specific language of the President:

> The information on this subject which has been received from the German Government has been transmitted by the Department of State to the Committee on Finance of the Senate for use in the consideration of the pending tariff bill.

The letter of the Acting Secretary of State also emphasizes the purpose for which it was sent to this committee—

> The Department of State transmitted to the Committee on Finance of the Senate for use in the consideration of the pending tariff bill the statement furnished by the German Government in relation to the wages paid to German workmen.

Not necessarily sent to that committee for its use, but for use in the consideration of the pending tariff bill by the Senate as well. It has been suggested that probably the Senate Committee on Finance may use official documents in the consideration of the pending bill the use of which will be denied to the Senate. If that proposition is seriously proposed, I protest against it. Neither the Committee on Finance nor any other committee of this body is entitled to receive official communications upon which it can base its action and deny the same information to the Senate. Furthermore——

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Texas yield to the Senator from Rhode Island?

Mr. CULBERSON. Just a word more. I would have the Senator from Rhode Island understand that the Senate itself can receive communications from the executive departments in confidence as well as any committee of this body can, and if there is any necessity to consider this in a confidential manner, the Senate can do so as well as one of its committees; and if this information is of an official character, bearing upon this important subject, and the Senate desires to have it, and is in a position to ask for it—that is, if the document is here or in the possession of one of its committees—I enter my protest against the suggestion that we are not entitled to have it.

Mr. ALDRICH. If the Senator will permit me a moment, the Senator is talking without any knowledge of the facts, except such as is disclosed in the correspondence that he has read.

Mr. CULBERSON. That is the truth about it to a certain extent, and we want the facts. That is what we are after.

Mr. ALDRICH. I would say that the Secretary of State, in his letter of transmittal to the committee, used this language:

> I have the honor to inclose herewith, for the information of the Committee on Finance—

And so forth.

It is a form which the Secretary of State or the Acting Secretary of State has used in scores of similar documents. It was not to be transmitted to the Senate, but was for the information of the committee, and the committee have been trying to get this information into shape where they could know what it was, as fast as they could.

Mr. BEVERIDGE. I understand the chairman of the Finance Committee to have said two or three times that he has no objection to this matter being printed.

Mr. ALDRICH. I have no objection to this matter being printed, and I have said so over and over again; and the Senator from Minnesota modifies his request and asks to have the abstract printed, and I have stated that we would have the

abstract printed as soon as possible. I have also stated over and over again that I have no objection to having this document printed, only I have grave doubts myself whether it ought to be printed.

Mr. TILLMAN. The Senator from Rhode Island having agreed that the abstract shall be printed, it appears to some of us, to me at least, that, while the abstract may be printed, we would like to see the whole document. Now, it appears to me also that the question of this document being anonymous is of very little moment, but the question is whether it is reliable; and coming as it does from the German Government through this channel, we are compelled to give such credence and respect to it as its source entities it to.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from South Carolina yield to the Senator from Indiana?

Mr. TILLMAN. Yes.

Mr. BEVERIDGE. The Senator came in, as he said, after the request had been made. The request is that the abstract, which is in English, be printed, and the original document also; the abstract immediately, because we can have it at once, and the original document as soon as it can be translated.

Mr. TILLMAN. Certainly; we do not want it in German, but in English.

Mr. BEVERIDGE. The second to be translated as soon as may be, and printed, the first to be printed immediately.

Mr. TILLMAN. If that is so, I do not think we need to devote any more time to it.

Mr. LA FOLLETTE. Mr. President, I understood the Senator from Minnesota to withdraw that part of his request asking for the printing in full.

The VICE-PRESIDENT. The Senator from Wisconsin is correct. The Senator from Minnesota did withdraw it.

Mr. LA FOLLETTE. I wish to make the request that the document be printed as soon as translated in its entirety, barring of course the names that were erased from it by the Department of State, and on that I want to suggest to the Senate that the names would have no significance to the Senate. None of those manufacturers would be known to the individual Members of the Senate. The fact that the German Government transmitted this document upon this important subject, giving sanction and approval as to its reliability, is infinitely more valuable to the Senate than the names of individual foreign manufacturers.

Now, just one word more with respect to this being a confidential communication. Has the Senate forgotten that when the subject of razors was under discussion and the rates of wages in Germany were stated on this floor by a member of the Committee on Finance to be one-third the rates paid in this country, the Senator from Missouri [Mr. STONE] put into the RECORD that very day a statement purporting to be quoted from this document furnished by the German Government, giving the rates of wages now paid in the manufacture of razors, and that subsequently the Senator from Missouri sent that table from the CONGRESSIONAL RECORD to the Secretary of State and asked to have it compared with the table in the original document, and to be informed whether or not it was a correct copy of it; and has the Senate forgotten that yesterday the Senator from Missouri read the letter from the Secretary of State confirming the figures in that table, stating that they had been compared with the original in the possession of the Department of State, and that they were a correct copy?

If the State Department considered as confidential that information as to wages, would it have transmitted to the Senator from Missouri a statement that those were the wages reported by the German Government in the manufacture of razors? The State Department manifestly did not consider the wage rates of this German report upon razors as a confidential communication.

This talk about this document being confidential in its nature has no foundation in fact. It was sent to this Government by the German Government, to meet statements which they thought false as to their rates of wages. I say we are entitled to that document. There is no reason why we should not have it when we strip this discussion of all its sophistry. We ought to have it, and have it now.

Mr. ALDRICH. Mr. President, I have consented to have this printing done, and to have it done as quickly as possible, and I do not myself see why this discussion should be prolonged indefinitely.

Mr. GORE. Mr. President, I merely wish to suggest to the Senator from Wisconsin that I do not think he clearly understands the meaning of the word "confidential." Perhaps the very reason why the senior Senator from Utah [Mr. SMOOT] did not state the facts as they appeared in that record is because that report was confidential and he was not at liberty to state those facts.

Mr. DEPEW. Mr. President, there is a peculiar fact arising out of this debate which is in some respects the most extraordinary that has occurred during my service in the Senate. We are here engaged in legislation upon the most important matter which concerns the welfare of our Government. All the Members of the Senate, of all parties, are seeking to prepare a bill which will provide revenue sufficient for the expenditures of the United States. The majority are seeking to add to that a feature which will protect American industries and American labor. The matter is purely a domestic and an American question, and yet we are informed that foreign governments are entering the Senate Chamber, either indirectly or through our committees, for the purpose of assisting or obstructing this legislation which is so important that the President has called an extra session of Congress for the purpose of its enactment.

Now, sir, I submit that if Germany, the proudest nation in the world and one of the most highly protected, was perfecting or preparing a bill for a tariff in that country and the manufacturers of the United States, who are doing their best to invade German territory in competition with German manufacturers as the German manufacturers are to invade ours, should appeal to our President, and he should send their testimony unverified to Germany for the purpose of influencing the action of the German Parliament, it would lead to consequences as serious in an international way as any that have ever arisen between the United States and a European power.

We are told, what I can not believe, that the Emperor of Germany or the foreign minister, Prince von Bulow, one of the ablest diplomats in the world and one who understands perfectly diplomatic relations, has sent to this country, under the seal of the German Government, for the purpose of influencing the action of Congress upon this question, a statement so particular in its details that it has even entered into the tariff on razors; that this communication has come through the Secretary of State to the Finance Committee; that the document contains a series of anonymous statements by German manufacturers; that the Finance Committee, it being in German, sent it back to the State Department; that then the portion of it relating to razors was given to importers in this country; and that copies were given by them to the Senators with semi-free-trade tendencies for use in this debate.

Mr. President, this question rises far above the mere question whether we shall print or not print a communication described in this vague way. It seems to be partially confidential, at least so far as relates to its authors. But if it is an official document of the German Government under the great seal of that Empire, for the purpose of influencing the American Congress in preparing this revenue measure, it is a serious matter.

Mr. OVERMAN. May I interrupt the Senator from New York?

Mr. DEPEW. Certainly.

Mr. OVERMAN. He predicates his speech upon the assumption that the German Government sent this report here voluntarily. Does he know that to be true?

Mr. DEPEW. I have been informed that it was not requested by our Government.

Mr. OVERMAN. Does the Senator have such information from the Department of State?

Mr. DEPEW. I have not, but I have been so informed.

Mr. BAILEY obtained the floor.

Mr. ALDRICH. Will the Senator from Texas yield to me for a moment?

Mr. BAILEY. Certainly.

Mr. ALDRICH. That point had better be cleared, I think.

I am told that some time last fall, before this measure was before the Congress at all and before Congress was in session, the ambassador at Berlin—I do not know upon whose authority—asked the German Government for certain information.

Mr. LA FOLLETTE. That is, the American ambassador?

Mr. ALDRICH. Yes.

Mr. LA FOLLETTE. That is the fact about it.

Mr. ALDRICH. I do not know upon whose authority he made the request, but he did make the request. The request was made, but the information furnished was in answer to statements made long subsequent to that before the Ways and Means Committee, by American manufacturers, or the representatives of American interests, and this paper is taken up very largely in answering those statements, and the answers are from people about whom we know nothing.

Mr. OVERMAN. So it was done at the request of the ambassador of the United States?

Mr. ALDRICH. The ambassador of the United States did not and could not have requested the German manufacturers to answer communications and statements made before the Ways and Means Committee, because at that time there had

been no meeting of the Ways and Means Committee and Congress had not been in session and had not considered this bill.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Texas yield to the Senator from Indiana?

Mr. BAILEY. I do.

Mr. BEVERIDGE. I desire to call the attention of the Senator from Rhode Island [Mr. ALDRICH] to the fact that no just complaint can be made of that, because the effect of that would be to bring the information down to date and to direct it to the particular issue about which the information was requested.

Mr. ALDRICH. There is nothing in the papers that shows what was the request of our ambassador at Berlin——

Mr. BEVERIDGE. It must have been for information.

Mr. ALDRICH (continuing). Or upon whose authority it was asked. It was not asked for by the Senate. It was not asked for by the Congress. There is nothing on the record that shows what the request was or what its nature was; but if I were not afraid of saying something which might be considered harsh, I would say that the attempt on the part of the representatives of any government or the manufacturers in any country to influence the legislation of this Congress in this way is, to say the least, impertinent.

Mr. BAILEY. Mr. President, I rose for the purpose of saying, in reply to the Senator from New York [Mr. DEPEW], that whatever ground of criticism may exist for the appearance of this document, it is against the present Republican administration and against those who are responsible for this bill and for this extraordinary session of Congress. The document found its way to the Finance Committee through the Secretary of State, and I leave the Senator from New York and the Senator from Rhode Island to settle the question of impertinence with one of their distinguished partisans.

But, speaking for myself, I have no objection to learning the truth from whatever source it comes. It is true I scan statements from certain sources with closer scrutiny than I scan statements from other sources, but I will accept the truth from whatever source it comes; and even if the German manufacturers, speaking through the German Government, can furnish us with information that is useful and instructive, I am willing to accept it without complaining of the Republican Secretary of State, who transmits it to us.

Mr. President, I want to say, in addition to that, I utterly reject the idea that any department of this Government can supply any committee of this Senate with documents or information not intended to be used and which can not be used by the Senate itself. Not only do I reject that because it seems to set a part of the Senate above the whole of the Senate, but I reject it as an individual Senator and as a member of the committee. I am unwilling to have anybody supply me with information upon which I am expected to act unless I am at liberty to lay that same information before other Senators who are likewise required to act upon any given question.

As I understand the organization and the theory of the Senate, we appoint these committees to serve the convenience and dispatch of business. We designate particular Members of the body to do the preliminary work on certain bills and resolutions. But while the primary responsibility and the primary duty is with the committee, the final responsibility and the final duty is with the Senate, and it is utterly indefensible and untenable to suggest that members of a committee, in formulating a bill, are entitled to information which they can not lay before the Senate when the Senate comes finally to adopt or reject their work.

Mr. CARTER. Mr. President, the closing observation of the Senator from Texas seems to be based on a premise that is false. I do not understand that the committee or any member of it has declined to have any document considered by the committee or presented to it printed for the use of the Senate.

Mr. LA FOLLETTE. Mr. President——

Mr. CARTER. The unanimous consent sought for the publication of this so-called "report of the German Government," and likewise the abstract thereof made by the committee, has been assented to.

Mr. NELSON. Will the Senator allow me?

The VICE-PRESIDENT. Does the Senator from Montana yield, and to whom?

Mr. CARTER. I first yield to the Senator from Wisconsin, who first sought to interrupt me.

Mr. LA FOLLETTE. I merely wish to call the attention of the Senator from Montana to the fact that I requested that such portion of the documents in possession of the Committee on Finance as related to wages and cost of production furnished by any foreign government be printed for the use of the Senate, and the Senator from Rhode Island objected to that being done. I limited my request, let me say to the Senator from Montana, to the information pertaining to wages and cost of production, so that nothing involving diplomatic relations could be included.

Mr. CARTER. But, I understand, the Senator's request did not call for any particular document, nor a communication from any particular government or source.

Mr. LA FOLLETTE. That is true; because, if the Senator will permit me, we have no knowledge of the particular documents in the possession of the committee, excepting as we gather it from time to time from different sources.

The chairman of the committee had suggested this morning, in the course of the debate, that the committee was in possession of such information, and I based my request upon that general statement, because the Senator from Rhode Island had not specified the names of the countries which had furnished such information.

Mr. ALDRICH rose.

Mr. LA FOLLETTE. But it occurred to me, if the Senator will permit me to conclude what I was saying, that if it was information important to the committee, and had been considered by the committee, that, as so well stated by the Senator from Texas, that committee is not above the Senate, and the Senate is entitled to the information upon which the committee acted.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Rhode Island?

Mr. CARTER. I yield.

Mr. ALDRICH. I did not state that these communications contained statements or testimony with reference to the cost of production or wages. I stated to the Senate that the communications, in my judgment, were sent to us in a confidential character. They are largely copies of letters which have been sent by representatives of foreign governments to the State Department. Copies of those letters were sent to me, as chairman of the committee, for the information of the committee, in confidence. Certainly, so far as I am concerned, they will not be printed for the use of the Senate, or be made public, except by the express order of the Senate.

Mr. CARTER. Mr. President, the position of the Senator from Rhode Island is fortified by a long line of usage in the Senate in this, to wit, that in a direct request to the President of the United States for the transmission of certain matter relating to foreign governments or to foreign affairs, we always accompany the request with the qualification that the matter be transmitted, if, in the opinion of the President, such action is not incompatible with the public interest.

Mr. BAILEY. Will the Senator from Montana permit me? While that is true, that request is never that we send it to a committee to be used in confidence, but always to transmit it to the Senate itself.

Mr. CARTER. Most assuredly.

Mr. BAILEY. What I mean to say is that there can be no confidences between a committee and a department that are not shared fully and freely with the Senate itself. That is all I intended to say.

Mr. CARTER. The request is that a certain line of literature, if you please, now on the files of the committee, received in confidence from the Department of State, be printed in the form of a public document. If that question is to be debated in extenso, and we are to pass upon the propriety of publishing such statements, I should insist that the Senate, in conformity with one of its rules, resolve itself into secret legislative session, examine the documents, and determine whether or not the judgment of the Finance Committee would become the judgment of the Senate as to the propriety of the publication.

Mr. NELSON. Will the Senator yield to me?

Mr. CARTER. I yield with pleasure to the Senator from Minnesota.

Mr. NELSON. I understand the situation to be this: I did not know at the outset that the documents were sent to the Finance Committee in German, and that they are still in that language. The committee has had an abstract made in English for the use of the committee. It is only that part of it, the abstract that the committee has secured, that I aim to get printed. I have no desire to go beyond, because that gives us exactly the information the committee have, and I think nearly all the committee are unfamiliar with the German language and are only guided by this abstract. Hence if we get that, we have all that the committee has on the subject, and I think that covers all we are entitled to.

Mr. CARTER. It appears that there is a vast difference between the request of the Senator from Wisconsin and the prudently framed request of the Senator from Minnesota. The question of open consideration of foreign relations of this Government has always been, by common consent, frowned upon by the Senate, and I think properly so. In order that there may be no infraction of the rule so well established and long

recognized, we have a provision in the Senate rules which permits any Senator to arise in his place and request that these galleries be cleared and these doors closed when a subject-matter is broached involving any question which in the judgment of a single Senator on this floor should be treated as confidential. The Senator from Rhode Island very properly might insist upon that procedure before this printing is ordered.

Mr. CULBERSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Texas?

Mr. CARTER. Certainly.

Mr. CULBERSON. I wish to call the attention of the Senator from Montana to the fact that the question of confidence, so called, or the question of a publication being incompatible with the public interest, was submitted to the President by the Senate in its resolution, and the President has in effect stated that there is no such incompatibility, and, as suggested to me by the Senator from Georgia, he has told us exactly where the document is.

Mr. CARTER. My general information is that the Secretary of State advises the Senate that the document has been transmitted to a committee of the Senate.

Mr. CULBERSON. The President in his message received here to-day, in response to the resolution asking him to send the paper here if not incompatible with the public interest, states that it was sent to the committee of the Senate.

Mr. CARTER. It was forwarded to a committee and, according to the letter read by the Senator from Rhode Island, it was forwarded to the committee for the information of the committee. If the Senate desires to have the matter which was forwarded for the information of the committee made public and printed as a Senate document, the judgment of the Senate in that behalf ought to be based on a knowledge of the document and its effect upon our relations elsewhere.

Mr. RAYNER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Maryland?

Mr. CARTER. Certainly.

Mr. RAYNER. I have listened to this debate with a good deal of interest. What I should like to ask the Senator from Montana is this: How on earth does this partake of a confidential communication?

Mr. CARTER. I have never read it, nor has the Senator from Maryland read it.

Mr. RAYNER. How can it partake of a confidential communication? It is a mere statement of fact as to what wages are paid in Germany. What international relationship does that involve between this country and Germany or how does it bear any resemblance whatever to a confidential communication?

I want to say this to the Senator from Montana: We could obtain that information properly from our consuls; we could obtain it from our ministers and ambassadors. It is a mere statement of a fact. What are the wages paid in Germany; what are the wages paid in Sweden, as read by the Senator from Michigan this morning? What are the wages paid in any country? It is a matter of statistics, and it is simply a fact. It does not in the slightest or in the remotest degree partake of the nature of a confidential communication. This whole debate is based upon the false premise that it is a confidential communication from Germany to the United States.

Mr. CARTER. The observations of the Senator from Maryland apply to a document which may be printed by the unanimous consent of the Senate, no objection being made; but certain documents not described, the contents being to us unknown, transmitted to the committee of the Senate for its information, the Senator from Wisconsin would have published without description or knowledge of the effect or the contents, and to that request objection was interposed.

Mr. BEVERIDGE. Who interposed the objection? I understood the chairman of the Finance Committee himself to say that while he doubted the wisdom of it, still he was perfectly willing that not only the abstract but that the document itself should be printed.

Mr. ALDRICH. I made that statement an hour, or more than an hour, ago.

Mr. CARTER. That applies to the request of the Senator from Minnesota.

Mr. BEVERIDGE. To both. I did not hear any objection from the Senator from Rhode Island. On the contrary, I understood him to say three or four times that though he doubted the wisdom of it, still he had no objection to its being published. So that it might be understood as I understood it, I rose about half an hour ago and asked whether that had been the case, and the Senator from Rhode Island rose and said, "I have stated that half a dozen times." I did not know that objection had been made. I understand that the Senator from Rhode Island doubts its propriety, but he is willing to have it published. Is that correct?

Mr. ALDRICH. That is correct.

Mr. CARTER. The Senator from Indiana does not take into account that there have been two requests pending.

Mr. BEVERIDGE. I do.

I ask the Senator from Rhode Island whether I am correct in my statement?

Mr. ALDRICH. The Senator from Indiana is, of course, correct. I have stated that repeatedly in the hearing of the Senate.

The VICE-PRESIDENT. The hour of 12 o'clock having arrived, the morning hour has expired. The Chair lays before the Senate the unfinished business, which is House bill 1438.

PAPERS AND DOCUMENTS FROM FOREIGN COUNTRIES.

Mr. MONEY. Before the morning hour expires I should like to have leave to introduce a joint resolution.

The VICE-PRESIDENT. The morning hour has expired.

Mr. MONEY. Then, I should like to introduce a joint resolution, which I could not do in the morning hour, but which I am now prepared to offer.

Mr. ALDRICH. Let it be read for information. I have no objection.

Mr. MONEY. I should like to have it read, if there be no objection.

The VICE-PRESIDENT. Is there objection to the request?

Mr. ALDRICH. I ask that the joint resolution be read for information, subject to objection.

Mr. MONEY. Certainly; I want to have it read for information.

The VICE-PRESIDENT. No objection is heard to the Secretary reading the joint resolution as though it were in the morning hour.

The joint resolution (S. J. R. 37) requiring the printing in the English language of public papers and documents from foreign countries was read the first time by its title and the second time at length, as follows:

Senate joint resolution 37.

Resolved, etc., That all documents and papers published by order of Congress or the Executive and the departments, and all communications in print or writing made to either House of Congress or committee of Congress, or intended for general publication, made by any official or agent of the Government of the United States, shall be printed in the English language; and all terms used in such documents or communications in which any foreign term is used to express any measurement of time, weight, distance, quantity, or value shall be given immediately following in terms used in the United States.

Mr. ALDRICH. The joint resolution had better go to the Committee on Printing. I do not suppose I have any objection to it.

Mr. MONEY. I did not ask for its consideration. I want its proper reference to the Committee on Printing.

Mr. ALDRICH. That is right.

The VICE-PRESIDENT. Without objection, the joint resolution will be referred to the Committee on Printing.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The Senator from Montana has the floor.

Mr. CARTER. The Senator from Rhode Island very properly announced in reply to the Senator from Indiana [Mr. BEVERIDGE] that no objection was made to the printing of the communication from the German Government or the abstract thereof prepared for the committee. Let that be clearly and distinctly understood. Another request was made for the wholesale and indiscriminate publication of communications from the representatives of foreign governments.

Mr. LA FOLLETTE. Mr. President——

Mr. CARTER. And to that objection was made.

Mr. LA FOLLETTE. The Senator from Montana surely does not wish to misrepresent my request. My request was not for the wholesale publication of all the documents received from foreign governments through the Department of State by the Committee on Finance. It was such portions only as related to wages and the cost of production. It seemed to me that that could not possibly be a confidential communication or be a communication which could in any way involve us in any difficulty with any foreign government. If the Senate Finance Committee has no such information, my request would have nothing to relate to. If they have such information, it would be confined purely and specifically to figures which would represent the difference in the cost of production and figures which would represent the scale of wages. That was the request.

Mr. CARTER. The printing of some part of a communication to the exclusion of some other part thereof frequently presents a statement inexplicable with reference to the context. The Finance Committee, editing the statements, would be subject to the same criticism they now receive for having failed to make them public in whole.

But, Mr. President, the Senator from Texas concludes that the Senate may with propriety demand the publication of every printed page on which the Finance Committee acted or which went to influence the judgment of that committee. No doubt this is in the abstract true, but the Senator from Texas knows as well as any Senator in this Chamber that it is not customary, and has never been the rule in any committee of this body, to publish in connection with bills reported each and every scrap of paper and item of information upon which the committee acted. In this case, as in others, the committee report constitutes the made-up judgment of the committee on all the facts presented, some of them no doubt in written form, others in the form of oral statements. The paragraphs of the bill, the statements of the chairman, the explanations made from time to time and day to day, the hearings in the House, the tabulated paragraphs with explanatory notes, all constitute the quintessence of matter placed before the committee and filtered through the judgment of the committee itself.

Mr. President, as I understand it, the committee is prepared to publish any statement which may, with due regard for the public interest, be published on the recommendation or request of any Senator. I have not, since this debate opened, heard any request for the publication of anything denied. The matter has been condensed and published with alacrity on request. But I for one, and I believe every Senator here will, upon reflection, agree with me, object to the public records being needlessly encumbered and confused by the publication of the tons upon tons of documents and circulars and statements and arguments and briefs now filling the corridors and the rooms of the Finance Committee. Any statement that any Senator may deem important in the consideration of the bill or any paragraph of it, I understand, the committee is prepared to have published on request, and that no such request has yet been denied.

This German statement, permit me to suggest to the Senator from Texas, is not a suppressed witness. Names are important. Our German competitors, probably the most aggressive and progressive of all our competitors in the manufacturing world to-day, properly understand that a lowering of duties to a point where the American market may be enjoyed with freedom to them will be to their advantage; and very naturally, when called upon to submit some sort of statement relative to wages, enlightened self-interest impelled their manufacturers to state the highest rate they could, for comparison with our lowest rate, if you please. The manufacturers who made the statements—statements I have never seen—judiciously requested that their names be suppressed. The Senator from Texas, profound and astute as a lawyer, well knows that no testimony is received in any court from an anonymous source. We have no opportunity either to check up the source of authority or to cross-examine the witness. While this document will be printed, I submit to those who seek to profit by it that it will be weak and puerile and ineffective, because the men who make the statements refuse to sign the statements.

Mr. RAYNER. Will the Senator allow me? Has not this statement the sanction and approval of the German Government?

Mr. CARTER. I know naught of that save from the statements made on this floor to-day. Last autumn, before Congress assembled, the ambassador of the United States is said to have called on the German Government, or the foreign office, for information not clearly defined in any statement here made. That request was not responded to until some time later. Then it seems to have been recalled to the memory and made the basis of statements by competing manufacturers to meet the statements made before the Ways and Means Committee of the House of Representatives by American manufacturers. I do not know whether the American ambassador expected this request to be one of continuing character, or whether he anticipated that the German Government would immediately open the way for the German manufacturers, through this request, to be heard before the Ways and Means Committee of the House or before the Senate in the consideration of the bill.

Mr. TILLMAN. I wish to call the attention of the Senator to the fact that the hearings before the Ways and Means Committee commenced last fall, about the time this request was made, and the papers were filled with extracts from the testimony given. I remember reading in Europe some of Mr. Carnegie's statements in regard to the steel trust, his abandonment of his early love for protection, and all that sort of thing. Therefore, I do not think there is any ground for the intimation of the Senator that there has been some trickery or double dealing or underhand work on the part of the German Government in delaying its response to this inquiry.

I want to say, while I am on my feet, that the Senator's assertion a moment ago that these people refused to sign their names is not my information, but that their names were signed and sent by the German Government and are only withheld from transmission to the Senate Finance Committee by having been erased, because it was at the request of the German Government that the information should be considered as confidential. Therefore, these names have been withheld, but that they are perfectly willing to let the information go back is shown by the fact that it was transmitted by the German Government at the request of our ambassador.

Mr. CARTER. It is far from my intention to reflect, and I have been unhappy in my language if by any reasonable implication I have reflected in any manner upon the propriety of the action of the German Government. Undoubtedly when the request was made letters of inquiry were sent out by that Government with a view to acquiring the information. The manufacturers, I am informed, in giving the information in response to questions propounded, proceeded to answer the statements made by the American manufacturers before the Ways and Means Committee.

Mr. President, I recall an incident which occurred during the Fifty-first Congress, I think, where a representative of a foreign government prepared and forwarded a statement of his views on our tariff question, and I well recall that that question created considerable feeling and resulted in much criticism. If, in this case, not the German Government but the German manufacturer takes advantage of the situation to become a lobbyist in this forum for the purpose of urging the lowering of our duties on imports to a point which would be advantageous to the German manufacturer, I seriously question the propriety of placing much weight on testimony prepared for that purpose.

Mr. TILLMAN. I submit to the Senator that he continues to use language in regard to these communications that must be offensive to the German Government.

Mr. ALDRICH. I perhaps ought to state to the Senator from South Carolina that official assurances were demanded and given that the names of these industrial establishments furnishing this testimony should not be disclosed.

Mr. TILLMAN. Because they were to be treated as secret. Nevertheless, I do not think the Senator from Montana is justified in saying that they refused to sign their names, because they did sign their names, and it was only a governmental action by the German Government which withheld their names from us.

Mr. ALDRICH. Oh, no; the statements were submitted upon the express condition and assurances given by our representatives that under no circumstances were the names of these industrial establishments to be given.

Mr. TILLMAN. Still they signed them. Their good faith could not be questioned.

Mr. ALDRICH. I do not think they even signed them.

Mr. GALLINGER. Mr. President, I rise to a question of order.

Mr. ALDRICH. I call for the regular order, Mr. President.

Mr. GALLINGER. I want to inquire what question is before the Senate? I will add that, it occurs to me, when the morning hour expired, the request for unanimous consent, upon which this debate is proceeding, fell at that time.

The VICE-PRESIDENT. The Senator from New Hampshire is correct. The business before the Senate is the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, the particular pending question being the amendment to paragraph 227.

Mr. CARTER. And upon that amendment I desire to unload a few remarks I have to make. [Laughter.]

Mr. GALLINGER. That does not surprise me.

Mr. CARTER. Mr. President, I can see no impropriety whatever in any American manufacturer coming before a committee of Congress, and there may not be any impropriety in a German manufacturer coming before a committee of Congress to present his views as to what our tariff ought to be.

Mr. TILLMAN. Will the Senator pardon me?

Mr. CARTER. But I do insist that the German manufacturer shall, in his approach to the committee, do the exact thing that we insist the American manufacturer shall do, to wit, give his name, residence, and occupation. We have here coming in the testimony of competitors of American manufacturers, who ask, as a condition precedent to the consideration of their statements, that their names be not made public even to the Senate.

Mr. TILLMAN. Now, will the Senator permit me to interrupt him?

Mr. CARTER. With pleasure.

Mr. TILLMAN. The Senator from Montana is usually so fair-minded and so honorable in his discussion of all questions that I fail to see how he can undertake to impugn the integrity, or the purpose, or the character, or the motives, or anything else, of these German manufacturers. I do not appear here as an advocate of the German manufacturers against the American manufacturers. I am like my friend from New York in that one particular; that, as between Americans and foreigners, I am a Yankee; in other words, I am for America for Americans, and for all Americans, not a part of them.

I do not think it is right or just to say that these Germans are trying to lobby here, when the Government of Germany, in response to a request of the American ambassador, transmits certain information. They did not obtrude their paper upon us; they did not send their communication here, but they were asked by their own Government to give it information to be sent to our Government, and all they asked was that their trade secrets in regard to their private business should not be made public over here. If we asked for information which we ought not to have asked for, and we have got something we do not want, that is another thing; but let us be fair to these people.

Mr. CARTER. Mr. President——

The VICE-PRESIDENT. Will the Senator from Montana please suspend so that the Chair may lay before the Senate a message from the President of the United States?

Mr. CARTER. Certainly.

The VICE-PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Secretary read as follows:

To the Senate:

In further response to the resolution adopted by the Senate on the 25th instant, requesting the President, if not incompatible, in his judgment, with the public interests, to transmit to the Senate the statement of the German Government or its officers in relation to the wages paid to German workmen, I transmit herewith the documents furnished by the German Government on the subject, which this day were returned by the Committee on Finance of the Senate to the Department of State.

The attention of the Senate is invited to the statement in the accompanying report of the Acting Secretary of State that these documents were obtained upon the understanding that the names of manufacturers were to be held confidential and that the information furnished will not be made the basis of administrative action.

WM. H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

The VICE-PRESIDENT. Without objection, the message and the accompanying papers will be referred to the Committee on Finance and printed.

Mr. CARTER. Mr. President, further discussion with reference to this report or its effect or the legitimate weight to be attached to it may well be postponed until the document itself is printed. I do not wish, however, to leave the floor without a word to my friend from South Carolina [Mr. TILLMAN]. I fully and highly appreciate his compliments, and reciprocate them, because, like the Senator, I try to be fair, but I can not be more so than the Senator from South Carolina in the course of debate.

Mr. President, my observations are not intended to reflect on the German merchant seeking to have his views considered from his standpoint and in the light of his interest. It is eminently appropriate that the German merchant and manufacturer should advance their interests wherever opportunity allows; but the Senate of the United States, in the consideration of the weight to be attached to a communication from a German manufacturer or anyone else, should, I insist, take into account the fact that the witness refuses to allow his name to be known.

Mr. JOHNSON of North Dakota. Mr. President, I am not willing that the Senate should leave this subject before placing upon record some of the precedents showing not only the conduct of our own Government, but the conduct of all the great commercial nations of the world, on this subject. The Senate should be very careful not to be discourteous to those nations, and I hardly know whether the subject could appropriately be left with the word "impertinent" in the RECORD, as applied to the conduct of any of those nations.

What has been the precedent? Only twelve years ago we had a thorough experience on this subject. We then received communications direct from all the great commercial nations of the world. Those communications were, every one of them, placed in the RECORD, and I have them before me. There were twenty of them. Some of those nations sent several documents. I will read you the list of documents:

LIST OF PAPERS.

1. From the Danish minister, March 29, 1897.
2. From the Italian ambassador, April 4, 1897.
3. From the Italian ambassador, May 9, 1897.
4. From the Italian ambassador, May 26, 1897.
5. From the Belgian minister, April 16, 1897.
6. From the Belgian minister, May 30, 1897.
7. From the Argentine minister, May 1, 1897.
8. From the Turkish minister, May 10, 1897.
9. From the Japanese minister, June 3, 1897.
10. From the Swiss minister, June 17, 1897.
11. From the British ambassador, December 26, 1896.
12. From the same, June 18, 1897.
13. From the Chinese minister, June 29, 1897.
14. From the Austro-Hungarian minister, May 28, 1897, in Senate Executive Document No. 141, Fifty-fifth Congress, first session.
15. From the German ambassador, April 5, 1897, in Senate Executive Document No. 97, Fifty-fifth Congress, first session.
16. From the consul-general of Greece, April 10, 1897.
17. From the Belgian minister, May 27, 1897.
18. From the Swiss minister, April 29, 1897.
19. From the same, May 20, 1897.
20. From 53 Irish members of the British Parliament, March 17, 1897.

I read from a speech delivered in the House of Representatives July 19, 1897, as follows:

Mr. Speaker, as my final contribution to the tariff discussion of 1897, I desire to present to the House and to place before the country, in the RECORD, in convenient and enduring form for the use of writers and students of political economy, the protests and communications from foreign governments which, as a member of the Ways and Means Committee, it became my duty to carefully consider while assisting in framing the tariff of 1897, popularly known as the "Dingley bill."

Some of these communications were directed to the President, some to the Secretary of State, some to the Finance Committee of the Senate, and some to the Ways and Means Committee of the House, or its chairman, Mr. Dingley.

All were intended to influence legislation, all were laid before the committees, and all received careful and respectful consideration.

I have endeavored to make the collection complete, and it is believed that every official communication from any foreign government that was received or considered will be found complete in the following.

The list I have given.

I shall ask permission to reprint these communications without reading.

The VICE-PRESIDENT. Without objection, the request will be complied with. The Chair hears none.

Mr. JOHNSON of North Dakota. While I am on my feet I wish to read some of them, because they have not only a bearing on this question, but on the general tariff question, which was then being considered.

No. 1 is from Denmark, and is as follows:

[No. 1.]

LEGATION OF DENMARK,
Washington, March 29, 1897.

Mr. SECRETARY OF STATE: The debate on the new customs tariff in the United States Congress is followed with deep interest in Denmark, both by the King's Government and by the producers, merchants, and shipowners of our country.

There is a quite considerable exchange of productions between Denmark and the United States, which exchange is effected by both Danish and American vessels, and also by vessels belonging to other nations.

The tendency of this trade is to increase from year to year, and, in the opinion of all persons who are competent to judge, the commercial relations between our two countries, which have, happily, thus far been so much favored by our respective laws, are still susceptible of great development. My Government deems it to be its duty to spare no effort to enable our country to derive the greatest possible advantage from these conditions. It is convinced that the United States Government is aware that a prosperous trade with Denmark is desirable from the point of view of American interests, and that joint efforts are indispensable to reach a result satisfactory both to the United States and Denmark.

Holding these views, my Government has just instructed me to call your excellency's attention to some points of the tariff in which the interests of Denmark and the United States appear to clash, and on which an understanding seems both desirable and possible.

The Danish tariff is exceptionally favorable to the importation of American products. Thus raw metals, butter in casks, stone, trees, plants, all kinds of grain and grain products, fertilizers, both natural and artificial, oil cake (rape cake, etc.), dyewoods, various kinds of seeds, fat, lard, bacon, hams, meat, and sausage are exempt from any duty and enter Denmark free.

The importation of these articles is considerable, and the other American products which are imported into Denmark are subjected to an extremely low duty, not exceeding 1 or 2 ore (Danish money) per pound. Such are petroleum, molasses, and sirup.

It is in every way desirable that this great facility of commerce, due to the liberality of our tariff, may continue and be developed. The admission to the United States of certain Danish products on favorable terms as regards the tariff régime, while it would be only a fair return for the advantages offered by the Danish tariff, would necessarily exert an influence on the subsequent development of that tariff.

Among these products I have the honor to call your excellency's attention to the following: Beer, cement, white cabbages, hemp seed, porcelain, hides and skins, wool, rags, pebbles, lime, chalk, gloves, leather, condensed milk, granite, monuments, dairy machinery, and Doecker tents.

In obedience to my instructions, I hasten to beg your excellency to be pleased, in the well-understood interest of our respective countries, to subject what I have just had the honor to state to an examination, and to use your good offices in the proper quarter, to the end that a customs régime as favorable as possible may be secured for the above-mentioned products.

To this effect I have the honor to suggest that, if your excellency sees no objection thereto, the contents of this note be communicated to those committees of the Senate and House of Representatives which are specially charged with the duty of examining the tariff. I should be particularly grateful to you if, in transmitting these wishes to Congress, you would commend them to the favorable consideration of that body.

Be pleased to accept, Mr. Secretary of State, a renewed assurance of my high consideration.

C. BRUN.

His Excellency JOHN SHERMAN,
Secretary of State.

The right to make its own tariffs high or low is conceded to every nation by every nation.

The rate is a matter of opinion and judgment for each government to fix at the point most advantageous for its own people. We are making this tariff solely with a view to benefiting the people of the United States. Other people will make their tariff laws in the same way, for their own advantage.

This is the only right and sensible way for any country to make its laws. In framing this law we have placed everything upon the free list which we can not produce to advantage in this country except a few luxuries.

This is done in order to remove all restrictions and burdens from the importation of all articles which we do not ourselves produce in great abundance. This covers more than half of our enormous imports.

But when it comes to such things as the chief products of our own farms, forests, and factories, which we do not need to ship in from abroad, then we have placed such a rate of duty on the imported article as will, in our judgment, equalize the cost of production (mainly the wages of labor) at home and abroad.

How consistent has been the doctrine of the Republican party——

Mr. BACON. I do not wish to interrupt the Senator, but I should like to ask him the name of the Representative who made the speech? He did not state that.

Mr. JOHNSON of North Dakota. I am a little modest about giving names, but it was your humble servant. I am sorry the Senator crowded me to say that.

Mr. BACON. I did not know that at the time I made the inquiry. I was struck by the clearness and lucidity of the argument, and I desired to know who was the author of it.

Mr. JOHNSON of North Dakota. Thank you. Continuing:

Other countries, except the few who have adopted the policy of a "tariff for revenue only," sometimes called "free trade," make their tariffs about in the same way. We have never asked any country to make its tariff laws with the slightest reference to our benefit.

I think that is as true to-day as it was twelve years ago—

We expect them to be guided entirely by enlightened selfishness. If we have anything for sale which they can not advantageously produce, it will be to their interest to put it on the free list, just as we do.

That will afford us all the market we need.

Let us now, in the light of this policy, examine the proposition of the Government of Denmark. There is not an article in the entire list for which the Danish minister solicits low duties (favorable customs régime) of which we do not already produce a surplus, except wool and hides, and even these we ought to produce, and will produce, in sufficient quantities to supply our own needs.

Every dollar sent to Denmark for "beer, cement, cabbages, hemp seed, porcelain, pebbles, lime, chalk, gloves, leather, condensed milk, granite monuments, dairy machinery, and tents" takes a dollar away from some American citizen, who would be very glad of a chance to earn an honest living here by supplying those things to our own market. These may seem small items, but our industrial life is made up of just such atoms. If we buy these things of the Danes, we must buy that much less of our own fellow-citizens. Shall we keep the money at home or send it to Denmark? Shall we furnish bread and wages to our own fellow-citizens or to the subjects of the King of Denmark?

I concede the right of the minister of Denmark to respectfully offer these suggestions, as he has done. But as a loyal citizen of my own country and a faithful servant of my own people, preparing a law "to provide revenue for the Government and to encourage the industries of the United States," my judgment and my sense of duty will not allow me to follow his advice.

I will not weary the Senate by reading pages and pages of this, but I call your attention to the protest of the 53 Irish members of the English Parliament. Such men as John Dillon, Justin McCarthy, John H. Parnell, a brother of Charles Stewart Parnell, and Michael Davitt, the greatest writers of history and patriots that Ireland has ever produced, signed that document. The Senate will have a chance to see it in the RECORD, so I will not weary your patience with it now; but all there was to that document was a plea to lower the duties on Irish mackerel.

The reason was that the mackerel fisheries in Ireland were doing first rate under the law of 1894. They feared a return of the McKinley duty; and it was clear to those English and Irish statesmen that a low duty would open our market and be a help to those Irish fishermen. They made that point clear; but those English statesmen were shrewd enough to know that, in order to get our ear and in order to say anything to which we would listen, they would also have to attempt to show some advantage on the part of the United States. The advantage was this: That when our market was shut against those fishermen, in their poverty and distress, they had to live, and they lived by sending begging letters to their more prosperous relatives in America. If we would reopen our markets to those mackerel fishermen, we would relieve our citizens of those begging letters, and that was the only advantage we would get. On that theory we might go the whole world round and relieve distress and poverty everywhere, but pretty soon we would be poor ourselves.

[No. 2.]

EMBASSY OF HIS MAJESTY THE KING OF ITALY,
Washington, April 4, 1897.

MR. SECRETARY OF STATE: The news which has reached Italy that the tariff recently adopted by the House of Representatives levies the very high duty of 75 cents (in all) per box on oranges and lemons imported into the United States, whereas the duty has hitherto been 22 cents per box, has caused great agitation there, especially in Sicily.

In pursuance of the instructions of the King's Government, which transmits this intelligence to me, I have the honor to call your excellency's attention to this state of things and to solicit your good offices for the purpose of preventing the imposition on Italian oranges and lemons of a duty which will prove so disastrous to the Italian trade in those fruits.

Tendering your excellency my thanks in advance, I further take the liberty to submit to you for examination a memorial of the Fruit Importers' Union of the city of New York, relative to paragraph 267, Schedule G—Agricultural products and provisions.

Accept, etc.,

FAVA.

Hon. JOHN SHERMAN,
Secretary of State, Washington.

[No. 3.]

EMBASSY OF HIS MAJESTY THE KING OF ITALY,
Washington, May 9, 1897.

MR. SECRETARY OF STATE: The Chamber of Commerce of Leghorn has sent to the royal ministry of foreign affairs, together with the letter which I have the honor herewith to inclose in the original, a petition from the principal manufacturers of candied fruits in the city of Leghorn, who earnestly beg the United States Senate not to approve the exorbitant duty of 60 per cent which is imposed upon candied fruits by the American tariff bill now under discussion.

The aforesaid chamber of commerce hopes that the serious injury may be seen which will accrue to the manufacture of candied fruits from that absolutely prohibitory duty.

I have the honor, in pursuance of instructions received from the King's Government, earnestly to commend to your excellency's good offices the desire expressed by the chamber of commerce and the manufacturers of candied fruits of the city of Leghorn.

Thanking you in advance, Mr. Secretary of State, for the courtesy with which you will be pleased to comply with this my request to the reciprocal benefit of the interests of our two countries,

Accept, etc.,

FAVA.

Hon. JOHN SHERMAN,
Secretary of State, Washington.

PROVINCE OF LEGHORN, CHAMBER OF COMMERCE AND ARTS,
Leghorn, April 16, 1897.

The manufacturers of candied fruits of this commune, who are seriously and very properly concerned owing to the large increase proposed by the Congress of the United States of America on the import duty to be levied on candied fruits, have addressed to this chamber the inclosed petition, whereby they request it to use its influence to the end that the King's Government, through the Italian embassy at Washington, take steps with a view to preventing the approval of the increase in question by the United States Senate.

The chamber hastens to communicate the aforesaid petition to your excellency, in the hope that the very serious injury may be prevented which would accrue to the manufacture of candied fruits from that absolutely prohibitory duty, this manufacture being one of the most important in this city, and its product being now, for the most part, exported to the United States of America.

It is certain that if this increase should be definitely approved, this industry would receive a fatal blow, and agricultural industry would also be greatly injured thereby, since the citrons, lemons, and oranges which are candied come in great part from the southern provinces of Italy, so that the crisis in the trade in these fruits which now causes such grave concern to the Italian Government would be rendered still more serious.

The American Senate should consider that a prohibitory duty like that which has been submitted to it for approval would wholly prevent the importation of the products named, while no benefit would result from it to the Treasury; and that Italy might in turn levy an increased duty upon some articles of American production, such as, for instance, cotton and petroleum, which would be more hurtful to the United States than the increase which it is proposed to levy on candied fruits would be to Italian industry.

N. COSTELLA, *President.*

His Excellency the MINISTER OF FOREIGN RELATIONS, *Rome.*

To his Excellency NICCOLA COSTELLA,
President of the Chamber of Commerce and Arts of Leghorn:

The undersigned, who are engaged in the manufacture of candied fruits in this city, beg the honorable chamber of commerce over which you preside to be pleased to use its influence with his excellency the minister of foreign relations, to the end that the embassy of Italy at Washington may take measures to secure from the United States Senate a more equitable usage, and one better calculated to benefit the American Treasury, for the candied fruits which are exported from Italy to the United States of America.

The import duty which has hitherto been imposed on candied fruits was 30 per cent ad valorem, and while this rate was in force the United States Government derived from this source an annual income of about $500,000. In the new tariff prepared by the House of Representatives the duty on the aforesaid article was 2 cents per American pound, which was a little less than 30 per cent ad valorem, but the Congress doubled the figure and raised the duty to 4 cents per pound. Such an enormous tax, which would amount to almost 60 per cent ad valorem, would be equivalent to actual prohibition, and would absolutely put a stop to any exportation from Italy, which does not seem to the undersigned to be in harmony with the views of the American Government, which doubtless, while it proposes to protect its own industries, seeks at the same time to secure the largest amount of revenue possible for its Treasury by means of import duties.

The duty of 2 cents per pound which was proposed to the Congress would have accomplished this double purpose, because, while it would have amply protected American manufactures, it would have been a source of abundant revenue to the United States Treasury.

The undersigned believe that a statement of the foregoing reasons, made in such a manner as may be thought most opportune by the Italian embassy to the United States Senate, might induce that body to modify the tariff to the reciprocal advantage of both countries.

Very respectfully,

ENRICO TORELLI & Co.
J. P. PISANI.
FEHR WALSER & SONS.
N. VARIANI.
GIOVANNI RAMACIOTTI.
ANGELO GAZZO.
CANESSA BROS.

LEGHORN, *April 14, 1897.*

I certify that the foregoing is a true copy of its original.

ANO. GIULIO SALVERTI, *Secretary.*

[Seal of the Chamber of Commerce of Leghorn.]

[No. 4.]

EMBASSY OF HIS MAJESTY THE KING OF ITALY,
Washington, D. C., May 26, 1897.

Mr. SECRETARY OF STATE: The Government of the King, to which I hastened (as I stated to your excellency in my note of the 16th of March last) to communicate the observations of the honorable Secretary of the Treasury [Agriculture] relative to the ministerial sanitary decree of January 26, 1897, which requires a consular visé for certificates of origin, issued by American authorities and accompanying shipments of meat, has now informed me that the question will be submitted for examination to the zootechnic and epizootic board at one of its next sessions.

His Majesty's Government, however, desires to perform a friendly act toward that of the United States by frankly forwarning it that it could in no case be induced to modify the provisions contained in the aforesaid decree in accordance with the desire expressed by the Federal Treasury Department [Department of Agriculture] if the United States should persist in retaining in the new customs tariff the exorbitant duties to which I have had the honor to call your excellency's attention in my preceding written and verbal communication.

The same warning has been communicated, with the same amicable intent, by my Government to the representative of the United States at Rome, who has presented a complaint similar to that which, after receiving your excellency's note of March 15, I transmitted to the royal ministry of foreign affairs.

Accept, etc.,

FAVA.

His Excellency JOHN SHERMAN,
Secretary of State, Washington.

Document No. 2 states that a duty of 75 cents a box on oranges and lemons "will prove disastrous to the Italian trade in these fruits." Well, what of it? We can get all the oranges and lemons we want from California and Florida, and of a superior quality, but we must pay living American wages to men laboring in the groves. The evidence before the committee indicates that much of the labor of cultivating and picking citrus fruits in Italy is done by women and children, at wages ranging from 20 to 30 cents a day. These labor conditions are scarcely equalized in the new tariff.

No. 3 states that the industry of manufacturing candied citrons, lemons, and oranges in the city of Leghorn would "receive a fatal blow" by the enactment of the new American tariff.

Well, what then? If worst comes to worst, our enterprising American confectioners might learn to manufacture candied fruit in this country.

It ought not to be very difficult to learn how to saturate and coat citron, orange, and lemon peel with sugar. But we do not want to compete evenhanded with cheap child labor.

The benefit of a low tariff for Italy is plain enough, but the only hope of any benefit to the United States held out by the ambassador is that if we comply with the request of his Government, then "the question of the sanitary decree requiring a consular visé for certificates of origin issued by American authorities and accompanying shipments of meat will be submitted for examination to the zootechnic and epizootic board at one of its next sessions."

We are, however, "warned," both in Washington and at Rome, that if we persist in this new tariff, then His Majesty's Government could in no case be induced to modify the existing decree. When these sanitary decrees of various kinds were issued against our meat products by various European governments, we immediately organized at great expense a very thorough system of inspection, whereby every piece of meat exported from this country was microscopically and otherwise examined and accompanied with certificates and marks of the government inspectors. We demonstrated the wholesomeness of our meat products, and warranted every ham, shoulder, side of bacon, etc. The sanitary decrees were thin excuses for excluding our meats. They had a right to exclude any merchandise, but it would have been more conducive to their reputation for frankness and courage to assign a better reason for the exclusion.

These prohibitory decrees concern the Government and people of Italy more than they do us. They ought never to have been passed, or should have been promptly repealed when shown to be based on a fallacy. That they still exist in full force contemporaneous with the low tariff of 22 cents a box on lemons and oranges is poor encouragement for us to let the King's ambassador write our tariff, when the only hope of reciprocal advantage held out to us is that the consular visé will be submitted for examination to the zootechnic and epizootic board.

What if the zootechnic and epizootic board should adopt a policy of "masterly inactivity?" Worse than all, the zootechnic and epizootic board might, after deliberation, decide to let well enough alone. The consequences of never submitting the consular visé to the zootechnic and epizootic board of Italy may be terrible enough to our citizens, but for one I am inclined to take the risk rather than abdicate to the minister of any king the right to make any of our laws, especially those "to encourage the industries of the United States."

[No. 5.]

BELGIUM LEGATION,
Washington, April 16, 1897.

Mr. SECRETARY OF STATE: The amendment passed by the House of Representatives on the 31st of March last provides that merchandise shipped by the 1st of April shall be admitted at former rates of entry.

As especially regards agricultural products, the orders accepted in good faith several months ago by Belgian horticulturists had necessarily to be suspended until the end of the winter, such products not being able to stand the voyage with impunity during the frosty season. I will add that to my knowledge packages containing plants, bulbs, or shrubs remained for some time deposited on the wharves at Antwerp, owing to the quantity of freight, and due to this circumstance must arrive late at their destination.

According to instructions received from my Government, I have the honor to point out this particular situation to the kind attention of the American Government, in the hope that it will have the goodness to suspend the too severe measure, and I am confident that it will not add to the considerable detriment which the new duties will occasion Belgian trade the annoyances of a premature application of them.

I have, etc.,

LICHTERVELDE.

[No. 6.]

LEGATION OF BELGIUM,
Washington, May 30, 1897.

Mr. SECRETARY OF STATE: I take the liberty to call Your Excellency's attention to the very high duty that has been imposed on cement by the Senate in article 84 of the new tariff bill. The discontinuance of the trade in this heavy substance would result disastrously to that in grain exported from the United States, inasmuch as cement constitutes the principal return freight which enables vessels sailing under the American flag and others to carry grain to Antwerp at reduced rates. Without such remunerative freight, shipowners will be compelled to charge higher rates for the transportation of grain, vessels carrying which will be obliged to return in ballast.

Hoping that these considerations will induce the conference committee in Congress to modify the prohibitory duties in question, I gladly avail myself of this occasion to offer your excellency a renewed assurance of my highest consideration.

LICHTERVELDE.

His Excellency JOHN SHERMAN,
Secretary of State.

[No. 17.]

LEGATION OF BELGIUM,
Washington, May 27, 1897.

Mr. SECRETARY OF STATE: I take the liberty, in obedience to the instructions of my Government, to call your excellency's attention to the assimilation of sprats and sardines in the new tariff bill, and to remind you that sprats constitute a much cheaper article of food, used chiefly by the working classes. I would add that it does not appear that these fish are found in North American waters, and that they can not, therefore, constitute a local industry. I should be very grateful to your excellency if you would communicate these observations, which have reference to a product of the Belgian coasts, to the competent committee, hoping that they may lead to a reduction of the duties proposed.

I avail myself of this occasion, etc.,

LICHTERVELDE.

His Excellency JOHN SHERMAN,
Secretary of State.

Documents Nos. 5, 6, and 17 came to us from the Belgian minister in obedience to instructions from his Government.

If followed, his suggestions would doubtless result in the advantages named therein to Belgium.

But where do we come in for our share? The only benefit offered to us is the single, slender hope that under a low tariff on cement from Belgium ships carrying cement to America can afford to charge less on wheat, return cargoes, to Antwerp. We can make cement in America.

Every pound of cement imported takes to Belgium money, bread, and wages which some citizen of our own country needs and ought to have, and shall have, if left to my arbitrament.

Free trade in cement may or may not lower the freight on wheat, but not more so than free trade on other heavy articles. Cheap freight on wheat to Antwerp might lower the price of wheat in Antwerp, but would not raise it perceptibly in North Dakota.

In my judgment, the great reduction in freight rates on wheat, both by land and sea, during the last twenty years have accrued entirely to the benefit of the consumer, while the advantage due to improved agricultural machinery, on the other hand, have accrued almost entirely to the benefit of the producer of wheat.

[No. 7.]

LEGATION OF THE ARGENTINE REPUBLIC,
Washington, D. C., May 1, 1897.

SIR: In compliance with instructions from my Government, I have the honor to submit to your excellency some remarks relating to the tariff bill pending on the approval of the Congress of this nation, praying your excellency to give them your kindly attention, and, if your excellency deems it opportune, to make such use of it as your excellency may judge proper. On doing so, it is far from my object to interfere in any manner in a matter of domestic fiscal policy of this great Republic. A friendly interest has been manifested on many occasions by the Government of the United States in favor of the improvement of the commercial relations which unite this nation and the Argentine Republic.

Various attempts have been made here for increasing the currents of our mutual interchange, either by means of sending official commissions in charge of studying and proposing the best means for that object or by means of the convocation of a Pan-American conference, endeavoring to connect the political and economical links which unite the diverse sections of our vast continent; or, in short, in the form of excursions of representative manufacturers and business men, as the one which took place at the close of last year.

These are so many antecedents which encourage me in hoping that the Government of your excellency will give my words a friendly hearing, being convinced that they have no other purpose than that of endeavoring toward their noninterruption in the least, but, on the contrary, that they may increase each day the commercial relations which exist to-day between the United States and the country which I have the honor to represent.

If your excellency deems it desirable to review the official correspondence exchanged in 1891 and the beginning of 1892 between the minister of foreign relations of the Argentine Republic and the minister of

the United States, Mr. Pitkin, your excellency will see by the communication of the former, dated December 24, how great was the place which American commerce occupied in our markets since the epoch of the definitive constitutional organization of my country until the time when the Government of the United States levied high duties upon wool and other Argentine products, i. e., from 1852 to 1868.

In that communication the historical fact is pointed out of the participation which was shared by the United States in the benefits of the Argentine progress. It is reminded that the number of the ships of this country which arrived at our ports at times exceeded the share belonging to the maritime nations of Europe, whilst the exportation of Argentine wool for the markets of the Union surpassed sometimes the shipments made from it to France and England. Lastly, mention is made in the same communication that the commerce of the United States during that period amounted to more than 50 per cent of the English and French commerce, to 80 per cent of the Belgian commerce, and surpassed five times that of Germany; and these figures seem to argue that your commerce would end by maintaining one of the first ranks in our mercantile markets.

Unfortunately this movement, which promised so many advantages to both countries, was deferred in consequence of the high duties imposed by the tariff of 1867 on Argentine wool.

Your excellency knows that wool is one of our principal national products, and the new classification to which it was submitted in that act doubled the duties imposed on the same by the law of 1864. So some years after, the Argentine minister in Washington, Señor Luis L. Domínguez, addressed himself to the Department of State, calling attention to the decrease of the imports from the United States into the Argentine Republic, and the corresponding fall in the Argentine exports to the markets of this country.

In 1882, in fact, of our total imports, 8.3 per cent belonged to the United States, and of the total of our exports came to this nation only 4.9 per cent. In that year our exportation of wool was 222,000,000 pounds, of which there only entered into the United States nearly 2,000,000 pounds.

On the other hand, in 1866 the importation of wool from the Argentine Republic had reached 37,000,000 pounds, in round figures, and in 1867 it fell to 12,000,000 pounds, the fall continuing greater every year until it reached in 1882 the figure of 2,000,000 pounds just mentioned.

It is convenient to show your excellency that the Argentine Republic admitted in exchange the most important articles of American production free of duty, or only levied a rate of duty from 5 per cent to 10 per cent, whilst our wool, which represented more than half of the total of our production, was burdened with a rate of duty of 100 per cent.

Notwithstanding these disadvantageous conditions, the commerce of the Argentine Republic continued to increase year by year, and its volume sometimes became considerable, as your excellency may see in the following statement taken from the general bureau of statistics of the Argentine Republic:

Year.	Importations of the United States.	Exportations of the United States.
1886	$7,673,284	$5,580,406
1887	11,044,553	5,938,808
1888	9,900,895	6,665,520
1889	16,801,750	7,726,691
1890	9,301,541	6,066,958
1891	3,445,904	4,214,502
1892	7,373,583	4,834,454
1893	9,619,317	3,416,740
1894	10,149,018	5,285,210
1895	6,086,999	8,947,165
1896	11,210,475	6,410,362
Total	103,216,319	63,086,816

As your excellency will observe, during the period of eleven years comprised in the preceding statement, we have received from the United States merchandise to the value of $103,216,319, and we have sold in the markets of this country products to the value of $63,086,816, which shows a balance against us of $40,129,503. According to the same publication, the maritime trade, between our respective countries was represented in 1896 by 62 steamers, with a tonnage of 92,335 tons, and 172 sailing vessels, with a tonnage of 139,572 tons, coming from ports of the United States; and by 19 steamers, with 28,816 tons, and 74 sailing vessels, with 55,404 tons, entered in the American ports proceeding from the Argentine Republic.

The official publication of the Department of the Treasury, entitled "Foreign Commerce of the United States," corresponding to the fiscal year from July 1, 1895, to June 30, 1896, shows that there were imported into this country 224,885,237 pounds of wool, camel's and goat's hair, alpaca, etc., importations representing a value of $31,497,866. According to the same official source, there proceeded from the Argentine Republic the following quantities and values of wool:

Wool.	Pounds.	Value.
First class (clothing)	6,128,532	$871,305
Second class (combing)	3,273,075	463,875
Third class (carpet)	13,835,224	1,283,077
Total	22,736,851	2,638,257

In addition, the section of foreign markets of the Department of Agriculture has just published a statement of the principal imports of agricultural products to this country during the five years ending June 30, 1896. From said statement it appears that from 1892 to 1896 the Argentine Republic has imported into the United States an annual average of 8.1 per cent of the total entry of wool in this country, while the United Kingdom has imported 43.5 per cent, Australia 10.5 per cent, and Russia 8.5 per cent. Our shipments occupy, then, the fourth place. On the goatskins we occupy the third place, with 13.1 per cent; on bristles the same, with 15.7 per cent; finally, on hides the second place, with 21.9 per cent, only the United Kingdom surpassing us, with 22.5 per cent.

Nevertheless, and in spite of the satisfactory amount of these figures, your excellency will observe that respecting the wool our imports of last year into the United States (22,736,851 pounds) are far from reaching the sum we sent in 1866 (37,000,000), notwithstanding the enormous increase of our production since that date to the present time.

One reason for this deplorable fact has been given with remarkable frankness and striking clearness by the president of the National Wool Growers' Association, Mr. Lawrence, in the following manner:

"The tariff act of 1883, with a duty of only 10 cents per pound on unwashed merino, effectually excluded South American wools under conditions existing in 1888 and since that. Now, the effect of this peculiarity in the Australian merino—that is, it has less shrinkage than any other merino wool in the world—was that under the Wilson bill we imported last year 71,000,000 pounds of this Australian wool, and only 14,000,000 pounds were imported from South America. It was because the South America wool, like the Ohio wool and all our American wools, will shrink 66⅔ per cent in the scouring. The result is, by letting in this Australian wool unwashed, shrinking less than the American washed, that amount of merino shuts out substantially all merino wools from other countries.

"The American consul at Buenos Aires, in his report to the State Department of December 13, 1888, says: 'The shipments of wools to the United States were exclusively of the long carpet wools from Cordova, it being the only class that it is possible to send to our (United States) market under our tariff at a profit. Our tariff, so far as the clothing (merino) and finer qualities are concerned, is prohibitive. While those from Australia can come in, those from the Argentine Republic, owing to the greater amount of grease and dirt which they contain, are quite excluded. The amount of dirt and grease in the (unwashed) wools of the Argentine Republic reaches to more than 70 per cent, while the (unwashed) wools of Australia and New Zealand only have about 50 per cent.'

"As between the South American wools and the Australian, the McKinley Act of October 1, 1890, excluded those from Argentina."

I do not wish to extend this communication too much by dwelling any longer on an examination of the figures of the commerce existing between the Argentine Republic and this country. What has been said should suffice, and as your excellency may notice that if this commerce has not taken the great development which it promised, it has not depended on our good will nor on our desire of establishing more intimate business relations with this great Republic, the institutions of which serve us as a model, and which marvelous civilization we follow with the greatest interest and sympathy.

We have manifested that sympathy, as was recognized by the honorable President of the United States in his message of December 2, 1895, by reducing as much as possible, and in spite of the fact that our country draws from the custom-house duties the principal source of its revenue, the import duties which were levied on American products, and by placing several of them on the free list of our tariff law. If your excellency will have the kindness to examine the communication addressed by Mr. Buchanan, American minister to Buenos Aires, to the honorable Secretary of State, the late Mr. Gresham, dated November 19, 1894, your excellency will observe that on the request of that functionary the committee of the House in charge of the study of our tariff approved the modifications recommended by the Government relative to agricultural implements and lumber, as well as making favorable changes in the rates on farm wagons and canned fruits and vegetables. The reduction of the rate of duty on yellow pine, to which Minister Buchanan refers in his communication of October 5, 1894, alone amounted to a reduction of import duties of $256,000 to the benefit of the American exporter.

Your excellency knows that mowers, binders and reapers, and steam thrashers are on our free list, while the rate of duty on machinery and motors of all kinds for agricultural purposes remains at 5 per cent ad valorem.

The market offered by the Argentine Republic for that class of articles is already very considerable. The following statement, which I take from the American official statistics for the fiscal year ending June 30, 1895, contains the figures reached by this branch of the American imports, compared with those from other nations with which the United States maintain extensive commercial relations:

Mowers and reapers:		
Argentine Republic		$617,445
Russia—		
Baltic and White Seas	$101,783	
Black Sea	527,653	
		629,435
United Kingdom		447,114
France		424,312
Germany		375,348

But it is not only this branch of American industry that finds in the Argentine Republic an easy acceptance and an ample market. The United States also send us mineral oils, lumber, tools, all kinds of instruments, locomotives, and railroad material; in short, all the products of the vast industry of that country may enter our market under favorable conditions and analogous with those extended to the goods from other parts of the world. The marked contrast between the imports and exports of this country and other South American nations, which often caused the commercial balance to be against the United States, does not exist between our respective countries.

This contrast is rather unfavorable to us, although we occupy in South America the second place in American commerce, Brazil only surpassing us on account of its considerable imports to this market. Finally, the prospects of our mutual interchange are unlimited, taking into account the progressive development of the Argentine Republic, the activity and energy of its people, the importance of its natural resources, the extension of its territory, and the growth of its population by the constant assimilation of great masses of European immigrants who come to cultivate our fertile fields.

Your excellency will not wonder, in view of the succinct considerations herein made, that my Government should have been painfully surprised on hearing of the prohibitory rate of duties which threatens our wool should the present tariff bill now pending before Congress become a law. The enacting of said rates, as those proposed on our hides, would make impossible the introduction of the former as well as the latter, it would be hostile to an important industry of our country, without benefit to the people or the industry of the United States, and lastly it would end by interrupting in toto a commercial movement which was being started and every day increasing, to the mutual advantage of both countries.

The important concessions which spontaneously and with the desire of making still closer the commercial relations with this nation we have granted to important American products and articles should guar-

antee to us that the Congress of this nation would not enact a law which might destroy our growing trade, and thus close our doors to the introduction of American products. Instead of that, we behold with disappointment and regret that the projected bill affects us with extreme severity, practically applying a discriminating rate of duty on our wool, since our wools have a larger shrinkage than those from Australia, as I have had the honor of mentioning before by citing some utterances of Mr. Lawrence.

After those words had been expressed by that gentleman before the Ways and Means Committee of the House of Representatives, he amplified them later on in the memorial of the National Wool Growers' Association in a form which demonstrates in a manner so efficacious and eloquent the exigencies of our position in this matter that I pray your excellency to permit me to transcribe them, calling your excellency's attention to the same:

"The injustice * * * of favoring Australasia, a British dependency, at the sacrifice of trade with South America is palpable and appalling. The unanswerable argument of that great statesman, Hon. Warner Miller, on this subject should be pondered by every American citizen. We can not hope for increased trade with South American States, nor advantageous reciprocity treaties, while this injustice is continued. * * * But Argentina has a real grievance, of which she may justly complain, and the grievance is still non [more?] ruinous to our industries. * * * By imposing an additional duty on the light shrinking Australasian merino the United States will take less wool from that country and more from South America, and thus enlarge our trade with our sister Republics of the Western Hemisphere, Mexico included."

Before closing, I beg your excellency to allow me to call attention to the following paragraphs from a report of the United States consul in Buenos Aires, Mr. Baker, referring to the Argentine production and to the growth of our commerce with this great nation:

"The Argentine Republic is a country which for the most part produces only raw materials, the bulk of its exports consisting of wools, hides, skins, etc. If the United States have no market, or an uncertain market, for such articles, or its fiscal laws are such that it will not pay to ship them to our ports, it is out of the question that our country can not have a very large or a very reliable trade with the River Plate.

"During all the twenty years that I have been at this port, I have persistently sought to impress upon our Government the importance of this fact, and have in my reports time and again suggested that modifications of such restrictions, thus stimulating a freer exchange of products, was the 'key which would open a large reciprocal trade between the United States and the Argentine Republic.' I can only reiterate what I have heretofore so often said, and I do so at the request of American merchants dealing with the River Plate, is the hope—which they express—that something may be done to ease up the situation and give them the chance of a market for Argentine wools in the United States.

"There is no doubt that it would have a marked effect upon our commerce with this country, not merely in respect to the amount of shipments from here, but, what is more important to us, in the increase of the imports hither of our manufactured goods. It is well said that 'business begets business,' and the opening of our markets to the wools of this country would have a direct effect, not only in strengthening our commercial relations with the people of the Argentine Republic, but, what is always desirable, in promoting their good will and bringing them socially and politically nearer to us."

It is perhaps unnecessary to insist on the considerations which I have had the honor of placing before your excellency with the certainty that the high sense of justice and the friendly feeling which inspires the American policy in its relations with the Argentine Republic will suffice to secure the adoption of any measure whatsoever which may save the interests of my country, threatened by the tariff bill this note has reference to, either by reducing the proposed duty in a proportion so as to leave our wool in a position equal to that of Australia, or by leaving wool in its present condition.

The mere mention of the facilities with which the American products enter our custom-houses is the most eloquent argument which I could present to your excellency in favor of the suggestion just made. We have on the free list, besides other articles, mowers, reapers, thrashers, raw petroleum, coal, coke, locomotives, rails, and sleepers; we have reduced the duty on lumber (yellow pine and oak), on canned goods, on petroleum, on cotton goods (this last from 60 to 20), and we are levying a moderate duty on all other American products imported there (5 per cent ad valorem on plows, machines, and motors of all kinds for agricultural purposes, sewing machines, rosin, wire for reapers, fences, etc.).

In view of these considerations, I am encouraged to hope my country will not be subjected to the hardships which would follow the enactment of a law bearing so directly on our trade with this country, forcing us to abandon the mutual and beneficial commercial relations which bind us with the United States, whose gates would remain entirely closed to our products.

Again, praying your excellency to consider this note as a simple friendly suggestion, made in a spirit of perfect cordiality and without intending in any manner to interfere with the decisions of one of the high branches of the Government of this great Republic, to which by so many links we are bound, I renew to your excellency the protests of my highest and distinguished consideration.

M. GARCIA MÉROU.

The Hon. JOHN SHERMAN,
Secretary of State of the United States.

No. 7 shows clearly enough how a low tariff would benefit the Argentine Republic. The advantage to us is not so clear.

The Argentine Republic occupies relatively about the same position in the Southern Hemisphere that we do in the Northern. They are our competitors in the production of grain and animal products. They have practically nothing but grain and animal products for sale. Of these we have a plenty. They produce nothing that we need, except possibly quebracho wood, and for that we have an excellent substitute in oak and hemlock bark. Only a small per cent of the wool of Argentina comes to our market anyhow, even under a "free-wool" tariff, viz, 12,187 tons out of 201,353 tons exported in 1895.

The new tariff will be no more "prohibitory" than the tariff of 1890. Under that excellent tariff law we bought of Argentina $3,416,740 worth of goods and sold them $9,619,317 worth in 1893, while in 1895, under the "free-wool" tariff, we bought of them for $8,947,165 and sold them $6,686,999 worth.

We have for the last twenty years supplied only from 5 to 7 per cent of the goods imported into Argentina, and more than half of that consists of white pine and petroleum, articles which they do not produce and can get only from us. The next important article is agricultural machinery. These they have not the facilities to manufacture, and without our improved machinery they are unable to compete with us in the grain markets of the world.

We received no communication from the governments of any of the other countries of South America, Central America, or Mexico. The reason probably is that they have climates, and consequently productions, quite different from those of the temperate zones. We have placed their products on the free list if they are such as we can not produce. We have no written communication from the Canadian government, but did have an official visit from one of the ablest statesmen of that Dominion, who came here to confer with the members of the Ways and Means Committee while we were preparing the new tariff. He wished us to make low rates on such articles as are usually imported from Canada, mainly agricultural products.

His main reliance seemed to be the statistical fact that our exports to Canada exceed our imports from that country. But the reason for that is geographical or astronomical rather than political. We produce in Maine, New York, Ohio, North Dakota, and Washington everything which they can possibly produce in any part of the continent north of latitude 49°, while in California, Texas, Louisiana, and Florida we furnish many semitropical products, such as cotton and fruits, which they can not produce and must buy of us.

[No. 8.—Note verbale.]

IMPERIAL LEGATION OF TURKEY,
Washington, May 10, 1897.

The imperial legation of Turkey observes with regret that the new American tariff, as it has just been sent to the United States Senate, imposes an import duty of $1 per pound on crude opium.

As the Department of State is aware, opium is a product of Ottoman soil, which in previous tariffs was always placed on the free list. Its removal from that list and the imposition of a high duty can not, in the opinion of the imperial legation, answer the twofold purpose had in view by the new financial legislation, viz, first, the protection of home industry and productions; and second, the increase of the revenue. As opium is not produced or cultivated in the United States, there is no reason for a protective duty on this article.

As to the increase of the revenue of the American Treasury, the imperial legation doubts whether the duty levied on crude opium could contribute thereto to any appreciable extent. Its effect would, on the contrary, be to diminish the importation of this article, and thus to reduce the estimated receipts to insignificant proportions.

Furthermore, even supposing that the importation of crude opium would not suffer, and that the receipts of the Treasury would be considerable owing to the duty levied thereon, it is scarcely necessary to remark that, even then, American industry and American laboratories which manufacture extracts of this drug for the requirements of medicine and pharmacy would be the sufferers. Consumers would then have to bear the burden of a duty which, after all, holds out merely the hope of a doubtful profit to the Public Treasury. The imperial legation thinks that it would be advisable to place crude opium again on the free list, or at least to reduce the duty on it.

In expressing this opinion, by way of suggestion, the imperial legation of Turkey trusts that the Department of State will kindly make it known in the proper quarter, transmitting at the same time such recommendaions in support thereof as it may think proper.

The Turks are evidently of the opinion that they will have to pay, in whole or in part, the dollar a pound duty on opium. Their concern for our Public Treasury could well be stricken out as surplusage.

[No. 9.]

LEGATION OF JAPAN,
Washington, June 3, 1897.

SIR: Under instructions from His Imperial Majesty's minister for foreign affairs, I have the honor to invite your attention to the proposed increase of duties upon certain articles imported into the United States from Japan. In doing so I beg to state that while under ordinary circumstances the Imperial Government would hesitate to express an opinion concerning a question which might be regarded as pertaining exclusively to the domestic policy of this country, they believe that the fact that important Japanese interests are at stake will be deemed sufficient justification for the representations they desire to make.

This belief is strengthened, moreover, by the conviction that the proposed increase of duties will injure the United States no less than Japan by retarding the growth of commercial relations which have hitherto proved equally advantageous to both countries and which promise even greater future benefits. The Imperial Government are well aware that the Government of the United States must share with them the desire to promote and extend those relations, and consequently they feel assured that their motive will not be misconstrued if they frankly express their views upon the subject.

The articles of Japanese importation which will be most injuriously affected by the proposed increase of duties are light-weight silks, silk handkerchiefs, mattings, hemp and jute rugs and carpets, and tea.

Taking these articles in order, I beg to call your attention to the fact that the proposed duty upon Japanese silk goods and silk handkerchiefs is greatly in excess of any similar duty ever levied in this country. The tariff bill, as it passed the House of Representatives, provided for a duty of $4 per pound upon silk goods weighing less than 1 ounce and more than one-third of an ounce per square yard. In actual operation this provision would apply almost exclusively to cheap silks, the manufacture of which may be said to be peculiar to Japan. The proposed duty will bear much more heavily upon them than upon silk manufactured in other countries, most of which will be subjected to relatively lighter rates of duty.

Thus, unintentionally, no doubt, there is the appearance of discrimination against the Japanese product. The Japanese silks imported into this country, although light in weight, are made of inferior raw silk, and do not come into competition with staple American silks. The duty of $4 per pound would be equivalent to an ad valorem rate of between 95 and 100 per cent upon the varieties most generally imported. The duty upon handkerchiefs made of similar grades of silk would be 10 per cent more. The consensus of expert opinion is that these rates are practically prohibitory.

The Senate Finance Committee has reduced the proposed duty to $3 per pound, which is equivalent to between 70 and 75 per cent ad valorem upon piece goods, with 10 per cent added upon silk handkerchiefs.

From all the information I can gather upon the subject, I am convinced that these rates, if adopted, will greatly lessen the volume of importations, and so far, at least, injuriously affect the trade.

Under the present law the duty upon Japanese silk goods and silk handkerchiefs is 45 per cent and 50 per cent advalorem, respectively;

under the law of 1890 it was 50 per cent upon the one and 60 per cent upon the other.

Japanese mattings are at present admitted free of duty in the United States, as they were also under the law of 1890. At no time has a higher rate of duty than 30 per cent ad valorem ever been levied upon this class of goods. In consequence, an extensive and prosperous trade has been established, the use of mattings has become more general than ever before, especially among the poorer classes and in those parts of the country where the warmth of the climate precludes the use of other floor coverings.

Under the bill passed by the House of Representatives the duty levied upon mattings was 8 cents per square yard upon those valued at less than 10 cents per square yard, and 8 cents per square yard, with 25 per cent ad valorem additional, upon those valued at more than that price. Inasmuch as the dutiable value of most of the mattings imported from Japan does not exceed 6 cents per square yard, it is apparent that the proposed duty would be equivalent to a very high ad valorem rate.

The Senate Finance Committee amended this section of the House bill by reducing the duty upon the cheaper grades of matting to 4 cents per square yard, but added a proviso imposing an additional duty of 25 per cent ad valorem upon all mattings "manufactured with a warp composed of flax, cotton, or other vegetable fiber." Since all mattings are manufactured with a warp composed of some kind of vegetable fiber, it is not thought that the reduction effected by this amendment will greatly lighten the burden imposed by the original duty. How heavy that burden is you can perceive when I assure you that it is stated upon the best authority that the trade in mattings can not survive the imposition of such high duties. It must cease altogether, or dwindle to insignificant proportions. In either case the people of this country will be deprived of the use of an article not manufactured in the United States, which experience has shown to be well suited to their needs, and the public finances, it is safe to predict, will not be appreciably benefited.

It has been officially stated that the proposed duty upon hemp and jute rugs and carpets will be equivalent to the about 50 per cent ad valorem. The fact is, however, that the average ad valorem rate of duty equivalent to the proposed specific duty upon the varieties of this class of goods imported from Japan would be nearly 80 per cent. Such a duty, if applied, can not be a severe blow to another article of Japanese commerce the introduction of which has never been shown to be harmful to any product of American industry.

The proposed duty upon tea has attracted the especial attention of the Imperial Government. While it is true that the taxation of an article like tea for exclusively revenue purposes might not ordinarily be open to criticism, the circumstances of the present case are such as to give rise to serious apprehension. For a number of years past the tea industry in Japan has been in a depressed condition. The United States furnish the principal market for Japanese teas, more than two-thirds of the importation to this country being from Japan. It will thus be seen that Japanese tea must bear a larger share of the burden of taxation than the teas of any other country.

The proposed duty will be equivalent to from 50 to 100 per cent ad valorem, according to quality. It can not be a matter of surprise, therefore, that the prospect of a sudden change from free importation to comparatively heavy taxation should awaken in the minds of Japanese tea producers the gravest fear for the stability of their trade in its chief market. Equally with them, the Imperial Government are apprehensive that such a change, added to the depressing conditions which already prevail, must do great harm to an industry upon which a large number of the Japanese people are wholly or in part dependent.

As regards the general subject of the proposed taxation of Japanese imports to this country, I regret to observe that the opinion has gained some credence in Japan that the legislation in question is intended to discriminate against Japanese products. I do not need to assure you that the Imperial Government do not share in this belief, but I would respectfully submit that it is in a measure natural, since, by what is no doubt merely an unfortunate coincidence, it happens that the articles of Japanese importation most injuriously affected by the proposed legislation are what may be termed specialties of Japanese production and manufacture. All the articles herein enumerated come within that category, and for that reason it is not, perhaps, to be wondered at that those whose interests are so seriously threatened should believe that they are in some way the victims of intentional discrimination.

As I have had the honor to state, the Imperial Government are far from sharing in a belief for which they find no warrant in the cordial attitude always maintained by the United States toward Japan, but nevertheless they do not think it either wise or prudent to ignore a sentiment which, under certain circumstances, might have a most unfortunate effect upon the relations of the two countries. They hope, moreover, that it will not be forgotten that this feeling may be attributed in some degree to the fact that no article of American importation to Japan pays at present anything more than a nominal duty, and to the further circumstance that the legislature of Japan has already signified its intention of hereafter levying only the most moderate imposts upon American commerce.

I have the honor, Mr. Secretary, to submit the foregoing observations for your consideration, trusting that you may deem it proper to communicate them to the authorities intrusted with the task of determining this question in which Japan is so deeply interested. As I hardly need assure you, the Imperial Government, in this frank exposition of their opinion, have no other aim than the promotion of those cordial sentiments of good neighborhood which have been such a marked characteristic of the intercourse of our countries. Actuated by this sentiment, they have authorized me to submit their views, in the earnest hope that through this representation some amelioration may be obtained of conditions that threaten the prosperity and even the stability of commerce between Japan and the United States.

Accept, etc.,

TORU HOSHI.

Hon. JOHN SHERMAN,
Secretary of State.

The Japanese minister is instructed by his Imperial Majesty to say to us that, in his opinion, a duty of $3 a pound on light silks "will greatly lessen the volume of imports, and so far at least injuriously affect the trade." In this, I think, he is correct. He does not claim that the increased duty would increase the price to the consumer. In this, I think, he is wise. The price will remain the same to the people who wear silk dresses. In the same ratio that it "will greatly lessen the volume of imports," I think it will greatly increase the industry of weaving silk in this country.

It may also "injuriously affect the trade" by making foreign manufacturers pay the duty and subtract that much from their profits. It may also be that the "trade in mattings can not survive the imposition of" from 3 to 7 cents per square yard duty. Perhaps "it must cease altogether, or dwindle to insignificant proportions."

In my opinion, we shall get all the matting we want at the same old price, and our Japanese friends will continue to do business at the old stand on a narrower margin of profit, while cheerfully contributing the stipulated "tax" into the Federal Treasury for the privilege of using the best market in the world.

[No. 10.]

LEGATION DE SUISSE AUX ETATS-UNIS,
Washington, D. C., June 17, 1897.

Mr. SECRETARY OF STATE: According to my promise, I have the honor to present herewith to your excellency a statement written by Mr. James Robert, of New York, and concerning the newly proposed import duties on watches. Mr. Robert is a citizen of the United States. He is at this time retired from business, but he has a complete knowledge of all the questions relating to the manufacturing of watches in this country and in Switzerland, and is thoroughly acquainted with all the facts of importance in this branch of business. He is also vice-consul of Switzerland in New York. I beg to call the attention of your excellency to this statement, which contains observations that may be of interest to the honorable gentlemen who are at this moment preparing the new tariff measures.

Please accept, Mr. Secretary, the renewed assurances of my highest consideration.

J. B. PIODA.

His Excellency Mr. JOHN SHERMAN,
Secretary of State, Washington, D. C.

NEW YORK, *June 15, 1897.*

At the request of a number of friends interested in the importation of Swiss watches, I am asked to add the testimony of a lifelong experience in that business, with such facts as may assist in retaining the present tariff of 25 per cent duties imposed upon that article.

This tax has benefited protection far more than revenue, as shown in the extraordinary development of American watch factories, which have become wealthy, powerful, and entirely independent of any foreign competition.

On the other hand, the revenue expected from the importation of Swiss watches has continued to decline upon the yearly value, which at one time exceeded $3,000,000, and now barely amounts to one-third of that sum.

The higher duty of 40 per cent, as now proposed, would certainly not add to protection, which is not needed, as facts prove, but would materially lessen the United States revenues in excluding more and more watches of foreign make, the majority of which being specialties or particular trade-marks not subject to American competition. Besides, it would, in my estimation, be altogether to the detriment of the dealer and consumer in making them dependent on the privilege to increase the margin of the already powerful American watch stock companies. It would also give an incentive to dishonest undervaluation or fraud and encourage the purchase of the more valuable article by Americans or others traveling abroad, who enjoy the right to bring over a single watch for their own personal use, thus entailing a loss of business to the retail dealer here.

The honest importer, who is most in need of protection, as well as the Government, would, under these circumstances, be the greatest sufferer if the actual ad valorem duty of 25 per cent was now to be revised, and I trust that upon fair examination of the interests involved no change will be made from what had been considered amply sufficient in the McKinley tariff bill of 1890.

Very respectfully submitted by

J. EUGENE ROBERT.

[No. 18.]

DEPARTMENT OF STATE,
Washington, May 24, 1897.

SIR: By direction of the Secretary of State, I have the honor to inclose for your information and consideration copies of notes dated the 28th ultimo and the 20th instant, respectively, from the minister of Switzerland at this capital, relative to the provisions of the tariff bill pending before the Senate which affect Swiss exports to the United States.

Respectfully, yours,

WILLIAM R. DAY,
Assistant Secretary.

Hon. NELSON DINGLEY, Jr.,
Chairman of the Committee on Ways and Means,
House of Representatives.

LEGATION OF SWITZERLAND IN THE UNITED STATES,
Washington, April 29, 1897.

SIR: I have the honor, in pursuance of the instructions of my Government, to state the following considerations to which I take the liberty to invite your excellency's kind attention. I recently transmitted to my Government the tariff bill as it left the House of Representatives. The Federal Council has considered its scope, which can not fail to be disastrous to commerce between Switzerland and the United States, inasmuch as the productions of the three principal export industries of Switzerland are thereby subjected to prohibitory duties. Swiss embroidered goods, silks, watches, and clocks would be almost excluded from the territory of the United States.

In this state of things my Government appeals to the sentiments of friendship and equity of its sister Republic, trusting that it will not close its territory to Switzerland, since that of the Confederation has been at all times wide open to American productions on which extremely low duties are levied. The United States export goods to Switzerland to the value of about 39,000,000 francs, which may be divided as follows: Cotton, 16,000,000; petroleum, 5,000,000; tobacco, 4,000,000; meat, 3,000,000; hides, 3,000,000; lard, 2,000,000; wheat, 1,000,000, etc. Switzerland exports to the United States goods whose value is 13 francs per inhabitant, whereas the purchases of the United States from Switzerland amount to but 1 franc 25 centimes per inhabitant. Swiss exports consist mainly of specialties which do not compete with American industry; their exclusion would be regretted by the American public, and would occasion a diminution of revenue to the United States Treasury.

The Federal Council is not without hope that these considerations will lead in the proper quarter to arrangements favorable to a reasonable reduction of the duties on Swiss imports, or that at least account

will be taken of the considerations set forth by me, and of some concessions in the form of a convention.

Hoping that your excellency will kindly second my suggestion,

I avail myself, etc.,

J. B. PIODA.

LEGATION OF SWITZERLAND,
Washington, D. C., May 20, 1897.

Mr. SECRETARY OF STATE: As a sequel to the note which I had the honor to address to your excellency on the 29th ultimo, and in compliance with the request which you were pleased to make of me in the course of our conversation of the 13th instant, viz, that I would specify the wishes of my Government in regard to the duties on imports from Switzerland which are contained in the tariff bill now under consideration by the United States Senate, I take the liberty to submit to your excellency the following desiderata:

1. That bolting cloth may be allowed to remain on the free list.
2. That there may be no increase in the duties on the following articles:
   (*a*) Silk piece goods.
   (*b*) Silk ribbons.
   (*c*) Embroideries, loom-woven, dotted, and figured.
   (*d*) Swiss watches and watch movements.
   (*e*) Tar colors.

I will thank your excellency to make the foregoing known in the proper quarter, and to call attention at the same time to the fact that Switzerland has always kept her market open to American productions.

Be pleased to accept, Mr. Secretary of State, the assurances of my very high consideration.

J. B. PIODA.

His Excellency JOHN SHERMAN.

Documents Nos. 10 and 18 are in the main a plea for lower duties on embroidered goods, silks, watches, and clocks for the benefit of the people of Switzerland.

It may be that lower duties would benefit them. We are manufacturing these articles in America. We are now writing a law "to encourage the industries of the United States." Domestic manufacturers and labor organizations have presented their side of these three industries to our committee with great earnestness, and told us what they want and must have in order to hold the trade. They say they can abundantly supply our markets with embroideries, silks, and watches, without raising the price to the consumer, if only protected by a duty sufficient to cover the difference in labor cost. We had to decide for the Americans.

[No. 11.]

BRITISH EMBASSY,
Washington, December 26, 1896.

SIR: I have the honor to inform you that the fishery board for Scotland has drawn the attention of the foreign office to the high rate of duty imposed on cured herrings imported into the United States, and have represented the expediency of endeavoring to obtain a substantial reduction thereon.

I have therefore the honor, acting under instructions from the Marquis of Salisbury, to submit to the United States Government the representation made by the fishery board, with a view to its favorable consideration.

I have the honor to be, etc.,

JULIAN PAUNCEFOTE.

The Hon. R. OLNEY, *etc.*

[No. 12.]

BRITISH EMBASSY,
Washington, June 18, 1897.

SIR: I have the honor to inform you that the attention of Her Majesty's Government has been called to the increased duty which it is proposed, under the provisions of the Dingley tariff bill, to impose upon salted mackerel and other cured fish.

In view of the grave injury which such action would cause to the trade of the west coast fisheries of Ireland, I am desired by the Marquis of Salisbury to repeat to your Government the representations which I made to you in my note of December 26 last year with regard to a similar proposal concerning the import of Scottish cured herrings.

I have the honor to be, etc.,

JULIAN PAUNCEFOTE.

Document No. 11 is either incomplete or very remarkable. It informs us that "the fishery board of Scotland has drawn the attention of the foreign office to the high rate of duty, * * * and have represented the expediency of endeavoring to obtain a substantial reduction thereon."

Neither a copy of the "representation" of the board nor the substance thereof is communicated to us. No reason is urged. No statement of advantage or disadvantage is made. No other document accompanied the note as it came to the committee, and I am informed at the State Department that none was inclosed with the note when received there.

How anybody could expect us to amend a bill pending in a committee of the United States Congress, simply because a fishery board had drawn the attention of the British foreign office to one of its paragraphs, without suggesting any reason of advantage or disadvantage for or against the change is hard to comprehend.

There may be something the matter with the paragraph, but the defect, if any, should be indicated. I know the spelling is correct, and I think the figures are all right.

No. 12 asserts that increased duty on salted mackerel and other cured fish would cause grave injury to the trade of the west-coast fisheries of Ireland.

We may safely assume that to be true, but still there are no reasons assigned why a lower duty would be any advantage to us.

This absence of information in No. 11 is not cured by a simple assertion in No. 12 that the representations of No. 11 are repeated. We look in vain for any "representations" either in No. 11 or No. 12.

[No. 13.]

CHINESE LEGATION,
Washington, June 29, 1897.

SIR: I have the honor to state that I have received representations from Chinese merchants doing business in various parts of this country relating to the increase of duty on several articles of merchandise, principally tea, silks and silk manufactures, floor matting, rice, and firecrackers, as proposed in the tariff bill now under discussion by the Senate.

While disclaiming any wish on my part to interfere in the discussion of the tariff legislation of the United States, I deem it my duty to respectfully make known to you, and through you to the legislative branch of your Government, the appeals of my countrymen, who earnestly entreat that the Congress of the United States will legislate no law which would impose higher rates of duty on the aforementioned articles than those of the existing tariff.

In this connection I beg to express my gratification on learning that the Senate has kept matting still on the duty-free list.

I trust the Senate's action in this respect will be concurred in by the other branch of the Congress, as I am strongly of the opinion that it will be beneficial not merely to the manufacturers and importers of matting but also to a large class of people in this country who constitute the consumers.

As for rice, which, as you are well aware, is a chief and necessary article of subsistence to my countrymen, an increase on the present duty, which is already very high, would entail still greater hardship on the large number of them in this country who during recent years have had to gain a mere living by dint of hard toil, while its increase to the revenue would be small and insignificant.

In a letter just received from some of our merchants on the Pacific coast, they say that the proposed increase of duty on firecrackers "is excessively high and destructive to the trade. It would greatly injure the importers of this line of goods. Comparing the costing value between the old and new duty, it will make the goods cost from 150 to 200 per cent. The price of these crackers is very low in China, but the weight of them is very heavy, and at 6 cents per pound it would bring the cost of them very high."

As the import of this line of goods does not interfere with the industrial interest of the United States and has no fiscal importance to this Government, it is hoped that the existing tariff rate will be maintained.

I trust that you will be so good as to give the earliest attention possible to the above respectful expression of views, and that you will see fit to bring it to the favorable consideration of the United States Congress, so that some expedient may be found for modifying the proposed tariff in such a way as not to work hardship on my countrymen.

Thanking you, Mr. Secretary, in advance for any step you may deem proper or expedient to take in complying with the above request, I avail myself of this opportunity to renew to you the assurance of my highest consideration.

WU TING FANG.

Hon. JOHN SHERMAN,
Secretary of State.

Of No. 13 there is little to say. Chinese silks and mattings are on a par with the same articles coming from Japan. Rice is one of our own staples, which has always been well protected, as it must be, since its producers have to compete with the cheapest labor in the world.

The Chinese minister is evidently of the opinion that an increased duty on firecrackers would be paid by the Chinese manufacturers and importers. In this I concur.

[No. 14.]

BOUNTIED SUGARS.

[Letter from the Secretary of State, transmitting a translation of a note containing the protest of the Government of Austria-Hungary against the proposed treatment of bountied sugars in the tariff bill at present under consideration in the Senate.]

DEPARTMENT OF STATE,
Washington, June 4, 1897.

SIR: Agreeably to the request of the minister of Austria-Hungary, herewith transmitted, I have the honor to lay before you, with a view to its presentation to the Senate, a translation of a note containing the protest of the Government of Austria-Hungary against the proposed treatment of bountied sugars in the tariff bill at present under consideration in the Senate.

Respectfully, yours,

JOHN SHERMAN.

Hon. GARRET A. HOBART,
Vice-President of the United States.

IMPERIAL AND ROYAL AUSTRO-HUNGARIAN LEGATION,
Washington, May 28, 1897.

Mr. SECRETARY OF STATE: I have had the honor to receive your note of the 17th ultimo, No. 159.

The provision relative to the discriminating duty on sugar contained in the tariff bill which has been passed by the House of Representatives is still found in that bill as amended by the Senate committee (section 3). I was instructed to protest against this provision on the ground of the right of the most favored nation, which is guaranteed to us by treaty, and should consequently be very grateful to you if you would have the kindness, Mr. Secretary of State, to send my note of April 13, 1897 (whereby I obeyed said instructions), to the Vice-President of the United States, that it may be communicated to the United States Senate.

I avail myself of this occasion to renew to you, sir, the assurance of my most distinguished consideration.

HENGELMÜLLER.

His Excellency JOHN SHERMAN,
Secretary of State, etc.

IMPERIAL AND ROYAL AUSTRO-HUNGARIAN LEGATION,
Washington, April 19, 1897.

Mr. SECRETARY OF STATE: Pursuant to instructions, I have the honor, Mr. Secretary of State, to invite your attention to the provisions of the tariff bill now before the Senate of the United States which relate to the duty on sugar, and conflict, on the one hand, with our right of the most-favored-nation treatment, and, on the other, threatens to heavily damage Austro-Hungarian exports.

The above-mentioned bill provides, namely, in Schedule E, No. 206, that sugar exported from such countries which grant a direct or indirect bounty shall pay, apart from the actual duty upon entrance set forth in No. 206, an additional duty to the amount of the bounty granted, so far as this bounty shall be in excess of any internal tax collected upon such sugars or upon the raw materials (beet or cane) used in their manufacture.

The question of the discriminating tariff treatment against our sugar has already been the subject of negotiation between the Imperial and Royal Government and the Government of the United States. The Imperial and Royal Government had looked upon the additional duty of one-tenth per pound upon sugar coming from Austria-Hungary provided for in the tariff act of August 27, 1894, as a violation of the right of the most favored nation granted to her by Article V of the treaty of 1829, and instructed me on that occasion to protest against it.

This instruction I had the honor to carry out in a note of January 3, 1895, to Secretary Gresham, and I therefore consider it unnecessary to repeat here the views advanced therein, which my Government entertains to-day in their entirety. On the other hand, I beg to call attention to the fact that the Government of the United States has recognized our right to protest against any additional duty upon our sugar which is based upon our export bounty, as it will appear from the report of Secretary Gresham to the President of October 12, 1894, and that the President, in his annual message of December, 1894, recommended to Congress the repeal of the additional duty in question.

The bill now pending in Congress has in view a much greater increase of the discriminating additional duty on sugar, and threatens, therefore, our trade with the United States with new injury. In view thereof the Imperial and Royal Government has instructed me to call the attention of the Federal Government to the disposition of these proposed provisions to infringe upon treaty obligations, and in connection therewith to express the hope that it will lend its assistance in order to enlighten Congress upon the existing treaty obligations between our countries, and to prevent that the proposed increase of the additional duty upon our sugar, against which the Imperial and Royal Government must further protest, should become a law.

Accept, etc.,

HENGELMÜLLER.

Hon. JOHN SHERMAN,
Secretary of State.

No. 14 claims, first, that the countervailing duty on bounty-paid sugar violates the "most favored nation" clause of our treaty with Austria-Hungary, and, second, that the new tariff "threatens to heavily damage Austro-Hungarian exports." In answer to the first we have only to say that the new tariff treats all countries alike. The "most favored nation" in the world has to pay the countervailing duty on bounty-paid sugar. If Austria-Hungary and Germany place themselves in a different class from other nations by subsidizing the sugar industry, they can only get from us the rights of trade in our ports which are granted to all countries who subsidize that industry.

If by building up the sugar industry in the United States the result is damage to Austro-Hungarian exports, we can only say that our purpose is to build up the industries of our own country, furnish labor to our own people, and keep our money at home. Our purpose has never been to injure others. It is not any injustice to buy of our own fellow-citizens, even if the result is that we are therefore unable to buy of foreigners.

[No. 15.]

DIFFERENTIAL TREATMENT OF BOUNTIED SUGARS.

[Letter from the Secretary of State, transmitting letters from the German ambassador in regard to the protest of the German Government against differential treatment of bountied sugars.]

DEPARTMENT OF STATE,
Washington, May 19, 1897.

SIR: Agreeably to the request of the German ambassador, I have the honor to lay before you, with a view to their presentation to the Senate, copies of the correspondence indicated below, in regard to the protest of the German Government against differential treatment of bountied sugars in the tariff bill at present under consideration in the Senate.

Respectfully, yours,

JOHN SHERMAN.

Hon. GARRET A. HOBART,
Vice-President of the United States, United States Senate.

Inclosures.

From German ambassador, April 5, 1897.
To German ambassador, May 15, 1897.
From German ambassador, May 16, 1897.
From German ambassador, May 16, 1897.

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IMPERIAL GERMAN EMBASSY,
Washington, April 5, 1897.

Mr. SECRETARY OF STATE: The bill approved by the House of Representatives, now before the Senate of the United States, relating to the tariff of the United States (H. R. 379), provides, in Schedule E, No. 206, that sugars, etc., the product of any country which pays, directly or indirectly, a bounty on the export thereof, shall pay, apart from the actual duty set forth in the said No. 206, an additional duty equal to such export bounty, so far as this bounty shall be in excess of any (internal) tax collected upon such sugars or upon the raw materials (beet or cane) used in their manufacture.

By instruction of the Imperial Government, I have the honor respectfully to invite your excellency's attention to the fact that this provision can not be reconciled with the right of the most favored nation, which is granted by existing treaty stipulations to German products with respect to the duties to be imposed upon them on entry into the United States. The above provision, should it become a law, would, on the contrary, by imposing upon German sugar a special additional duty and thereby establishing in the aggregate a higher duty than upon sugars from various other countries, seriously damage, in treaty violation, German exports to the United States.

Your excellency is aware that this question was already discussed in the year 1894 between the Imperial Government and the Government of the United States. I may, in especial, refer to the memorandum of this embassy of July 16, 1894, and to the note of August 28, 1894, addressed by my predecessor, Baron Saurma, to the Secretary of State, Mr. W. Q. Gresham, both of which are found printed on pages 234 and 235 of the proper volume of Foreign Relations of 1894.

It appears to me needless, therefore, to repeat here the text of these two documents; but I must say here emphatically that I accept, in their entirety, as my own the arguments advanced therein on the part of my predecessor in behalf of the opinion held by the Imperial Government. I must state, furthermore, here that the damage which threatens German exports from the provisions of the present bill before Congress is a much heavier one than that which resulted from the tariff law of August 28, 1894, as this law provided only for an additional duty of one-tenth of a cent per pound on German sugar, while the present bill, if it should become a law, will entail a much higher additional duty upon German sugar.

As your excellency further knows, the Government of the United States has unreservedly recognized the justice of our protest against any additional duty based on our export bounty upon German sugar. This is clearly expressed in words in the report by Secretary of State W. Q. Gresham to the President of the United States of October 12, 1894, a copy of which was communicated to this embassy in a note of December 7, 1894, and may be found printed on pages 236 and 239 of the proper volume of Foreign Relations for the year 1894.

The President of the United States explicitly concurred in this view of the Secretary of State by recommending to Congress in his annual message of December, 1894, the repeal of the additional duty upon German sugar. The Imperial Government may therefore entertain the hope that the Government of the United States will exert every endeavor to explain to Congress the importance of the existing treaty obligations between Germany and the United States and the consequences to be adduced therefrom, in order to prevent the proposed provision concerning the adding of the amount of the German export bounty to the duty upon German sugar from becoming a law in violation of treaty obligations.

On this occasion I may invite your excellency's attention to another point which my predecessor in 1894 only touched upon. On August 22, 1891, declarations were exchanged at Saratoga between Mr. von Mumm, the imperial chargé d'affaires, and Mr. John W. Foster, specially empowered by the United States, which had on the one part the importation of German sugar into the United States in view and on the other the importation of American pork into Germany.

The United States made as the basis of these declarations the admission free of duty of German sugar, pursuant to the tariff act of October 1, 1890. The tariff act of August 28, 1894, had already shifted in an unfavorable way for Germany the premises upon which the exchange of these notes were effected, and they would be changed still more to the disadvantage of Germany if the present bill now before Congress should, without amendment concerning sugar, become a law.

The Imperial Government would in such event be compelled to regard the premises as defective upon which the German declarations had been based in the correspondence exchanged in August, 1891, and it would, moreover, be confronted with the question whether those advantages should be further continued which it had hitherto extended to the United States by applying to the importations from that country, especially with regard to its agricultural products, the minimum tariff established by the customs treaties concluded between the German Empire on the one hand and Austria-Hungary and several other States on the other.

With respect to the advantages which the United States, and especially its agriculture, has been afforded by these reduced duties, I may refer to the note of Mr. von Mumm, chargé d'affaires ad interim, of December 10, 1891, in the annex to which the duty rates of the general German tariff are contrasted with the treaty tariff. This note will be found printed as an annex to the proclamation of the President of the United States of February 1, 1892.

Accept, etc.,

THIELMANN.

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No. 331.] DEPARTMENT OF STATE,
Washington, May 15, 1897.

EXCELLENCY: Adverting to your interview at the department yesterday, at which you expressed a wish to have your note of April 5, 1897, in regard to the pending tariff bill, presented to the Senate, where the bill is now under consideration, I have the honor to say that, although a copy of your note has been brought to the attention of the Committee on Finance of the Senate, the department will, as you request, lay before the Vice-President a translation of the same, with a view to its formal communication to that body, if this is what you desire. In case you wish to make any further communication upon the subject, I shall be glad to know it before taking action as I propose.

I avail myself, etc.,

JOHN SHERMAN.

His Excellency Baron MAX VON THIELMANN, etc.

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IMPERIAL GERMAN EMBASSY,
Washington, May 16, 1897.

Mr. SECRETARY OF STATE: I have had the honor to receive your excellency's note, No. 331, of the 5th instant, and beg to say in reply that I will be very much obliged to you if you will send a translation of my note of April 5, 1897, referred to therein, to the Vice-President of the United States for communication to the Senate.

In view of the action of the Committee on Finance of the Senate, the tariff bill has in the meantime assumed a materially different shape, inasmuch as the clause relating to an additional duty on such sugars upon which an export bounty in the country of their origin has been paid has been stricken from Schedule E and incorporated in a more general way in new section 3.

As this change does not alter in substance, but only in form, the subject of my protest contained in my note of April 5 last, I have taken leave to address to your excellency to-day another note, which bears No. 1120–97. I should be very sensible of the kindness if your excellency would cause a translation of the note just mentioned (No. 1120–97) to be transmitted to the Vice-President of the United States for communication to the Senate, simultaneously with my previous note of April 5.

Accept, Mr. Secretary of State, the renewed assurances of my highest consideration.

THIELMANN.

His Excellency JOHN SHERMAN,
Secretary of State of the United States.

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IMPERIAL GERMAN EMBASSY,
Washington, May 16, 1897.

Mr. SECRETARY OF STATE: my note of the 5th ultimo, relative to the duty on German sugar which was proposed in the Dingley bill, the receipt of which your excellency had the kindness to acknowledge under date of the 7th ultimo, No. 206, Schedule E was referred to by me as the one against whose provisions I had been instructed by the Imperial Government to protest on the ground of the treaties concluded by the United States with various German States. The Committee on Finance of the United States Senate has meantime made important changes in the original wording of the tariff bill, eliminated from Schedule E the discriminating duty on sugar from countries which pay export duties, and has introduced that discriminating duty in a form which extends to goods of all kinds into the new section 3.

I consequently have the honor, with a view to the prevention of misunderstandings, most respectfully to inform your excellency that the protest which I was instructed by the Imperial Government to make now naturally has reference to the contents of the new section 3, since, in case the contents of the new section 3 should acquire the force of law, German goods would be obliged to pay a discriminating duty in addition to the ordinary duties.

I should be obliged to your excellency if you would have the kindness to bring this note, as you did that of the 5th ultimo, to the notice of the United States Senate.

Accept, etc., THIELMANN.

His Excellency JOHN SHERMAN.

No. 15 is in error when it asserts that "the Government of the United States has unreservedly recognized the justice of our protest against any additional duty based on our export bounty upon German sugar."

It is true that Mr. Cleveland and Mr. Gresham recommended that course to Congress in 1894. Congress is a part, and a very important part, of "the Government of the United States." We have collected the countervailing duty for three years. Congress has declined to repeal it, and will reassert the doctrine in this bill.

[No. 16.]

CONSULATE-GENERAL OF GREECE,
New York, April 10, 1897.

SIR: I have the honor to call your excellency's attention to the enormous import duty of 2 cents per pound imposed on currants by the tariff bill now before the United States Senate, and the great injustice that will be done to Greece if said duty is confirmed by the Senate.

It is a well-known fact that Zante or Greek currants do not come into competition with any product of this country. They are raised and thrive only within a narrow strip of land to the south of the Gulf of Corinth and in the adjacent islands of Corfu, Cephalonia, and Zante. The capricious nature of the genus of this plant is well known and it is an established fact that the product of currants is thus confined in space and limited in quantity.

The amount of currants annually imported to this country is about 32,000,000 pounds. The average amount of the years 1895 and 1896 was, according to the Treasury statistics, 31,981,000 pounds.

The import duty was as follows: Up to 1890, 1 cent per pound; from 1890 to 1894, free; from 1894 to 1896, 1½ cents per pound; and by the Dingley bill, 2 cents per pound.

The average cost of the imported currants for the last two years, according to the records of my consulate, has been as follows: Year 1895, 1.54 per pound; year 1896, 1.84 per pound; or an average of 1.69 per pound. On this basis the proposed duty of 2 cents would make it 118 per cent ad valorem. No such duty exists in the tariff for a similar article. It is a discriminating duty against Greece, amounting almost to prohibition, and out of all proportion to that on other fruits, as will be seen from the following table:

	Average cost without duty.	Imposed duty.	Equal to—
	Cents.	*Cents.*	*Per cent.*
Valencia raisins	3.5	2.5	74
Malaga raisins	7	2.5	35½
Sultana raisins	4	2.5	62
Prunes	5	2.5	50
Figs	4	2.5	62
Currants	1.69	2	118

This duty of 2 cents per pound was imposed, as I understand, first, by an erroneous impression that currants are a grape and compete with California raisins, and, second, by the statement made in the House on March 31 by the Hon. Mr. Dingley, chairman of the Committee on Ways and Means, that the duty of 2 cents per pound was only one-half of that imposed by England.

As a matter of fact, the duty on currants in England is 2 shillings (48 cents) per quintal of 112 pounds, and consequently it amounts to four-tenths of 1 cent per pound.

As to the first assertion, I beg to state that currants are a unique product, grown nowhere else in the world except in Greece and her adjacent islands. They furnish the masses with a cheap and nutritious fruit product, which benefits the consumers without injuring anybody, and that it has no real substitute. Raisins are an article for the table. Currants are an article for the kitchen.

These facts are so palpable that when in 1890 I explained them to Hon. Major McKinley, now President of the United States, he placed currants on the free list without hesitation. The same point of view was taken by your excellency in the United States Senate, when you spoke on the subject, June 9, 1894. I take the liberty to inclose copy of your remarks, taken from the CONGRESSIONAL RECORD of June 10, 1894 (vol. 26, No. 150, p. 7179), and I hope that your excellency entertains still the same opinion.

Before I conclude, I beg to be permitted to remark that the vote of the United States Senate of February 20, expressing its sympathy for Greece and her Government, had an immense effect in Greece and strengthened our hands in our present struggle to free our brethren in Crete from the Turkish yoke. It would be an anomaly and almost incomprehensible to our people if that same Senate, which expressed unanimously its strong sympathy for Greece, would crush the only Greek product imported into this country by imposing an enormous and almost prohibitory duty.

Yet, in view of the present policy of the United States Government, we do not ask that currants should be placed on the free list, as they were by the act of 1890, but as the question of revenue must be considered, a duty of 1 cent per pound would make this article bear a fair relation to other imports.

I most respectfully beg your excellency to transmit these remarks to the Finance Committee of the United States Senate for their consideration.

I have the honor to be, with the highest consideration, sir,
Your most obedient humble servant,

D. N. BOTASSI,
Consul-General of Greece.

Hon. JOHN SHERMAN,
Secretary of State, Washington, D. C.

[From the CONGRESSIONAL RECORD, June 10, 1894.]

Mr. SHERMAN. Mr. President, the vote taken when I was absent temporarily, fixing a duty of 1½ cents a pound on Zante currants, seems to me a gross injustice to a country with which we have considerable commerce, and with which we have an increasing commerce.

I have some facts which I have received from the representatives of that Government in respect to Zante currants. If the statements are true—and I have no doubt they are, because they are verified from the market quotations in the city of New York—it is a grossly outrageous duty on what is commonly called the "raisin of the poor." The statement I have shows conclusively that Zante currants are now quoted in the market of New York at about 1¼ cents a pound. This, therefore, would be a duty of 125 per cent upon Zante currants, which are imported in large quantities, and which are used mainly by the poor people in their puddings, etc., as a substitute for raisins. Large quantities of currants of that kind are imported. I shall read what is said here in a communication which I have before me:

"CONSULATE-GENERAL OF GREECE, 33 SOUTH WILLIAM STREET,
"New York, May 12, 1894.

"SIR: In the tariff amendments just presented in the United States Senate (article 217), I notice that a duty of 1½ cents per pound is put on Zante currants, which are produced exclusively in Greece.

"This enormous duty is equivalent to 125 per cent ad valorem, the average price of currants in Greece being about 1¼ cents per pound. They are selling now in New York from 1½ to 1¾ cents per pound.

"Zante currants, now on the free list, are taxed 10 per cent ad valorem by the House bill. In the Senate bill the duty was increased to 20 per cent; then the Finance Committee increased it to 30 per cent; and now in the amended bill a specific duty of 1½ cents per pound is put thereon, equal to 125 per cent ad valorem.

"And yet it is a fact that Zante currants do not come into competition with any product of this country. A small raisin produced in California has nothing whatever to do with the Zante currants of Greece.

"We only demand justice. We do not compete with your products. We buy in the United States every gallon of petroleum that is consumed in Greece, as well as all our agricultural implements, and yet it is proposed to tax at the enormous rate of 125 per cent the only article that Greece sends to this country.

"The whole tariff does not offer a second example like this, viz, take an article from the free list and tax it 125 per cent. Is this not a great injustice done to a friendly country, and will it not affect the promising trade which was just being developed between the two countries?

"Very respectfully, D. N. BOTASSI,
"Consul-General of Greece.

"Hon. JOHN SHERMAN,
"United States Senate."

It seems to me that this statement which is made, and I have no doubt truly, by a responsible party, the consul-general of Greece, shows that we ought not to make this discrimination against that important product of Greece, the only thing that we import from that country.

As the vote has already been taken, I do not care to move to reconsider, because I hope Senators on the other side having the matter in charge will correct it.

There is no similitude in the use or cost of Zante currants and raisins. Raisins are worth 2, 3, 4, or 5 cents a pound; and the raisins of California are very beautiful, probably the best raisins in the world. I have seen specimens of those raisins which are equal to any produced in the world. To make such a change in the duty on this article, which does not really compete with the raisins of our own country, seems to me, at least, extortionate, and I think it ought to be corrected. I should have no objection, however, to putting a reasonable rate, an ordinary ad valorem rate, on raisins; but to apply a specific rate to these two articles, which differ so widely in value, raisins being worth at least four or five times as much as Zante currants, is not just to a friendly country, especially to a small country which has an increasing commerce with our own.

I hope Senators will take the matter under consideration, so that it may be called up again when the bill is reported to the Senate. I call attention to it now, but shall not put the Senate to the trouble of taking a vote upon it.

Whatever may have been thought in 1890, it is now well established that Zante currants are really raisins, and grow on a vine like other grapes. Specimens of full-grown vines with the fruit on have been produced in the federal courts, authenticated by our consuls in Greece, who have superintended the digging and shipping of the specimens.

They come in direct competition with certain California raisins which are now produced in great abundance.

By good rights Zante currants ought to be classified as raisins, which they really are. Then they would have to pay the still higher duty of 2½ cents.

[No. 20.]

IRISH MACKEREL FISH CURERS' ASSOCIATION,
OFFICES, 10 UNION QUAY,
Cork, March 17, 1897.

SIR: We are authorized by the above association to transmit to you the inclosed memorial, signed by almost every Irish representative in the British House of Commons, and we hope that you may see your way to concede to the prayer of the petition, which asks that you will be good enough not to increase the duty on Irish-cured mackerel and herrings.

We remain, your obedient servants,
W. W. HARVEY, *President.*
GEO. GEORGISON, *Honorary Secretary.*

The Right Hon. WILLIAM MCKINLEY,
President of the United States of America, Washington.

—

EXECUTIVE MANSION,
Washington, March 29, 1897.

MY DEAR SIR: By direction of the President the inclosed memorial from Irish representatives in the British House of Commons in regard to the duty on Irish-cured mackerel and herrings is referred to you for your consideration.

Very truly, yours, JOHN ADDISON PORTER,
Secretary to the President.

Hon. NELSON DINGLEY, Jr.,
Chairman Committee on Ways and Means,
House of Representatives.

—

SIR: We, the undersigned Irish representatives in the British House of Commons, have learned with deep regret that there is a probability of heavier duties being imposed on Irish-cured mackerel and herrings going into the United States of America.

On behalf of the poor Irish fishermen, we would humbly and very respectfully bring before your notice the real facts of the case, which, when disclosed, will reveal a state of matters rarely to be met with in the annals of any nation.

Within the past ten years the mackerel-curing industry has been started in our country and has given employment to many thousands of poor people living in the most poverty-stricken districts of our land.

Since the inception of this industry there has been a marked improvement in the social condition of the people, although their present state is still very miserable and leaves great room for improvement. Prior to the rise and growth of this industry the condition of the people was sad in the extreme; in fact, our workhouses were every one of them crowded to excess.

For the first few years of the business the prices paid to the fishermen were such as secured for them earnings which after supplying their daily needs left a small surplus to help to purchase nets and boats, or to repay the Government and philanthropic friends, who in the first place provided both boats and nets.

For the past few years the prices paid to the fishermen have been so low that at the end of the season they usually found themselves in debt to the merchant, and before next season came around it has been by no means uncommon to find any of these men with their families applying to the union for relief, and to prevent them from starvation they were reluctantly obliged to accept such shelter.

It should be noted here that the United States of America is the only market to which Irish-cured mackerel are sent, and if the present duty were increased there is, we fear, no alternative for the vast majority of the poor Irish fishermen but to return to the days of ignominious existence in the wards and hospitals of our unions.

The prices paid for fresh mackerel these past few years were so low that if they were reduced—as an increase of duty would necessitate—it would mean that the result of their fishing would not pay for wear and tear of boats and nets, far less leave anything for themselves and their families.

The industry is a young one, and in such a poor country as Ireland is, where there are so few industries, we appeal to you on these high and benevolent grounds of common humanity to graciously consider our applications, and instead of increasing the duties on Irish-cured mackerel or herrings, perhaps you will consider favorably the deplorable condition of the Irish fishermen and possibly reduce the existing duties of one and a half dollars per barrel on mackerel and $1 per barrel on herrings. If it be pleasing to you to keep the duty at its present level, you will confer an untold blessing on many thousands of very poor people in Ireland, and the reduction of these duties would help these thousands to live in a state of comparative comfort, and so relieve them from their present abject poverty.

It will be at once obvious to you that a reduction of duty would have far-reaching effects on the social conditions of our very poor fellow-countrymen and would tend to increase rather than diminish the wealth of the United States, inasmuch as, if the population of these poor congested districts of Ireland were rendered self-supporting, the immense sums at present sent yearly by their friends in the United States for their support would be no longer needed.

Praying that you may see your way to grant our petition, we have the honor to be, sir,

Your obedient servants.

John Dillon, Edward Saunderson, Michael Davitt, Thos. Waring, P. J. Power, R. N. Penrose Fitz. Gerald, Jas. C. Flynn, A. H. Smith Barry, Jas. F. X. O'Brien, Herbert Robertson, W. Abraham, Robt. T. O'Neill, T. J. Candon, W. E. H. Lecky, James Gilhooly, James M. M. Calmont, James O'Connor, M. A. MacDonnell, Saml. Young, Michael J. Flavin, I. G. Swift MacNeill, Michael Austin, Denis Kilbride, Thos. H. Grattan Esmonde, James Roche, Richard McGhee, Justin McCarthy, P. J. O'Brien, M. J. Minch, Bernard Collery, Th. Healy, T. D. Sullivan, Donal Sullivan, T. Harrington, James P. Farrell, P. A. McHugh, Eugene Crean, John Finncane, Pat O'Brien, J. J. Clancy, William Field, James O'Kelly, James L. Carew, W. H. K. Redmond, John H. Parnell, Thomas B. Curran, James O'Connor, D. MacAleese, Maurice Healy, James Daly, M. A. MacDonnell, A. J. C. Donelan, George Murnaghan.

To the Hon. WILLIAM MCKINLEY,
President of the United States of America.

No. 20 is from 53 Irish members of the British Parliament. Among them will be noticed such names as John Dillon, Michael Davitt, John H. Parnell, and Justin McCarthy. They are among the ablest statesmen in Parliament. It is fair to presume that in a document of this kind they have addressed to us their most persuasive argument. They, no doubt, paint a truthful picture of the poverty of the Irish fishermen. They are, no doubt, also correct in their contention that a low tariff on mackerel and herring would greatly assist these poor Irish fishermen; but as an American statesman writing a law for the American people, I am more concerned to know what we are going to get out of it.

The only benefit the petitioners offer us is that if we will kindly remit this "tax" on mackerel and herring, then the money thus saved to the fishermen (and lost to our Treasury) will render them self-supporting, so that there will be no necessity for them to live on the charity of their relatives in America. Such legislation would simply transfer the burden of supporting these fishermen from their kind-hearted and prosperous relatives in America to the Federal Treasury. We are willing to do anything that our big-hearted Irish-American fellow-citizens ask us to do, but they have never asked us to relieve them of a duty of filial affection in this way.

The Irish members of Parliament ought not to have asked it.

All of the foregoing 20 communications are from statesmen who are employed to work for the advancement of the material welfare of their own several countries.

None of them are so situated that they could be adequately punished by us for their negligence, if convicted, of occasionally relaxing their vigilance in keeping a watchful care over everything that makes for our national prosperity.

They are unanimously in favor of a tariff for revenue only. They agree that a low tariff will benefit them, and give good reasons for it.

Most of them mention no benefit that we can expect, and the two or three who attempt it give very shadowy and speculative reasons for our comfort.

I think I will not weary the patience of the Senate by reading any more. I thank you.

In connection with the protests of foreign countries, I ask leave to print a couple of paragraphs and a table in the RECORD showing the exports to those countries for the year before the Dingley tariff bill was passed, and the year after it was passed, and also ten years later.

The VICE-PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

Another evidence of the indisposition of other countries to attempt to exclude the required products of the United States from their markets is found in the fact that although a dozen of the great countries of the world simultaneously protested against the Dingley tariff act, no one of those countries excluded any of the products of the United States following the enactment of that law or even reduced by a single dollar the value of their purchases from this country. These protests, while not a joint action, and while relating in some cases to different features of the act from those complained of by other protesting countries, were practically simultaneous, and as the passage of the act without recognition of their protest was a simultaneous rejection by the United States of those protests, the occurrence offered to them a special and unique opportunity for combined action in excluding our products from their markets. Yet not a single one of those countries took such action, and in no case did they reduce their purchases from the United States. On the contrary, our exports to every one of the 12 countries have increased. Our exports to the 12 countries which protested against the act in question were in 1896, $618,688,000, and in 1907, $1,220,000,000, an increase of about 100 per cent, as compared with 1896, the year prior to that in which these protests were made. (See table of countries protesting against Dingley law, and exports to them.)

Besides, the complete power of the United States to protect itself against retaliation must not be overlooked. The only countries from which there could be any possibility of danger are the leading industrial and commercial nations of Europe. Their policy is protective, so is ours. But if they are compelled to buy largely of our products from necessity, we buy largely of theirs from choice. We are among their best customers. What they buy of us are necessaries; what we buy of them are chiefly luxuries. If they were to proscribe our products we could more easily proscribe theirs. So long as we maintain the protective policy we can defend ourselves; the more we advance toward free trade the fewer weapons of defense we hold.

Thus, both the logic of the situation and our actual experience with adverse legislation and threats of such legislation fail to justify the assertion that our products of any class are being excluded or are likely to be excluded from the markets of other countries by reason of our protective tariff.

GROWTH OF EXPORTS TO THE COUNTRIES WHICH PROTESTED AGAINST THE DINGLEY TARIFF BILL.

This table gives a full list of the countries which protested against the Dingley tariff bill during its consideration and the value of merchandise exported thereto in the year prior to the consideration of that measure and of their protest, and compares with those figures the exports to those same countries in 1898—the year immediately following the enactment of the tariff law—and in 1907, the latest year for which figures are now available. It will be seen that, despite the protests against the Dingley bill, and in some cases implied threats of exclusion of American products in case the bill should become a law, the exports to those countries have in every case greatly increased, the total exports to those countries in 1907 being practically double those of 1896, the year prior to the enactment of the law.

Exports from the United States to the countries which protested against the Dingley tariff bill, showing increase in exports after enactment of the law.

Country.	Year ending June 30—		
	1896.	1898.	1907.
United Kingdom	$405,741,339	$540,940,605	$607,783,255
Germany	97,897,197	155,089,972	256,895,063
Netherlands	29,022,899	64,274,524	104,507,716
Belgium	27,070,625	47,619,201	51,493,044
Italy	19,143,606	22,290,858	61,746,965
Japan	7,089,685	20,385,041	38,770,027
Denmark	6,557,448	12,697,421	23,334,989
China	6,921,953	9,992,894	25,704,582
Argentina	5,979,046	6,429,070	32,163,336
Austria-Hungary	2,439,651	5,697,912	15,136,185
Greece	191,046	127,559	1,634,431
Switzerland	22,954	263,970	612,579
Total to countries	618,687,429	886,759,027	1,219,532,722

Mr. ROOT obtained the floor.

Mr. STONE. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Missouri?

Mr. ROOT. Certainly.

Mr. STONE. Just one moment. I desire to ask the Chair, if the information is in the possession of the Chair, whether the document just transmitted by the President is in the original German text or whether it has been translated?

The VICE-PRESIDENT. The Chair will have to ask the Secretary.

Mr. ALDRICH. It is in the original German text; and, as the matter has been referred to the committee, they will have it translated at once.

Mr. STONE. That is satisfactory.

Mr. ROOT. Mr. President, I wish to say a few words about the pending amendment, which is a proposal to increase the duty upon barley. I hope the Senator from Montana [Mr. CARTER] will not think me discourteous if I do not refer specifically to his observations on that amendment. [Laughter.]

I think, Mr. President, that I ought to vote against the amendment, and it is my purpose to vote against it. I wish to state briefly the reason. Prior to the tariff act of 1883, the duty on barley was 15 cents a bushel. Upon the report of the tariff commission of that year, the Congress reduced the duty to 10 cents a bushel. The duty was increased to 30 cents a bushel in the McKinley Act of 1890; reduced to 30 per cent ad valorem by the Wilson Act of 1894; and restored to 30 cents in the Dingley Act of 1897. The House of Representatives in the pending bill reduced the rate to 24 cents a bushel, and the committee now recommends an amendment to the House bill restoring the Dingley rate of 30 cents.

During the period when the duty was 10 cents a bushel a very large malting industry grew up along the southern shore of Lake Erie and Lake Ontario; many millions of dollars were invested in the New York cities upon the south shore of those lakes, and there also grew up a very large production of barley in the farming region of northern New York. The barley raised in that region is specifically adapted for blending with Canadian barley for the manufacture of malt; and, accordingly, under the lower rate of duty there was a considerable importation of the hard, No. 1, Canadian barley and a large production of New York barley to blend with the Canadian for the manufacture of malt.

The increase of duty by the Dingley Act was a severe blow to the malting industry of New York and to the barley-raising industry of New York. Under that duty the malting industry has languished and decreased, and under that duty the production of barley by the farmers of northern New York has to a great extent disappeared.

Under this revision both the maltsters—such of them as remain in the cities of Buffalo, Oswego, and some other New York towns—and the representatives of the farmers came to the Committee on Ways and Means and asked for a reduction of the duty. The situation in which we are placed, Mr. President, is that, failing the possibility of importing Canadian barley, failing the production of New York barley to blend with the Canadian barley, our malting houses in New York are obliged to take their entire supply from the Northwest, and the supply of the Northwest, collected in the elevators that control the transportation of barley, is subjected to increases and decreases of price practically at the will of the owners of the elevators; so that the New York maltsters find it impossible to calculate with any accuracy or certainty upon the price of the material which is necessary for their industry.

Mr. President, I do not intend to oppose or find fault with the principle of protection of agricultural products; but I fail to see in any facts that have been presented here any evidence that a duty of 30 cents a bushel on barley is necessary to equalize the cost of production upon the American and upon the Canadian side of the boundary line. If it were necessary, then the maltsters and farmers of northern New York must take the consequences of the application of the rule of protection. They must be content to suffer in that one respect, in order that they, with the other citizens of our country, shall benefit by the combined effect of the duties included in their protective tariff; but if there is no occasion for fixing the duty at this high point under the application of the rule of protection, if the rule does not require it, then the establishment of this duty would be to inflict upon the interests which I am endeavoring to represent an injury wholly unwarranted.

I know that the facts relating to the duty upon barley have been presented upon both sides to the Committee on Ways and Means. I know that they have been presented to the House of Representatives, and that the Committee on Ways and Means and the House have decided in favor of a 24-cent duty. I know, too, that the facts have been presented to the Finance Committee of the Senate, and that committee have decided in favor of a 30-cent duty on barley. If it be the judgment of the Senate that the application of the rule of protection demands a 24-cent duty or a 30-cent duty, I must submit to it, and I shall submit cheerfully. It does not seem to me that, upon the facts, the application of that rule does demand such a duty. If it seems to the Senate that it does, then hereafter, where the interests of the people of the State of New York demand a duty, I shall ask the Senate to apply the same rule that they apply to the interests of the people of the Northwest, when the application is injurious to the interests of the people of New York.

Mr. BEVERIDGE. Mr. President, this committee amendment, of course, is intended either for revenue or for protection, or both; but I find that it can hardly be for protection, because last year we exported 8,238,842 bushels, valued at $4,556,295, and our importations were only 11,815 bushels, valued at $6,608. It can not be for revenue, because the total revenue under the present law is only $3,544.50. In view of these figures the amendment of the Senate committee, increasing the very large duty of 24 cents per bushel which the House fixed, to 30 cents, would seem to lack a justification in the facts either from a protection or a revenue standpoint. Therefore I shall vote against it.

Mr. HEYBURN. I think the increased duty is for protection.

Mr. BEVERIDGE. How?

Mr. HEYBURN. The new lands in British Columbia and Manitoba that border on the northern portion of several of our States are practically obtainable, or the use of them is obtainable, for nothing. We are a large barley-producing country, and the lands upon which we grow barley are worth from $30 to $100 an acre. A man engaged in the production of barley on our side of the line receives double the wages, both in planting the crop and in harvesting it, that are received by the man in British Columbia, Manitoba, or elsewhere on the Canadian side of the line.

Mr. BEVERIDGE. Will the Senator permit me?

The PRESIDING OFFICER (Mr. JOHNSON of North Dakota in the chair). Does the Senator yield?

Mr. HEYBURN. Yes.

Mr. BEVERIDGE. These facts, as far as my own personal attitude is concerned, would have great weight with me if they were not overcome by the fact that, notwithstanding our exportations are enormous, the Notes on Tariff Revision prepared by the House committee say that the production of barley in this country is constantly and rapidly increasing. Regardless of these differences in wages, we import hardly any at all and we export vast quantities.

Mr. HEYBURN. We do not import it because the duty is performing its proper function.

Mr. BEVERIDGE. Why do we export it?

Mr. HEYBURN. I will ask the Senator, what is this "enormous" exportation?

Mr. BEVERIDGE. Our exportations were 8,238,842 bushels last year.

Mr. HEYBURN. We have a single county that produces that much. That is a mighty small item in the production of grain in our country.

Mr. BEVERIDGE. The importations, compared with the exportations, are trivial, negligable.

Mr. HEYBURN. The fact is that the production of barley is growing. It is one of the most profitable crops that we raise in the Northwest, so far as the profit per acre to the farmer is concerned, and there is an increasing acreage there from year to year, to which there is scarcely a limit, and of course we expect to export it. We expect to export 800,000,000 bushels before we are through with the development of barley, if it keeps on. We can supply a great deal of it, and 8,000,000 bushels is a very small quantity. I repeat that a single county could furnish that much barley. I regard the duty as necessary for the protection of the American farmer against the Canadian farmer. Now, these barley fields north of the line are, to a very large extent, in the hands of the very cheapest kind of foreigners who are brought over there. Several of the societies with which we are very familiar raise barley north of the line, and we must not be compelled to compete with them, because we pay $3 and $3.50 in the field to harvest our barley. We pay our farm hands three times the wages that they are paid north of the line, and we want to continue to do that.

Mr. TILLMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from South Carolina?

Mr. HEYBURN. Certainly.

Mr. TILLMAN. If that be true, what are the inducements which exist to cause so many Americans to emigrate across the line and become Canadian farmers every year? In my examination of this question, in getting information wherever I could, I learned a year or two ago that several hundred thousand farmers of Iowa, Nebraska, and other Western States are transferring their belongings across the line into Canada in search of cheap lands, and that they are the real competitors, if there is any competition, in a race in which we do all the exporting and very little of the importing.

Mr. BEVERIDGE. We export about 700 times as much as we import.

Mr. HEYBURN. The fact to which the Senator from South Carolina refers, which was stated in this Chamber, that a large number of Americans are going over into Canada because

they can get lands under more favorable circumstances there than on this side, is not inconsistent with the statement that I have just made. Of course an American can get land on the Canadian side just as cheaply as a Slav can, as far as that is concerned, but we want him on this side of the line.

Mr. TILLMAN. Does the Senator have any objection to Slavs? If so, we have some of them right here, and I have thought them to be pretty good fellows.

Mr. HEYBURN. I was speaking in the ordinary use of that term. There has been a class of immigration there that we would not offer any special inducements to on this side of the line. I do not think it proper, in public speech, or in private speech for that matter, to declaim against any nationality at all, because individual character is not always a question of geography. I used the term in the ordinary sense, in describing a class of immigration that would be undesirable to us.

Now, we want conditions on our side of the line to be so much better than the conditions on the other side that our people will stay at home, or will come back to this country; and in making these few suggestions in support of retaining the duty recommended by the committee to this body, I do so upon the basis of the actual facts, and with a view not only of retaining existing conditions and inducements, but extending them if possible. I should have been glad to see the duty on barley even higher. There is nothing that builds up a community like a product of the soil of this character, because the market is unlimited, and it is an ever-growing market, it is an easy crop to raise, a comparatively economical crop to produce, and why should we hesitate about retaining the duty?

I realize the force of the suggestion made by the junior Senator from New York [Mr. ROOT]. It might be desirable to get barley in under more favorable conditions locally, along the St. Lawrence River, but bear in mind that this crop is grown all over the United States, and we have no such conditions along our great line upon the north that divides our Western States from Canada. We have no such conditions existing there as those pictured by the Senator from New York, and it is not a question of building up our breweries alone. The use of barley is not confined to the making of malt or beer.

Mr. McCUMBER. The Senator from Indiana seems to be startled at the wonderful amount of our exportations of barley, being about 8,000,000 bushels, so he says. I have not looked up our exportations, but I assume that is the amount. We produce in this country ordinarily about 150,000,000 to 160,000,000 bushels, and all but about 8,000,000 bushels, according to the Senator's own statement, are used in this country. We will admit that about 8,000,000 bushels are exported. The Senator assumes that the export price will necessarily affect the price of all the products in the United States.

But, Mr. President, there is something more than the question of export price in the matter of the fixing of prices in the United States. Barley is not shipped from some sections of the country for export at all. I do not think it is shipped from my country for exportation. The distance is too great and the freight rates are too great to justify shipping it any great distance to come in competition with the world's market. A certain portion of it undoubtedly can be exported from certain sections of the country to the general world's market; but our price is fixed, not only by the supply and demand, as we generally use that expression, but by the visible supply within the radius of a particular market.

If the Senator would make inquiries along the line of my State, he would find that notwithstanding the fact that we are exporting barley on the one side of this imaginary line it is considerably more expensive than it is upon the other side, showing to the Senator that the export price or the demand of the world does not fix the price entirely in the United States.

Mr. BEVERIDGE. May I ask the Senator from North Dakota a question?

Mr. McCUMBER. Certainly.

Mr. BEVERIDGE. Does the Senator really think, with a duty of 24 cents a bushel, as fixed by the House bill, the farmers of his State would suffer in competition with the farmers of Canada?

Mr. McCUMBER. To-day, no.

Mr. BEVERIDGE. That is sufficient.

Mr. McCUMBER. Next year, no. Within ten years, yes.

Mr. BEVERIDGE. You do not mean that we are fixing a tariff on futures, and ten years off at that?

Mr. McCUMBER. The Senator himself has again and again stated on this floor that we are fixing a tariff for ten years.

Mr. BEVERIDGE. I hope so; and if at the end of that time what the Senator now thinks shall come true, then we will have an opportunity to raise the duty upon barley. The Senator admits that not for ten years, with 24 cents a bushel upon barley, would the farmers of his section be in competition with anybody.

Mr. McCUMBER. I said nothing of the kind, and the Senator is not justified in believing I said anything of the kind. I said within ten years, yes; that means before the expiration of ten years.

Mr. BEVERIDGE. Well, about what time?

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield, and to whom?

Mr. ALDRICH. I should like to ask one question.

Mr. McCUMBER. I yield to the Senator from Rhode Island.

Mr. ALDRICH. Is it not true that the conditions may change in six months, in a year, or at any time, in which event the duty would be absolutely necessary?

Mr. McCUMBER. The Senator from Indiana himself can see that.

Mr. BEVERIDGE. What condition?

Mr. McCUMBER. This condition: We will raise, we will say, 160,000,000 bushels of barley this year. We export, we will say, 8,000,000 or 10,000,000 bushels this year, if you please. That would leave for consumption in the United States, say, 15,000,000 bushels of barley. Next year we may raise 148,000,000 bushels of barley. We are therefore 2,000,000 bushels short on the general demand in this country, and does the Senator think there would be no difference in the price of barley in this country and that the demand would cut no figure at that time? If the Senator had heard the discussion I gave yesterday upon the matter of wheat, he would see that when we came near the line of an equality between the amount of production and consumption 25 cents a bushel upon wheat did not count at all, but that immediately it poured over the Canadian border line, and we got all the wheat that was contiguous to that line.

Mr. BEVERIDGE. I am not contending for the abolition of this duty. What I am questioning is the raise of 6 cents a bushel over the 24 cents a bushel which the House fixed; and the Senator from North Dakota a moment ago, when I asked him if with 24 cents a bushel on it the farmers of his State would come in competition with the foreigners, said "no."

Mr. McCUMBER. No; I did not.

Mr. BEVERIDGE. Yes! The Senator said, "To-day, no; next year, no; within ten years, yes." Then the Senator from Rhode Island asked him whether conditions might not change in six months. I should like to ask the Senator from Rhode Island——

The PRESIDING OFFICER. The Senator from North Dakota has the floor.

Mr. BEVERIDGE. I know that.

Mr. McCUMBER. I yield.

Mr. BEVERIDGE. What condition could change in six months that would make 24 cents not enough?

Mr. ALDRICH. The irresistible law of supply and demand may in a very short time; the failure of crops; a great many different conditions may change the relation of foreign and domestic prices absolutely. I assume the Senator from Indiana does not need any instruction upon that.

Mr. BEVERIDGE. No; but I do upon a great many other things. Does the Senator from Rhode Island himself think that with 24 cents a bushel on barley the barley producers of this country are in any danger of competition from barley producers abroad?

Mr. ALDRICH. They may be in danger at any time.

Mr. BEVERIDGE. Are they?

Mr. ALDRICH. I am in favor of imposing a duty upon barley which beyond any question will be protective to the American producer; and I am surprised that the Senator from Indiana is not in favor of the same policy.

Mr. BEVERIDGE. Will the Senator permit me?

Mr. McCUMBER. I yield very cheerfully.

Mr. BEVERIDGE. Does the Senator from Rhode Island, when he says that, mean that he does not think the House of Representatives was in favor of such a policy when it fixed the duty at 24 cents? Does he read the entire Ways and Means Committee of the House, who are high protectionists, and the great Republican majority in that body, outside the ranks of protection, just because they put the duty at 24 instead of 30 cents a bushel? Were they not "in favor of imposing a duty upon barley which, beyond any question, will be protective of the American producer," to quote the Senator's words?

Mr. ALDRICH. The Senator seems to have placed in the keeping of the Ways and Means Committee his judgment and his intelligence. I am forming my own judgment upon this condition, and am not following the precedent and the judgment of the Committee on Ways and Means of the House.

Mr. BEVERIDGE. Mr. President——
Mr. McCUMBER. I yield.
Mr. BEVERIDGE. Of course I shall not make the plainly appropriate retort to what the Senator has just said, but I will say this: With an export of this product seven or eight hundred times greater than the import of the product, it would seem that in this particular case the House had more facts and better judgment than the Senate committee, because if that is not true will the Senator point out a single new fact that he has that the House did not have?
Mr. McCUMBER. May I answer the Senator in this respect?
Mr. BEVERIDGE. Yes.
Mr. McCUMBER. If he is going upon that philosophy, we export more than seven or eight hundred times as much wheat as we import, and yet the House committee made no change on that. They did not reduce it.
Mr. ALDRICH. The Senator from Indiana seems to think there is some measure of infallibility which pertains to the judgment of the Ways and Means Committee of the House of Representatives. I do not agree with him upon that conclusion, and if I were to trust anybody, if my friend, the Senator from Indiana would apply himself to these questions and undertake to form a judgment of his own, I would much sooner follow that Senator in his conclusions than the Ways and Means Committee of the House.
Mr. BEVERIDGE. I leave the controversy of the Senator from Rhode Island and the Ways and Means Committee of the House to themselves. But the Senator from Rhode Island will not be permitted to escape the reason of the reference to the Ways and Means Committee of the House, which was this—this is what brought it on: That the addition of 6 cents a bushel on the already enormous 24 cents a bushel, fixed by the Ways and Means Committee of the House, put those of us who question that remarkable increase in an attitude of wanting to tear down the protection to American industries; and therefore the answer instantly came, Did he consider the Ways and Means Committee of the House and that great Republican majority in the same attitude; did they also want to destroy a great American industry? Let me tell the Senator from Rhode Island he is not the only defender of American industries in this Republic.
Mr. ALDRICH. Will the Senator from North Dakota allow me for a moment?
Mr. McCUMBER. Yes.
Mr. ALDRICH. I wish to say a word on the infallible judgment of the Ways and Means Committee of the House, on which the Senator from Indiana places so much reliance. It first reported a duty of 15 cents a bushel on barley, and before the bill passed the House it changed it to 24 cents.
Mr. BEVERIDGE. The House—the great Republican majority in the House.
Mr. ALDRICH. Yes; but the Ways and Means Committee recommended the change. After they had had all these hearings, upon which the Senator places so much reliance, and had considered all this testimony, they reported the bill at 15 cents a bushel on barley. Before it passed the House they changed it to 24 cents.
Mr. BEVERIDGE. And now?
Mr. ALDRICH. And now the Senate Committee on Finance recommend a change to 30 cents.
Mr. BEVERIDGE. Without a single additional fact.
Mr. ALDRICH. The Senate Committee on Finance report and recommend this increase of duty because, in their judgment, it is desirable for the protection of an American industry. Our judgment may not be so good as that of the Senator from Indiana; I will not undertake to make any comparisons in that respect; but that is the judgment of that committee, based upon information and belief as to the interests of this article; and while I do not feel that I can rely at all upon the influence of that committee upon the judgment of the Senator from Indiana, based upon long experience—for weeks—I will say it is the honest judgment of the committee that this rate ought to be increased.
Mr. BEVERIDGE. Just one word more. A judgment by any earnest seeker for the light, which is based upon the facts set forth, would appear to be sufficient for that Senator's vote without its being questioned.
Mr. ALDRICH. Mr. President——
Mr. BEVERIDGE. Pardon me. Especially in view of the fact that no new facts whatever are laid before us to justify the increase.
Mr. ALDRICH. Mr. President——
The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Rhode Island?
Mr. McCUMBER. Certainly.
Mr. ALDRICH. The deliberate judgment of the Ways and Means Committee, after all these long hearings and after all this information was submitted to them, was that 15 cents a bushel was a proper rate to be placed on barley. If their judgment is entitled to any consideration at all, it is probably entitled to be considered in reference to the 15-cent rate. I do not know what caused them to change the rate from 15 to 24 cents; but something did, I take it.
Mr. BEVERIDGE. The Senator is now making an argument against himself.
Mr. ALDRICH. I may as well state once for all—I think I have stated it once before—that we are considering this bill, I assume, as Senators——
Mr. BEVERIDGE. I should think so.
Mr. ALDRICH. Upon our judgment and upon our information and upon our desire to serve the public interests, and that we upon this side are trying to prepare and have passed a bill which is protective in its features. While I do not undertake to restrain the judgment—I could not if I tried—or the action of the Senator from Indiana, still I think the Senator once in a while—once in a great while, perhaps—ought to be willing to admit that the Senate Finance Committee has equal means for forming an intelligent judgment with the Committee on Ways and Means of the House; and, if he is to follow the judgment of any committee, he ought, perhaps, to give us the benefit of the doubt occasionally.
Mr. BEVERIDGE. I ask the Senator from North Dakota to permit me for just a moment.
Mr. McCUMBER. This seems to be a question as to which Senator shall have the last word.
Mr. BEVERIDGE. No; just one word more, and that will be sufficient.
Mr. McCUMBER. If the Senator from Indiana wants an opportunity to say the last word, I will grant it to him.
Mr. BEVERIDGE. I will say to my friend the Senator from Rhode Island that, much as I should like to, I can not permit him to escape from the reason why there was any reference at all to the Ways and Means Committee of the House, which was this, and it is a thing which has occurred here time and time again: When an increased rate has been questioned the answer of the Senator from Rhode Island has been that he is in favor of protecting this American industry.
Mr. McCUMBER. Mr. President——
Mr. BEVERIDGE. Then I asked, Was not the House committee also in favor of that policy?
Mr. McCUMBER. As long as the Senator is taking my time, I do not want him to misquote me. The Senator has not quoted my reason. The Senator has not given me time to state it.
Mr. BEVERIDGE. The Senator from North Dakota has given a good many reasons. I am now referring to the usual answer of the Senator from Rhode Island.
Mr. McCUMBER. Just as soon as the Senator gives me time I will give my reasons.
Mr. BEVERIDGE. You have all the time.
The PRESIDING OFFICER. The Senator from North Dakota declines to yield further.
Mr. McCUMBER. Mr. President, the Senator seems to think that the judgment of the Ways and Means Committee is naturally infallible. I do not know why it is any more infallible than the judgment of the Committee on Finance. I believe we had before us the same evidences that that committee had, and if we take the two Houses, I am inclined to think the Senate to-day is practically the deliberative body of Congress, more than the House, as it can not be under its rules. But when did they put on this cloak of infallibility? The Ways and Means Committee of the House some years ago recommended a bill containing the Dingley rates, and that was 30 cents a bushel upon barley. Thirty cents a bushel on barley at the price at which barley was at that time is almost twice as much ad valorem as is 30 cents a bushel upon barley at the present time. So, taking the value of barley at the two different times, we have practically reduced it to an ad valorem duty of about one-half of what it was at that time. What is bringing this about?
Mr. BEVERIDGE. Let me ask the Senator a question.
Mr. McCUMBER. The increased consumption of barley in the United States is resulting in the advance of prices. As the prices advance in the United States over and above the advancing price in the adjoining countries, we become more and more in danger of the importation which will be injurious to us in the future.
Mr. BEVERIDGE. Will the Senator permit me a question?
Mr. McCUMBER. Let me put a question first.

Mr. BEVERIDGE. All right.

Mr. McCUMBER. Does the Senator know what is the price of barley per bushel to-day?

Mr. BEVERIDGE. No.

Mr. McCUMBER. It is about 65 to 70 cents a bushel out in my section of the country.

Mr. BEVERIDGE. Before the Senator gets away from that——

Mr. McCUMBER. I want to follow it by saying——

Mr. BEVERIDGE. I wish to ask a question before the Senator leaves that point.

Mr. McCUMBER. I will give the Senator a chance to ask the question. In 1894, at 30 cents a bushel, the ad valorem rate was 65 per cent on barley; in 1895 it was 68.56 per cent. Then, of course, we went to a 30 per cent ad valorem for a number of years, and then we got up to 1898 and 1899, when we came again to 30 cents a bushel, and in 1897 we had reduced it to 53 per cent. So you will see the percentage of protection is going down, and the ad valorem is in the neighborhood of 40 per cent, probably, at the present time.

Mr. BEVERIDGE. Does the Senator think that the present duty which he asks is enough?

Mr. McCUMBER. Yes; 30 cents.

Mr. BEVERIDGE. The Senator has just stated the measure on an ad valorem basis. Therefore, if he thinks this is enough now——

Mr. McCUMBER. I was making that statement to show the Senator from Indiana, if I could show to him, that there was not anything so very sacred in the findings or conclusions of the Committee on Ways and Means of the House as that we were bound to follow it. If I fail to impress the Senator with that proposition, of course, my statement has been without any force.

Mr. BEVERIDGE. The Senator did make a very forcible statement.

The PRESIDING OFFICER. The Senator from North Dakota has the floor. Does he yield to the Senator from Indiana?

Mr. McCUMBER. I yield for a question.

Mr. BEVERIDGE. The Senator did make a very profound impression upon me by his statement, and so I asked him the question. According to his calculation, the duty now is about only half what it was upon the ad valorem basis. Yet he says that the duty now that he proposes to fix is sufficient. If that is true, then he must admit that the duty heretofore at the time he makes the comparison was twice too great.

Mr. McCUMBER. The Senator can draw his own conclusion as to that. It was certainly twice as much as it is to-day, considering values.

I wish to call attention to the fact of the opportunities for the production of barley in the future. Here is a little section of the Canadian Northwest, west of Hudson Bay and west of the east line, we will say, of Minnesota. Does the Senator understand that that section contains as much agricultural land capable of producing barley as the States of Minnesota, Iowa, North Dakota, South Dakota, Nebraska, Wyoming, Montana, Idaho, Washington, and Oregon, all put together? It is a splendid climate in which to raise barley, and, as I explained yesterday, the development of that country is simply phenomenal, and any proposition that is based upon the conditions as they exist to-day in the United States, without taking into account that competitive section of the country, would now be wholly fallacious.

I said to the Senator that while 24 cents a bushel might be adequate to-day it would not be adequate within ten years. I do not think it will be adequate within five years.

The Senator from New York suggested that the farmers in his State ask for this reduction, if I understood him. Who is to be benefited by this lower tariff? There is just one interest in the United States; that is, the brewing interest or the manufacturers of malt for the brewing interest. Why are they asking for it? Because they are not satisfied with the American barley. With the higher price generally of labor in this country upon the farm, at least, with the higher priced labor in this country, and the higher price of almost everything else, we necessarily need a higher price for all of our products. The American farmer is willing to take his chances with the other protected industries in the United States if you will give him the same adequate protection. But the Senator must see that with barley to-day at 65 cents a bushel and constantly rising, and as the consumption is bound to increase while the acreage in this country that is adapted to the raising of barley will not increase, we are reaching a condition when we will be in need of higher rates all the time.

As I said, Why does the brewer need all the American barley? He buys the Canadian barley, as has been suggested by the Senator from New York, not because it is a different kind or grade, but because the labor that is expended upon it in specially caring for it and keeping it bright, and so forth, makes it more valuable for the brewer. One of two things happens, either the brewer has got to get that barley and pay for it the price that the foreign demand requires or he has got to use barley grown in the United States to take its place. If he is compelled to go to the foreign market for his barley, then it is a question of revenue only, and I do not know any better source to get that revenue than from the barley that is used for brewing purposes. If, on the other hand, he is not compelled to get that upon this side and we make it cost more to import it from the other side, it will encourage the farmers on this side in expending the same labor that is placed upon it in Canada and securing the higher price for their own barley commensurate with the added labor upon it.

I ask permission to insert in my remarks an estimate of the barley crop of the United States, by States, from 1897 to 1908, inclusive, including prices and other information which has been furnished me by the Senator from Minnesota [Mr. NELSON]. It is very thorough and will be interesting to those who desire information upon the barley industry of the United States.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Barley crop of the United States by States, 1897 to 1908.

[Agricultural Department, Bulletin No. 59.]

State.	1908.		1907.		1906.		1905.	
	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.
		Cents.		*Cents.*		*Cents.*		*Cents.*
Maine	(*)		224,000	78	241,000	65	226,603	68
New Hampshire	(*)		48,000	80	32,250	64	31,658	73
Vermont	(*)		299,000	75	420,168	62	507,578	54
Massachusetts	(*)							
Rhode Island	(*)							
New York	(*)		1,975,000	80	2,266,870	55	2,331,735	54
Pennsylvania	(*)		220,000	70	212,950	55	217,300	55
Maryland	(*)		33,000	60	44,516	47	44,516	48
Virginia	(*)		58,000	62	68,583	56	69,216	55
Ohio	(*)		784,000	70	653,250	46	606,923	45
Indiana	(*)		184,000	67	249,488	53	264,012	45
Illinois	(*)		600,000	67	758,940	42	722,790	42
Michigan	1,785,000		1,496,000	67	1,827,000	40	904,473	47
Wisconsin	24,750,000		18,423,000	75	22,350,000	45	14,742,584	41
Minnesota	32,500,000		26,662,000	67	31,591,420	35	29,012,526	32
Iowa	13,500,000		14,178,000	60	15,735,000	35	11,661,390	30
Missouri			46,000	57	39,832	48	42,596	44
North Dakota	18,330,000		15,646,000	58	15,815,400	33	19,326,244	30
South Dakota	24,592,000		20,125,000	61	22,910,000	32	9,962,400	29
Nebraska	2,773,000		2,413,000	50	3,360,000	31	1,828,695	31
Kansas	4,400,000		4,392,000	54	8,437,000	33	3,364,438	32

* New York and other Eastern States, 3,084,000 bushels.

Barley crop of the United States by States, 1897 to 1908—Continued.

State.	1908.		1907.		1906.		1905.	
	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.
		Cents.		*Cents.*		*Cents.*		*Cents.*
Kentucky	(a)		25,000	75	17,498	55	17,952	44
Tennessee	(a)		20,000	70	24,035	60	25,078	57
Texas	(a)		68,000	73	112,724	61	116,232	66
Oklahoma	(a)		654,000	50	466,847	33	387,920	40
Montana	(a)		646,000	62	472,329	56	502,491	56
Wyoming	(a)		128,000	68	94,200	64	37,680	50
Colorado	(a)		1,000,000	60	739,771	54	623,997	53
New Mexico	(a)		26,000	70	15,012	63	12,684	60
Arizona	(a)		923,000	78	565,649	76	635,292	81
Utah	(a)		429,000	58	528,000	54	288,563	53
Nevada	(a)		280,000	83	200,875	69	234,022	70
Idaho	(a)		2,181,000	58	1,928,149	50	2,646,120	48
Washington	5,185,000		6,682,000	58	5,803,281	49	6,772,560	47
Oregon	1,798,000		2,562,000	57	2,095,170	52	1,855,722	53
California	25,427,000		30,056,000	78	38,760,000	54	26,600,960	59
Total	166,756,000	55	153,597,000	66.6	178,916,000	41.5	136,651,020	40.3
Value	$91,715,800		$102,142,005		$74,235,997		$55,047,166	
Exports	4,340,000		8,238,842		17,729,360		10,661,655	
Imports	199,741		38,319		18,049		81,020	
World's crop	1,176,016,000		1,191,517,000		1,201,676,000		1,099,400,000	

State.	1904.		1903.		1902.		1901.	
	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.
		Cents.		*Cents.*		*Cents.*		*Cents.*
Maine	271,933	71	251,160	71	251,987	68	238,095	67
New Hampshire	32,810	75	31,700	84	37,291	75	39,818	80
Vermont	437,019	60	393,382	60	384,734	61	372,279	66
New York	2,614,554	57	2,915,780	55	3,359,210	55	1,683,808	56
Pennsylvania	204,620	56	189,050	50	188,286	54	155,780	59
Maryland	31,632	64	39,900	50	42,120	40	27,810	52
Virginia	62,602	61	64,123	57	48,586	54	70,318	47
Ohio	786,472	52	686,977	50	1,024,007	40	766,422	51
Indiana	296,059	48	243,344	50	311,304	46	313,766	51
Illinois	640,129	43	653,056	44	649,334	44	515,039	53
Michigan	868,062	55	945,529	52	1,106,277	52	918,680	54
Wisconsin	14,941,290	43	13,393,975	48	16,508,630	46	13,419,256	51
Minnesota	32,123,041	32	27,786,170	37	25,956,245	37	21,680,617	45
Iowa	13,552,945	36	11,294,923	36	13,505,024	36	12,403,368	47
Missouri	39,159	62	33,306	54	41,750	55	27,010	55
North Dakota	17,518,074	28	12,468,384	96	15,861,557	36	7,258,934	40
South Dakota	9,787,624	32	10,656,438	33	8,927,754	38	6,522,566	42
Nebraska	1,878,407	31	1,704,262	33	2,033,256	33	1,188,688	41
Kansas	3,238,488	37	4,387,845	34	2,223,024	39	2,187,252	45
Kentucky	17,325	65	18,361	63	25,537	56	19,322	71
Tennessee	27,170	64	29,252	65	23,664	61	25,880	70
Texas	101,448	73	121,024	70	100,621	72	65,745	88
Oklahoma	477,747	40	410,548	44	590,796	42	319,506	49
Montana	523,310	62	732,886	58	661,338	51	639,522	57
Wyoming	36,872	57	25,091	72	32,306	75	40,592	65
Colorado	715,844	57	724,521	61	552,800	60	507,276	63
New Mexico	16,378	90	20,282	64	17,662	71	35,124	65
Arizona	500,405	93	555,107	72	361,418	91	381,136	68
Utah	317,775	57	314,268	50	271,750	59	299,320	53
Nevada	252,126	72	247,944	85	248,263	80	225,324	70
Idaho	1,707,310	63	1,440,706	52	1,746,945	53	1,378,900	53
Washington	5,824,198	49	6,158,257	50	6,121,278	46	5,808,118	41
Oregon	1,753,111	50	2,048,473	50	1,988,136	52	1,888,234	49
California	28,091,999	60	30,878,243	61	29,751,124	63	28,334,410	41
Total	139,748,958	42.0	131,861,391	45.6	134,954,023	45.9	109,932,924	45.2
Value	$58,651,807		$60,166,313		$61,808,634		$49,705,163	
Exports	10,881,627		8,429,141		8,724,268		(b)	
Imports	90,708		56,462		57,400		171,004	
World's crop	1,167,053,000		1,252,259,000		1,216,393,000		(b)	

State.	1900.		1899.		1898.		1897.	
	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.
		Cents.		*Cents.*		*Cents.*		*Cents.*
Maine	315,319	62	347,052	59	326,943	56	305,775	55
New Hampshire	102,786	67	115,500	65	115,502	58	112,838	60
Vermont	500,811	53	538,904	52	532,170	47	500,546	46
Massachusetts	42,854	69	50,850	68	41,944	66	59,050	66
Rhode Island	8,736	77	9,135	70	8,904	61	8,736	54
New York	3,751,924	51	4,052,472	50	4,341,935	48	4,786,075	42
Pennsylvania	148,067	50	179,844	49	171,283	44	218,491	39
Ohio	622,566	43	603,400	45	624,742	44	674,338	41
Indiana	185,583	47	153,300	45	104,364	44	96,292	44
Illinois	342,144	47	295,502	47	351,242	39	345,850	38
Michigan	904,806	47	927,124	48	1,046,783	44	1,014,864	40
Wisconsin	6,259,179	44	7,670,550	40	7,515,599	40	7,860,328	32

[a] All other Middle and Western States, 8,632,000 bushels.

[b] Not obtainable.

1853–4, reciprocal treaty with Canada, barley free; 1866, reciprocal treaty abrogated, barley 15 cents per bushel; 1883 (tariff commission), barley 10 cents per bushel; 1890 (McKinley bill), barley 30 cents per bushel; 1894 (Wilson bill), barley 30 per cent ad valorem; 1897 (present tariff), barley 30 cents per bushel.

Barley crop of the United States by States, 1897 to 1903—Continued.

State.	1900.		1899.		1898.		1897.	
	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.	Bushels.	Farm price.
		Cents.		*Cents.*		*Cents.*		*Cents.*
Minnesota	7,275,251	38	8,144,125	31	9,160,136	33	9,241,328	24
Iowa	11,708,822	37	12,011,896	31	9,133,020	34	9,163,560	24
Missouri	14,830	45	12,960	42	15,820	36	15,181	40
North Dakota	1,998,840	35	5,909,352	33	5,252,755	29	4,663,305	27
South Dakota	1,543,571	31	2,410,354	29	2,484,897	27	2,182,600	22
Nebraska	587,382	33	943,176	30	1,002,320	25	943,360	24
Kansas	4,186,802	33	3,183,165	27	735,840	27	306,600	25
Kentucky	37,523	55	29,001	43	22,320	40	32,830	40
Tennessee	25,622	62	19,569	64	34,812	56	35,514	59
Texas	50,405	72	35,460	66	41,480	50	51,325	43
Montana	201,527	48	216,405	51	188,640	57	197,144	50
Colorado	314,266	50	337,032	55	353,952	46	338,492	51
New Mexico	31,204	62	35,498	61	37,856	55	38,318	55
Utah	217,686	55	194,865	52	208,088	47	183,520	45
Idaho	399,012	50	405,510	46	386,190	48	378,630	42
Washington	1,386,267	39	1,410,360	44	1,484,978	45	1,695,960	43
Oregon	905,928	42	797,916	50	812,990	49	955,760	45
California	14,856,170	43	22,239,776	50	9,164,746	65	20,277,927	54
Total	58,925,833	40.9	73,381,563	40.3	55,702,257	41.3	66,685,127	37.7
Value	$24,075,271		$29,594,254		$23,064,359		$25,142,139	
Exports	(a)		(a)		(a)		(a)	
Imports	189,757		110,475		124,804		1,271,787	
World's crop	(a)		(a)		(a)		(a)	

[a] Not obtainable.

Imports 1896, 837,384 bushels.
Imports 1895, 2,116,816 bushels.

Mr. ALDRICH. I hope we may have a vote on this question.

Mr. ROOT. I ask for the yeas and nays on agreeing to the amendment.

The yeas and nays were ordered.

Mr. BEVERIDGE. Mr. President, I wish to say just two or three words in answer to what my friend from North Dakota said, and I want his attention.

In considering this matter, I have in mind solely and only a sufficient protection for the farmer. If the Senator from North Dakota had said that the farmer needs it now and did not put off his needs to a prospective time within ten years, even then I should have been inclined to vote for it. Upon this item and every other item my position is precisely the same. I want enough duties to adequately protect and no more.

Now, Mr. President——

Mr. McCUMBER. Will the Senator allow me to ask him one question?

Mr. BEVERIDGE. Certainly.

Mr. McCUMBER. Does the Senator think that when I say we will need this protection within ten years I necessarily mean or can be understood to mean that we will not need it until the expiration of ten years?

Mr. BEVERIDGE. Not at all.

Mr. McCUMBER. That would be implied from the Senator's remark.

Mr. BEVERIDGE. I asked the Senator a moment ago, when my question was first asked, whether with 24 cents a bushel on barley his farmers were in danger at present. He said no, but he said it is not only the present, it is the future; and then he proceeded to fix a period of ten years within which this was likely to happen. When I take that and consider it in connection with the figures about exportations and importations, it is convincing to my mind that this extra duty is not now needed.

If I remember rightly, Mr. PAYNE made a speech in the House upon this subject in which he said that a duty of 24 cents upon barley would be absolutely prohibitive. Every cent of duty more than is actually needed for safe protection is unjust and may lead to extortion not only in this but in other things, as I pointed out the other day as briefly as I could.

Now, one word more, because so many references have been made about the infallibility of the Ways and Means Committee of the House.

Mr. SCOTT. Will the Senator allow me just a moment?

Mr. BEVERIDGE. Certainly.

Mr. SCOTT. I do not believe the Senator from Indiana wants this rate less than the rate of the Wilson law, which was 30 cents.

Mr. BEVERIDGE. I want whatever is right, I will say to the Senator, and I hope that will be sufficient.

With reference to this imaginary ghost which the Senator from Rhode Island and the Senator from North Dakota call the infallibility of the Ways and Means Committee of the House, when the question was made upon figures here that the increased duty was not wise or was too high, we hear sneering references to the infallibility of the Ways and Means Committee of the House instead of facts or arguments, showing where the House was wrong.

The Senator from Rhode Island immediately said that he did not want to tear down any American industry, and wanted to protect every American industry, this among others. So do I. But I therefore was compelled to say to him that that was not a fair answer; because he would not assume that the Ways and Means Committee of the House or the great Republican majority there wanted to tear down this industry. They want to protect it adequately just as much as the Senator. That is the way the Ways and Means Committee came into this debate. It was not an assertion of their infallibility at all, but instead of making arguments and presenting facts and figures when a Senator questions an increase, the Senator assumes that it will be sufficient simply to say, "I want to adequately protect this industry and you do not merely because you are not in favor of increasing the rate above what the Ways and Means Committee have done."

Now, I have no more respect for that committee than I have for the Senate Finance Committee. Certainly both ought to be given consideration; and when one committee presents its facts and gives its reasons, they ought to be weighty in anybody's mind—a Senator's or anybody's else—even more weighty than our own committee, if our own committee does not give any additional facts or any reasons for the increase. If you show me that 50 cents is necessary for barley, I will vote for it instantly, and that, too, regardless of every other interest than that of the farmer himself.

Mr. BORAH obtained the floor.

Mr. ROOT. Will the Senator from Idaho yield to me for a moment?

Mr. BORAH. I yield to the Senator.

Mr. ROOT. The Senator from West Virginia [Mr. SCOTT] referred a moment ago to the fact that the duty on barley under the Wilson bill was 30 per cent. With the barley, I will say, at 60 cents a bushel, it would be about 18 cents a bushel.

Mr. BORAH. Mr. President, I do not desire to prolong the debate more than a moment, and no further than to suggest that it seems to me to be very universally the opinion of those who raise barley in this country, of the farmers throughout this entire country, that this duty is necessary. I am frank to say that I am perfectly willing to base my judgment upon their practical judgment aside from any opinion which might have been arrived at by the Ways and Means Committee or the Finance Committee.

But I arose to say that it is a little bit peculiar to me to know when to apply the judgment of the Ways and Means Committee under the rule which has been very generously given to us several times by the Senator from Indiana [Mr. BEVERIDGE]. I have observed that upon several occasions he has invoked the rule as one which should be followed without any

hesitation, for the reason that he could not conclude that that committee desired to tear down our protective policy. But I observed that when the lumber interests were making their fight, that that judgment became fallible at once, in the mind of the Senator from Indiana.

We all know that the Ways and Means Committee of the House did not intend to destroy the protective policy, but it is worse than useless, Mr. President, to say that the Senate Finance Committee or the Senate may not under the same rule, and even upon the same facts, arrive at a different conclusion as to what would affect the protective policy.

The Senator from Indiana invokes the rule that men must inevitably arrive at the same conclusion even when they are arguing from the same facts, which is not true at all. The same facts may be before two different tribunals and they may arrive at a different conclusion. While we take into consideration the views of the Ways and Means Committee, the duty rests with this body at least to exercise its own judgment, and to exercise it in accordance with the facts which are before it, whether they are more or less or even the same facts which the Ways and Means Committee had before them. If we are going to apply the rule, we must apply it in accordance with our judgment and not be governed by the simple fact of precedent upon the part of the Ways and Means Committee.

Mr. HEYBURN. Mr. President, I will detain the Senate but a moment. I should not rise at all, except that the conditions expressed by the Senator from North Dakota [Mr. McCUMBER] seem to be different from those which prevail in the section of the United States to which I shall directly call the attention of the Senate. It is not a quesion of next year or the year after in our part of the country; it is a question of this year.

In 1894 the enactment of the Wilson-Gorman law, which divided the then existing duty by three, sent barley down a corresponding price in the market, and it stayed down until the Dingley law was enacted. I have the figures before me to demonstrate it. The difference between 24 cents and 30 cents made a difference in the value of our land of $3.17 an acre. That is an important item. The land is worth what it will produce. If it produces wheat at 50 cents, it is to be measured by that gauge, and if it produces the same quantity of wheat at 80 cents, it is to be measured by that gauge. That is the only true rule. Hundreds of thousands of acres of land that are adapted to the raising of barley would be worth, under the House measure, $3.17 less per acre than it would under the Senate committee's amendment.

Now, just one word further. As a Member of this body, there is but one committee whose judgment I defer to, and that is our own. I am not inquiring very much as to the sentiments or reasons which actuated or controlled the committee of another body. We are not here as an adjunct of any other body. We are here as an independent legislative being, and the committees are our committees. They are here for our convenience and for our benefit. So I attach no more importance to the conclusions reached by the House committee than I would to the conclusions reached by any outside body of men. They are in no way controlling or directing when they come to us.

It is then a question whether, by adopting the House measure of duty, we are going to depreciate the value of lands; and when you depreciate the value of lands, you depreciate everything that goes to make up the life of those who occupy those lands. They have to reduce their standard of living in proportion. That is the principle, and it will be operative immediately in the market in which our people sell their grain or contract to sell it, and it is very often contracted for long before it is marketed. That is all.

Mr. BEVERIDGE. Mr. President, I respect the opinion of our committee and of every committee under our form of government; but as the House is building the tariff, it is to be especially remembered in this connection that the House of Representatives in all revenue measures is the originator of those measures, and therefore its committee should not be wiped aside lightly, but should be paid that respect and consideration which the reasons it has and the facts upon which those reasons are founded entitle it to. Nor should our own committee—for all committees are merely human legislative agencies—be paid any more or any less consideration.

I want facts and light from any possible source that is authoritative. I respect the opinions of those in both Chambers who stand high in that particular. I wish to read merely one sentence from Mr. PAYNE, when he was presenting his bill to the House.

Mr. ALDRICH rose.

Mr. BEVERIDGE. Pardon me.

Mr. ALDRICH. Simply as a matter of order. I am not sure, of course, what the Senator has, but——

Mr. BEVERIDGE. I am discussing this amendment.

Mr. ALDRICH. The general rule of a parliamentary body is that we may not refer to what is done in another house.

Mr. BEVERIDGE. That is quite true. I can say "in another place."

Mr. ALDRICH. I hope the Senator does not mean to intimidate us at all by reading something from the RECORD.

Mr. BEVERIDGE. I never intimidate; I leave the intimidation to others.

Mr. President, I understand perfectly well the rule of courtesy, which is that we shall not speak directly of what transpires in, we usually say, another place. The Senator from Rhode Island will agree that I was not the first person to transgress that rule even to-day; but we have a right, and it becomes our duty, to consult a public record of the other House in a measure which the Constitution makes it the House's particular business to originate, and which, in conjunction with it, we are trying to perfect. Therefore I read upon this particular point just one sentence from the speech of the chairman of the Ways and Means Committee of the House. He discussed this barley question quite fully. He said:

> I think 15 cents per bushel is probably prohibitory to bringing in barley from Canada, on everything except the seed, which might be brought in from Canada.

Fifteen cents a bushel, he says, "is probably prohibitory." There are paragraphs that I do not want to detain the Senate to read, so I will put them into the RECORD without reading. This is purely a question as to how much protection is needed; that is all.

The matter referred to is as follows:

> Mr. PAYNE. I think 15 cents per bushel is probably prohibitory to bringing in barley from Canada, on everything except the seed, which might be brought in from Canada. The committee looked over the duty on breadstuffs and they find that oats bore a duty of 15 cents, equal to 32.26 per cent ad valorem; rye, 10 cents, or 12.55 ad valorem; corn, 15 cents, or 17.97 per cent ad valorem; wheat, 25 cents, or 28.85 per cent ad valorem; buckwheat, 15 cents, or 22.12 per cent ad valorem; barley, 30 cents, or 53.64 per cent ad valorem; and the motion was made to equalize the barley duty to the other duties on breadstuffs in the bill, not with the lowest but with the average of the other duties, and so we made it 15 cents per bushel, which is nearly 26 per cent on barley and higher than on most of the cereals. Now, the farmers in my district are interested in this bill, and the interest we have is to get barley seed from Canada to renew and regenerate our crops.
>
> This duty was put up in 1890 to 30 cents a bushel, and it has cut off our farmers from raising barley. They can not get money enough in the spring to get seed barley from Canada to pay this high rate of duty, and they are not raising anything. That has been transferred to the West, and the people who use barley have to take the seed barley that comes from the West, and can not get that bright and beautiful barley from Canada, or in my State, which is superior to any barley grown in the United States. So it is that the farmers in my district and in my State, looking at this thing from an intelligent standpoint, want to get in their seed barley at 15 cents duty. Do not be alarmed about that. If it is 15 cents, it will prohibit the importation of everything except barley seed, and you will not be disturbed. You will have the same monopoly that you have in the market, except that my farmers can get some seed to furnish the best barley for the best brands. It will stop foreign importation that comes from Canada now. It will stop everything but the seed barley. It will still be prohibitive. Do not be worried about this bill or about your farmers or about their raising barley in the Northwest if it remains at the rate of 15 cents a bushel.

Mr. BURKETT. Mr. President, I am not going to speak at any length, because I know the committee and the Senate are anxious to vote. Barley is not a product, perhaps, which Nebraska is as much interested in in the amount produced as are some other States, but, nevertheless, we are interested in it, and I have had considerable objection and protest sent to me by citizens of Nebraska against reducing this barley schedule. They perhaps remember the reductions in price that followed the reduction of duty a few years ago, and do not want to run the risk of a repetition. I shall not read all that correspondence, but for the benefit of the Senator from Indiana [Mr. BEVERIDGE], who asked if anybody thought the price would be affected by the reduction of duty, I want to read a telegram and a letter. When this matter first came up I received a telegram from the Omaha Grain Exchange, persons who are certainly not exceedingly interested whether grain goes up or whether it goes down. They are not producing grain, but selling and handling it. This is the telegram:

> OMAHA, NEBR., *19–09.*
>
> E. J. BURKETT,
> *Senate, Washington, D. C.:*
>
> This exchange wishes to enter protest against reduction of 50 per cent in duty on barley and barley malt as being against interest of Nebraska producers of grain and manufacturers of malt. Kindly interest yourself, if possible, against this change. We are writing you to-day.
>
> OMAHA GRAIN EXCHANGE.

A few days later I received a letter from the secretary of this Omaha Grain Association, Mr. E. J. McVann, calling attention to the telegram, and in which this clause is contained:

> This reduction will have a very disastrous effect on the producers of barley all through the barley fields of the West and Northwest. It will not only have a tendency to depress the price of barley in the hands of the farmer, but it will also depress the price of the product, viz, malt.

in the hands of the manufacturer. The pressure which undoubtedly resulted in the placing of this reduction in the schedules may be easily traced to interested parties, who know that, according to the government estimate, Canada produced in 1908 a crop of 47,000,000 bushels of barley. When it is recalled that there are only one or two malt houses manufacturing barley into malt in all of Canada, you can understand what the result would be if this duty was reduced.

As I said, this is a body of men who do not produce barley, and therefore make their money whether prices are high or low; yet they are men who, by reason of their position and business, are most competent to judge of the effect of such legislation. Many of them have been in business for many years and went through that period a few years ago when the tariff was reduced and when barley went down immediately in price. These men say if you reduce the tariff it will reduce the price to the man who raises barley.

Mr. GAMBLE. Mr. President, just a word on this proposition. It occurs to me that the present rate of duty on barley should be maintained, because its imposition has occasioned the development of our barley industry during these years. As I recollect it, the production of barley in 1888 was something like 60,000,000 bushels, with a value of $37,000,000. I have before me the December Crop Report, published by the Secretary of Agriculture, which gives the production of barley for the present year as 166,000,000 bushels, with a farm value of $92,000,000—practically an increase during this decade of three times over.

It occurs to me, Mr. President, there should be no modification in the present rate. I think I am correct in making the statement that, on account of the rate of duty and the development of the production of barley in the Northwest, there has been transferred the place of the fixing of the price of barley from New York to Chicago and Milwaukee—nearer the region of the production of this great product. If you take the yield of Minnesota, North and South Dakota, Kansas, and Nebraska out of the total production of 166,000,000 bushels of barley during the past year, you will find that 118,000,000 bushels were produced in those States. The prices have been fixed and the benefits have accrued to the great producers of barley in those regions. The maltsters and the producers of malt have been transferred from the eastern seacoast to the West; and I think largely the producers of malt in the East are practically limited to the city of Buffalo. As indicated in the Book of Imports, while the price of imported barley in 1897 was 31 cents per bushel, it has now increased to nearly 56 cents per bushel. If the present rate of duty were lowered, I think it would hazard this great industry.

Mr. President, I favor the maintenance of the present rate, and I favor the amendment of the committee.

Mr. ROOT. Mr. President——

Mr. BEVERIDGE. May I ask the Senator a question?

The VICE-PRESIDENT. Does the Senator from South Dakota yield to the Senator from New York?

Mr. GAMBLE. Certainly.

Mr. ROOT. I did not intend, Mr. President——

The VICE-PRESIDENT. The Chair thought the Senator from New York desired to interrogate the Senator from South Dakota.

Mr. ROOT. No.

The VICE-PRESIDENT. Will the Senator from New York yield to the Senator from Indiana [Mr. BEVERIDGE] to allow him to ask the Senator from South Dakota a question?

Mr. ROOT. Yes, sir.

Mr. BEVERIDGE. I merely wish to ask the Senator from South Dakota the same question which I asked the Senator from North Dakota [Mr. MCCUMBER]. Does the Senator think that, with a duty of 24 cents a bushel on barley, the farmers of his State would be in danger of any pressing competition from barley growers in Canada?

Mr. GAMBLE. I think it is very true they would be on account of the high price of lands upon which barley is produced in the United States and on account of the cheapness of land in Canada, where their competitors are located.

Mr. BEVERIDGE. Then, it follows logically and unavoidably that, as the lands in Canada are taken up, they also will constantly increase in price; so that the Senator's danger disappears.

Mr. ROOT. Mr. President, I did not intend to say anything further in this discussion, except to call the attention of the Senate to the fact that there has not been given to the Senate any statement of fact showing that the difference in the cost of production of barley in the United States and in Canada justifies this 30-cent duty. I can not, however, allow the observations of the Senator from South Dakota [Mr. GAMBLE] to pass without asking the Senate whether it means to impose duties in this act for the purpose of transferring business from New York to the Dakotas or to Wisconsin or to Illinois?

It is doubtless true, as the Senator from South Dakota has stated, that the effect of this duty has been to transfer the malt industry from the State of New York to the Northwest. Such results from the imposition of duties must be endured if they are the results of the application of a principle to the common good, to protect and maintain American industry against the incursions of foreign industry upon our market; but for the first time, I now hear, as a reason for the imposition of a duty, that it will serve to build up one section of our country as against another section of our country. Against that, Mr. President, in the name of the great State whose industry the Senator from South Dakota proposes to transfer to another part of our country, I must enter my most respectful and earnest protest.

Mr. GAMBLE. In the observations I made I had reference to present conditions built up under the normal rules of trade, merely alluding to the fact that these industries had centered near the place of production, and nothing more.

The VICE-PRESIDENT. The question is on agreeing to the committee amendment to paragraph 227.

Mr. BACON. Mr. President, I am not sure what the amendment of the committee is. Is the question on the committee amendment or on an amendment to the committee amendment?

The VICE-PRESIDENT. It is on a committee amendment.

Mr. TILLMAN. I ask that the amendment may be stated. Let us know what it is.

Mr. ALDRICH. It has just been stated.

Mr. TILLMAN. I thought it was an amendment to reduce the duty.

Mr. ALDRICH. Oh, no; the question is on the committee amendment.

The yeas and nays were taken.

Mr. CURTIS (after having voted in the affirmative). I ask if the senior Senator from Oklahoma [Mr. OWEN] has voted?

The VICE-PRESIDENT. The Chair is informed that he has not.

Mr. CURTIS. Then, I withdraw my vote, and announce my pair with the Senator from Oklahoma for the remainder of the day.

Mr. SUTHERLAND (after having voted in the affirmative). I inquire if the junior Senator from Tennessee [Mr. TAYLOR] voted?

The VICE-PRESIDENT. The Chair is informed that he has not.

Mr. SUTHERLAND. I am paired with that Senator for the day, and I therefore withdraw my vote.

Mr. BRADLEY (after having voted in the affirmative). I inquire whether the junior Senator from Indiana [Mr. SHIVELY] has voted.

The VICE-PRESIDENT. The Chair is informed that he has not.

Mr. BRADLEY. I am paired with that Senator for to-day, and I therefore withdraw my vote.

Mr. MONEY. My colleague [Mr. MCLAURIN] is necessarily absent. He is paired with the junior Senator from Michigan [Mr. SMITH]. If my colleague were present he would vote "nay." I do not know how the Senator from Michigan would vote.

Mr. CLARKE of Arkansas. I wish to announce that I have a general pair with the Senator from Delaware [Mr. RICHARDSON], and therefore withhold my vote.

The result was announced—yeas 48, nays 28, as follows:

YEAS—48.

Aldrich	Clapp	Frye	Nelson
Borah	Clark, Wyo.	Gallinger	Oliver
Bourne	Crane	Gamble	Page
Brandegee	Crawford	Guggenheim	Penrose
Briggs	Cullom	Hale	Perkins
Bristow	Dick	Heyburn	Piles
Brown	Dillingham	Johnson, N. Dak.	Scott
Bulkeley	Dixon	Jones	Smoot
Burkett	du Pont	Kean	Stephenson
Burnham	Elkins	La Follette	Warner
Burrows	Flint	Lodge	Warren
Carter	Foster	McCumber	Wetmore

NAYS—28.

Bacon	Daniel	Johnston, Ala.	Root
Bankhead	Depew	Martin	Simmons
Beveridge	Dolliver	Money	Smith, Md.
Burton	Fletcher	Newlands	Smith, S. C.
Clay	Frazier	Overman	Stone
Culberson	Gore	Paynter	Taliaferro
Cummins	Hughes	Rayner	Tillman

NOT VOTING—15.

Bailey	Curtis	Nixon	Smith, Mich.
Bradley	Davis	Owen	Sutherland
Chamberlain	McEnery	Richardson	Taylor
Clarke, Ark.	McLaurin	Shively	

So the amendment of the committee was agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended is agreed to. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 228, barley malt. The committee proposes in line 22, page 76, after the word "malt," to strike out "forty" and insert "forty-five."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. Mr. President, I move to insert as a new paragraph, to be known as paragraph 229½, that which I send to the desk.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 76, after line 25, it is proposed to insert:

229½. Broom corn, $3 per ton.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 231, corn or maize——

Mr. McCUMBER. Mr. President——

The VICE-PRESIDENT. The Secretary will first state the committee amendment in paragraph 231.

The SECRETARY. In paragraph 231, line 3, after the word "maize," it is proposed to strike out "fifteen" and to insert "twenty;" so that it will read "Corn or maize, 20 cents per bushel of 56 pounds."

Mr. McCUMBER. On behalf of the committee, with the consent of the chairman, I wish to withdraw the amendment to paragraph 231.

The VICE-PRESIDENT. The question is on agreeing to the amendment in paragraph 231.

The amendment was rejected.

The paragraph was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 233, macaroni, vermicelli, and all similar preparations, 1½ cents per pound.

The paragraph was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 234, oats. After the word "oats," the committee propose to strike out "fifteen" and to insert "twenty."

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 236, rice, cleaned, 2 cents per pound.

The VICE-PRESIDENT. The committee amendment in line 15 has been agreed to. Without objection, the paragraph as amended will be agreed to. No objection is heard. The paragraph is agreed to. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 237, rye.

The VICE-PRESIDENT. The amendment in line 19 has already been agreed to. Without objection, the paragraph as amended is agreed to. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 238, wheat. The committee proposes, in line 21, to strike out "twenty-five" and to insert "thirty."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. For the committee, I report a modification to paragraph 240.

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 77, paragraph 240, line 24, after the word "not," it is proposed to insert the words "sweetened and not;" and at the end of the paragraph insert a semicolon and the following:

Biscuits, wafers, cakes, and all other baked articles, by whatever name known, composed of eggs, flour, or meal of any kind, or other material, when sweetened with sugar, honey, molasses, or other material, or combined with chocolate, nuts, fruits, or confectionery of any kind, or both so sweetened and combined, and without regard to the component material of chief value, 50 per cent ad valorem.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 242, on page 78, cheese.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to. The Secretary will state the next amendment passed over.

The SECRETARY. Paragraph 244, milk, preserved or condensed, or sterilized——

The VICE-PRESIDENT. The committee amendment in that paragraph was disagreed to. Without objection, the paragraph will be agreed to. The Chair hears none, and the paragraph is agreed to.

Mr. BURTON. Do I understand that the committee amendment was abandoned or adopted?

The VICE-PRESIDENT. The committee amendment was disagreed to. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 248, vegetables, if cut, sliced, or otherwise reduced in size——

The VICE-PRESIDENT. The question is on agreeing to the paragraph.

The paragraph was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 256, hops.

The VICE-PRESIDENT. The committee amendment in paragraph 256 was agreed to.

Mr. ALDRICH. Mr. President, in the paragraph relating to hops the committee have an amendment to make the duty 20 cents a pound, instead of 15 cents a pound.

The VICE-PRESIDENT. The Chair will state that the amendment heretofore reported by the committee has been agreed to.

Mr. ALDRICH. I ask that the vote by which the amendment was agreed to may be reconsidered.

The VICE-PRESIDENT. The Senator from Rhode Island asks unanimous consent that the vote by which the amendment in paragraph 256 was agreed to be reconsidered. Is there objection? The Chair hears none, and the vote is reconsidered. The question is on agreeing to the amendment.

Mr. ALDRICH. I now move to insert "twenty" in lieu of "fifteen," as previously proposed by the committee.

The VICE-PRESIDENT. The amendment as modified will be stated.

The SECRETARY. On page 79, paragraph 256, line 17, after the word "hops," it is proposed in the committee amendment to strike out "fifteen" and insert "twenty."

The VICE-PRESIDENT. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

Mr. DANIEL. Mr. President, I move to reconsider the vote by which paragraph 217 was adopted, and ask that it be passed over for the present.

The VICE-PRESIDENT. The Senator from Virginia asks unanimous consent to return to paragraph 217. Is there objection?

Mr. ALDRICH. I ask the Senator to let that go until we get into the Senate, and he will have all of his rights then.

Mr. DANIEL. I have no doubt about that; but it would satisfy a number of Senators to let it go over for the present. The paragraph was passed under a misapprehension.

Mr. ALDRICH. I have no objection to having the vote by which the paragraph was agreed to reconsidered and having it passed over.

Mr. DANIEL. That is all right.

The VICE-PRESIDENT. Without objection, the vote by which the amendment of the committee was agreed to in paragraph 217 is reconsidered, and the paragraph is passed over in that form.

Mr. ALDRICH. I desire to withdraw the committee amendment on page 79, line 7, paragraph 250.

The VICE-PRESIDENT. The amendment to paragraph 250 was agreed to. Does the Senator ask that the vote be reconsidered?

Mr. HALE. I ask that the vote by which that amendment was agreed to may be reconsidered.

The VICE-PRESIDENT. Is there objection to reconsidering the vote by which the amendment to paragraph 250 was agreed to?

Mr. FLETCHER. I object.

The VICE-PRESIDENT. The Senator from Florida objects to a reconsideration. The question is on the motion to reconsider.

Mr. ALDRICH. If there is objection, I will let it go over at present; and I will not ask that it be reconsidered.

The VICE-PRESIDENT. Objection is made.

Mr. PAYNTER. Mr. President, a committee amendment was adopted, I think, incorporating a new paragraph, to be known as "paragraph 229½," in relation to broom corn. It passed before my attention was called to it. What was the rate fixed?

Mr. ALDRICH. Three dollars a ton.

Mr. PAYNTER. I will ask if the committee's attention has been called to the condition of the broom-corn industry in this country?

Mr. ALDRICH. I think so.

Mr. PAYNTER. I have some very interesting facts here in relation to the matter. While $3 is but very slight protection, yet it seems to me that if the facts presented to me by a very reputable constituent are as stated by him, it ought not to bear a duty at all.

Mr. ALDRICH. The present duty is $8 a ton.

Mr. PAYNTER. Eight dollars?

Mr. ALDRICH. Yes.

Mr. PAYNTER. My constituent, a very reputable man, writes me that broom corn is practically controlled in this country by the American Warehouse Company, and that it is now selling for from $140 to $170 per ton.

Mr. ALDRICH. Three dollars per ton is a very slight duty, then.

Mr. PAYNTER. No European broom corn can be imported into the country for less than about $100 a ton, and it does seem——

Mr. ALDRICH. Three dollars would not seem to be a prohibitory duty, if the domestic price is $150 and the foreign price is only $100.

Mr. PAYNTER. I should like to ask the chairman of the committee whether the amendment is for the purpose of protecting the broom-corn growers of the country or whether it is to gratify somebody else?

Mr. ALDRICH. It would plainly seem to be a revenue duty, from the statement made by the Senator from Kentucky.

Mr. PAYNTER. I am free to admit that it would be only a slight protection, but it seems to me that there ought not to be any at all under present conditions.

Mr. ALDRICH. The raisers of broom corn in the United States desire to have a much larger duty. The Senator from Illinois [Mr. CULLOM] represents a large number of producers of broom corn and——

Mr. PAYNTER. I should like to have a letter read in relation to this matter, and I think the chairman——

Mr. ALDRICH. It can be put in the RECORD without being read. I hope the Senator will do that and not delay the consideration of the bill.

Mr. PAYNTER. The hope that I have in desiring to have the letter read is that the committee will reconsider its action in reference to the committee amendment.

Mr. ALDRICH. We will consider the letter, if the Senator desires to have us do so, later on.

Mr. PAYNTER. Very well. Then, I ask that the letter be printed in the RECORD without reading.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The letter referred to is as follows:

FRANKFORT BROOM COMPANY,
Frankfort, Ky., May 10, 1909.

Hon. THOMAS H. PAYNTER,
Senate, Washington, D. C.

DEAR SIR: We have learned that some broom-corn dealers and manufacturers intend influencing Congress to put a tax of 1¼ to 2 cents per pound on foreign broom corn. These parties are instigated to take such steps by the American Warehouse Company, in Wichita, Kans., in which some of the concerns are financially interested. Now, as a matter of fact, the American Warehouse Company, with their branches, virtually control over half of the annual broom-corn output, which is grown of late years mostly in the State of Oklahoma.

The growers have never realized more than between $30 to $70 per ton; this latter price only exceptionally in a very few instances. Last fall, as usual, a good deal of this broom corn was bought up at these prices by the Wichita company mentioned and a few large manufacturers and dealers, and as the crop was not a very large one, these concerns are holding it now at between $140 to $170 per ton, and have starved out virtually all the small manufacturers, and offer it to others who care to pay the price at figure mentioned. In consequence prices of brooms have advanced correspondingly between 50 cents and $1 per dozen, while if the unscrupulous speculation would not have taken place there would have been enough broom corn, especially for the small manufacturers, who are now not able to make a living, and the public would not have to pay the advance in prices.

Now, there is raised in Hungary a little broom corn, mostly on account of the seed, which is used there to feed cattle, etc. It will not amount to over 200 tons per year. An accumulation of a few years has been imported lately here by some dealers who could not get hold of the American broom corn at reasonable figures, and this imported corn costs the importer in the neighborhood of $100 per ton, so that it can be sold at about $110 to $120 to the manufacturers here, which price enables the latter to make it up in brooms and make a livelihood, if nothing else. The foreign broom corn can not be imported for anything less than about $90 to $100 per ton, as the freight charges, etc., are quite expensive.

A few broom-corn dealers and manufacturers who have loaded up on broom corn last season with the intention of making from 100 to 200 per cent profit on it are feeling sore now in regard to this imported corn, and figure that on its account they will have to offer their own stock at from $30 to $40 per ton less than they expected to get, and this is the reason they are eager to have the importation taxed.

If this importation would in any way interfere with the price the Oklahoma growers get for their broom corn, we would have no objection in favoring the tax, but as the latter consider between $60 and $70 per ton a very good price and hardly ever got anything like the latter figure, and as, furthermore, the foreign broom corn can not be imported for less than about $100 per ton, we can not possibly see how the free importation could hurt the growers, while, as said before, it would block the unscrupulous speculators from enriching themselves at the cost of the small manufacturers and the general public.

We hope, dear sir, that after investigating this matter thoroughly you will find that we are entirely correct in our statements and will do your best to block the schemes of those in favor of taxation of broom corn.

We are,
Yours, respectfully,

FRANKFORT BROOM CO.,
By M. DORN, *Manager.*

Mr. BRADLEY. I want to say for the information of the Senate that I have a number of letters from constituents in Kentucky on the other side of the proposition, and I would be glad to have them put in the RECORD.

Mr. PAYNTER. I am perfectly willing, Mr. President; but I should like to say to my colleague that I had a letter from a gentleman who is engaged in making brooms in the city of Louisville, who needs broom corn for the purpose of manufacturing brooms, and he insists that there ought to be a duty upon the raw material; but I fancy that he must be interested in the American Warehouse Company or in some other way in controlling the price of the product much more than he is interested in the factory in Louisville. I do not see how those who manufacture brooms are interested in having the price of the raw material increased.

Mr. BRADLEY. I want to say, if my colleague will permit me, that the letters which I have are from the producers of broom corn in Kentucky.

Mr. ALDRICH. In paragraph 257 the committee propose an amendment after the word "bushel," in the nineteenth line, to insert "of 57 pounds."

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 79, in paragraph 257, line 19, after the word "bushel," it is proposed to insert the words "of 57 pounds."

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 258. Pease, green, in bulk or in barrels——

The VICE-PRESIDENT. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. ALDRICH. For paragraph 259 the committee propose the substitute which I send to the desk.

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. It is proposed to strike out paragraph 259, beginning in line 4, on page 80, and to insert in lieu thereof the following:

259. Orchids, palms, azaleas, and all other decorative or greenhouse plants and cut flowers, preserved or fresh, 25 per cent ad valorem; lily of the valley pips, tulip, narcissus, begonia, and gloxinia bulbs, $1 per thousand; hyacinth, astilbe, dielytra, and lily of the valley clumps, $2.50 per thousand; lily bulbs and calla bulbs, $5 per thousand; peony, iris Kaempferi or Germanica, canna, dahlia, and amaryllis bulbs, $10 per thousand; all other bulbs, bulbous roots or corms which are cultivated for their flowers or foliage, 50 cents per thousand.

Mr. CRAWFORD. I will ask the chairman of the Finance Committee if he is willing to allow that amendment to be printed, and to have the paragraph passed? I have a letter or two——

Mr. LODGE. It has been printed and been on our tables since the 23d of April.

Mr. ALDRICH. I will consult the convenience of the Senator from South Dakota about that. If he will permit it to be agreed to, I will permit it to be reconsidered at any time, if he desires.

Mr. CRAWFORD. Very well.

The VICE-PRESIDENT. The question is on agreeing to the amendment to the paragraph.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 261, at the foot of page 80:

Potatoes, 25 cents per bushel of 60 pounds.

Mr. DU PONT. Mr. President, the Chicago platform, or declaration of principles of the Republican party, calls for "the imposition of such duties as will equal the difference of the cost of production at home and abroad." In other words, Mr. President, it demands complete and ample protection in the markets of this country for all that we manufacture as well as for our

agricultural products. More than this, it demands complete and ample protection for American workingmen; and when I speak of our workingmen, Mr. President, I refer not only to those who toil in the factory or in the shop, but to the millions who till the soil; and who, by their skill and industry in the varied pursuits of agriculture, produce the great crops which after all are at the bottom of our national prosperity.

Now, Mr. President, I have no doubt but that the distinguished Senator from Rhode Island, who is chairman of the Finance Committee, will say that in the framing of the present bill it was the intention of the committee to give equal and adequate protection to our agricultural interests. It is true that the bill continues the absolutely prohibitory duty on southern rice; that it fully and adequately protects the fruit crops of the Pacific States and of the South, as well as hay, barley, cheese, and even cabbage, in which the States bordering upon Canada are largely interested; and that under its provisions our great staple—wheat—which we export in very large quantities, is covered by a duty of 30 cents a bushel.

I believe, however, Mr. President, that I can show that this sound and salutary principle has not been carried out in the case of one important agricultural product. I refer to the ordinary white potato, which, under paragraph 261, is protected by a duty of 25 cents a bushel, and will present the following facts:

For nine years, beginning with 1899, the importations of potatoes, mainly from Germany, England, Ireland, the Bermudas, and so forth, have been as follows:

Fiscal year ended June 30—	Rate of duty.	Bushels.	Value.	Value per bushel.
1899	25 cents per bushel	530,410	$294,311.15	$0.555
1900	do	155,409.58	147,129.63	.947
1901	do	369,487.26	223,893.97	.605
1902	do	7,658,762.55	3,160,871.13	.413
1903	do	358,299.82	238,293.19	.665
1904	do	3,158,049.72	1,867,400.76	.591
1905	do	169,256.46	160,816.77	.95
1906	do	1,942,489.52	844,815.32	.435
1907	do	169,895.37	187,681.57	1.10
Total		14,512,060.28	7,125,213.48	

The above table does not include the importation of potatoes from Porto Rico and Cuba, given in the following tables:

FROM PORTO RICO (MAY 1, 1900–JUNE 25, 1901).

Fiscal year ended June 30—	Rate of duty.	Bushels.	Value.	Value per bushel.
1901	15 per cent of 25 cents per bushel.	34	$23.00	$0.676

FROM CUBA (RECIPROCITY TREATY, DECEMBER 27, 1903).

1904	25 cents per bushel less 20 per cent.	3,906.42	$2,271.99	$0.569
1905	do	11,673.52	7,087.49	.607
1906	do	15,263.38	7,980.50	.523
1907	do	5,798.69	4,775.57	.823
Total		36,729.01	22,113.46	

The figures for the year 1908 are not available, but from October 1, 1908, to May 15, 1909, there were imported into the port of New York alone 5,150,025 bushels.

Large shipments of potatoes are being made to other Atlantic ports, as well as to New York, and in this connection I will send to the clerk's desk the following extract from the Washington Evening Star of the 3d of May, which I ask may be read and incorporated in these remarks.

The VICE-PRESIDENT. If there be no objection, the Secretary will read the extract.

The Secretary read as follows:

BRINGING POTATOES FROM IRELAND.

[From the Washington Evening Star of May 3, 1909.]

Potatoes are being imported from Ireland to aid in meeting the great demand for the tuber in this country. Aboard one vessel which arrived at Baltimore a few days ago were 47,377 bushels of the vegetables from the farms of county Antrim in the Emerald Isle, and it is stated that some of these potatoes are on sale in this city. It is stated that many thousand tons of potatoes have been brought into the port of Baltimore from the Irish farms during the past winter and this spring, and they are still coming by every vessel from Liverpool and other English ports.

Mr. DU PONT. The farmers of the whole Atlantic seaboard, from Maine to Florida, as well as those in many other portions of this country, are deeply interested in the culture of potatoes. The gross production in this country in 1908 was 278,985,000 bushels, 5,000,000 bushels being grown on the Delaware-Maryland-Virginia peninsula alone.

The official weight of a round hoop barrel of potatoes, or of a sack of potatoes, is 180 pounds, being three bushels at 60 pounds each.

A Kent County (Del.) farmer, who sells his potatoes to a commission merchant in Philadelphia at $2.35 per barrel, pays:

1. For the barrel and cover	$0.27
2. Freight to Philadelphia at 17 cents per 100 pounds	.30⅗
3. Hauling from the railroad to the commission merchant, Philadelphia, per barrel	.10
4. 10 per cent commission to the commission merchant	.23½
Total, per barrel	.91 1/10

This leaves $1.43 9/10 per barrel, or 47.96⅔ cents per bushel, out of which must come all cost of production; and it is to be observed that this cost on the Delaware-Maryland-Virginia peninsula is considerable—the ground must be very carefully and repeatedly worked before planting; the average amount of fertilizer required is 1,200 pounds per acre, three times that required for wheat; and the protection of the potato vines from insects involves constant labor for a considerable period.

Now, Mr. President, the foreigner pays:

1. Ocean freight, per sack	$0.23
2. Duty of 25 cents per bushel	.75
Total, per sack or barrel	.98

This leaves $1.37 per barrel, or 45⅔ cents per bushel.

To the 98 cents per barrel which the foreigner pays for ocean freight and customs duties must be added the profit which the American dealer expects to make out of the imported potatoes. When potatoes are selling at $2.35 per barrel, the dealer takes from the American farmer 33½ for commission and hauling, and it is evident that he expects to make as much as this on his foreign potatoes. Indeed, on the principle of despoiling the Philistines, we can fairly assume that he would want to make a little more, and it is not unreasonable to conclude that his profit would be at least 35 cents; which amount, added to 98 cents freight and duty, makes a total of $1.33, leaving the foreigner $1.02 per barrel, or 34 cents per bushel, out of which he still has to meet the expense of his sacks and of placing his goods on board ship in Europe, the average cost of which is probably not very great. We may then safely assume that the foreigner ships his potatoes to America when the net returns to him are about 25 cents per bushel, and he can afford to do this on account of the insignificant price he pays for his labor.

When the wholesale price of potatoes in the Boston, New York, Philadelphia, and Baltimore markets reaches $2.35 per barrel, importations begin in direct competition with the potatoes raised in the States on the Atlantic seaboard, and in indirect competition with those of the States lying farther west, it being impossible for the western farmer to compete with the foreigner by reason of the high railway rates on potatoes.

In the interest of justice to the agriculturist of the Atlantic seaboard, Mr. President, I offer the following amendment to paragraph 261, which I now send to the Secretary's desk.

The VICE-PRESIDENT. The Secretary will report the amendment.

The SECRETARY. On page 80, paragraph 261, "Potatoes," strike out "twenty-five" where the words appear before the word "cents" and insert in lieu "forty-five," so that, if amended, it will read:

Potatoes, 45 cents per bushel of 60 pounds.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Delaware.

The amendment was agreed to.

The VICE-PRESIDENT. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 262, page 81.

The VICE-PRESIDENT. The Secretary will report the amendment.

The SECRETARY. In line 5, after the word "bushel" and the semicolon, it is proposed to strike out down to and including the words "ad valorem," in line 9, and to insert:

Mushroom spawn, and spinach seed, 1 cent per pound; beet, except sugar beet, carrot, parsnip, radish, turnip, and ruta-baga seed, 4 cents per pound; cabbage, collard, kale, and kohlrabi seed, 8 cents per pound; egg plant and pepper seed, 20 cents per pound; seeds of all kinds not specially provided for in this section, 10 cents per pound.

Mr. ALDRICH. Mr. President, I desire to modify the amendment by inserting the words I send to the Secretary's desk.

The VICE-PRESIDENT. The Senator from Rhode Island modifies the amendment. The Secretary will report the modification.

The SECRETARY. In line 11 in the committee amendment, after the word "carrots," insert the following:

Corn salad, parsley.

Mr. GAMBLE. Mr. President, I have no objection to the amendment proposed by the committee to this paragraph, except what appears in line 5, after the word "bushel," where it is proposed to strike out the words:

But no drawback shall be allowed upon oil cake made from imported seed.

That provision is in the existing law, and has been since 1897, and I have understood from the committee that there was to be some general provision offered in regard to drawbacks, to cover all provisions of the tariff.

Mr. ALDRICH. That is true, and subsequently the committee will report a provision of that kind.

Mr. GAMBLE. I can not consent to this amendment at this time, because I want to submit some observations on it; but if it is to be held open, so that it can be returned to, and if I may be heard, of course that is entirely satisfactory to me.

Mr. ALDRICH. If the drawback provisions reported to the Senate are not satisfactory to the Senator, then I will agree to return to the provision later.

Mr. GAMBLE. Of course I am opposed to this proposition here——

Mr. ALDRICH. I understand that.

Mr. GAMBLE (continuing). Because I think it is unfair and unjust as applied to this industry.

Mr. ALDRICH. I think the general provisions that we will report will be satisfactory to the Senator.

Mr. GAMBLE. If it may be understood that this matter can again be taken up, and I can be heard if it is not covered by the general provisions, then I have no objection; but I want an opportunity to be heard on this paragraph, if necessary.

Mr. BACON. Does that include the agricultural schedule?

Mr. ALDRICH. Oh, no; only the question of drawbacks on oil cake made from imported seed. That is the only thing the Senator from South Dakota objects to about that provision, and I have already agreed that if the general drawback provision is not satisfactory, we will return to this paragraph.

Mr. BURKETT. Mr. President, I have a letter calling attention to the fact that the committee have changed the method of levying the duty under this paragraph from specific to ad valorem, although, as I read this paragraph, it seems to me that is not the fact. I have had similar letters from seed men in Nebraska, protesting against the change in the method of levying the duty from specific to ad valorem.

Mr. ALDRICH. This is specific.

Mr. BURKETT. I notice that is the fact, but it also includes bulbs. Have the committee received similar letters?

Mr. ALDRICH. Yes; and the committee have already suggested an amendment to paragraph 259, imposing specific duties on bulbs, and that has been agreed to by the Senate.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the committee.

Mr. GORE. I should like to ask what the duty is on bulbs in this paragraph?

Mr. ALDRICH. It is not in this paragraph at all. The duty on bulbs has been disposed of in paragraph 259.

Mr. GORE. I misunderstood the Senator.

Mr. CURTIS. I desire to ask a question about paragraph 260, whether the committee are considering any amendment to that, to be offered in the Senate?

Mr. ALDRICH. I was under the impression that the Senator from Kansas had offered an amendment to this paragraph.

Mr. CURTIS. I have not offered an amendment. I was informed that a member of the committee was preparing an amendment, and, at the request of the American Association of Nurserymen, I would like to submit an amendment and have it printed in the RECORD, to be taken up later.

The VICE-PRESIDENT. If there be no objection, the Senator's amendment will be printed in the RECORD.

Mr. CURTIS. It is introduced at the request of the American Association of Nurserymen.

The amendment is as follows:

260. Stocks, cuttings or seedlings of Myrobolan plum, Mahaleb or Mazzard cherry, manetti, multiflora, and brier rose, 3 years old or less, $1 per thousand plants; stocks, cuttings or seedlings of pear, apple, quince, the St. Julien plum, and evergreen seedlings, 3 years old or less, $2 per thousand plants; rose plants, budded, grafted, or grown on their own roots, 4 cents each; stocks, cuttings and seedlings of all fruit and ornamental trees, deciduous and evergreen, shrubs and vines, commonly known as "nursery or greenhouse stock," not specially provided for in this section, 25 per cent ad valorem.

The VICE-PRESIDENT. The question is on agreeing to the amendment to paragraph 262.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will report the next paragraph passed over.

The SECRETARY. Page 82, paragraph 269.

Mr. LODGE. Mr. President, I desire on behalf of the committee to make one or two verbal amendments to the fish schedule.

Mr. BACON. I have no objection to waiting until the Senator from Massachusetts has finished, but before we pass from the agricultural schedule, I wish to offer an amendment to it.

Mr. ALDRICH. To the agricultural schedule generally, or to some paragraph we have passed over?

Mr. BACON. I simply desire to add an independent paragraph, not relating to anything that has been done.

Mr. ALDRICH. I think the Senator had better offer it now.

Mr. BACON. I do not desire to take the Senator from Massachusetts from the floor.

Mr. ALDRICH. I think the Senator's amendment would probably come in at the end of paragraph 265. I do not know the nature of it, of course.

Mr. BACON. I have no objection to its coming in at that point. I have proposed, however, that it come in after paragraph 238, in order that it might be in relation to cognate subjects. As I said, I do not desire to interfere with the Senator from Massachusetts, if my right to return to it can be reserved.

Mr. ALDRICH. I suppose it would come in at the end of the schedule just as well, probably. I do not know what the amendment of the Senator is.

Mr. BACON. Of course I am on the floor now by the courtesy of the Senator from Massachusetts, and I can not interfere with him.

Mr. ALDRICH. I think we had better dispose of the fish schedule first.

Mr. LODGE. Mr. President, I think the first amendment, "by whatever name," was agreed to, was it not?

Mr. STONE. It was agreed to on the first reading.

The VICE-PRESIDENT. It was agreed to on the first reading.

Mr. LODGE. "By whatever name known or labeled."

Mr. GALLINGER. Not "labeled."

The VICE-PRESIDENT. The committee amendment was agreed to on the first reading of the bill.

Mr. LODGE. Yes. Then I move, after the word "oil," to strike out the words "or otherwise."

The SECRETARY. On page 81, line 24, after the words "in oil," strike out the words "or otherwise."

The amendment was agreed to.

Mr. LODGE. On the next page, line 9, after the semicolon, I move to strike out the words "if in other packages, 30 per cent ad valorem; when in other"—that is, the whole of line 10, including the words "if in," in line 9—and insert after the semicolon "all other fish except shellfish in."

The amendment was agreed to.

Mr. LODGE. In line 11 strike out the word "when" and insert the word "fish."

Mr. GALLINGER. There is no "when" there.

Mr. LODGE. Then, I am reading from another print. That has been amended. It is my fault. I was reading from another print.

Mr. STONE. Before the Senator goes further, I should like to understand what I do not quite understand now. As to the amendment proposed in lines 9 and 10, I should like to know just what is stricken out and what is inserted. I should like to have it read.

The VICE-PRESIDENT. The Secretary will inform the Senator.

The SECRETARY. On page 82, line 9, after the word "can," strike out "if in other packages, 30 per cent ad valorem; when in other" and insert in lieu "all other fish except shellfish in."

Mr. LODGE. "In tin packages," the object being to confine it to tin. As it was drawn before, with that clause in it, it took in fish in tin and in oil. which have a comparatively high rate of duty. It brought all other kinds of fish within it.

Mr. STONE. Will the Senator permit me to ask him a question for information?

Mr. LODGE. Certainly.

Mr. STONE. I have letters from some persons in my State relating to kippered herring.

Mr. LODGE. That has already been amended, and it comes in paragraph 268.

Mr. HALE. It is not in this paragraph.

Mr. STONE. They refer to it as being in this paragraph.

Mr. LODGE. It is to prevent the extension of that clause to just such class of fish that I propose these changes.

Mr. STONE. When these changes are completed, how much greater, if any, will be the duty on Scotch kippered herring?

Mr. LODGE. It will be one-half of 1 cent per pound.
Mr. STONE. Is that an increase or a decrease?
Mr. LODGE. It is the same as the present law.
Mr. STONE. The same as the present law?
Mr. LODGE. Paragraph 268. I think the amendment——
The VICE-PRESIDENT. There is a proposed amendment in line 11 which has not been stated.
Mr. LODGE. No. That has been already changed.
The VICE-PRESIDENT. Very good.
Mr. GALLINGER. Let the paragraph be agreed to.
The VICE-PRESIDENT. Without objection, paragraph 266 as amended is agreed to.
Mr. PILES. Mr. President——
Mr. LODGE. One moment. I should like to complete these amendments, if the Senator does not mind.
Mr. PILES. I wish to offer an amendment to paragraph 266.
The VICE-PRESIDENT. The Senator from Washington wishes to offer an amendment to paragraph 266.
Mr. LODGE. I yield to the Senator for that purpose. I thought it was a separate paragraph.
Mr. PILES. I submit an amendment to paragraph 266. I have taken up the question with the committee. My amendment relates to a duty on oysters. I move this amendment because Canada has a duty on oysters, and I wish to protect our growing industries on the Pacific coast.
The VICE-PRESIDENT. The Secretary will report the amendment proposed by the Senator from Washington.
The SECRETARY. On page 81, paragraph 266, line 22, strike out the words "(except shellfish)" and insert in lieu thereof the words "including oysters;" on page 82, paragraph 266——
Mr. LODGE. O, Mr. President, the Senator from Washington does not desire, I imagine, to make all shellfish dutiable.
Mr. PILES. No; but this amendment was prepared by the committee's tariff expert.
Mr. LODGE. Then it is all right.
The SECRETARY. On page 82, line 11, after the word "fish," insert the words "including oysters;" and in line 14, after the words "ad valorem," insert the words "oysters in the shell, 25 per cent ad valorem."
The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Washington.
Mr. ALDRICH. Let it be stated again.
The VICE-PRESIDENT. The Secretary will again state it.
The SECRETARY. In paragraph 266, line 22, strike out the words "(except shellfish)" and insert in lieu thereof the words "including oysters;" on the next page, in line 11, after "fish," insert "including oysters," and on page 82, line 14, after the words "ad valorem" insert the words "oysters in the shell, 25 per cent ad valorem."
Mr. ALDRICH. The last amendment is all that is necessary.
Mr. LODGE. The last amendment is all that is necessary.
Mr. PILES. If that is correct, I have no objection to its modification.
Mr. LODGE. Striking out "(except shellfish)" would affect an entire class which never before has been affected.
Mr. PILES. That would not put a duty on oysters in the can. The first provision, in line 22, would put a duty on oysters in the can, whereas the latter provision, on page 82, puts a duty on oysters in the shell. I want to protect it both ways.
Mr. ALDRICH. All the Senator would have to do in that case would be to put in "including oysters" at the end of line 22, on page 81.
Mr. PILES. Would that cover oysters both in the can and in the shell?
Mr. ALDRICH. Undoubtedly.
Mr. PILES. Very well. That is satisfactory to me.
The VICE-PRESIDENT. The Secretary will state the amendment as modified by the Senator from Washington.
The SECRETARY. On page 81, line 22, after the words "by whatever name known," insert "including oysters."
Mr. ALDRICH. That is right; and then, at the end of the paragraph, insert "oysters in the shell, 25 per cent ad valorem."
The SECRETARY. At the end of the paragraph strike out the period and insert a semicolon and the words "oysters in the shell, 25 per cent ad valorem."
Mr. LODGE. That is right.
The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Washington.
The amendment was agreed to.
Mr. LODGE. In paragraph 268 the amendment inserting the words "smoked or kippered," after the word "salted," has been already agreed to, I believe.
The VICE-PRESIDENT. The Senator is correct.
Mr. LODGE. At the end of the paragraph I move to strike out the period and insert a semicolon, and to add the words "eels and smelts, fresh or frozen, 1 cent per pound."
The amendment was agreed to.
Mr. LODGE. Then, in paragraph 269, on page 82, line 24, after the word "section," I move to strike out the words "in bulk or in undivided packages containing 100 pounds or more."
The amendment was agreed to.
The VICE-PRESIDENT. Without objection, paragraph 267 is agreed to.
Mr. BURKETT. I wish to ask the Senator if he has considered, in connection with this paragraph, paragraph 192, which was amended a few days ago? I wish to know how it will operate upon the rates in this paragraph.
Mr. LODGE. That was provided by the insertion making an exception. The Senator refers to the paragraph relating to decorated cans.
Mr. BURKETT. I refer especially to the clause inserted last week, "hermetically sealed, by soldering."
Mr. ALDRICH. I think perhaps that should be modified by leaving out the words "by soldering." I think some cans are hermetically sealed where there is no solder used.
Mr. BURKETT. My attention was called to it, I will say to the Senator, and I pointed out that it would raise the rates on some of these articles.
Mr. LODGE. The intention was to exclude them all.
Mr. ALDRICH. I suggest that we go back to paragraph 192 now, by unanimous consent, and strike out the words "by soldering."
Mr. LODGE. Yes; those words should be stricken out.
The VICE-PRESIDENT. Without objection, paragraphs 266, 267, 268, and 269 will be agreed to.
Mr. LODGE. Then we will return to paragraph 192.
The VICE-PRESIDENT. Without objection, paragraph 192 will be taken up. The Senator from Rhode Island proposes an amendment, which will be stated.
The SECRETARY. In paragraph 192, on page 67, in the second line of the paragraph, strike out the words "by soldering," so as to read:

Cans, boxes, packages, and other containers of all kinds (except such as are hermetically sealed).

Mr. BACON. That is the amendment we had under consideration some time ago and the one agreed upon at the suggestion of the Senator from New York [Mr. ROOT] and myself.
Mr. ALDRICH. It covers all articles of that nature.
Mr. BACON. It excludes things of that kind.
Mr. LODGE. The purpose of the amendment is to exclude them.
Mr. ROOT. Would it not be a little more certain if, after the words "hermetically sealed by soldering," we inserted the words "or otherwise?"
Mr. ALDRICH. Perhaps that would be better. It amounts to the same thing. Let it read "by soldering or otherwise."
Mr. LODGE. Yes; "by soldering or otherwise."
The VICE-PRESIDENT. The Secretary will state the amendment as modified.
The SECRETARY. On page 67, paragraph 192, after the words "by soldering" in the second line of the paragraph, insert the words "or otherwise."
Mr. BURKETT. I do not know that I am certain what the word "otherwise" would refer to, when you say "by soldering or otherwise."
Mr. LODGE. It includes everything hermetically sealed, no matter how it is done.
Mr. BURKETT. If that is true, I shall not object.
Mr. LODGE. That is the object of the parentheses. It covers only the exceptions.
Mr. ALDRICH. I think the Senator will find upon examination that it is covered.
The VICE-PRESIDENT. The question is upon agreeing to the amendment as modified.
The amendment as modified was agreed to.
Mr. HALE. Before leaving this schedule, I wish to enter a motion to reconsider the vote by which paragraph 250 was adopted. I wish simply to enter the motion.
The VICE-PRESIDENT. The Senator from Maine enters a motion to reconsider paragraph 250.
Mr. BACON. I desire to recur to paragraph 238, not for the purpose of offering an amendment to it, but for the purpose of offering a substantive amendment as an independent paragraph, to be known as "paragraph 238½."
The VICE-PRESIDENT. Is there objection to returning to paragraph 238? The Chair hears none. The Senator from Georgia offers an amendment, which the Secretary will read.
The SECRETARY. On page 77, after line 21, insert a new paragraph, as follows:

238½. Raw cotton, 20 per cent ad valorem.

Mr. ALDRICH. That ought not to come in here, I think. It ought to come in in the sundries schedule, if at all, or in the cotton schedule.

Mr. BACON. I am perfectly willing that it shall come in at any place the committee thinks most suitable for it.

Mr. ALDRICH. Of course, the committee thinks there is no place suitable for it.

Mr. BACON. I hope the committee will not be of that opinion ultimately.

Mr. ALDRICH. I think they are likely to be.

Mr. BACON. If that is the case, I do not see any reason why we should postpone the consideration of it. It is an agricultural product, and I desire that it should come in in connection with agricultural products. I will offer it, at any rate, and I will not detain the Senate at any length.

I well recognize the fact that in offering this or any other amendment which imposes a duty, however small, upon any article, we are open to the criticism of those who see no intermediate ground between a hundred per cent protective duty and the free list. I think that a revenue duty upon imported articles is always justifiable and should be sustained. I am not going to detain the Senate in regard to this matter, except to say that this same amendment was offered by me to the Dingley bill, and I then somewhat at length discussed the propriety of the amendment. I have no desire to repeat that. It would take a good while to do so, and I am willing that the correctness of my attitude relative to the imposition of duties on cotton, lumber, and so forth, within revenue limitations, shall be judged by what I said in that discussion.

I offer this amendment, Mr. President, as a strictly revenue duty, and if I can have the attention of the Senator from Rhode Island, which has been only temporarily withdrawn, I desire to call his attention and the attention of the Senate to the fact that this duty of 20 per cent upon importations of raw cotton will yield a revenue of about $4,000,000 a year, which is certainly not an unimportant consideration.

The imposition of this duty will not keep out the importation of a pound of cotton, and so far as the general crop of cotton is concerned, it will not in any measure affect the question of its price. If you were to put a duty of $1 a pound on cotton, or $10 a pound, and there were no decrease of importations on account of it, it would not affect the general price of cotton produced in the United States, because we are the large exporters of cotton. We export between two-thirds and three-fourths of all the cotton that is produced in this country.

There is one class of cotton, however, that is different from the other, and which, so far as this amendment is concerned, is so distinct in the conditions affecting it that it might as well be called by some other name than cotton. It will be affected by this duty. It is the long-staple or sea-island cotton. It is raised in only three States, South Carolina, Georgia, and Florida, and the quantity produced is very limited. The cotton which is imported into the United States from abroad is between three-fourths and four-fifths from Egypt, and is the same class of cotton as this long-staple cotton, and comes in competition with it. There is, outside of that Egyptian cotton, between a fourth and a fifth cotton of the ordinary kind which is imported from different countries, some from South America and some from Mexico, from which the laying of this duty would produce a revenue. So far as the tariff duty is concerned which would be collected under this amendment from these importations of the ordinary kind of cotton, it is simply and exclusively a revenue duty, because it can, for the reason already stated, in no manner affect the question of the value of the domestic product.

I simply want to call the attention of the Senate somewhat to the figures. This importation is increasing rapidly. In 1897, when this amendment was first presented to the Dingley bill in the Senate by myself, the importation of cotton into this country was only 52,000,000 pounds, in round numbers. In 1907 the importation of cotton was 104,000,000 pounds, showing that it has doubled in that time.

The value of cotton imported in 1907 was $19,930,998—you might say $20,000,000—and the tariff of 20 per cent, which is strictly a revenue duty, and even below what is generally recognized as a revenue rate, will yield a revenue to the Government of about $4,000,000, even if the importation does not continue to increase as it has done.

It is very gravely doubted by many people whether the importation without duty will affect the price, even of the long-staple cotton, in this country, in that view strengthening the argument that it is a revenue duty. The senior Senator from South Carolina [Mr. TILLMAN] has stated in his place in the Senate during the present session that in his opinion it would not affect the price of the domestic product. If we concede that, it is of importance to the Government that there shall be this revenue of $4,000,000 which is now entirely thrown away.

I can see no reason, Mr. President, why we should have tariff duties upon other agricultural products and not upon cotton. The reason why I offer the amendment at this particular place is not only because of the fact that it is an agricultural product and properly included there, but I want it in juxtaposition with the tariff duties which the bill imposes upon other agricultural products, and the duty which I have proposed upon cotton is below any other single staple article of agricultural production.

Mr. OVERMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from North Carolina?

Mr. BACON. Certainly.

Mr. OVERMAN. "Long-staple cotton," the commercial name, is, I think, general for raw cotton. Ordinary cotton does not need any tariff.

Mr. BACON. It does not need any tariff, but we can get revenue from it.

Mr. OVERMAN. From ordinary cotton?

Mr. BACON. Yes; I have so stated the fact. There is in the neighborhood of 20,000,000 pounds of ordinary cotton imported, and that is one reason why I have not yielded to the suggestion of some of my friends that we offer an amendment placing a specific duty upon it. A specific duty is not a proper duty to be put upon it, for the reason that there are different kinds of cotton, both of which are imported and which differ greatly in value. The sea-island cotton, or long-staple cotton, is worth twice as much, and sometimes three times as much, as the ordinary cotton.

I hope that what I say in this regard may have the serious consideration of the Senate. This 20 per cent duty on cotton, if it shall become a law, will yield four times as much revenue as is gotten through import duties from all the other staple agricultural products put together.

That is a pretty broad statement, but it is a fact, and I have the figures here to show it. I repeat, this 20 per cent duty, this ordinary revenue duty, laid upon raw cotton will, with the present importations, produce four times as much revenue as all the other staple agricultural raw products put together, sugar alone taken out of the calculation. I have the figures here to show it. The duty on barley, which we have been discussing to-day, under the present bill will be at an ad valorem of 53.64 per cent—nearly three times the amount which is proposed for the duty on cotton. The annual revenue derived from it under the present law is only $3,544.50.

On corn the tariff is 23.96 per cent, and the entire revenue is $1,897.39 under the pending bill, but under the present law it is only $1,423.10.

Oats is 43 per cent ad valorem, and the entire revenue under the present bill, with the increased duty proposed, is $7,425.89.

Rice, which has a very high duty of 62.66 per cent, yields as a revenue $539,081.11.

Rye, which has a revenue duty of 25 per cent, will yield under the present bill only $31.50, and under the existing law it has yielded $15.75.

Wheat, the great staple next to cotton, has a duty under the present bill, an ad valorem of 34.62. The entire revenue derived from wheat under the existing law is $4,785.73, and under the proposed law $5,742.60.

Those are the great staples, and on barley, corn, oats, rice, rye, and wheat the duties are very much higher—almost 300 per cent higher, some of them—and yet the revenue derived from importations of all of them put together will not make one-fourth of the revenue that will be derived from 20 per cent levied on imports of cotton.

Now, Mr. President, all the manufactured products of cotton are very high. I mean to say, the products of long-staple cotton are particularly very high, the highest of any of the manufactures of cotton, running up to 60 per cent. I have nothing to say about that at present, however, because I am not now putting it upon that ground whatsoever. I am putting it upon the ground that it is a legitimate article of revenue, and was so recognized in the past. I do not know how many years ago it was—possibly the Senator from Texas can tell me—but I know that up to a comparatively recent period of time cotton was always on the dutiable list. When it was dropped out, and how and why, I do not know. The Senator from Texas suggests to me that it was dropped out as an additional protection to the manufacturer of cotton goods.

Mr. BAILEY. If the Senator will permit me, he will find that if his motion should prevail the Senator from Rhode Island will at once move to increase the duty on cotton goods and the omission of this cotton from the dutiable list was made purely to reduce the cost of manufactured cotton goods.

Mr. BACON. Here is a most distinct and marked exception to the rule.

Mr. ALDRICH. The statement of the Senator from Texas is nowhere near correct. At the time the duty was dropped out there were no importations of foreign cotton at all.

Mr. BACON. That is your explanation?

Mr. BAILEY. Let me see if I am anywhere near correct.

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Texas?

Mr. BACON. Certainly.

Mr. BAILEY. Will the Senator from Rhode Island respond to my other suggestion? I will ask him the direct question, If this duty should be placed on cotton, would he not feel it incumbent on him to move an increase in the duty upon cotton goods?

Mr. ALDRICH. That is not the question the Senator was then discussing.

Mr. BAILEY. I know; but will the Senator discuss that question?

Mr. ALDRICH. I will when we get to it.

Mr. BAILEY. But will the Senator make that motion if we would levy this duty?

Mr. ALDRICH. After the Senator from Georgia has completed his statement, I will make a statement to the Senate about the facts.

Mr. BAILEY. I suppose the Senator from Rhode Island will be candid enough to include that in it?

Mr. TALIAFERRO. Mr. President——

The VICE-PRESIDENT. Will the Senator from Georgia yield to the Senator from Florida?

Mr. BACON. Certainly.

Mr. TALIAFERRO. I should like to ask the Senator from Rhode Island to name the year when there was no importation of this cotton into this country?

Mr. ALDRICH. Egyptian cotton?

Mr. TALIAFERRO. Egyptian cotton.

Mr. ALDRICH. I will find it. I will let the Senator know in time.

Mr. BACON. Mr. President——

Mr. ALDRICH. I wish to make a suggestion to the Senator from Georgia. This is evidently going to be a controverted question, and I would be glad, if possible, to finish the uncontroverted matters in the agricultural schedule to-day for the purpose of moving an early adjournment. If the Senator will allow us to dispose of the other items, we can take up this matter on Monday.

Mr. BACON. I have no objection at all. I simply sought to do it now because I did not wish to pass away from the agricultural schedule without offering the amendment.

Mr. ALDRICH. I think probably it belongs to the cotton schedule.

Mr. BACON. I do not think it belongs in the manufacturing schedule at all.

Mr. ALDRICH. I think it does, and if the Senator will allow these matters to be disposed of, then I shall move an early adjournment.

Mr. BACON. I will certainly yield to the convenience of the Senator, with the reservation that I may be allowed to return to it at this particular place.

Mr. ALDRICH. Undoubtedly; the Senator has the right to do that.

Mr. BACON. Sometimes rights are not recognized, and I seek to get this right recognized in advance.

Mr. ALDRICH. I have never known the Senator from Georgia to fail to have any right of his recognized in this body.

Mr. BACON. I thank the Senator very much.

The VICE-PRESIDENT. The Senator from Georgia withdraws his amendment with the understanding that it is to be renewed Monday morning.

Mr. ALDRICH. At the convenience of the Senator. I make no question about when he renews it.

Mr. BACON. I understand from the Senator from Rhode Island that he prefers that it should not be assigned to any definite time, but that I may have the privilege of calling it up.

Mr. ALDRICH. Of course, that is right; that is my understanding.

The VICE-PRESIDENT. The understanding, then, is clear.

Mr. ALDRICH. I ask the adoption of the amendments which I send to the desk.

The VICE-PRESIDENT. The Secretary will state the first amendment offered by the Senator from Rhode Island on behalf of the committee.

The SECRETARY. On page 83, paragraph 270, in line 9, strike out the words "evaporated, in brine."

Mr. BURTON. Is that in accordance with the existing law as amended?

Mr. ALDRICH. It is.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. The next amendment will be stated.

The SECRETARY. In line 12, strike out the first word in the line, the word "jellies," and the comma.

The amendment was agreed to.

The SECRETARY. In line 20, after the words "per cent," and after the semicolon, insert "jellies of all kinds, 35 per cent ad valorem" and a comma.

The amendment was agreed to.

The VICE-PRESIDENT. The next amendment will be stated.

The SECRETARY. In lieu of the words proposed by the committee to be stricken out in lines 21 and 22, "not having sugar, spirits, or molasses added thereto," insert "containing not more than 25 per cent of sugar" and a comma.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended is agreed to. The Secretary will read the next paragraph passed over.

The SECRETARY. Paragraph 271, figs.

Mr. ALDRICH. In line 4, on page 84, the committee suggests striking out "twenty" and inserting "fifteen."

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. Paragraph 271, page 84, line 4, before the word "cents," strike out the word "twenty" and insert "fifteen," so as to read:

Olives, in bottles, jars, kegs, tins, or other packages, containing less than 5 gallons each, 25 cents per gallon; otherwise, 15 cents per gallon.

The amendment was agreed to.

The VICE-PRESIDENT. The paragraph as amended is agreed to. The Secretary will read the next paragraph passed over.

The SECRETARY. Paragraph 273, lemons. The committee proposes, in line 7, on page 84, to strike out "one-fourth" and to insert in lieu "one-half," so that as amended it will read:

Lemons, 1½ cents per pound.

Mr. ROOT. Mr. President, I regret to be obliged to express dissent from the conclusions of the Committee on Finance regarding the duty on lemons. I do not know any reason why the duty should be increased. It may be that the Senator from California [Mr. FLINT] has some good reason. Lemons are a very important article. They contribute very largely to innocent and healthful enjoyment among the people of my State, and pass by delivery, being an important means of expression. [Laughter.] It seems to me that the duty ought not to be increased unless there is some good reason for it. I have some reasons to give against it which I shall not give until after the Senator from California has given effect to his evident intention to address the Senate. Then I shall ask leave to make some further remarks.

Mr. FLINT. Mr. President, the purpose of this amendment, increasing the duty on lemons from 1 cent to a cent and a half per pound, is to place lemons on an equality with oranges and other citrus fruits. The cost of producing lemons is considerably in excess of the cost of producing oranges, by reason of the fact that it requires more work in caring for the trees, in picking the fruit, and in preparing it for the market.

The lemon industry was established in California about twenty years ago. A few pioneers commenced planting trees in large numbers about that time, and in the course of ten years, or about the year 1898, there had been planted something like 6,500 acres. Encouraged by the Dingley tariff of 1 cent per pound, the acreage was more than doubled during the succeeding four years, and in 1892 it amounted to about 15,000 acres; but by this time the growers had learned that on account of labor conditions they could not compete with the foreign grower and they commenced to rebud their lemon trees to oranges, and the acreage in lemons rapidly decreased for the next two years, and in 1904 there were only about 9,200 acres remaining.

Experience had proven that 1 cent per pound was not sufficient to protect the lemon industry. Every effort was made to place it upon a paying basis, and notwithstanding the improved methods which had been introduced, the industry in California was in a grave danger of annihilation. At this time the transcontinental railroads, foreseeing the disaster, came to the rescue with a reduction in the freight rate from $1.25 to $1 per 100 pounds to practically all points in the United States and Canada. This again encouraged the growers to plant lemon

trees, and under these circumstances the acreage has been increased until at the present time there are about 16,700 acres of lemon trees, with an annual output of about 1,585,000 boxes.

But now the lemon industry in California is again in a precarious condition, owing to the competition of lemons from Italy, where they have the advantage of low-priced labor and cheap transportation. The result is that our growers find themselves unable to successfully compete with the foreign producers, and there are now about 2,000 carloads of lemons in storage in southern California for which no markets at living prices have been found, and the growers are again in very considerable numbers rebudding their lemon trees to oranges. The industry is at a standstill, and unless relief is obtained in this bill, it will only be a few years until this country will be dependent upon foreign producers for practically its entire supply of lemons. The California grower will not continue to devote his time, capital, and land—that can be made to produce a reasonable return in other industries—to the raising of lemons if he is to receive no profit from the investment.

The world's production of lemons is approximately 70,000 carloads per annum. Of this amount Italy produces 65,000 cars and California 5,000 cars.

The United States consumes annually of lemons and by-products of lemons approximately 19,000 carloads, made up as follows:

	Cars.
California product	5,000
Foreign importations	7,000
Total	12,000
By-products of lemons—citrate of lime and lemon oil—all imported	7,000
Total	19,000

While the California production has increased during the last eight years, the increase has not kept pace with the increase of importations. California has never furnished so much as 40 per cent of the total amount of lemons consumed in this country, and during the past eight years has made no material advance in the per cent of production to the total consumption.

The receipts of foreign lemons in 1908 were 2,231,125 boxes, which was the heaviest importation in the history of the business, and was an increase of over 400,000 boxes in excess of the importation of 1901. From November 1, 1907, to April, 1908, 350,700 boxes of lemons were imported, while from November 1, 1908, to April 1, 1909, the importations amounted to 426,729 boxes, or a gain of 76,029 boxes during the first five months of the present year, which accounts for the storage of over 2,000 cars in California. This directly disproves the statement of the counsel for the importers when he said to the Ways and Means Committee that the earthquake at Messina had injured the lemons and would greatly decrease importations.

The United States can be divided into three great sections for the sale of lemons.

First. That part west of the Missouri River wherein the trade takes Californias almost exclusively, some foreigns being used along the eastern border of this section and in Texas.

Second. That part between the Missouri River and the Allegheny Mountains, wherein both Californias and the foreigns contend for supremacy.

Third. That part east of the Alleghenies and along the Gulf coast, wherein foreign control is absolute, except at certain seasons or times when foreigns are temporarily short, or the mid-country territory being fully supplied, California is forced to far eastern markets at a loss, as at present.

Approximately 35 per cent of the California lemon production is sold in the first-named territory; 50 per cent in the second; 15 per cent in the third.

While it is impossible to state definitely the percentage of foreign lemons in the divisions of the territory mentioned, it is probably fair to say that they are approximately as follows:

Five per cent in the first-named territory; 10 to 15 per cent in the second; and 80 to 85 per cent in the third. From this it will be seen that by far the largest proportion of imported lemons are sold in the eastern markets.

The California producers can only market eastward to the point where the railroad freights, added to the ocean freights and the duty on the foreign products, equal the cost of production and transportation of the California product. The result is that the great consuming population east of Pittsburg, except on rare occasions, is controlled by the foreigners. The sparsely settled territory west of the Missouri is controlled by the California shippers with the exception of a portion of Texas supplied from the port of New Orleans. The territory between Pittsburg and the Missouri, with the exception of the extreme South, is contested ground, where both domestic and foreign lemons are sold in sharp competition.

California lemons are shipped every month in the year, but by holding the fruit picked in the winter and spring in storage for several weeks, the distribution can be regulated to some extent to meet the more favorable conditions of the market. Under proper conditions the lemon tree is ever bearing, containing fruit in all stages of development from the blossom to the ripe lemon at the same time. As far as possible, the lemon growers harvest the crop in the summer when the fruit is in greatest demand, and they attempt to influence the season of bearing by pruning and by irrigation, though not to the extent that this is done by foreign lemon growers.

California lemons are only shipped to the New York and other eastern markets at times when the fruit can not be disposed of west of the Alleghenies. But this 15 per cent of California fruit which does reach the New York market regulates the price of lemons for the entire country. Without the California crop of 5,000 carloads a year, the people of this country would be paying not an average of $2.75 to $2.90 a box for lemons, but $8 or $9 a box. The high price of lemons which prevails at certain times of the year, according to the importers, should be charged to the duty levied for the benefit of the California growers, whereas we contend that the reason the consumer has to pay these high prices for lemons is that the California producers have not had sufficient protection from foreign competition to enable them to enter the New York market. The price of lemons in this country ranges from about $1.50 per box in the winter months to $9 per box during the hot weather of the summer season, and if the importers can put the price to $9 in the summer months, when California is not able to supply the demand, they could put the price to that figure at all times of the year if the California growers were eliminated from the market.

The circular which was sent to Senators to-day by the New York Fruit Exchange states that the price of lemons throughout the country is fixed by the New York market; in other words, that the buyer of lemons in Indianapolis, Kansas City, and the other cities of the country pays for those lemons what the New York market equals on that day. So, as a matter of fact, the New York market fixes the price of lemons throughout this country; but if it were not for the 15 per cent of California lemons going into the New York market, the price would increase immediately $1 to $4 per box.

I believe, Mr. President, that I can convince the Senate, by the testimony of one of the principal importers, that the effect of the 15 per cent of California fruit that enters the New York market is to materially lower the price. I read from the Tariff Hearings, Schedule G, page 4023:

Mr. UNDERWOOD. In brief, you contend that the only reason that the California people do not control the New York market is because they have not sufficient lemons?

Mr. SAITTA. Yes, sir; the only time when they ship lemons to New York is when they want to try to discourage the Italian people from sending their lemons to New York. If they had enough lemons to supply the demand, they would not need to do that; they could sell them the same as they do the oranges. For instance, last week they shipped into the New York market—when the market was $4 and $4.25, when they saw that there was a steamer coming to the city of New York—they sent 25 cars and broke the market $1 a box.

In other words, if the 25 carloads of California fruit had not arrived in the New York market on that day, the people in New York would have been paying a dollar a box extra, according to the statement of the importer who is asking to have lemons placed upon the free list.

Mr. President, a cent a pound is not a sufficient duty on lemons; and if the duty is not increased, the lemon growers of California will have to go out of business or, at least, they will not be able to market their fruit any farther east than the Missouri River; and the result of the California growers not being able to go farther east than this, and leaving the foreign importers in possession of the New York market, will be to fix the price on lemons in Nebraska, Kansas, Indiana, and other Western States at the New York price, which will be from one to four dollars a box more than it is at present. The people of this country need have no fear of the increase in this tariff, amounting to about 36 cents a box, but what they must fear is an advance in the price of lemons of one to four and possibly as much as five to six dollars a box.

I will ask the Senator from New York [Mr. ROOT], when he replies to what I have to say on this subject, to answer the question whether the elimination of the California lemon grower from the New York market will not increase the price of lemons in that market from one to four dollars a box. In this connection, I desire to call the attention of the Senate to a corporation which has been formed in Italy, authorized by the laws of that country——

Mr. BURKETT. Mr. President——

The VICE-PRESIDENT. Does the Senator from California yield to the Senator from Nebraska?

Mr. FLINT. I do.

Mr. BURKETT. Will the Senator allow me to ask him a question before he goes on with the branch of the subject he is now going to discuss?

Mr. FLINT. Yes, sir; I shall be glad to do so.

Mr. BURKETT. While what the Senator states may control the market in New York, I think the Senator will admit that, as you go west, in all the rest of the country, the California fruit has the protection also of the transportation from there, and though you may have to compete in the port of New York and all along the coast, every mile you get back from New York you have, in addition to the price there, the freight from New York back. That you already have as a protection.

Mr. FLINT. I will say to the Senator that it is contended by the importers, and we admit it to be a fact, that the price of lemons in Kansas, Nebraska, Iowa, Colorado, and in all the Middle Western States is fixed by the New York market. Sixty per cent of the California crop is handled by an organization of farmers called the "California Fruit Growers' Exchange." They have agents in almost every State in the Union, and when they sell a carload of fruit the price is based upon the New York market. A train load of fruit will leave California billed to Chicago, and as orders are received by the exchange from their agents, cars are cut out of the train at various points along the route, and the fruit sold at prices prevailing in the New York market on that day, and the prices in the New York market are fixed at public auction. Whatever the market is in New York the Omaha or Kansas City concern pays for it on that day. The freight on a carload of fruit is the same to all points east of the Rocky Mountains as it is to New York.

Therefore, by reason of the competition in the New York market, the consumer in Kansas and in Nebraska pays a lower price for fruit than if California was eliminated from the New York market.

When a carload or 25 carloads of fruit, or whatever the number may be, arrives at New York or any of the great centers, the fruit is offered for sale at public auction, and the price obtained, whatever it may be, becomes the ruling price for that grade and quality of fruit all over the country on that day. So, as I said a moment ago, the elimination of the California fruit grower from the New York market would make the consumers in this country pay from $1 to $4 a box more for lemons.

Mr. BURKETT. I will say to the Senator that my information with reference to the setting of the price for the Mississippi Valley is different from that; and if the Senator has any quotations of the price, I should be glad to see them.

While I do not expect to go into this subject just now, by my question I was only asking, as a matter of fact, if the California growers did not have the amount of transportation as a protection all the way west, because Sicilian lemons, when they come into New York, would have to pay the transportation. Therefore the California people could charge more if they wanted to, even if they do not do so. My understanding is—and I have received my advices from the Missouri Valley Fruit Jobbers' Association and from dealers—that the price is determined, as the Senator has said, in New York by auction; in fact, I have some of the auction records here for both Sicilian and California lemons. If a man in the Missouri Valley, in Omaha, in Kansas City, or in Sioux City wants to buy lemons for delivery next week, he is told he must pay the ruling price on the day of delivery; and that ruling price will be the auction price in New York plus the freight back to Omaha, or Sioux City, or Kansas City. I have had that statement made to me, and that is the information I have from the Fruit Jobbers' Association.

Mr. FLINT. If that were so, then, as a matter of fact, the consumer or the buyer in Nebraska would be better off than he would be if the California producer was eliminated from the New York market, allowing the foreign importer to fix the price in New York, because the California producer would then charge the buyer in Nebraska just that much more.

Mr. BURKETT. That may be very true, but I am not stating that in any way you may fix it the California man can not do that, because the Sicilian would do it; and, therefore, the California man would have to do it, however we might make the law. What I was trying to get at was an explanation of this point: For that particular part of the California product that is sold in New York, which is a comparatively small part of the entire amount of the product as the conditions are now, there may only be a cent a pound protection; but he has more on all the rest of his product, as it is sold farther West, and, therefore, the cent does not represent the real protection that he has for all the product; but it would be an average of that cent plus what he is protected, by reason of the freight charge that the Sicilian has to pay to get his product across the continent wherever it might be sent. So the protection is more than 1 cent a pound elsewhere than in New York, because that is the minimum protection of any place in this country.

Mr. FLINT. I think that the Senator is correct in the statement of that proposition.

Mr. PERKINS. If my colleague will permit me, the rate on freight from California to New York is the same as it is from California to Denver, to St. Louis, to Minneapolis, or to points in Nebraska. Therefore, there is no advantage to the orange grower or the citrus grower in California by reason of freight in delivering in Denver or in the city where the Senator from Nebraska lives, as compared with New York.

Mr. BURKETT. I understand that, I will say to the Senator; but the contention of many is that when the Sicilian lemon starts back to compete with the California lemon, while the California lemon may pay as much freight to the Missouri River, or, say, to Minneapolis, or wherever it may be, the Sicilian lemon would have to pay that much more to get out there so as to compete with the California lemon, and the California lemon can be sold for just as much more than the New York price as it costs to get the Sicilian lemon out there. Therefore the California lemon does have the transportation charge as an additional protection.

Mr. FLINT. The Senator is correct about that; there is no question about it.

Mr. DOLLIVER. Mr. President——

The VICE-PRESIDENT. Does the Senator from California yield to the Senator from Iowa?

Mr. FLINT. Certainly.

Mr. DOLLIVER. As the Senator knows, I have a feeling of friendly interest in this paragraph, and therefore he will not misunderstand me if I ask a few questions, raised in my own mind, although not settled, by information that has drifted in from time to time since the discussion has been going on. I have heard it said here by people interested against the proposed increase that our people in California can produce only about one-third of the lemons which are consumed in the United States. I should like to have the Senator's statement as to that.

Mr. FLINT. As a matter of fact, Mr. President, the amount of lemons now consumed in the United States is about 12,000 carloads, and of that 12,000 carloads the Mediterranean furnishes 7,000 carloads and California 5,000 carloads. There is no reason why California, on account of her soil and her climatic conditions, can not produce all the lemons that we use in this country, and more. The only reason that we do not produce more lemons is that when we reach the New York market the competition there is so keen at times that we can not compete with the Mediterranean lemon.

Mr. DOLLIVER. I should like to ask another question, if it will not disturb the Senator. I have been told by persons claiming to be more or less familiar with the fruit business that the lemons of California get ripe in the winter time, and that at those periods of the year when the consumption of lemons is largest in the United States, owing to the heat and other circumstances, the California lemon orchards are not productive of lemons. That was told to me by a gentleman who claims to understand the matter; and a Senator, I think, told me that the same thing was true as to the great ripening of the crop of the lemon orchards in Florida as well as in California. I submit that to the Senator, and would like to have him give me the information.

Mr. FLINT. So far as the citrus-fruit industry in Florida is concerned, the Florida orange comes in about October and lasts during October, November, December, and January. The California crop of oranges is of two kinds.

Mr. DOLLIVER. I am speaking of lemons now.

Mr. FLINT. I am going to reach lemons in a moment. Florida lemons are not a competitor in a commercial sense with California lemons, as they only produce about enough lemons in Florida for their own use. They sell none outside of their own State.

In California we have two kinds of oranges, the Washington navel, which comes in about November and lasts until May, and some little into June, but very little; and at that period of the year we have what is known as the "Valencia orange," which is a new variety, so far as California is concerned, having come into the market in the last ten years. We ship the Valencia orange from May to November. So, as a matter of fact, California is serving the people of this country with oranges every month in the year, and at a lower rate than they were sold under the Wilson bill.

I am glad the Senator asked me that question. I have a statement here which shows the percentage of California and foreign lemons arriving during each month of the year.

Mr. ROOT. May I ask the Senator what was the point of arrival?

Mr. FLINT. I will give the figures in a moment of the different arrivals. My recollection is that of the foreign fruit between 70 and 80 per cent arrives at the port of New York.

Mr. ROOT. The Senator spoke of California lemons arriving. I supposed the statistics referred to the arrivals at some specific point.

Mr. FLINT. I should have said "shipped from California," instead of arriving. The figures are as follows:

Month.	Imported lemons.		California lemons.		Total consumption.	
	Per cent imports.	Carloads, crop 1908.	Per cent sold.	Carloads, crop 1908.	Total cars each month.	Per cent of year's supply for month.
January	4	280	9	450	730	6.08
February	4.7	329	9	450	779	6.49
March	8.1	567	7.5	375	942	7.85
April	11.2	784	7.5	375	1,159	9.65
May	14	980	11.5	575	1,555	12.96
June	18	1,260	12.5	625	1,885	15.71
July	16.4	1,148	13.5	675	1,823	15.20
August	9.5	665	4.5	225	890	7.43
September	4	280	3.5	175	455	3.80
October	2.8	196	7	350	546	4.55
November	4	280	8.5	425	705	5.85
December	3.3	231	6	300	531	4.43
Total	100	7,000	100	5,000	12,000	100

From this it will be seen that the California fruit comes in direct competition with the foreign importations every month in the year.

Mr. DOLLIVER. I do not think the Senator has touched the question as to the time these lemons are produced. What is the time of the natural lemon harvest in California?

Mr. FLINT. It is difficult to say just exactly the month that the lemon harvest comes in. There are two great cuttings in the year, one in the fall and one in the spring; but, as a matter of fact, the lemon is picked and shipped from California every month in the year. Owing to the demoralized state of the market there are now over 2,000 carloads of lemons in California that can not be shipped.

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. Does the Senator from California yield to the Senator from Kansas?

Mr. FLINT. I do.

Mr. BRISTOW. I have been told that there is only a limited area of the soil of California that is situated so that it can produce lemons successfully on account of the lack of water, and that this additional duty would add very largely to the value of some real estate holdings there that a number of speculators have, and that that was really the beginning of this campaign for an increase in the duties on lemons. I would like to inquire what area of the California soil is watered, so that it can be planted in additional lemon groves.

Mr. FLINT. There is one valley, known as the "Imperial Valley," where it is generally admitted lemons can be grown, which is almost as large as the State of Kansas, and there are many other places in California where lemons can be grown.

Mr. BRISTOW. It is abundantly watered, is it?

Mr. FLINT. It has all the Colorado River.

Mr. BRISTOW. About how much is there of the Colorado River when it gets into Imperial Valley?

Mr. FLINT. It is estimated that it could irrigate from 500,000 to 1,000,000 acres of land.

Mr. BRISTOW. That is not very definite, of course.

Mr. PERKINS. If my colleague will permit me, I will state that, as a member of the California State Board of Trade, we ascertained that at present we have 9,000 to 10,000 individual orange and citrus fruit growers. There are about 100,000 acres under cultivation, and we have lands in California extending from Red Bluff, in Tehama County, to the Imperial Valley, in San Diego County, and the foothills of the Sierra Nevadas, well adapted to the culture of citrus fruits of all kinds. This same argument was used twelve years ago, when we put the duty on oranges. The result of that duty is that to-day we are supplying oranges cheaper than they have ever been sold before in the country, and of a much better quality. So it will be with lemons, if we can have this protection. It not only provides protection, but, I will say to my colleague, it is a revenue measure, which ought to be supported by every Member of Congress. Under the present law this duty brought in last year $2,309,035, and under the proposed increase in the duty it will make an increase in the revenue of $769,000, in round figures.

Mr. FLINT. I will state to the Senator from Kansas that there is absolutely no foundation for the statement that it would be possible to have any speculation in land in California based on an increase in the duty on lemons.

Mr. BRISTOW. Is this vast area of land which the Senator has referred to watered or situated so that it can be watered, and are ditches constructed or being constructed?

Mr. FLINT. It is not all under ditch now.

Mr. BRISTOW. How many acres are under ditch now?

Mr. FLINT. I would not want to say exactly—over 300,000 acres.

Mr. BRISTOW. Three hundred thousand acres that are not being cultivated?

Mr. FLINT. Oh, it is under cultivation of some kind.

Mr. BRISTOW. It came to me in a way that impressed me very much that some real-estate speculators, who had irrigation plants and ditches, and so forth, thought that this increase of 50 per cent in the duty on lemons would be of very great value to them, and therefore they were exceedingly anxious to have it adopted.

Mr. FLINT. I will repeat my statement to the Senator from Kansas that there is absolutely no foundation for that story. The citrus-fruit industry is not limited to California. As a matter of fact, they are now planting orange groves in Texas. They can be grown in most all the Southern States, including New Mexico and Arizona. Not only in southern California, but throughout the State, oranges and lemons can be produced; and I can say to the Senator that there is absolutely no foundation for the statement that there is any real-estate speculation involved in the proposed increase of duty of half a cent a pound on lemons.

I was just at the point of calling the attention of Senators to what would be the effect of the elimination of the California lemon growers from the New York market; and I want to state, as strongly and positively as I can, that if we do not have an increase in the duty on lemons, it will mean, as far as the eastern market is concerned, the elimination of the California growers.

I ask consent to print in my remarks a copy of the articles of incorporation or charter which the Italian Government has granted to a citrus-fruit chamber. The purpose of this organization is to limit the amount of citric acid that is shipped from Italy and to fix the minimum price.

Consul Cheney, in his report on the lemon industry in Sicily, says:

A new law was enacted on June 5, 1908, whereby a citrus-fruit chamber (camera agrumaria) was established, the object of this new law being to centralize the sale of citrate of lime and lemon juice under the direct control of the chamber. All goods which are not sold through the chamber are subject to a tax which is estimated at 25 to 30 per cent of the normal value, whereas goods sold to the chamber only pay a commission of 2 per cent.

The result of this is simply the authorization by the Italian Government of the formation of a combination by which the price of citrate of lime, a by-product of the lemon, is fixed for the entire world; and if the California lemon grower were eliminated from the market, there would be a similar combination for fixing the price on lemons.

Not only that, but the New York importers formed an organization a year or two ago by which they sought to control the imports into this country, and I ask to have printed in my remarks a copy of the articles of incorporation of the Fruit Importers' Union of New York.

The VICE-PRESIDENT. If there be no objection, the request of the Senator for the printing of these documents will be complied with. [After a pause.] The Chair hears no objection.

The documents referred to are as follows:

Victor Emmanuel III, by the Grace of God and by the will of the Nation King of Italy:

The Senate and the Chamber of Deputies have approved: We have sanctioned and do promulgate as follows:

ARTICLE I.

A citrus fruit chamber (camera agrumaria), with its seat at Messina, is established, which has for its scope the protecting and furthering of the interests relating to the production of and commerce in the citri and the facilitating of the manufacture of and trade in the citrus derivatives. To which end the following functions are accorded to the chamber:

(a) To study and promote the provisionary measures for the development and regulation of the commerce in the citri and their derivatives;

(b) To undertake and furnish to interested parties information regarding the conditions of the principal markets and regarding the quantity of fruit in situ or in transit;

(c) To facilitate and further the direct relations of exchange between the producers and consumers of the citri and derivatives;
(d) To develop the consumption of the derivatives of the citri, seeking for them new outlets or new uses or applications;
(e) To guarantee by issuance of certificates of analysis, given by chemical laboratories of the citrus fruit chamber or by others recognized by the same, the genuineness and the quality of the citrate of lime and of the concentrated juice produced in the Kingdom, whether for internal consumption or for exportation;
(f) To attend, for account of the producers who may make request for it, and in the forms established by this law, to the sale of citrate of lime and of concentrated juice which has been delivered to said chamber for that purpose by the producers themselves;
(g) To promote, wherever necessary, the establishment of general storehouses for the citrus derivatives in the centers of production which are unprovided with such storehouses;
(h) To make advances upon the deposits of citrus derivatives or upon certificates of deposit of the derivatives themselves in the general storehouses, within the limits and in accordance with the regulations laid down by this law;
(i) To promote and facilitate the establishment and operation of factories for citric acid, candied fruits, and other products derived from the citri;
(l) To promote the formation of a citrus fruit bank, which may make advances upon deposit to the citrus producers and manufacturers.
The functions of the chamber as detailed in sections "e" and "f" may be, by royal decree, extended to other derivatives of the citri.

ARTICLE II.

There are established five sections of the citrus fruit chamber whose seats shall be, respectively, in Palermo, Catania, Messina, Siracusa, and Reggio, Calabria.
Each section is composed of 3 members chosen among the larger producers of citri, 2 nominated by the provincial deputation and 1 by the local chamber of commerce.
Until it will have been otherwise provided by special laws to be presented by the 30th of June, 1909, for the organization of elected representation by an assembly of delegates of the producers, the chamber shall consist of 9 members, of whom 5 shall be chosen, respectively, by the sections from among their own members; the other 4 shall be chosen by the minister of agriculture, industry, and commerce from the class of the citri cultivators after hearing from the issue banks.
The members of the sections and of the citrus fruit chamber must possess Italian citizenship.
In case the appointments are not made by the time established by the minister of agriculture, industry, and commerce, the same minister shall provide for the nomination of the counselors.
The counselors, thus nominated, shall elect from among themselves, by secret ballot and absolute majority of votes, the president and vice-president.

ARTICLE III.

The office of counselor of the chamber is gratuitous.
The chamber shall appoint a technical manager, a secretary, and the other requisite employees for its operation, within the limits of the plan to be approved by the minister of agriculture, industry, and commerce, by whom, moreover, the salaries for the said force must be approved.

ARTICLE IV.

Commencing with the fifteenth day following the first formation of the chamber, citrate of lime and concentrated juice shall not be admitted for transport upon the railroads or for shipment in the ports of the Kingdom, if they are not accompanied by a certificate of analysis issued by the citrus fruit chamber.
Exception is made for shipments sent to the magazines appertaining to the said chamber, or made in view of transportation or concentration of the products in magazines in which the said products are to remain while awaiting sale for consumption or for exportation. In these cases the circulation of said products must be effected according to the instructions which shall be established by the rules of administration for assuring the payment of the chamber tax, in accordance with Article II, when they may be sold for consumption or exportation.

ARTICLE V.

Whoever produces citrate of lime or concentrated juice or trades in these products may intrust the sale to the citrus chamber, depositing the merchandise either in the magazines of the respective sections or in another one of the citrus fruit chamber, or in the general magazines authorized by said chamber to take delivery of the merchandise for its account.
The sale is made by the chamber for account of the depositors, according to the order of precedence in which the merchandise was delivered.
At the commencement of each trading year the chamber establishes the minimum valuation of the merchandise for the entire season; this valuation marks the minimum price of sale below which the chamber can not cede the goods.
The proceeds are liquidated in favor of the several depositors at semiannual periods and in equal measure for all, according to the rules for computation, which shall be determined by the rules of administration.

ARTICLE VI.

To the citrus fruit chamber is transferred, as first capital and without obligation of reimbursement, the sum of lire 200,000 ($38,610), to be levied upon the sums set aside in the expense budget of the minister of agriculture, industry, and commerce, based upon the law of July 11, 1904, No. 376.
With said sum and with the proceeds of the tax provided by Article XI, the citrus fruit chamber is authorized to make the advances upon certificates of deposit of the citrus derivatives in the general magazines, subject to the dispositions of Article XII.

ARTICLE VII.

The said advances are made in the proportion of two-thirds of the value of the citrus derivatives.
Upon these advances interest is due at the rate of not exceeding 4½ per cent from the date the advance has been made to that of sale.

ARTICLE VIII.

The banks of issue are authorized to discount, at a special rate, in the proportion established by the preceding article, and according to the terms of Article XXX of the unified text of laws upon the before-mentioned banks, modified by the law of December [illegible] 1907, No. [illegible]4, the warrants of the citrus derivatives, upon whose certificates of deposit the citrus fruit chamber may have made advances, subject to the dispositions of Article XII.

ARTICLE IX.

At the time of effecting the advances upon the goods delivered to the chamber for sale, the chamber itself shall cause the analytical examination of them to be made. After the advance has been made, the goods are understood to be definitely delivered for sale.

ARTICLE X.

When the goods of each depositor are sold, the chamber pays on account the portion of the price which remained after the advance, thus completing the payment of the minimum price of the annual valuation.
The liquidation of the actual price of sale shall be made at the end of each half year—that is, on June 30 and December 31 of each year—upon the basis of the actual net profit of sales made during the half year.

ARTICLE XI.

Upon the citrate of lime and upon concentrated juice, for which the certificate of analysis is requested for transport upon the railroad or for shipment, in accordance with Article IV, the chamber collects a chamber tax, the proceeds of which are destined to defray the expenses of administration and others dependent upon the disposition of this law and to contribute to the formation of the capital of the chamber.
For the products not intrusted to the chamber for sale, the chamber tax is liquidated and exacted upon the certificate of analysis, based upon the quantity for which the certificate itself is issued and in the maximum proportion of lire 0.60 ($0.116) per quintal (220 pounds) and per each per cent in grams of citric acid, adding together the free citric acid and the combined citric acid.
The chamber tax upon the products sold by the said chamber for the account of the respective owners is exacted by levying 2 per cent upon actual net proceeds of the sale. No other sum may be levied upon the sale price, the warehouse charges and also the cost of analysis being understood to be covered by the said levy.
The chamber may also sell on the spot. In this case there shall not be due by the purchaser, even though he may wish to export, at the time when the certificate is issued to him, the tax provided in this article, which shall be understood to be included in the price.
The certificate of analysis must in every case be visèed in exemption of stamp dues or every other expense.

ARTICLE XII.

From the proceeds of the before-mentioned tax 20 per cent shall be put aside and paid in to the Bank of Sicily on current account, bearing interest and mortgaged in favor of the banks which have made the advances, in the guaranty of the full payment of their credits arising from the operations made by them under the terms of this law.

ARTICLE XIII.

In case of proven irregularity in administration or the inobservances of the dispositions of this law and of the rules of administration as in Article XVI, or upon the ascertained impossibility to operate, the citrus fruit chamber may be dissolved by royal decree upon proposal of the minister of agriculture, industry, and commerce.
In case of dissolution, the administration is intrusted to a government commissioner until the installation of a new council, for which a limit of not exceeding three months shall be fixed.

ARTICLE XIV.

Disputes between the chamber and whoever may have intrusted to it the sale of citrus derivatives in accordance with Article V shall be decided without appeal by three arbitrators. For this purpose there shall be formed a body of six arbitrators, of whom three shall be experts in legal matters and three experts in citrus-fruit matters, nominated and if necessary surrogated, two by the minister of agriculture, industry, and commerce, two by the first president of the appellate court of Palermo, and two by the chamber.
In the decision of each individual case there may not intervene more than two experts of one category, or more than one of those nominated by the chamber.
The selection of the arbitrators shall be made the first time by lot and thereafter by turn.
The costs of arbitration shall be borne by the party against whom judgment is given.

ARTICLE XV.

To the industrial establishments for the working up of the citri, the candied citri included, and for the production or transformation of the citrus derivatives, which shall be founded in Sicily or in the Province of Reggio, Calabria, within the period of ten years from the date of this law, and to those already existing, there may be enlarged or transformed within the said period of time, for the increase of the production or transformation of said derivatives, are respectively extended the privileges accorded to new or enlarged establishments in the commune of Naples, according to Articles VII, VIII, XII, XIII, and XIV of the law of July 8, 1904, No. 351.

ARTICLE XVI.

Within two months from the day of its installation the chamber must submit for approval to the minister of agriculture, industry, and commerce its own rules of administration.
The rules shall determine:
(a) The rules for internal administration.
(b) The powers and responsibility of the president and of the several administrators.
(c) The rules for the nomination and the eventual dismissal of the technical manager, of the secretary, and of the other employees.
(d) The rules for the computation of the final liquidation of the price obtained from the citrus derivatives delivered for sale to the chamber, and whatever else may be necessary for the easiest attainment of the objects for which the chamber is established.

These rules of administration shall be approved by royal decree upon proposal of the minister of agriculture, industry, and commerce.

By the same royal decree shall be established the rules for the governmental supervision of the administration and the working of the chamber and the penalties for the violation of the dispositions of Article IV.

By royal decree shall be fixed the day when the citrus-fruit chamber is understood to be established for the effects of Article II.

Such day can not be earlier than September 1, 1908.

By the same decree the relation between the functions of the sections and those of the citrus-fruit chamber shall be regulated.

ARTICLE XVII.

The chamber shall bank with the Bank of Sicily under the conditions and rules which shall be established by the rules of administration, as in the preceding article.

ARTICLE XVIII.

By royal decree there may be established a term of less than two months for the notice required for the working of the citrus general storehouses in conformity to the relative law.

ARTICLE XIX.

When the capital of the citrus chamber, as in Articles VI and X, shall have reached the sum of 1,000,000 (lire) upon the ulterior net profits, the chamber shall set aside annually 20 per cent for granting aid for sickness and old age to the citrus-fruit operatives. The relative amounts shall be paid in semiannually to the national institution for aiding in sickness and old age of workmen (National Aid Institution, Cassa Nazionale di Previdenza), which shall administer the relative sums according to the contract which shall be established between said Cassa and the citrus-fruit chamber.

ARTICLE XX.

In case of the suppression of the citrus-fruit chamber the capital accumulated in the period of its activity shall, by royal decree, proposed by the minister of agriculture, industry, and commerce, and after the council of ministers has been heard, be devoted in favor of citrus production, and employed in the manner which shall be judged most useful, and which shall be established by special law.

TEMPORARY REGULATIONS.

ARTICLE XXI.

Commencing from the day in which the citrus-fruit chamber shall operate until the 31st of August, 1909, the citrate of lime and concentrated juice which will be deposited with the said chamber shall not enjoy, as to obligations toward the respective depositors, the precedence laid down in the second section of Article V, and the proceeds of the sale shall be distributed among all the depositors in proportion to their respective deposits.

The first liquidation shall be made December 31, 1908; the second August 31, 1909.

We order that the present, under the seal of state, be inserted in the official list of the laws and decrees of the Kingdom of Italy, commanding all whom it may concern to observe the same and cause it to be observed as a law of the State.

Dated at Rome, the 5th day of July, 1908.

VICTOR EMMANUEL.
F. COCCO-ORTU.
CARCANO.
LACAVA.

Viséed: *The Guardian of the Seal, Orlando.*

Certificate of incorporation of the Fruit Importers' Union.

STATE OF NEW YORK,
City and County of New York, ss:

We, Charles F. Hirzel, Horace W. Day, Giovanni Dominici, Frederick S. Robinson, Domenico Bonanno, Otto W. P. Westervelt, Antonio Minaldi, Henry W. Mitchell, Pietro Sciortino, Domenico Purpura, Louis Contencin, Alessandro Alessi, Pietro Brucato, Giuseppe Cutietta, Matteo Maniscalco, Pietro Larni, Nicolo Zito, Pietro Bajata, Vittorio Balassi, Michelangelo Pettinato, Giuseppe Villari, Benedetto Izzo, Henry Feltmann, Carl F. Braun, Ignazio Mercadante, and Tommaso Gloe, being of full age, two-thirds of whom are citizens of the United States and a majority of whom are residents of the State of New York, do by these presents and in conformity with the act of the legislature of the State of New York, being chapter 228 of the laws of the year 1877, passed May 3, 1877, and entitled "An act to provide for the incorporation of exchanges or boards of trade," and the several acts amendatory thereof, do hereby associate ourselves together and form a corporation.

First. The name of the corporation shall be "The Fruit Importers' Union."

Second. The objects for which this corporation is formed are to promote the interests of the importers of foreign fruits at New York City and other American ports, to facilitate trade and commerce, to protect its members from unjust or unlawful exactions, to reform abuses in trade, to diffuse accurate and reliable information among its members as to the standing of merchants and other matters, to produce uniformity and certainty in the customs and usages of trade, to settle differences between its members, and to promote a more enlarged and friendly intercourse between the importers of foreign fruits in the city of New York.

Third. This corporation shall not have any capital stock.

Fourth. The time of the existence of this corporation shall be fifty years.

Fifth. The property, affairs, business, and concerns of this corporation shall be managed for the first year by twelve trustees, whose names are as follows: Charles F. Hirzel, Horace W. Day, Giovanni Dominici, Frederick S. Robinson, Domenico Bonnano, Otto W. P. Westervelt, Antonio Minaldi, Henry W. Mitchell, Pietro Sciortino, Domenico Purpura, Louis Contencin, Alessandro Alessi, who together shall constitute a board of trustees for the first year, their successors to be elected annually at such time and place as may be provided by the by-laws of this corporation, all of the above named being citizens of the United States and a majority of whom are citizens and residents of the State of New York.

Sixth. The principal office of the said corporation shall be located in the city and county of New York.

In witness whereof we have hereunto set our respective hands and seals this 23d day of July, in the year 1895.

[SEAL.] Charles F. Hirzel, Horace W. Day, Giovanni Dominici, Fredk. S. Robinson, Domenico Bonanno, Otto W. P. Westervelt, Antonio Minaldi, Henry W. Mitchell, P. Sciortino, Domenico Purpura, Louis Contencin, Alessandro Alessi, Pietro Brucato, Giuseppe Cutietta, Matteo Maniscalco, Pietro Larini, Nicolo Zito, Pietro Bajata, Vittorio Balassi, Michelangelo Pettinato, Giuseppe Villari, Benedetto Izzo, Henry Feltmann, Carl F. Braun, Ignazio Mercadante, Tommaso Gloe.

In presence of—
WILLIAM HOLDEN WEEKS.

STATE OF NEW YORK,
City and County of New York, ss:

On this 26th day of July, 1895, before me personally came William Holden Weeks, subscribing witness to the foregoing instrument, with whom I am personally acquainted, who being by me duly sworn, said: That he resided in the city of New York; that he knew Charles F. Hirzel, Horace W. Day, Giovanni Dominici, Frederick S. Robinson, Domenico Bonanno, Otto W. P. Westervelt, Antonio Minaldi, Henry W. Mitchell, Pietro Sciortino, Domenico Purpura, Louis Contencin, Alessandro Alessi, Pietro Brucato, Giuseppe Cutietta, Matteo Maniscalco, Pietro Larini, Nicolo Zito, Pietro Bajata, Vittorio Balassi, Michelangelo Pettinato, Giuseppe Villari, Benedetto Izzo, Henry Feltmann, Carl F. Braun, Ignazio Mercadante, and Tommaso Gloe, and know them to be the individuals described in and who executed the foregoing instrument; that he was present when they and each of them severally executed the same, and that they and each of them for himself acknowledged to him, the said William Holden Weeks, that they and each of them executed the said instrument, and that he, the said William Holden Weeks, thereupon subscribed his name as a witness thereto.

JOS. N. GOLDBACHER,
Notary Public, New York County.

STATE OF NEW YORK,
Office of the Secretary of State, ss:

I have compared the preceding with the original certificate of incorporation of the Fruit Importers' Union, filed and recorded in this office on the 27th day of July, 1895, and do hereby certify the same to be a correct transcript therefrom and the whole of said original.

Witness my hand and the seal of office of the secretary of state, at the city of Albany, this 25th day of May, 1909.

[SEAL.] HORACE G. TENNANT,
Second Deputy Secretary of State.

Indorsed: Certificate of incorporation of the Fruit Importers' Union. State of New York, office of secretary of state. Filed and recorded July 27, 1895, 11 a. m. Andrew Davidson, deputy secretary of state.

Mr. FLINT. If we eliminated the California fruit grower from the New York market, we would be in this position: First, there would be a combination in the Mediterranean to maintain prices all over the world, as they would have no opposition if the California grower was eliminated; and then there would be a combination of the importers in the city of New York, and the price of lemons throughout this country would be just what those importers desired to make it.

The question that the Senate has to solve is whether lemons shall sell for two or three dollars a box or eight or nine dollars a box; and I ask the Senators whether they believe that the price would be lower in this country with the California producer in competition with the foreign producer, or with the California producer eliminated and the country left to a combination of the producers in Italy and a combination of the foreign importers in New York?

There can be no such thing as a combination among the fruit growers of California. While about 60 per cent of the fruit is shipped by a cooperative fruit organization, the remaining 40 per cent comes in direct competition with this fruit growers' association and all of it comes into competition with the fruit importers; so that we have to-day as strong a competition on lemons as it is possible to have. Now, the question is, Is it necessary for the California fruit growers to have an increase in tariff to enable them to continue in the business, or is the present duty sufficient? I ask to print a statement showing the cost of California fruit delivered in the eastern market to be $2.32 a box.

The VICE-PRESIDENT. If there be no objection, the permission will be granted. The Chair hears no objection.

The statement is as follows:

The average cost of a box of lemons in California, on cars ready for shipment, is $1.48, which includes all the expenses of cultivation, water, fertilization, fumigation, picking, handling, packing, and material used, and every item entering into the cost, excepting interest upon the investment in the groves and packing houses. Of this cost the amount expended for material is 48 cents, and the amount expended for labor per box is $1.

The cost of transportation to eastern markets is 1 cent per pound, gross weight, or a total per box of 84 cents; making a total net cost per box, without interest, for delivering California lemons to eastern markets, $2.32.

Mr. FLINT. Also a statement showing the cost of the foreign importations to be $1.84.

The statement is as follows:

We have authentic information from the American consul at Palermo, Italy; from John Triola, now the manager of the Flagler Company, at Corona; and other persons experienced in growing and shipping fruit from Italy, that the actual cost of labor in Italy ranges from a franc and one-half (30 cents) to 3 francs (60 cents) per day; that the actual cost in Italy of producing a box of lemons, exclusive of interest, is 75

cents, of which amount there is expended for material 50 cents, which includes water, fertilizer, and packing materials; and there is expended for labor per box 25 cents.

The rate of transportation to America per box is 25 cents, making a total cost, without interest, of a box of lemons from Italy, in New York Harbor, $1; and after paying the duty, amounting to 84 cents, makes a total cost on New York market of $1.84, as against the cost of the California lemon of $2.32; or a difference in favor of the Italy grower per box of 48 cents.

According to our consul's report the average production in Italy is about 300 boxes per acre, which means that a grower in Italy can make per acre $150, selling lemons at a price which would leave the California grower no returns whatever. From this situation it is very evident that one of the three alternatives must occur—either the tariff duty must be advanced to 1½ cents per pound, or the price of labor must be materially reduced, or we, as a Nation, must continue to eat foreign lemons.

Mr. FLINT. The increase in this rate amounts to about 36 cents a box. Under the present market conditions the California grower is not able to enter the New York market, as imported lemons are now selling in the New York market for less than the cost of California fruit delivered.

Mr. BURKETT. Mr. President——

The VICE-PRESIDENT. Does the Senator from California yield to the Senator from Nebraska?

Mr. BURKETT. Will the Senator let me ask him a question?

Mr. FLINT. Certainly.

Mr. BURKETT. This is the important point in all this discussion, it seems to me. I have here the brief of the Lemon Growers' Association as they filed it before the Ways and Means Committee of the House. I will begin in 1906. I might go back, although some years are not quite so large. In 1906 the profits per acre of the lemon orchards, as shown by the brief which they filed——

Mr. FLINT. What page?

Mr. BURKETT. I have page 3862. The profit of the lemon growers in 1906 was $119 an acre; in 1907 it was $88 an acre; in 1908, $50 an acre. There was a year—1900—when it seems to have been very low—$3 per acre. That is the profit after taking out the expenses, as I take it; but the lowest is $3 an acre. Then it runs to $10 an acre, $14 an acre, $18 an acre, $28 an acre, $48 an acre, $69 an acre, $50 an acre, $88 an acre, $119 an acre. It runs from $3 an acre to $119 an acre. To one who lives in an agricultural region, of course, that seems an enormous profit.

I understand that the price of the land is a great deal higher than average agricultural land; but, nevertheless, with almost any priced land, those profits—clear profits—certainly represent more than land in any other agricultural section in this country yields.

I can not understand, therefore, the Senator's statement, which he has just made, that the lemon planters are in a very serious condition and that they can not sustain themselves under the present duty. That, together with the fact, as shown in the first column of the same table, that this industry in planted acres has grown from 6,518 acres in 1898 to 16,718 acres in 1908—almost treble in ten years—makes it difficult for one to understand the statement of the Senator with reference to their condition; and if the Senator can explain it, I should like to hear the explanation.

Mr. FLINT. The Senator did not read the entire statement. I wish he had done so. I will ask to have it inserted in the RECORD as a part of my remarks. It shows the average profit per acre during the ten years to be $43.19 an acre.

The table referred to is as follows:

Citrus industry in California for eleven years—Average production, selling price, cost of production, and profit of an average grove per acre.

Variety.	Year.	Acres.	Boxes produced.	Total boxes.	Average price per box f.o.b.	Gross average per acre.	Producing cost per acre without interest.	Selling cost per acre.	Profit per acre.
Oranges	1896	30,193	5,371,000	5,734,800	$1.25	$191.00	$172.00	$9.00	$10.00
Lemons	1898	6,518	363,800						
Oranges	1899	34,996	3,628,000	3,909,800	1.72	184.00	101.00	5.00	43.00
Lemons	1899	8,672	281,800						
Oranges	1900	39,146	6,283,000	6,734,500	1.70	228.00	151.00	8.00	69.00
Lemons	1900	10,827	451,500						
Oranges	1901	43,162	8,459,500	9,371,800	1.22	203.00	190.00	10.00	3.00
Lemons	1901	12,979	912,300						
Oranges	1902	47,245	7,499,900	8,378,500	1.68	225.00	153.00	8.00	64.00
Lemons	1902	15,119	878,600						
Oranges	1903	48,036	8,438,800	9,265,300	1.29	191.00	168.00	9.00	a14.00
Lemons	1903	14,412	826,500						
Oranges	1904	52,251	10,306,200	11,174,200	1.09	198.00	205.00	11.60	18.00
Lemons	1904	9,226	868,000						
Oranges	1905	59,828	10,538,200	11,871,700	1.37	231.00	193.00	10.00	28.00
Lemons	1905	10,399	1,333,500						
Oranges	1906	67,405	9,170,700	10,352,900	2.11	276.00	149.00	8.00	119.00
Lemons	1906	11,572	1,182,200						
Oranges	1907	85,738	9,908,000	11,005,300	2.00	221.00	126.00	7.00	88.00
Lemons	1907	13,478	1,097,300						
Oranges	1908	104,073	10,486,000	12,071,000	1.75	170.00	114.00	6.00	50.00
Lemons	1908	16,718	1,585,000						
Total oranges			90,089,300	99,869,800					
Total lemons			9,780,500						
Average					1.56	208.00	156.54	8.27	43.19

a Loss.

Total profit on investment, $43.19 per acre. Average cost of 1 acre, $1,000. Average interest on amount, 4.3 per cent.

Mr. FLINT. The price of land in California is not excessive. The value of the land is about $300 per acre. The cost of bringing a lemon grove into bearing is about $1,000 per acre. I have understood from the Senator that there are in his State lands worth $300 an acre.

Mr. BURKETT. There is not for agricultural purposes, I will say. There might be a small piece of land close to a city somewhere, but not land for agricultural purposes.

Mr. FLINT. I know that in the States of Idaho and Montana, and in various other States, apple land sells for $300 an acre; and as high as $500 an acre, the Senator from Utah says.

Mr. BURKETT. That might be true with respect to a special apple or peach orchard in our State, but not as to land for general agricultural purposes.

Mr. ALDRICH. If it will be convenient to the Senator from California to proceed with his argument on Monday, I will move that the Senate adjourn.

Mr. FLINT. Certainly.

Mr. ALDRICH. I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 50 minutes p. m.) the Senate adjourned until Monday, May 31, 1909, at 10 o'clock a. m.

SENATE.

MONDAY, *May 31, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of the proceedings of Saturday last was read and approved.

PETITIONS AND MEMORIALS.

Mr. WARNER presented a memorial of sundry employees of the Kansas City Post, of Kansas City, Mo., remonstrating against the imposition of a duty on news print paper and wood pulp, which was ordered to lie on the table.

Mr. DEPEW presented memorials of Local Union No. 113, International Brotherhood of Stationary Firemen, of Palmer; of Local Union No. 269, International Brotherhood of Stationary Firemen, of Fort Edward; and of sundry compositors, stereotypers, mailers, and pressmen of the Abdenblat, of the New Yorker Staats-Zeitung, of New York City, all in the State of New York, remonstrating against a reduction of the duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented a memorial of the Marine Trades Council of the port of New York, remonstrating against the disrating of employees in the New York Navy-Yard, which was referred to the Committee on Naval Affairs.

Mr. FRYE presented a petition of the mailers, compositors, stereotypers, and pressmen of the Lewiston Journal Company, of Lewiston, Me., praying for a reduction of the duty on print paper and wood pulp, which was ordered to lie on the table.

He also presented petitions of the International Brotherhood of Pulp, Sulphite, and Paper Mill Workers, of Chisholm; and of Local Union No. 14, International Brotherhood of Pulp, Sulphite, and Paper Mill Workers, of Lisbon, in the State of Maine, remonstrating against a reduction of the duty on print paper and wood pulp, which were ordered to lie on the table.

Mr. ROOT presented memorials of the board of education of Fort Edward; of Local Union No. 5, of Ticonderoga; Local Union No. 20, of Piercefield; Local Union of Fort Edward, and of Fenimore Local Union No. 2, of Sandy Hill, all of the International Brotherhood of Pulp, Sulphite, and Paper Mill Workers; of Local Union No. 130, of Watertown; Local Union No. 17, of Syracuse; Local Union No. 189, of Ticonderoga; Local Union No. 269, of Fort Edward; Local Union No. 241, of Piercefield, and of Local Union No. 113, of Palmer, of the International Brotherhood of Stationary Firemen, all in the State of New York, remonstrating against a reduction of the duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented a memorial of the New York City Federation of Women's Clubs, remonstrating against the condition of affairs in Armenia, which was referred to the Committee on Foreign Relations.

He also presented memorials of the compositors, stereotypers, and pressmen of the Troy Record, of Troy; the Journal of Commerce and Commercial Bulletin, of New York City; the Star-Gazette, of Elmira; the Brooklyn Daily Times, of Brooklyn; the Evening Standard, of Cortland; the Syracuse Journal, of Syracuse; the Abendblatt, of the New Yorker Staats-Zeitung, of New York City; the North Side News, of New York City, and of sundry newspaper workers of Brooklyn, New York City, Bath Beach, Sheepshead Bay, and Glendale, all in the State of New York, remonstrating against any change being made in the rate of duty fixed by the House bill on print paper and wood pulp, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GALLINGER:

A bill (S. 2496) granting an increase of pension to Sophia W. Sanborn (with the accompanying papers); to the Committee on Pensions.

By Mr. JOHNSTON of Alabama:

A bill (S. 2497) for the relief of the heirs of Susan Fletcher, deceased; to the Committee on Claims.

By Mr. WARREN:

A bill (S. 2498) for the relief of the heirs of Richard W. Meade, deceased; to the Committee on Claims.

By Mr. CHAMBERLAIN:

A bill (S. 2499) extending the provisions of the bounty-land law of March 3, 1855, to persons who participated in the Indian wars of the United States prior to April 12, 1861; to the Committee on Public Lands.

By Mr. STEPHENSON:

A bill (S. 2500) granting an increase of pension to James C. Watson (with the accompanying papers); to the Committee on Pensions.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed and the calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The pending question is on the amendment of the Committee on Finance to paragraph 273. It will be read.

The SECRETARY. In paragraph 273, page 84, line 7, before the word "cents," it is proposed to strike out "one-fourth" and insert "one-half," so as to read:

Lemons, 1½ cents per pound.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. FLINT. Mr. President——

Mr. HEYBURN. Mr. President, I would suggest the absence of a quorum.

The VICE-PRESIDENT. On that suggestion the Secretary will please call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clarke, Ark.	Hale	Perkins
Beveridge	Clay	Heyburn	Rayner
Bradley	Crawford	Hughes	Root
Briggs	Culberson	Johnson, N. Dak.	Scott
Bristow	Cummins	Johnston, Ala.	Smith, Md.
Brown	Curtis	Jones	Smith, Mich.
Bulkeley	Dick	Kean	Smoot
Burkett	Dillingham	Lodge	Sutherland
Burnham	Dolliver	McEnery	Warner
Burrows	Fletcher	Nelson	Warren
Burton	Flint	Oliver	Wetmore
Carter	Foster	Page	
Clark, Wyo.	Gallinger	Penrose	

Mr. JONES. I desire to state that my colleague [Mr. PILES] is necessarily absent from the Chamber on business this morning.

The VICE-PRESIDENT. Fifty Senators have responded to their names. A quorum of the Senate is present. The Senator from California will proceed.

Mr. FLINT. Mr. President, I do not intend to delay the Senate much further in discussing this subject.

A question was asked me by the Senator from Nebraska [Mr. BURKETT], as I was closing my remarks on Saturday, as to the cost and the profit per acre from a lemon grove. The profit on an average grove, as shown by the report that I submitted in my remarks, is $43.65 per acre for the entire citrus-fruit industry in southern California during the last eleven years. The average profit which lemon growers have received during this period is about 4 per cent on their investment.

The points I desire to call to the particular attention of the Senate are: Should we allow this industry to be destroyed by foreign importations, and, if the industry is destroyed, will it not result in an increase in the price of lemons in this country?

We have imported during the last ten years 1,679,669,265 pounds of lemons, with an approximate net profit to a small group of importers of $16,796,692, which sum would buy the 16,000 acres of lemon groves in California which 5,000 men have worked twenty years to produce.

The reason why the production of both oranges and lemons in California insures moderate prices is because the inviting business, from the standpoint of health, comfort, and a pleasing occupation, leads to a production that at all times equals the consumption in the markets available at living prices. The product, being perishable, is not subject to speculation, manipulation, or monopoly. The entire crop must be marketed in this country and continuously as it matures. This condition insures at all times a full supply, and therefore the consumer has the larger voice in fixing the market price. It is also worthy of notice that California has 10,000 growers and producers of citrus fruits, and this large body of men can never be worked as a unit, while the importers are confined to a very small group, closely associated.

The production of each carload of lemons in California means the expenditure of $325 for labor directly, and in addition to the amount for labor expended in producing the orchard to bearing age and the labor expended in making boxes and wrapping paper in which to pack the fruit and the preparation of fertilizers for the ground and in securing water supply for irrigation; so that it can be safely said that for every additional car that California is allowed to produce it will mean a good living for a family. If the increase of duty be granted, it will mean approximately 5,000 additional cars of lemons per annum in ten years from this time and support for an additional population of 25,000 people, and this amount will be gradually increased as the consumption of lemons is increased through lower prices and better education in the use of the lemon as an article of diet and medicine.

It is contended that the California producers can not supply the lemons consumed in this country. This is true at present. It would not be possible for the California producers at this time to supply the 12,000 carloads annually consumed in the United States. But, unless we have this protection, it will only be a short time until we will not be able to supply even the part we are now supplying. At the present time lemons are selling at a price at which they can not be produced in California, and the argument is made that, notwithstanding this fact, the tariff should remain as it is. It would be a very short-sighted policy for the people of the United States to permit the lemon industry in this country to be destroyed in order that they may buy lemons at a few cents per dozen cheaper for the time being, because such a policy would inevitably result in their paying much higher prices when the competition of the product shall have ceased and the importer obtained a monopoly in our markets.

In a few years the production of lemons in California can be greatly increased by budding over orange trees, and within seven or eight years new orchards planted immediately after the passage of this bill would commence bearing, and within ten to twelve years we would be in a position to supply practically the entire market as we do at the present time with oranges.

Another matter that I want to emphasize is that, under present market conditions in New York, the California grower can not compete with the foreign lemons. The market during the last few days has averaged $1.50 a box. I have here the last auction, showing Palermo lemons, by steamship *Irena*, sold at auction by Brown & Seccomb, Thursday, May 27, 1909, as follows:

One hundred and nine boxes, from $2.25 to $2.15.
Twenty boxes, at $2.05.
Twenty-one boxes, at $2.

Then follow prices running down to 21 boxes, at $1.20; 22 boxes, at 75 cents; 98 boxes, at $1; 59 boxes, at $1.05; 50 boxes, at $1.15; and 21 boxes, at $1.50. During the last month the lemon market has not averaged $1.70 a box. Yet it costs the California producer $2.32 to land lemons in the New York market.

The effect of this is that we have to-day, as I have stated, over 2,000 carloads of lemons in California that can not be shipped, many of them going to decay. The result of such a market means the reducing of the acreage in California, so that in a short time we will be in a position to supply only the market west of the Missouri River; and the result will be that the foreign fruit grower will control the New York market, and thus advance the price for the entire country. Without the competition of the California grower in that market, as I have shown by the testimony of Mr. Saitta before the Committee on Ways and Means, the price of lemons will increase.

Mr. President, there has been a report made by Mr. Powell that has been commented upon, giving the example of a lemon grove where the profit was, as shown by the report, excessive. There can be no question about the truth of that report and that there is a lemon grove in southern California which made the returns shown in that statement. But it is not an average return. If the whole report of Mr. Powell be read, it will be shown that instead of an acre producing a carload of lemons, the average production is about half a carload; and in addition to that, the price stated in that report probably was the price at that time of the year.

But the question that we must meet here is not the price of lemons at this time of the year, but the price of lemons during the months of June, July, and August. The lemon market, according to the prices I have quoted, now averages $1.70, but during the coming month it may go to $8 or $9 a box. The price of $8 or $9 a box is made possible by reason of the fact that California can not then supply sufficient lemons to meet the demand and the foreigner makes the market just what he pleases.

The amendment which you are asked to agree to in this paragraph of the bill will, if adopted, be equivalent to an increase of about 36 cents per box in the duty on lemons, which amounts to approximately 1 cent a dozen on the small sizes, and from a cent and a sixth to a cent and a third on the standard sizes. But it does not follow that the consumer will have to pay even this slight increase in price, for under this additional protection the California production will be greatly increased and the law of supply and demand will cause the price to decrease, as has been the case with the present duty on oranges. The orange industry has prospered under the 1-cent per pound duty, and yet oranges are now furnished to the consumers at a lower average price than they were under the low rates of the Wilson bill. Is it unreasonable to expect that similar conditions may prevail under an increase in the duty on lemons?

There are comparatively very few articles in this tariff list produced by the farmer, the very existence of which depends upon protection. In fact, the farmer perhaps receives less benefit from a protective tariff than any other class of our citizens. The manufacturing industries of the country have a very large number of articles in this bill which will be adequately protected against foreign competition, and in the past great industries have been built up solely because of the encouragement given them by the protective policy. But there is not an article in the entire tariff list where the benefits of a protective tariff are as well illustrated as in the case of the citrus-fruit industry in the United States. The only trouble is, we have not gone far enough. We have remedied the unsatisfactory condition that has heretofore existed with respect to the orange industry, but the conditions affecting oranges and lemons, as has been pointed out, are different, and we must give further protection to the lemon growers if we are to save this industry from destruction and put it on a profitable basis, as we have done with the orange industry.

Mr. ROOT. Mr. President, I fully agree with the Senator from California that it would be very unfortunate to eliminate the California lemon grower from the New York market or from any market in the United States. The question is, Is it necessary to increase the duty upon imported lemons in order to prevent the California grower from being eliminated from the market?

The fact is, Mr. President, that our tariff laws have dealt already very kindly by the citrus-fruit growers of California. Their representative began his testimony before the Ways and Means Committee by expressing a grateful appreciation for what the law has already done; and he was right, for a great and successful business has been built up under the tariff as it now stands. The report of Mr. Powell, the representative of the Department of Agriculture in charge of the fruit division of that department, to which the Senator from California has referred this morning, begins with the following statement:

The American lemon industry has become permanently established on a firm foundation within the last few years, the seasons since 1904 having proved unusually profitable.

That, Mr. President, is the evidence of an unprejudiced, impartial government investigator upon the effect of the tariff as it now stands.

It commenced—

He says—

to assume a commercial aspect twenty-five years ago, but for a score of years it was a question whether it would become established permanently or whether the American supply of lemons would continue to be derived, as in the past, from foreign sources.

He says further:

As a result of the recent progress in the industry, the demand for the best brands of California lemons is greater than the present supply. The area of groves is extending considerably, though more slowly than the growers desire, as the nurserymen have not been able to supply the demand for trees during the last two or three years.

That is to say, the limit to the growth of this profitable and increasing industry is not the market, but is the possibility of securing trees for the extension of the lemon groves. He further says that he has inquired into the cost of maintaining a lemon grove, taking a good specimen grove, the one to which the Senator from California has referred, and he finds that the cost per acre for a year for the cultivation, picking, and all the expenses incident to putting the lemon product upon the cars was $370.86; and he finds that not the returns from this acre, but the average returns per car f. o. b. in California during the last few years, varies as follows: In 1903–4, probably somewhere near $400; in 1904–5, between $600 and $675; 1905–6, between $800 and $900; 1906–7, between $850 and $950.

That is to say, in this industry to-day, this profitable and growing industry, during the past year the lemon growers of California have made on an average, with an expenditure of $378 per acre, a profit of $530 per acre, and that, Mr. President, with the present tariff. I would not eliminate the lemon growing of California or any other American industry, but it is a little too much for them to come and ask an increase of duty when they are already making 150 per cent upon their investment. That is more than people ought to make.

The figures of productions and importations correspond with these statements of the representative of the Department of Agriculture. Will the Senate listen to the statistics of this industry that comes crying for help to avoid being eliminated? The importations of lemons from abroad during the period of the present duty have been almost stationary. In 1899 and 1900 the importations were 1,907,119 boxes; the next year, 1901, 1,768,000 boxes; the next year, 1,953,000 boxes; the next year, 1,809,000; the next year 2,046,000 boxes; the next year 1,955,000 boxes; the next year, 1,651,000 boxes; the next year, 1,879,000 boxes; and the next year 2,200,000 boxes. You will perceive that during the period since the enactment of the Dingley tariff the importations of lemons have fluctuated up and down in the neighborhood of 2,000,000 boxes.

Now, look at the domestic production, the production of this dying industry which comes appealing for help here. In 1897–98 the production was 363,792 boxes; in 1898–99, 281,736 boxes; in 1900, 451,464 boxes; in 1901, 912,288 boxes; in 1902, 878,592 boxes; in 1903, 826,488 boxes; in 1904, 867,984 boxes; in 1905, 1,333,488 boxes; in 1906, 1,182,168 boxes; in 1907, 1,004,184 boxes; and the next year a little over 1,300,000 boxes. That is to say, since the enactment of the present tariff the domestic production and shipment into the markets of the United States of these lemons has more than trebled, while the importations have remained stationary. The entire increase of consumption by the American people during its enormous development of

population and of purchasing power during the last decade has been absorbed by this prosperous and growing industry, making money beyond the dreams of the ordinary American farmer or merchant or manufacturer, absorbing all the increase of the market.

And upon what basis of duty? Here is the way the duties on lemons have run. Under the McKinley Act, 25 cents a box; under the Wilson Act, 30 cents a box; under the Dingley Act, 1 cent a pound, which is the equivalent of 80 cents a box, in round numbers; under the Payne bill as reported to the House and as it passed the House $1 a box; and under the Finance Committee report, which we now have before us, $1.20 a box; that is to say, we are proposing now to add 50 per cent to the duties under which this phenomenal prosperity has been obtained.

Mr. FLINT. Will the Senator permit me to ask him a question?

Mr. ROOT. Certainly.

Mr. FLINT. I will state for the Senator's information that the duty on the average box of imported lemons is 72 cents. So his calculation is entirely wrong.

I ask the Senator if he will explain to the Senate why lemons bring $9 a box in the months of June, July, and August in the city of New York? Can the Senator explain that?

Mr. ROOT. I need not explain it to the Senate, because it has nothing whatever to do with the question I am discussing.

Mr. FLINT. I think that is what interests the American people, why lemons should bring that price.

Mr. ROOT. The American people are not going to get away from the fluctuation in the market for a perishable fruit, which when the fruit is in excess of the demand requires that it be sold on the instant for whatever it will bring. The American people are not going to get away from the fluctuation of the market for a perishable fruit by putting an unnecessary increase of duty as a barrier to the importation of foreign fruit.

Mr. President, I agree with the Senator from California that we should not exile the California fruit grower from our market. Far from it. I have shown that under the present duty he is in the market and making money in the market, and that he will stay and will increase his participation in the market. But, Mr. President, if you increase this duty you exile the foreign producer from our market and put him at the mercy of the California fruit grower——

Mr. FLINT. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from California?

Mr. ROOT. In a moment. Over 60 per cent of whose product, the Senator has already told us, is marketed by one concern, the California Fruit Growers' Association.

Mr. FLINT. That is an incorporated concern of farmers, is it not?

Mr. ROOT. It is not an incorporation of angels, and if it gets control of our markets, if you put up a barrier so that it will be impossible to introduce the restraining effect of foreign competition, the white-winged farmers of the California Fruit Growers' Association may yield to the temptation to get the highest price they can for their product.

Mr. FLINT. I ask the Senator whether the additional cost to the people of this country would not be but 36 cents a box on these lemons; and I submit to the Senate whether the American people would not rather trust a corporation organized by the farmers of this country than an importers' trust, organized in the city of New York, controlling and limiting the imports of lemons into this country, so that the price goes to $9 in summer time? It is only by increasing the California output that we can make it impossible for the New York combination to charge the American people $9 a box.

Mr. ROOT. Mr. President, I do not want the American people to trust to either. I want the American people, whose representatives we are here, for whose benefit we are undertaking to make laws, to protect themselves. I wish to so regulate this matter that we shall have a market for our domestic producers, but with the duty so fixed that if they undertake to charge an unconscionable price for their product they will then meet foreign competition. That is the situation as it exists with the present tariff.

Mr. BORAH. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. ROOT. Certainly.

Mr. BORAH. I agree with the Senator from New York perfectly in that proposition; but I should like to know how you are going to do it in this bill.

Mr. ROOT. I will tell the Senator from Idaho how you will do it on lemons. The market situation is, of course, affected by the freight situation. The Senator from California has stated, with his customary fairness, some of the particulars of the freight situation as it affects lemons. Let me restate what he has stated, and with some additional facts, very briefly.

The transcontinental railroads give to the fruit growers of California a flat $1 rate upon lemons to the Atlantic seaboard; that is to say, throughout the length of the country from West to East $1 per hundred pounds is the freight charge for lemons. The figures given by the California raisers themselves for the cost of raising and putting on cars a box of lemons are $1.28 a box.

Mr. FLINT. One dollar and forty-eight cents.

Mr. ROOT. Well, $1.48, adding the freight rate of $1 per hundred pounds.

Mr. FLINT. Eighty-four cents a box.

Mr. ROOT. You get, according to their own figures, California lemons laid down in the city of New York at $2.32 a box. Those are the figures given by the Senator Saturday?

Mr. FLINT. Yes, sir.

Mr. ROOT. Now, the sworn testimony before the Ways and Means Committee by a witness who had been in this business in the city of New York for a generation is that there never had been a box of foreign lemons laid down in the city of New York in twenty-five years at a less cost than $2.42 a box.

Mr. FLINT. Foreign lemons?

Mr. ROOT. Foreign lemons.

Mr. FLINT. I will call attention——

Mr. ROOT. Will the Senator excuse me? I shall be through in a moment.

The foreign lemons are, the Senator from California will agree with me, inferior to the California lemons. Now, you have the lowest cost at which a box of foreign lemons has for the past twenty-five years been laid down in the city of New York, under the present duty, at $2.42; and the cost which the lemon growers of California declare themselves they can lay lemons down for is $2.32; that is to say, taking the lowest figures for the foreign lemons and their own figures for California lemons, those California lemons meet the foreign lemons at the water's edge on the Atlantic with an advantage of 10 cents a box. Then, when you go into the great markets of America, the moment you start to carry your foreign lemons into the towns and cities of America, you begin to add the freight from the seaboard to the interior.

Mr. President, the sworn testimony before the Committee on Ways and Means is that the average cost of foreign lemons in the city of New York during the year 1907 was $3.26 a box, against which the Californian could put his lemons there at $2.32 a box; and that the average cost of foreign lemons in the city of New York, laid down on the dock in New York, during the year 1908 was $2.86 a box, against which the Californian could put his lemons there at $2.32 a box.

Mr. FLINT. Mr. President——

Mr. ROOT. One moment, if you please.

There are here produced the invoices and the affidavits of purchasers of lemons within the present month, costing, laid down on the dock in New York, $2.50, against which the Californian puts his lemons there at $2.32——

Mr. FLINT. Mr. President——

Mr. ROOT (continuing). And still, with that advantage at the extreme eastern edge of the country, the lemon grower of California asks that a 50 per cent increase in duty be made.

Mr. FLINT. Does the Senator from New York believe that statement?

Mr. ROOT. I do.

Mr. FLINT. The Senator believes that the lemons from foreign countries cost—how much did he say?

Mr. ROOT. The minimum amount is $2.42 per box.

Mr. FLINT. And in this market they are now selling their lemons for $1.15 and $1.80 a box.

Mr. ROOT. The foreign lemons are all sold at public auction upon their arrival. They come in different grades; I do not know the grades to which the Senator refers. The importers have to take their chances on the price going up or going down, the demand being greater than the supply, or the supply being greater than the demand, as their lemons come in. They put them up at auction and sell them for what they will bring. They are sometimes as high, as the Senator has just stated, as $9 a box, and sometimes as low as the Senator has just stated; but the evidence is uncontradicted that the lowest price for which lemons have ever been introduced into the port of New York during the existence of this Dingley rate was $2.42 a box. It stands to reason that unless, putting the high price at auction and the low price at auction together, the average return is more than $2.42 a box, the importers have got to go out of business and leave the market solely to the California fruit grower.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Indiana?

Mr. ROOT. Certainly.

Mr. BEVERIDGE. I want merely to ask a question. If it is true, as we must take it to be, that the California lemons can be put into the New York market so much cheaper than the imported lemons, how can the imported lemons be sold at all? The figures the Senator has quoted would give a monopoly to the California lemons, would it not?

Mr. ROOT. Mr. President, I hope my answer will be satisfactory to the Senator from Indiana. I have just said the foreign lemons are sold at auction, while the California lemons are sold, as a rule, at the auction price as it is quoted plus whatever difference there may be for the superior quality of the California lemons.

Mr. FLINT. Both are sold at auction.

Mr. ROOT. Well, to some extent they are; but in the main the California lemons, I understand, are sold at private sale.

Mr. FLINT. The Senator is incorrect. Nearly all the California lemons sold in New York by California fruit growers are sold at public auction.

Mr. ROOT. Doubtless, in New York.

Mr. FLINT. Sixty per cent of the California fruit is sold at public auction.

Mr. ROOT. Very well. Take that 60 per cent, and the Senator from Indiana will perceive that the California fruit, being a superior fruit, will always bring certainly as much as the imported fruit when it is sold at auction. Therefore the Californian now makes as an additional profit, as a profit in excess of the profit the importer makes, the difference between his cost of production and the cost to the importer of laying the lemons down on the dock in New York.

Mr. BEVERIDGE. So that, according to the Senator from New York, the explanation as to why the foreign lemons have any market at all here, in view of the great difference in the price, is purely a question of superiority of the quality of the California lemon. That must be so.

Mr. ROOT. No.

Mr. BEVERIDGE. Yes. Of course the Senator will see that if the initial price at which the foreign lemon gets into the market here is so much greater than that of the California lemon, tha very fact would give the California lemon a monopoly of the market, unless there was some reason, and the Senator gives us that reason in the superior quality of the California lemon.

Mr. ROOT. The real reason is that the California product is not sufficient to supply the market. The California product is less than one-half what the market demands, and, therefore, the Californians can sell their lemons. There must be lemons imported, and if they are imported, they have got to be sold on an average above the cost of importation. Therefore the Californian can get for his product a greater price than is based upon his cost of production. His price is regulated by the price of the imported lemon, with an addition for its superior quality.

Mr. BEVERIDGE. If the Senator will permit me, that being true, the California seller could, if he wanted to, raise his price to the level of the foreign price. Why does he not do it?

Mr. ROOT. He does.

Mr. BEVERIDGE. No; the Senator said a moment ago that the price was $2.38 for the California lemon and $2.42 for the imported lemon.

Mr. ROOT. No; that is the cost, not the price to the purchaser.

Mr. BEVERIDGE. Not the selling price?

Mr. ROOT. But to the seller it is $2.42. That was the minimum price at which the importer could lay down the lemons on the dock at New York; while $2.32 was the price at which the California fruit grower could lay down lemons at the railway station in New York.

Mr. BEVERIDGE. So that the net result of this is, that, by reason of the superior quality of the California lemon and also by reason of its insufficient quantity and the state of the market, he can, and the Senator says he does, arbitrarily raise his price to the level of the foreign price.

Mr. ROOT. Yes; he does it just as the Porto Rican sugar planter can get a price equal to that for his sugar upon sugar coming from a duty-paying country.

Mr. PAGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Vermont?

Mr. ROOT. Certainly.

Mr. PAGE. I should like to ask the Senator from New York if the advantage of the American producer is not sufficiently great so that in a few years he ought to control the entire market and prevent any importation?

Mr. ROOT. I have no doubt that within a moderate period, as his business is now proceeding, the California fruit grower will control the market, and under the present rate there is every indication of it. The business has grown just as rapidly as the trees have grown. The only thing that prevents the Californian to-day from controlling the market is that he can not furnish the lemons.

Mr. PAGE. Have they sufficient land adapted to the raising of lemons, so that in a few years, if encouraged, they could make it practicable to raise all the lemons that we require?

Mr. ROOT. The Senator from California [Mr. FLINT] informs us that they have. I do not know beyond that.

Mr. PAGE. Does the Senator from New York see any objection to that condition existing, if it could exist?

Mr. ROOT. The Senator from New York sees no objection whatever to that; but the Senator from New York does see objection to putting a duty on now, an increased duty, an increase of 50 per cent on the present duty, which will enable the California lemon raiser to put up his price pending the operation beyond the present price, which yields him this rich profit and creates for his business this present prosperity. What he has now under the Dingley law has assured, and is assuring, the growth of his industry with liberal profits; so that, if the land holds out, he will control our market absolutely in time. But the additional duty will merely be to take away from him the limitation upon the price that he can charge, the limitation to reasonable profits, and enable him to make unreasonable profits.

Mr. PAGE. It seems to me, in answer to the Senator from New York, that if there is any commodity that we have the land to naturally produce and we have the labor to produce it and can produce it at a less cost than it can be produced elsewhere, for one, I should like to see that condition exist. I should like to see the constituents of our friends from Florida and from California raising every lemon that is used in this country, if it is possible for them to do so. Yet I am, like the Senator from New York, not inclined to give them more than they are entitled to; but it seems to me that if they were getting more, long since the production would have equaled the consumption here—that is to say, if the profit is as much as the Senator from New York has indicated.

Mr. ROOT. Mr. President, it is not a thing that we are obliged to speculate upon, because we have positive evidence of what has been the limit upon the production—that is to say, it has been the growth of trees. You do not take lemon groves down from the shelf; you plant trees, and you have got to get trees to plant. You bring up your groves to a bearing point. The growth of the industry has been very rapid under the circumstances. It has not yet come to a point where the Californians can supply one-half the product for the United States; but they are rapidly approaching that point, and they are approaching it with a liberal profit under the protection of the existing Dingley rates. I see no justification whatever in giving them an additional rate, which will enable them to put up their price still higher, over and above the present large and liberal profits which they are making, and at the same time cut off the foreign importation, so as to produce a scarcity here and put up the prices still higher. It seems to me that it tends to produce an artificial and undesirable condition in the lemon trade, and that it is wholly without justification in the rules which we are applying to the tariff law.

Mr. BORAH. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Idaho?

Mr. ROOT. I do.

Mr. BORAH. I want to ask the Senator from New York how high have the importers sent lemons in price under the Dingley law at any time?

Mr. ROOT. I can not tell the Senator. I have not followed that. Of course, under the rule which I have stated two or three times these prices fluctuate up and down. They are not prevented from fluctuating up or down by the fact that the California fruit growers are in the market, nor will they be prevented from it by the fact that the foreign fruit growers are excluded from the market.

Mr. BORAH. I understand that the price of lemons has gone up as high as $9 a box at times.

Mr. ROOT. Very likely.

Mr. BORAH. I am asking these questions for the purpose of arriving at some conclusion as to how the consumer can be protected in any event.

Mr. FLINT. I can answer that for the Senator.

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from California?

Mr. ROOT. Certainly.

Mr. FLINT. If Californians were placed in a position by a protective tariff that they could compete in the New York market, then the California lemon would come in direct competition with the foreign fruit in the New York market and the price of lemons would go down to a reasonable figure. Three dollars a box is a fair price for lemons in this country, and when you receive $9 a box for lemons, it simply means that the Californian has not sufficient lemons to supply the market, and a combination of New York fruit importers puts the price up to $9.

Mr. BORAH. Mr. President, do I understand from the Senator from California that the duty in the Dingley law has not been sufficient to encourage the planting of lemon groves, so that Californians have not planted them by reason of the insufficiency of the duty?

Mr. FLINT. That is the fact. The duty is not sufficient to give protection to the California fruit grower under the existing law. As a matter of fact, the lemon growers of California have not made 4 per cent on their investment since they have been in the lemon business.

Mr. JONES. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Washington?

Mr. ROOT. Certainly.

Mr. JONES. Will the Senator from California state what the California lemon raisers get when lemons are selling in New York for $9 a box?

Mr. FLINT. They get the market price.

Mr. JONES. What is that, compared with $9?

Mr. FLINT. If it is $9 in New York, they get that.

Mr. JONES. They get that?

Mr. FLINT. Yes, sir.

Mr. ROOT. Mr. President, may I contribute another answer to the question of the Senator from Idaho, which was, Whether the existing duty was sufficient to encourage the planting of lemon groves in California? That answer is government statistics, which show that when the Dingley Act was passed the production of the lemon growers in California was 30,558,528 boxes; and that in the last year——

Mr. FLINT. The Senator has the figures wrong; it is not 30,000,000 boxes.

Mr. PERKINS. The Senator is certainly mistaken. He must refer to oranges.

Mr. ROOT. I said "boxes" instead of "pounds."

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Michigan?

Mr. ROOT. Certainly.

Mr. SMITH of Michigan. Will the Senator read over again the first figures he gave?

Mr. ROOT. That in the year when the Dingley Act was passed the production of lemons in California was 30,558,528 pounds, while last year the production was 1,585,000 boxes, estimated at 84 pounds each, approximately four times the production at the time of the passage of the Dingley Act.

Now, Mr. President, with reference to the question that has been asked as to the protection of the consumer against the $9 price, I have said that the price of perishable fruit which is sold at auction is bound to fluctuate according to the demand and supply.

Mr. FLINT. And that is limited by the amount of importations by the New York importers, is it not?

Mr. ROOT. No; it is limited by the amount of lemons that come both from abroad and from California.

Mr. FLINT. But we only supply 15 per cent of the New York market; 85 per cent is supplied by the importers.

Mr. ROOT. The Senator's State is supplying all it can raise, and it will continue to supply all it can raise.

The question was asked by the Senator from Idaho [Mr. BORAH] how we are protecting the consumer against having to pay a $9 price. I will only say that I never heard of protecting a consumer by reducing the number of competitive vendors; and the proposal of this duty is to substitute for a law under which foreign importations and domestic production are going side by side, with the advantage to the domestic production, the exclusion of the foreign product.

Mr. PERKINS. Mr. President, it is unfortunate that the distinguished Senator from New York [Mr. ROOT] did not visit that portion of California which a few years ago was roamed over by wild Spanish cattle and sheep that he might now see the progress of the people from New York and other States who went there, and have reclaimed that land from desolation and sandy deserts, and made it to-day bloom and blossom like the fig tree. If he had done so he certainly would have been willing to do for this California industry what he has been urging heretofore should be done in the case of New York's industries, and that is, that the rate of duty should be such as to equalize the difference between the labor cost in foreign countries and in our own country, and also the cost of transportation.

In his very able speech on the citrus-fruit industry in California, the Senator from New York has not referred to the ad valorem duty on lemons and citrus fruit. On lemons the ad valorem duty is 37½ per cent. This bill simply proposes to increase it to 54 per cent ad valorem, which is the actual difference in the cost of labor in this and foreign countries and transportation to New York or to ports on the Atlantic seacoast.

The Senator had no hesitancy in advocating a rate representing the difference in cost of production between this country and Canada in respect to malt, barley, hops, and other products that come in competition with New York's industries; but he has not referred at all to the difference in wages in producing citrus fruit in foreign countries as compared with this country.

The Senator also, with his quotations as to the profits derived from the citrus fruits, has included oranges. The orange industry, Mr. President, under the duty of 1 cent a pound, has prospered and done well. Twelve years ago, when the Dingley bill came here from the other House, the duty was fixed at 75 cents a hundred. The Senate increased it from that to a cent a pound, and the result has been a marvelous growth and development of the orange industry. The duty on lemons has not been sufficient, but on oranges it has been sufficient, and the result has been that oranges are selling to-day in the United States cheaper than they ever did before. A cent a pound duty has enabled the people of California to accomplish wonders in the case of oranges. I want to say to the Senator from New York that if he would visit California, he would find instead of 1 orange grove, 10,000 cultivated citrus groves. The isolated incidents to which he has referred simply relate to two or three fancy orchards which Mr. Powell wrote up and which have been the laughing stock of the fruit growers of California and elsewhere.

California is not the only State capable of producing lemons to supply the United States. Texas, Arizona, Alabama, Florida, and perhaps other Southern States, are capable of producing lemons.

California needs and Congress should retain the duty of 1½ cents per pound on imported lemons. It has been found that a duty of 1 cent has not fully compensated for the increase in the cost of labor employed in California over the cost of Italian labor, which is used in the growth and shipment of practically all the lemons imported. Labor which costs in Italy 40 cents a day costs from $1.75 to $2 in California. Packing in Italy costs not over 50 cents, while in California it costs from $1.75 to $2. The fact that the duty of 1 cent per pound is not enough to compensate this difference in cost is made evident from the fact that Sicilian importations are constantly increasing, while California lemon growers find it harder and harder each year to produce with profit.

I want to say, Mr. President, in passing, that only a few months since, when a great calamity fell upon Sicily, requisition was made upon the lemon growers of California, and they donated lemons, to be sold at auction, sufficient to realize $15,000; which was sent to the people of Messina and other cities of Sicily, which had been so severely stricken by the great earthquake. This shows the public spirit and enterprise of the lemon growers of California; but when it comes down to trade, we believe that we should have our own markets for our own industries.

The distinguished Senator from Vermont [Mr. PAGE] said there was no reason in the world why we should not charge foreigners who bring their products into this country and compete with us a fair license for doing so. A man can not go into Vermont or into New York and peddle oranges or any other product without paying a license therefor. Why should our people not be protected in that respect? We ask nothing, as I have said, except a duty sufficient to make up the difference between the cost of labor in producing lemons in Sicily and southern Italy and the cost in California, Arizona, New Mexico, and other portions of our country.

Italian imports have increased from a value of $2,521,000 in 1898 to $4,254,000 in 1907, while the duty collected has increased only $203,000. The value of imported lemons per pound has increased during the same period from 1.9 cents to 2.8 cents, while the ad valorem rate of duty has fallen from 52 per cent to 36 per cent.

As I said the other day, Mr. President, my Democratic friends, I am sure, will stand by us on this proposition as a revenue measure. The duty under the Dingley Act is 36 per cent ad valorem, under which we collected in 1908, $1,539,584. If the Senate committee amendment shall be agreed to—and I am sure it will be, for I have confidence in the sense of justice of Senators—it will increase that revenue, which we so much need at this time, $769,000, making it $2,309,000. As a revenue proposition, Mr. President, there is no question but that the amendment is desirable; and, in addition, if it shall be agreed to, this industry can be increased until we can supply the country with lemons produced in California, Arizona, New Mexico, and in Texas and other Southern States; but in order to do so we must have adequate protection.

The Italian lemons are constantly encroaching upon our market without bringing about a reduction of price, which would be the case if California lemons were in a position to compete. Another significant set of figures is supplied by the record of lemon importations from Cuba. From this island importations have increased from 410 pounds in 1904 to 34,519 pounds in 1907, while the ad valorem rate has diminished from 54 per cent to 22 per cent. Cuba has, as is known, the advantage of 20 per cent off the regular duty, and is evidently making use of this advantage, which is bound to become serious for our domestic producers in a few years. Cuba has just begun to enter the field as a producer of citrus fruit for export. The island is peculiarly fitted for its production, through soil and climate and low cost of labor. Special Agent A. B. Butman, writing in January, 1908, says:

> The possibilities of cultivation of citrus fruits in Cuba are great. Oranges, grape fruit, lemons, and limes yield abundantly. The estimated cost of establishing a 10-acre orange grove on land valued at $50 per acre is as follows: Land, $500; clearing, $250; planting, $150; 900 trees, $225; care for five years, $1,500; total, $2,625. Lime and lemon trees grow wild and bear abundantly.

Until ten years ago there was no attempt in Cuba to systematically cultivate orange and lemon trees. Subsequent to the Spanish war the possibilities in this direction were seen, and groves were planted which are now beginning to come into bearing, and from now on Cuban fruit will offer serious and increasing competition. When it is considered that in addition to cheaper labor the cost of an orange or lemon orchard when old enough to bear is $262, against $1,000 in California, as ascertained by the Interstate Commerce Commission in the citrus rate case, it will be seen that California growers need substantial protection against Cuba as well as against Sicily. And these producing regions have another advantage, which Sicily has long taken advantage of, in the utilization of those portions of the lemon crop which are not marketable. About 15 per cent of every crop can not be sold in the markets on account of under or over size, or for some other reason. The Sicilian uses this waste product to manufacture citrate of lime, which enters the United States free of duty. The importation of this salt has increased enormously, from 443,000 pounds in 1894, valued at $52,137, to 3,872,000 pounds in 1907, valued at $726,626. As it enters free, California can not compete with the Sicilian product, which has the field to itself. It might at first be thought that that other very valuable product of the waste of lemon orchards—citric acid—which, when imported, bears a duty of 7 cents per pound, might be made from the waste of California orchards. Such would undoubtedly be the case were it not for the fact that the free citrate of lime, after importation, is put through an inexpensive chemical process and produces the more valuable citric acid, which is secured so cheaply that California producers could not compete with it. Thus, the California lemon grower is not only unable to meet the lower cost of labor in Sicily, but is prevented from utilizing even his waste material through the free entry of the product of the waste of the Sicilian orchards. And, in addition to this, he sees looming up the certainty of very vigorous competition from Cuban lemons, which are favored in the domestic markets through the treaty provision reducing by 20 per cent the tariff on imports from Cuba. The California lemon grower, therefore, is fully justified in demanding at least 1½ cents per pound, which will give him a living chance, and should have granted to him the privilege of utilizing the waste of his orchard, which would be afforded by imposing a duty on citrate of lime, now on the free list. Were a duty imposed on this salt, there would at once be erected in California 5 or 6 large manufactories of citric acid and citrate of lime. To Californians such duties seem not only reasonable, but right.

So I believe, Mr. President, that the argument of the Senator from New York, while eloquent, is specious. I repeat, we only ask from him, we only ask from the Senate, a duty sufficient to cover the difference in the wage cost in Sicily and other foreign countries and the cost of transporting the lemons in foreign vessels to New York. If the increased rate of duty is granted, we will show to the country the same results as those which have followed in the case of oranges since the imposition of the duty under the Dingley Act, which have become cheaper than ever before to the people. There is no other side to this proposition, as my colleague has so ably shown, and therefore I believe that this amendment should be adopted without dissent in the interest of the public good.

Mr. President, I ask leave to have inserted as a part of my remarks a table from the hearings before the House Ways and Means Committee.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The table referred to is as follows:

Citrus industry in California for eleven years—Average production, selling price, cost of production, and profit of an average grove per acre.

Variety.	Acres.	Boxes produced.	Total boxes.	Average price per box f. o. b.	Gross average per acre.	Producing cost per acre without interest.	Selling cost per acre.	Profit per acre.
1898—Oranges	20,196	5,871,000	5,734,800	$1.25	$191.00	$172.00	$9.00	$10.00
Lemons	6,518	363,800						
1899—Oranges	34,906	3,628,000	3,909,800	1.72	154.00	101.00	5.00	48.00
Lemons	8,672	281,800						
1900—Oranges	39,146	6,283,000	6,734,500	1.70	228.00	151.00	8.00	69.00
Lemons	10,827	451,500						
1901—Oranges	43,162	8,459,500	9,371,800	1.22	208.00	190.00	10.00	8.00
Lemons	12,979	912,300						
1902—Oranges	47,245	7,499,900	8,378,500	1.68	225.00	158.00	8.00	64.00
Lemons	15,119	878,600						
1903—Oranges	48,036	8,438,800	9,265,300	1.29	191.00	168.00	9.00	14.00
Lemons	14,412	826,500						
1904—Oranges	52,251	10,306,200	11,174,200	1.09	198.00	205.00	11.00	*18.00
Lemons	9,226	868,000						
1905—Oranges	59,828	10,538,200	11,871,700	1.37	251.00	198.00	10.00	28.00
Lemons	10,399	1,333,500						
1906—Oranges	67,405	9,170,700	10,352,900	2.11	276.00	140.00	8.00	119.00
Lemons	11,572	1,182,200						
1907—Oranges	85,738	9,908,000	11,005,300	2.00	221.00	126.00	7.00	88.00
Lemons	13,478	1,097,300						
1908—Oranges	104,073	10,486,000	12,071,000	1.75	170.00	114.00	6.00	50.00
Lemons	16,718	1,585,000						
Total oranges		90,089,300	99,869,800					
Total lemons		9,780,500						
Average				1.50	208.00	156.54	8.27	43.19

* Loss.

Total profit on investment, $43.19 per acre. Average cost of 1 acre, $1,000. Average interest on amount, 4.3 per cent.

Mr. SMITH of Michigan. Mr. President, the Senator from New York [Mr. ROOT], in closing his remarks a few moments ago, said, if I understood him correctly, that he never knew the interest of the consumer to be especially benefited by limiting the number of competitive vendors. I think I do not misquote him. Now, I want to give him a concrete case in point. When Congress put a duty upon tin plate we were not producing scarcely any in this country. We have now had the duty on but a very few years. In 1899 we produced but 732,000,000 pounds of tin plate; in 1907 we produced 1,293,000,000 pounds. In 1899 we exported 205,000 pounds of tin plate. We put a high duty on foreign tin plate, thereby limiting "the competitive vendors," in the language of the Senator from New York, and we exported last year 19,000,000 pounds of tin plate. If it is fair to draw this deduction favorable to protection, it is fair to give California the benefit of it. If California has an area able to produce all the lemons that our country needs, why should we not do it? If it is in the interest of any great section of our country to limit "competitive vendors" by our tariff act, why should it not apply with equal force in favor of California?

I have been through the State of California thoroughly year after year, and I have been amazed and delighted to observe the marvelous development in the variety of productions which that State has steadily undergone; and if the only argument that can be advanced by those opposed to this schedule, so favorable to California, is that in limiting "the competitive vendors" we are thereby enhancing the cost of the domestic products to the consumer, then I say the answer lies in the history of almost every article protected from ruinous competition by foreigners.

I heard it said over and over again that we could not produce tin plate in America. Mr. McKinley was denounced as a dreamer when he undertook to do it. The only tin-plate factory in our country at that time was dead in California. By putting on a high duty and temporarily excluding competition from abroad, as would perhaps be the case with the Sicilian lemon, we have been able to produce practically all the tin plate we need in this country at lower prices than ever before; and it is not a good time to say that great stretches of American area, suitable to the production of these fruits, shall not be given the benefit and advantage in our tariff regulations over a foreign state, whose people owe no allegiance to our Government, who can not be drafted in its defense, upon whose property we can not lay a single local burden of taxation, unless, perhaps, this may be so regarded.

For my own part, I am not willing to rest upon the argument that competition with a foreign state is essentially necessary in order to give our people their necessities at a fair price. It is well known that if California did not produce lemons we would be at the mercy of an importer and a foreign state in the price of this necessary product. While it has not been for me to say how much is necessary amply to protect the fruit growers of our own country, yet the remark of the Senator from New York was such that I could not resist the temptation to call his attention to a fact in our history amply illustrating the wisdom of such protection as will tend to develop to its highest state domestic production.

Mr. BURKETT obtained the floor.

Mr. ROOT. Mr. President——

Mr. BURKETT. Perhaps the Senator from New York wants to reply immediately to the Senator from Michigan, and I will yield.

Mr. ROOT. Mr. President, I wish to make one observation regarding what the Senator from Michigan [Mr. SMITH] has said. I thought the Senator from Michigan quoted me correctly in the beginning of his remarks as saying that I never heard of protecting the consumer by excluding a competitive vendor.

Mr. SMITH of Michigan. No; I did not understand the Senator to say that.

Mr. ROOT. That is what I said, and I understood the Senator to quote it correctly; not that you can not get protection from limiting the competitive vendor. The whole system of protection is the limitation of foreign competition—such limitation of foreign competition as to enable the domestic producer to pay the additional cost of production and reap a profit before he comes into competition. But that is quite a different thing from the exclusion of the foreign competitor. The exclusion of the foreign competitor leaves the market at the mercy of the domestic producer, unchecked by competition at any point to which he may put his price; and it is because the present rate of duty does limit the foreign competition at a point which has been shown to insure a large profit and a prosperous business to the domestic producer, and that the proposed rate of duty would pass from limitation to the point of exclusion, that I object to the amendment.

Mr. BURKETT. Mr. President, it seems to me this paragraph on lemons, as reported, should be changed in two particulars: First, not only with reference to the amount, but secondly, as to the wording of it with respect to how the tariff should be computed. The McKinley law provided that it should be computed by the box; the Dingley law and this proposed law provide that it shall be computed by the pound. I will have a little to say as to that, but I want to speak particularly as to the rate.

I think we can all assure the Senators from California that there is not any disposition anywhere to make a rate which will in anywise handicap the fruit-growing industry of California. But, on the other hand, aside from California, the rest of us are all buying lemons. There is not any place in this country except California where they produce lemons. California is on one extreme side of this country. Just how far we ought to go in levying a tariff to meet not only the difference in cost of production in this country and foreign countries, but also to meet the cost of transportation, extreme as it is, between California and New York, and the cost of transportation from abroad, is an entirely different question.

There is one point which, so far as I have heard, has not been discussed, and that is this: Senators should get this point fixed in their minds. California to-day, without any question, has an absolute monopoly of all the markets in this country, according to the testimony of all the witnesses on both sides of this proposition, as far east as Chicago—an absolute monopoly. As a matter of fact it has a practical monopoly as far east as Pittsburg, although occasionally, perhaps, Palermo lemons may sell west of Pittsburg. As a matter of fact, then, California has an absolute monopoly, without any question, to Chicago, a practical monopoly as far east as Pittsburg, and a fighting ground from Pittsburg even into New York Harbor. As the Senator from California has said, they are able to take their lemons clear across this country, pay this enormous freight rate—and it is the longest haul that it is possible to get in this country on products—and there compete and sell 60 per cent of their product in New York City.

Mr. FLINT. How much?

Mr. BURKETT. Sixty per cent, I understood the Senator to say.

Mr. FLINT. Fifteen per cent.

Mr. BURKETT. Fifteen per cent. I misunderstood the Senator.

Mr. FLINT. I want to correct the Senator by stating that the freight rate is the same to Omaha as to New York.

Mr. BURKETT. I will say to the Senator that I was just looking through the evidence given by the representative of the California Fruit Growers' Association. I had supposed that they were the same, but I find they are not quite the same—five or ten or twelve dollars a car higher, according to this testimony given on page 3859, as the Senator will see if he looks it over. But they are practically the same.

I called the attention of the Senator from California on Saturday, when he was speaking, to one phase of the question, and that is this: There is a very lively association of fruit jobbers in the Mississippi Valley, representing Omaha and Kansas City and St. Louis and Lincoln and Sioux City and Council Bluffs and Des Moines, and all those towns through the Mississippi Valley, and they are very much interested in this matter and have given it a good deal of attention. I suggested to the Senator on Saturday that the price on lemons out there is the freight added to the New York price. I wish to state to the Senate that that is true. I was looking this matter up, expecting it to come up sooner, and I got the auction prices of lemons in New York on the 13th of April, and also telegrams from several of these western points as to what lemons were selling at out there. I have here the auction prices. The Senator has a similar one; only it is for a different day. On that day California lemons in New York sold on the average at $2.45. I then have some telegrams here; for example, the first one is from Duluth, Minn.:

California lemons, $3 to $3.15 f. o. b., Duluth.

The next one is from Kansas City:

California lemons selling $3, delivered carload lots.

The next one is from Sioux City:

Paid $3.25 per box; five carloads delivered this week.

Now, if the Senator will compare that he will see it is just about the difference of the freight between New York and back to the Mississippi River point. The California lemon is not entirely dependent upon the duty in this bill—1 cent a pound. But to that duty, for all the lemons it sells except the 15 per cent it sells in New York, there has to be added the freight that it would cost to send the Palermo lemon out to that place; and if

it costs 50 or 60 cents a box to send the Palermo lemons from New York City into the Mississippi Valley, the California lemon in the Mississippi Valley has the duty of 1 cent a pound, or 76 cents per box plus the 50 or 60 cents that the Palermo lemons have to pay to get out into that country. So we see out in the Mississippi Valley the California lemon has exorbitant protection at this time—almost 2 cents per pound.

The question I am getting at is what the rate should be. We should use some sort of judgment. In my opinion, we ought not to make a rate so high as to be practically prohibitory. Of course, when we are producing only a small part of the lemons consumed in this country, there could not be any rate said to be absolutely prohibitory of the importation of lemons until we get to a point where we can produce and supply what we need. We ought not to put on too high a rate, because we have to import lemons, and the higher we make the rate the higher the lemons will sell for in New York, and not only in New York, but clear across the continent.

The Senator from California is right. The price in New York is not only for the Palermo lemons, but the California as well, by auction, and the price in Duluth or Minnnesota or St. Louis is measured by the price in New York plus the freight on the lemons back to that point.

Mr. PERKINS. Mr. President——

Mr. BURKETT. Let me finish the statement, and then I will yield.

The fruit jobber in Omaha, we will say, wants to buy a carload of lemons. He goes to the agent of the California Fruit Growers' Association. He wants the lemons to be delivered next Monday or Saturday or any other day. He asks what the price of those lemons will be. The agent says, "I can not tell you." The jobber says, "I want to know what I am going to pay." The agent says, "It will be the ruling price on the day of delivery." So on the day those lemons get there, they take the auction price at New York plus the freight rate to the Mississippi Valley, and that is the ruling price on the day of delivery in Omaha or St. Louis or Indianapolis or any other of those western towns.

There is another protection that the California lemons has in addition to the 1 cent a pound which it has in the Dingley Act and in addition to the freight rate which it has for every mile the foreign lemon has to go back into the continent from New York, and that is the advantage by reason of the superiority of the California fruit. California lemons sell for a higher price than the Palermo lemons. I have here, for the same day, the auction sales of all the Palermo lemons that were sold in New York City and the auction sales of all the California lemons sold there on that day. The Palermo lemons averaged $2 a box in New York City. The California lemons averaged $2.45 a box in New York City. Those experienced in the trade with whom I have talked personally tell me it will go the year round at about 50 cents a box difference in favor of the California as against the Palermo lemons. So we see that the California lemon not only has the 1 cent a pound, or 76 cents a box, but it has the extra freight rate back into the interior, and it has also the advantage of 50 cents a box on the average for which the California lemons sell for more than Palermo lemons sell for in New York City.

Mr. PERKINS. Mr. President——

Mr. BURKETT. Now I will yield. I beg pardon.

Mr. PERKINS. The Palermo lemon raiser has the advantage of having to pay only 25 cents a box for the transportation of his product 3,000 miles from Sicily to New York, while the California lemon raiser must pay a cent a pound, or $2 cents a box, to Chicago or any other point.

Mr. BURKETT. I will say to the Senator, however, that the Palermo producer also has the disadvantage of losing more lemons in transit than the California lemon grower has, as experience shows, and the difference the Senator mentions is more than made up by this loss. That would lead to another amendment which I have prepared, but which I shall not offer, as I understand the Senator from New York, who has given this subject more study than I have, has an amendment. The amendment provided that it should be estimated by the box rather than by the pound, because experience shows that when lemons have to be dumped out and weighed it is not only injurious to the lemons, but very expensive to the Government, and if the box should be brought in and the officer simply took the count of the number of boxes, as under the old law, the Government would not lose the amount on account of spoiled or decayed lemons, which it does lose now by reason of the damage incurred in transportation.

In my opinion, as I have said, the tariff as it has been is high enough. Under that tariff the California lemon business has prospered, notwithstanding what the Senator from California says; and I want it to prosper. A man who goes out and plants a lemon grove—it costs him, I think the Senator from California suggested, nearly $1,000 an acre to get an acre of growing lemons—ought to make money on them. He has to wait some years. But the industry is not languishing in California. If we take the figures here produced by the Senator from New York, we see it has multiplied between four and five times in the last ten years under this law as it is. I have some private letters here, one of which says:

> I helped to dig out peach and apricot trees that had just borne a bumper crop and grape vines that were a full stand and a heavy crop and set lemons in their place, because the lemon paid so much better.

I have here a copy of the Pacific Fruit World, which I think ought to be good evidence in a case of this sort, and I want to read one or two paragraphs with reference to this. It says:

> Lemons this year have been conspicuously in the limelight for numerous reasons. There has been extensive acreage planted to young trees, and the season's crop promises to be exceptionally heavy.

It shows this year an unusually large acreage planted to lemons in California. Then a little further along in this paper it says:

> California lemons are superior to the products of any other country, although the products of Italy are our greatest competitors, because of the difference in transportation and labor cost in favor of foreign lemons.

This paper, published in the interest of the fruit-growing section of California, shows that the lemon industry is not languishing, but that it is thriving and, this year especially, an unusually large acreage of trees has been planted, and that California has no competitor anywhere except the Palermo lemon, and that competition, I have shown by the catalogues of the auction sales in New York City, is not disastrous to it. Therefore it seems to me that there is no occasion for raising this rate.

Mr. ALDRICH. Mr. President, I am very anxious to have a vote taken upon this proposition.

Mr. BURKETT. I am just through, I will say to the Senator from Rhode Island.

Mr. BEVERIDGE. Mr. President, I wish to ask a question before the vote is taken. The Senator from New York [Mr. ROOT] made a statement which, if true, appears to me to be fatal to the amendment, and that is what I want to hear about from the Senator from California. He said that the California lemon raisers were now selling all they could possibly raise, and that, furthermore, they could not supply the market under even the present tariff. The Senator from Nebraska [Mr. BURKETT] has said that the California raiser has a monopoly clear to Pittsburg.

Mr. FLINT. As I stated Saturday, there is no reason why California can not produce all the lemons consumed in the United States, and far more. There is a reason why we do not produce more lemons, and that is because we can not compete with the foreign grower in the New York market. If, as a matter of fact, this was not a serious proposition to the people of my State; if it did not mean the entire destruction of the lemon business in California, I would not be here appealing for this half cent additional duty. The Senator from New York has read from a statement in a publication by Mr. Powell, picking one grove and giving the figures of lemons for a single year.

You can pick out any crop in this country—cotton from a special acre, an acre of apples, pears, grapes, or any other fruit—and use it as a standard, but I say to the Senate there has not been a time since this industry was started in California when any of the growers have made more than a fair return on their investment, and many of the years they have not made a dollar. The entire return for ten years since the Dingley law went into effect has been a little over 4 per cent per annum, and if it had not been for the fact that the railroads reduced the freight rates lower on lemons than on oranges there would not be sufficient lemon groves in existence in California to more than supply the Pacific coast country.

Mr. President, the Senator from New York says he believes it, and he stated to the Senate that it cost $2.42 to land lemons into the New York market, and yet he knows that within the last three or four months, if he has made any investigation, there has not been an average price of $2.42, and he would have the Senate believe the lemon growers of the Mediterranean were shipping lemons to this country and selling them at a loss.

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. Does the Senator from California yield to the Senator from Kansas?

Mr. FLINT. I do.

Mr. BRISTOW. I should like to ask the Senator from California if he has any evidence that the railroads will not advance the rate if the duty is increased so as to make it more profitable to the grower?

Mr. FLINT. I will say to the Senator they will not, in my opinion, for the reason that there has been a hearing before the Interstate Commerce Commission, and the freight on oranges has been reduced to $1.15 instead of $1.25. That matter has all been thrashed out before the Interstate Commerce Commission, and there need not be any fear of raising the rate.

Mr. President, the Senator from New York [Mr. ROOT] says that this means the elimination of a competitor. The elimination of a competitor will be accomplished if the Senator does not place a cent and a half duty on lemons. It will mean that California can not go into the New York market and that a combination of fruit importers in the city of New York will fix the price of lemons in this country. There is an illustration of what can be done under the system the Senator from New York complains about—the elimination of a competitor. The Senator from New York does not seem to be one of those even protectionists, who is willing to give protection in California and New York and other places; but on New York articles he wants protection, and on the imported articles for the importers in the city of New York he wants practically free trade, or the elimination of the California producer. If California producers do not have adequate protection, it will mean that the lemon acreage of California will be greatly reduced; and if it should be reduced 15 per cent, it would result in the elimination of the California producer from the New York market, and the elimination of California from that market will, as I said a minute ago, mean the fixing of the price at just what the New York importers desire by limiting the amount of imports.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from California yield to the Senator from South Carolina?

Mr. FLINT. Certainly.

Mr. TILLMAN. I want to get a little information from the Senator, if he will be kind enough to give it. What are lands in southern California, where the lemons are grown, I believe, worth per acre?

Mr. FLINT. With water stock?

Mr. TILLMAN. Yes.

Mr. FLINT. About $300.

Mr. TILLMAN. What is the yield per acre?

Mr. FLINT. It costs about $700, actual cost, to get the crop into bearing.

Mr. TALIAFERRO. An acre.

Mr. FLINT. An acre.

Mr. TILLMAN. It costs $700, and the land is worth only $300?

Mr. FLINT. The land and the water stock are worth $300, and the expense of purchasing trees, taking care of them until they come in, makes an estimated value of $1,000 an acre. This value was arrived at in a hearing before the Interstate Commerce Commission in the matter of fixing rates, and after a full hearing they determined that that was the value of a lemon or orange orchard in full bearing.

Mr. TILLMAN. What is the yield per acre?

Mr. FLINT. Lemons average about half a carload an acre.

Mr. TILLMAN. How many boxes?

Mr. FLINT. About 200 boxes.

Mr. TILLMAN. Two hundred boxes on a thousand-dollar investment?

Mr. FLINT. Yes.

Mr. TILLMAN. At $2 a box, it would be $400 an acre.

Mr. FLINT. Yes, sir; but we would be perfectly satisfied with 50 or 60 cents a box profit.

Mr. TILLMAN. You mean at home?

Mr. FLINT. Yes.

Mr. TILLMAN. If it costs only 84 cents, you can lay them down in New York at $1.44.

Mr. FLINT. It costs $2.32, according to the figures I have given, to land a box of lemons in the New York market, and it costs $1.84 to land the Sicilian lemons there. I stated that the California grower would be glad to contract his fruit for $3 a box delivered.

Mr. TILLMAN. How much of that profit does the railroad get?

Mr. FLINT. The railroad gets 84 cents a box.

Mr. TILLMAN. The railroad gets only 84 cents. You make 200 boxes per acre, and you get $2 a box. That is $400, and the railroad gets only 84 cents. Where does the other go?

Mr. FLINT. I will tell the Senator what makes up the amount of $2.32 a box.

Mr. TILLMAN. I am just coming by an easy calculation to the $2 a box.

Mr. FLINT. I will tell the Senator. The cost is $2.32 a box. The average cost of a box of lemons in California on the cars ready for shipment is $1.48, which includes all expenses of cultivation, water, fertilization, fumigation, picking, handling, packing, material used, and every item entering into the cost excepting interest upon the investment in groves and packing houses.

Mr. TILLMAN. Who does that calculating?

Mr. FLINT. The fruit growers of California.

Mr. TILLMAN. They make all the allowances for all these expenses.

Mr. FLINT. I assume that is so. The amount expended for material is 48 cents. Then the amount expended for labor per box is $1. The cost of transportation to eastern markets is 1 cent per pound, gross weight, or a total cost per box of 84 cents.

Mr. TILLMAN. Of course the Senator is entirely frank and honest about it. Can the Senator figure out how he claims that these people make only 4 per cent on their money?

Mr. FLINT. Then here is the total, covering a variety of charges——

Mr. TILLMAN. I am afraid that that is something gotten up to bamboozle votes here; not by the Senator, but by somebody in California who sent it to him.

Mr. FLINT. I called attention to this statement, giving the number of boxes, the average price free on board, and every item connected with it, in my remarks on Saturday. It shows that $1.56 free on board is the average price of oranges and lemons in California.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from California yield to the Senator from Michigan?

Mr. FLINT. Certainly.

Mr. SMITH of Michigan. I think it would be interesting to the Senate, if the Senator has not already done so, to read the report showing the cost of producing lemons in Sicily.

Mr. FLINT. I did that on Saturday.

Mr. President, I wish to answer one proposition of the Senator from New York, that the elimination of a competitor would not have the effect of reducing the price of the article to the consumer. There are Senators here, the Senator from North Dakota [Mr. JOHNSON] and the Senator from Iowa [Mr. DOLLIVER], who were upon the Committee on Ways and Means when a duty was placed on all citrus fruits of a cent a pound. It was stated then, as it is being stated now by the Senator from New York, only it was stated then by Democrats, that this was an excessive duty, and that it would be charged to the consumers of this country. The result of it is that navel oranges, which at that time were selling at an average of $3.50 a box, now that the market is in possession of California and Florida, are selling at $2.50 a box. We eliminated the foreign producer and gave an industry to California and Florida amounting to millions and millions of dollars.

Mr. BURKETT. The Senator must remember that just two or three years previous to that Florida lost all her orange groves and there was rather an unusual price right at that time.

Mr. FLINT. I said the average price under the Wilson law was $3.50 a box, and the average price now that the market is in the possession of California and Florida is only $2.50 for a box of navel oranges.

Mr. BURKETT. But in 1894 Florida lost all her oranges.

While I have the floor, I have a telegram here signed by several constituents—eight or ten citizens of Omaha—protesting against any advance in the duty on lemons. I have letters from several other fruit jobbers and fruit dealers in the Mississippi Valley. I will merely call the attention of the Senate to the fact that every one of them protests against an increase of the rate, stating that it means an increased price to the consumer. I will not take the time to read them, but will ask permission to add them to my remarks.

The VICE-PRESIDENT. Is there objection? The Chair hears none.

The matter referred to is as follows:

OMAHA, NEBR., *April 13.*

Hon. E. J. BURKETT,
United States Senate, Washington, D. C.:

Undersigned Omaha jobbers citrus fruits respectfully ask duty imported lemons be maintained 1 cent per pound. Contemplated advance places all users at mercy of California growers and shippers. Nearly 60 per cent of lemons imported last year. California asks about 40 cents per box additional duty. Vigorously protest against advance, which will come out of consumers' pockets, while destroying importations.

HENRY G. STREIGHT.
R. BINGHAM & SON.
GILINSKY FRUIT COMPANY.
ROCCO BROTHERS.
B. BLOTKY.
SNYDER TRIMBLE COMPANY.
HALEY & LANG COMPANY.
O. W. BUTTS.
DAVIS & BAUDO.

WESTERN FRUIT JOBBERS' ASSOCIATION,
Omaha, April 20, 1909.

Hon. E. J. BURKETT,
United States Senate, Washington, D. C.

DEAR SENATOR: On behalf of this association, noticing your efforts and your amendment to tariff bill to prevent advance of duty on imported lemons, we wish to assure you of our support in this matter.

Knowing that telegram went to you from nine Omaha wholesale dealers, and being advised that Topeka, Des Moines, et al., had also sent wires to Washington, we did not wire you direct. However, we sent, at suggestion of our president, Mr. Gees, three or four telegrams the next day, protesting strongly against any advance over figures now in force. These wires went to Senators BURROWS, HALE, and PENROSE, signed "Western Fruit Jobbers' Association; R. W. Gees, President; E. B. Branch, Secretary."

As you know, strong resolutions against advance were passed by this association early in January, at our annual meeting of members.

We have an executive-committee meeting in Omaha, Saturday, 24th instant, and this subject (with other matters) will no doubt be again considered, and you may again hear from us. In the meantime, if you have any suggestion, or further action by this association is desired, please advise me by wire.

The California "contingent," in their brief presented to the Ways and Means Committee of the House, admit that under the stimulus of an increased duty ten to twelve years would be necessary to produce the lemons consumed in the United States (first paragraph of sixth page).

Any advance in the duty on lemons will immediately be felt and paid for by the consumer, while largely destroying the business of the dealer.

Very respectfully,

E. B. BRANCH, *Secretary.*

DOLAN FRUIT COMPANY (INCORPORATED),
Grand Island, Nebr., April 21, 1909.

Hon. E. J. BURKETT, *Washington, D. C.*

DEAR SIR: As a firm we wish to go on record as being positively against any increase on the tariff on lemons, thinking that the conditions now existing in California are such as to enable the people to meet any competition of foreign lemons. They are putting their lemons clear to the coast for the last several years. It simply places them in a position to advance the lemons throughout the Middle West upon the jobbers. The jobbers, of course, will have to increase it upon the consumers.

You will please find inclosed a couple of leaves torn from the report of the last meeting of the Western Fruit Jobbers' Association at Minneapolis in December, which shows the position taken at large by the Western Fruit Jobbers' Association, which cover the whole western country west of the Mississippi. We notice your amendment covering the lemon proposition, and think it fair and equitable.

Trust you will be able to carry through.

Yours, truly,

DOLAN FRUIT CO.,
Per M. L. DOLAN.

SNYDER-TRIMBLE COMPANY,
Omaha, Nebr., April 19, 1909.

Hon. E. J. BURKETT,
United States Senate, Washington, D. C.

DEAR SIR: Your letter of April 15 received and pleased to know that you are with us, as we do not want to pay any more for lemons than we are already paying. California has the lemon trade in the Western States, as the freight rate is high on imported lemons, shipped from New York or New Orleans. If there is more tariff on the Messina lemons, then the California shippers will advance the price and we are at the mercy of the California people. Trust you will be able to maintain the present tariff on imported lemons.

Yours, truly,

SNYDER-TRIMBLE CO.,
By J. R. SNYDER.

R. BINGHAM & SON,
Omaha, Nebr., April 26, 1909.

Hon. E. J. BURKETT,
United States Senate, Washington, D. C.

DEAR SIR: We thank you for your favor of late date in reply to our message, in which we, the fruit jobbers in this section, object to the fruit duty as proposed by the new tariff bill on lemons. This simply adds what, in effect, amounts to 40 cents box increased cost on lemons, and if the measure should become a law it would probably influence the imports to extent it might mean $1 box additional cost. This comes out of the consumer.

The lemon industry in California is beyond the stage where it requires any particular protection—at least any further protection than is afforded them by the present duty exacted.

Lemons have become a necessity in the household. We have no doubt but what the task of revising the tariff is an arduous one. It is not probable that Congress will be able to enact such a revision as will suit all the people. Our opinion, however, is that luxuries should be taxed and necessities made as cheap as possible for the great mass of our citizens.

Yours, truly,

R. BINGHAM & SON,
By W. W. BINGHAM.

ROCCO BROTHERS,
Omaha, Nebr., April 27, 1909.

Hon. E. J. BURKETT,
Washington, D. C.

DEAR SIR: Are in receipt of your pleasure of the 15th instant, acknowledging receipt of our wire relative to tariff on lemons. We are more than pleased to note our views coincide with yours, and you are faithfully working along the line we suggested, namely, to have the tariff remain as it is, at 1 cent per pound. From press reports, however, we note you desire to change this to a certain extent, and your views, as expressed per press reports, are very satisfactory to ourselves. We trust you will be successful in having the lemon proposition inserted in the Payne tariff bill as outlined by ourselves. It is simply a case of the consumer paying an additional 50 cents per box for lemons if this tariff is successful, and we can see no reason for so doing. Furthermore, California is not as yet able to supply the United States with lemons, and there certainly is no reason why this tariff should be passed.

Your efforts in our behalf will be very much appreciated, we assure you.

Yours, truly,

ROCCO BROS.,
Per YOUNG.

Mr. FLINT. Will the Senator file the telegrams he received from those favorable to the increase of duty?

Mr. BURKETT. I will say that I received two telegrams favorable to it. However, I received a letter from one who sent a telegram. I think I told the Senator I had received such a telegram. I received a letter two or three days following saying that it did not mean anything, that he simply was asked and sent it, and I must not lay any importance on it.

Mr. FLINT. Does the Senator mean to say that the editor of a leading paper in Omaha sent him a telegram in favor of a duty of a cent and a half on lemons and then sent a letter saying he did not mean it? I have not a very high opinion of the gentleman, if that is a fact.

Mr. ROOT. Mr. President, I do not wish to prolong this discussion, but I have reduced to pounds the figures I gave as the number of boxes produced by California last year. It is 133,000,000 pounds. That seems to be a sufficient answer to the terrible threat of the Senator from California that we would be deprived of lemons.

When the Dingley bill was passed they were raising 30,000,000 pounds, and in the year 1907 they raised 90,000,000 pounds. Last year they raised 133,000,000 pounds. What is the use of talking about a dying industry and about the California fruit grower being excluded from our market when the industry is progressing by leaps and bounds with unexampled prosperity under the present tariff?

Mr. FLINT. I will state that those trees were planted eight years ago, during the time when they thought they would be able to produce lemons at a profit. These trees are 8 years old, and this is the crop coming in that I speak of. You do not find that they have been planting out any lemon trees for the last two or three years.

Mr. PERKINS. If the Senator from New York will permit me, I will say that Cuba, Sicily, and Mexico are also increasing their production at an equal ratio or a greater one than we are in California.

Mr. ROOT. Will the Senator from California permit me to say that the statistics of importations do not show that that increase comes here?

Mr. PERKINS. The surplus?

Mr. ROOT. The increase.

Mr. PERKINS. We do not want it to come here.

Mr. ROOT. From 30,000,000 to 133,000,000 pounds has been the increase of the domestic production, and the importations have remained practically stationary.

Mr. FLINT. I wish to correct the Senator.

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from California?

Mr. ROOT. I do.

Mr. FLINT. Does the Senator mean to say that the foreign importations have not increased during these years?

Mr. ROOT. Very slightly. They have fluctuated up and down, in the neighborhood of two million.

Mr. FLINT. Does the Senator mean to say that the foreign importations have not increased in the same ratio as the increase in California?

Mr. ROOT. I do.

Mr. FLINT. I should like to have the Senator put in the figures to show that.

Mr. ROOT. I have read in detail the government figures, giving the importations for the past ten years. The statement of the government expert, Mr. Powell, is that as a result of the recent progress in the industry, the demand for the best lemons of California is greater than the present supply.

Let me say one thing, and I mean to say only one thing more.

Mr. BEVERIDGE. Will the Senator permit me to interrupt him?

Mr. ROOT. Certainly.

Mr. BEVERIDGE. When the statement was made that the demand is greater than the supply, the Senator read from some publication. What publication was it?

Mr. ROOT. I read from an article in the Yearbook of the Department of Agriculture for 1907, by G. Harold Powell, pomologist in charge of fruit transportation and storage investigations, Bureau of Plant Industry.

Mr. BEVERIDGE. It is the statement of the Agricultural Department?

Mr. ROOT. It is the statement of the Agricultural Department. The Agricultural Department states that—

The American lemon industry has become permanently established on a firm foundation within the last few years, the seasons since 1904 having proved unusually profitable.

Then it states:

As a result of the recent progress in the industry, the demand for the best brands of California lemons is greater than the present supply.

Now, Mr. President, one word as to the way in which the lemon growers of California make up the figures they present here. This has been a growing industry. The profits have been increasing as they have learned the business. It is the last ten years of perfected work in the lemon groves that have shown the profits. So the government report says.

In giving the average profits for a period of ten years past, they include the period of education, of learning how to conduct the business. Those early years which in every industry are apt to be unprofitable are grouped with these later years of great profit, in order to give a low average. But there is no conflict in the statement of facts that is before us now, that this growing and prosperous industry is, with the present law, making great profits and meeting a demand greater than they can supply, and that they need no additional duty.

Mr. FLINT. Mr. President, I simply want to say to the Senator that his statement is contradicted. I have contradicted it, and I have referred to various documents contradicting his statement. I desire to present a table showing the importations of lemons during the last ten years.

The table referred to is as follows:

Lemons (act of 1897) under general tariff.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Pounds.	*Dollars.*	*Dollars.*	*Dolls.*	*Per ct.*
1898	1 cent per lb	133,347,059	2,521,985.32	1,333,470.50	0.019	52.87
1899	do	208,634,448	4,399,160.72	2,086,344.48	.023	47.43
1900	do	159,384,389	3,656,946.85	1,593,843.89	.023	43.32
1901	do	148,334,112	3,516,377.20	1,483,341.12	.024	42.18
1902	do	162,902,091½	3,318,908.82	1,629,020.92	.020	49.10
1903	do	152,775,807	3,087,244.23	1,527,758.67	.020	49.48
1904	do	164,042,415	3,507,679.55	1,640,424.15	.021	46.77
1905	do	139,079,003	2,984,975.44	1,390,790.03	.021	47.87
1906	do	138,689,148	2,934,195.34	1,383,891.48	.021	47.27
1907	do	153,930,739	4,254,280.56	1,539,307.39	.028	36.18
1908	do	178,437,835	4,388,247.95	1,784,378.35	.025	40.66

The VICE-PRESIDENT. The question is on agreeing to the committee amendment to paragraph 273.

Mr. ROOT. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BRISTOW. The question is on the committee amendment?

The VICE-PRESIDENT. The question is on the committee amendment.

The Secretary proceeded to call the roll.

Mr. CLARKE of Arkansas (when his name was called). I am paired with the junior Senator from Delaware [Mr. RICHARDSON]. He is absent to-day. My colleague [Mr. DAVIS] is unpaired. I transfer my pair to my colleague, and vote "nay."

Mr. OLIVER (when his name was called). I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. If he were present, I should vote "yea."

Mr. SIMMONS (when his name was called). I am paired with the junior Senator from Minnesota [Mr. CLAPP]. I am advised that if he were here, he would vote "yea" upon this amendment. I would vote "nay." I withhold my vote.

Mr. SMITH of Michigan (when his name was called). I am paired with the Senator from Mississippi [Mr. MCLAURIN]. If he were present, I should vote "yea."

The roll call was concluded.

Mr. PAYNTER. I am paired with the senior Senator from Colorado [Mr. GUGGENHEIM]. He is necessarily detained from the Senate. I therefore withhold my vote.

Mr. FOSTER (after having voted in the affirmative). I have a general pair with the senior Senator from North Dakota [Mr. MCCUMBER]. He has not voted, and I withdraw my vote.

Mr. NIXON (after having voted in the affirmative). I understand that I was paired with the Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the senior Senator from New York [Mr. DEPEW], and let my vote stand.

Mr. FLINT. The Senator from Louisiana [Mr. FOSTER] withdrew his vote, but I know the Senator from North Dakota [Mr. MCCUMBER] would vote "yea," if present.

Mr. FOSTER. Then I will let my vote stand.

The result was announced—yeas 44, nays 28, as follows:

YEAS—44.

Aldrich	Brandegee	Burnham	Clark, Wyo.
Borah	Briggs	Burrows	Crane
Bourne	Brown	Burton	Cullom
Bradley	Bulkeley	Carter	Dick
Dillingham	Frye	Kean	Piles
Dolliver	Gallinger	Lodge	Scott
du Pont	Gamble	Nelson	Smoot
Elkins	Hale	Nixon	Sutherland
Fletcher	Heyburn	Page	Warner
Flint	Johnson, N. Dak.	Penrose	Warren
Foster	Jones	Perkins	Wetmore

NAYS—28.

Bacon	Clay	Gore	Rayner
Bailey	Crawford	Hughes	Root
Bankhead	Culberson	Johnston, Ala.	Smith, Md.
Beveridge	Cummins	La Follette	Smith, S. C.
Bristow	Curtis	Martin	Stone
Burkett	Daniel	Money	Taylor
Clarke, Ark.	Frazier	Overman	Tillman

NOT VOTING—19.

Chamberlain	Guggenheim	Oliver	Simmons
Clapp	McCumber	Owen	Smith, Mich.
Davis	McEnery	Paynter	Stephenson
Depew	McLaurin	Richardson	Taliaferro
Dixon	Newlands	Shively	

So the amendment of the committee was agreed to.

The VICE-PRESIDENT. Without objection, paragraph 273 is agreed to.

Mr. BURKETT. I offer an amendment to change the method of computation. Before the amendment is read, I will state that this makes the same rate as the Senate has just now voted, but it changes the calculations to be made by the box instead of by the pound.

The VICE-PRESIDENT. The Secretary will read the amendment.

The SECRETARY. On page 84, paragraph 273, line 7, it is proposed to strike out the words "lemons, 1½ cents per pound" and insert:

Lemons, in packages of capacity of 1⅓ cubic feet or less, 57 cents per package; in packages of capacity exceeding 1⅓ cubic feet and not exceeding 2⅔ cubic feet, $1.14 per package; in packages of capacity exceeding 2⅔ cubic feet, $1.14 per package plus an amount equal to 45.7 cents for each cubic foot or fractional part thereof exceeding 2⅔ cubic feet.

Mr. PERKINS. There is an old, familiar proverb, "Beware of the Greeks bearing gifts." I hope the amendment will not be adopted.

Mr. BURKETT. The Senator can not apply that to me. I have accepted what the Senate voted to do, but I am trying to arrange the measure of the duty in a more practical way, so that it will be cheaper to the Government and more satisfactory.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Nebraska [Mr. BURKETT].

The amendment was rejected.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to.

Mr. RAYNER obtained the floor.

Mr. GORE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Maryland yield to the Senator from Oklahoma?

Mr. RAYNER. I wish to address the Senate for a few minutes.

Mr. GORE. I wish to say that I was asking recognition before the Chair announced that the paragraph was agreed to. I should like to offer an amendment, if the Senator from Maryland will yield.

The VICE-PRESIDENT. Under those circumstances it is understood that the paragraph is not definitely agreed to. The Senator from Maryland will proceed.

Mr. RAYNER. Mr. President, my remarks will take about twenty-seven minutes. One-half of this time will be devoted to a brief narrative which I know will be entirely harmless and inoffensive; the balance of the twenty-seven minutes will be occupied with matters a little more grave and serious.

I propose to make a few observations upon the citadel of protection. The other day the Senator from Rhode Island, when a great speech had been delivered attacking the rates of duty in the woolen and cotton schedules, remarked that to change those schedules would destroy the very citadel of protection.

I want to look inside of this citadel now for a moment and see what things are going on from day to day within. Never in my experience was a citadel in such a state of tumult and commotion. The Senator from Rhode Island is upon the upper floor and with him are his warriors. The din and clatter are on the floors beneath. I was gazing at the classic features of the senior Senator from Massachusetts the other day when there was the usual uproar in the citadel. The sturdy recruit from Kansas was hammering away at the lead schedule and it seemed to disturb the tranquillity and repose of the senior Senator from Massachusetts. He appeared to be almost upon the point of prostration and collapse, when the senior Senator from New Hampshire, who is the surgeon of the post and is always ready with his remedies and nostrums, arose to administer a stimulant to the Senator from Massachusetts, who quickly revived under its exhilarating effect.

I observed upon another day when everything seemed serene upon the upper floor that suddenly the nerves of the senior Senator from Rhode Island became distracted when that sturdy old revolter, the senior Senator from Minnesota, who has admitted that the blood of Scandinavian pirates is in his veins, and who is upon the ground floor, commenced to scuttle the citadel, if I may use that word in connection with a citadel, by driving with his sledge hammer blows large holes into the bottom of the structure. When the muster roll was called, however, and the vote was taken, the damage was repaired, and the Senator from Rhode Island, upon the upper floor, resumed his ancient smile.

Upon another day a volunteer from South Dakota, who is also upon one of the lower floors engaged in dismantling the citadel, began to tear away the iron girders that support the fabric, and the Senator from Rhode Island cast a furtive glance toward the Senators from Michigan, and these sturdy stalwarts reassured him that if he would keep his courage up they would guarantee that the iron mines of Michigan would furnish sufficient raw material to underpin the structure for the next six thousand years, and on this floor a compromise was struck and fifteen hundred years was determined upon as the time limit within which all the ores from all the world should be excluded from our shores.

Then there arose the great insurgent from Wisconsin, as mild a mannered man as ever cut a throat or scuttled a ship. He is also in the citadel. He is underneath the structure all alone, plodding by day and dreaming by night how to undermine its foundations, so that the entire citadel would tremble from its turret to its base. He arose to make some innocent suggestions in his usual modest and persuasive way, and they were made in almost whispering accents, but they rang through every floor of the citadel like discordant notes of music on the structural clauses of the metal schedule. The Senator from Rhode Island heard them, and then a scene transpired that I shall long remember. The great ex-Secretary of State, whose presence is an honor to this body and who has filled with such high distinction every service into which his country has called him, was figuring and writing. The Senator seems to be always figuring and writing. The Senator from Rhode Island was looking toward him. Now, it must be understood that the Senator from New York is not within the citadel. He has a little citadel of his own, and between his citadel and the main stronghold, upon the upper floor of which his client, the Senator from Rhode Island, is located, there is a wireless system of telegraphy, and whenever the Senator from Rhode Island is in imminent danger and peril there comes a hieroglyphic message from the Senator from New York—"Hold the fort, for I am coming." In this instance there came upon the waves a message that startled and electrified the Senate. It was to this effect and, when deciphered, in substantially these appalling words:

Mr. President—

Said the Senator from New York—

the Senate has been laboring under a delusion in holding the Senator from Rhode Island responsible for this bill. He is not guilty, except as to the portion in italics. The bill embraces over two hundred pages, and I shall prove to the point of demonstration that he is not guilty as to anything except the type that slopes toward the right, a species of type that is called "italics" because in the year 1500 it was dedicated by its founder and inventor, Aldus Manutius, to the states of Italy. I can prove an alibi for him upon every line of the Roman lettering of the entire instrument. Not only can I prove an alibi, but I will produce before this body the actual criminal. The unfortunate criminal, Mr. President, in whose behalf I beg the tenderest mercy of this tribunal, is the gentleman who presides over the Ways and Means Committee of the House of Representatives. He composed every line of the Roman lettering, and the Senator from Rhode Island is innocent.

This deliverance reminded me of an incident that occurred in one of the judicial tribunals of my own State. A prisoner was on trial for crime. He was acquitted upon proof of an alibi. When the case was over the judge who presided at the trial approached the prisoner's counsel and said: "My friend, that was a good alibi that you proved in this case." "Yes, your honor," said the prisoner's counsel, "I had a large number of alibis handed to me and I selected this one because it was the best of the lot."

Is it any wonder that when the Senator from Rhode Island was thus acquitted a joyous smile suffused not only his genial countenance, but the countenances of all of his relatives and kindred upon the Committee on Finance? Even the Senator from California, who is one of the next of kin of the Senator from Rhode Island upon the committee, rejoiced because the acquittal of the chief conspirator, under the ingenious plea of the Senator from New York, carried with it necessarily the acquittal of the Senator from California, because there is scarcely a product of the California orchards and vineyards that does not blossom and bloom under the Roman lettering of the tariff bill, and a quarter of a cent upon lemons is the only count in the entire indictment, it being in italics, upon which the Senator from California could possibly be convicted.

When I said that the Senator from New York was constantly figuring and writing, it is proper for me to state that he is not the only Senator who is thus at work. The brilliant senior Senator from Indiana seems to be engaged continuously at the same sort of labor. I must confess I have not any definite idea what the Senator from Indiana, with all these enormous tariff schedules upon his desk, is figuring and writing about all the time. I do not know whether he is in the citadel trying to get out, or whether he is outside of the citadel trying to get in. He seems to be on the friendliest economical footing with the Senator from Rhode Island, because whenever a schedule is reached the two Senators seem to be embracing each other; and then, a moment afterwards, the Senator from Indiana arises to shake his gory locks at the Senator from Rhode Island. I will not call this a seance, because I want to be polite. But what is it? Is it a comedy or tragedy, for we know the world is a stage and all of its people actors?

The greatest act, however—and when I call it an act I do not mean for a moment that it was not perfectly sincere and genuine—that has been played during all of these scenes either inside or outside of the citadel was that performed by the radiant mutineer from Iowa, the senior Senator from Iowa. I have seen the Senate and the House held for hours upon great constitutional and governmental questions by men of eloquence and power, but any man who can throw his emotions into the woolen and cotton schedules and captivate the Senate for two days by the charms of his oratory and the sparkling humor of his repartee deserves the admiration of posterity. It was a great and dazzling feat that the Senator from Iowa undertook. It was an intellectual athletic achievement that has hardly ever been equaled upon the floor of this Chamber. The Senator measured the citadel and made up his mind that he would ascend to the top of it while the shot and shell were pouring in upon him from its upper apartment. He did it well. Round by round he climbed. His eye was on the summit and he never stopped until he stood beside the spire. With one hand upon the flagstaff, with the other he seized the flag and took its protected bunting and tore it into shreds and tatters.

Upon the first day of the charge he was frequently interrupted by the senior Senator from Utah. The Senator from Utah is the chaplain of the garrison and is holding daily his morning, midday, and afternoon revivals. He is not only the chaplain of the garrison, but he is the spiritual adviser and comforter of the Senator from Rhode Island, and this is perfectly right and proper, because the Senator from Rhode Island in his moments of remorse and penitence for the work that he is engaged in is entitled to all the assuaging consolation that religion can afford him. Upon the second day the Senator from Utah ceased his invocations, because he had evidently arrived at the conclusion that the heretic from Iowa was not a subject for conversion. Not only this, but the Senator from Utah had probably consulted certain passages of the Scriptures which had admonished him that the power of silence at certain psychological moments is one of the greatest gifts of God. I will give these biblical quotations.

Fourth chapter of First Corinthians, verse 20:

For the kingdom of God is not in word, but in power.

The Epistle of Paul to the Hebrews, chapter 4, verse 2:

For unto us was the gospel preached, as well as unto them; but the word preached did not profit them, not being mixed with faith in them that heard it.

The second chapter of Job, verse 13:

So they sat down with him upon the ground seven days and seven nights and none spake a word unto him, for they saw that his grief was very great.

When I speak of the Senator from Utah as the chaplain of the garrison I must not omit the fact that the senior Senator from Montana is the bishop of the entire flock. He does not hesitate, however, when the theologians who are under him are absent upon their pastoral calls to step down from his high elevation and occupy the place of moderator of the assembly and superintendent of the Sunday school upon the other side of the Chamber. The senior Senator from Montana is the great pacifier of his party. There is no hole so narrow or so deep that any of his colleagues can get into that he can not crawl in after them and bring them back to the surface. There is no complexity or difficulty so great that he can not relieve the situation.

We had as fine an example of this as I ever witnessed upon this floor a few days ago. The sugar schedule was under discussion, and the junior Senator from Kansas was pounding and hammering away at the citadel, and I thought that at last there

was a chance perhaps of making some inroad upon it. All at once I saw the benignant countenance of the senior Senator from Montana at the further end of the Chamber, as I thought, engaged in silent prayer. Gradually he wound his way around to the middle aisle. How he got there I do not know. His chaplain, or one of his chaplains, the senior Senator from Utah, was in great peril, and he had come around to extricate him. It appeared that the Senator from Kansas had received a communication from a Cabinet officer in connection with the sugar schedule, and the Senator from Utah a few days afterwards had received a communication which absolutely contradicted the first communication that the Senator from Kansas had received, and thereafter the junior Senator from Georgia also received a communication from the same Cabinet officer contradicting both of the other communications that he had sent to the Senator from Kansas and the Senator from Utah. Now, a complicated and intricate situation of this sort would have deterred almost anyone in any effort or attempt to settle it. Not so with the Senator from Montana. With the serenity and composure of a saint he stepped into the breach, and waving all three Senators aside, he said:

Mr. President, if these Senators, who seem to be considerably agitated in this matter, will hold their peace for a moment, I think I can solve the situation very easily. If a man makes a statement one day—

Said the Senator from Montana—

and then upon another day makes another statement at entire variance with the first, and then upon another day makes a third statement in deadly conflict with both of the other statements that he has made, there is a way, Mr. President, by which all of these statements can be reconciled without imperiling the truth of any of them. In such a case—

Said the Senator from Montana—

in order to arrive at the truth I would take the three statements and strike an average, and thus by a process of mathematical adjustment I would maintain proper proportions and arrive at a symmetrical and harmonious solution of these three apparently irreconcilable positions.

The most remarkable thing in connection with this statement was that every one of us seemed to be perfectly satisfied with this process and explanation, and after the Senator from Montana had pronounced this benediction he retired with that guileless and immaculate expression that would have done credit to the meek and lowly Moses when he came down from the smoking mountain with the tables of testimony in his hand.

Now, Mr. President, this description that I have given would not be worth the consumption of the time that the narrative has taken if it did not have a moral to it. What is the moral? This is the moral: The Senator from Nevada, a man of great learning and accomplishments and replete with original ideas and conceptions, the other day, after the junior Senator from West Virginia, with his hand upon a decanter, had concluded an oration, whose purpose it was to show the poverty and destitution of the American manufacturer and the unbounded wealth and opulence of the American retailer, suggested that the proper step for us to take—that is, those of us who are playing around the breastworks—is to form a combination with those who are inside the citadel, and thus by a union of forces destroy the edifice.

This plan did not strike me with much favor when it was proposed, because as a rule I do not believe in political combinations of this sort. Whatever impression it made upon me, however, was entirely dispelled when the junior Senator from Iowa arose to make his dashing onset upon the citadel. I had cherished the idea that the junior Senator from Iowa intended to dynamite the entire establishment. By frequent intimations he gave notice of that sinister purpose. As a rule dynamiters do not herald their intentions, but there are some exceptions to the rule, and knowing the junior Senator from Iowa to be a gladiator of great valor and prowess I took him at his word. But, Mr. President, there was no dynamite in sight. The Senator had no explosives with him. He simply had a shovel, a pickax, and a crowbar and was trying to weaken some of the schedules so as to send a few rafters and shingles and splinters through the circumambient air, and when he finished with his tools he boldly announced that after the whole business was over he would gladly take his place upon the upper floor with the senior Senator from Rhode Island if some one would kindly lift him up by a derrick to this high eminence and exalted station.

Now, how can there possibly be a combination between us on the outside and the insurgents on the inside? I have never believed and never will, so long as I maintain my faculties of reasoning, that Congress has any right under the taxing power to lay prohibitive duties. They believe we have, and their idea is when they strike down certain schedules to maintain the great principles of the bill, and I am against the principle of the bill. Let me tell you, the Supreme Court has never decided this question, and the best text writers and commentators are against it. Understand me now, so that there is no mistake about it. I maintain the proposition that if this act were to declare upon its face that any of the duties which it imposes are prohibitive and that they are levied with that intent, the act would be unconstitutional *pro tanto*. Do not let us get confused now upon this proposition. I do not hold for an instant that a protective duty levied upon a revenue basis is unconstitutional. That question has been closed by the decisions, but I assert without the fear of successful contradiction that if the act shows that we are imposing duties that we do not intend to receive and providing for revenue that we do not intend to collect, and if that purpose is manifest upon the face of the legislation, such an enactment would be unconstitutional.

I do not care to discuss this proposition with anyone who skims along the surface of great legal problems, but I would be glad to argue it with anyone who is thoroughly conversant and familiar with the principles and authorities upon the subject. I know that I will be asked, "Do you mean to say that a protective duty is unconstitutional?" No. I mean to assert no such absurdity. I admit that if a duty for revenue is laid, even if it affords protection, while it might be against public policy and the traditions of my party, it is a valid exercise of constitutional power. My proposition is this: When you show that the duty is levied not for the purpose of revenue, but for the purpose of absolutely preventing importations, then under the taxing power you are beyond the jurisdiction of the Constitution. Do not tell me that I am reviving an obsolete doctrine, because I tell you that the point that I am now making has never yet been presented to the courts and the courts have always avoided deciding it, because the legislation before them has always concealed the intent of the lawmaking power. The courts have always said they could not tell whether or not the act will raise revenue, because upon its face it purports to do so. They have never yet been called upon to deal with an act which upon its face, while imposing a duty, demonstrates that it did not propose to collect any revenue. I do not believe there is a lawyer in this body thoroughly conversant with the principles of constitutional law who will dispute the proposition for which I am now contending.

I send now to the desk a bill which I have drawn, which I desire to have read and which illustrates the proposition for which I am contending. Of course I have no idea of offering this bill, but I simply take it as an illustration of my argument.

The VICE-PRESIDENT. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

Whereas it is proposed to place a duty upon steel rails that will prevent their importation into the United States, so that said duty shall be absolutely prohibitive and give the manufacturers of steel rails in the United States the entire control of the American market: Now, therefore, in order to carry out said purpose,

Be it enacted, etc., That on and after the day following the passage of this act there shall be levied and collected the sum of $40 per ton upon all steel rails when imported from any foreign country into the United States.

Mr. RAYNER. Mr. President, does anyone here believe that this is a constitutional measure? Why not? Simply because upon its face it shows that while professing to be a revenue measure it is absolutely prohibitive upon importations, and that this was its object and design. Now, it will be asked me, "Is this present bill unconstitutional?" Certainly not. Why not? Simply because we are perpetrating a fraud upon Congress, upon the Constitution, and upon the Supreme Court of the United States in concealing the legislative motive from the legislative measure. This bill under the guise of collecting revenue places a prohibitive duty upon hundreds of articles of importation, and if it expressed this purpose upon its face, as does the bill that I have sent to the desk to be read, it would be unquestionably pronounced invalid. It is for this reason, Mr. President, that I am against the entire bill, and against any bill that levies prohibitive duties.

I do not believe that either openly or in disguise we have any power whatever under the taxing and revenue clauses of the Constitution to place a prohibitive duty upon importations to protect the industries and manufactories of this country. This is the faith that I was born in and this is the faith that I hope to die in if the Constitution shall still survive at the period of my demise, and in order to show that this is the genuine creed of our institutions, I now read a few lines from authorities as great as any that exist upon the subject. These are the words. I read first from Tucker on the Constitution:

The power granted as a means of revenue can not be diverted from this legitimate purpose by the indirect use of it to do what Congress has no power to do by direct taxation. The end is not legitimate,

and therefore the law is not constitutional. It is true that where the law merely imposes the tax without disclosing the indirect purpose of its imposition the courts may have no right to declare the law unconstitutional, though if the purpose were disclosed on the face of the act the courts would do so.

And now again, quoting from Judge Cooley, I read the following extract:

Constitutionally a tax can have no other basis than the raising of revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is not to raise revenue, but to discourage and indirectly to prohibit some particular import for the benefit of some home manufacture may well be questioned as being merely colorable and therefore not warranted by constitutional principles. As it is a duty from which revenue may be derived the judicial power, where the motive of laying does not appear on the face of the act, can not condemn it as being unconstitutional; but it is none the less a violation of the Constitution by the legislator who knows its object and levies the duty from a motive not justified by the Constitution.

So far as I am concerned I am voting with the insurgents all the time and they are all men of unflinching courage, but there is no doubt about the fact that with the single exception of the Senator from Wisconsin we have not heard a positive statement as to the willingness of any one of them to vote against the bill when it is finally perfected. Every time we vote with them we are defeated, and then after we vote upon the last item they expect to support the whole bill with all of their amendments voted down, while I intend to vote against the bill even if the amendments had been adopted. My own judgment, therefore, is that we had better go it alone.

I am not after a schedule here and there, because that illustrates no principle. I am not in favor simply of weakening the citadel. I believe in storming it if we have the power. The senior Senator from Iowa has torn down the flag, but he has raised no other flag in its place. If we had the lead I would march toward the citadel in which monopoly lies intrenched, I would help to tear the mask from those who have robbed us, and the truth should be revealed. I would trample upon the emblem that bore upon its face the strange device of a prohibitive tariff, and in its place I would raise aloft the ensign of a constitutional tariff for revenue, the armorial crest of the Democratic party, whose flaming symbol should proclaim to our countrymen that we are ready again to make the fight upon this issue. Twice before we made the fight against terrific odds, and twice before we won.

I stand for the unprotected people against protected monopoly. Not protection to American industries, but protection to the American consumer; that is the catchword that I would conjure with. I may be wrong, but I believe just as surely as I am addressing the Senate to-day that if we maintain the courage of our convictions and cling to the traditions of our faith when this oppressive bill is passed the hour will come when the citadel will be reached and the citadel will fall. As posterity marches by its ruins in its dying embers it will read the message that the garrison has capitulated, that the perverted and disfigured editions of the Constitution have gone down in the wreck, but that the scroll of the ancient law has been rescued, that the power to levy taxes upon the people of this country for any other purpose except governmental revenue has been forever repudiated, that the wants of penury and the toil of unrequited labor have at last been heard in the assertion of their natural and human rights, that the Magna Charta of the American consumer containing his ancient and inherent privileges has been restored to him, and that the partnership between the protected interests, who for nearly a half century have been gathering their toll at the ports of entry of this Republic, and the Government of the United States has been forever sundered and dissolved.

Mr. GORE. At the close of paragraph 273 I propose to insert the following amendment:

Bananas, 6 cents per bunch.

Mr. President, I desire to submit only a few remarks upon the proposed amendment. I voted against the increase in the duty on lemons, because lemonade is the poor man's beverage in this country, and I thought we ought to have more beverages of that kind; and, I think, instead of increasing the tariff on lemons, we ought to have thrown a rose leaf upon the brimming bumper and drunk to the health of the poor people of the United States. But, Mr. President, the increased duty on lemons is typical of this entire tariff revision. Our Republican friends have handed the people of this country a lemon. They promised the people a fish, and they have given them a brood of serpents, and I doubt not that the people will repay them with a brood of scorpions.

Mr. President, I think I have treed a trust. There is a banana trust in this country, and I intend now to join the senior Senator from Maryland [Mr. RAYNER] in unmasking the hypocrisy of the Republican party and in unmasking the hypocrisy of the pending tariff revision. I have watched with much interest the votes cast here by the twelve Senators from New England, and I think now that I shall afford an opportunity for the Democrats on this side of the Chamber to vote in harmony with the twelve apostles of protection from the States of New England. We have increased the tariff on lemons from 36 per cent ad valorem to 54 per cent ad valorem. The duty on oranges is more than 59 per cent ad valorem. I have proposed a duty of 6 cents per bunch on bananas. That is equivalent to an ad valorem rate of 19 per cent, only about one-third of the existing tariff on oranges and only about one-third of the increased duty on lemons.

Mr. President, a duty of 6 cents per bunch on bananas will raise a revenue of $2,225,000. Those five words contained in that amendment will be worth two and one-quarter million dollars to the famished Treasury of this country, and it is only one-third of the duty on lemons and oranges to which this committee has just committed itself. An average bunch of bananas contains about 66 bananas. This, then, imposes a duty of 10 cents per hundred bananas—1 cent for every 10 bananas, and one-tenth of 1 cent for each and every banana.

Now, sir, I think it would be impossible for the fruit trust to transfuse and transfer that burden to the consumers of bananas in this country. I think, without peril to the consumer, we can give the Treasury two and one-quarter million dollars. But I intend to demonstrate that our Republican friends vote to impose a duty or vote to increase a duty when that duty is necessary to protect a domestic trust, and they vote against any duty whatever whenever the imposition of a duty would interfere with or would diminish the profits of a domestic trust.

Mr. President, the history, the character, of our legislation with reference to bananas is most interesting. I will not say that this banana provision was inserted in a sinister way or that there is anything sinister in the provision, but I will say it is significant. Senators will search the dutiable list in vain for the euphonious word "banana." Senators will search the free list in vain for the word "banana." It seems not to be in the dictionary of the protectionists of the Senate or of the country. Where does this provision appear through which enter the United States annually 37,000,000 bunches of bananas? I call the Senators' attention to this language, which occurs in the free list:

Fruits or berries, green, ripe, or dried, not specially provided for.

Mr. President, through this innocent provision there comes into this country annually 37,000,000 bunches of bananas. One would hardly think that in so guileless a clause such a wilderness of this fruit could have been planted and produced. But, sir, they come, their names uncalled and their entrance unchallenged. Not only do the 37,000,000 bunches of bananas nestle in this provision, but a fruit trust nestles also in that provision and nestles in the classic city of Boston.

I charge here that the United Fruit Company has a practical monopoly of the banana importation and the banana business of this country. The United Fruit Company was organized in 1899. Mr. President, in 1809 Abraham Lincoln, Charles Darwin, and a number of other illustrious personages were born upon this earth, and it seems that in 1899 a number of trusts and monopolies were born in this country, a year of plagues, we might call it. The United Fruit Company was chartered and organized in the State of New Jersey. That, sir, of course, is a certificate of good character. Not only that, but that charter is a roving commission, authorizing it to wander to and fro on the earth, seeking whom it may devour. That company consolidated more than 11 other fruit companies. All of the directors of this company reside in the State of Massachusetts except two who live in New York and one who resides in the State where the company had its nativity.

This company was chartered for $20,000,000. Last year it increased its stock to $25,000,000. In 1906 its total profits aggregated $6,000,000; in 1907 its total profits aggregated $6,000,000 in dividends and in surplus. That company has more than ten millions of surplus on hand. It has, I say, a practical monopoly of banana importations and the banana business in this country. I am informed that at times it has dumped entire cargoes of bananas into the harbor of Mobile and elsewhere in order to avoid depressing the price of bananas and affording a consumer an opportunity to enjoy the luxury of cheap bananas.

To prove what I have said in regard to this company having practically a monopoly, although there are a few other small companies, I send to the desk a few telegrams from collectors of customs in various ports of this country, and I challenge the attention of Senators, and ask them to mark with what rhythmic

and recurring cadence the name of the United Fruit Company appears in these telegrams.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

CHARLESTON, S. C., *May 17, 1909.*

Hon. T. P. GORE,
United States Senate, Washington, D. C.:

United Fruit Company only imports bananas this port, fiscal year 1908; Jamaica division, same company shippers.

E. W. DURANT, Jr.,
Collector of Customs.

BOSTON, MASS, *May 17, 1909.*

Hon. T. P. GORE,
United States Senate, Washington, D. C.:

Importer, United Fruit Company; purchases from United Fruit Company, Dumois Nipe Company, various growers, and E. Verley, at island of Jamaica. Importer, W. W. & C. R. Noyes; purchases from J. Simons & Co., at Sama, Cuba.

LYMAN, *Collector.*

MOBILE, ALA., *May 17, 1909.*

T. P. GORE, *Washington, D. C.:*

Respecting telegram, principal importers of bananas are United Fruit Company, who operate principally their own plantations, and Hubbard-Zemurray Company, who purchase from various planters through local agents stationed at Central American ports.

TEBBETT, *Collector.*

BALTIMORE, MD., *May 17.*

Hon. T. P. GORE,
United States Senate, Washington, D. C.:

Importers of bananas are United Fruit Company, consigned from United Fruit Company at Port Maria, Port Antonio, and Montego Bay, purchased from United Fruit Company at Stanns Bay, Jamaica; Atlantic Fruit Company, purchased from Dyer & Gideon, Port Maria, and Atlantic Fruit Company, Port Maria and Stanns Bay, consigned from Atlantic Fruit Company, Montego Bay, Jamaica; Lanasa & Gaffe Steamship Company, consigned from Lanasa & Gaffe Steamship Company, Montego Bay, purchased from Gaffe Brothers, Port Maria, Port Antonio, and Stanns Bay, Jamaica.

WILLIAM F. STONE, *Collector.*

PHILADELPHIA, PA., *May 17.*

T. P. GORE, *Washington, D. C.:*

Atlantic Fruit Company and the United Fruit Company principal importers of bananas year 1908.

HILL, *Collector.*

NEW YORK, *May 17.*

T. P. GORE, *Washington, D. C.:*

Two principal importers of bananas fiscal year 1908 were Atlantic Fruit Company and United Fruit Company. Purchased from Atlantic Fruit Company, United Fruit Company, Dyer, Gideon & Co., and Simon Fruit Company.

STUART, *Special Deputy Collector.*

UNITED STATES CUSTOMS SERVICE,
New Orleans, La., May 18, 1909.

Mr. T. P. GORE, *Washington, D. C.*

SIR: In reply to your telegram I have to state that the two principal importers of bananas at this port are the United Fruit Company and the Bluefields Steamship Company (Limited), both companies operating a line of steamships and transporting bananas from their own plantations.

Respectfully, HENRY MCCULL, *Collector.*

Mr. GORE. Mr. President, those telegrams reveal the fact that at every port the United Fruit Company is introducing the products of its own lands, and, as I have suggested before, exercising a practical monopoly in this country. There are two or three other small concerns; one other the name of which did not appear in any of these telegrams.

The United Fruit Company was not only chartered for $20,000,000 and now has a capital of $25,000,000; it not only dominates the banana markets of this country, but it owns and operates its own banana plantations in other countries. The United Fruit Company owns 396,000 acres in its own right and title, and it leases many thousand acres in addition to its own holdings. It owns 315 miles of railroad, which it operates in connection with its plantations, and also owns its own steamship lines. Here is one monopoly now which will yield a golden revenue to the embarrassed coffers of this country by the imposition of a tax only one-third as large as the Senate has deliberately voted upon oranges and only about one-third as large as the Senate has deliberately voted upon lemons.

I intend to see whether it be the policy of the Finance Committee to supply the deficit now existing in this country or whether it will refuse to lay the weight of its little finger upon this fruit company which is enshrined, as I have said, in the classic and puritanic city of Boston.

Mr. President, there is one other consideration which will have greater weight with the "twelve apostles" and with the protectionists on the other side. If we will only levy this tax upon bananas, we can soon raise all the bananas we need in the United States, and, in the philosophical language of the Senator from West Virginia, we will have both our bananas and our money. The Senate voted a few days ago a pension of $30 a ton to the lead trust in Idaho and Utah. If it would only levy a tariff of $30 a ton on bananas, who is here to deny that we might soon see banana groves flourishing upon the beetling crags of the Rockies.

My good friend the Senator from North Dakota [Mr. MCCUMBER] has, by labor in season and out of season, succeeded in increasing the duty a nickel a bushel on corn, so that the farmers of this country are secure in their fortunes and in their destiny. But he alarmed me with the suggestion that the prairies of North Dakota were becoming exhausted. Nothing recuperates the soil like diversification of crops; and, with a tariff on bananas, why not plant those prairies in banana groves and produce in our own country all the bananas we can consume? Of course, a mere theorist would say it is better for the farmers of North Dakota to raise wheat and buy bananas; the same theorist would contend that it is better for the people of Central America to raise bananas and buy wheat; but they are mere theorists, engaged in elusive pipe dreams.

Sir, we want to encourage American industry and produce our own bananas, and it is not beyond hope that Boston itself may become the very center of the banana business of this country. Why not have vast groves of bananas waving over the entire region of New England? The soil of New England is sterile. The people of that section have been engaged in raising little else than the tariff, and they have found that the most profitable business to which they could possibly apply their ten talents.

But it seems to me the State of Maine is peculiarly adapted to the culture of the banana, and when her hills have been denuded of the forest primeval, when her stately spruce have been felled and manufactured, have been converted into the Morning Sun and the Evening Star, why not insure that those bleak hills will wave with the budding and blossoming banana? Why not have the banana there unfurl its banners of protection in the north wind's bitter blast?

Let us build up home industry, and then the senior Senator from Maine [Mr. HALE] could serve home-grown bananas in fruit dishes manufactured and sold by the junior Senator from West Virginia [Mr. SCOTT] at 90 cents a dozen. Whoever undertakes to deny this I must characterize as a skeptic. He does not appreciate either the virtues or the efficacy of this protection magic. Mr. President, you know full well that neither the laws of nature nor the laws of economics nor the laws of morals can withstand its witching power. If we would make the tariff high enough, I am not certain but that we could by that policy make the orange, the lemon, and the banana flourish, flower, and fruit in the very shadow of the northern pole, and thus establish tropical gardens and ambrosial bowers upon the sides of "Mount Yaanek in the ultimate clime of the pole."

Nothing is beyond the dreams and possibilities of protection. The Senator from Vermont stated a few moments ago that he would like to see all the oranges and all the bananas that our people consume produced in the United States. The Senator thought that he thought that. But he does not, as a matter of fact, and he will not vote for this tariff on bananas. It is not his fault. He is not at liberty to vote for this duty. The junior Senator from Michigan waxed eloquent, as he always waxes eloquent when he discusses or even contemplates the glories of protection, and he, too, has a penchant and a partiality for lemons and oranges grown within the United States. I predict that he will not vote for the duty on bananas.

Mr. President, it would be improper, it would be unparliamentary, for me to say that standpatters everywhere are a great deal like a graphophone. The senior Senator from Rhode Island [Mr. ALDRICH] inserts the record, and they say whatever they are bidden to say. I do not say that because it would be unparliamentary and would probably be unjust, but I call Senators to mark: We have just levied a tariff of 56 per cent on lemons. We have maintained a tariff of 59 per cent on oranges. I have moved to impose a tariff of 19 per cent on bananas, and it will raise a larger revenue than the increased duty on lemons, and it will produce ten times as much revenue as your exalted tariff on oranges. If we are seriously engaged in supplying the requirements and the deficiencies in the Treasury; if we wish to impose duties upon luxuries and not upon necessaries; if we are not here to safeguard the fruit trust, the steel trust, the oil trust, and every other trust, then I appeal to Senators, and especially to the apostles of protection, to vote for this modest duty on bananas, which can hardly be transferred to the consumer. Tap this golden stream of revenue and turn it into the famine-stricken Treasury of this country.

Now, sir, I tender the issue whether or not we will impose a tariff on the products of the fruit trust. I ask for the yeas and nays on the question of agreeing to the amendment.

Mr. JOHNSON of North Dakota. Mr. President, of course it is entirely appropriate for those Senators not charged with responsibility to the country at this time, like the Senator from

Oklahoma [Mr. GORE] and the Senator from Maryland [Mr. RAYNER], to afford suitable diversion. We all enjoy it. But we are here engaged in a very serious business affecting the policy and the welfare of the country. We might as well accept the challenge on this item of bananas as on anything else.

The Republican party says to every man in every corner of the earth who has anything to sell that the American people wish to buy and which we ourselves can not produce in great abundance, "Come, and welcome; bring your wares with you free of duty, free of tax and hindrance of any kind, and sell them to our people just as cheaply as you can." That is something fundamental. There is no difference between us as to the amount of money we should raise by the tariff. That is not in dispute. But the difference is right here in the free list as to what things shall come in free and what things shall bear a duty.

The doctrine that the tariff is a tax and is added to the price of the article, and is paid by the consumer in every case, is an absolute fallacy, except as to such things as bananas, Brazil nuts, tea, coffee, india rubber. In all those instances the tariff would be a revenue tariff and would be added to the price of the article and be paid by the consumer. And so we have none of it in the Republican policy. Do you tell the American people seriously that a duty on potatoes, for instance, of 45 cents a bushel, which was placed here Saturday, will add 45 cents to the price of every bushel of potatoes? It is too simple for argument. Nobody believes that. And of corn and wheat the same thing is true. We never have claimed that a duty on those articles would raise the price by the amount of the tariff. That is the teaching of our opponents. It is too simple for argument. There is not a word of truth in it.

Senators talk about the tariff raising the cost of living. This amendment would raise the cost of living. A banana is a bread fruit. It has almost the same chemical elements as wheat bread. A duty on bananas or tea or coffee would necessarily be added to the price of the article. It would be a revenue duty. We have none of those industries in our soil and climate. We can not produce them. We can not protect them. So we Republicans never place a cent of duty on anything of that kind. Take those things we can produce in great abundance; the tariff does not affect the price of those articles, because we control the market.

Take, for instance, a meal, an expensive meal, too; a good meal. Essentially the tariff does not weigh upon any article that is necessary to put upon the American table. Let us set a table. The first course is soup. We will have oyster soup, ox-tail soup, turtle soup, a great variety of soups. We have the ox tail, we have the oysters, we have the turtles. It is not necessary to import them. The tariff can not reach them.

The next course will be fish. Of course, if you insist on foreign fish that do not swim in our waters, you will have to pay a duty, but I am not speaking of those luxuries; they are for the people who insist on them. We can put on that table shad, and black bass, and salmon, and whitefish, and lake trout, and mountain trout, and sunfish, and whales—a great variety of fish good enough for the ordinary citizen—and there is not a cent of duty on any of them.

Mr. RAYNER. I should like to ask the Senator if there is any duty on snakes?

Mr. JOHNSON of North Dakota. I think not, unless they would be covered under the duty on eels adopted on Saturday. Let that pass.

Then, we will take game as the next dish in this course dinner. Of course, if you are so extravagant as to insist on foreign game, we shall perhaps see next winter on the Christmas bill of fare of our expensive hotels, and you can get served up, rhinoceros roast or hippopotamus potpie or pickled elephant's feet. If you insist on those things, of course you will have to pay a duty on them; but for the plain ordinary American citizen we will have elk, and deer, and grouse, and wild geese, and wild ducks, and quail, and partridge, and venison—a nice variety of game. I do not care what the duties are, we need not import that. There is no way for the tax gatherer to get between the hunter and the guest at the table.

Then, we will pass on to the solid dishes like meats. Is it necessary to pay a duty on the meat that the poor man or the wealthy man, the peasant or the prince, eats? Not at all, unless he insists upon shipping in something that can not be produced in this country. Then, it is on the free list. Here we have roast beef and mutton stew and ham and a great variety of meats, plenty of them, good and cheap, with not a cent of duty on any of them.

When it comes to fruits, bananas, and Brazil nuts, and everything of that kind, that we can not produce, they are on the free list under the Republican policy; and those things that are dutiable for the protection of our industries we do not need to ship in. I will put on that table apple pie and blueberry sauce, and peach brandy, if necessary, and strawberries and raspberries and a great variety of fruits of our own production, and there is not a cent to be paid to the tax collector.

In the same way I could go through the clothing schedule. Take, for instance, silk, the most extravagant article in the clothing schedule. We were dependent only a few years ago upon France and Germany and Japan for silk. Now we are the greatest silk-producing country in the world. Our nearest competitor is France. Last year they used $9,000,000 worth of raw silk, and we used $13,000,000 worth of raw silk. How do we do that? Well, I will tell you how we do it. We do it under Republican policy by building up home industries, by admitting free of duty everything that we can not produce in great abundance, and raw silk is one of the things.

We can in the South produce raw silk. The mulberry tree will grow in South Carolina, Florida, and some of those States, but to take care of those silkworms you must have cheap labor, and the faithful hands of children and women who will do the chores, who will care for the silkworm at 25 cents a day. We do not want any American woman or child to work for 25 cents a day. So under all the parties, Democrats as well as Republicans, we have allowed the raw silk to come in free; but under the ægis of protection we have built up the greatest silk-manufacturing industry in the world. You need not pay a cent of duty on silk; you ship it in free of duty and manufacture it at home, and keep both the silk and the money at home.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The question is on agreeing to the amendment proposed by the Senator from Oklahoma [Mr. GORE]. The amendment will be stated.

The SECRETARY. On page 84, at the end of paragraph 273, it is proposed to insert the following words:

Bananas, 6 cents per bunch.

The amendment was rejected.

The PRESIDING OFFICER. The paragraph will be agreed to, without objection. The next paragraph passed over will be read.

The SECRETARY. Paragraph 275, pineapples.

Mr. ALDRICH. At the request of several Senators, I ask that that paragraph may go over.

The PRESIDING OFFICER. Is there objection to the paragraph going over?

Mr. TALIAFERRO. What was the request?

Mr. ALDRICH. At the request of several Senators, I ask that the paragraph on pineapples may go over.

Mr. TALIAFERRO. I do not know of any Senators who are more interested in this paragraph than the Senators from Florida, and I think neither of them has asked that it be passed over.

Mr. ALDRICH. I did not say they had.

Mr. RAYNER. I wish to ask the Senator from Rhode Island a question. Would it not be possible to take up the paragraph to-day? Is there any reason for passing it over? We would not know for what period it is to be passed over, and it would keep us waiting. The paragraph might come up at a time when those interested are absent.

Mr. ALDRICH. Two Senators who are not now in the Chamber asked me to have it passed over as they wanted to make some examination and they had not the data they desired. That is all I am willing to say. It can go over for a short time.

Mr. RAYNER. May I ask the Senator from Rhode Island whether the Senators are in the building or about the Chamber?

Mr. ALDRICH. I can not say whether they are in the building or not. They are not here.

Mr. RAYNER. The reason I speak of this is that unfortunately the Senators from Florida and the Senators from Maryland are on opposite sides of this question, and we would like very much, as we are the two contending parties, to have it disposed of, now that it has been reached regularly.

Mr. TALIAFERRO. That is my wish.

Mr. RAYNER. It is possible that if we commence it, there are three or four speeches or addresses to be made on it. It will take two or three hours to dispose of the paragraph I think.

Mr. ALDRICH. I have no objection to having the discussion go on, if Senators desire to have that done.

Mr. RAYNER. If the Senator will permit that, then, if the other Senators are not present, it can go over.

Mr. SMITH of Maryland. If the matter is going to be decided, I do not see why the discussion should not proceed. It will take some time.

Mr. TALIAFERRO. I have sat in this Chamber for two or three days expecting this paragraph to be reached and to be disposed of when it was reached. I asked the Senator from

Rhode Island, in charge of the bill, several days ago if he intended to go right through the fruit schedule, and he assured me that he did. If there is any real reason for the delay, I of course do not want to insist upon taking up the paragraph now, but my understanding is that the Senators from Florida and the Senators from Maryland are those interested, the Senators from Florida on one side and the Senators from Maryland on the other, and they desire to have the matter disposed of. I submit that unless there is some real good reason for the delay, the paragraph ought to be taken up, as it has been reached. I hope the Senator from Rhode Island will not object to taking up the paragraph and disposing of it at this time.

The PRESIDING OFFICER. Upon objection, the paragraph is before the Senate, and the Secretary will read it.

Mr. ALDRICH. I have no objection to the Senators going on with the discussion, but I do not intend to have it disposed of until the Senators who made the request of me shall be present.

Mr. CULLOM. We had better let it go over, then.

Mr. TILLMAN. We had better let the whole thing go over.

Mr. ALDRICH. I think we had better let it go over, and I will confer with the Senators from Florida and Maryland as to the time it is to be taken up.

Mr. RAYNER. I want to be understood about it. I have no objection whatever to accommodate any Senator to have the paragraph go over. I have no particular reason for taking it up now.

Mr. ALDRICH. I will confer with the Senators from Florida and the Senators from Maryland before it is taken up, so as to give them full notice to be present.

Mr. TALIAFERRO. There will be no unreasonable delay, I hope, about the matter.

Mr. ALDRICH. There will be no unreasonable delay about it, I assure the Senator from Florida.

The PRESIDING OFFICER. The paragraph will be passed over.

Mr. ALDRICH. On page 80, line 1, I ask to take up paragraph 258, for the purpose of making an amendment reducing the duty on dried pease from 30 cents a bushel to 25 cents a bushel.

The PRESIDING OFFICER. Without objection, the vote whereby that paragraph was agreed to will be reconsidered. The Senator from Rhode Island offers an amendment, which will be read.

The SECRETARY. On page 80, line 1, before the word "cents," strike out "thirty" and insert "twenty-five," so that if amended it will read:

Pease, dried, not specially provided for in this section, 25 cents per bushel.

The amendment was agreed to.

The PRESIDING OFFICER. The paragraph as amended, without objection, will be agreed to. The Secretary will read the next paragraph passed over.

The SECRETARY. On page 85, paragraph 280, bacon and hams.

Mr. BACON. When that was reached before, I asked that it be passed over, as I think the RECORD will show.

Mr. DICK. Before we leave the fruit schedule, I should like to offer an amendment to paragraph 271.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In paragraph 271, page 84, line 2, after the word "pound," insert the words "specially prepared for the consumer by capping, stemming, wet or dry cleaning, one-half cent per pound additional."

Mr. ALDRICH. I suggest to the Senator from Ohio to allow that to be printed, and the committee will take it up and make an examination. I am not sure what the effect of it will be.

Mr. DICK. Very well.

The PRESIDING OFFICER. The amendment will go over. The next paragraph passed over will be read.

The SECRETARY. Paragraph 280:

Bacon and hams, 5 cents per pound.

Mr. BACON. I am opposed to this increase in the rates, when it is acted upon. I am not particular about having it brought up now.

Mr. ALDRICH. The committee thought this was a proper amendment to make. If the Senator has objections to it, I shall be very glad to hear them.

Mr. BACON. The Senator prefers to go on with it now?

Mr. ALDRICH. I would prefer to do so, if the Senator is willing.

Mr. BACON. If the Senator has anything else to occupy the Senate for fifteen or twenty minutes or half an hour, I prefer to have it go over for a little while.

Mr. ALDRICH. Does the request apply to paragraph 280 alone?

Mr. BACON. Yes.

Mr. ALDRICH. We might take up the other paragraphs and take up these later, at the convenience of the Senator from Georgia.

Mr. BACON. I will be very glad if the Senator will do so.

The PRESIDING OFFICER. Without objection, paragraphs 280 and 281 will be passed over for the present.

The SECRETARY. The next paragraph passed over is on page 86, paragraph 287. The committee proposes to strike out the paragraph as printed in the House bill and to insert a new paragraph, as follows:

287. Chicory root, raw, dried, or undried, but unground, 1 cent per pound; chicory root, burnt or roasted, ground or granulated, or in rolls, or otherwise prepared, and not specially provided for in this section, 2½ cents per pound.

Mr. BACON. I ask the Senator from Rhode Island also to permit the item as to lard to be passed over at the same time.

The PRESIDING OFFICER. The question is on the amendment proposed by the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The paragraph as amended will be agreed to, without objection.

The SECRETARY. The next paragraph passed over is paragraph 288, cocoa or cacao, crude, and leaves and shells of. The committee proposes to strike out, after the numerals, the following:

Cocoa, or cacao, crude, and leaves and shells of, 3 cents per pound; chocolate.

And to insert the word "chocolate," with a capital "C."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The SECRETARY. In line 18, after the word "pound," the committee proposes to strike out "five" and insert "two," so as to read:

Valued at not over 15 cents per pound, 2½ cents per pound.

The amendment was agreed to.

The SECRETARY. In line 20, after the word "pound," the committee propose to strike out "five" and insert "two," so as to read:

Valued above 15 and not above 34 cents per pound, 2½ cents per pound and 10 per cent ad valorem.

The amendment was agreed to.

The SECRETARY. In line 22, after the word "pound," the committee propose to strike out "seven" and insert "five," so as to read:

Valued above 24 and not above 35 cents per pound, 5 cents per pound and 10 per cent ad valorem.

The amendment was agreed to.

The SECRETARY. On page 87, line 3, before the word "cents," strike out "nine" and insert "five," so as to read:

Powdered cocoa, unsweetened, 5 cents per pound.

The amendment was agreed to.

Mr. ALDRICH. I offer a further amendment to the paragraph.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the bottom of page 86 and the top of page 87 strike out the following words:

The dutiable weight of the foregoing merchandise shall include all coverings, except plain wooden, but the dutiable value shall include all coverings, including plain wooden;

And insert the following:

The weight and value of all coverings other than plain wooden shall be included in the dutiable weight and value of the foregoing merchandise.

The amendment was agreed to.

The PRESIDING OFFICER. Without objection, the paragraph as amended will be agreed to.

Mr. ALDRICH. On page 87, in paragraph 291, the committee move to strike out "twelve" and insert "ten," in the twelfth line, and in the same line to strike out "eight" and insert "six."

The SECRETARY. Paragraph 291, page 87, line 12, before the word "cents," strike out "twelve" and insert "ten," so as to read:

Salt in bags, sacks, barrels, or other packages, 10 cents per 100 pounds.

The amendment was agreed to.

The SECRETARY. In line 12, before the word "cents," strike out "eight" and insert "six," so as to read:

In bulk, 6 cents per 100 pounds.

The amendment was agreed to.

The PRESIDING OFFICER. The paragraph as amended will be agreed to, without objection.

The SECRETARY. The next paragraph passed over is paragraph 292, starch, made from potatoes, 1½ cents per pound; all

other starch, including all preparations, from whatever substance produced, fit for use as starch, 1 cent per pound.

The PRESIDING OFFICER. The question is on agreeing to the paragraph.

The paragraph was agreed to.

The SECRETARY. The next paragraph passed over is paragraph 293, dextrine, burnt starch, gum substitute, or British gum, 1½ cents per pound.

Mr. ALDRICH. I offer an amendment to that paragraph.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 88, line 7, after the word "dextrine," insert "dextrine substitutes, soluble starch, or chemically treated starch."

The amendment was agreed to.

The PRESIDING OFFICER. Without objection, the paragraph as amended will be agreed to.

The SECRETARY. The next paragraph passed over is paragraph 294, spices. The committee proposes to strike out all of the paragraph as printed in the House text and to insert a new paragraph, as follows:

294. Spices: Mustard, ground or prepared, in bottles or otherwise, 10 cents per pound; capsicum or red pepper, or cayenne pepper, 2½ cents per pound; sage, 1 cent per pound; spices not specially provided for in this section, 3 cents per pound.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The paragraph as amended is agreed to without objection.

The SECRETARY. The next paragraph passed over is on page 94, paragraph 309, "All mineral waters," and so forth. The committee proposes to strike out the paragraph as printed in the House text and to insert a new paragraph, as follows:

309. All mineral waters and all imitations of natural mineral waters, and all artificial mineral waters not specially provided for in this section, in green or colored glass bottles, containing not more than 1 pint, 20 cents per dozen bottles. If containing more than 1 pint and not more than 1 quart, 30 cents per dozen bottles. But no separate duty shall be assessed upon the bottles. If imported otherwise than in plain green or colored glass bottles, or if imported in such bottles containing more than 1 quart, 24 cents per gallon, and in addition thereto duty shall be collected upon the bottles or other covering at the same rates that would be charged thereon if imported empty or separately.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The PRESIDING OFFICER. The paragraph as amended will be agreed to, without objection.

The SECRETARY. Schedule I, cotton manufactures.

Mr. SMITH of South Carolina obtained the floor.

Mr. ALDRICH. I will say to the Senator from South Carolina that it is not my purpose to take up the cotton schedule to-day. I would be glad if we could dispose of all the amendments between that now pending and the cotton schedule, to go——

Mr. SMITH of South Carolina. I wish to speak not only on the cotton schedule, but my remarks will be pertinent to some paragraphs that we have passed over. I will not consume very many minutes of the time of the Senate.

Mr. ALDRICH. Then, I have no objection to the Senator going on now.

Mr. SMITH of South Carolina. I should like to submit my remarks on this schedule.

Mr. ALDRICH. On page 92 there is one amendment which was passed over that I should like to have acted on.

Mr. SMITH of South Carolina. Very well.

Mr. ALDRICH. On page 92, line 24, after the word "porter," the word "stout" and a comma should be inserted.

The SECRETARY. Paragraph 305, after the word "porter" and the comma, insert the word "stout" and a comma, so as to read:

Ale, porter, stout, and beer.

The amendment was agreed to.

The PRESIDING OFFICER. The paragraph as amended will be agreed to, without objection.

Mr. ALDRICH. I will say that after the Senator from South Carolina concludes his remarks I will go back and take up the paragraphs which have been passed over at the suggestion of the Senator from Georgia.

Mr. SMITH of South Carolina. Mr. President, I will state to the Senator from Rhode Island that as we go back we will reach one paragraph that is included in the remarks that I am going to make which will make it pertinent to the question now under consideration.

Mr. President, I was glad this morning to hear the Senator from New York [Mr. ROOT] make the remark that the lemon industry of California had passed the period of its infancy and had come into the period where it is now able to take care of itself and does not need any further advance in protective duties.

Mr. NELSON. Mr. President, will the Senator yield to me for a moment.

Mr. SMITH of South Carolina. Certainly.

Mr. NELSON. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The absence of a quorum having been suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Crawford	Gallinger	Piles
Bankhead	Culberson	Gamble	Rayner
Borah	Cullom	Hale	Root
Bourne	Cummins	Heyburn	Scott
Bradley	Curtis	Hughes	Shively
Brandegee	Daniel	Johnson, N. Dak.	Simmons
Briggs	Depew	Johnston, Ala.	Smith, Md.
Bristow	Dick	Jones	Smith, Mich.
Brown	Dixon	Kean	Smith, S. C.
Burkett	Dolliver	La Follette	Smoot
Burnham	du Pont	Martin	Sutherland
Burrows	Elkins	Money	Taliaferro
Burton	Fletcher	Nelson	Tillman
Clark, Wyo.	Flint	Overman	Warner
Clarke, Ark.	Foster	Page	Warren
Clay	Frazier	Penrose	Wetmore
Crane	Frye	Perkins	

The PRESIDING OFFICER. Sixty-seven Senators have answered to their names. A quorum of the Senate is present. The Senator from South Carolina will proceed.

Mr. SMITH of South Carolina. Mr. President, as I was saying, I was glad to hear the Senator from New York say that there was one industry which had progressed far enough to need no further protection. I have been interested in hearing the discussion on this bill, affecting, as it does, all the people of the country, and the remarks made that we had such great prosperity under a high protective tariff. I was interested in studying from whom came most of these pleas for protection and from whom came the most dissent.

In view of the fact that so much has been said in this Congress in reference to the prosperity that has come as a result of the high protective tariff, it might interest us to know who got it and where it came from, because it goes without saying that when wages are high, goods high, that somebody has had to pay for it, and that when men, under the operation of an artificial law, have become prosperous, that somebody had to pay for that prosperity. If all the people in this country had been protected alike, and as you raise the price of the finished product you in like manner have raised the price of the raw material, there would have just been a swapping of dollars, and the relative wealth of everyone would have remained the same.

Now, an inquiry into some of the facts may reveal who have paid these bills without a relative return for the extra amount they have had to pay by virtue of the higher price. You take the 11 cotton-growing States last year, and they produced $716,352,265 worth of raw cotton. They produced $90,000,000 worth of cotton seed. This cotton they had to put upon the market at a price fixed by Liverpool. That price, as a matter of course, was fixed in Liverpool upon the basis of the cost of labor in Europe and the price at which they sold the finished product. Therefore the whole American cotton crop is sold upon the basis of free trade. So that in the cotton-growing States, according to the census figures of 1900, there are engaged in agricultural pursuits 4,000,000 people, and their average earnings for the year is $133. This is the per capita earning for those over 10 years of age engaged in the production of cotton. In the aggregate those producing the cotton and cotton seed have about $800,000,000 to spend, or about $133 per capita.

Mr. TILLMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from South Carolina yield to his colleague?

Mr. SMITH of South Carolina. I do.

Mr. TILLMAN. Will the Senator give us the source of his figures?

Mr. SMITH of South Carolina. The tables which I submit substantiating these figures were made up by experts from figures furnished by the statistical department here.

Mr. TILLMAN. I only wanted to know for the reason that unless we have the source of the Senator's information, we should hardly know what value to put upon it.

Mr. SMITH of South Carolina. These tables were figured out by experts from tables submitted from the statistical department of the Government.

This is the principal cash crop of these cotton-growing States. Taking the customs duties on articles imported, such as are used on the farms, there are consumed, according to approximate statistics, $66,357,000 worth. Taking the consumption of domestic

manufactured goods, the proportionate part of the South is $2,885,000,000. The indirect tax paid on this consumption due to protection is $885,000,000. Now, this is for the entire South, regardless of the work engaged in. Dividing this by the population of the South, the taxation per capita due to these duties paid on domestic and foreign articles is $61, in round numbers. Deducting this $61 from the $133, there is left $72, representing the actual value received by the laborer for his year's work. In other words, he could purchase for $71 in Europe, where the price of the raw material is fixed, what he would have to pay $133 for here. Therefore, out of the $800,000,000 produced by the cotton growers of the South practically $400,000,000 of it goes into the coffers of the protected interests of this country.

The Senator on the other side of the Chamber from North Dakota [Mr. MCCUMBER] said the other day that a golden flood had risen under the benign influence of the protective system of America, and having flooded the East first, swept on to the South, from the South to the Rocky Mountains, and from the Rocky Mountains down over the arid plains of the West, until it reached the sun-baked regions, where it built canals for artificial irrigation, because there was such a surplus of cash that it was a problem what to do with it. Where did this surplus come from? Did it come from protection?

I hold in my hand the report of an expert on the proceeds of the cotton crop. From the unprotected cotton fields of the South in the last ten years, in the form of European gold, there have come $3,186,537,000. The Senator said that it came as the proceeds of the increased wealth under the influence of protection, and he also said that there were $5,000,000,000 of it. Three billion dollars comes from that source that has to compete with the pauper labor of Europe. From the South has poured this stream of gold, and I am a little inclined to think that, as the doctors say, their stimulant has been local but not diffusive, as a good drink of whisky would be, and that they have been misled by the prosperity that has broken out in spots at our expense.

The accompanying table, marked "Exhibit A," gives the bales produced per State, the number of farms, the population over 10 years of age engaged in agricultural pursuits, the number of bales per farm, and the amount per capita received in return for the cotton. The table is from the statistical department. I wish to submit it without reading and to have it printed with my remarks, together with Exhibits B and C, to which I shall now refer.

Exhibit B gives the proportional part, according to the schedule as given herein, paid by the cotton-growing States for textiles and manufactures thereof; leather, and manufactures; sugar, tobacco, iron and steel; earthen, stone, china, and glass ware; chemicals, drugs, and dyes.

The table marked "C" gives the amount paid by each State for duties and indirect tax and the per capita paid.

The PRESIDING OFFICER. Without objection, permission to print the tables referred to by the Senator will be granted. The Chair hears none.

[The exhibits referred to will be found at the close of the speech of Mr. SMITH of South Carolina.]

Mr. SMITH of South Carolina. The same is true in reference to the wheat, corn, and oats produced in this country. I want to show by these figures where this enormous stream of gold has come from that has made this wonderful prosperity in spots.

The accompanying table, marked "D," gives the production of cereals in this country; and the total value on the farm of the corn, wheat, oats, and cotton for last year amounts to $3,025,906,000; and the 12,000,000 laborers engaged in the production of this vast wealth—the basis of our export trade, the source of our greatest income from abroad—are absolutely without protection, in that the surplus fixes the price of the crop, and therefore is sold upon the basis of free trade. Upon this raw material, produced by this vast army of laborers, is based the wealth and prosperity of this country. And yet they get absolutely nothing in return for the duties they have to pay on the protected American articles, and have not, nor do they want, consideration from the Government, only to see to it that they shall not be required to pay into the pockets of others what they have honestly earned.

It is absolutely idle to talk about the protective tariff being a benefit to the cotton and grain growers of America. Time was when it may have been the duty of every patriot to sacrifice a part of his earnings in order to build up and put upon a secure footing those industries which were essential for the comfort and well-being of the population in time of war; but the time never was, nor ever will be, when it is justifiable to protect one part of the people of this country at the expense of the other for the specific purpose of guaranteeing a profit to one class at the expense of and regardless of another class.

To get a clear idea to what extent we have come to ignore this class of our citizens: A manipulator of the wheat market, having cornered the market, put the price of wheat to where it was beginning to put the wheat grower of the West (in the price of his wheat) upon something like a parity with the protected manufacturer in the price of his wares. What was the result? The press of the country and the consumers of bread, who did not produce the wheat, were clamoring for legislation to put a stop to this unholy combination of brain and capital that was making the wheat grower of the West, in part, a beneficiary of the proceeds, while at the very same time in the capital of the United States—in the Senate of the United States—the lawmakers of this country were formulating and putting into the form of law those enactments that were to put the price of shoes, clothes, farming implements, and the other necessaries of life, in so far as these necessaries were manufactured, at a price far beyond the return the wheat grower was getting for his wheat.

The Department of Agriculture, to which millions are appropriated, is spending its brain and its ingenuity and its capital, in so far as it affects the cotton grower of the South, to teach him how to grow more cotton at a cheaper price and furnish a cheaper raw material for the manufacturer, while, at the same time, the Congress of these United States is attempting by legislation to raise the price of the finished article to guarantee a profit to the manufacturer.

The whole tendency of this legislation has been to cheapen the raw material and raise the price of the finished article, thereby giving to the protected manufacturer a double advantage, lessening the price of what he has to buy and raising the price of what he has to sell.

I am not pleading for, nor shall I vote for, protection for the raw material. I believe a thing is worth what it will bring in the open markets of the world. What I shall vote against is the iniquitous and indefensible system of legislating a profit by artificial methods. I believe that American skill and the wonderful mechanical devices operated by steam, water, and electricity, our nearness to the source of supply for the raw material, make it possible for us to compete with the nations of the world. In witness of this and in proof of this, in reference to cotton manufactures, I want to quote from a speech delivered by Mr. W. Irving Bullard, of Danielson, Conn., himself a great cotton manufacturer, in Boston, April 16, 1908. He compares the English manufacturer and the American manufacturer, and gives us a very wholesome insight into some things which, perhaps, we might not otherwise have gotten. I want every Senator on this floor to hear specifically what Mr. Bullard says as to cotton manufacturing, to see if we can not arrive at some conclusion as to where this enormous profit that has been made came from and why and where it went. He says:

> A summary of 100 cotton mills in Oldham district, in England, shows the following remarkable facts: Capital invested, $30,501,230; net earnings, $6,605,785; average earning per mill, $66,055; dividend, 15⅞ per cent.
>
> The average dividend disbursements for these 100 mills was 15⅞ per cent, while the net earnings show an average of 35¼ per cent.

This shows the earnings of the industry in England and gives a fairly correct idea of the value of the cotton industry in Europe. It must be remembered that this cotton has to be bought by an agent at the local station in the cotton belt, transported from the local station to the compress, from the compress to the wharf, paying the railway freight; the commission to the handler, loaded in the vessel, paying the loaders; the oceanic freight, the local insurance, marine insurance, brokerage commissions, country damage, representing, in all, a cost of about $7.50 a bale. This is amply sufficient to offset any difference in wages between the American laborer and the foreign laborer if, indeed, there is any appreciable difference.

In confirmation of the fact that we do not need the protection given to the cotton-mill industry of this country, the same authority, speaking before the assembly of spinners last April, made this statement:

> Cotton-mill stocks are attractive investments because of the stability of market value, large dividend returns, liberal margins of earnings over dividends, and high ratio of liquid assets to capital stock. The seasoned textile stocks compare favorably, from every market view point, with the better class of railroad and industrial stocks, and in many cases, the book value and quick assets back of the "textile" place it in the same class with the strong industrial and railroad bonds, without a limit on the invested returns as in the latter security. Cotton-mill stocks are a first and only lien on an industry of great economic power producing one of the fundamental necessities of life, capable of limitless expansion. These securities are inherently safe, and while the dividend returns may fluctuate from year to year, because of the extra dividends paid during the periods of prosperity, the average annual

dividend returns will be vastly more than could be secured from any other form of conservative investment. Cotton-mill stocks are conservative investments because of ample margin of earnings over dividend requirements.

Hear him again:

The general public has no realization of the economic development of the textile industry during the past century. Cotton manufacturing differs from any other textile and in a greater degree from the other fundamental industries, because of the relatively low ratio of the price of the raw material to that of the manufactured product.

This expert then goes on to speak of the marvelous development of motive power, the immense cheapening of power; as this motive power developed, the price per unit decreased. He traces it from the human to water power, from water to steam, then steam augmented by water, then to the electrical development, then the combination of the three until he comes to the following conclusions:

The cotton industry is a tremendous opportunity, and it is within our power to develop this opportunity. It is on the threshold of the greatest economic development in the history of the country, and if we put our shoulders to the wheel we will be manufacturing the greater portion of production of the raw material and be supplying the world markets with the finished products within twenty-five years. We can do this because our machinery is as good as any in the textile world; we have the advantage of the cotton field within our own boundaries, and there is reason to expect a greater efficiency of labor from our operatives.

Now, I would have the Senate to mark this paragraph in particular. The cry has been on this floor that we must reserve and protect the American market for the American manufacturer, and here this member of the National Association of Cotton Manufacturers is prophesying that within twenty-five years, if the same rate of progress shall exist, that we shall be manufacturing the cotton goods of the world in spite of the so-called "pauper labor" of the Orient and the cheap labor of Europe, and in spite of the fact that it has been repeatedly said that the transportation charges do not offset the difference between the wages of foreign and domestic labor. Europe fixes the price of our raw cotton; and if, within twenty-five years, in spite of her sharp competition, we can manufacture the cotton of the world and sell cotton goods where Europe is now manufacturing and selling them, what need have we now of the protection that is thrown around our cotton mills, and why the difference in price between cotton goods in America and cotton goods in Europe? If America is to preempt the markets of the world, she will have to meet the European prices, and in meeting European prices she will have to compete with European labor, because she can be guaranteed no protection in the markets of the world. And why should there be a desire to preempt the foreign markets if there is no profit?

Perhaps a reason for this prophecy may be found in the following facts. Quoting from the same author in the same speech, he says:

The liberal dividend policy of leading cotton-mill corporations in New England should be the first consideration to the prospective investor. During the past eight years, which period constitutes an economic cycle in our industrial welfare, such seasoned textile stocks as Bates paid an average annual dividend of 16¾ per cent; Dartmouth, 19½; Laurel Lake, 23⅓; Pepperell, 19⅔; Troy, 23⅓; Union, 22⅞, and during this period have added a greater percentage to their surplus and working capital. A comparison of separate earnings over the dividend requirements of 10 cotton-mill stocks, with an equal number of high-grade railroad bonds and industrial preferred stocks, places the textiles in an enviable position.

Now, what these mills of New England are doing other mills can do, and should do, or quit the business. And these enormous dividends is where the evidence of our wonderful prosperity has gotten into the minds of certain Senators on this floor.

The cry has been that all this legislation is primarily for the laborer. I shall read, if the Senate will permit me, some of the reports of the leading mills, given to their association in open meeting. It may instruct us in the legislation that is now forthcoming on the cotton schedule:

Amoskeag: Date of incorporation, 1831; capital at present, $5,760,000; surplus, $3,720,691; debt, $1,425,000; earnings per share, $21.30; dividends, 1907, $16 per share; total dividends through eight years, 126 per cent; average dividends, $15.75; book surplus per share, $64.50; par value, $100.

I read another. Let us take the Pacific Mills:

Incorporated in 1853; capital, $3,000,000; surplus, $6,332,854; debt, none; earnings per share, $550; dividends, 320 per cent; total dividends, 124 per cent; average dividends, $19.75; book surplus, $2,110.95.

I invite Senators to read the entire table of that class of mills making the finished goods in the New England States and earning a book surplus. I will just read the book surplus of a few—64, 112, 114, 33, 50, 56, 114, 180, 64.

Statistics relative to cotton-mill stocks as investments.

Name of company.	Date of incorporation.	Capital.	Surplus.	Debt.	Earnings per share, 1907.	Dividends, 1907.	Total dividends for eight years.	Average dividends for eight years.	Book surplus per share.	Capitalization per spindle.	Par value.
							Per cent.	Per cent.			
Amoskeag	1831	$5,760,000.00	$3,720,691.00	$1,425,000.00	$21.30	$16.00	126	15.75	$64.59	$10.76	$100.00
Androscoggin	1860	1,000,000.00	1,123,864.00	16,559.00	24.91	10.00	75	9.37	112.38	13.93	100.00
Bates	1852	1,200,000.00	1,376,361.00	117,565.00	41.87	35.00	130	16.25	114.61	14.61	100.00
Border City	1880	1,000,000.00	333,598.00	500,000.00	37.50	23.50	119	14.87	33.35	12.51	100.00
Richard Borden	1871	1,000,000.00	502,174.00	541.00	32.62	20.00	[a] 101	12.62	50.21	10.37	100.00
King Philip	1871	1,500,000.00	851,765.00	150,431.00	25.65	6.00	168½	21.25	56.78	11.10	100.00
Dartmouth	1895	600,000.00	685,105.00	470,529.00	82.50	66.00	158	19.75	114.18	5.00	100.00
Dwight	1841	1,200,000.00	1,299,219.00	735,740.00	108.94	12.00	100	12.50	108.26	5.45	500.00
Great Falls	1823	1,500,000.00	960,000.00	338,003.00	21.33	12.00	117	14.62	64.00	11.36	100.00
Laurel Lake	1881	600,000.00	184,251.00	None.	28.24	14.00	[b] 190½	23.75	37.08	10.03	100.00
Massachusetts Cotton	1839	1,800,000.00	1,431,690.00	2,160,763.00	41.30	5.00	50	6.25	79.53	14.13	100.00
Lawrence	1831	1,250,000.00	787,000.00	500,000.00	25.27	8.00	122	15.25	62.96	12.50	100.00
Pacific	1853	3,000,000.00	6,332,854.00	None.	550.00	320.00	124	15.50	2,110.95	.....	1,000.00
Pepperell	1900	2,556,000.00	1,628,487.00	117,940.00	.....	12.00	158	19.75	63.71	10.27	100.00
Sagamore	1879	900,000.00	356,603.00	607,880.00	48.53	30.00	85	10.63	39.52	9.80	100.00
Troy	1814	300,000.00	474,294.00	2,816.00	335.00	67.00	180	23.62	794.90	6.31	500.00
Union	1879	1,200,000.00	584,044.00	None.	46.00	35.50	183	22.87	48.67	10.89	100.00
Whitman	1895	1,500,000.00	945,411.00	474,245.00	29.76	8.00	58½	7.25	63.02	11.35	100.00

[a] In addition to which a 25 per cent dividend was paid.

For eight years average annual dividends for group 15.65 per cent.

[b] In addition to which a 100 per cent dividend was paid.

Mr. BEVERIDGE. Mr. President, will the Senator please state where these mills are located, so that we can see?

Mr. SMITH of South Carolina. I can give the list of them right here, and I will just read off a few:

Bates, Lewiston, Me.: Capital, $1,200,000. Colored and bleached cotton goods.

Dartmouth, New Bedford, Mass.: Capital, $600,000. H. Langshaw, president. Fine cotton goods, plain and fancy leno, jacquards.

Laurel Lake, Fall River, Mass.: Capital, $600,000. N. Slade, president. Print cloths, wide goods, and odds.

Pepperell, Biddeford, Me.: Capital, $2,566,000. James Longley, president. Sheetings, shirtings, jeans, and drills.

Troy, Fall River, Mass.: Capital, $300,000. John S. Brayton. Plain cotton weaves, 36 inches wide, from print-cloth yarns.

Union, Fall River, Mass.: Capital, $1,200,000. E. L. Anthony. Print cloths and wide goods.

This gives the list in detail.

Mr. BEVERIDGE. Will the Senator give, if he has it at hand, the earnings and dividends and profits of some of the southern cotton mills. I think it shows greater earnings.

Mr. SMITH of South Carolina. Yes; I am coming to that, and I will show you what they have done.

With all these wonderful dividends and earnings that I have read here before you, we are still legislating a higher duty, to put a reasonable profit on a 100 per cent dividend! What do you call reasonable? The man who produces the raw material has the munificent sum of $71 with which to buy shoes and clothing. I want to be an American citizen. I want to love the flag. I want to love my country. But I warn the Senate to-day that the great voiceless mass of the underworld is being permeated by literature as never before in the history of mankind. The free rural delivery, the printing press that can print, fold, clip, and cut 10,000 copies of a great daily an hour, and spread it on the wings of steam and electricity to the four corners of the world, is the voice of God calling to his own; and the protected man who forgets his fellow will have an awakening according to the eternal laws of God's justice.

I am not afraid. All I am doing is to raise my voice now, so that when they shall come into their own they will acknowledge that I, in my feeble way, helped to bring about the day of equal rights to all and special privileges to none. I have studied these tables, and I fail to discover where they had divided the divi-

dends with labor. I want right here to challenge the stand-patters, who charge us with demagogy. Who is the demagogue prating about protection to American labor? Listen to this: After having read these monstrous tables, which are the common property of all the American public, I have studied them closely, and I fail to discover where they had divided these dividends willingly with the much-beloved laborer. The fact is, that in this very same territory there have been strikes and rumors of strikes on the part of the operatives, because, when there was a temporary decline in the price of cotton goods or a rise in the price of the raw material, causing a slight loss of profit in the finished product, there has inevitably followed an attempt on the part of the mill owners, who have received through all these years these unusual dividends and this marvelous surplus, to cut down the wage of the laborer in order that the mill owners might suffer no loss in dividends or profits.

Is not that true? Is it not the history of the mill industry? Those of us who have the cotton and those of us who are interested in the manufacture of cotton know that is true. Why, in the name of reason and common sense, do you come into the Senate Chamber and prate about American labor, and get a law passed by which you can pour into the manufacturers' coffers millions of dollars, and then, when there is a threatened increase of the price of the raw material, in place of going into their pockets and giving it to this much-loved labor, you manufacturers run back to the Senate and ask that the American people pay and insure you the same profit. And now the law is being invoked to exact from the American people a tax, not for the purpose of defraying the legitimate expenses of the Government, but for the purpose of guaranteeing a continuation of these inordinate profits to the manufacturer, regardless of the effect upon the producer of the raw material, the laborer, or the consuming public.

And now I will answer the question of the Senator from Indiana. He asked me about the profits of the southern mills. I want him to listen to an expression from a leading mill operator, a mill owner, the president of the largest number of mills, containing the greatest floor space, the greatest number of looms and spindles, and the greatest amount of capital.

A study of these figures convinces me—and ought to convince this Senate—of the truthfulness of a statement made to me by one of the leading manufacturers of the South, who declared to me that he believed it was right and just that the protective feature of the tariff on cotton goods should be entirely wiped out; that it was absolutely not needed to protect us against foreign invasion; and certainly not needed, in that it could not avail to protect us in the foreign market. He further stated that he believed that a new impetus would be given to the cotton-mill industry of this country if the tariff was removed and each domestic mill allowed to exist and prosper by virtue of the skill in management, the introduction of improved machinery, the proper financiering.

Mr. LA FOLLETTE. Mr. President——

The VICE-PRESIDENT. Does the Senator from South Carolina yield to the Senator from Wisconsin?

Mr. SMITH of South Carolina. I do.

Mr. LA FOLLETTE. I should like to ask whether the manufacturer, from whom he is now quoting, is a manufacturer of the finer goods as well as of the other grades?

Mr. SMITH of South Carolina. I am glad the Senator asked the question, because he manufactures cotton from the coarsest yarns and the finest. He covers the whole scale.

This is his testimony, and in conjunction with his testimony let me read to the Senate the action of the American Cotton Manufacturers' Association, in convention assembled, at Richmond last week:

RICHMOND, VA., *May 27.*

The American Cotton Manufacturers' Association, with over a thousand active members, yesterday afternoon elected Lewis W. Parker, of Greenville, president. It was a high honor, but the members were eager to give the popular young Carolinian the highest place they had. The membership from the entire country represents 20,000,000 spindles and over six hundred millions of capital.

Mr. Charles K. Oliver was elected vice-president and Capt. Ellison A. Smyth, of Greenville, chairman of the board of governors. During the meeting Mr. D. A. Tompkins led the protective-tariff forces, while Lewis W. Parker made a winning fight against committing the association to a protective tariff. Mr. Parker's position was for tariff for revenue, with incidental protection, in line with the Democratic policy. Nine cities want the next convention. All have had a fine time and the convention has been very successful.

He was elected overwhelmingly by the American manufacturers of cotton goods, and yet we here in the Senate, over the protests of the righteous thinking and justly satisfied manufacturers, for a favored few in a favored section, propose to lay an additional burden upon the people.

This protection of the Government, giving such a margin of profit, has invited and brought into the cotton-manufacturing business a lot of financial buccaneers and plungers, who, by the marvelous profits that could be figured, possibly on paper, put on foot impossible schemes, which have resulted disastrously to the milling industry of this country.

Had we been given free rein, with free raw material at our door, with the Appalachian system of mountains, 3,000 feet above sea level, with unlimited water power, and had we taken our brains, ingenuity, and skill and attempted to meet the conditions as they existed, we could have and we shall produce the clothing of the world, without fear of competition.

And what is true of the cotton industry is largely true of every other manufacturing industry. The failures that have occurred by virtue of improper financiering and incompetent management have been set down as the result of foreign competition, and the Government is asked to raise the wall of protection so high that it will guarantee a profit to every unprincipled schemer and incompetent rogue that sees fit to enter the business.

Every little low-grade lead mine in the mountains of the West must be calculated in the cost of production and the protective price raised so high as to make it profitable to work it, while the long-suffering American people must foot the bill.

Every razor manufacturer and watchmaker, no matter how unskilled or rascally he may be, as long as he comes with the plaintive cry, "The American market for the American manufacturer," has the strong arm of the Government extended to him and a fabulous price fixed upon his wares, while the busy laborer in other than manufacturing pursuits, the merchant, the clerk, the farmer, and the busy workaday man, must pay a fabulous price for the watch that is to mark his hours of labor and the razor with which he keeps himself presentable. While the man who produces the food that the millions eat and the clothes that the millions wear has to go without the blessings of this glorious system, and is called upon to be proud of the fact that though he and his produce the raw material that ultimately produces all this wealth, yet he and his must go comparatively poor, hungry, barefoot, and naked in order that he may be able to point with pride to the colossal fortune that he and other suffering producers and consumers of this country have been forced by a kind Republican government to build up for others.

The attitude of these protected ones toward this class of the American population is very well voiced by Henry Clews, a statistician and cotton broker, who, speaking on the occasion of the meeting of the National Association of Cotton Manufacturers in Boston, gave utterance to these significant sentiments, which found a cheering response amongst his hearers:

The market for raw cotton has been handicapped by the depression of the cotton industry; and the efforts of the southern planters to advance the price very materially by holding it back instead of marketing it have failed, as they deserve to fail. Cotton is now lower than it was during the crisis, and about as low as at any time during the crop year, being 300 points, or 3 cents a pound, below the season's top notch. This decline was equivalent to $15 a bale, or $180,000,000 on a crop of 12,000,000 bales. So spinners and spot buyers in general have not for two years had so good a chance to purchase for summer or autumn delivery and advantageously cover their season's requirements as they had last month and this.

Do you not know, and do not all of us know, that if there had come a decline in the price of the finished article of the same per cent, we could not have walked these corridors, we could not have gotten into our committee rooms, for the clamor of those who produced the finished article to invoke the intervention of the Government to take the money out of the pockets of the people and to put it into theirs and to guarantee them their profits?

He is rejoicing, as this Senate seems to rejoice, when the producer of the raw material is forced to sacrifice his profit and give to the manufacturer the cheapest possible material, and, on the other hand, clamoring for the highest protection, giving the highest possible price to the finished product, going into hysterics over the American laborer, putting forth the specious plea that it is for his sake that this outrageous system is perpetrated; giving to the manufacturer billions that he is not rightfully entitled to under the plea that it is to increase the wage of the factory hand, while no word is spoken for the agricultural laborer or the consumer, and a smile of derision ripples the placid surface of the Senate whenever any man has the temerity to introduce a bill looking to the relief of that class of our citizens.

I heard the Senator from Georgia [Mr. BACON] introduce an amendment here, giving to the farmer who produces the wheat which you eat and the meat which you eat and the clothing which you wear, his tools and implements free of duty, and a smile of derision came over this Chamber, and it was voted down incontinently.

Mr. BACON. I do not desire to have any honor that does not belong to me. I voted for that amendment, but it was offered by the Senator from Mississippi [Mr. MCLAURIN].

Mr. SMITH of South Carolina. I will make the proper correction. It was the Senator from Mississippi [Mr. McLAURIN].

Mr. BACON. I fully agreed with him and voted with him, but he is entitled to the honor, as he offered the amendment.

Mr. SMITH of South Carolina. I am glad of the correction.

The monstrous injustice of this bill is made manifest in two particulars. This bill declares that it is for the purpose of encouraging American industry and guaranteeing to them a reasonable profit, while, on the other hand, in sharp contrast with it, in the identical same bill in which this astounding statement is made is incorporated a tax on the very fertilizing element upon which the agricultural laborer is dependent for the enrichment of his soil. In spite of the fact that he can not be protected, that he is an American citizen, that he produces that upon which the whole superstructure is dependent, he is denied the pitiful privilege of protection against an additional price on the fertilizer he buys, which is his raw material. This ammonia, or this nitrogenous element, that is so costly and so essential in the production of this crop must be taxed because a few coke and gas companies who, already protected and making their millions, can not be denied the privilege of making other millions out of that which the Government ought to see that the farmer gets at the lowest possible price.

Great Britain, Germany, and France could import into this country treble or quadruple the amount of sulphate of ammonia that is brought in were the duty removed. In 1908 we imported 34,224 tons of this ingredient, paying a duty of $6 a ton, or $205,000. This sounds like a very small item in the vast fertilizer bill; but when it is taken into consideration that we could have imported 100,000 tons or 200,000 tons at a saving of $6 a ton, the matter grows; and when it is taken into further consideration that the only other element competing with this as an import article is Chilean soda, and that the price of this soda was fixed by a combination, who, knowing practically they had no competitor, and who imported last year into this country 330,000 tons of soda at $6 more per ton than it would have sold at had this ammonia been introduced free, the matter still further increases. And when it is taken into consideration that this sulphate of ammonia and nitrate of soda, if both were introduced free, would have a powerful effect upon the domestic source of nitrogen—namely, dried blood and tankage—of which there was produced last year 170,000 tons, it will be seen at once the vast significance of this Government assuming and maintaining the policy of absolutely free fertilizer materials. The Secretary of Agriculture, the president of the National Cotton Association, and the president of the Farmers' Educational and Cooperative Union all indorse the absolute free raw material.

In comparison with the protection given to other and comparatively insignificant industries, it does look as though this small boon might be given to the vast army of agriculturists who produce the basis of the Nation's wealth. When it is taken into consideration, according to the table I have submitted, that there was over 4,000,000,000 bushels of grain produced in this country last year, taking out of the soil a pound of nitrogen to the bushel; when there was more than 63,000,000 tons of hay, taking out an average of 10 pounds to the ton; 698,000,000 pounds of tobacco, taking out 2,000,000 pounds; 298,000,000 bushels of potatoes, taking out 2 pounds to the bushel; 13,000,000 bales of cotton, taking out 30 pounds to the bale, some idea of the exhaustion of our soil and the necessity of fertilizing it will be made apparent, and every effort used to cheapen the price of the product. Not only is this true, but the poorer the land the greater the need for fertilizer and the less return to the laborer. Therefore the man that needs it most is the man that can afford less to pay an extra price.

So rapidly is the exhaustion of the fertility of the wheat fields, so great is the increased population and the necessarily increased consumption, that unless something can be done to increase the fertility, and thereby increase the yield per acre, it is only a question of a few years until the exportation of wheat shall cease.

Let me say that upon the cotton grower of the South depends the balance of trade of America. In 1907, when the crisis came, had it not been for the daily millions poured into New York in exchange for the forward shipments of cotton the panic would have swept over this country with far more disastrous power. The balance of trade held the credit on our side of the ledger and saved America from a disaster that no man can calculate.

To the cotton grower of the South cheap fertilizer is a crying necessity, for the reason that to the cost of fertilization is now being added the expense of fighting the boll weevil, and while the Government is spending hundreds of thousands of dollars in attempting to help him find some means of destroying this pest and averting the world-wide disaster that must inevitably come from this continued spread and ravage, we are assuming, and have assumed, the contradictory and ridiculous position of laying a duty on such a high-grade fertilizing ingredient, making the farmer pay $6 a ton more in order to give a little additional profit to an already prosperous protected industry.

Not only is this true in reference to the fertilizer ingredients, but the southern cotton farmer must pay a duty on his bagging and ties in order to add to the profits of the great steel trust on the one hand, and to build up a bagging industry on American soil, where not one pound of the raw jute material is produced.

A Senator on this floor stated this morning that the policy of the Republican party was to give to the American people free whatever they needed and did not produce. Will the Senator vote for that when the time comes?

Mr. JOHNSON of North Dakota. Yes.

Mr. SMITH of South Carolina. That is good. There is not one pound of jute produced in America, and yet because a coterie of men get together and want to form a bagging trust and wring from the southern farmers still further, our protective Government steps in and grants them the privilege.

A great argument used during the discussion of this tariff has been to save the American labor from competition with the pauper labor of Europe. And here, in this instance, the poorest paid and yet the most productive labor asks the privilege of getting the benefit of this oriental pauper labor, and it is denied them, because the American bagging trust wants to put a few dollars in its pocket.

In India, where jute is produced, the pauper labor can supply the mills and manufacture a form of bagging that is doubly as good as the salted stuff that comes from the bagging trust, which will not hold a hook, and can be shipped into this country at a less price and give the American labor the benefit of the India pauper labor. You vote for the importation of free bagging, or never again stand on this floor and plead that you are legislating for the purpose of protecting American labor from the pauper labor of Europe.

There can be no possible reason why 5,000,000 laborers should be taxed to support an industry such as the American bagging trust, when the bagging they produce could be produced by the pauper labor of Europe at a much less price, and the American laborer be the beneficiary of it.

Mr. BACON. Will the Senator permit me to suggest to him that it will not be sufficient to look after the votes in this case. I recall the fact that when the Dingley bill was before the Senate I had the honor to propose an amendment putting bagging and ties on the free list, and while the Senate voted for it, the conference committee knocked it out.

Mr. SMITH of South Carolina. Yes.

Mr. BACON. So the Senator will have, in common with some of the rest of us, to look further than the mere question of votes in the Senate in order to secure this benefit, judging the future by the past.

Mr. SMITH of South Carolina. When I learn more of the method of how not to do it, I hope to be more effective than I am.

As to ties, there would not be subtracted an appreciable amount from the earnings of the steel corporation if the pitiful concession was made to the cotton grower in giving him free ties for his cotton. Free binding twine is given the wheat grower in spite of the fact that the hemp growers and manufacturers of America protest.

Here is one manufacturing plant pitted against another manufacturing plant, and the concession is made to the western wheat grower, to give him his free twine, but when the precious steel trust is touched the cotton crop of the South must pay a toll for the reason that they can not afford to subtract from this much-suffering and patriotic steel trust. The poor, hard-worked, patriotic, underpaid steel trust must be protected, even on the item of ties. As an illustration of the steel trust's methods and the helplessness of the farmer, the following is taken from the New York Journal of Commerce:

PITTSBURG, *April 25.*

The cotton-tie market was opened to-day by the United States Steel Corporation, and prices were advanced 10 cents a bundle. There are 2,500,000 of cotton ties ready for shipment from this city to the South. Last year the price per bundle was 85 cents. The advance, which affects the entire southern cotton-growing communities, came as a surprise.

It is estimated by the Steel Corporation that the cotton crop will be 20 per cent larger than that of last year.

The Carnegie Steel Company opened the cotton-tie market on Thursday with a price of 95 cents per bundle, an advance of 10 cents per bundle over the schedule price of last year. Practically all the cotton ties are now at southern distributing centers.

There was a rich, golden harvest in sight, and by virtue of the high protective tariff they had a monopoly of the steel business of America, and they advanced the price of ties without warning, on the eve of gathering of a crop, 10 cents a bundle,

$250,000 exacted in one day from the men who get $71 per year for their labor.

Twenty million of agricultural laborers must give up the hope of a competency, the hope of education, refinement, and culture; must have the shoes taken from their feet, the clothes from their backs, the carpets from their floors, the pictures from their walls in order that their favored neighbors may roll in this luxury of wealth that marks the turning point in the glory of our Government and the decadence of those principles that were the hope of humanity. There can be no justification in the mind or the heart of an honest man of that law or that government which takes from the pocket of another without giving a just return for that which it took.

Mr. Roosevelt—I almost strain a point and say the great commoner, the man who professed to have the welfare of the whole country at heart—had a commission going about through this country, known as the "Country Life Commission," studying the conditions of the rural population, inquiring into their home life, as to education, sanitary condition, school facilities, home surroundings, and so forth, so as to get at a rational explanation as to why they were drifting to the towns and cities; why they were dissatisfied with the farm life.

It either proved that for once he did not give evidence of that intelligence that characterized him or he was attempting to deceive them with a show of interest that he did not feel. For where is there such a fool but who must understand that no man is going to take up a vocation, the profits of which must go by law into the pockets of those not entitled to them. He need not have gone to the rural districts to have found an explanation of their impoverished condition, but had he made a critical and patriotic study of the high-protective duties on the necessaries of life that these farmers had to buy, and the low prices at which he was forced to sell under the sharp, world-wide competition, he could have found the solution of the whole problem. He must pay a duty on his clothes, on the common homespun, on the sewing machines with which his wife makes the common underwear of the family out of this common homespun and the thread with which it is sewn, on his beds and bedding, on his bedsteads, on his chairs, on his tables, on his cooking utensils, on his hats, on his shoes, on his harness, on his wagons, on his plows and plowstocks, reapers and binders and mowers, on the lumber that he builds his modest home out of, on the nails, on the paint, on his sugar, on his tobacco, on his knives, forks, and spoons, his lamp, the oil, on his tablecloth, his plates, his glass, his china, stoneware, the medicines he buys, on the ammonia in his fertilizer, and the bagging and ties that he wraps his cotton in. Then, having contributed to the reasonable—the guaranteed profit of all these interests that make these necessaries—he is forced to take the toddling baby and tremulous old age, dwarf the one and burden the other, in order to meet the exactions of a heartless Government which has gotten into the grip of greed and from which there seems no hope of escape.

From this class of citizenship have come those that made the history of this country glorious by their devotion to the traditions of the past and their loyalty to their country. How long shall they be expected to reverence and to uphold at the risk of their lives that Government which has so far forgotten its sense of justice as to grind them with these monstrous outrages?

In conclusion, I want to state my position clearly. I believe that the laborer is worthy of his hire and that the right consideration of every statesman is the welfare of the masses of the people.

It is vastly of more interest to me that the humblest citizen should be able out of the proceeds of his labor to build himself a home than it is to see that the few lumber manufacturers shall be protected in an unreasonable price for their lumber. It is more important to me to see that his home shall have the simple comforts than to see a few millionaire iron magnates, millionaire cotton manufacturers, millionaire glass manufacturers, and millionaire manufacturers of the other articles that go to make his home comfortable. It is vastly more important to the American people that they shall have bread at a reasonable price than to see the wheat growers of the West, by virtue of their ownership of the land, given an unreasonable price for their wheat, for if the time should ever come when the yield of foodstuffs in America is not sufficient to supply the needs of our people, it will be of vastly more importance to see to it that the hungry shall be fed than that a miserable system of high protection shall be guaranteed in spite of their hunger.

It is a great joy to me that the South is able to produce an abundance of the raw material out of which the nations of the world may find a cheap and adequate clothing. We ask no protection, but we do demand that, as we give to the nations of the world the material out of which they find adequate clothing, we shall not be forced to purchase our own material in the manufactured form at a price which impoverishes us and enriches the protected manufacturer.

I shall vote for the measures which, in my judgment, tend to equalize the burdens and the blessings which the laws of Almighty God entail upon us all and which shall lay the burden for the support of the Government equally upon all.

EXHIBIT A.—*Cotton industry.*

State.	Number of farms, 1900.	Crop of 1900.		Population over 10 years of age engaged in agricultural pursuits.	Number of people engaged in agricultural pursuits per farm.	Number of bales per farm.	Amount per capita for each person engaged in agricultural pursuits from total value of cotton produced.
		Bales.	Farm value.				
North Carolina	224,637	513,677	$24,040,573	459,306	2.04	2.29	$52.35
South Carolina	155,355	787,231	38,232,143	293,693	2.53	5.07	97.11
Georgia	224,691	1,272,838	62,749,344	522,848	2.32	5.67	120.01
Alabama	223,220	1,038,392	51,765,654	515,737	2.31	4.65	100.37
Mississippi	220,803	1,061,973	52,932,354	490,582	2.22	4.81	107.89
Louisiana	115,939	720,089	35,671,229	295,445	4.23	6.21	120.76
Texas	352,190	3,368,310	174,307,700	644,634	1.83	9.56	270.41
Arkansas	178,694	812,529	41,145,588	345,479	1.96	4.55	119.09
Oklahoma	62,495	104,694	5,421,468	94,931	1.52	1.68	57.12
Indian Territory	45,506	244,661	12,719,131	92,418	2.03	5.38	137.63
Total	1,703,559	9,924,393	498,985,180	3,855,073	*2.15	*5.54	*133.81

*Average.

EXHIBITS B AND C.—*Proportional part of customs revenue paid, 1907.*

State.	On everything.	Textiles, and manufactures of.	Leather, and manufactures of.	Sugar.	Tobacco, and manufactures of.	Iron and steel, and manufactures of.	Earthen, stone, china, and glass ware.	Chemicals, drugs, and dyes.
North Carolina	$8,171,000	$2,028,000	$152,000	$1,491,000	$648,000	$240,000	$199,000	$187,000
South Carolina	5,799,000	1,439,000	108,000	1,058,000	460,000	171,000	141,000	132,000
Georgia	9,588,000	2,380,000	178,000	1,750,000	760,000	282,000	233,000	219,000
Alabama	7,908,000	1,962,000	147,000	1,443,000	627,000	233,000	193,000	181,000
Mississippi	6,688,000	1,660,000	125,000	1,221,000	530,000	197,000	163,000	136,000
Louisiana	5,963,000	1,480,000	111,000	1,088,000	473,000	176,000	145,000	153,000
Texas	13,179,000	3,271,000	245,000	2,406,000	1,045,000	388,000	321,000	301,000
Arkansas	5,667,000	1,406,000	106,000	1,034,000	449,000	167,000	138,000	129,000
Oklahoma and Indian Territory	3,394,000	842,000	63,000	619,000	269,000	100,000	83,000	77,000
Total	66,357,000	16,468,000	1,235,000	12,110,000	5,261,000	1,954,000	1,616,000	1,515,000
Total of United States	329,480,046	81,768,579	6,133,588	60,135,181	26,125,037	9,608,148	8,024,207	7,522,515

Proportional part of customs revenue paid, 1907—Continued.

State.	Customs duties paid; proportionate part of total paid by each State.	Consumption of domestic manufactured goods; proportionate part of total consumption of United States.	Indirect tax paid on this consumption by increased price due to protection.	Total indirect amount.	Taxation per capita of total people.
North Carolina	$8,171,000	$351,559,000	$108,983,000	$117,154,000	$61.85
South Carolina	5,799,000	249,494,000	77,343,000	83,142,000	62.05
Georgia	9,588,000	412,515,000	127,880,000	137,468,000	62.03
Alabama	7,908,000	340,219,000	105,408,000	113,376,000	61.99
Mississippi	6,688,000	287,768,000	89,208,000	95,896,000	61.83
Louisiana	5,903,000	256,581,000	79,540,000	85,503,000	61.87
Texas	13,179,000	567,031,000	175,780,000	188,959,000	61.97
Arkansas	5,667,000	243,823,000	75,585,000	81,252,000	61.98
Oklahoma	3,394,000	146,010,000	45,263,000	48,657,000	61.59
Total	66,357,000	2,855,000,000	885,050,000	951,407,000	62.98
Total of United States	229,480,000	14,175,770,000	4,394,489,000	4,723,969,000	61.91

EXHIBIT D.—*Cereal crop produced in 1907.*
[From Yearbook, Department of Agriculture, 1907.]

State.	Corn.		Wheat.		Oats.		Barley.	
	Bushels.	Farm value.	Bushels.	Farm value.	Bushels.	Farm value.	Bushels.	Farm value.*
								Cents.
Maine	440,000	$333,000	210,000	$212,000	4,200,000	$2,520,000	224,000	78
New Hampshire	910,000	682,000			433,000	258,000	48,000	80
Vermont	1,980,000	1,485,000	23,000	23,000	2,652,000	1,671,000	399,000	75
Massachusetts	1,584,000	1,188,000			245,000	147,000		
Rhode Island	312,000	250,600			59,000	39,000		
Connecticut	1,848,000	1,385,000			315,000	189,000		
New York	16,200,000	11,502,000	7,197,000	7,125,000	37,095,000	21,139,000	1,975,000	80
New Jersey	8,737,000	5,517,000			1,770,000	991,000		
Pennsylvania	45,922,000	29,390,000	30,095,000	28,891,000	29,689,000	16,032,000	230,000	70
Delaware	5,308,000	2,760,000	2,460,000	2,386,000	120,000	60,000		
Maryland	22,196,000	11,988,000	14,763,000	14,172,000	825,000	404,000	33,000	60
Virginia	46,025,000	29,456,000	8,188,000	8,024,000	2,862,000	1,431,000	58,000	63
West Virginia	21,280,000	15,322,000	4,477,000	4,477,000	1,834,000	990,000		
North Carolina	45,078,000	33,358,000	5,320,000	5,692,000	2,995,000	1,797,000		
South Carolina	29,907,000	23,249,000	2,669,000	3,203,000	3,900,000	2,808,000		
Georgia	57,538,000	43,729,000	2,073,000	3,074,000	5,010,000	3,607,000		
Florida	7,017,000	5,614,000			411,000	308,000		
Ohio	117,640,000	61,173,000	30,677,000	28,223,000	36,840,000	16,416,000	784,000	70
Indiana	168,840,000	75,978,000	24,013,000	29,981,000	36,683,000	15,407,000	184,000	67
Illinois	342,756,000	150,813,000	40,104,000	34,890,000	101,675,000	41,687,000	000,000	67
Michigan	57,190,000	31,455,000	12,731,000	11,585,000	30,534,000	14,656,000	1,496,000	67
Wisconsin	46,688,000	25,678,000	2,955,000	2,719,000	51,700,000	24,299,000	18,423,000	75
Minnesota	43,695,000	21,802,000	67,000,000	60,192,000	61,985,000	25,414,000	26,063,000	67
Iowa	270,220,000	116,195,000	7,653,000	6,276,000	108,900,000	41,382,000	14,178,000	60
Missouri	241,025,000	113,282,000	29,212,000	24,528,000	14,254,000	5,844,000	46,000	57
North Dakota	3,080,000	1,848,000	55,139,000	47,963,000	32,340,000	12,936,000	15,646,000	58
South Dakota	47,175,000	21,700,000	32,480,000	28,907,000	33,728,000	12,764,000	20,125,000	61
Nebraska	179,328,000	73,524,000	45,911,000	36,270,000	51,490,000	19,051,000	2,413,000	50
Kansas	155,142,000	68,262,000	65,609,000	53,799,000	16,380,000	6,879,000	4,392,000	54
Kentucky	93,000,000	49,322,000	8,808,000	8,103,000	3,379,000	1,656,000	25,000	75
Tennessee	78,364,000	44,667,000	7,400,000	7,030,000	3,068,000	1,529,000	20,000	70
Alabama	45,896,000	34,422,000	800,000	985,000	3,850,000	2,579,000		
Mississippi	42,500,000	31,875,000	22,000	19,000	1,611,000	1,047,000		
Louisiana	28,000,000	19,600,000			406,000	223,000		
Texas	155,589,000	90,353,000	2,812,000	2,784,000	9,500,000	5,700,000	68,000	73
Oklahoma	113,265,000	49,837,000	8,631,000	7,164,000	6,270,000	3,009,000	654,000	50
Arkansas	43,430,000	29,532,000	1,463,000	1,390,000	3,412,000	1,843,000		
Montana	90,000	61,000	4,008,000	3,243,000	11,760,000	5,410,000	646,000	62
Wyoming	75,000	52,600	855,000	658,000	2,220,000	1,177,000	128,000	68
Colorado	2,008,000	1,695,000	8,497,000	6,628,000	5,800,000	2,945,000	1,000,000	60
New Mexico	300,000	270,000	1,104,000	1,027,000	402,000	254,000	26,000	70
Utah	280,000	202,000	4,637,000	2,431,000	2,025,000	972,000	429,000	68
Idaho	150,000	105,000	8,639,000	5,788,000	5,706,000	2,397,000	2,181,000	88
Washington	324,000	227,000	26,045,000	26,284,000	10,545,000	4,745,000	6,682,000	58
Oregon	440,000	326,000	15,265,000	11,907,000	9,765,000	4,394,000	2,562,000	67
California	1,836,000	1,561,000	20,520,000	20,110,000	4,556,000	3,235,000	30,056,000	78
Arizona			388,000	408,000	116,000	70,000	923,000	78
Nevada			900,000	998,000	301,000	217,000	280,000	83
Total	2,592,320,000	1,336,901,000	634,087,000	554,437,000	754,443,000	334,568,000	153,597,000	66.6

* Per bushel.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Chair understands that it was the intention to go back to paragraph 280. Is that the desire or the understanding of the chairman?

Mr. ALDRICH. It is. The Senator from Georgia [Mr. BACON] is now in his seat.

The PRESIDING OFFICER. The Chair is informed that the amendment has already been agreed to.

Mr. BACON. No; it has not been agreed to. When the amendment was reached on the first reading I asked that it be passed over, and it is so marked on my copy. I am not mistaken about that; I am entirely sure of it. I am satisfied the Senator from Rhode Island will recall the fact.

Mr. ALDRICH. I am inclined to think the amendment has been adopted.

Mr. BACON. I am sure it has not.

Mr. ALDRICH. I am willing to reconsider it if it has.

Mr. BACON. But it has not been.

The PRESIDING OFFICER. The amendment, then, will be considered as pending.

Mr. CRAWFORD. I should like to have the attention of the Senator from Rhode Island. I do not understand that any of the paragraps in the lumber schedules have been agreed to, except the voting down of the amendment of the Senator from North Dakota [Mr. MCCUMBER] the other day.

Mr. ALDRICH. It is not lumber that is under consideration now; it is bacon and hams.

Mr. CRAWFORD. The paragraphs generally of that schedule have been passed over, have they not?

Mr. ALDRICH. All have been voted on, I think, except these three, perhaps. I think they have all been agreed to except paragraphs 280, 281, and 282. That is my understanding.

Mr. CRAWFORD. The Senator does not understand that paragraph 197 has been adopted.

Mr. ALDRICH. That is in the lumber schedule. I am not talking about the lumber schedule.

Mr. CRAWFORD. The Chair referred to paragraph 208?

Mr. ALDRICH. To paragraph 280.

Mr. CRAWFORD. Oh, I beg pardon.

Mr. BACON. Mr. President, paragraph 280 as it comes from the House fixes a duty on bacon and hams of 4 cents per pound. The committee report is to raise it to 5 cents. What I shall say will equally apply to paragraphs 280, 281, and 284. Therefore I shall speak generally as to these three. I presume, of course, a vote will be taken upon them separately.

Mr. ALDRICH. Yes.

Mr. BACON. In order that I may not repeat myself, I will address myself to all three of these paragraphs.

I wish to say in the beginning, that so far as the rates of duty are concerned, which are imposed in these several paragraphs, I have no criticism to make upon them, when abstractly considered. In other words, I do not think the rates of duty are high when thus abstractly considered. They are, as shown by the table before us, respectively, upon bacon and hams 23.28 per cent, upon beef 18.19 per cent, and upon lard 20.29 per cent; all of which rates are recognized as moderate rates considered abstractly, and as being within the zone, if I may use such a word, or within the classification, generally recognized as that of revenue rates.

I hope the Senator from South Carolina [Mr. TILLMAN] will not withdraw the attention of the Senator from Rhode Island.

Mr. TILLMAN. The Senator from Georgia and the rest of us have become so accustomed to consider the Senator from Rhode Island as the Senate that he objects to anyone talking to that Senator while he is speaking.

Mr. BACON. That is stating exactly the fact. The Senator is merely stating a fact which all recognize. Therefore "the Senator from Georgia" was objecting to anybody else diverting the attention of the Senator from Rhode Island when he was speaking to him.

Mr. TILLMAN. Nevertheless some of us have to talk with the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. BACON. I do not know that the Senator from Rhode Island was enabled to hear me; it was not his fault. I repeat, I have no criticism to make upon these rates on the three particular articles found in paragraph 280, 281, and 284 from an abstract standpoint. I think the rates are ordinary revenue rates. But I have a particular objection which I hope may commend itself to the consideration of the committee because there is nothing political in it. In other words, it is not a question of a protective rate on one hand or an ad valorem duty on the other.

My objection to it is that the only purpose the rate can serve is to permit dealers to charge exorbitantly high prices to the consumers; and when I say the dealers I am referring only to the origihal dealers who are the packers, because other prices necessarily have their foundation in the prices charged by the packers.

The tables before us show that there were no importations of any consequence of either of these articles, and therefore the rate of duty can not be imposed for the purpose of protecting the domestic producer, either the producer of the animal upon the hoof or of the packer who prepares the carcass for the market. I will read the statement of the importations. In the case of bacon and hams the revenue under the present law and also under the proposed law—because both are the same, the House having endeavored to make a reduction of the present law and the Senate committee having by their amendment proposed to the present law—under the present law and under the proposed bill the importations from the entire product of bacon and hams is $23,771. Twenty-three thousand seven hundred and seventy-one dollars is the entire revenue derived from this very large item of general consumption, bacon and hams. Of course the product in this country and the consumption in this country is vast. I am sorry I have not looked it up, just by way of illustration, to show how vast is the consumption in this country of the two items, bacon and hams. With that vast product and that vast consumption there is only an importation which yields a revenue of $23,000, which proves incontestably and absolutely that the rate of duty is not for the purpose of protecting the domestic producer, but it must necessarily be for the purpose of protecting the one who fixes the prices. I do not speak about the prices paid by the packers——

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Rhode Island?

Mr. BACON (continuing). A great deal might be said as to the price paid by packers to the raisers of cattle on the hoof, but it is not necessary to go into that, and we can start at the prices charged by the packer.

Now I yield, with pleasure, to the Senator from Rhode Island. I was right in the middle of a sentence, and that is the reason why I did not stop then. I yield with pleasure.

Mr. ALDRICH. I was about to say that there are certain classes of bacon and certain classes of hams imported, and always will be.

Mr. BACON. Yes; Westphalia and others.

Mr. ALDRICH. Those pay a revenue, and the duty is, in a certain sense, protective to the American producer.

Mr. BACON. The revenue is so small that that can not be the principal inducement here.

Mr. ALDRICH. That does not follow, by any means. If the duties upon bacon and hams were removed, it is not at all certain that there might be very large importations of both articles. It does not follow because the rates, being protective, have prevented the importations of large quantities, if the rates were reduced or removed there would not be large importations. That is true all through these schedules. These rates are protective, and if they are protective, the importations may be small. There may in certain cases be nothing at all paid. Still that does not take away from the rates their protective character.

Mr. BACON. Very well; if what the Senator suggests were the influential fact, the consequence would stare us in the face that it is not simply a protective, but a prohibitive duty.

Mr. ALDRICH. That does not follow, by any means. The fact which the Senator is now alluding to stares him and stares me in the face through almost every paragraph of the bill.

Mr. BACON. Very well; if the Senator will permit me to state my proposition with some degree of continuity, I will proceed. As I have stated, the revenue derived from the present rate on bacon and hams is $23,771.

Upon beef it is $7,566 only, the whole year. With the vast product, the vast consumption of beef in this country, with a duty of 2 cents a pound, the entire revenue derived from the entire importation is $7,566. Upon lard, with a duty of 2 cents a pound, as in the present law, and 2 cents a pound in the proposed law, the revenue, according to this table, would be $80.22. Eighty dollars and twenty-two cents is the amount received on the entire importation of lard in the United States. That is, under the present law and under the proposed law, it is also $80.22.

Now, Mr. President, it is not a matter for me to consume much of the time of the Senate, because the proposition which I suggest is one which lies right on the surface. As I have already stated, and I now repeat, the only effect of the high rate of duty can be to enable those who are principally interested in this product, the packers, to charge exorbitant prices to the people for that which is absolutely essential to life.

Even if the rate proposed in the House bill were defensible, what possible reason can be given for increasing it unless it be for the purpose that the consumers shall be required to pay more for it than they would under the House bill? There is no danger, even at the rate proposed in the House bill, that there is going to be such importation of these articles as will materially affect the interest of those who produce them.

If there were no duty at all, the importations of bacon, hams, beef, and lard would be comparatively insignificant. There would be a greater amount than there is now, I fully grant to the Senator from Rhode Island, but there would be no such importation as would amount to a serious matter of competition.

If it be true that under the House bill the rates would not result in any largely increased competition, what possible reason can there be for the Senate raising those rates except for the purpose of enabling the packers to charge still higher prices than they charge now?

Mr. ALDRICH. Mr. President——

Mr. BACON. If the Senator will pardon me just a moment, I will yield to him a little later with pleasure. If there is any one thing which is now incumbent upon the Senate, even if we recognize the principle upon which the Senators on the other side of the Chamber base their action if we recognize the system of protection, which I do not, as a principle which should control in the framing of a tariff bill, it seems to me there is nothing more important in conjunction with that recognition than the further recognition of the fact, which every man knows

from his daily experience and from his contact with those who have still more serious experience, that the great evil of the day, the great burden of the day, is in the fact that foodstuffs have gone to such a rate that even people in good circumstances can not enjoy them as they did before in the profusion and in the quality which they desire, and that the common people are absolutely deprived to the extent essential for their health and comfort.

Therefore, Mr. President, it is that, so far from being in favor of the amendment offered by the committee of raising each one of these staple articles over and above what the House bill fixes them at, I would be more than glad to still further lower them.

When we come to talk about articles of luxury, we may speculate upon whether it is good policy or not to impose additional burdens upon the people, but when we come to those things that are not only essential to comfort, but to absolute health, certainly nothing but the most cogent reasons ought to justify us for a moment in considering the question of laying additional burdens upon them.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from New Hampshire?

Mr. BACON. With pleasure.

Mr. GALLINGER. I have listened very attentively to the argument of the Senator——

Mr. BACON. The Senator has not heard it all yet, though.

Mr. GALLINGER. I know it will be gratifying to the Senator for me to say that I entirely agree with him and will be pleased to vote with him on this proposition.

Mr. BACON. I have so frequently noticed that upon things which are essential the Senator from New Hampshire and myself differ that I am very much encouraged whenever it occurs that we agree.

Mr. GALLINGER. I would not at all agree to the Senator's suggestion that possibly removing the duty entirely upon beef, for instance, would not result in a very large importation, because Canada is now sending her beef to England, and if she could get into this market on a free-trade basis, we would undoubtedly be deluged with Canadian beef.

Mr. BACON. I know, of course, we can not accomplish that, and the removal entirely of the duty could only be put upon the ground, from my standpoint, of the fact that it relates to an article of absolute necessity, because, as a general proposition, I believe in a tariff, and a tariff which will raise enough revenue for the support of the Government. I recognize that there are exceptions, and while I do not know that I shall urge it in this instance, I would be prepared to put foodstuffs upon the free list, at least some of them, if not all of them. I will not say all foodstuffs, because that is a generic term, and I am speaking of staple articles, those essential for the preservation of life. I would be glad to put salt, for instance, on the free list, and I would not be averse to putting common articles of meat, that the country uses, upon the free list.

But I am not discussing that now. I am discussing the question whether this duty should be lowered.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Rhode Island?

Mr. BACON. With pleasure.

Mr. ALDRICH. Does the Senator from Georgia seriously think that the imposition of a cent and a half or 2 cents a pound on lard increases the price of lard in the United States?

Mr. BACON. I do, Mr. President.

Mr. ALDRICH. To everybody?

Mr. BACON. For this reason, if the Senator will permit me——

Mr. ALDRICH. To all consumers?

Mr. BACON. Yes. If the Senator will permit me to give him the reason why I think so, I will do so with pleasure. It does not increase it because of the fact that it shuts out competing articles, because I do not think we would have any material competition even if it were absolutely free. Therefore, the imposition of a high revenue tariff does not affect the situation, just as I said on Saturday in talking about the question of the imposition of a duty upon the common article of cotton. Although there are some 20,000,000 pounds of it introduced into this country and a corresponding revenue would be derived from it, the imposition of that duty upon it, however, could not possibly affect the price of the common article of cotton, even if you put $10 a pound upon it, simply because our production is so far in excess of our consumption.

Mr. ALDRICH. I should like to have the Senator, if he will, differentiate lard from cotton. We produce immense quantities of lard and export the——

Mr. BACON. What does the Senator say?

Mr. ALDRICH. I should like to have the Senator differentiate cotton from lard, if he can.

Mr. BACON. I am doing so.

Mr. ALDRICH. The Senator says that putting a duty of a cent and a half on a pound increases the price of lard in the United States to that extent.

Mr. BACON. I had not gotten through with my statement, Mr. President.

Mr. ALDRICH. And the Senator says that, notwithstanding the fact that immense quantities of lard are exported and none imported.

Mr. BACON. Yes.

Mr. ALDRICH. Now, as to cotton, the Senator says the duty on cotton does not increase its price in the United States, because there is an immense quantity exported and none imported.

Mr. BACON. I commend to the Senator from Rhode Island the old Latin motto, "Festina lente"—make haste slowly.

Mr. ALDRICH. Mr. President——

Mr. BACON. If the Senator will permit me, I was simply illustrating, and was coming to the very point he is calling my attention to.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Will the Senator from Georgia yield further?

Mr. BACON. If the Senator will permit, I certainly ought to be allowed to state my proposition.

I was illustrating, Mr. President, and yet the Senator anticipates that I meant to say exactly the opposite of what I am about to say. Now, if the Senator will give me his attention——

The PRESIDING OFFICER. The Senator from Georgia will suspend. Senators will please be in order and take their seats. The Senator from Georgia will not proceed until the Senate is in order. Senators will cease conversation on the floor. [A pause.] The Senator from Georgia will proceed.

Mr. BACON. Mr. President, I think that a speaker himself addressing an audience ought generally to command silence by the interest in what he says. As I did not have the good fortune to be able to exercise the power to that extent, I am more than gratified to have so able a coadjutor as the Presiding Officer to accomplish that result.

I shall have to go back, in order that the Senator from Rhode Island may take the point that I was about to present when he anticipated me, and anticipated me incorrectly. I had said that I did not think that the imposition of a duty on lard would, in itself, by reason of any barrier against the competition which it interposed, affect the price of lard; and I went on to say further that, if there were no duty at all, I did not think that the price would be different, so far as the particular matter of the imposition of the duty or no duty would directly affect it. Then I went on to illustrate, as I had said in the brief discussion we had on the cotton question, that so far as the ordinary article of cotton was concerned, the imposition of no duty could affect the price of it in this country, even if you put $10 a pound on it, from the fact that we are the producers of so much larger quantities of cotton than we consume; and, in the same way, we are the producers of so much larger quantities of lard than we consume.

I was going on then to point out, while that may be true in that particular, how far the imposition of a duty did indirectly affect the price. It affects the price in just this way, that there being a comparative monopoly of it, it puts in the mouths of those who have the fixing of the price the excuse of saying that the tariff duty imposed upon it makes it necessary that they should increase the price.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Rhode Island?

Mr. BACON. Yes, I will; but I should prefer to be able to give my statement, rather than taking it up by piecemeal.

Mr. ALDRICH. Who has a comparative monopoly in the manufacture of lard?

Mr. BACON. Well, I should say undoubtedly the packers have in this country, as they have in all other fresh meats and their products. I think that is a well-understood fact.

Mr. ALDRICH. The Senator from South Carolina [Mr. TILLMAN] informed me the other day that the production of compound lard, which I suppose would be involved——

Mr. BACON. That is a very different thing. I am not talking about that now. I hope the Senator will pretermit that discussion now and let me go on, because I am not jesting.

Mr. TILLMAN. I was just dragged in——

Mr. BACON. The Senator might stay out for the present.

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. BACON. Mr. President, the same thing is true in probably a less degree in the matter of fresh meat. It may be true, as stated by the Senator from New Hampshire, that, if there were no duty upon fresh meat, there would be a very largely increased importation; but, of course, while there might be, speaking generally, a large importation, comparatively it would necessarily be very small, because of the fact that the production in Canada is a trifle compared to the production in the United States. While that is so, we have evidence of the fact that the price of fresh meat in this country is very much higher than it is in Canada. I have had no opportunity to make any very recent investigation on that subject; but some years ago, when I addressed the Senate upon the question of the tariff, I read an article, taken from the Washington Post, in which it quoted what was said by the Philadelphia Press, a staunch Republican paper and a paper strongly advocating the protective principle in every particular, as to the effect of the tariff duty in this country on fresh meat in increasing the price in this country over and above what the same kind of meat cost in Canada, across the line. I read it in the Senate then and I will read it again now. It is true this statement is not very recent; but I presume conditions have not materially changed, as we are still living under the same law now under which we lived then. In 1902 the Washington Post contained an editorial which I shall now read to the Senate. I will say, before reading it, that the article is based upon figures taken from a criticism made by the Philadelphia Press. The article is as follows:

About the last source to which one would naturally look for an argument in favor of the reduction of any tariff schedule is the Philadelphia Press. In harmony with the Republican sentiment of Pennsylvania, the Press opposes tariff revision. In their recently adopted platform the Pennsylvania Republicans declare their "unswerving loyalty" to the Dingley tariff and set themselves squarely against any effort to revise it or to interfere in any way with its operations. They also "affirm the friendship of the Republican party for the breadwinner and the home builder."

To all this the Press heartily subscribes, seemingly unconscious that its party is going into the congressional campaign under the management of an enthusiastic advocate of tariff revision, a revision that has for its central point the leading industry of Pennsylvania, which is protected by duties for which he declares there is no necessity and can be no defense.

But while the Press stands up bravely for the tariff as it is, although well knowing that some of its schedules were framed and adopted with a view to their cutting down almost immediately, the necessities of its position as a real newspaper compel it incidentally to condemn some of its provisions, and their condemnation is an inferential protest against other schedules that produce similar results. Just as the free-trade organs condemn their theory by printing the statistics of our industries, our commerce, our national finances, and savings-banks deposits, so the organs of extreme protection, or protection gone mad, furnish convincing arguments against their policy by printing facts. For example, just before the Republican congressional candidates go out on a campaign in which they will find it impossible either to dodge or defend the tariff on meat, the Press shows the difference in meat prices between Buffalo and Fort Erie, directly opposite in Canada. It says the beef trust has advanced the prices in Buffalo from 25 to 50 per cent. Porterhouse steak, for instance, is 24 cents in Buffalo and 16 cents in Fort Erie; loin steak, 15 cents in the city which is forced to pay beef-trust prices and 12 cents in Fort Erie. The Press says that the cost of living has been increased by the trust, so far as meat is concerned, from 10 to 50 per cent, as these figures prove.

It did not occur to our Philadelphia contemporary to mention any reason why the beef trust is able to run up prices on this side of the line while they remain in statu quo on the other side. But it is likely to occur to a good many millions of consumers, and especially to wage-workers, that the duty imposed on beef cattle and all kinds of dressed meat is what has caused important change in the contents of the "full dinner pail."

Mr. President, that clearly presents the issue, it seems to me, that I read to the Senate, and it raised a very distinct issue, but no issue was ever joined on it.

Mr. ALDRICH. What was the date of that?

Mr. BACON. That article appeared in 1902, but it was read by me in the Senate in 1904; but, Mr. President, if it had been issued yesterday it could not have corresponded more strictly with the present situation than those words now do, though they are related to what occurred in 1902. The prices on beef which were there quoted are practically the prices to-day, unless they have been raised and are greater than they then were. Has the present law given any such indication of being so low in its barrier against the importation as to raise an apprehension on the part of the framers of this bill that unless the rates are increased there will be an undue importation, and that prices will go down in this country? They may say "No;" and therefore the rates of the present law are proposed to be maintained in the provisions of this bill; but do not the provisions of the present law and the experience under it show conclusively that it is a practical barrier to all competition, and that our people in purchasing the great necessities of food, and of staple food—necessary food—are compelled to pay prices which make it a serious matter for any head of a family to go to market to buy those provisions?

Mr. President, of course I have not in charge the fortunes of the Republican party. If I did have, there would be nothing that I would urge upon them more strongly than that in the matter of food, if possible, prices should be reduced to the consumer.

I am somewhat of a partisan, but I hope Senators will give me credit for sincerity when I say that, while I believe the passage of a bill which shall disregard this consideration will be of great advantage to the party to which I belong, I would infinitely prefer to see this Congress pass a bill which would lower the prices not only of food, but of all the other necessaries of life, to the extent which will take from the people the burdens under which they now rest and under which they now groan. The great cry which has come up, and which has moved the Republican party to a recognition of the fact that there should be an ear turned to that cry, is based upon the fact that the people are suffering; and, judging from the interest of the Republican party itself, the highest consideration is to remove the burden from the common necessities of life.

The Senator asked me whether or not the duty can affect the price. If not, what possible danger of importation to any considerable extent can be found in the production of any other country of these articles? What other country on earth can produce bacon and ham and lard and send them to the United States, and afford even to pay the transportation upon them, or, outside of that, which have them to send or can have them to send? There is no other country that produces these articles to the extent of an important surplus, and few of them produce these articles to the extent that they themselves consume. What other object can be subserved in the putting of a high rate of duty upon these staple articles of food, produced in our own country in superabundance, and produced in our own country to the extent that we are large exporters of them, except to enable those who now have this great monopoly to put still further additional burdens upon the people in the purchase of those things essential not only for comfort, but for absolute life, for their subsistence?

I hope, Mr. President, that the amendment will not be agreed to, and that the amount of duty upon these various articles may be still further reduced.

Mr. BEVERIDGE obtained the floor.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Indiana yield to the Senator from Rhode Island?

Mr. BEVERIDGE. Yes; for the purpose the Senator has in mind.

Mr. ALDRICH. I am desirous of saving the Republican party——

Mr. BACON. I am glad of that.

Mr. ALDRICH (continuing). And therefore I will withdraw the amendments.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Will the Senator from Indiana allow the Chair to get an understanding of what it is the Senator from Rhode Island withdraws?

Mr. ALDRICH. The amendments to paragraphs 280, 281, and 284.

The VICE-PRESIDENT. All of those amendments were agreed to in the first reading of the bill.

Mr. ALDRICH. Then I ask that they may be reconsidered and disagreed to.

Mr. BACON. I ask if the Senator will allow those paragraphs to go over for the present?

Mr. ALDRICH. No; I withdraw the amendments and ask to have the paragraphs agreed to.

The VICE-PRESIDENT. The Senator from Rhode Island asks unanimous consent to reconsider the action by which the amendments were agreed to. Is there objection?

Mr. HEYBURN. I should like to know the scope of that proposition. Does it include the duty on beef and the other reductions made in the House bill on meats?

Mr. ALDRICH. Yes; it reduces the duties to the rates carried in the House bill.

Mr. BEVERIDGE. It removes the Senate committee increases on the House decreases of the existing law.

The VICE-PRESIDENT. The request, of course, does not include the amendment offered by the Senator from Massachusetts [Mr. LODGE] in line 7.

Mr. KEAN. Including the word "lamb."

The VICE-PRESIDENT. The words "and lamb."

Mr. HEYBURN. I should like to understand this matter. It is pretty far-reaching.

Mr. ALDRICH. The committee amendments to paragraphs 280, 281, and 284 are withdrawn, and that leaves the House provisions stand.

Mr. HEYBURN. Mr. President——

Mr. BEVERIDGE. Mr. President, I believe I have the floor.

The VICE-PRESIDENT. The Senator from Indiana is entitled to the floor.

Mr. HEYBURN. I merely wanted that unanimous consent should not be given until I had a chance to speak.

The VICE-PRESIDENT. Does the Senator from Idaho object to unanimous consent to reconsider the action by which the amendments were agreed to?

Mr. HEYBURN. I will object, because I desire to submit some remarks on them.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. The Senator from Indiana is entitled to the floor.

Mr. BEVERIDGE. If there is objection to the proposition, I think I will yield the floor to the Senator from Idaho. I had intended when I rose, before the Senator from Rhode Island, as I think very wisely, withdrew the amendments, to submit perhaps three or four sentences upon the question. If, however, there is going to be any objection to this most wise action of the Senator from Rhode Island in withdrawing the amendments, I will yield the floor to the Senator from Idaho until he gets through, and resume it then.

Mr. HEYBURN. Mr. President, I did not expect to be called upon to express myself in favor of the action of the committee as reported to the Senate. The question is a large one. There is probably no more important item in this bill than the one which restores the duty upon meat. It is one that affects a very large part of the country; and, if it can not go over, while, of course——

Mr. ALDRICH. I would suggest to the Senator from Idaho that paragraph 280 certainly does not come within the scope of his objection.

Mr. HEYBURN. Paragraph 280?

Mr. ALDRICH. Yes; the paragraph relating to bacon and ham.

Mr. BEVERIDGE. That is part of the same general scheme.

Mr. ALDRICH. No.

Mr. HEYBURN. The House reduced the existing duty from 5 cents a pound to 4 cents a pound.

Mr. ALDRICH. We now propose to put it back to 4 cents.

The VICE-PRESIDENT. The Senator from Rhode Island asks unanimous consent to reconsider the vote by which the committee amendment was agreed to.

Mr. ALDRICH. To paragraph 480.

The VICE-PRESIDENT. To paragraph 480. Is there objection?

Mr. HEYBURN. Yes; I desire, if we must consider that question now, to submit some remarks in regard to it.

Mr. BEVERIDGE. I yield the floor to the Senator from Idaho, and will afterwards resume it.

Mr. HEYBURN. Mr. President, I feel myself in a measure unprepared to take up the consideration of the meat schedule, not having anticipated the action of the committee in regard to it.

Mr. ALDRICH. If the Senator will permit me, my reason for withdrawing the amendments was that I wanted to save what threatened to be an interminable discussion. I think it makes no difference to anybody whether the duty really is 5 cents or 4 cents. That is my judgment about it.

Mr. BEVERIDGE. Also, I take it, the Senator withdrew the amendment because he thought, after consideration, that the Senate amendment was not as wise as the House provision.

Mr. ALDRICH. Mr. President, my principal reason was, as I have said, to avoid discussion; because I think as a practical question it makes no difference whether the duty is 5 cents or 4 cents.

Mr. BACON. Will the Senator agree, then, to allow it to be put still lower?

Mr. ALDRICH. No; I will not.

Mr. HEYBURN. Mr. President, I am inclined to think that the Senator would reconsider that suggestion, because that goes to the whole question of a protective tariff. If 1 cent a pound upon meat makes no difference to the producer, then 1 cent a pound on anything else would make no difference. It makes a difference to the extent of the reduction of the existing duty.

Mr. ALDRICH. Mr. President, if I were obliged to admit, as I trust I never shall, that every duty that is put into this bill raises the price in the United States to the extent of the duty, then I should cease to be a protectionist, I think.

Mr. HEYBURN. Mr. President, the question of the price, as we have been discussing these items, has not seemed as important to me as it has seemed to others. I speak purely for the protective principle involved in this question. The reduction of a cent a pound on the existing duty would open the market for foreign competition; not that we are receiving vast quantities of these articles, but if we lower the fence one rail we make it that much easier to be overtopped by those outside the inclosure of this Government.

Mr. President, the difference of 1 cent a pound, if it should affect the price of the commodity, would amount to a good many million dollars in the country west of the Mississippi River, with a million head of cattle, 5,000,000 head of sheep, and hundreds of thousands of pigs. It is very material whether or not that very convenient rival of ours—if I may use such a term—which lies just across an imaginary line, shall receive this advantage. They drive cattle over the line from that country; they do not have to send them in ships or transport them on railroads; but they can drive hundreds of thousands of cattle across the line.

The Senator from Massachusetts [Mr. LODGE] remarks that they have a different grade or rating, but they can be converted into dead animals very readily.

Mr. LODGE. They do not come under this clause.

Mr. HEYBURN. Well, bacon comes under this clause, if it is killed and cured on the other side of the line.

Mr. LODGE. They do not bring it in as bacon.

Mr. HEYBURN. We are speaking of the bacon item. That is one of the items which is included in the suggestion of the Senator in charge of the bill.

Mr. LODGE. The Senator will excuse me. If they come in on the hoof, as live animals, they come in under a rate having no relation whatever to this paragraph.

Mr. HEYBURN. I thoroughly appreciate that, but they may be slaughtered and come in as bacon.

Mr. LODGE. Then they will not come in on the hoof.

Mr. HEYBURN. No. They are just over the line. I have no doubt you can stand at places in the State of Montana or Idaho and see thousands and thousands and at times even hundreds of thousands of these animals right on the line. I think Senators fail to understand how close the Canadians are to our country, along that great stretch, which is greater in magnitude than the country lying between Chicago and the Atlantic Ocean. It is a vast country and is adapted to the raising of these animals that result in these products of meats, cured meats and uncured meats for that matter.

I never dreamed the committee was not to stand firm for the measure as reported. I had supposed, and had taken much comfort in the fact, that the committee had restored a duty that was very important to a very large part of the people. I think I would be safe in saying that Canada can produce as many cattle, as many horses, and as many pigs as the United States can produce. It is peculiarly adapted to the raising of these animals, and its people have not been slow to appreciate it. They have been compelled to find their market through the medium of the line of the Canadian Pacific Railroad instead of coming across the border. Now we have nine railroads running down from that northwestern portion of Canada into our country, and it is a matter of from ten minutes to a few hours between the Canadian fields and our markets. A difference of a cent a pound, or a dollar a hundred, or $8 a head on cattle is a material difference. Just a cent a pound would be a difference to us, taken in round numbers, upon the stock on our grazing fields of $8,000,000 or $9,000,000.

Mr. TILLMAN. Mr. President——

The PRESIDING OFFICER (Mr. PAGE in the chair). Does the Senator from Idaho yield to the Senator from South Carolina?

Mr. HEYBURN. I do.

Mr. TILLMAN. I should like to ask a question for information, because I have not examined into it. Is there any duty on hogs?

Mr. HEYBURN. Yes; there is a duty on hogs.

Mr. TILLMAN. What is it? Hogs on the hoof, I mean.

Mr. HEYBURN. Yes; I will turn to the schedule of live animals. I had it here. I will have to turn to it again. Swine, $1.50 a head. We passed that item.

Mr. TILLMAN. The average hog will weigh 300 pounds when he is ready to be slaughtered. That would be but a half a cent a pound. They could drive them across and kill them on this side and give American labor something to do.

Mr. HEYBURN. American labor has generally been pretty well taken care of under the principle of the protective tariff.

Mr. President, it is probably true that there is no animal so universally distributed among all classes of working people as the pig. The probabilities are that there are more individuals of the wage-earning class owning pigs than own any other stock.

Mr. TILLMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from South Carolina?

Mr. HEYBURN. Yes.

Mr. TILLMAN. What is the difference in the Senator's vocabulary between a pig and a hog?

Mr. HEYBURN. I rather like the term "pig" a little better than "hog," because the term "hog" is sometimes applied to a different class of beings. I like to select the term which I like best.

Mr. BAILEY. A hog is a pig grown.

Mr. TILLMAN. I have understood that a pig was a baby hog, a suckling fellow, who has to squeal for his milk sometimes when he can not get a teat.

Mr. HEYBURN. I think I will not take the chances of minimizing what I may say in this Chamber by entering into a discrimination between pigs and hogs. I will take the chances of being understood when I use the word "pig."

This is a proposition to recede not only from the duty proposed by the committee on bacon and hams, but also upon beef, veal, mutton, pork, and lard. Those are farmers' products. The farmers, so far as those items are concerned, are producers more than they are consumers. It is the custom in the country for people of small means, in limited circumstances, to depend upon the sale of the surplus of those articles they raise for cash money. A very small inclosure and a very humble home will raise five or six pigs; sell four of them for cash, and save two for their own use. That is the ordinary rule, and it is applicable to every part of the United States.

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Will the Senator from Idaho yield to the Senator from Minnesota?

Mr. HEYBURN. Certainly.

Mr. NELSON. Is not the Senator aware of the fact that while the farmers raise hogs and pigs and swine, and butcher a few for their own use, they do not make any bacon or ham for export? As a rule they sell their hogs and pigs to the beef trust at Chicago or Kansas City, and they make the bacon and the ham, and it is a protection to them rather than the farmer.

Mr. HEYBURN. I supposed the trust would get into this sooner or later. The suggestion of the Senator from Minnesota does not appeal to me. The class of people to whom I refer do not deal with the meat trust, either directly or indirectly. They make their own bacon, cure their own hams, and it goes into their local markets. It never sees Chicago. I am speaking about millions of people and not of some circumscribed community or limited class, and I think when you consider that the question is, whether or not the product of a pig is worth $4 or $4.25 to this humble class of people, you will realize that it is not a trifling question. When we deal with iron schedules and ore schedules and grain schedules we talk about the trusts as applying to each of them, but there is no trust entering into this question at all. It is a question that does affect the value of the surplus product of these small producers and is of such universal application that I can not refrain from calling the attention of the Senate to it.

It seems to me we are sometimes too apt to underestimate the questions with which we do not come in direct and frequent contact. We are here pledged to legislate in the interest of those who most need legislation; those who do not participate in legislation, except in a very indirect way; and I would hesitate to give my consent to pass lightly—I had almost said flippantly—over an item that is fraught with so much importance to a class of people who most need government and the protection it can afford them. I would not like to stand before this element of the American people and say to them, "We have protected the manufacturers and the grain growers and the iron miners; but when it came to this little item," which is of more importance to them than the larger items are to those interested in them, "we had treated it with levity and without much consideration receded from the careful and earnest conclusion that had been reached by the committee having this bill in charge and having reported it."

No figures have been given professing or attempting to show the amount of the product that would be affected by this reduction. I assume that the committee had some figures before it when it disagreed with the House bill and proposed this amendment. Where are those figures, and what do they demonstrate? There are hundreds of thousands of homes in the United States that depend upon the surplus of this product for the cash, and the very limited amount of cash, that they have in their daily affairs of life. They have no thousand bushels surplus grain to sell; they have no surplus products of the mines or the forests to sell. They have that which will produce for them a few petty dollars, but which in their lives are more important than the 6 per cent derived from the larger transactions of life.

I think we ought not with such haste to pass over these items. We have no knowledge of the reasons that actuated the committee in receding from this amendment. We will be charged with having disregarded the rights of this element of the people, because they were helpless. It will be charged that they had no one here to speak for them and to protect the little balance that they derive from this product.

More than one-half the cattle killed in the United States are owned by farmers, and they do not go to the packing houses. More than 50 per cent of the pigs raised in the United States never see a packing house.

Mr. NELSON. Mr. President, will the Senator permit me?

Mr. HEYBURN. Certainly.

Mr. NELSON. The figures in the Tariff Notes show that, in 1907, we exported in round numbers about 460,000,000 pounds of bacon and ham, and we imported only 475,525.85 pounds. The total value of our exports of ham and bacon was about $50,000,000, and the total value of the imports of ham and bacon was only $102,134.19.

Mr. ALDRICH. What was the figure first given by the Senator?

Mr. NELSON. I have figured the bacon and the ham together. The exports of the two amounted to 460,000,000 pounds.

Mr. ALDRICH. The exports.

Mr. NELSON. Yes; of the value of about $50,000,000, and the imports were only 475,525.85 pounds.

Mr. WARREN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. HEYBURN. Certainly.

Mr. WARREN. I assume that the Senator who is so ably defending this product can acknowledge that there are large exports of meat products from this country at large, and yet it is nevertheless necessary for us to protect those who live on the border, on our northern border and on our southern border. There are many other products that we both export and import for which we have to provide some protection, especially along the borders of other countries.

Mr. HEYBURN. I had the figures before me when I made the remarks which I uttered. I am perfectly well aware of the fact that we have imported a very trifling amount of this product, and the reason why we have not been importing it in very much larger degree is because of the protective-tariff policy of the Republican party. A product that we can produce in such a large amount is one that should be protected, inasmuch as it is because of protection that we have been producing it; and the relation between the exports and the imports is a direct result of the policy of the Republican party; and you can find it not only in this item in the schedule, but you can find it in dozens of others, and we boast of it.

Mr. BEVERIDGE. The Senator from Idaho, upon reflection, will see that that can not be, because we are by far the greatest exporters and dealers in the markets of the world in articles like ham and bacon of any nation or any two nations in the world; and we export these enormous quantities, importing practically none, and we can meet the competition of the whole world in the free markets of the world. The Senator will see his logic there does not hold together.

Mr. HEYBURN. I think it holds together all the more firmly.

Mr. TILLMAN. Does the Senator from Idaho seriously contend that the protective tariff has anything to do with the number of hogs produced in our great corn belt?

Mr. HEYBURN. This is not a geographical discussion, nor is it to be measured by geographical distinctions.

Mr. TILLMAN. At the same time, when we produce more corn than all the balance of the world put together, and produce more hogs than all the balance of the world put together, how can the Senator say that the protective tariff has anything to do with it?

Mr. HEYBURN. That is the old, old, old argument, which has been advanced by the free trader since the foundation of the Government, and it is no more formidable now than it was when the old disciples of protection first formulated and established the doctrine of protection. Experience has shown the fallacy of it better than any words I could utter.

Mr. TILLMAN. Does the Senator think the protective tariff has anything to do with cotton? We made last year 13,000,000 bales. We have no protection on it. We would have made it if we had had a dollar a pound protection on it, because it would not have affected it or had any more influence upon it than the wind—not as much, because the wind would blow some of it out.

Mr. HEYBURN. I am not to be inveigled into discussing the cotton schedule. We have just listened——

Mr. TILLMAN. I am not discussing the cotton schedule. I am trying to get the Senator to explain his claim that the protective-tariff policy enables us to grow hogs and cotton.

Mr. HEYBURN. In order to explain it, I must have an opportunity to do so.

Mr. TILLMAN. I will give the Senator all the opportunity he wants. He never will be able to do it.

Mr. HEYBURN. I thank the Senator from South Carolina for his generous concession, and I will try to develop the idea a little further.

The argument suggested by the Senator from Minnesota would be true of wheat. We export vastly more wheat than we import. We protect wheat by a duty, and that makes us master of the wheat market.

Mr. NELSON. Will the Senator yield to me?

Mr. HEYBURN. Certainly.

Mr. NELSON. The protective duty on wheat up to this time has been of no earthly value to the wheat farmers.

Mr. HEYBURN. It is not the first time——

Mr. NELSON. I wish the Senator would wait until I get through. We have been an exporter of wheat and are yet, and as long as we are exporting wheat the price is fixed by the Liverpool price, and if it were not for the drawback provision contained in the Dingley law to-day, we should not need any protection for wheat for years to come.

Mr. HEYBURN. This is not the first time in my life when I have had occasion to observe people who were unconscious of the blessings that they live under and enjoy. It has other names, but that will sufficiently express it. The Senator is evidently in favor of free trade in wheat. I infer as much. He has lived and his people have grown prosperous and fat on the protective-tariff policy of the Republican party, and they have become so accustomed to the blessing that they have forgotten its source.

Mr. President, I do not need with Republicans to commence at the genesis of protection to illustrate the beneficial results which the people have derived from it.

Mr. NELSON. Will the Senator allow me?

Mr. HEYBURN. Yes.

Mr. NELSON. If the Senator is correct, I expect to get 30 cents a bushel more for my wheat than I have ever gotten before.

Mr. HEYBURN. The Senator will probably get for his wheat a price controlled by and in proportion to the duty that he has been enjoying all these Republican years.

You might imagine, not only from the remark of the Senator from Minnesota, but from some remarks that I have heard here for weeks, that this Government came into existence yesterday, and that the protective policy was not yet tested. These conditions of prosperity that are held up as the reason why they do not need protection are the very results of protection, and you take away that prop and you will find the conditions of business sinking back in proportion to that which you lose by taking away the protective tariff.

I believe I am a consistent protectionist. I have no more interest in this question than have millions of people in this country. We would do less than our duty if we failed to maintain existing conditions, the existing status of the business in this country.

I have heard much about revision downward, and this suggestion seems to me to be along the line of the claim that we must, wise or unwise, revise the tariff downward.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Rhode Island?

Mr. HEYBURN. I yield.

Mr. ALDRICH. I made these suggestions with the hope of avoiding discussion. It seems I have not accomplished that purpose.

Mr. BACON. I hope the Senator will speak so that we may hear him.

Mr. ALDRICH. I desire further to say to the Senator from Idaho that the rates that are left in this bill are protective if the amendment which I propose to withdraw is withdrawn. I have no question whatever about that. I am not failing in my duty as a protectionist in making this change. There is no possibility at 4 cents a pound of any large importations of bacon and ham into this country. When the duty which was imposed by the Wilson bill, about 3 cents a pound, was in operation there was no increase in importations. There is no possibility that if this change is made upon lard, from 2 to 1½, there will be any increase in the importations of lard. There was no increase when the Wilson bill was in operation; and I will say to the Senator now that if we must place rates so high that we can attempt through those rates to say to the farmers of the country, "We are protecting you by a duty which is absolutely impossible," we are trying to do something which as protectionists we should not try to do, in my judgment.

I think that the rates which will remain if these amendments are made are amply protective, and I should be bound to say that to any farmer or to anybody else in the United States.

Mr. HEYBURN. Mr. President, my experience has taught me that when you talk to the farmers and to the others to whom the Senator refers they are very apt to talk back, and they do not necessarily accept the statement that it is sufficient. They want to know if that is sufficient, why the Republican party has been doing more than sufficient in the way of protecting them. We have talked to these people throughout the country during the last and other campaigns, and we have told them that the measure of protection which the Republican party gave them was necessary for their success and for their benefit.

Mr. ALDRICH. If the Senator will permit me——

The VICE-PRESIDENT. Does the Senator from Idaho yield further to the Senator from Rhode Island?

Mr. HEYBURN. I yield to the Senator.

Mr. ALDRICH. The committee and the Senate, following the recommendations of the committee, have reduced the duties on nearly 350 items in the bill. They have not in any case reduced them below what was in their judgment the protective point; and it is not possible for us to say to the people of the United States that in making those reductions we have abandoned the protective principle in any one of them. I do not intend to go before the people of this country, or to have anybody else go before the people of this country, and say that we have abandoned the protective policy because we have reduced in our judgment the duties imposed by some of these paragraphs.

Mr. HEYBURN. We are now in process of inquiring whether or not the existing duty is necessary. The Senate has not passed upon that question. There is in the consideration of the bill to be borne in mind always that until we vote upon these schedules, the Senate has not spoken. Our committee has spoken and told us that it was necessary to restore the existing duty. Now, in the flash of an eye, they say no, it is not necessary.

I am not standing here to criticise the committee. I am standing here to defend the deliberate action of the committee that reported the bill. I care not if we have reduced the rate upon so many hundred articles. I doubt the wisdom of some of those reductions. I will trust the ultimate wisdom as shown by the vote when it is finally taken. The wisdom of the Republican party is not yet determined. The wisdom of the Senate of the United States is not determined until we vote upon these measures. I am inclined to be rather impatient with the impatience that is going on here to pass upon measures without that consideration which an individual Senator thinks they are entitled to.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield?

Mr. HEYBURN. In a moment. It is the individual judgment of each Senator that is entitled to consideration in this body. A measure is not ripe for vote or for final consideration until the individual Senators have exercised what in their judgment is a sufficient time in the consideration of these matters. It is much more important that we do this great task as it should be done than that we do it within a given number of days or hours. There are many features of the bill yet to be considered, and so far as I am concerned I shall, with the consent of the Senate, and under the rules of it, take such time for the consideration, either in silence or in speech, as in my judgment the occasion requires.

Mr. GALLINGER (in his seat). The Senator has not been suppressed?

Mr. HEYBURN. The Senator asks me if I have been suppressed. No; nor have I been guilty of occupying more of the time of the Senate than in my judgment it was necessary or proper to occupy. We will not get into the field of personalities. I invoke the patience of the Senate. The committee has tended to confirm that in my mind which they now count an error. The field of information in regard to this matter is open to all of us. There is no Member of this body who has stood for the protective tariff policy and principle longer than I have, so far as it is represented by the Republican party to-day. I would not be a Republican one hour if it were not that it stands for the protective-tariff policy.

The Senator from Rhode Island says that 3½ cents will protect this industry fully as well as 4 cents. That is a question upon which men may differ. We have grown up in the great Northwest the industry represented by these items in a measure

that is little apprehended by those who only know us upon the map. There have been years in that country when wheat on the market would not bring 20 cents a bushel, when we brought in hogs by hundreds and thousands and fed the wheat to them. It was the best market we could get. I know communities to-day as large as some of the States that have no transportation for their grain. They raise the wheat and they raise the pigs, and they feed the wheat to the pigs and drive the pork to the market on foot. I have seen vast herds of these animals bringing down the farmer's crop to the railroad to be converted into a marketable commodity, and sold not to the meat trust, but the surplus of these ranches sold into the markets of consumption.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Rhode Island?

Mr. HEYBURN. I yield.

Mr. ALDRICH. Is the Senator willing to allow me to make a motion to reconsider this question and test the sense of the Senate? I have no pride of opinion——

Mr. HEYBURN. I do not know why the Senator should seek to take me off my feet while I am speaking.

Mr. ALDRICH. I will wait until the Senator is through.

Mr. HEYBURN. I think, with all deference, the Senator will probably be under obligations to wait until I have yielded the floor. I am not speaking for the sake of making a speech. I am speaking because I hope to find lodgment in the thoughtful minds of some Senators, or enough of them, to answer as it should be answered this appeal to the people who produce the live stock that feeds the great cities of the East. It not only affects the class of small producers to whom I have referred, but it affects all the stock raisers in our country. What do you suppose the purchasing market in Chicago would say to us when we go down there with 1,500 or 15,000 pounds of this commodity, or the raw materials to be converted into it? They will say to the people "half a cent less this year, because the duty is reduced half a cent." Have we not heard that story? Is it not the doctrine we have been preaching to the American people for half a century? It does not matter whether they will import the equivalent of this deduction or not; that is not the question. We have never reasoned any schedules from that standpoint.

I am ready, when I have finished the few remarks I have to make, to submit it to the Senate. Of course, there is one part of the Senate that is in favor of any reduction that is proposed. There is another part of it that I had not hoped to find in favor of a reduction without consideration, merely upon the statement of the chairman of the committee that they would recede from the amendment which they had proposed, and which we had accepted as the ultimate wisdom of that committee.

We have a million head of cattle, conservatively stated, one-third of which are marketed every year. The price in Chicago of such as go to Chicago will bear in its consideration the reduction in the duty. Those men will say, "We can buy Canadian cattle now"——

Mr. ALDRICH. Mr. President, the Senator knows as well as I that he is discussing a matter which is not before the Senate. The question of the duty upon bacon and hams has nothing to do with the price of cattle in Chicago or anywhere else. Of course, the Senator has a right to make any kind of discussion he pleases and to take as much time as he pleases, but he is discussing something which is not involved in the motion which I propose to make as to paragraph 280.

Mr. HEYBURN. The motion of the Senator from Rhode Island included the four items.

Mr. ALDRICH. It includes only one item that I propose to ask the Senate to reconsider. I shall propose, whenever I have an opportunity, that the Senate shall reconsider its action on paragraph 280 relating to bacon and hams.

Mr. HEYBURN. If I am not mistaken, the Senator said paragraphs 280, 281, 282, and 284.

Mr. ALDRICH. The Senator is mistaken. I am only asking now to have paragraph 280 reconsidered.

Mr. HEYBURN. Mr. President, I am not so very particular as to the exact application of my remarks to the live item or the dead item; whether it be the live pig or the dead pig makes little difference. I understand the relation between a live animal and the product of the live animal perfectly well.

I had hoped not to have heard again the admonition that we were losing time for some one. I trust that I am not losing time, and I think this measure will go much more smoothly if these expressions of impatience are limited. We sit here for days and hear speeches that involve the entire system of government throughout the process of the ages. This is not an academic question. It is a question of real interest. To be told in this hour that the reduction of the duty upon a product of the farm does in no way affect the profit of the producer is a new doctrine.

Mr. CUMMINS. Mr. President——

The VICE-PRESIDENT. Will the Senator from Idaho yield to the Senator from Iowa?

Mr. HEYBURN. Certainly.

Mr. CUMMINS. Do the farmers of Idaho believe that this duty affects the price of their hogs?

Mr. HEYBURN. I will communicate with some of them, and I will give just the kind of an answer the Senator wants. I will telegraph them.

Mr. CUMMINS. I do not——

Mr. HEYBURN. I say that in all good spirit.

Mr. CUMMINS. I ask, Do your farmers believe that this duty on bacon and hams affects the price of their hogs? Do you think so?

Mr. HEYBURN. Does the Senator believe that the duty on wheat affects the price of wheat?

Mr. CUMMINS. I do not.

Mr. HEYBURN. Then the Senator and I do not belong to the same school of politics.

Mr. CUMMINS. I believe we produce hogs—I am now speaking of the four-footed, entirely—cheaper than any other country upon the face of the earth. I represent a State that markets annually 10,000,000 hogs, probably more than the State of Idaho markets in a good many years. Our farmers do not believe that the duty on bacon and hams has anything whatsoever to do with the price of their hogs. I ask the question in the utmost good faith.

Mr. HEYBURN. What farmers?

Mr. CUMMINS. All our farmers. If the Senator will allow me just a moment, we are as firmly wedded to the doctrine of protection as is the Senator from Idaho. We believe that the system of protection does have a great deal to do with the price of everything sold in this country.

Mr. HEYBURN. Why not hogs?

Mr. CUMMINS. But we do not believe that the duty on bacon and hams has anything to do with the price of hogs, because we—I am speaking now of Iowa—are the largest exporters of the product of hogs of any State in the Union. Therefore I wanted to know whether the Senator down in his heart believes that this duty on bacon and hams has affected, or can affect in any way, the market value of hogs, because I am sure that the farmers of my State have never been deluded by any such notion.

Mr. HEYBURN. We have about 4,000 farmers in one part of Idaho who came from Iowa.

Mr. CUMMINS. And good ones.

Mr. HEYBURN. They came there because they thought they could better their condition. I say that in no disrespect to Iowa. When I went among them last fall——

Mr. CUMMINS. They went there to get cheaper land, and——

Mr. HEYBURN. I will yield to the Senator in a moment.

The VICE-PRESIDENT. The Senator from Idaho declines to yield.

Mr. HEYBURN. I will finish my sentence. When I went among those farmers in the Kootenai Valley last year, and they said to me: "What interest has the farmer in protection?" I said, "Four dollars a ton on your hay." They have lines of stacks of it there, such as you never saw outside of the Platte. I said, "You have $25 a head on your horses," so much on your swine, so much on your sheep, so much on your vegetables, and so much on all the commodities you produce. They opened their eyes, and they said: "I guess this old Republican party is worth inquiring into." They wanted to know more about it, and the more I told them the better they liked the principles, and that one county gave 2,000 Republican majority, when it used to go Democratic.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Indiana?

Mr. HEYBURN. Yes.

Mr. BEVERIDGE. Did not those farmers know they had this protection until the Senator told them? He said he opened their eyes.

Mr. HEYBURN. I will leave the Senator from Indiana to cipher that out in his own way. It is very easy to ask a question like that; it sounds trite, and at first glance one would think he had to answer it; but, Mr. President, I do not feel that to enter upon a discussion of those farmers now would shed any light upon the facts. The fact is that those people are on the inquiry as to how the duty on manufactured products affects the farmer, and they would like to have some one who has the patience to explain to them——

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield further to the Senator from Indiana?

Mr. HEYBURN. I do.

Mr. BEVERIDGE. The Senator said that he went up into that beautiful valley and the farmers said to him, "What interest have the farmers in protection?" Then he told them about the tariff on hay, and so forth, and he "opened their eyes." I wondered whether the farmers were ignorant of the fact that they had this protection until the Senator told them.

Mr. HEYBURN. With all due consideration for the Senator from Indiana, there is not very much argument in that kind of a statement. It might be disrespectful to say it is like making faces at a man because you differ with him. It does not count in determining the result. I have back of me the record of the Republican party and the utterances in the platfrom from the beginning. Read the platform of the Republican party in 1860, and you will find written there the doctrine and the kind of protection that I stand for to-day.

Mr. BACON. Mr. President——

Mr. HEYBURN. The principle has not changed.

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Georgia?

Mr. BACON. Will the Senator permit me to make an inquiry of him?

Mr. HEYBURN. I yield.

Mr. BACON. I just desire to know, Mr. President, if the Senator from Idaho really endeavored to make the residents of that fertile valley believe that under the tariff each and every person got $4 a ton more for his hay than he would get but for the existence of the tariff, and $25 a head more on each of his horses by reason of the tariff? I want to know whether the Senator really endeavored to make them believe it, and did make them believe it?

Mr. HEYBURN. Yes; I told them that in the strife of competition between the American people and those outside of our country they had the advantage of $4 a ton on hay; that a man who brought his hay to the Canadian line had to pay $4 as an admission fee before he could get it in to compete with them, even at the same price. That is what I told them——

Mr. BACON. That is, the duty on hay——

Mr. HEYBURN (continuing). And they liked the doctrine.

Mr. BACON. The duty on hay is $4 a ton?

Mr. HEYBURN. Yes; $4 a ton is the duty on hay.

Mr. BACON. Then the Senator does subscribe to the doctrine that the domestic price is found by adding the amount of duty to what would otherwise be the price? Does the Senator subscribe to that?

Mr. HEYBURN. I might go into an academic——

Mr. BACON. That is a very simple question.

Mr. HEYBURN. Mr. President, the Senator has the privilege of asking me a question, and I have the privilege of framing my answer according to my judgment. I will answer him before I am through.

Mr. BACON. There is no doubt of it.

Mr. BURKETT. Let me answer the Senator from Georgia.

Mr. BACON. No; I insist that the Senator from Idaho is able to take care of himself.

Mr. HEYBURN. I am going to answer the Senator just as soon as I am not compelled to speak a duet.

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. HEYBURN. The Senator from Georgia has specially requested me to answer, and, out of courtesy to him, of course I shall answer.

The VICE-PRESIDENT. The Senator from Idaho will yield to the Senator from Nebraska later.

Mr. HEYBURN. I will yield to the Senator from Nebraska after I have answered the Senator from Georgia. The confusion may have made the question somewhat obscure. Will the Senator kindly state it?

Mr. BACON. I simply desire to know of the Senator whether he endeavored to make the people of that valley believe that the hay was worth to them $4 a ton more than it would be worth to them but for this duty of $4 a ton?

Mr. HEYBURN. Yes; I did. I did not have much trouble. They are intelligent men up in that valley. I said to them, "These Canadians can not come in and sell in your market without first paying the entrance fee of $4 a ton."

Mr. BACON. That is simply a preliminary question. I understand the Senator to say that that was his purpose. I then asked of the Senator the further question——

Mr. HEYBURN. My purpose——

Mr. BACON (continuing). The further question, if he subscribed to the proposition that the domestic price of an article in this country is increased by the addition of the amount of duty imposed upon imports of a like character.

Mr. HEYBURN. What does the Senator mean? What basis of increase?

Mr. BACON. Increase over what it otherwise would be.

Mr. HEYBURN. Oh, that the price is controlled by the import duty the rival has to pay? Yes.

Mr. BACON. In other words, it increased it $4.

Mr. HEYBURN. Yes. Now, I want to answer that.

Mr. BACON. That is sufficient.

Mr. HEYBURN. No; I will submit that question, if I may be permitted to answer——

Mr. BACON. Undoubtedly.

Mr. HEYBURN. If the Kootenai Valley farmer who had his hay did not have the protection, he would not have the market, because the Canadian would come in and sell his hay.

Mr. BACON. The Senator has given his reason, but that does not change the fact that the domestic article is increased in price by the amount of the duty imposed. That I understand to be the suggestion. The Senator gives the reason for it otherwise. I want to follow that with another question. If that is true in the matter of hay, is it not also true in the matter of beef? Is it not true, if that is so, that the people of the United States have to pay 25 per cent more, because that is the ratio, 18 per cent, I believe, in beef and 23 in ham? If that is true, is it not then necessarily true that by the imposition of 2 cents a pound on fresh meat, the consumers of the country have to pay 18 per cent more for the meat than they would have to pay if the 2 cents were not upon it?

Mr. HEYBURN. They do not pay it to the foreigner; they pay it to the man with whom they are in business, because every American is a member of the partnership that represents this great compact of government.

Mr. BACON. For the purpose of argument, I fully concede that; but that does not change the fact that according to the contention of the Senator the people of the United States have to pay 20 per cent more for the beef they eat than they would have to pay if the 20 per cent duty were not on it.

Mr. HEYBURN. They have to pay this to themselves.

Mr. BACON. I grant you that.

Mr. HEYBURN. Not to the foreigner——

Mr. BACON. But the consumer has to pay it all the same, does he not?

Mr. HEYBURN. The consumers themselves are considerable producers.

Mr. BACON. Very well. I will concede all those side points which the Senator makes; but the direct issue is this: Is it or is it not true, according to the contention of the Senator, that the imposition of 2 cents a pound on beef makes the consumer, the man who buys it and eats it, pay 20 per cent more for it than he would have to pay if the 2 cents were not on it?

Mr. HEYBURN. It prevents the stranger from coming into the household and interfering with our business.

Mr. BACON. That is all right. I will not enter into that; but the question is reduced at last to the conclusion that it forces the man who goes to market to buy the meat he consumes, according to the admission of the Senator, to pay 20 per cent more for it than he would have to pay if the 2 cents a pound were not on it.

Mr. HEYBURN. He has the 20 per cent——

Mr. BACON. He will not have it long if he has to pay this price.

Mr. ALDRICH. Mr. President——

Mr. BACON. The Senator from Rhode Island will pardon me a moment, until I have gotten through my little dialogue with the Senator from Idaho [Mr. HEYBURN]. That disposes of this question.

Mr. HEYBURN. Mr. President, I yielded in order that the Senator from Georgia might state his views on the meat question.

Mr. BACON. But I have not concluded. I want to ask the Senator another question in regard to it.

Mr. HEYBURN. The Senator from Georgia says now that disposes of it.

Mr. BACON. No.

Mr. HEYBURN. If the duties——

Mr. BACON. Let me take this up——

Mr. HEYBURN. I do not care to take that up.

The VICE-PRESIDENT. The Senator from Idaho declines to yield further.

Mr. HEYBURN. I decline to yield to the Senator on a new subject.

Mr. BACON. I wish to make now a similar inquiry of the Senator from Idaho as to bacon and hams as I did to lard.

Mr. HEYBURN. The same rule applies.

Mr. ALDRICH. Mr. President——

Mr. HEYBURN. Now, if the Senator will excuse me just for a moment——

Mr. ALDRICH. Will the Senator yield to me just for a moment?

Mr. HEYBURN. Yes.

Mr. ALDRICH. Mr. President, whatever may be the views of the Senator from Idaho I am not certain; but if anyone expects me not to make a protest against the doctrine that a protective duty is added to the cost of the domestic product, then I decline to make any such concession.

Mr. HEYBURN. Mr. President, I hope the Senator——

Mr. ALDRICH. It is repugnant to my ideas as a protectionist; it is repugnant to every principle of protection; and it is repugnant to my intelligence as a man.

Mr. HEYBURN. Now, Mr. President——

Mr. BACON. If the Senator will pardon me——

Mr. HEYBURN. Mr. President——

Mr. BACON (continuing). I should like to say a word to the Senator.

The VICE-PRESIDENT. The Senator from Idaho declines to yield.

Mr. HEYBURN. If the Senator will pardon me, I will not yield just now.

Mr. President, the Senator from Rhode Island [Mr. ALDRICH] has expressed exactly the political doctrine to which I adhere. I have already stated repeatedly to the Senator from Georgia [Mr. BACON] that the duty is not added to the cost of the article, but that it is a barrier against the intrusion of a man who comes in to undersell you. The price which the American producer receives is a fair price for his labor upon the standard of American labor and the American method of doing business. We do not have to inquire what the motives or the intentions of the intruder are. We know that the compensation which the producer in this country receives—whether he is a producer of labor or of material or of whatever you may choose—that the compensation is based upon a fair remuneration to the producer. That is the basis.

Mr. BEVERIDGE. Mr. President——

Mr. BACON. Will the Senator from Idaho permit me one word further?

The VICE-PRESIDENT. Does the Senator from Idaho yield, and to whom?

Mr. BEVERIDGE. Just for a question.

Mr. HEYBURN. I yield to the Senator from Indiana.

Mr. BEVERIDGE. Then, according to the last statement, the Senator from Idaho did not tell the farmers of the Kootenai Valley that they were getting $4 a ton extra for their hay?

Mr. HEYBURN. They were not. They were getting what their labor was worth; they were getting what they were entitled to receive on an American basis, and not on the basis of some foreign country. I do not measure the merits of American citizenship by the standard of a foreign people. I measure them by the standard of American principles and by that which Americans are entitled to have and to do and to receive.

Mr. BACON. Will the Senator pardon me for just a minute?

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Georgia?

Mr. HEYBURN. Yes, sir.

Mr. BACON. I simply desire to say that the Senator had so emphatically stated the proposition as to the amount which was added to hay and to beef, and so forth, that when the Senator from Rhode Island [Mr. ALDRICH] got up to protest against it, and addressed his remarks to me, I said that I hoped he would turn to his colleague and address his remarks to the Senator from Idaho and not to me, as it was his proposition and not mine.

Mr. HEYBURN. Well, now, Mr. President——

Mr. BACON. I want to say that I shall be perfectly content with the colloquy which has ensued if it shall appear in the RECORD exactly as it has occurred in the Senate.

Mr. ALDRICH. I have heard the Senator from Georgia so often make the statement here——

Mr. BACON. Never.

Mr. ALDRICH. That the protective tariff was costing the people of this country anywhere from two thousand to twenty thousand million dollars every year in the advance of prices, that I could not refrain from addressing my remarks primarily to the Senator from Georgia.

Mr. BACON. The Senator will recognize, however, that that particular contention was with the Senator from Idaho [Mr. HEYBURN]. I want to say to the Senator, that as to the remarks which he attributed to me, I notice none of the Senators on the other side has ever sought to controvert them when they were made.

Mr. ALDRICH. We have never had time yet.

Mr. HEYBURN. Or opportunity.

Mr. BACON. I hope that you will find time.

Mr. HEYBURN. Mr. President, the American people have had the time and have improved it. They understand it. Here is the doctrine that I stand for, and the Republican party stands for it to-day. I read from a rather old record:

> 12. That, while providing revenue for the support of the General Government by duties upon imports, sound policy requires such an adjustment of these imposts as to encourage the development of the industrial interests of the whole country; and we commend that policy of national exchange which secures to the workingmen liberal wages, to agriculture remunerative prices, to mechanics and manufacturers an adequate reward for their skill, labor, and enterprise, and to the Nation commercial prosperity and independence.

That platform ought never to have been changed in a word or phrase in any Republican platform that ever has been written since that day. That is the platform of 1860.

Mr. BACON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Georgia?

Mr. HEYBURN. I do.

Mr. BACON. I beg that the Senator will pardon me when I make the suggestion that the next time he goes among those benighted Idahoans in that happy valley, he will undeceive them and not have them still labor under the misapprehension under which his former address left them.

Mr. HEYBURN. Mr. President, that valley is a very small part of the State. The Senator from Iowa [Mr. CUMMINS] spoke of the great product in pork, alive and dead, in that State. It is true. They have about fifty years' advantage of some other States, but at the same period of the development of the State of Iowa it did not produce one-half the pork which Idaho produces to-day. The southern part of Idaho, which is in square miles something larger than the State of Iowa—and I do not say that for the purpose of speaking lightly of the State, but it is a geographical fact——

Mr. CUMMINS. They could not help it.

Mr. HEYBURN. No; they could not help it; but that section of the State to-day is raising increasing areas of alfalfa, which is the natural food of the pig. He eats it from the time he commences to eat anything until he is fat enough for market, and you do not need to supplement it with anything else. They feed it to him as grass or as hay or ground into meal. They raise from 6 to 8 tons of alfalfa an acre; they can raise it on a million acres of land there, and they do now raise it in vast quantities. The natural market for it is that which produces the bacon and the meat. In the fall you will see those valleys with lines of stacks of alfalfa as far as the eye can see, and the next spring you will see fatted animals ready to go onto the range without any evidence of a hard winter. That is true of all kinds of stock.

I am not speaking for Idaho alone in this matter. It is high time that we take stock and ascertain where we stand here in regard to this principle for which the Republican party stands. We will not whittle it away. A good many millions of American people indorsed it only a few months ago. You could not go into Idaho and win for the Republican party and eliminate the tariff from the presentation of your cause. They are, as I am, Republican, because they believe in the principles contained in that platform which I read to you a few moments ago; and I do not propose to go back in the next campaign in Idaho and apologize to them for the Republican party for its loyalty to the principles of protection. I reflect upon no Republican's loyalty.

The Senator in charge of the bill suggests that the criticism of the proposal to withdraw the House provision carries with it a suggestion that his judgment in regard to what constitutes protection is under indictment. I intend nothing of the kind. There has been no man in the United States more loyal to the principles of protection than the Senator from Rhode Island. It does not follow, however, that other men entertaining views on that subject may not enter into counsel with him. I follow no man. I go with any man who goes where I think is right. It is not reasonable that any man should expect you to waive your judgment to follow what are called "leaders." Strong men, men capable of action, move together and keep step in the march toward the goal of destiny; they are not strung out along the road trailing like sheep after a leader.

I say this in justification of the position that I take. Though I stand alone in this Chamber in my views, yet in the performance of a conscientious duty to principle and to the people, I dare to express these sentiments, because I know they are the heart and the soul and the salvation of the Republican party.

Mr. ALDRICH. Mr. President, there can be no question whatever about the measure of protection that is afforded by

the rate of duty fixed by the House in paragraph 280. If I thought there was, certainly I should not ask the Senate to reconsider its action; but I believe that there is no question of the adequacy of the protection upon the items in that paragraph, and I am quite willing, if the Senate thinks otherwise, that they should vote otherwise.

Mr. WARREN. Mr. President, will the Senator permit me?

Mr. ALDRICH. Yes.

Mr. WARREN. I was not in when the Senator announced his purpose as to certain paragraphs, but I understand from the discussion that he proposes to withdraw the Senate amendments to paragraphs 280, 281, and 284. The facts being that the House bill made the duties less on bacon and hams and lard than under present laws, and the Senate amendments propose to restore the Dingley rates on bacon and hams in paragraph 280, and on lard in paragraph 284. But what about paragraph 281? The Senate amendment as to fresh beef, veal, mutton, pork, and venison and other game, except birds, ought to stand and the rate remain at 2 cents per pound, instead of 1½ cents, as the House bill proposed.

Mr. ALDRICH. As to paragraph 281, I agree that there may be some question. The duties imposed by the House of 1½ cents a pound on fresh meat may not allow adequate protection, but as to paragraphs 280 and 284, I think there is no question about the adequacy of the protection under the House provision.

Mr. WARREN. The Senator is right; that there is a difference, in that hams and bacon and lard are available for transportation all over the country to a greater extent than are fresh meats. Therefore these commodities can be shipped from the interior to our border and the protection be the same, or nearly so, on our Mexican or Canadian line as in the interior; but with fresh meats it is different, as they are highly perishable and bulky and heavy to transport.

Mr. ALDRICH. Yes.

Mr. WARREN. I think we ought to be especially careful in regard to the duty on fresh meat.

Mr. ALDRICH. I am willing myself not to make this suggestion as to paragraph 281, because I agree that in that respect there is a chance for division of sentiment.

Mr. WARREN. I hope the Senator will withdraw the proposition to reduce the duty in that paragraph.

Mr. ALDRICH. I withdraw the proposition as to paragraph 281, because I think it is doubtful whether it is not all right as it is; but as to the other paragraphs, there can be no question whatever but that the rates imposed by the House are sufficient for protective purposes.

Mr. BEVERIDGE. The suggestion, then, covers everything except paragraph 281?

Mr. ALDRICH. It covers paragraph 280, in regard to bacon and ham, and paragraph 284, as to lard.

The VICE-PRESIDENT. As the Chair understands, the motion of the Senator from Rhode Island is to reconsider the vote by which the committee amendment to paragraph 280 was agreed to.

Mr. ALDRICH. That is correct.

Mr. CULBERSON. Mr. President, to the question discussed a moment ago by the Senator from Idaho [Mr. HEYBURN] and the Senator from Georgia [Mr. BACON], as to whether or not the protective duty was added to the price of the article, I want to advert for a moment. I think it was on Friday last that I read to the Senate, during the speech of the Senator from Missouri [Mr. STONE], a statement in a report of Alexander Hamilton during the days of the Confederation, in which he took the distinct position that the protective duty was added to the price. That same doctrine is laid down in the report of Secretary Walker in 1846, and, so far as I know, it is not seriously contended to the contrary; that is to say, no one contends that the duty may not be added to the price.

I have arrested these proceedings temporarily for the purpose of putting into the RECORD a statement of another distinguished Republican, to the effect that the duty is added to the price. I read from the hearings before the House Committee on Ways and Means in 1908, which I happened to have in my hand when this matter was being discussed. I read from page 1816:

> Mr. BONYNGE. If we put steel products on the free list, the present price to the consumer would practically be maintained, in your judgment?
>
> Mr. CARNEGIE. No; I think that the tendency of combination is to raise prices and to exact from the consumer what they safely can.
>
> Mr. BONYNGE. But as to steel rails, I understood you to say, in answer to Mr. Cockran, that you believed the price of $28 would be maintained; if steel rails were put on the free list, that the price would be maintained.
>
> Mr. CARNEGIE. Excuse me; I did not say that the price would be maintained—

That is, he does not say that the prices would be maintained if steel rails were put on the free list—

> but I do say that the present arrangement is a fair one, in my judgment, between the consumer and the producer. Let me show you the difference. If there is no tariff—

I invite attention to this, as he emphasizes the question of combination—

> the combination comes together and fixes a price, and it will fix a price lower than if there is a tariff. I think you will agree with me that the tendency of human nature is to get a good profit.
>
> Mr. BONYNGE. Certainly.
>
> Mr. CARNEGIE. And that the tariff would enable them to raise the price to the extent of the duty.

Mr. BEVERIDGE. What did he say about ore?

Mr. CULBERSON. I have nothing at this point as to what he said on the subject of ore.

Mr. ALDRICH. Will the Senator from Texas permit me to make a suggestion?

Mr. CULBERSON. I am through, Mr. President. I only wanted to put in the RECORD this testimony of a distinguished Republican.

Mr. ALDRICH. We have had half a dozen Senators putting certain portions of Mr. Carnegie's testimony into the RECORD. It seems to me that it might be wise for the Senator from Texas, or some other Senator, to put his whole testimony into the RECORD as a Democratic text-book. I have no doubt that it will be used for that purpose for the next twenty years; and it seems to me that these frequent publications of it are entailing unnecessary expense upon the public.

Mr. BACON. I would suggest, Mr. President, that the RECORD is open to the honorable Senator from Rhode Island.

Mr. BAILEY. I ask that it be printed separately as a public document.

Mr. ALDRICH. I have no objection to that. I think that is a very admirable suggestion.

The VICE-PRESIDENT. The Senator from Texas asks unanimous consent that the matter referred to by him be printed as a public document.

Mr. SCOTT. I object to that.

The VICE-PRESIDENT. Objection is made.

Mr. HEYBURN. Mr. President, I desire merely to make a statement. The Senator from Rhode Island withdraws his motion restoring the House provisions as to beef, veal, mutton, and pork.

The VICE-PRESIDENT. The present motion covers paragraph 280 only.

Mr. ALDRICH. Then, I ask unanimous consent, Mr. President, that the votes by which the amendments to paragraphs 280 and 284 were agreed to may be reconsidered for the purpose of withdrawing the committee amendments to those two paragraphs.

Mr. BACON. Mr. President, the only objection I have to that suggestion is that that would leave paragraph 281, possibly, in a condition where it would be necessary to reconsider it, whereas, as the fact is——

Mr. ALDRICH. That can be taken up hereafter.

Mr. BACON. I know; but I want a vote taken. I have no objection to the suggestion as to the other two paragraphs; but I made the distinct point when it was read—and it is so marked on my copy of the bill—objecting to paragraph 281. So a motion to reconsider is not necessary. It was passed over, and Senators around me who made a memorandum at the same time all agree with me in the fact that paragraphs 280, 281, and 284 were objected to by me at the time and passed over.

Mr. ALDRICH. The suggestion now is only as to paragraph 280 and paragraph 284.

Mr. BACON. I have no objection to that; but I do not wish, by failing to object to that, to recognize that I have to make a motion to reconsider paragraph 281.

Mr. BEVERIDGE. They were all agreed to, according to the statement of the Chair.

The VICE-PRESIDENT. There is no question but that paragraph 281, as well as paragraph 280, was agreed to. The Senator from Georgia will find a statement of that fact in the first column of page 1496 of the RECORD; and some little time later, as appears in the second column on the same page of the RECORD, the Senator from Georgia asked that they be passed over, and the Chair then stated:

> Paragraphs 280 and 281 will be passed over. There was an amendment in each of those paragraphs, which was agreed to. The paragraphs will be passed over with the amendments agreed to.

Mr. BACON. I do not doubt the correctness of that statement. All I say is that at that time it was not so understood by me. We were proceeding under an agreement that upon a request to pass over a paragraph it would be done. I do not dis-

pute the fact that it may have been so understood at the desk; but it was not so understood by me, and was not so entered.

The VICE-PRESIDENT. May the Chair read the Senator's words?

Mr. BACON. Very well.

The VICE-PRESIDENT. They were as follows:

Mr. BACON. Mr. President, we have acted on paragraphs 280 and 281, but I wish to ask that they be passed over for further consideration.

Mr. BACON. Of course, that was exactly the point. It was understood and agreed to that the action would not be considered as finally taken because of my request made at that time. I so understood it then, and that language proves it.

We were at that time, Mr. President, somewhat in doubt as to the order of procedure as to what would be conclusive and what would be tentative, and almost within the same breath I called attention to the fact, when it was announced that the amendment had been agreed to, that while that was true, I desired it to be passed over, and I understood everybody to consent to that direction being given to it. That was certainly my understanding at the time and also that of a good many Senators around me.

Mr. ALDRICH. That passing over did not obviate the necessity of reconsidering the vote whenever any action was suggested that would change that action. My suggestion is that the vote be reconsidered by which the amendments to paragraph 280 and to paragraph 284 were adopted, for the purpose of withdrawing the committee amendments. If paragraph 281 should be taken up upon the motion of the Senator from Georgia or any other Senator, that would be a different question.

Mr. BACON. Of course, I understand that. I am——

Mr. BEVERIDGE. I rise to a parliamentary inquiry.

The VICE-PRESIDENT. The Senator from Indiana will state his parliamentary inquiry.

Mr. BEVERIDGE. I wish to know from the Chair what is the legislative effect of what the Chair has just read; that is, where a paragraph is passed over and the amendments agreed to. Just what does that mean? Does it mean anything at all?

The VICE-PRESIDENT. It means that the paragraph, with the amendment agreed to, will have further consideration by the Senate.

Mr. BEVERIDGE. By the Senate?

The VICE-PRESIDENT. By the Senate as in Committee of the Whole.

Mr. BEVERIDGE. As in Committee of the Whole?

The VICE-PRESIDENT. Certainly.

Mr. BEVERIDGE. And not open to any amendment to the committee amendment?

The VICE-PRESIDENT. The Chair did not understand the last inquiry.

Mr. BEVERIDGE. And not open to any amendment to the committee amendment?

The VICE-PRESIDENT. Oh, certainly; open to any amendment.

Mr. ALDRICH. After reconsideration.

Mr. BEVERIDGE. That is just the point; is it only after reconsideration?

The VICE-PRESIDENT. But not, so far as the committee amendment is concerned, without reconsideration.

Mr. BEVERIDGE. Then, when it comes to this, for practical purposes, the mere passing over of a paragraph, with the committee amendment agreed to, in a case like this, where it is the only vital thing disposed of, amounts to nothing. It gives no right.

The VICE-PRESIDENT. It gives the right to further consideration in Committee of the Whole.

Mr. BEVERIDGE. Yes.

The VICE-PRESIDENT. Which otherwise it would not have.

Mr. BEVERIDGE. We are in Committee of the Whole now.

The VICE-PRESIDENT. Certainly. The Senator has that right now.

Mr. LODGE. I rise on the question of order simply. The amendment has been agreed to, but I understand the paragraph has not.

The VICE-PRESIDENT. That is correct; and the Senator from Rhode Island now asks unanimous consent to reconsider the vote by which the amendments to paragraphs 280 and 284 were agreed to. Is there objection? The Chair hears none.

Mr. ALDRICH. Now I withdraw the committee amendment in both instances.

The VICE-PRESIDENT. The Senator from Rhode Island withdraws the committee amendments to paragraphs 280 and 284. Without objection, paragraphs 280 and 284 are agreed to.

Mr. BACON. I simply desire to say that while I will not detain the Senate with an amendment now on this or any other paragraph, I expect to do so when we get into the Senate.

Mr. ALDRICH. That is all right.

Mr. BACON. I do that in the interest of those who seek to expedite the consideration of the bill. The question now recurs on 281?

Mr. ALDRICH. Yes; and I ask that paragraph 281 may be agreed to.

The VICE-PRESIDENT. Without objection——

Mr. BACON. I move to reconsider the action of the Senate by which it agreed to the amendment proposed by the Senate committee changing the provision in the House bill from 1½ to 2 cents a pound on fresh beef, veal, mutton and lamb, pork, venison, and other game, except birds.

Mr. BEVERIDGE. Let it be stated.

Mr. BACON. I move to reconsider the action of the Senate in agreeing to the amendment striking out the House provision, "1½," and inserting 2 cents in lieu thereof.

The VICE-PRESIDENT. The Senator from Georgia moves to reconsider the vote by which the committee amendment to paragraph 281 was agreed to.

Mr. ALDRICH. I shall vote against that proposition, and I shall do so with the idea that the committee will consider this question and see whether any modification should be made. I shall vote to agree to this paragraph as it stands—that is, with the committee amendment agreed to. I hope if there is any change to be made it will be after due notice and conference with the Senators interested.

Mr. BEVERIDGE. I hope the Senator from Georgia will not press his motion to-night, because I take it there will be some discussion on it.

Mr. BACON. I have no disposition to press for a vote to-night, but I must have a vote on it.

Mr. BEVERIDGE. Certainly.

Mr. ALDRICH. I suggest to the Senator from Georgia that he do not make the motion now, but wait until the matter gets into the Senate, because that would save considerable time. He will lose no rights by doing so.

Mr. BACON. I do not know why I should do that. I deferred to the wish so far as the paragraph unamended went. I propose to offer an amendment to the House paragraph. In other words, I propose to reduce below the rate proposed by the House the duties on bacon and ham and on lard, but I do not make the motion now, because the Senator having withdrawn the Senate committee amendments, there is no amendment pending to those two paragraphs. But when it comes to paragraph 281 there is a distinct Senate amendment.

Mr. ALDRICH. Will the Senator permit a vote to be taken now on the question of reconsideration?

Mr. BACON. Yes. I am not going to add anything to what I have said. I have discussed this as fully as I wish. But I do desire to state that I propose, if the Senate reconsiders it, to offer an amendment still further reducing the rate than it is in the House bill, especially since the interchange between the Senator from Idaho and myself, which has thrown some light upon the effect of his paragraph upon the prices the people have to pay for fresh meat.

The VICE-PRESIDENT. The question is on agreeing to the motion of the Senator from Georgia to reconsider the vote by which the amendment was agreed to.

Mr. ALDRICH. I ask that the vote be taken by yeas and nays.

Mr. BACON. I was about to ask for that myself.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CLARK of Wyoming (when his name was called). I have a general pair with the senior Senator from Missouri [Mr. STONE]. In the absence of that Senator, I withhold my vote.

Mr. CLARKE of Arkansas (when his name was called.) I have a pair with the junior Senator from Delaware [Mr. RICHARDSON]. My colleague [Mr. DAVIS] is absent, unpaired. I transfer the pair with the Senator from Delaware to my colleague, to stand until further announcement, and I shall vote. I vote "yea."

Mr. ALDRICH. I think the Senator from Oregon [Mr. BOURNE] is paired with the Senator's colleague.

Mr. CLARKE of Arkansas. I think that has been canceled. My information is that that pair has served its purpose, and is exhausted by the time limit.

Mr. OLIVER (when his name was called). I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. If he were present, I should vote "nay."

Mr. PAYNTER (when his name was called). I have a general pair with the senior Senator from Colorado [Mr. GUGGENHEIM]. If he were present, I should vote "yea."

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Minnesota [Mr. CLAPP]. He is absent. I am advised that if he were present he would vote on this motion as I shall vote. I shall therefore vote. I vote "yea."

Mr. SMITH of Michigan (when his name was called). I again announce my pair with the Senator from Mississippi [Mr. MCLAURIN]. If he were present, I should vote "nay."

Mr. SUTHERLAND (when his name was called). I am paired with the junior Senator from Tennessee [Mr. TAYLOR]. If he were present, I should vote "nay."

The roll call was concluded.

Mr. PILES. My colleague [Mr. JONES] was called from the Chamber a few moments ago and has not returned in time to vote.

Mr. CLARK of Wyoming. I have a general pair, as I stated, with the Senator from Missouri [Mr. STONE]. I transfer the pair to the junior Senator from Washington [Mr. JONES] and will vote. I vote "nay."

The result was announced—yeas 32, nays 40, as follows:

YEAS—32.

Bacon	Clay	Gamble	Overman
Bailey	Culberson	Gore	Rayner
Bankhead	Cummins	Hughes	Shively
Beveridge	Daniel	Johnston, Ala.	Simmons
Bristow	Dolliver	Martin	Smith, Md.
Brown	Fletcher	Money	Smith, S. C.
Burton	Frazier	Nelson	Taliaferro
Clarke, Ark.	Gallinger	Newlands	Tillman

NAYS—40.

Aldrich	Clark, Wyo.	Elkins	Penrose
Borah	Crane	Flint	Perkins
Bradley	Crawford	Frye	Piles
Brandegee	Cullom	Hale	Root
Briggs	Curtis	Heyburn	Scott
Bulkeley	Depew	Johnson, N. Dak.	Smoot
Burkett	Dick	Kean	Stephenson
Burnham	Dillingham	Lodge	Warner
Burrows	Dixon	McEnery	Warren
Carter	du Pont	Page	Wetmore

NOT VOTING—19.

Bourne	Guggenheim	Nixon	Smith, Mich.
Chamberlain	Jones	Oliver	Stone
Clapp	La Follette	Owen	Sutherland
Davis	McCumber	Paynter	Taylor
Foster	McLaurin	Richardson	

So the motion to reconsider was rejected.

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After twelve minutes spent in executive session the doors were reopened, and (at 5 o'clock and 12 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, June 1, 1909, at 10 o'clock a. m.

NOMINATIONS.

Executive nomination received by the Senate May 31, 1909.

REGISTER OF THE LAND OFFICE.

Arthur W. Orton, of Portland, Oreg., to be register of the land office at Lakeview, Oreg., vice John N. Watson, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate May 31, 1909.

SURVEYOR OF CUSTOMS.

Edward L. McConnaughey to be surveyor of customs for the port of Dayton, Ohio.

PROMOTIONS IN THE REVENUE-CUTTER SERVICE.

Cadet Engineer Charles Albert Eaton to be third lieutenant of engineers in the Revenue-Cutter Service.

Cadet Engineer Charles Herman Johnson to be third lieutenant of engineers in the Revenue-Cutter Service.

Cadet Engineer Clinton Philo Kendall to be third lieutenant of engineers in the Revenue-Cutter Service.

Cadet Engineer Howard James Kerr to be third lieutenant of engineers in the Revenue-Cutter Service.

Cadet Engineer Ambrose Elwood Lukens to be third lieutenant of engineers in the Revenue-Cutter Service.

Cadet Engineer Charles Joseph Odend'hal to be third lieutenant of engineers in the Revenue-Cutter Service.

Cadet Engineer Henry Charles Roach to be third lieutenant of engineers in the Revenue-Cutter Service.

Third Lieut. of Engineers John Frederick Hahn to be second lieutenant of engineers in the Revenue-Cutter Service.

Second Lieut. of Engineers Frank Gerome Snyder to be first lieutenant of engineers in the Revenue-Cutter Service.

CONSULS-GENERAL.

Alphonse Gaulin to be consul-general at Marseilles, France.
John L. Griffiths to be consul-general at London, England.
John H. Snodgrass to be consul-general at Moscow, Russia.

CONSULS.

William E. Alger to be consul at Puerto Cortes, Honduras.
Homer M. Byington to be consul at Bristol, England.
Ralph C. Busser to be consul at Erfurt, Germany.
Albert W. Brickwood, jr., to be consul at Tapachula, Mexico.
Charles M. Caughy to be consul at Milan, Italy.
Benjamin F. Chase to be consul at Leeds, England.
Robert T. Crane to be consul at Guadeloupe, West Indies.
George A. Chamberlain to be consul at Lourenço Marquez, East Africa.
Carl F. Deichman to be consul at Nagasaki, Japan.
Alexander V. Dye to be consul at Nogales, Mexico.
Frank Deedmeyer to be consul at Charlottetown, Prince Edward Island.
Henry C. A. Damm to be consul at Cornwall, Ontario, Canada.
James E. Dunning to be consul at Havre, France.
Cornelius Ferris, jr., to be consul at Asuncion, Paraguay.
Charles A. Holder to be consul at Rouen, France.
Franklin D. Hale to be consul at Trinidad, West Indies.
W. Stanley Hollis to be consul at Dundee, Scotland.
Leo J. Keena to be consul at Chihuahua, Mexico.
Will L. Lowrie to be consul at Carlsbad, Austria.
Samuel T. Lee to be consul at San José, Costa Rica.
Andrew J. McConnico to be consul at St. Johns, Quebec, Canada.
Charles K. Moser to be consul at Aden, Arabia.
Samuel MacClintock to be consul at Tegucigalpa, Honduras.
Maxwell K. Moorhead to be consul at St. John, New Brunswick, Canada.
Thomas P. Moffat to be consul at Bluefields, Nicaragua.
Edward J. Norton to be consul at Malaga, Spain.
Albert W. Robert to be consul at Algiers, Algeria.
Samuel C. Reat to be consul at Tamsui, Formosa.
Louis J. Rosenberg to be consul at Pernambuco, Brazil.
John A. Ray to be consul at Maskat, Oman.
Frederick Simpich to be consul at Bagdad, Turkey.
George B. Schmucker to be consul at Ensenada, Mexico.
Hunter Sharp to be consul at Lyons, France.
Lucien N. Sullivan to be consul at La Paz, Mexico.
P. Emerson Taylor to be consul at Port Louis, Mauritius.
Charles S. Winans to be consul at Seville, Spain.
Horace Lee Washington to be consul at Liverpool, England.

CALIFORNIA DÉBRIS COMMISSION.

First Lieut. Charles T. Leeds, Corps of Engineers, United States Army, as a member of the California Débris Commission.

REGISTER OF LAND OFFICE.

Arthur W. Orton to be register of the land office at Lakeview, Oreg.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Second Lieut. Edward H. Pearce to be first lieutenant.
Second Lieut. Joseph O. Mauborgne to be first lieutenant.

TO BE PLACED ON THE RETIRED LIST OF THE ARMY.

WITH THE RANK OF BRIGADIER-GENERAL.

Col. Edgar S. Dudley.
Col. Owen J. Sweet.

WITH THE RANK OF LIEUTENANT-COLONEL.

Chaplain Charles S. Walkley.

APPOINTMENTS IN THE ARMY.

CHAPLAIN.

John Rivera to be chaplain, with the rank of first lieutenant.

MEDICAL RESERVE CORPS.

Thomas Collins Austin to be first lieutenant.

MEDICAL CORPS.

Wallace E. Sabin to be first lieutenant.

APPOINTMENT IN THE NAVY.

James D. MacNair to be a chaplain in the navy.

SENATE.

TUESDAY, *June 1, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

Mr. BRISTOW presented petitions of sundry citizens of McPherson and Kansas City, in the State of Kansas, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a petition of sundry citizens of Kansas, praying for a reduction of the duty on gloves and hosiery, which was ordered to lie on the table.

Mr. PILES presented a petition of the Chamber of Commerce of Spokane, Wash., praying that an appropriation be made to enable the Interstate Commerce Commission to make the valuation of all railroad property, etc., which was referred to the Committee on Interstate Commerce.

Mr. OVERMAN. I present a resolution adopted by the American Cotton Manufacturers' Association, which I ask may be read and referred to the Committee on Immigration.

There being no objection, the resolution was read and referred to the Committee on Immigration, as follows:

The following resolution was unanimously passed by the American Cotton Manufacturers' Association, held in Richmond, Va., on the 26th day of May, 1909:

"*Resolved*, That this association approved most heartily the bill known as the 'Overman bill,' in the United States Senate, placing a tax of $12 a head on all immigrants to this country."

Mr. McCUMBER presented a petition of sundry citizens of North Dakota, praying that hides be placed on the free list, which was ordered to lie on the table.

He also presented memorials of sundry citizens of Grand Forks and Fargo, in the State of North Dakota, remonstrating against an increase of the head tax on immigrants, which were ordered to lie on the table.

HOURS OF DAILY SESSION.

Mr. ALDRICH. I report favorably from the Committee on Finance a resolution, and I ask for its present consideration.

The VICE-PRESIDENT. The resolution will be read.

The SECRETARY. Senate resolution No. 49:

Resolved, That until otherwise ordered the Senate shall meet at 11 o'clock a. m.——

Mr. ALDRICH. The committee report a modification.

The VICE-PRESIDENT. The original resolution will first be read and then the amendment of the committee will be stated.

The Secretary read the resolution submitted by Mr. HALE May 22 and referred to the Committee on Finance, as follows:

Senate resolution 49.

Resolved, That until otherwise ordered the Senate shall meet at 11 o'clock a. m.; that at half past 5 a recess shall be taken until 8 o'clock p. m.; and that the Senate shall adjourn for the day not later than 11 o'clock.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. In line 2 strike out "eleven" and insert the words "half past ten."

Mr. CULBERSON. Mr. President, there are very few Senators present at this time. I submit that the resolution go over until to-morrow or until later in the day.

Mr. ALDRICH. I have no objection to asking for the presence of a quorum. There can be no objection to the resolution, I take it.

Mr. CULBERSON. Is the resolution reported unanimously from the Finance Committee?

Mr. ALDRICH. It is reported after conference with two members of the minority.

Mr. CULBERSON. Let it be read for the information of the Senate.

Mr. ALDRICH. I would suggest that the resolution be treated as an original resolution reported by the committee.

The VICE-PRESIDENT. In lieu of the resolution referred to the committee?

Mr. ALDRICH. Yes.

Mr. CULBERSON. I ask that it be read for the information of the Senate.

The VICE-PRESIDENT. The Secretary will read the resolution as reported from the committee.

The Secretary read the resolution (S. Res. 54), as follows:

Senate resolution 54.

Resolved, That until otherwise ordered the Senate shall meet at half past 10 o'clock a. m.; that at half past 5 a recess shall be taken until 8 o'clock p. m.; and that the Senate shall adjourn for the day not later than 11 o'clock.

The VICE-PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. CULBERSON. As I said, there are very few members of the Senate present.

Mr. ALDRICH. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Gamble	Overman
Bacon	Crawford	Hale	Page
Beveridge	Culberson	Heyburn	Penrose
Bradley	Cummins	Hughes	Perkins
Brandegee	Curtis	Johnson, N. Dak.	Piles
Briggs	Depew	Johnston, Ala.	Rayner
Bristow	Dick	Jones	Root
Brown	Dillingham	Kean	Scott
Bulkeley	Dolliver	Lodge	Shively
Burkett	Fletcher	McCumber	Smith, S. C.
Burnham	Flint	McEnery	Smoot
Burrows	Foster	Martin	Sutherland
Burton	Frye	Nelson	Taylor
Carter	Gallinger	Oliver	Warner

The VICE-PRESIDENT. Fifty-six Senators have answered to their names. A quorum of the Senate is present. Is there objection to the present consideration of the resolution? The Chair hears none. Without objection, the resolution——

Mr. CULBERSON. Let the resolution be read for the benefit of Senators who have just come in.

The VICE-PRESIDENT. The resolution will be again read.

The Secretary again read the resolution.

Mr. DOLLIVER. Do I understand that the resolution is before the Senate?

Mr. ALDRICH. It is.

The VICE-PRESIDENT. No objection was made to its present consideration.

Mr. DOLLIVER. Mr. President, I think the resolution is a very wise and a very proper one. I desire to make that statement in view of the fact that an organized agitation seems to have been set on foot by somebody to send to the various Senators urgent requests that business interests require the prompt consideration of the pending tariff bill. In reply to such telegrams, many of them received from persons who have not been heretofore accustomed to prepay telegrams to me, I have felt that I ought to make the statement in the Senate, so far as it might illuminate my own attitude at any rate, that from the beginning of the controversy here I have had a very deep anxiety to see the bill make all possible progress through the various stages of legislation. I have not been willing, as some have suggested I ought to be, to waive those rights of inquiry and discussion which appear to me to be essential to a proper consideration of such a measure; but I know of no labor and no fatigue and no expenditure of time and attention which I am not willing to undergo to properly forward the consideration of the bill.

I hope there will be no dissent to these continued sessions of the Senate, in order that without unduly delaying the passage of the bill, we may reserve to ourselves those rights of discussion and inquiry so essential to the proper consideration of the measure.

Mr. BACON. I do not desire to interpose any objection to the resolution, but I inquire of the Senator in charge of the resolution whether it is to take effect to-day.

Mr. ALDRICH. It is to take effect to-morrow.

Mr. BACON. I did not so catch the reading, and that is the reason why I asked the question. I was about to suggest that we ought at least to have one day's notice in order that we may adjust our hours to the time of meeting.

Mr. ALDRICH. It will begin to-morrow morning.

The VICE-PRESIDENT. The Chair would think that unless modified it would take effect from its passage.

Mr. BACON. I should think so, from the language used.

Mr. SCOTT and Mr. PENROSE. Let it begin to-day.

Mr. HALE. The order drawn by me originally is a complete order with the beginning of the day.

Mr. BACON. If it is so understood, it is all right.

Mr. HALE. It says, "until otherwise ordered the Senate shall meet at half past 10 o'clock." So it is clear to me that it will take effect to-morrow, beginning with the first part of the order.

Mr. ALDRICH. I think there is no question about that.

The VICE-PRESIDENT. The Chair thinks the Senator is correct in that respect, from the reading of the resolution.

Mr. BAILEY. Mr. President, I have just entered the Chamber. I should like to have the resolution read.

The VICE-PRESIDENT. Without objection, the resolution will be again read.

The Secretary again read the resolution.

Mr. BAILEY. Mr. President, the chairman of the Finance Committee several days ago called a meeting of the committee to consider this resolution, and after an interchange of opinions the committee adjourned without taking any action. I heard no more about it until this morning, when the Senator from Rhode Island called me over the telephone and told me that those in charge of the bill felt that they were obliged to press for night sessions.

Personally I would have no particular objection, but as it is a matter that affects the convenience and the endurance of Senators, I felt that all Senators ought to be consulted, and I have talked with the Senators on this side. While I find some of them of the opinion that night sessions would enable us to adjourn earlier than we otherwise would, I find a large number of them feel that it will not expedite the business now before the body, and I find all of them agreed that night sessions impose upon the Senators altogether too severe a tax.

Speaking for this side, so far as I have been able to confer with them, and I have conferred with all with whom it was convenient to talk, I believe that they would prefer to stay here further into the summer than to come here in the morning and then to come back here at night, thus leaving them no time to attend to their correspondence or to do such service for their constituents at the various departments as may be required.

I am not going to make any captious opposition to it. If it is the will of the majority that it shall be done, it is for the majority to say, but I simply want to record it as my opinion that Senators at the end of the session, I mean after the adjournment, will find their correspondence either neglected, so as to give offense, and proper offense, or else they will find it so accumulated that two months after we have adjourned they will not have cleared their desks.

I am not able myself to see any advantage in doing this work exclusively, neglectful of other public work and adjourning thirty days earlier, and then being compelled to spend sixty days in disposing of the work which accumulated in the meantime. For that reason I shall not vote for the resolution.

Mr. CULBERSON. Mr. President, of course it is understood by the Senator from Rhode Island, but I call his special attention to the fact that notwithstanding the addition of a night session of three hours the day session of the Senate is still to be seven hours, from 10.30 to 5.30. We have been adjourning heretofore about 5 o'clock. So it makes the service for the twenty-four hours in the Senate ten hours. It seems to me that we could very well take a recess earlier than 5.30, say at 5 o'clock, or better still, as suggested by some Senators on this side, adjourn at half past 10 at night rather than at 11. If we are to be compelled to stay here until adjournment every night at 11 o'clock, of course it will be midnight before a number of Senators can reach their homes under those circumstances, and it occurred to me that the resolution might be modified in one or the other of these particulars.

Mr. HALE. If the Senator will permit me——

Mr. CULBERSON. Certainly.

Mr. HALE. The terms of the resolution on the point of the adjournment for the day are "not later than 11 o'clock."

Mr. CULBERSON. I understand that.

Mr. HALE. The Senate at any time, if the heat is prostrating or if there is such a let up in any way of the business, can adjourn earlier than 11 o'clock. But I think the Senator will see that if the Senate is to be transported bodily here at 8 o'clock there ought at least to be a chance to stay three hours, which in itself in duration is not a very long session. The morning meeting is fixed at half past 10, giving, as the Senator has said, seven hours; but the hour of final adjournment for the day is left with the Senate.

The VICE-PRESIDENT. The question is on agreeing to the resolution.

Mr. MARTIN. Mr. President, I think the time has come when steps should be taken to hasten the completion of this work. I am heartily in favor of the resolution.

There is one other matter, however, that I wish to call to the attention of the committee, which I think will tend also very much to hasten the completion of this work, and that is that the committee shall report on those features of the bill in respect to which no report has yet been made. I do not think it is right that we should be without a report from the committee on every proposition that is to be considered. There are a number of questions which I will not say have been held back, but they have not been reported. There may be some reason unknown to me why they have not been reported, but I simply desire to say that I believe the passage of the bill will be facilitated by having the committee report as early as possible on every proposition which is to come before the Senate in this connection.

Mr. BAILEY. I wish to ask the Senator from Rhode Island if he will not agree to modify the resolution so as to convene at 11 o'clock. My purpose in that is that on no morning am I able to get through even reading my mail and doing the work necessary for that day's proceedings here.

To illustrate, without assuming that the Senate is concerned about the way I spend my time: This morning I was engaged in reviewing one of the most interesting debates ever held in this body, though by no means one of the longest, on the tariff question; and I found a distinguished Whig Senator saying what I have been more than half inclined to say several times during this debate, that they are going to do this, and probably the worse they make it the better it will be for the people in the end. I found Senator Crittenden, of Kentucky, challenging the Democrats to proceed in that way to an end, and he declared that he did not feel it his duty, even as a patriot, to help them make their bill any better than it was, because when he helped them to do the best, still it would be so bad that the people ought to repeal it. I sometimes feel that way about this measure.

Other Senators may be able to dispose of these matters without resorting to the books, but I am not. I have not that facility for learning and that comprehension which enables me to understand things without study. There does not pass a day that I do not find it necessary either to review some phase of the question itself or to still further inform myself about some particular item. This simply means, not only as to me, but as to everybody else, that the question will be disposed of according to the knowledge we now possess, because no Senator is going to have time to acquire any more knowledge with respect to any item.

Mr. CLAY. Mr. President, just a word. I agree with the Senator from Virginia [Mr. MARTIN]. I believe that we ought to dispose of this legislation during the month of June, and so far as I have been able to hear from my constituents they are anxious to see the pending legislation disposed of.

The point has been raised that we will not have time to attend to our correspondence. We meet now at 10 o'clock. If we convene here at half after 10 o'clock, we have a half hour more to attend to our morning's business. So far as the nights are concerned, we can not visit the departments for the purpose of doing that kind of work at night, because they are not open.

I may be mistaken, but I believe it to be to the best interest of this country as soon as we can intelligently dispose of the pending bill to get through with it. For my part, I am willing to come here at night and attend the session until 11 o'clock, or even later, if it be necessary, to complete the work.

Mr. BAILEY. I only desire to say, Mr. President, that Senators who find it convenient to come have the advantage of me. I have to work every night. I never find a night for recreation or entertainment of any kind. Still I do not ask that Senators who are able to get through with it so much easier and quicker than I can shall wait for me. I am willing to go along with them the best I can, and if I can not keep up, I will not complain.

Mr. ALDRICH. Mr. President, I can not consent to the modification of the resolution along the line suggested by the Senator from Texas. I hope that these prolonged hours will not be necessary for more than a week.

Mr. BAILEY. You will tire Senators out by that time; that is what you expect.

Mr. ALDRICH. But, if it will be necessary, I will say that I shall feel constrained to ask for even longer hours, because I think it is necessary that this legislation shall be disposed of.

Mr. BAILEY. Mr. President, I want to say to the Senator right now, if this is to be a test of physical endurance instead of a test of intellect or political principles, we are not without resources of that kind. I hope the Senator will withdraw the threat that if we do not let him go forward as fast as he wants, he will punish us by bringing us here earlier and keeping us here later.

Mr. ALDRICH. I have made no threat. If the bill had got along as fast as I would like to have it, it would have been disposed of long ago. I propose, so far as I am concerned, with my responsibility, to have the Senate here as many hours as we can for the discussion of this question. There has been no attempt here to cut off any discussion or to prevent the fullest discussion, and there will be none hereafter. But there is a grave responsibility resting upon the party having the care of this measure, and I feel myself frequently that I have been derelict in my duty for not pressing it more.

Mr. BAILEY. The Senator has asked the Senate two or three times to agree to a vote on the bill fixing a day, and yet

the Senator's committee has not yet reported on all the items of the bill. It seems to me a strange proceeding that the Senator in charge of a bill would ask the Senate to agree to vote on it when we do not even know all of its items.

Mr. ALDRICH. There are only two or three items in the bill that are important upon which the committee has not reported—the question of hides, the question of paper and pulp, the question of zinc, and lumber, and coal. Those are the only ones we have not reported. I suppose the report will not change the opinion of a single Senator present as to what they would do in relation to either one of these items. There will be a report made in due time upon these items; and there will be no attempt to prevent the Senate from discussing fully the provisions which the committee shall report with reference to these matters. There is no reason for anyone to suggest delay on account of the failure of the committee up to this time to report upon those items.

Mr. RAYNER. I should like to ask the Senator from Rhode Island, Has there been any report on oil? I do not know; I am not informed.

Mr. ALDRICH. The report of the committee was for free oil. That is the report as it now stands. There is a report on all these subjects as a matter of fact from the committee, but I have already notified the Senate that we would report amendments to some of these provisions.

Mr. RAYNER. Will the committee further consider the subject of oil?

Mr. ALDRICH. There are a great many people here who are asking us all the time to consider the question of oil. There have been, perhaps, a great many people in the city as much interested in that subject as anyone that is before Congress. If the Senator means that, there are a great many people here who desire to be heard upon the subject and who have views on the subject.

Mr. RAYNER. I only wanted the information.

Mr. BEVERIDGE. Mr. President, I am heartily in favor of the resolution, and have been from the moment it was presented, and before.

The Senator from Virginia [Mr. MARTIN] says that the time has come to expedite this measure. I go further, and say that that moment arrived when the bill was reported. I take it that every Senator here equally feels the necessity of speeding the bill to a final passage, so far as that may be consistent with an examination into the facts and reasons upon which each schedule and each item thereof is based.

I realize, as does everybody else, what has been said by a Senator, that this will, of course, make it more difficult to pursue these investigations, because the nights, which heretofore have been given to this, will be occupied in this Chamber. But, nevertheless, that investigation will go on, as it should. Nevertheless, resort will be had to the books and statistics, as should be the case, and as, of course, everybody wants to be the case; and no person more, Mr. President, we are bound to believe, than the committee in charge of the bill.

The fact that Senators must begin, perhaps, at 12 o'clock at night to do their preparatory work of investigation for the next day's consideration will not by any manner of means prevent such work into the morning hours.

I think that Senators are perfectly willing—not only willing but anxious, as many of them I personally know have been from the first—to invade even the morning hours in order that the bill may come to a period.

But, Mr. President, there is something more important than passing the bill quickly, and that is to pass it right. I do not pretend to voice any peculiar view in that respect; that, also, I know is the opinion of every Senator. But there are differences of opinion, quite honest ones, as to what will be the best thing in various schedules and various items, and so our first duty is this careful investigation, no matter if we have to stay here all night; then after that comes the duty of concluding the bill, not in haste, but in that considerate speed which will make for a sound and enduring measure.

Mr. President, the Senator from Iowa [Mr. DOLLIVER] mentioned a subject that I have been thinking for some time might be mentioned as to his experience in his own State.

Some three weeks ago what at first appeared to be and afterwards clearly was proved an organized movement was started, and I understand the same to be true in other States, to have constituents, notably manufacturers and workingmen, to write or wire their Senators to hasten the bill quickly, regardless of investigation. The excuse was to get it passed "so that business might resume." In the whole time since that organized movement was started three weeks ago, I have received from my State a few communications of that kind. I hesitate to state the number of communications emphatically to the contrary I have received, because they have literally gone into the hundreds. Not only that, Mr. President, but in the last few days I have begun to receive letters from manufacturers and from the solidest men in my State to whom these letters were written appealing to them to write to me to hurry the bill. These men have written me, inclosing copies of these appealing letters written to them, together with copies of their replies thereto.

I had them in my desk two or three days ago, and thought it might be necessary to read them. They are not here now, but later, if there is any curiosity about it, I shall be glad to read them. I can state in a sentence the substance of what those solid business men said. It was this: "Get the bill as nearly right as is possible, if you stay there all year," because they say, "We do not want any business disturbances on account of the tariff again for ten or twelve years to come." They say, "Take all the time necessary to do the work well," and they say other things so severe that I hope I shall not have occasion to read them. That, Mr. President, was the response of the solidest business men in my State to this conspiracy of haste—this appeal that had been made to them to urge that the bill be rushed regardless of consideration. Not only that, but among these communications were perhaps three, I believe, ostensibly from labor unions, and signed by a number of names of union workingmen. I have official letters from two of the unions which those telegrams purported to represent, denouncing those telegrams as fraudulent, and insisting that we should examine this bill with the greatest care in the interests of the people, no matter how long a time it took.

I feel it necessary to say these things without reading the letters or the telegrams, on account of what the Senator from Iowa has said. I am very glad this resolution has been reported, and I have been in favor of it from the moment it was presented, and even before. Let us speed the bill; let us work the extra time that is necessary. That is a duty we owe to the public; but above all let us do our work thoroughly, so that it will stand for years; that can only be by making it acceptable to the people.

Mr. CULBERSON. Mr. President, I think the resolution had better go over under the rule for a day.

Mr. ALDRICH. I regret exceedingly that the Senator should feel obliged to make this objection.

Mr. BACON. If the Senator from Rhode Island will pardon me, I want to suggest, if it is to go over, that the Senator's committee will consider the question whether more progress would not be made by having one long continuous session than to endeavor to break it. I would myself rather have the session from 10 o'clock until half past 6 in the afternoon or even 7. I think a great deal more would be accomplished than to break the session at half past 5 and endeavor to resume it at 8 o'clock.

So far as I am personally concerned the extension to 7 o'clock would not put me to much more inconvenience than I now have, because believing it to be my duty to stay in the Chamber while the Senate is in session, I am here all the day, and it is 7 o'clock almost every night before I leave the Capitol.

I did not make the suggestion until it was apparent that the matter was going over, but I would prefer to meet at 10 and sit here until 7 rather than to endeavor to come back at night; and I think very much more would be accomplished even if there was an hour less in the aggregate time. I hope if the matter goes over the committee will consider that question.

Mr. ALDRICH. I think, upon further thought, that the objection of the Senator from Texas comes too late. My impression is that unanimous consent was given for the present consideration of the resolution. If so, of course one objection does not carry it over.

Mr. CULBERSON. I submit to the Chair that the objection does not come too late. The question of unanimous consent for the present consideration of the resolution, I think, had not been asked or given. The discussion has been informal.

Mr. ALDRICH. I think the Senator is entirely mistaken. I think the RECORD will show—and I ask that the Reporter's notes may be read upon the subject—that unanimous consent was granted for the present consideration of the resolution.

Mr. CULBERSON. The resolution was read twice at my suggestion for the information of the Senate with a view of having the question determined as to whether unanimous consent should be given. As I recall, the only thing suggestive on this point is what was said by the Senator from Iowa [Mr. DOLLIVER]. He asked if the resolution was before the Senate, and then proceeded to make a statement. It was in a sense before the Senate, but I do not believe—it is my recollection, at all

events—that unanimous consent was submitted to the Senate and given.

Mr. NELSON. Mr. President, the only objection I have to the resolution is that we ought to meet at half past 9 instead of half past 10. I would be very glad if the committee will adopt that amendment. I move to amend the resolution so as to provide that the Senate will meet at half past 9 o'clock in the morning, instead of at 10.30.

Mr. CULBERSON. Let us have this matter of objection determined.

The PRESIDING OFFICER (Mr. KEAN in the chair). The Chair will ask that the Reporter's notes be read.

Mr. CULBERSON. I think, Mr. President, it may conduce to a better disposition of the matter than would come about by insisting upon the passage of the resolution to-day; and that is no threat, either.

The PRESIDING OFFICER. The Reporter will read.

The Reporter read as follows:

The VICE-PRESIDENT. Fifty-six Senators have answered to their names. A quorum of the Senate is present. Is there objection to the present consideration of the resolution? The Chair hears none. Without objection, the resolution——

Mr. CULBERSON. Let the resolution be read for the benefit of Senators who have just come in.

Mr. ALDRICH. Further on there is another statement.

Mr. SCOTT. The Presiding Officer stated the question again. It was stated three times.

The PRESIDING OFFICER. The Reporter will read further.

The Reporter read as follows:

Mr. DOLLIVER. Do I understand that the resolution is before the Senate?

Mr. ALDRICH. It is.

The VICE-PRESIDENT. No objection was made to its present consideration.

Mr. NELSON. Mr. President, I withdraw my amendment. I find it is not in favor at this end of the Chamber.

Mr. ALDRICH. I would suggest to the Senator from Texas that it can not be material whether this resolution is voted upon to-day or not. I can see no reason for its postponement.

Mr. CULBERSON. Mr. President——

Mr. SCOTT. Let us have a vote on the resolution.

Mr. CULBERSON. I may have been out of the Chamber during a portion of the debate, but I understood from my colleague and other members of the Committee on Finance that this matter had once been considered by the full committee and that night sessions were not ordered; and the Senator from Florida [Mr. TALIAFERRO], who sits in front of me, suggests that the matter has never been considered a second time by the committee. The Senator from Florida is a member of that committee. I notice three members of the minority of that committee are absent from the Chamber this morning—the Senator from Virginia [Mr. DANIEL], the Senator from Mississippi [Mr. MONEY], and the Senator from North Carolina [Mr. SIMMONS].

Mr. ALDRICH. I stated to the Senator from Virginia yesterday that I should have to report this resolution, and I stated the same thing to the Senator this morning over the telephone. Of course, we take the full responsibility for making the report.

Mr. CULBERSON. I understand that; but the Senator might listen to the arguments or suggestions of the minority as to the best means of reaching a conclusion satisfactory to the Chamber as a whole.

Mr. ALDRICH. This matter is entirely within the scope of the Senate's authority. Two Members on the other side of the Chamber have already expressed their opinion in favor of the resolution, and I believe it will be found upon a vote that a large majority of Democratic Senators are in favor of the resolution. That is my judgment about it.

The PRESIDING OFFICER. Does the Senator from Texas object?

Mr. CULBERSON. I object to the present consideration of the resolution.

The PRESIDING OFFICER. The resolution goes over.

Mr. ALDRICH. Mr. President, undoubtedly, from a parliamentary standpoint, the objection comes too late; but I shall not persist in that point, as I am powerless, perhaps, to get a vote upon the resolution this morning. I, however, give notice that I shall call the resolution up promptly to-morrow morning and ask that it remain before the Senate until disposed of.

The PRESIDING OFFICER. The introduction of bills and joint resolutions is now in order.

Mr. SCOTT. Mr. President, I was born and raised a Quaker, and I only speak when the spirit moves me. It moves me to say a few words right now. I can not understand why we should lose nearly an hour here this morning over this resolution when Senators on the other side know that the resolution will be adopted to-morrow. I can not understand why they can not just as well let it be adopted this morning. The officers of one of the largest independent steel companies in this country, organized in 1852, have been urging that we give them some kind of a tariff bill. They do not care much what it is; but, if we will give them something, they will adapt their manner of business to suit that bill. They want to get their factories and their blast furnaces and their entire plant in operation. Now, here we quibble over whether or not we shall meet at 10 o'clock to try to expedite the passage of the bill.

Mr. ALDRICH. I move that when the Senate adjourns to-day it adjourn to meet to-morrow morning at 10.30 o'clock, and I shall ask that the Senate take a recess at half past 5 o'clock, and hold an evening session to-morrow. I do not withdraw the resolution, but I make this motion independent of the resolution.

The PRESIDING OFFICER. The Senator from Rhode Island moves that when the Senate adjourns to-day it be to meet at half past 10 o'clock to-morrow morning. The question is on that motion.

The motion was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PENROSE:

A bill (S. 2501) to correct the naval record of John Lindsay; to the Committee on Naval Affairs.

A bill (S. 2502) to grant an honorable discharge to Francis Kelly, alias Francis Cammeron; to the Committee on Military Affairs.

A bill (S. 2503) granting an increase of pension to Lewis A. Uhl;

A bill (S. 2504) granting a pension to Frank A. Betz;

A bill (S. 2505) granting an increase of pension to Robert M. Blankin;

A bill (S. 2506) granting a pension to John S. Barr;

A bill (S. 2507) granting an increase of pension to Henry Bisbin;

A bill (S. 2508) granting an increase of pension to Emily S. Beale;

A bill (S. 2509) granting an increase of pension to Condy Manelius; and

A bill (S. 2510) granting an increase of pension to Charles R. Gentner; to the Committee on Pensions.

By Mr. BURROWS:

A bill (S. 2511) granting an increase of pension to James A. Edsall; to the Committee on Pensions.

By Mr. FRYE:

A bill (S. 2512) granting a pension to Ella F. Laverty (with the accompanying papers); to the Committee on Pensions.

By Mr. NELSON:

A bill (S. 2513) to extend the time of payment to purchasers of homesteads under an act entitled "An act to authorize the sale of a part of what is known as the Red Lake Indian Reservation, in the State of Minnesota," approved February 20, 1904; to the Committee on Indian Affairs.

By Mr. CULLOM:

A bill (S. 2514) providing for participation in the Universal and International Exhibition, to be held at Brussels in 1910; to the Committee on Foreign Relations.

By Mr. SHIVELY:

A bill (S. 2515) to pay damages and losses sustained by certain citizens of the United States on account of the naval operations in and about the town of Apia, in the Samoan Islands, by the United States and Great Britain, in March, April, and May, 1899; to the Committee on Foreign Relations.

By Mr. MARTIN:

A bill (S. 2516) for the erection of a monument to the memory of Matthew Fontaine Maury, of Virginia; and

A bill (S. 2517) for the erection of a monument to the memory of Gen. William Campbell; to the Committee on the Library.

A bill (S. 2518) to provide the troops of the United States Army, Navy, Marine Corps, and Organized Militia with suitable grounds for target practice, battle firing, and war training, near Washington, D. C.; to the Committee on Military Affairs.

A bill (S. 2519) for the improvement of Mattaponi River, Virginia, and making an appropriation therefor;

A bill (S. 2520) for the improvement of Cat River, Virginia, and making an appropriation therefor; and

A bill (S. 2521) for the improvement of Onancock River, Virginia, and making an appropriation therefor; to the Committee on Commerce.

By Mr. BRISTOW:

A bill (S. 2522) granting an increase of pension to Allen Osborn (with the accompanying papers); to the Committee on Pensions.

AMENDMENTS TO THE TARIFF BILL.

Mr. CUMMINS submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

Mr. BURTON submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

Mr. JONES submitted two amendments intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which were referred to the Committee on Finance and ordered to be printed.

Mr. DOLLIVER submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

FRANK P. M'CURDY.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 69), which was read, and, with the accompanying paper, referred to the Committee on Pacific Islands and Porto Rico and ordered to be printed.

To the Senate and House of Representatives:

In accordance with section 32 of the act of Congress approved April 12, 1900 (31 Stat., 84), entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," I have the honor to transmit herewith for the consideration of the Congress certified copy of a franchise granted by the executive council of Porto Rico, May 6, 1909, entitled "An ordinance repealing an ordinance entitled 'An ordinance granting to Frank P. McCurdy the right to establish and maintain a ferry service between the municipalities of San Juan and Cataño.'"

WM. H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

THE TARIFF.

The PRESIDING OFFICER. The morning business is closed and the calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. ALDRICH. I ask that the Senate proceed with the consideration of the cotton schedule, and I offer certain modifications and amendments to the schedule in order that they may be printed. I will call them up as they are reached in their order.

The PRESIDING OFFICER. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over was, on page 95, in Schedule I—cotton manufactures—paragraph 310, cotton thread and carded yarn, warps or warp yarn, and so forth.

The PRESIDING OFFICER. The Chair understands that the amendments have all been agreed to in that paragraph.

Mr. ALDRICH. I move, in line 19, to strike out "twenty" and insert "fifteen."

The PRESIDING OFFICER. The amendment proposed by the Senator from Rhode Island will be stated.

The SECRETARY. In paragraph 310, page 95, line 19, it is proposed to strike out "twenty" and insert in lieu thereof "fifteen."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. BACON. Mr. President, all these matters are matters of absolute mystery to most of us.

Mr. ALDRICH. This is a reduction from 20 to 15 per cent ad valorem.

Mr. BACON. I only wanted the Senator to explain the provisions as we go along, in order that we may not interrupt him by making that request. It is really a matter that we do not know anything about. When it comes to technical language as to the number of threads to the square inch, and all that kind of thing, we want to have an opportunity to know what it means.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The Secretary will state the next paragraph passed over.

The SECRETARY. On page 96, line 8, after the word "hundred" and the semicolon, the committee proposes to strike out the following words:

Cotton card laps, roping, sliver, or roving, 35 per cent ad valorem.

And to insert:

Cable-laid yarns or threads, made by grouping or twisting two or more grouped or twisted yarns or threads together, not colored, bleached, or dyed, four-tenths of 1 cent per number per pound; colored, bleached, or dyed, nine-twentieths of 1 cent per number per pound: *Provided further*, That said threads and yarns, colored, bleached, dyed, combed, advanced beyond the condition of singles, and cable-laid yarns or threads, as hereinbefore provided, shall not pay a less rate of duty than 25 per cent ad valorem: *And provided further*, That all of the foregoing threads and yarns as hereinbefore provided, when mercerized, shall pay in addition to the foregoing specific rates of duty one-twentieth of 1 cent per number per pound; cotton card laps, roping, sliver, or roving, 35 per cent ad valorem. Cotton, cotton waste and flocks, manufactured or otherwise advanced in value, 20 per cent ad valorem.

Mr. BACON. Will the Senator permit me to ask him whether the bill is now being taken up with some degree of irregularity, or whether all that is now being considered has been passed over?

Mr. ALDRICH. It is being taken up with a great degree of regularity.

Mr. BACON. What I want to ask is this—probably I did not express myself felicitously—is the cotton manufactures schedule now being taken up upon the idea that all that has intervened has been disposed of?

Mr. ALDRICH. That is not absolutely true, but very largely so.

Mr. BACON. That is the reason I made the inquiry.

Mr. ALDRICH. There are a few reserved—for instance, sulphate of ammonia, boracic acid, zinc—a few that have been passed over by unanimous consent, but very largely all the items have been agreed to. I believe the scrap iron ore provision has been passed over.

Mr. BURKETT. And the lumber schedule.

Mr. ALDRICH. The lumber schedule has not been finally disposed of, and the same is true as to window glass. There have been certain items passed over by general consent.

Mr. BACON. I was moved to make the inquiry by the fact that at my request paragraph 291 was passed over when it was first under consideration, and I do not understand that it has since been taken up.

Mr. ALDRICH. It was taken up yesterday, and agreed to.

Mr. BACON. I was present all day. I have it marked here; and I am sure the RECORD will show that I asked that it be passed over. I do not know when it was agreed to.

Mr. ALDRICH. The committee suggested certain amendments, and asked that the entire paragraph be agreed to.

Mr. BACON. The committee suggested certain amendments?

Mr. ALDRICH. We struck out "twelve" and inserted "ten," and in the twelfth line struck out "eight" and inserted "six."

Mr. BACON. In paragraph 291?

Mr. ALDRICH. Paragraph 291.

Mr. BACON. The copy I have does not show any committee amendments whatever.

Mr. ALDRICH. That was done yesterday on the floor.

The PRESIDING OFFICER. The Chair will inform the Senator from Rhode Island that the Senator from Massachusetts [Mr. LODGE] offered an amendment——

Mr. ALDRICH. They were offered by myself. I offered the amendments on yesterday.

Mr. BACON. Very well.

Mr. ALDRICH. They were agreed to, and the paragraph was agreed to as amended.

Mr. BACON. I did not know that fact. I will simply have to take advantage in the Senate, as that is the only opportunity I will have, I suppose; but at the time the paragraph was first under consideration I did ask that it be passed over, and I supposed, of course, my attention would be called to it.

Mr. ALDRICH. The paragraphs were taken up in order and disposed of.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. OVERMAN. What paragraph is that?

The PRESIDING OFFICER. Paragraph 310. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

The PRESIDING OFFICER. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 311, spool thread of cotton.

The PRESIDING OFFICER. The Chair understands that all the committee amendments in paragraph 311 have been agreed to on a former reading.

Mr. ALDRICH. They have been agreed to.

The PRESIDING OFFICER. The question is on agreeing to the paragraph as amended.

Mr. DOLLIVER. What paragraph is the Chair referring to?

The PRESIDING OFFICER. Paragraph 311.

Mr. DOLLIVER. I should like to ask a question about paragraph 310. Does the word "cotton," in line 23, after the words "ad valorem," operate to impose a 20 per cent duty on raw cotton?

Mr. ALDRICH. To what paragraph does the Senator refer?

Mr. DOLLIVER. I refer to the last clause in paragraph 310.

Mr. ALDRICH. No. I should suggest perhaps that the words "all the foregoing" ought to be inserted after the word "flocks."

The PRESIDING OFFICER. On what page?

Mr. ALDRICH. On page 96, line 24, after the word "flocks."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 96, in the committee amendment, in line 24, after the word "flocks," it is proposed to insert the words "all the foregoing."

Mr. DOLLIVER. Mr. President, the question I desire to ask is whether the inclusion of the first word in that last sentence—"Cotton"—would not operate to impose a duty of 20 per cent on raw cotton?

Mr. ALDRICH. It is covered by the words "manufactured or otherwise advanced in value."

Mr. DOLLIVER. That is a little ambiguous, I should say. It might be held to refer to the raw product.

Mr. ALDRICH. Well, I am perfectly willing to strike out the word "cotton." I do not think it is of any consequence, and I ask to strike that word out.

Mr. BACON. What paragraph is that?

Mr. ALDRICH. Paragraph 310. With the word "cotton" eliminated it will read, "Cotton waste and flocks," and so forth.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. Strike out the first word, "Cotton," in line 23, page 96, in the committee amendment, and make the word "cotton" before the word "waste" begin with a capital "C."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment previously offered by the Senator from Rhode Island, which the Secretary will state.

The SECRETARY. On page 96, line 24, after the word "flocks," it is proposed to insert "all the foregoing."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the paragraph as amended.

Mr. ALDRICH. It has already been agreed to, Mr. President.

Mr. NELSON. I inquire what paragraph is being considered. It is difficult to keep track of where we are.

Mr. ALDRICH. Paragraph 311.

Mr. NELSON. I thought it was paragraph 310.

Mr. ALDRICH. Paragraph 310 was agreed to, and some modifications were made to it. Paragraph 311 is now before the Senate. I inquire if the committee amendments to paragraph 311 have been agreed to.

The PRESIDING OFFICER. The Chair is so informed.

Mr. ALDRICH. Then I ask that the paragraph as amended be agreed to, modifying it in line 17 by striking out the word "twenty-five" and inserting the word "twenty."

Mr. CRAWFORD. Where is that amendment?

Mr. ALDRICH. In line 17, page 97, to insert "twenty" instead of "twenty-five."

The PRESIDING OFFICER. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. To the next paragraph I offer the amendment which I have already sent to the desk.

Mr. NELSON. Is that paragraph 313?

Mr. ALDRICH. Paragraph 313. I move to amend by inserting in paragraph 313 the substance of paragraph 312, so as to merge them together.

Mr. DOLLIVER. I desire to make a suggestion as to paragraph 312.

Mr. ALDRICH. I will suggest to the Senator from Iowa that I will explain to him what will be the effect of this amendment, so that he will understand it.

Mr. DOLLIVER. Very well.

Mr. ALDRICH. It is proposed to insert bodily into paragraph 313 the terms of the present paragraph 312, so that the same rates shall apply to the articles covered by that paragraph, except those that are affected by the proviso, as apply under the present law and under the House bill.

Mr. DOLLIVER. I would suggest to the chairman of the committee that that was the object I intended to accomplish by an amendment adding the proper proviso to paragraph 312.

Mr. ALDRICH. Putting paragraph 312 bodily into paragraph 313, so that the proviso applies to both, accomplishes the same purpose.

Mr. BEVERIDGE. May I ask the Senator just what the practical effect of that would be? Does that in any sense meet the objection which was made by the Senator from Iowa several weeks ago?

Mr. ALDRICH. I can not tell about what objection was made several weeks ago by anybody, but it has this effect: It retains the provisions of the present law and the House bill in reference to this paragraph.

Mr. BEVERIDGE. That was the contention at that time. That eliminates that objection.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. In paragraph 313, page 97, line 24, after the word "cloth,' it is proposed to insert "valued at not over 7 cents per square yard, not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling, 1 cent per square yard; if bleached, and valued at not over 9 cents per square yard, 1¼ cents per square yard; if dyed, colored, stained, painted, or printed, and valued at not over 12 cents per square yard, 2 cents per square yard; cotton cloth,"——

Mr. NELSON. Mr. President, what has become of the words in italics on page 98, beginning in line 6 and going down to line 16?

Mr. ALDRICH. They have not been reached yet.

Mr. NELSON. Where does this amendment come in?

Mr. ALDRICH. At the very beginning of the paragraph.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. DOLLIVER. Just a moment, Mr. President. Before that is taken up, I shall be glad to lay before the Senate an amendment which I desire to offer to paragraph 312. I desire the House provision, which is the present law, first restored, and amended as I suggest.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. It is proposed to insert, to stand as paragraph 312, the following:

312. Cotton cloth, not bleached, mercerized, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling, 1 cent per square yard; if bleached, 1¼ cents per square yard; if mercerized, dyed, colored, stained, painted, or printed, 2 cents per square yard: *Provided*, That on all cotton cloth not exceeding 50 threads to the square inch, counting the warp and filling, not bleached, mercerized, dyed, colored, or printed, valued at over 7 cents per square yard, 25 per cent ad valorem; bleached, valued at over 9 cents per square yard, 25 per cent ad valorem.

Mr. DOLLIVER. Mr. President, I do not care to occupy any length of time, but I think it best, at the beginning of these provisions of the Senate bill in respect to cotton cloth, to state, so that it may be fully understood, the line of division between those of us who desire the present scheme of cotton-cloth duties retained and those who favor the amendments of the Senate committee.

It was the framework of the Dingley law that the ordinary grades of cotton cloth should be assessed by a specific assessment, but that the higher grades of each countable subdivision of the cloth should be assessed upon an ad valorem basis. By some oversight the ad valorem basis in paragraph 312 was omitted, because it was not understood, apparently, by those who framed these schedules for the committees of the two Houses of Congress in 1897 that there were cloths of such a character that, while they were under 50 threads to the square inch, they were of greater value than the cloths intended to be included in that classification; in fact, subsequent decisions of the courts put in that classification cloths that were evidently never intended to be put there.

For example, there were found very valuable cloths less than 50 threads to the square inch, some of them made valuable by reason of the high tension of threads, such as would be used in making sieves and other such manufactures. Then, on the other hand, there were very rough cloths, where the number of fibers

of cotton in the thread were innumerable, such cloth, for example, as is commonly spread on a table under the tablecloth, a cloth nearly a quarter of an inch thick, which, being unraveled, shows threads less than 50 to the square inch, and yet such a mass of cotton radiating from these threads that the value of the cloth was very much above what was supposed to be the value of cloth of 50 threads to the square inch.

In my judgment, nothing is necessary except to add to paragraph 312 a proviso that as these cloths rise in value above 7 cents they shall take the ad valorem of 25 per cent. That will cover them all; cover every decision that the Supreme Court has made; restore all cloths that are only 50 threads to the square inch to paragraph 312, with the proviso that such of them as rise in value above 7 cents shall be treated as the Dingley bill treated all other high-priced cloths on an ad valorem basis. If that is done, it is not necessary to have any special provision about mercerization, because, waiving the question of what mercerization costs, the effect of mercerization is simply to add to the value of the cloths; and if they are assessed upon a fair ad valorem basis, the ad valorem rate will catch the higher value that arises from the mercerization of the cloth.

Therefore, for two reasons, it appears to me desirable to preserve the scheme of ad valorems in the act of 1897. They reappear in all these paragraphs, and the committee in each case has converted them into what are called "equivalent specific duties," which it can be easily shown are very far from being equivalent, but introduce other elements of uncertainty and controversy into the matter, and in many cases, according to the showing made by this very Book of Estimates, operate to very greatly increase the duties upon very ordinary varieties of cotton cloth.

I therefore move to disagree to the Senate amendment to paragraph 312; and, if that is done, I desire to add the proviso attaching the ad valorem rate to all these cloths less than 50 threads in density which are above 7 cents in value.

Mr. ALDRICH. Paragraph 312 is identically the same paragraph which has appeared in all the tariff bills which have been adopted in this country since 1883. It was expected that the proviso at the end of paragraph 312——

Mr. BACON. Will the Senator please speak a little louder? It is very embarrassing to have to make the request so frequently, but really when the Senator speaks in a low tone it is an impossibility to hear him at this distance.

Mr. ALDRICH. I was saying that paragraph 312 is identical with the paragraph relating to similar articles which were in the acts of 1890, 1894, and 1897. The rates are not precisely the same, but the rates in this paragraph are the rates of the Wilson bill. They were the words that were adopted in 1894, word for word.

Mr. BACON. Will the Senator pardon me for a moment? In the copy of the bill which I have before me 312 is entirely stricken out.

Mr. ALDRICH. That has been agreed to. I am explaining just what that paragraph is and what the committee propose to do with it.

In those paragraphs, in what was 305, which is now 313, there was a proviso which read as follows—I read from the paragraph in the Wilson Act:

Provided, That on all cotton cloth not exceeding 100 threads to the square inch, including the warp and filling.

That remained in force until some four or five years ago, when the courts decided that notwithstanding the fact that that proviso applied to all cotton cloths not exceeding 100 threads to the square inch, it did not apply to the cotton cloths provided for in paragraph 312, a distinct and plain misinterpretation of the law. I do not see how it was possible for any court so to decide, because the proviso was not included in paragraph 312, and when paragraph 313, or what was equivalent to that paragraph, provided that on all cotton cloth counting not exceeding 100 threads to the square inch this proviso should apply.

The effect of the committee amendment is to restore the Wilson rates and to restore the rates of the present law upon all these cotton goods, with the proviso to apply. That is what the committee proposes to do; and I assume that the committee amendment is first in order, and I hope it will be adopted.

Mr. BEVERIDGE. Mr. President, there is a confusion in my mind. If the statement of the Senator from Rhode Island is accurate, as I take it to be, until otherwise shown, the effect of the committee amendment is to restore the scheme of the present law. Then what becomes of the statement of the Senator from Iowa, that this amendment is designed——

Mr. ALDRICH. The Senator goes further and undertakes to take care at this point of the question of mercerization, which is not in the present law and is taken care of at another point in this bill. That is the only difference.

Mr. DOLLIVER. If the Senator will permit me, I understand that the proviso of the act of 1897, which is connected with paragraph 313 of the committee's bill, is stricken out by the Senate amendment.

Mr. ALDRICH. Oh, no; it is not. The Senator does not understand the force of the amendment. It is not stricken out.

Mr. DOLLIVER. It is printed in this book with lines drawn through every word of it. What does that signify?

Mr. ALDRICH. That is stricken out. We put in a specific provision with respect to it——

Mr. DOLLIVER. Exactly; and that is what I am discussing.

Mr. ALDRICH (continuing). Which we believe is not greater in amount in rates than the House provision or the provisions of the present law.

Mr. DOLLIVER. Mr. President, I think I am familiar with the court's decision to which the Senator has referred, and I can not agree with him that the court was incorrect. In fact, my recollection is that these changes which he says were so unreasonable were made by the appraisers themselves. At any rate, I have here the opinion of General Appraiser de Vries, which indicates that these decisions seem to have originated with the general appraisers themselves.

I was not incorrect in thinking that one of the important questions raised by the Senator's amendment is involved in paragraph 312. I want to say, again, that in 1897 the rates on those cloths were made specific because Congress was not advised at the time of the high-class cloths which might be included in them.

Now, if it is the desire of the committee to give a reasonable protection to these high-class cloths, such as etamines, so called, and these tablecloths to which I have referred, I agree perfectly that there ought to be a duty applicable to them very much larger than that provided in 312, and therefore I propose to add to paragraph 312 the proviso which the Dingley bill attaches to every other one of these paragraphs, making a sufficient ad valorem, rising as different varieties and cost of cloths go into this paragraph.

I think 25 per cent ad valorem on this cloth would be about what is intended by the committee, and the thing I object to is abandoning these ad valorem assessments on the high-class cloths, which reach them all and apply equally to all, in whatever state of finishing they may be, whether dyed or bleached or mercerized or by whatever other process they may have been advanced in value. This ad valorem plan of assessment, established by the act of 1897, supported before the House committee by the united testimony of the cotton manufacturing interests of the United States, ought to be retained. There is no reason for abandoning it. The ad valorems are sufficient. There is no difficulty about the valuation of these cloths. If there was difficulty about valuing the cloths, the difficulties are not lost in this maze of dividing lines suggested by the committee, some of them only a half cent, and all of them capricious and without system.

I repeat here what I had the opportunity to say the other day, that in every one of these subdivisions where the committee by fixing the dividing line has undertaken to levy a specific duty, the levy operates to substantially advance the duty; and if that is not admitted by the committee, I can prove it by the Book of Estimates.

Mr. ALDRICH. This is one of the clearest cases in this bill. Under the act of 1890 and under the act of 1894 and under the act of 1897 a proviso was inserted in these paragraphs, or in similar paragraphs, saying that on all cotton cloths counting not exceeding 100 threads to the square inch, above a certain value, there should be applied an ad valorem duty of from 25 to 30 per cent. By the decision of the court or of the general appraisers—and I care not who made the decision; it makes not the slightest difference to me whether the decision was made by the Board of General Appraisers or by any court—the plain intent of that law was nullified, and goods which were valued at 25 and 30 and 40 cents a yard were made dutiable at 1 cent a yard. The equivalent ad valorems were reduced by that one decision from 25 per cent to 2 per cent in many cases, and the attention of the Senate has been called to the fact that in one case there was 6.73 per cent imposed by this paragraph, and it was claimed that, because we had sought to make that 25 per cent even, we increased the duty 400 per cent.

Does the Senate propose to allow itself to be used by these gentlemen whose briefs are being read here and who are trying to destroy this bill? I think not, Mr. President.

Mr. DOLLIVER. I feel compelled, out of a sense of duty——

The PRESIDING OFFICER. The Senator from Rhode Island has the floor. Does he yield?

Mr. ALDRICH. I decline to yield to the Senator.

Mr. DOLLIVER. I desire to enter a protest here against that line of remarks from the honorable Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island has the floor.

Mr. ALDRICH. This decision nullified the act, because I have been familiar with these schedules for many years, and I know the language was put there with the understanding that it had the plain import which the language meant—that all cotton cloths not exceeding 100 threads to the square inch should pay a certain ad valorem rate. The effect of that decision, made in 1892, I think, when this bill had been upon the statute books for twelve or fourteen years, was to reduce the rates upon these articles as stated.

Mr. BEVERIDGE. I want to ask the Senator a question.

Mr. ALDRICH. Not at present; a little later.

That is not the worst part of this proposition, gentlemen. Under the act of 1890 fine and fancy cotton cloths were made dutiable at 60 per cent ad valorem, without reference to whether it counted 50 or 300 or 400 threads to the square inch. A decision was reached—and I care not whether it was made by the Board of General Appraisers or by the courts—that those goods dutiable at 60 per cent were countable goods and not dutiable at 60 per cent ad valorem, as they were intended to be by the act of 1897; and what happened? These 60 per cent goods were put into this countable provision, and with the other decision, to which I have alluded, they were reduced from 60 per cent to 2 and 3 and 4 per cent; and you are asked, gentlemen, to ratify that.

Mr. BEVERIDGE. May I now ask the Senator a question?

Mr. ALDRICH. Certainly.

Mr. BEVERIDGE. The question is this: I wish to ask the Senator from Rhode Island what effect this reduction in duties below what he says the law was passed to provide for had on the cotton industry in this country?

Mr. ALDRICH. What effect did it have?

Mr. BEVERIDGE. Yes; is it still prosperous?

Mr. ALDRICH. I will tell you what effect it had. It allowed the British manufacturers, whose briefs have been read in the Senate, to import their goods here at 2 and 3 and 4 per cent when the law contemplated that they should be imported at 60 per cent.

Mr. BEVERIDGE. I caught that; but the question I am asking the Senator is whether or not the manufacturers here who are making these cloths have been prosperous since?

Mr. ALDRICH. They have not been; and I will tell you another effect.

Mr. BEVERIDGE. The Senator from South Carolina [Mr. SMITH] yesterday——

Mr. ALDRICH. The Senator from South Carolina will be answered, I think, even to the satisfaction of the Senator from Indiana. I think so. But I will tell you another effect it had. It had the effect of increasing importations of these articles from $2,000,000 to $9,000,000. That is the effect it has had; and it is a pretty serious effect upon this class of goods.

This question might as well be met here upon this paragraph as anywhere. The effect of the amendment I have offered is not to increase the duties at all, but to provide that these goods, valued above a certain value, shall pay a duty according to value. That is all there is to the question.

Mr. DOLLIVER. Mr. President, the honorable Senator from Rhode Island seems to think now is a good time to settle certain things, and I agree with him. There is one thing preliminary which it also might be just as well to settle now. I do not propose to submit, without a protest and an appeal to the rules of the Senate and to the general fair opinion that ought to prevail among men, to the insinuation that I stand here reading any briefs of importers or that I represent anybody except the people of the United States. What light I have tried to throw upon this question I have sought not from the briefs of importers, but from a careful and conscientious study of the history and practical operation of these schedules.

My honored friend the Senator from Rhode Island says that an outrageous decision was made in reference to certain goods. He says the law was clearly intended to mean one thing, and it has been so wickedly construed as to take away certain protection which certain kinds of cloths ought to have. I have here a speech delivered by one Edwin A. Hartshorne, of New York, before the National Association of Cotton Manufacturers, in which he voiced the same views that the Senator has expressed here, contending that the duty provided in the Dingley law of 60 per cent ad valorem on certain high-class goods made of flax, cotton, and vegetable fibers had been nullified.

I will say to the honorable Senator from Rhode Island that if that provision has been nullified, it has not been done by foreign importers. Curiously enough this outrage, if such it be, was perpetrated on the American people by one De Vries, general appraiser, upon whom has fallen the responsibility, under the guidance of the Senator from Rhode Island, to remake this cotton schedule and to mutilate the tariff act of 1897. Here is his decision. It is not a very foolish decision. It represents not the folly of the judges, but the errors of Congress. I propose to correct that error by putting the Dingley ad valorem proviso after section 312. These goods called "etamines," or whatever you may call them, were apparently unknown to commerce. They ought to have an ad valorem duty on account of infinite variability of their forms and their prices.

I propose to add the Dingley proviso to section 312, and my friend the Senator from Rhode Island, in his wrath at these errors of construction, proposes to strike the Dingley provisos out of all the paragraphs and by substituting equivalent ad valorems to make what he calls a corresponding rate, a rate which I call a deliberate increase in practically all the rates from one end of the schedule to the other.

That I may not be mistaken about that, I will not consult the brief of any foreign importer, but I consult this book called "Estimates of Revenue," a rather sacred document here, because it was the foundation of that great speech of the Senator from Rhode Island in which he notified the world of the actual revenue to be derived from this bill, down to a 50-cent piece, as the Senate will recall, and yet every time any Member of the Senate undertakes to open this Book of Estimates at any vital spot the Senator from Rhode Island is on his feet to say that it is erroneous, or that some miscalculation has crept into it which makes it of little or no value.

I know the value of it. It was made by experts long attached to the Finance Committee, whose judgment about these matters, with all becoming deference to the Senator from Rhode Island, on a question of calculation I would accept rather than his own. But here in this book any man with a taste for figures and a little time at night, without the aid of foreign briefs or without the surroundings that are made so cheerful by the constant presence of experts from the Treasury Department, may find that of all the cotton goods imported into the United States in 1907 more than 70 per cent, according to these statements here, of the equivalent ad valorems which interpose the specific rates provided in the Senate bill represent an actual increase over the Dingley rates; and yet again and again the Senator from Rhode Island has thrown the briefs of foreign importers into my face, and again and again he has promised to show to the Senate that no increases were made.

I open this Book of Estimates. I ask every Senator here to take it up. Make the calculations for yourselves. You will find that of the present importations of cotton goods into the United States, out of a total importation amounting to $14,000,000, $9,400,000 are subjected to increases, according to these tables. The actual increase of the rates, however, amounts to more than is shown in the tables. If the imports are mercerized and account is taken of the extra 1 cent per yard, the true increase would of course be greater under the Senate bill. The percentages of increase will also be greater than indicated on most of the goods, as the new rates are increased by counting extra threads.

Yet here is the official estimate of the effect of these step-ladder specific assessments put down in this book, and if I do not tell the truth about it I will be willing to allow my friend to reproach me for being the victim of briefs furnished to me by foreign importers. More than 70 per cent of the importations of 1907 are affected by these crude efforts to convert the Dingley ad valorems into specific assessments, and of that class $9,400,000 worth, according to those very figures, is shown to have an advanced ad valorem. Yet we have been again and again promised an exposure of the fault of which I am guilty in desiring the Senate to hold fast to the Dingley ad valorems.

There is no advantage in these specific assessments. The dividing lines are so numerous that you have to find the values to the minutest variation in order to tell in what division a proposed imported article belongs. One of them is twelve and the next line twelve and a half. How are you going to do that without finding the value of the articles? The truth is the articles are staple in their values, known to the mercantile community on both sides of the water. These articles differ widely in value, and the result is there can be no specific assessment of them which does not do harm to one or unduly give advantage to another. The only possible assessment covering all this great variety of articles is a fair ad valorem, and that was admitted in 1897, as my honored friend the Senator from North Dakota will recall, when we confined the specifics to the lower grades; and in each paragraph when the value of the article rose so that it was above the ordinary level, we assessed what the

cotton men themselves said was a sufficient protection, at an ad valorem rate, beginning at 25 per cent and rising, paragraph after paragraph, with the value of the goods and the difficulty of manufacturing, until it finally came to be a very high assessment. That was a wise thing to do, wiser now than we were able to see then, because here come these gentlemen with a lot of new processes which they desire to have specifically assessed.

I intend to discuss later on the humbug that is involved in these proposed new assessments, but I will not do it now. It is enough to say that whatever you do to a cotton cloth before or after it is manufactured, whether you bleach it or dye it or mercerize it, or whatever you may do to it, or to the yarns which enter into it, the effect is to make a more costly article, and where you have an ad valorem rate applicable to the article, it will take up that new value and give the protection which that process needs without any specific assessment on the process itself.

Therefore I propose to take the old Dingley provisos and put one of them on paragraph 312, and leave the others exactly where the act of 1897 left them, and try to secure, if I can, the favorable action of the Senate to strike out these stepladder specific assessments that range all through these paragraphs from one end of the bill to the other.

Mr. BEVERIDGE. Will the Senator permit me to ask him a question?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. What is the purpose of having these specific assessments instead of the ad valorem? I do not myself understand it.

Mr. DOLLIVER. In the lower-grade cotton goods the specific assessment has always prevailed and has always operated fairly well. I have here specimens of these goods, which the Senator from Rhode Island says were outraged by importers; but, in point of fact, whatever modification in the law was made was made by the decision of the very man who now sits by the Senator's side, giving him the information which he reveals to the Senate as evidence of the ignorance of everybody else who seeks to discuss these matters.

There [exhibiting] is an article of cotton cloth, less than 50 threads to the square inch, but having a little fancy work upon it, which raises its value so high that if you put the assessment at simply 1 cent a yard the ad valorem will be very low. There [exhibiting] is an article less than 50 threads to the square inch, so very cheap that any specific assessment upon it would probably indicate a high ad valorem. It is the cloth used as a backing for envelopes, for fortifying paper wrappers, and sometimes, I understand, for reenforcing the binding of books. It is hardly a cloth at all.

Now, here [exhibiting] is a cloth less than 50 threads to the square inch, but there is one of the threads involving a very difficult process in producing the feathery appearance upon the thread. The other thread is small. Yet the cloth itself is valuable. It is used to put upon the table in order to prevent the table from being burned by coffee pots and things like that. Everybody, nearly, buys it. It is only 50 threads to the square inch, and yet under Mr. de Vries's decision, this stupid decision which my friend the Senator from Rhode Island thinks must have been inspired by some English importer, it would pass at so low a rate of duty as to be ridiculous.

I say that is wrong. I want these cloths of 50 threads to the square inch to have a fair protection. I know that the specific contained in 312 is not enough. I therefore propose to add to 312 the Dingley proviso, which occurs in connection with all the other paragraphs, and when these goods rise about 7 cents a yard I want them to be affected by a 25 per cent ad valorem. Is not that fair, unless the Senate decides by an affirmative vote to go back on the Dingley law and raise all these rates, so that when an estimate is made by the committee itself it amounts to an open advance which the committee in its anxiety to preserve its own reputation, I suppose, seems disposed every now and then to deny?

Before we get through with this debate it will be demonstrated that the committee, not intentionally, but under the guidance of others, has raised the rates on practically all the cotton cloths that were imported into the United States in 1907.

Mr. BEVERIDGE. Will the Senator allow me to ask him a further question to get the point at issue in my own mind, at least?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. I understand that the Senator from Iowa and the Senator from Rhode Island agree that the decision referred to has had the effect on such cloth as the Senator holds in his hands of reducing the tariff rate to 2 and 3 per cent ad valorem.

Mr. DOLLIVER. Very low.

Mr. BEVERIDGE. A very low tariff.

Mr. DOLLIVER. Too low.

Mr. BEVERIDGE. That is the first point of agreement. The second is that both Senators agree it ought to be raised.

Mr. DOLLIVER. That is correct.

Mr. BEVERIDGE. The third point, however, is where the issue comes. The Senator, I understand, proposes to put on an ad valorem of 25 per cent?

Mr. DOLLIVER. Yes; I intend or desire to transfer the Dingley tariff——

Mr. BEVERIDGE. I am aware of that, exactly.

Mr. DOLLIVER. To transfer it to paragraph 312 and restore it in paragraph 313, where the committee has stricken it out, and to restore it in each of the other paragraphs, so that these higher classes of goods, instead of coming in with a humbug specific upon dividing lines, for which nobody can understand the reason, may get the benefit of the ad valorem fixed in 1897 by the cotton manufacturers themselves, and which they themselves stated before the Ways and Means Committee was satisfactory to them.

Mr. BEVERIDGE. I understood that; but I want to get the point of difference. We have now the points of agreement between the Senator from Iowa and the Senator from Rhode Island. I want to get the point of difference so that I can see for myself. As to that piece of cloth, for example, do I understand that the Senator proposes by his amendment to fix the rate at 25 per cent ad valorem?

Mr. DOLLIVER. I do.

Mr. BEVERIDGE. Very well. Now, what does the Senator from Rhode Island propose to fix on it?

Mr. DOLLIVER. He proposes to transfer it to paragraph 313.

Mr. BEVERIDGE. What would be the effect of that?

Mr. DOLLIVER. It would take its chances in the wilderness of dividing lines of value ranging from 7 cents upward according to the assessment which he provides there. It does not pretend to be an equivalent for 25 per cent ad valorem. In paragraph 313 the Dingley ad valorem was 30 per cent. I would not object to that. The thing I object to is taking out these Dingley ad valorem provisos and substituting in their place these stepladder specifics.

I propose, if the Senate will take my view of it, and I intend to ask them to do it, instead of cutting out the Dingley provisos to restore them all, and in paragraph 312, where the proviso is omitted by an error, I propose to add it, so that all these cloth paragraphs beginning at paragraph 312 will bear the rates provided in the Dingley Act, and not higher rates.

Mr. BEVERIDGE. I understand clearly the effect of the Senator's amendment. Now, will he tell us just as clearly what will be the effect of the amendment of the Senator from Rhode Island, the specific, stepladder arrangement as to duties?

Mr. DOLLIVER. It is a little difficult to tell. I have not the value of that cloth.

Mr. BEVERIDGE. I am not speaking about that cloth, but in general.

Mr. DOLLIVER. The Senator from Rhode Island cuts out of these paragraphs the provisos fixing upon the higher grades of cotton cloth the Dingley ad valorems. He cuts them out entirely in every paragraph and substitutes a specific duty, differing, as the value of goods rises, from 7 cents up to 25 or 30, or whatever may be the maximum. The ad valorems disappear and these equivalent specifics take their place.

Mr. BEVERIDGE. What will be the practical effect of the specifics?

Mr. DOLLIVER. I have shown by this Book of Estimates the actual effect.

Mr. LA FOLLETTE. Will the Senator permit me?

Mr. DOLLIVER. Certainly.

Mr. LA FOLLETTE. I will say, in reply to that, that it is to raise the duties upon various imports from twelve to two, three, and four hundred per cent. That is the result of it.

Mr. BEVERIDGE. Whereas the amendment of the Senator from Iowa clearly fixes it at 25 per cent.

Mr. LA FOLLETTE. Yes, sir.

Mr. BEVERIDGE. That is the difference, then?

Mr. DOLLIVER. I wish to modify the amendment I offered so as to strike out the word "mercerized."

The PRESIDING OFFICER. The Senator has a right to modify his amendment.

Mr. DOLLIVER. I think there may be difficulty with that word.

The PRESIDING OFFICER. The Chair understands that the word "mercerized" occurs twice.

Mr. DOLLIVER. Yes; strike it out.

The PRESIDING OFFICER. The amendment will be so modified.

Mr. LA FOLLETTE obtained the floor.

Mr. ALDRICH. Will the Senator from Wisconsin allow me to make a statement?

Mr. LA FOLLETTE. Certainly.

Mr. ALDRICH. As to the effect of the changes in the cotton schedule, the Senator from Utah [Mr. SMOOT] will go into that matter at great length for the committee, and I am sure he will satisfy the Senate that there have been no increases over the intention of the act of 1897. Of course where, as I stated before, duties have been reduced from 60 per cent to 2 there are increases, and there ought to be increases.

But that was not my purpose in asking for an opportunity to address the Senate at this time. The Senator from Iowa [Mr. DOLLIVER] alluded in, I thought, a rather contemptuous tone to one De Vries who, he said, was responsible for the schedule which is now before the Senate, reported from the Committee on Finance. Marion de Vries is the chairman of the Board of General Appraisers of New York. He came to this city at the request of the Committee on Finance, in company with General Sharretts, also a member of that board, who were directed by the President of the United States to place their services at the disposal of the Committee on Finance in the preparation and consideration of this tariff bill.

The Senate will understand that these officers of the Government of the United States, sworn to support the laws, occupying very responsible positions, not only with reference to the interpretation of the law, but with reference to the revenue of the United States, are the men to whom the Committee on Finance would naturally go for advice and for counsel with reference to the technicalities of this great act. They are men whose character and whose integrity are above reproach. Mr. de Vries was appointed to this board as a Democrat. He was a Democratic Member of Congress from California. He is well known to many Senators sitting upon the other side of the Chamber, and I need not certify to them as to his character and his integrity. I am very sorry for one that any voice has been raised in this Chamber as to that man. His services and the services of his colleague to the committee have been invaluable. They have always been rendered for the support and protection of the Government of the United States.

So far as this one schedule is concerned, and the amendments which were reported from the Committee on Finance to the cotton schedule, the changes from ad valorems to specifics, Mr. de Vries never saw them until after they were prepared under the direction of the committee. No member of that committee ever had any conversation with him in relation to it. I will go a step further and say that no manufacturer in the United States ever saw them or was ever consulted with reference to them. They are the creation of the committee itself, and no man was consulted, either on the Board of General Appraisers or anywhere else, with reference to these provisions until the committee had decided what they should be.

I make that statement in justice to Mr. de Vries, because I think that very grave injustice has been done to a man who is a faithful public servant, if there is one in the employ of the Government.

Mr. DOLLIVER. Mr. President, it is not necessary for me to say that I do not desire to impeach the character or integrity of the chairman of the Board of General Appraisers, or in any other way to disparage him before the world. I only regret that the Senator from Rhode Island, whom I have never harmed in my life, if I may be permitted to make a personal remark, feels a very much more tender solicitude for the standing in the community of Marion de Vries, formerly a Member of Congress from California, than he does for one of his own colleagues here, whom he has not hesitated from the beginning of this debate to disparage and reproach in language unbecoming this Chamber and unbecoming the association of gentlemen in the Government of the United States.

Mr. ALDRICH. Mr. President——

Mr. DOLLIVER. I have no charges to make.

Mr. ALDRICH. Will the Senator permit me?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. I certainly am not conscious of having made any statement derogatory to or regarding the motives of the Senator from Iowa.

Mr. DOLLIVER. Yet, Mr. President——

Mr. ALDRICH. If I have made any such suggestion——

Mr. DOLLIVER. If the Senator will permit me a moment.

Mr. ALDRICH (continuing). I have certainly done it unconsciously, if at all.

Mr. DOLLIVER. I think a great many things have become habitual with my honorable friend.

Mr. ALDRICH. I think not. I hope not.

Mr. DOLLIVER. He thinks that nobody can criticise the schedules of this bill unless he speaks for English importers.

Mr. ALDRICH. I have not made any such suggestion. I have no question whatever but that the Senator from Iowa is acting from just as good motives as I am on this amendment. We are looking upon it from entirely different standpoints and from information derived from entirely different sources. I find no fault with that. The Senator from Iowa has the right to his judgment as much as I have to mine. If the Senator feels that I have attributed any motive to him that is improper, I certainly apologize and retract it, if I made any such suggestion.

Mr. DOLLIVER. The remark of the Senator intuitively interprets the unconscious expression of long habit of mind and thought, coming probably to his lips on these various occasions without distinct malice. So I have managed to preserve the exterior of calm and even of good humor in the midst of them. But I shall be called upon, I am afraid, to make several suggestions, and I beg the Senator from Rhode Island, if he can to put out of his mind this hereditary ghost of the English importer, and give me the credit of having spent a good many days and a good many nights, as he has also done, in the practical study of these questions.

So far as the General Board of Appraisers is concerned, in the hurry of debate I may have said some things which probably I should not have said. In the first place, I am afraid that in talking about some of the members of the board who were very active around here I have passed an unnecessary reproach, if my words might amount to a reproach, upon other members of the board, like Judge Somerville, who have been patiently and quietly pursuing the duties of the office of general appraiser.

I do not complain that in obedience to the order of the President of the United States members of the Board of Appraisers came here. It was possibly their duty to come. I am sorry their views and opinions have not been available to all of us. But it is a little peculiar that the men who are behind the proposed increases of rates in this bill seem to have about as easy access to these gentlemen of the Board of Appraisers, to whom I have referred by name, as the Senate or the House. There are vestiges in these hearings, tracks as it were, made unintentionally, possibly, to indicate that the first conference of our friend the appraiser from California was not in obedience to orders from the President or upon the invitation of the Senator from Rhode Island or the Ways and Means Committee of the House, because I find here in the appendix of the tariff hearings in the House of Representatives a rather elaborate statement of what is desired in the way of amendments to the cotton schedule by Mr. Lippitt and Mr. MacColl, purporting to represent the Arkwright Club, who publicly appeared before the Ways and Means Committee and said the Dingley rates were satisfactory and they desired no changes of any consequence made, and who afterwards filed with the committee, after its hearings were over, their letter suggesting most of the changes covered in this bill, and among other things they say:

> The alterations in paragraphs 310 and 313, referred to above, are substantially the same as contained in the recommendations of Mr. Marion de Vries, of the Board of General Appraisers, so that the language and form have his approval.

Yet I understood the Senator from Rhode Island to say——

Mr. ALDRICH. None of the provisions to which the Senator refers are in the bill at all, or ever have been in it.

Mr. DOLLIVER. That is not according to the RECORD. I do not desire to get into a mere altercation, which is never finished, with the Senator.

Mr. ALDRICH. I do not know what those provisions are, but I know that neither Mr. MacColl nor Mr. Lippitt nor Mr. de Vries, nor any other man, either any manufacturer or officer, had anything to do with the preparation of the particular paragraphs which are now under consideration.

Mr. DOLLIVER. Now, in conclusion, the Senator from Rhode Island having stated that he does not desire to abase me in the eyes of the community——

Mr. ALDRICH. Certainly not.

Mr. DOLLIVER. I will enter into a concordat with him. If he will give me the credit of having by diligence acquired a little knowledge of this subject myself and will omit in the midst of his eloquence in his subsequent speeches any suggestion that I am reading briefs of English importers, I will agree, although the transaction is not at all on equal terms, that I will not hereafter confuse the wisdom of the Senator from Rhode Island with the sagacity and worldly experience which has been acquired by the president of the Board of General Appraisers.

Mr. LA FOLLETTE. Mr. President, I believe that the Senate was entitled, before any amendments were offered to the bill,

to a full explanation of its provisions, including all the changes in it and the reasons for making them, by members of the Committee on Finance. Therefore, although I have been recognized to say something upon the cotton schedule, which I wish to discuss generally and in particular, I think it is just to myself and fair to the Senate that the explanation which should have been forthcoming when the bill was passed over in its first reading for amendment by some member of the committee should be made now.

Therefore I yield to the Senator from Utah [Mr. SMOOT], who, I understand, is prepared to discuss and explain all the changes made in this schedule of the bill, after which I shall have something to submit to the Senate upon this part of the bill.

Mr. SMOOT. Mr. President, in justice to Mr. de Vries and the decision made by him, as referred to by the Senator from Iowa [Mr. DOLLIVER], I think that the whole history of the decisions affecting etamines, or that class of cloth which has been spoken of, should be given to the Senate.

Mr. DIXON. Mr. President, there is a whole lot of conflict of opinion over this schedule. I think if the Senator from Utah, on behalf of the committee, is going to make an intelligent explanation—which I have no doubt he will—the full Senate ought to be here to hear it.

Mr. BEVERIDGE. That is right.

Mr. DIXON. I suggest the point of no quorum.

The PRESIDING OFFICER. The Senator from Montana suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Crane	Gallinger	Penrose
Bacon	Crawford	Gore	Perkins
Bailey	Culberson	Heyburn	Rayner
Bankhead	Cullom	Hughes	Root
Beveridge	Cummins	Johnson, N. Dak.	Scott
Borah	Curtis	Johnston, Ala.	Shively
Bradley	Daniel	Kean	Smith, Md.
Brandegee	Depew	La Follette	Smith, S. C.
Briggs	Dick	Lodge	Smoot
Bristow	Dillingham	Martin	Stephenson
Bulkeley	Dixon	Nelson	Sutherland
Burkett	Dolliver	Nixon	Taliaferro
Burnham	du Pont	Oliver	Warner
Burton	Elkins	Overman	Wetmore
Carter	Flint	Page	
Clarke, Ark.	Frye	Paynter	

The PRESIDING OFFICER. Sixty-two Senators have answered to their names. A quorum of the Senate is present.

Mr. SMOOT. Mr. President, the amendments proposed by the Finance Committee to the cotton schedules are the work of that committee, prepared under its direction, in language which, in their judgment, best meets their approval regardless of who may have suggested particular phraseology. The committee was concerned with results, not with technical authorship. Pertinent suggestions of manufacturers, importers, the Ways and Means Committee, customs officials and the language of the House bill, were accepted or rejected as they met the approval of the committee, and the bill was reported reflecting the views of no man or men except the committee, and calculated to levy fair, uniform rates of duty, producing the most possible revenue, and levying an equivalent ad valorem less than that provided by the Dingley law as contemplated by the Congress.

The records of the Senate show that this work proceeded by subcommittee long before the Ways and Means Committee commenced its work, and men, including certain customs officials, were detailed to gather such information and suggestions as would enlighten the committee as to present administration of the law and needed amendments to produce uniformity where wanting.

The fact that manufacturers or importers expressed satisfaction with existing laws in no sense controlled the efforts of the committee. It requires no exercise of intelligence to know that such in many cases might prove absolutely fatal.

In the enactment of a tariff law there are other parties concerned than the manufacturers and the importers of the article. The United States Government is immediately concerned that proper and consistent revenues be collected upon all dutiable articles. The public with money available for investment is also concerned that duties should not be levied solely for the protection of existing manufacturers or for the advantage of existing importers. Such uniform and consistent duties should be levied as will not conserve monopoly of any lines, and that all may have an equal opportunity for the investment of capital and the embarkment in every possible legitimate enterprise. In that view the committee proceeded.

Upon examination of the cotton schedule of the Dingley law as administered to-day it was found vastly different from that contemplated by the Congress when enacted and as administered for several years immediately after enactment. It was ascertained by the committee that by a constant process of elimination of certain of its provisions in the scope intended by Congress goods of the highest value and classes are coming in at the lowest rates; goods of low value are coming in at high rates, and goods of the same value when imported under one paragraph are paying a vastly different rate than when imported under another paragraph, all resulting in a reduction of about 20 per cent in the rates of duty contemplated in the Dingley law.

This particular condition is indicative of the vice of accepting any agreements or statements of satisfaction upon the part of the manufacturing and importing interests, and the Senate committee declined to abide by any expressed satisfaction of any parties without correction of these defects.

It is well known that the higher class cotton goods are manufactured mostly abroad and that the lower class cotton goods are manufactured in this country. It is possible under this condition of affairs that the manufacturers would be satisfied with present conditions if they occupy the domestic field of lower-class goods to the exclusion of and agreeably to the importer, who imports at lower rates of duty the higher classes and values of such goods and thus occupies the domestic field to the exclusion of and agreeably to the manufacturers of low-class wares. This condition would result in a division of trade territory, and the approval of that condition by the Congress would be no more nor less than the legislative approval and perpetuation of one of the most vicious principles in our body commerce. In this situation high duties on low goods and low duties on high goods might be found to be perfectly satisfactory to both the importing and the manufacturing interests, one of which occupied the territory of low-class goods and the other the territory of high-class goods.

Under these circumstances no disturbance of tariff conditions would be desired by either party. But the Government is interested, first, in securing proper and equitable levy of revenues upon imported merchandise that it may be fruitful of revenue and bear equally upon all consumers; and, second, that others who have money to invest in the upbuilding of American manufactures should not be deterred from that by the exclusive occupancy of certain territory of low-class goods by the present manufacturers and the inability of entering upon the high-class territory by reason of extremely low duties.

In this view the committee, after considering the demands of both, has framed the Senate bill regardless of the desires of either manufacturers or importers. *It was mindful only that consistent, uniform rates of duty should be levied upon all cotton cloth from the lowest to the highest in accordance with the value per square yard and condition, regardless of whether it counts a few threads or more; that cotton cloth of the same value and condition shall pay the same duty; that uniform duties might be laid and collected; and that no particular interests be favored or conditions perpetuated.*

Confirmation of the view that as administered some high-valued goods pay less rates than lower values is found in an examination of the equivalent ad valorems levied on all goods included in paragraphs 305 to 309, inclusive, of the Dingley law, corresponding to paragraphs 313 to 317, inclusive, of the Senate bill.

Thus in paragraph 305 the highest specific rate on unbleached goods is equivalent to 32.04 per cent. The ad valorem rate levied in this paragraph on goods of greater value than that is 30 per cent. On the bleached the highest specific rate is the equivalent of 40.36 per cent, as against 35 per cent levied upon the higher goods coming in under the ad valorem provisions. And on the dyed, colored, and so forth, the highest specific rate is the equivalent of 42.15 per cent, whilst the ad valorem rate on all of the higher values is 35 per cent. And this continues through all the paragraphs as administered to-day.

That is to say, the ad valorem rate levied upon the higher class goods is, in many instances, lower than the ad valorem rate levied upon the lower-class goods. So that an importer bringing in high-class goods under the ad valorem provisions in many cases pays a less rate of duty than the importer of the lower-class goods under the specific provisions; and the manufacturer of low-class goods, protected by the specific provisions, is protected, in many instances, by a higher rate of duty than the manufacturer of high-class goods, whose protection is provided for in the ad valorem provisions. In fact, duties collected under Dingley specifics have averaged about 15 per cent higher than those collected under the ad valorems. These absurdities, so far as can be done by preserving present rates, are wiped out by the Senate bill.

The Senator from Rhode Island [Mr. ALDRICH], chairman of the Finance Committee, and the Senator from Massachusetts

[Mr. LODGE] have made and reiterated the statement upon the floor of the Senate that the Senate bill does not increase the average equivalent ad valorem duties contemplated by the Dingley law. The correctness of that statement in all its comprehensiveness can be demonstrated to almost a mathematical certainty. The correction of the inconsistency, restoring an improper levy of duty, necessarily requires a change in rate, and the greater the inconsistency the greater the apparent change. A radical change, therefore, rather notes the correction of a radical inconsistency than an unwarranted increase in the rate of duty. Nevertheless, the only fair test upon the whole schedule as to whether or not duties have been increased above those contemplated in the cotton schedules of the Dingley law can be determined only by a comprehensive consideration of the entire cognate provisions.

In this determination the logical precedence requires, first, the consideration of what was actually contemplated by the Dingley law at the time of its enactment.

What was the effect of that law and what rates of duty are collected under it to-day?

The only authoritative source of information on that subject is the law as written and as originally construed before it had been so changed in the course of administration, by reason of imperfect language employed by Congress, that the plain and manifest purposes of Congress were defeated. This involves no reflections upon the officers or the courts construing the same, for, while all of these may err, it not infrequently—in fact, frequently—happens that where the manifest intent of the Congress is plain, the result of fair and sound legal construction must defeat that purpose.

This is particularly true with reference to a tariff law expressing plainly what appears to have been in the mind of the Congress in a particular paragraph when drafted by the legislative body, but which is defeated by the effect thereupon of some other paragraph or provision of the law equally explicit, drafted at another time, when the first was not in the legislative mind.

The merits of the late Colonel Tichenor and his active cooperation with many Congresses in the framing of tariff laws and, subsequently, as a United States general appraiser, in construing those laws, have been justly proclaimed. He was one of the principal factors in an advisory capacity to both the Ways and Means Committee of the House and the Finance Committee of the Senate in preparing the phraseology and the rates of duty in the Dingley law. Subsequently, as a member of the Board of General Appraisers, he was called upon to construe this law.

This is particularly true with regard to the textile schedules, which, under the distribution of the business of the board, were assigned to him. His views, as expressed in his writings and his decisions, therefore, must be taken as a high authority upon the intent of the Congress as expressed.

In a book recently published giving a limited part of his papers, writings, and letters to Members of Congress at that time, it appears that the cotton schedules as they appear in the Dingley law were the provisions of the act of 1894, as revised by Colonel Tichenor and others, and that this revision was accepted and adopted by Congress. In his judgment the system of rates adopted in that act and here extended in the Senate bill is the only possible system of rates that could fairly cover the subject-matter.

In a letter to Mr. Dingley, dated December 29, 1896, he stated:

> I inclose, also, the cotton-cloth paragraphs from the act of 1894, modified and changed in certain respects, to which attention is fully called in explanatory notes attached.

In the report upon that bill by Mr. Dingley in the House, he stated:

> The metal and cotton schedules are in large part the same as in the present tariff—the Wilson-Gorman bill—the increases above those rates being in the more advanced articles.

Comparison of the Dingley law with the Wilson-Gorman bill discloses the changes made. The Wilson law was a reduction of duties from the McKinley law of 1890. The Dingley law is practically a verbatim copy as to language and rates, in so far as they go, of the Wilson law. Precisely as stated, the increases occur in the higher-priced cottons. Then, as now, the great development of the cotton industry, the invention of new designs, styles, and uses of cotton goods, and new machinery, resulting in the fabrication of high-class novelties and wearing apparel, had caused the importations under the higher paragraphs to outgrow the adequacy of the laws in existence, and it became necessary, in the opinion of Colonel Tichenor and the Congress, to build up the cotton schedules to cover, in certain and definite specifics as well as ad valorems, the higher-valued cotton novelties—precisely the condition which confronts the Congress to-day with reference to that class of articles and fabrics.

Accordingly, we find that the Dingley law adopted the Wilson law absolutely until cotton cloths containing over 200 threads per inch were reached. An increase of one-half cent per square yard on all goods over 200 and not exceeding 300 threads to the square inch was made, and an advance in the maximum ad valorem of 5 per cent. A new provision was added covering cotton cloths in excess of 300 threads to the square inch, with an additional ad valorem of 5 per cent. These are the sole changes wherein the two laws differ so far as the countable provisions are concerned. There was then added in paragraph 339 a provision for "veils, nets, etamines, and vitrages," fixing thereon a duty of 60 per cent ad valorem, which was a new provision and not contained in any previous tariff law.

In the progress of manufacture during the life of the Wilson law it was found that the higher class novelties and cotton fancies were introduced into the market, to cover which no adequate provision existed in the Wilson law, and to meet which Congress provided higher provisions in the cotton schedule levying higher rates, and further provided separate provisions in the descriptive class, in which it was intended to include all such goods as veils, nets, and cotton fancies with open and transparent effects, many of which were intended to be included in the denomination "etamines," and so forth, all at 60 per cent ad valorem. The specific provisions were built up systematically to the catch-all ad valorems. This was on the theory that the specifics were built up sufficiently high to cover all probable importations then known to the cotton industry, the possible remainders being left to the catch-all ad valorem provisions.

The cardinal principle underlying that law, which is the same principle as is observed by the Senate committee in the preparation of this bill, was that cotton cloth and articles, with their numerous variations in count of threads, colorings, and methods of fabrication, should pay duty according to value per square inch. That had been the system adopted by all previous tariff acts. The development of the industry, however, at the time of the enactment of the Dingley law required further provisions to meet and properly levy duties upon the higher class fabrics, which were greatly increased in value. While it was attempted by the Congress to levy uniform rates according to value, precise consistency was not observed, but in some of the higher values arbitrary differentiations were made, and, as I shall show, all these higher provisions were found deficient upon construction.

It was the evident intent of the Congress that the higher-priced cottons, made with fancy effects and varying in count of threads in different parts of the fabric, all of a high state of manufacture and of high value, but which would be small in count, should not fall within the countable provisions, but should be carried over into paragraph 322 as manufactures of cotton not specially provided for at 45 per cent ad valorem as non-homogeneous fabrics, or into the higher provisions for "etamines, vitrages," and so forth, at 60 per cent ad valorem under paragraph 339.

And so the law was construed when it first went into effect and administered for many years afterwards.

The expressions of no man entered into the determination of that construction more than those of Colonel Tichenor. The decisions upon the Dingley law show more clearly and distinctly than any arguments possibly could the intent of the Congress in these particulars. For example, the full force and effect of the term "etamines," carrying 60 per cent ad valorem, was expressed after the enactment of the law in several well-considered decisions by Colonel Tichenor.

Thus, in 1900, speaking on that subject, the goods being so-called "oriental stripes, printed canvas," and so forth, he stated:

> Manifestly, it was the purpose of the framers of that paragraph (339) to include therein all fancifully wrought or peculiarly ornamental articles made of vegetable fibers, not elsewhere specially provided for in the act, whether produced wholly or in part on looms, or on embroidery, tambour, lace, or other machines or frames, or by hand.

His interpretations of the intent of that paragraph were found to extend to madras curtains, colored curtains with open and transparent effects, and a great variety of similarly constructed dress goods, cotton fancies, and novelties. There can be no question but that the natural scope and significance of the terms "etamines and vitrages" cover all these classes of goods, and duties were levied thereon accordingly under the Dingley law and were for years collected under this descriptive definition of the scope of those terms.

That continued to be the interpretation of the law until the close of 1904, when, upon a case made by the overwhelming

preponderance of the evidence adduced, the importers proved that the term "etamines," which was by far the broadest term used, had a commercial significance which was confined solely to one of those numerous classes of merchandise—a wiry, screen-like cloth known as "congress cloth" sometimes, and used as a foundation for embroidery work. An appeal from this case by the Government was, after due consideration, dismissed, and a new case made, with the same result.

In consequence, this great variety of merchandise ceased to be so assessed and fell for dutiable purposes into the countable provisions of the schedule.

The exceedingly high price of these goods and the exceedingly low specific rates to which they were subject after this and other decisions combined to assess them with the very low equivalent of from 2 to 30 per cent ad valorem, and that practice continues to-day. So radical a result would not have followed had not the manifest intention of the Congress been found not to have been legally expressed.

It may be explained that while the descriptive force of these terms embraced all this class of goods, the rule of construction relied upon by the importers was that tariff terms include only that class of goods included within their commercial meaning, which was proven in this case by a great preponderance of the testimony.

As to the scope of paragraph 322, providing 45 per cent ad valorem on all "manufactures of cotton," in a long series of decisions covering many years, and in pursuance of a long-continued practice of customs officials under many tariff acts, many of which decisions were written or signed by Colonel Tichenor, it was held that cotton fabrics which were not homogeneous in count—that is to say, those which showed a different count of threads per square inch, to a material extent, at least, in different parts of the fabric, were not dutiable under the countable provisions of the various tariff acts, but as manufactures of cotton at the rate of 45 per cent ad valorem. Many of the goods included in the etamine class were of this character, and would have properly fallen in paragraph 322 after the etamine decision if it had not been held to the contrary. Following the practice under the earlier acts, it was held, in line with the decisions mentioned, that such nonhomogeneous cotton fabrics were dutiable as manufactures of cotton at 45 per cent ad valorem and not under the countable provisions at lower rates. The reason for this holding was that the conditions imposed upon cloth to be assessed for duty under the countable provisions are that the warp and filling threads must be counted. It was held for many years that such provisions could not apply to goods in substantial parts of which there were neither warp nor filling threads to be counted.

This holding of the Board of General Appraisers, however, was reversed by the courts in December, 1905, and thereafter fabrics of this character, which also generally come under the category of etamines at 60 per cent ad valorem, were assessed for duty under the countable provisions at extremely low rates. The inevitable result was that many fabrics of low count, however high their value, thereafter were and now are assessed for dutiable purposes at from 8 to 30 per cent, instead of at 45 or 60 per cent, as the Dingley law was at first administered.

I ask permission to insert in the RECORD at this point, without reading, a table giving sample lists of rates reduced under these decisions.

The PRESIDING OFFICER. Without objection, permission is granted.

The table referred to is as follows:

Table showing effect of decisions upon certain lines of cotton cloth and articles.

Description.	Count per square inch.	Paragraph of Dingley law.	Paragraph of Senate bill.	Rate at present assessed.	Equivalent ad valorem rate.	Rate previously assessed.	Senate rate.	Equivalent ad valorem rate.	Price per square yard.
							BLEACHED.		
					Per ct.	*Per cent.*		*Per cent.*	*Cents.*
Molleton rove weft, 4-ply warp	Under 50	304	313	1¼ cents per square yard.	2.55	45	25 per cent	25	52.65
Stiff foundation embroidery cloth	do	304	313	do	4.50	60	8 cents per square yard.	25	32
Etamine, 2-ply warp and weft	50 to 100	339	313	60 per cent	60	60	5½ cents	35	14.87
Do	do	339	313	do	60	60	8 cents	44	18
Lappet, 2-ply warp and weft	do	305-313	313-321	25 per cent plus 2 cents per square yard.	34	60	8 cents plus 2 cents per square yard.	49	20.25
Do	do	305-313	313-321	do	34	60	do	48	20.83
Etamine, 6-ply warp and weft	do	339	313	60 per cent	60	60	8 cents per square yard.	38	21
							COLORED.		
Scrim, 3-ply warp and 6-ply weft	Under 50	304	313	2 cents per square yard.	11.50	60	7 cents per square yard.	40	17.25
Etamine, 3-ply warp and 3-ply weft	50 to 100	339	313	60 per cent	60	60	3½ cents per square yard.	30	12
Curtain drapery, 2-ply warp and weft	do	305-313	313-321	30 per cent plus 2 cents per square yard.	42	60	7 cents plus 2 cents per square yard.	55	16.28
Crete drapery, 2-ply warp and weft	do	305-313	313-321	do	38	60	10 cents plus 2 cents per square yard.	51	23.2
Madras muslin, single warp and weft	do	305-313	313-321	do	37	60	do	47	25.3
Etamine, 4-ply warp and weft	do	339	313	60 per cent	60	60	10 cents per square yard.	37	27.5
Do	do	339	313	do	60	60	do	33	30

Mr. SMOOT. It was the rule of construction for years that paragraph 322 as it appears in the Dingley law was intended to include not alone nonhomogeneously woven fabrics of cotton, but all completed articles made of cotton cloth. That was the construction of the law for many years after it went into effect, and of all similar tariff acts which had gone before in numerous decisions, in many of which Colonel Tichenor, as a member of the Board of General Appraisers, concurred.

It was entirely within reason that the Congress, in providing for such articles upon which had been bestowed additional labor and cost, should place upon them a higher rate of duty than upon the fabric out of which they were made. This continued to be the construction of that provision by a uniform course of decisions until about the year 1902, when a case was made and the contention presented that paragraph 322 did not provide for completed articles, but that they were dutiable at the same rate as the cloth out of which they were made under the countable schedules. The United States circuit courts reversed the Board of General Appraisers upon this point and held that by reason of the inclusion of the words "or otherwise," in paragraph 310, the contention of the importers in this particular was correct.

The result of that decision was, and ever since has been, to change the former practice and assess the completed cotton article, made up ready for use, upon which there had been bestowed additional labor, in many cases this labor being the greater factor of value in the article, at the same rate of duty as the fabric out of which it was made. This construction of the law has resulted in reducing the rate for years assessed upon all the great volume of importations of cotton articles into this country from 45 per cent to rates 10 to 50 per cent lower, according to the count of threads per square inch in the article.

The next assault made upon this schedule of the Dingley law was that the proviso to paragraph 305 did not extend to paragraph 304. This was a maximum provision to these two countable paragraphs. Paragraph 304 provides for cotton cloth up to 50 threads per square inch; paragraph 305, for cotton cloth exceeding 50 and not exceeding 100 threads per square inch.

The proviso to paragraph 305 was, in express terms of Congress, extended to "all cotton cloth not exceeding 100 threads

to the square inch." Notwithstanding this broad language of the proviso, which undoubtedly was intended by the Congress to extend also to those goods imported under paragraph 304, it was held in the case of In re Blankensteyn (116 Fed. Rep., 776) that the proviso did not extend to paragraph 304. This decision was handed down in 1902, and thereafter the practice theretofore observed by all the appraising officers at the different ports of applying the proviso to paragraph 305 to goods under paragraph 304 ceased.

The result was that sheer woven fabrics and cotton cloths and articles which by the very reason thereof were of high value were thrown into a paragraph of exceedingly low specific rates, because of the smallness of the count of threads, which paragraph was, after this elimination of the proviso, unaided by any ad valorem provision to properly assess such goods. In consequence of this and the other decisions mentioned, some of the most valuable cotton fabrics, upon which there has been bestowed the greatest amount of labor and which sell for the highest prices in the market, most of which are pure novelties and many of which theretofore had been assessed at 60 per cent ad valorem as etamines, or at 45 per cent as nonhomogeneously woven fabrics, were assessed at the exceedingly low equivalent ad valorem rate of 7 or 8 per cent under the provisions of paragraph 304 as countable cottons, or at 30 to 35 per cent under paragraph 305.

Mr. President, I have here some samples which I should like to show the Senate to illustrate these decisions. This [exhibiting] is a sample of an "etamine," specially mentioned in paragraph 339. Formerly it was assessed at 60 per cent ad valorem. Now it is assessed under paragraph 304. The present rate is 2 cents per square yard, an ad valorem of 11½ per cent; value 17¼ cents per square yard. The proposed new duty is 7 cents per square yard, equivalent to 40 per cent ad valorem.

Here is a molleton cloth, formerly assessed under paragraph 322 at 45 per cent ad valorem. Now it falls under paragraph 304. The present rate is 1¼ cents per square yard; the ad valorem duty is 2.55 per cent. The proposed new duty under the Senate bill is 25 per cent, under paragraph 313.

Mr. President, it is to correct just such inconsistencies as these that the changes in the Senate bill are made. Again, here are samples of goods formerly assessed at 60 per cent ad valorem as etamines or vitrages; later at 45 per cent ad valorem, under paragraph 322, as nonhomogeneous cottons; now at 30 per cent as countable cottons, under paragraph 305.

Another class of goods. Here [exhibiting] is a sample of a nonhomogeneous cotton cloth. It was formerly assessed at 60 per cent as etamines or vitrages, later at 45 per cent under paragraph 322, and will be assessed at 30 per cent under the Senate bill, paragraph 313, corresponding to Dingley paragraph 305.

Here again, Mr. President [exhibiting], are samples of goods formerly assessed at 60 per cent ad valorem, the very finest of cotton cloths.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. SMOOT. Certainly.

Mr. NELSON. There must be a mistake. Three hundred and five in this bill relates to fish.

Mr. SMOOT. I was speaking of the Dingley Act, paragraph 305, which corresponds to paragraph 313 of the present Senate bill.

These are the very highest-priced goods, and these goods were formerly assessed at 60 per cent. The present rate of duty is 30 per cent. The value of the same is 25¼ cents a square yard. The proposed new duty is 10 cents plus 2 cents per square yard, or the equivalent on this particular class of goods of 47 per cent. They are among the highest-priced cotton goods sold.

I could go on all day showing samples. Many of the higher-priced goods that formerly were assessed at 60 per cent have been now reduced through recent decisions, as I have stated before, some of them to 2.55 per cent ad valorem.

The next attack made upon this schedule was that a woven cotton fabric, unbleached, with a figure therein of bleached cotton threads, was properly dutiable as a woven fabric of cotton not bleached. This contention, sustained by the board and the courts in the case of United States *v.* Beer (143 Fed. Rep., 918), was made the precedent for the one following, to wit, that a cotton fabric with a warp and filling not colored, but which had figures in colors, so extensive as to hardly leave the uncolored warp and weft perceptible, was properly dutiable as cotton cloth not colored. Subsequent to the Beer case the Supreme Court of the United States decided the Riggs case (203 U. S., 136), which held that the broad purpose of Congress, as gathered from the whole act, should be followed as against technical force of language, and following this, the board held in effect contrary to the Beer case. This holding by the board was reversed in the case of United States *v.* Rusch (T. D., 29), which was affirmed by the United States circuit court of appeals for the second circuit (T. D., 29506), and a writ of certiorari to the Supreme Court denied.

All of these decisions and contentions are dependent upon the contention that in the determination of the dutiable qualities of cotton cloth only the warp and filling threads shall be considered. The result of this proposition is manifest when it is considered that in the great bulk of finer grades of cotton fabrics by far the greater value resides in the threads which are superimposed to form figures, colors, and so forth. The net result will be that higher grade cotton goods, having the greater amount of labor and material bestowed thereupon in the way of figures, coloring, bleaching, and so forth, and in which the greater value of the article resides, escape payment of duty on any of these materials or value, and bear duty solely upon the value and condition of the basic warp and weft threads, which, in many cases can not be seen, are of inferior grade and constitute but a minor part or foundation of the imported article. Undoubtedly the language of the Dingley law lays foundation for this contention and should be amended.

The effect of these decisions upon the cotton schedule is further shown by a reference to the statistics in "Imports and duties." The two decisions which most affected paragraph 304 were, first, the case of In re Blankensteyn, which held the proviso to paragraph 305 did not apply to paragraph 304, and, second, the decision that the word "etamines" was used in a commercial sense and did not apply to the large class of open-work goods which its descriptive force embraced. These decisions became effective about the close of the year 1903.

In 1898, the first full year in which the Dingley law became effective, bleached goods, which were the heaviest importations under paragraph 304, paid an average rate of duty of 18.13 per cent. The average value per square yard was about 6 cents. This continued until 1903, at the time of the rendition of these decisions, when suddenly the price per square yard on goods coming in under this paragraph jumped from 6 to 14 cents per square yard, increasing in 1907 to 16 cents per square yard, while the average ad valorem rate dropped from 22 to 7.63 per cent.

The same general effect is observed as to all other classes of goods under this paragraph. So it will be seen by an examination of the comparative statement of estimated revenues before the Senate that the low rate of duty of 7.63 per cent was a rate collected upon cotton cloth valued at over 16 cents per square yard in the fiscal year ending June 30, 1907, while had those goods come in under any other paragraph of the Dingley law the rate would have been very much more; in fact, most of such for many years paid 60 per cent under this law. The rate of 42.75 per cent, estimated as the equivalent ad valorem under the Senate bill, is abnormal for the reason that it is based upon the importations of the year 1907, when exceedingly high-valued goods, to wit, 16 cents per square yard, were coming in under this paragraph, whereas under the Senate bill the goods falling under this precise provision will not all be 16-cent goods, but will bear an equivalent ad valorem rate of from 25 to 40 per cent, according to the value of the goods and for other reasons I will state later.

The statement, therefore, that this provision in the Senate bill increases the duties from 7.63 per cent to 42.75 per cent is not borne out upon analysis. The true statement of the situation as to this paragraph is that under the Senate bill the high-priced goods, of 16 cents per square yard, will take a higher rate than 7.63 per cent; while many of the goods previously coming in as etamines, at 60 per cent, will come in at a fair rate of between 25 and 40 per cent ad valorem, according to value, as provided in the added provisions of this paragraph, and there will be an equitable distribution in the levies of duty in accordance with the value of the article.

Mr. DOLLIVER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Iowa?

Mr. SMOOT. Yes.

Mr. DOLLIVER. Does the Senator know what is the annual amount of the importations of these goods under the countable clause?

Mr. SMOOT. If the Senator will——

Mr. DOLLIVER. I have here a memorandum showing that the whole amount was only $20,000. It looks to me that a duty of 60 per cent would be a little prohibitory.

Mr. SMOOT. I shall later take up the question of importations and discuss it.

Woven fabrics in the piece, of the same value per square yard, involving the same amount of labor and material, purchased at the same price abroad and selling for the same price in our markets, pay under the law as enforced to-day rates of duty differing more than 50 per cent, aye, sometimes 100 per cent, according to whether they are entered under one paragraph or another. Goods of the same value and character, if they happen to contain 50 threads to the square inch, pay a different rate of duty than if they contain 100 threads to the square inch. Goods of the same value and condition, if they contain 201 threads, pay a different rate than if they contain 100; and if they contain 301 threads they pay a different rate than if they contain 200—though in all cases the value in all markets is identical. These results are due to those provisions of the law which confine the determination of the dutiable status to the factors of the count of threads.

Goods under the present law which are worth from 40 to 50 cents per square yard, woven on a basic fabric costing but 8 cents per square yard, will be under the present line of decisions, without doubt, assessed for duty at the rate applicable to cloth worth 8 cents per square yard and duties collected upon that value. In fact and reality, these goods are worth and sell in all wholesale markets abroad at from 40 to 50 cents per square yard, and it exhausts the intelligence of all men to understand why any imported article of merchandise should be stripped of 90 per cent of its value before the factors of dutiable value therein are disclosed. It needs hardly mention of the fact to demonstrate that the correction of such inconsistencies as these in the enforcement of the law will work radical changes in the specific instances of the application of these particular rates. Nevertheless, the existence of radical changes in rates, rather than being a logical condemnation of the provisions which are presented, are more eloquent of the incongruities presented. They present an argument rather favoring a change than disproving the proposed change which is submitted.

Another inconsistency in the administration of the existing law is that a woven fabric into which threads other than the ordinary warp and filling threads have been introduced for the purpose of forming a figure, and valued at a given number of cents per square yard, say 14 cents, is thrown into one paragraph, with its rates for dutiable purposes, whilst the same fabric of identically the same value, made upon identically the same machine, excepting that it has gone through another process whereby the threads have been clipped upon the back, thereby adding to the value of it, is thrown into a different paragraph at lower rates of duty.

To illustrate what I mean I desire to show the Senate this sample of cloth [exhibiting]. Senators would not think that was a piece of white goods, and yet it is so held, and the rate when this piece of cloth is clipped and the fancy figure executed is lower than the original cloth unclipped. It is to correct such inconsistencies that we have changed the wording of this bill.

Completed articles made from woven fabrics, into the manufacture of which articles much labor and mechanism have been devoted, which has greatly advanced their value, pay the same rates as the fabrics out of which they are made—a safe and absolutely positive guaranty under the law as construed that this work shall not be done in America by its well-paid labor, but by the cheaply paid labor of foreign countries.

It is the purpose of the Finance Committee in its amendments to correct these anomalous conditions, feeling it is its duty to do so regardless of whether or not the same has been recommended by either manufacturers or importers. It is proposed by the Senate bill to effect not an entire restoration to the duties in the provisions of the Dingley law in the respects in which it has failed to stand the test in the courts, but to replace these with more specific provisions of the countable clauses, the effect and legality of which have for more than twenty-five years been tested and stood in the courts.

It is not my purpose to investigate or criticise the causes of these results. Undoubtedly the cause of most of them was due to the use of language by the Congress which did not express its purposes, and which subsequently was proven to have in trade and commerce a different meaning than the commonly accepted one. Courts and the customs officers are bound to give heed to these in their decisions, to regard all the provisions of the act as a whole and not regard results. It is the duty and purpose of the committee to provide such language as will in the light and guidance of these decisions make effective those provisions found faulty.

The effect of these decisions upon the rates of duty collected upon cotton fabrics and articles, as will be demonstrated by a table which I will insert in the RECORD, was that between the years 1898, 1899, and 1900, the first three years under which duties were assessed under the Dingley law, and 1907, which was after these decisions went into effect, the average rate of duty collected under these provisions of the cotton schedule dropped from an average approximating 48.50 per cent to a present average rate of about 38.50 per cent, which is the equivalent ad valorem to-day collected upon cotton fabrics and articles, levied without regard to system, value, or condition. The Senate bill rectifies these conditions.

Mr. President, I now show the Senate a piece of cloth which will demonstrate the different decisions, throwing the cloth from 60 per cent down to an ad valorem rate of only about 10 per cent. Under the Dingley bill it was assessed at 60 per cent ad valorem as an etamine on a foreign valuation of 40 cents per square yard, and the duty on each square yard was 24 cents. The first assault reduced it by the etamine decision to 45 per cent ad valorem as a completed or nonhomogeneous article, and the duty collected was 18 cents a square yard. From completed article and nonhomogeneous fabric a decision of the court reduced it to colored countable cottons at 30 per cent ad valorem and 2 cents per square yard, under paragraphs 305 and 313, equivalent to 35 per cent, and a duty of only 14 cents per square yard was collected. Then there was a decision holding it not colored, which reduced the rate to 25 per cent ad valorem and 2 cents per square yard, equivalent to 30 per cent ad valorem, and we collected a duty of 12 cents.

Then the color decision having been affirmed by the Supreme Court, the value for dutiable purposes is confined to foundation cloth, the rate will be 2¼ cents, plus 2 cents on a basis of 8 cents, equivalent to an ad valorem of 10½ per cent on 40-cent valuation, under paragraphs 305 and 313, collecting a duty of 4¼ cents instead of 24 cents.

By way of justification of the decision of Mr. de Vries, I wish to say that the latter decision was rendered by Mr. de Vries, the appraiser at the port of New York, following the other three decisions of the courts, and his decision could not have been otherwise in view of the former decisions of the courts.

Mr. DIXON. I should like to inquire what that cloth which the Senator has laid on his desk retails for at the stores?

Mr. SMOOT. The foreign price is 40 cents per square yard. I do not know what the retail price in this country is. This is virtually a finished article.

Mr. DIXON. And the present duty?

Mr. SMOOT. Four and one-fourth cents, whereas we should have collected under the Dingley law 24 cents.

Mr. NELSON. What will it be under the bill as amended?

Mr. SMOOT. Under the bill as amended, it will be 40 per cent ad valorem.

Mr. NELSON. That is an increase even under your interpretation of the Dingley law.

Mr. SMOOT. Forty per cent is not an increase over 60 per cent, the rate first assessed.

Mr. BURKETT. Is the rate made in this bill an ad valorem or a specific on that piece of goods?

Mr. SMOOT. Ad valorem. It would come in under the ad valorem clause.

Mr. BURKETT. I understood the committee were trying to make these rates specific. In the light of these decisions to which the Senator has referred, where they have been flipping them around from one schedule to another, how do you know they will not do the same thing by some other decisions? That is the thing which has been bothering me all the way through. How do you know what will be the opinion of the General Board of Appraisers?

Mr. SMOOT. Under the provisions of the present bill, not only are the unclipped threads on a piece of goods counted, but the clipped threads will also be counted, if this bill as reported by the Senate committee becomes a law. This, of course, is a made-up article and takes the rate of 40 per cent ad valorem.

There were before the committee two plans. They could have amplified the words "etamines and vitrages," and kindred language, as used in paragraph 339, so as to include therewithin everything intended to be included in the descriptive force of those terms in the Dingley law; and, further, could have so amplified the provisions of paragraph 322, which provides a 45 per cent ad valorem rate, so as to include all nonhomogeneous fabrics, which previously were assessed under that paragraph in the Dingley law.

The committee, however, was of the opinion that the high rate of duty established on dress goods of open weave, and other goods within the category of "etamines," and so forth, of 60 per cent ad valorem should be reduced, and that nonhomogeneous fabrics should likewise be reduced from the Dingley

rate at first enforced. It was further of the opinion that it is more difficult and less satisfactory to levy tariff duties by names than by clauses which specifically describe the factors entering into the composition of the merchandise.

The use of such words in a tariff law render harmonious administration impossible. The infinite variety of goods bordering on the category of etamines presented to all customs officials problems of impossible uniformity in decision. No person can with uniformity tell precisely what came into that definition were the decisions uniform, for the differences are so slight in numerous cases as to perplex the most accurate vision.

Moreover, different importers, importing the same goods, confronted the customs officials at different ports and times with witnesses making absolutely contradictory records, necessarily resulting in contradictory decisions or findings against the whole of the evidence.

So numerous were the inevitable conflicts that the committee is of the opinion these terms should be omitted. Indeed, the commercial import of the term itself, in behest to the caprice of fashion, as understood by the trade, shifted from certain classes of goods in one season to entirely different classes of goods in another season, so that uniform classification was absolutely impossible. Names change with trade requirements and styles. Descriptions always remain the same. When, therefore, the idea of extending the terms "etamines and vitrages" and the terms of paragraph 322, relating to manufactures of cotton, was abandoned and the provisions reported by the committee adopted, they reduced the duties materially upon that very large class of cotton goods imported into this country.

While in specific and exceptional instances, by reason of peculiar conditions of merchandise imported, or other causes which will hereinafter be pointed out, the rates might in a particular year, with reference to a particular fabric, or by some theoretical calculation, figure above those of the Dingley law, in the vast bulk of importations of this class of merchandise and upon the total importations the average rates levied by the Senate bill will be lower than those actually collected under the Dingley law when construed as a whole for many years after its enactment.

It has been charged upon this floor that the Senate changes are reckless and unintelligent. This is not true. These changes follow a fixed principle, the same that underlies the whole framework of the Dingley law.

This principle was the sound, rational, and economic one that cotton cloth of the same value and condition should pay the same rate of duty.

Under the Senate provisions where the number of threads per square inch makes no difference in the value of the fabric the rate assessed is the same; where it does make a difference a different rate is assessed. No more reason suggests itself why the difference in count of fabric without difference in value should change the rate of duty than should the difference in shades of color in a fabric, or the difference in the number of onions or grains of corn in a bushel, or the number of cylinders in an automobile, the value in each case being the same.

The first Senate amendment strikes out of paragraph 339 of the Dingley law the words "etamines and vitrages." This throws all of this class of merchandise, formerly dutiable at 60 per cent ad valorem, into the countable clauses at much lower rates of duty, according to value.

The next Senate amendment strikes out paragraph 304. That paragraph covered cotton cloth counting not more than 50 threads per square inch.

The amendment offered by the Senator from Rhode Island this morning now proposes that the provisions of paragraph 312 shall be included in paragraph 313, so that the 25 per cent ad valorem clause that the courts held did not apply to paragraph 304, Dingley Act (Senate bill, paragraph 312), would apply after the passage of this bill.

Under the decision of the court in the Blankensteyn case, the proviso to paragraph 305 having been held not to apply to paragraph 304, rendered that paragraph the source of the most extreme inequalities in rates of duty in existing law. It being confined to cotton cloth counting not more than 50 threads per square inch, without any further qualifications except the broad ones of "not bleached, dyed, colored, stained, painted, or printed" and the converse thereof, permitted assessment thereunder of some of the highest-priced fabrics at the lowest specific duties provided in any of the paragraphs of the cotton schedule. It stands without argument that cotton cloth containing not more than 50 threads per square inch must, of necessity, in order to be of any use whatsoever, be made of cable-laid yarns or other methods of fabrication relatively expensive.

The inevitable result, therefore, of the continuance of this paragraph in the law was to work extreme inconsistencies as to rates of duty collected upon fabrics of wide weave and high value. While the striking out of this paragraph may result in increasing rates of duty several times over on merchandise which lately fell therewithin, it is only restoring some high-class goods to their appropriate rates with such as pay corresponding rates of duty when falling within other provisions of the cotton schedule, and in the main upon which, in the contemplation of the Dingley law, 60 per cent ad valorem was assessed as etamines under paragraph 339. These goods, under the provisions of paragraph 304 of the Dingley Act, are now paying from 2½ to 8 per cent equivalent ad valorem; or from 25 to 30 per cent under paragraph 305.

Everyone familiar with the subject has suggested that this paragraph (304) be repaired in almost every detail. The Cotton Importers' Association of New York, as will appear from a copy of their recommendations which will be placed in the RECORD, recognizing the utter insufficiency of this paragraph, suggested that a proviso be added thereto, building the rates up to 30 per cent ad valorem according to value, or more than 600 per cent over present rates. The efficiency and scope, however, of that paragraph are so limited and its presence in the law such a menace of other provisions that it should be struck out, and accordingly the Senate committee so recommends.

Imported merchandise which legitimately fell within paragraph 304 of the Dingley law, as contemplated by the Congress and construed for many years after its enactment, was limited in quantity. Before the importance of that provision was magnified by the decisions cited, the annual importations in any one year thereunder did not exceed $500 in value. Its presence in the act, levying exceedingly low specific duties, became a menace to the other provisions and invited litigation aimed at the introduction thereunder of high-priced goods not intended by the Congress to be assessed thereunder. The relatively small quantity of goods falling within the provisions of that paragraph may well pay the rates provided in the following paragraph.

Since the Senate bill struck out the words "etamines and vitrages" from paragraph 339, much of the merchandise that continues to be assessed under that paragraph, which is, as a matter of fact, high priced, would fall into paragraph 304 at rates of about 8 per cent. It is therefore essential to the present plan of restoring harmonious rates in this schedule that paragraph 304 be struck out.

The consistent and progressive plan underlying the added provisions of the Senate in furtherance of the principle stated may be readily understood. The ad valorem rates of each paragraph are converted into specific rates based upon ad valorem valuations. There are no new ad valorem lines introduced into the countable provisions that do not in some of the cotton paragraphs exist in the Dingley law, so that it can not be said that there are here introduced any new ad valorem lines. On the contrary, the provisions represent an extension toward the specific system; for, while the lines of duty are based upon ad valorems, the rates of duty are made specific where heretofore they were ad valorem.

In the construction of the first paragraph—313—for example, the lines are as follows:

Valued at over 7 and not over 9 cents per square yard; valued at over 9 and not over 10 cents per square yard; valued at over 10 and not over 12½ cents per square yard; valued at over 12½ and not over 14 cents per square yard; valued at over 14 cents per square yard.

An examination of each of the old provisos to the succeeding paragraphs of the Dingley law will disclose that these are the precise lines made in the provisos to those paragraphs. They have been brought over from those paragraphs and added to all preceding paragraphs. The specific rate provided in each of these subdivisions is the ad valorem rate provided in the particular paragraph upon goods of the values expressed between the lines here applied, converted into specific rates. To illustrate: In paragraph 313 goods valued at over 7 and not over 9 cents per square yard, 25 per cent ad valorem on the basis of 9 cents would be 2¼ cents per square yard, the rate adopted. On the next valuation, over 9 and not over 10 cents per square yard, this line of demarcation having been brought forward from paragraph 314, there is applied thereto the ad valorem rate of paragraph 314, which is 30 per cent, and that rate applied to 10 cents per square yard gives 3 cents per square yard, the rate adopted. And so on through all of the paragraphs.

This, therefore, simply carries out exactly the lines of the Dingley law, converting ad valorem rates into specifics and applying them to precisely and to only that value of goods as in the Dingley law provided, but extending the rates applied to all paragraphs when goods of an equal value and condition

were imported thereunder. In this way perfectly systematic and consistent provisions are drafted upon the values and rates of the Dingley law, which can be verified by calculation, with the result that under the Senate bill cotton cloth of the same value and condition pays the same rate of duty, regardless of the paragraph into which it falls for dutiable purposes.

Attention is particularly invited to the fact that the building up to effect this purpose of the paragraphs of the Dingley law applies more particularly to the paragraphs covering goods of transparent effects and small count of threads. This class of goods, by reason of their transparent effects and open-woven character, of necessity partake more of the nature of novelties than of necessaries. The succeeding paragraphs, providing for the closely woven fabrics, more nearly cover goods manufactured for comfort and warmth than for effect and ornamentation. In the very nature of things, then, the paragraphs of the Dingley law of low count apply to the higher-priced ornamental novelties and luxuries. Yet these paragraphs are the ones providing the lowest rates of duties.

The building-up process, therefore, was more extensive in the first paragraph than in the second, and more in the second than in the third, and so forth, to the conclusion. In the latter paragraphs the changes are simply conversions from existing provisions. It is apparent, therefore, that the principle involved in building up these paragraphs was not alone that uniform rates of duty should be established on goods of the same value and condition, but that luxuries and novelties, open work and transparent fabrics, fabrics for ornamentation and adornment, purchased by people of better means should at least pay the same rates of duty as the more closely woven fabrics, usually worn by people of lesser means, because they provide comfort and warmth as well as whatever ornamentation may result from any higher values represented in the fabric.

And, again, I think it worthy of repetition that it is to be noted that the added provisions are more on these particular low-count paragraphs, gradually decreasing in number as the density of the count increases.

We are unable to discover, after the most careful study, any "hybrid," "reckless," or "unintelligent" system here adopted. On the contrary, we find the logical sequence of the Dingley law. By this system uniform duties upon cotton cloth will be collected, and while on many of the goods—in fact, the great proportion of the high-class articles—the duties levied by the Dingley bill, to wit, 45 and 60 per cent ad valorem, will not be collected, as there is a reduction from those rates, duties proportionate to the value and condition of the goods will be collected.

The only difference between this and the Dingley law is that the Senate provisions are more systematic, for the Dingley law provided an arbitrary rate of 45 per cent on certain cotton fabrics, while the Senate bill provides that all shall be assessed according to value; and where the Dingley law gave an arbitrary differential between the solid-woven fabrics and the open-work fabrics of the etamine class of from 15 per cent to 25 per cent, the Senate bill allows only the differential represented in the actual difference in value.

There are no definite statistics available as to the amount of duties annually collected on cotton goods assessed within the provisions of paragraph 339 as etamines and vitrages, but some idea of the scope of that paragraph and its included terms may be derived from the fact that more than $45,000,000 per annum is collected thereunder.

While in the adoption of this system of duties some narrow lines of demarcation have resulted, they are the result of the application of the system suggested and not of accident or design. The committee having this in mind, considered the changing of these lines of demarcation, but inasmuch as the cotton industry had accommodated itself to these lines and the resulting equivalents, it was deemed that this small line of demarcation and its attendant difficulties of administration had better be preserved than to change a system of duties to which trade and commerce had already adjusted themselves.

There are possibly two exceptions to this rule, which are of such minor importance that little comment thereupon is necessary.

The first is, that in the dividing line in paragraphs 315 and 316, in bringing over the corresponding ad valorem line from 316, the difference—being between 12½ to 17½ cents per square yard—was deemed too great, as affecting too great a difference in the rates levied upon the merchandise included between these lines. Accordingly a fair mean between the two was taken, which is, in fact, a reduction of the logical rate; but the harmony of the paragraphs is preserved.

Secondly, the dividing lines in paragraphs 316 and 317 are carried up to 45 per cent. This additional scope under these paragraphs will affect comparatively little merchandise and is simply carrying the provisions of the paragraphs to the logical sequence to catch any possible new species of goods that might be imported thereunder. Its general effect upon the entire schedule is necessarily limited. In any event, no reason occurs why goods of this class should not pay the rate therein provided. It applies only to cotton fabrics valued at over 20 cents per square yard. These fabrics are of such high class that they are fully within the range of luxuries. They are of that high class that they come in competition with some of the finest grades of summer silks, domestic and foreign, sold in this country.

Wherever specific duties are provided between lines based on value or weight, relative possible ad valorems calculated precisely upon one of these lines are always so much greater than what would actually be collected upon goods so manufactured that their value and conditions depart as far as possible under the statute from that line. For that reason no fair theoretical estimate can be made of the probable equivalent ad valorem by a calculation based solely upon that line. And for the same reason no fair estimate can be made of the probable equivalent ad valorem which would be obtained in theoretical estimates based upon statistics or bases of importations which have not been imported under that paragraph. For example, in paragraph 313 the first ad valorem provides:

> Valued at over 7 and not over 9 cents per square yard, 2¼ cents per square yard.

The equivalent ad valorem if the goods imported under this provision were valued at 7½ cents—the value along the line—would be approximately 31 per cent; if imported at precisely 9 cents per square yard—the value furthest away from the line—the equivalent ad valorem would be 25 per cent.

In the presence of the possibility of a merchant, therefore, being able to bring in a better value at a less equivalent ad valorem there is not the remotest possibility but that he would avail himself of that possible and necessary latitude in the statute. Imported goods are always so made as to fit the tariff line of least resistance, and so long as merchants continue to do business upon the basis of self-interest this will continue. The only fair, probable rate, therefore, is that which will permit the entry of the best value at the least relative ad valorem, which never lies along the basic line upon which the rate is fixed, but as far away from it as possible. The calculations submitted in this Chamber some days since did not take this into consideration, but were made upon the highest theoretical possibility, which is never a practical probability. Nor was it possible for the tabulators of probable ad valorems collected under these provisions to do so, as goods had not as yet been imported under the provisions. Hence all estimates made in that manner are of no practical value or accuracy. Inasmuch, however, as the Senate bill adopts the ad valorem lines of the Dingley law, there is positive assurance that the equivalent ad valorems upon future importations would be practically identical with those at present.

The illustration offered by the Senator from Iowa [Mr. DOLLIVER], found on page 1722 of the CONGRESSIONAL RECORD of May 4, 1909, is subject to these observations. The Senator stated that under this bill unbleached cloths valued at over 14 cents per square yard carried a duty of 7 cents per square yard in paragraph 313, and asserted:

> This shows on its face that it imposes a duty of 7 cents on a value of 14½ cents, which is 49 per cent. The Dingley rate on the same cloth is 25 per cent ad valorem.

He failed, however, to state what the Dingley rate on the same cloth would be if assesssed for dutiable purposes under the other countable provisions of the Dingley law. Paragraph 313 of the Senate bill corresponds to paragraph 305 of the Dingley law. Cotton cloth of this identical value and condition under paragraph 305 of the Dingley law pays 25 per cent; under paragraph 306 of that law, 30 per cent; under paragraph 307, 35 per cent; and under paragraphs 308 and 309, 40 per cent. Thus we have the incongruous situation that cotton cloth of identically the same value and condition, except as to count of threads, would be assessed with four separate and distinct rates of duty, according to the paragraph it fell under. There is no difference in its value or condition; there is no difference in the cost of manufacture. There is no reason in logic, economics, or good sense why this should be so, and this bill corrects that.

The Senate bill, paragraph 313, so far as can be calculated upon existing statistics, might by remote theoretical possibility assess 49 per cent duty upon cloth of that value and description, but no possible higher rate. The Senator from Iowa used the highest possible theoretical rate to explain the effect of this provision. Whatever rate this cloth would pay under the Senate bill under one paragraph, it would pay identically the same under all of the other paragraphs irrespective of the count of threads.

The subject of his illustration was unbleached cloths valued at over 14 cents per square yard. It should be here noted that the provision of paragraph 313 for such cotton cloth is—

valued at over 14 cents per square yard, 7 cents per square yard, but not less than 25 per cent ad valorem.

Therefore, while goods falling under this provision at 14½ cents would pay a duty of 49 per cent, because of the nearness to the dividing line, goods which would come in under the same provision might be valued at 17½ cents per square yard, and when so valued would pay precisely 40 per cent ad valorem.

It is not to be assumed for a moment that in this system of rates, which has been in vogue for many years as to woven fabrics and which has received the approval of the best minds giving attention to the subject, the manufacturers exporting thereunder would not accommodate their business and manufacture to the schedule as adopted, and that the goods manufactured for the American markets, in order to import the best value for the least duty, would be so manufactured as to depart so far as practicable from any harsh lines of the tariff. In consequence, while theoretical tabulations might show a theoretical 49 per cent duty, actual commercial transactions would not warrant any such conclusion.

And so it must be borne in mind that in figuring equivalent ad valorems of a new schedule upon the basis of previous importations, where calculations have to be made on the lines laid down, no fair or accurate statement can be made of the duties which will be actually collected other than a fair estimate within the broad lines of demarcation. For under the new schedule the foreign manufacturers will, as they have done with reference to the old schedules of the tariff act, so accommodate the construction of their goods within the lines of the tariff as to export the best quality for the least rate of duty possible under the law.

That this is not a mere theory, but is demonstrated in commercial practice, is proven by a reference to the cotton-hosiery schedule, paragraph 318, of the Dingley law. One line of demarcation there drawn was, for example, those valued at not more than $1 per dozen pairs. Reference to "Imports and duties," page 281, shows that, while in 1898 the average value per dozen pairs of hosiery imported under that provision was 88.7 cents, in 1907 it was 96 cents. Here we find a gradual, but certain, conversion in manufacturing particulars conforming to lines drawn by the tariff law in obedience to the inevitable commercial practice to import the greatest value possible at the lowest equivalent ad valorem possible within the lines laid down by the tariff law. And this same condition will be found in examining every one of the hosiery and other similar schedules in every tariff law from the commencement of the Government to date.

This was the policy pursued with reference to the Dingley law, and that law has not been disturbed on its specific or ad valorem lines in any particular, for the reason that the business world has become adjusted to it. And for this reason the ad valorem lines of the present law have been transferred to the paragraphs as written in the Senate bill, that the least disturbance to the business world possible may result by the adoption of the new provisions.

So it is with the table submitted in the RECORD on the same page. It is subject to the same considerations and the additional one which has not been taken into account in the Senator's estimates, to wit, that many of the high-class goods, such as voiles and the great class of dress goods comprehended in the descriptive term "etamines," now coming in under paragraph 305 at 25 per cent, for many years paid, when the duty actually contemplated by the Dingley law was assessed upon them and before that law was contrarily construed, 60 per cent ad valorem under paragraph 339.

Viewed in the light of sound business probabilities, therefore, reenforced by all experiences under similar provisions of the present and previous tariff acts, these remote possible conclusions cease to be criteria of the effect of this bill upon the commerce of the country.

Mr. President, at this time I desire to ask that a table be inserted in the RECORD showing average rate of duty actually collected in 1898, 1899, 1900, and 1907, and estimated average rate under Senate bill of cotton cloth and articles.

The PRESIDING OFFICER. The Chair hears no objection to the request of the Senator from Utah.

The table is as follows:

Cotton cloth and articles.[a]

[Table showing average rate of duty actually collected in 1898, 1899, 1900, and 1907, and estimated average rate under Senate bill.]

Paragraph, act of 1897.	Importations for 1898.			Importations for 1899.			Importations for 1900.		
	Value.	Duty.	Ad valorem.	Value.	Duty.	Ad valorem.	Value.	Duty.	Ad valorem.
			Per cent.			*Per cent.*			*Per cent.*
304	$3,551.70	$688.31	19.38	$2,093.60	$497.85	23.78	$1,270.07	$507.30	39.94
305	177,348.37	61,174.24	34.49	181,952.00	61,041.01	33.55	216,646.98	67,701.88	31.25
306	1,179,179.58	446,545.26	37.87	1,001,194.20	333,809.60	33.34	1,022,383.10	387,624.46	37.91
307	1,901,123.29	799,145.17	42.03	2,733,943.80	1,139,456.99	41.68	3,270,778.36	1,366,448.12	41.78
308	1,764,084.59	879,981.55	49.87	2,602,813.81	1,278,138.63	49.10	2,917,203.95	1,414,240.94	48.47
309	45,144.08	19,169.15	42.46	34,404.00	14,586.03	42.34	54,599.57	22,802.13	41.76
313	231,312.00	112,538.47	48.65	353,116.95	169,704.30	48.06	500,898.00	238,500.98	46.77
322	248,051.99 646,161.94	83,818.18 290,773.77	35.00 45.00	777,821.49	350,019.72	45.00	941,562.11	423,698.43	45.00
Total	6,195,962.54	2,696,714.10	43.52	7,687,339.85	3,397,234.22	44.19	8,934,341.15	3,921,524.29	43.89

Paragraph, act of 1897.	Importations for 1907.		Paragraph, Senate bill.	Estimated duty under Senate bill based on importations for 1907.	Equivalent ad valorem.	
	Value.	Duty.			Present law.	Senate bill.
Total under paragraph—			Total under paragraph—		*Per cent.*	*Per cent.*
304	$26,873.00	$3,394.29	313	$8,237.52	12.63	30.65
305	530,254.15	164,470.95		212,216.94	31.02	40.02
306	3,105,040.33	1,071,083.96	314	1,170,861.02	34.49	37.71
307	5,281,869.96	2,060,045.13	315	2,326,887.73	39	44.05
308	3,010,890.90	1,212,470.34	316	1,382,552.03	40.27	45.91
309	139,228.93	55,760.93	317	64,695.81	40.05	46.47
313	949,022.02	411,709.40	321	503,317.06	43.39	53.04
322	997,612.18	448,925.56	320	448,925.56	45	45
Total	14,040,800.53	5,427,870.56	Total	6,117,693.67	38.66	43.58

[a] These compilations do not include merchandise assessed at 60 per cent ad valorem during these years as "etamines and vitrages" under paragraph 339, included for dutiable purposes in these paragraphs in Senate bill by striking out those items from the corresponding paragraph, 345. No separate statistics of these importations are available. The examiner at the port of New York, who has passed these goods for over twenty years, estimates that if these duties were included the ad valorem would be increased approximately 5 per cent in each year as follows: For 1898, 48.52 per cent; 1899, 49.19 per cent; 1900, 48.89 per cent. Importations for 1898 include twenty-four days under Wilson tariff, which, if under Dingley law, would have increased average rate much above Senate bill rate.

Includes all etamines and vitrages, assessed previously at 60 per cent under paragraph 339, except a very narrow line similar to congress canvas, all of which are now assessed for dutiable purposes under these paragraphs, and so provided, including congress canvas and all etamines and vitrages, in the Senate bill.

Mr. SMOOT. These tables demonstrate the claims asserted by the Senator from Rhode Island [Mr. ALDRICH] and the Senator from Massachusetts [Mr. LODGE] that the Senate bill provides average rates lower than the Dingley law. They show the average ad valorem rates upon the cotton fabric and article paragraphs to be, for 1898, 43.52 per cent; for 1899, 44.19 per cent; for 1900, 43.89 per cent, as against 38.66 per cent for 1907, and the estimated rate under the Senate bill of 43.58 per cent.

The estimated rate of 43.58 per cent under the Senate bill must be regarded in the light of the facts already stated affecting estimates of this character. Necessarily statisticians, estimating probable equivalent ad valorems of duties collected upon merchandise imported under a law levying rates of duties varying between certain lines, must take the average equivalent ad valorem between these lines. The calculations already made upon the floor of the Senate, as stated, were upon the highest line. The tabulations made by the statisticians were upon the average equivalent ad valorem rate produced between these lines. As shown, actual importations in behest of the dictates of the best interests of the trade will be along the lowest of these lines; that is to say, the greatest value will be imported at the least rate of duty. Accordingly, the estimated rate of 43.58 per cent under the Senate bill is greater than would actually occur in commerce. Undoubtedly this would result in a reduction of from 3 to 5 per cent, according to the most conservative estimates. So that the rate of 40 per cent more nearly represents the probable actual equivalent ad valorem rate laid in the Senate bill. We will assume, however, for the purpose of this argument, that the rate compiled by the statistician, 43.58 per cent, is the probable correct rate. It is certainly the maximum equivalent rate.

The statistics of 1898 must be read in light of the fact that twenty-four days of that fiscal year were under the act of 1894, wherein lower duties were provided upon higher priced goods. This difference would at least have brought this rate up more than six one-hundredths of 1 per cent, or higher than the Senate rate.

These three years immediately after the Dingley law went into effect and before any of the decisions mentioned became effective are conclusive evidence of the natural and intended import of that law. These figures, however, do not include a wide and extensive range of cotton goods at that time assessed at 60 per cent on etamines and vitrages, which later, in 1907 and now, are assessed under paragraphs 304 to 309 and included within the statistics for 1907. Had these goods been included in the estimates of 1898, 1899, and 1900, with duties collected thereon as then, at 60 per cent, the average ad valorem of those years would have been higher. It is conservatively estimated by the examiner of such goods at the port of New York that, were these figures segregable and obtainable, the average ad valorem of those years would show an increase of at least 4 or 5 per cent. This certainly seems a most conservative estimate, as by these decisions etamines were reduced from 60 to 45 and 35 per cent, all cotton articles from 45 to 35 and 40 per cent, and all articles falling under paragraph 304 at least an average of 15 per cent. Taking these factors into consideration, the Dingley law laid average duties on cotton fabrics and articles of about 48.50 per cent ad valorem until reduced by construction to, in 1907, about 38.50 per cent.

The Senate bill restores the average rate not to 48.50 per cent, but to not more than 43.50 per cent. Every fair, conservative, and intelligent view of the operation and changes wrought in that schedule agrees in this conclusion.

The Senate bill does not raise the Dingley rates as intended by the Congress, therefore, but represents an actual average reduction therefrom of at least 5 per cent.

I now proceed to the consideration of paragraph 318 of the Senate bill. This paragraph, as passed by the House, was identical with the Dingley law. The first amendment of the Senate strikes out the words "or otherwise" and inserts in lieu thereof "cut in lengths;" and in line 25, after the word "means," adds "and shall not include any article, finished or unfinished, made from cotton cloth."

The purpose of this amendment is to correct an inconsistency wrought in the assessment of duties by the decisions mentioned. It was held that the force of the words "or otherwise," as used in this paragraph, took completed articles, made up ready for use, out of paragraph 322 at 45 per cent ad valorem, and cast them into the lower countable paragraphs for dutiable purposes. Thus it was effected that completed, made-up articles, ready for use, upon which in making up had been expended in many cases the greater part of their value, were dutiable at the same rates as the cloth out of which they were made.

The Senate Finance Committee are of the opinion and believe that the theory of the Dingley law in this particular was right, and that a different and higher rate of duty should be assessed upon such articles, where the cost of manufacture over and above the cost of the woven fabric is oftentimes by far the greater value in the completed article, and concluded to withdraw the premium upon having this work done abroad by the amendments reported.

The next provision is as follows:

> In determining the count of threads to the square inch in cotton cloth all the warp and filling threads, whether ordinary or other than ordinary, and whether clipped or unclipped, shall be counted.

Since the origin of this provision has been assailed in this Chamber, it may be proper to state that in a work entitled "Notes on Tariff Revision," prepared for the use of the Committee on Ways and Means under the direction of the clerk of that committee, and printed in September, 1908, a provision, drafted and promulgated under the authority of said committee, in effect identical with the provision found in the Senate bill, is found, to wit:

> In determining the count of threads all the foundation threads as well as the superimposed threads shall be counted as found in the most substantial part of the fabric.

This provision is in effect identical with the provision adopted by the Senate committee. It is in effect identically the same as the provision adopted by the Ways and Means Committee, and it owes its authorship not to the suggestions of any manufacturer or any other person except those immediately employed under the direction of the Ways and Means Committee. It found its place there not because of any clandestine or other influence, but because it logically belongs there. It is one of the essential provisions necessary to eliminate the inconsistencies wrought or discovered in the Dingley law.

Nor is it a new suggestion in customs legislation or administration. Its existence and indorsement are recorded by the able pen of Colonel Tichenor as far back as November, 1900. On the point of whether or not threads other than the ordinary warp and filling threads introduced into the fabric for the purpose of forming a figure should also be taken into consideration for the purpose of determining the count, whether clipped or unclipped, the intent of the Dingley law was commented upon. Speaking to that point, Colonel Tichenor said:

> The further point is raised in the protestants' brief to the effect that if the threads relied upon by the Government to bring certain goods within paragraph 313, such threads can not be included in the count per square inch to determine the classification of the goods under paragraphs 304 to 309. * * * The figure threads in the cloths in question here are not sufficient in number, whether they are included or excluded, to change the rate of duty under the countable clauses, so that a decision of this point is not necessary in this case. However, paragraphs 304 to 309 provide for "counting the warp and filling," which naturally means all warp and filling threads; but if there are threads that can not be counted, they must, of course, be omitted. This was the view taken by the United States Supreme Court in the case of Hedden v. Robertson, supra, and we see no reason for a change under the present law.

The practice at all the ports for many years has been, in determining the countable status of this class of merchandise, to count the threads that have not been clipped. Notwithstanding the dictum of Colonel Tichenor quoted, the practice of the customs officials has been not to count the threads which have been clipped. As late as 1908 a decision by the Board of General Appraisers expressly affirmed the collector at the port of New York in a case where the direct issue was whether or not these unclipped threads should be counted. It was held that they should be counted, and no appeal was taken from that decision, and this is the practice at all ports to-day. While the practice has been not to count the clipped threads, there seems to be no precise adjudication upon that point, and the question is still open for decision whether or not clipped threads under the existing law should be counted.

It has been asserted in the Senate that in many of these cases it is impossible to count the threads per square inch. This contention has absolutely no foundation in fact. It is just as easy to count the clipped threads as it is to count unclipped threads, for the custom is, and it has been the practice for many years, to count the thread in the portion of the fabric where the figure appears. To-day the unclipped threads are, and for years have been, counted as warp or filling threads in determining the count of threads in cotton fabrics.

There is, by the provision inserted, a limitation provided which confines this provision to a very narrow line of goods. The language of the provision is not that all threads introduced for the purpose of forming a figure shall be counted, but "all the warp and filling threads." Not every thread introduced to form a figure shall be counted, but only those threads introduced to form a figure which form a part of the warp and filling, and there is sound reason for this. Under the present practice there are counted, in determining the count of threads, the unclipped threads running from selvage to selvage which

are a part of the warp and filling. The same thread when clipped off is not counted. It requires more labor and more mechanical operation to produce the same article with clipped threads than with unclipped, for the clipping of the threads requires an additional mechanical operation. It therefore costs more to produce the same article with clipped threads than it does to produce it with unclipped threads, yet under the administration of the law at present, the less expensive fabric with the unclipped thread takes its status in paragraphs providing a higher rate of duty than the same fabric with clipped threads, because in the latter case the clipped threads are not counted. This is an incongruous situation, levying a lower rate of duty upon the more expensive fabric, and for that reason this provision, which restores such goods to their appropriate place for dutiable purposes, is made, and the same rate of duty levied thereupon as is levied upon the identical fabric when not clipped.

It was further stated that these fabrics already paid 2 cents a square yard in addition to the ad valorem rate, "because of the existence of those threads." This is only partly true. If the thread is so manipulated in the fabric as to form a figure, they pay 1 or 2 cents per square yard additional, according to the value of the fabric. The rate is levied not because of the existence of clipped or unclipped threads, but because of the existence of the figure formed in the fabric, which adds to the appearance and consequent value of the fabric. Fabrics of this class are much more expensive to manufacture and more valuable when manufactured than plain fabrics, and for that reason should take a higher rate of duty.

But there were other recommendations before the Senate committee upon the cotton schedules. Among others, that of the chairman of the Association of Exporters and Importers of Cotton Goods in the city of New York. This organization is said to embrace the great body of importers of cotton goods in the city of New York. On April 1, 1909, this gentleman filed for the use of the Senate committee the views of his organization upon the cotton schedules. That the Senate committee might not be mistaken as to the precise purport of the recommendations of that organization, the cotton schedules were redrafted by him, approved by his organization, and submitted by him to the Senate committee for adoption. His concise statement upon that subject is as follows:

REDRAFT OF COTTON CLOTH SCHEDULE—SCHEDULE I, PAYNE TARIFF BILL.

Drawn on lines to cover requests of domestic manufacturers as shown by their last brief, Tariff Hearings, Print No. 52, March 1, 1909, pages 7772 and 7773, duly considering arguments as presented Tuesday, December 1, 1908; Tariff Hearings, No. 23, together with importers and exporters' suggestions as contained in Tariff Hearings, No. 39, December 19, 1908, and fully considering the great necessity of avoiding technicalities of wording that would work against proper collection of duties and administering of these clauses by customs officials. In other words, a proposed redraft of the paragraphs 312, 313, 314, 315, 316, 317, 318, and 321 of the Payne tariff bill; other paragraphs in Schedule I than these are not subject of this matter. (March 31, 1909. R. K. MacLea.)

Upon the subject of counting such threads his recommendation is as follows:

In determining the count of threads to the square inch in cotton cloth, all the warp and filling threads, whether ordinary or other than ordinary, shall be counted.

These recommendations were duly considered and, it must be as shown, largely adopted.

There were, therefore, before the Senate committee for consideration in this paragraph, as in all paragraphs of the cotton schedules, not alone the Notes on Tariff Revision, prepared under the direction of the Ways and Means Committee and the provisions approved and adopted by the House, but the recommendations upon these paragraphs reviewed by the representative of the importers' association of New York, with proposed paragraphs deemed appropriate, approved and submitted by him.

That comparison may be easily made, and the information and its sources which were submitted for consideration of the Senate committee be thoroughly understood, I will set out in parallel columns the recommendations made in Notes on Tariff Revision, prepared under the direction of the Ways and Means Committee of the House; the provisions of this paragraph as it passed the House, the provisions of this paragraph as recommended by the importers' association of New York, and the provisions of the Senate bill as reported by the Committee on Finance.

On the particular provision in question as to the count of the warp and filling threads the recommendations made by the chairman of the Exporters and Importers' Association of New York is in force and effect identical with the Senate provision and in language almost so; for, while he omits the words "clipped or unclipped," the provision which he suggests and approves includes both clipped and unclipped threads. Unclipped warp and filling threads are still other than the ordinary warp and filling threads under all the decisions construing these terms, and an enforcement of the provision submitted by him would compel the counting of both clipped and unclipped threads in determining the count of threads in any cotton cloth. The use of the words "clipped and unclipped" adds nothing to the statute, but they were inserted out of a superabundance of caution.

Whatever may have been the view of the chairman of the association of cotton exporters and importers as to how and where he had provided increased duties upon fabrics containing these clipped threads, his belief that they should be subjected to increased duties is affirmed in a letter of the same date filed for the use of the Senate committee. In that letter he states:

It will be noted that we suggest an additional duty on the higher cost clipped figure materials to offset the higher cost novelties of the nature of clipped-filling figured goods used for decorative purposes, most of which are elaborated threads on the unbleached or bleached groundwork, and which have been a source of contention in customs circles for several years, and numerous protests have been causing much difficulty. In fact, the finished fabric, as sold, is chiefly composed of this class of threads. We therefore think that these higher cost elaborated fabrics can best be covered by establishing the stepping stone of duty on the same as 2 cents a square yard additional if valued at over 7 cents a square yard and not more than 14 cents a square yard, which is the same as in the Dingley Act, but providing 3 cents a square yard specific duty additional for goods costing 14 cents or more a square yard.

Here it is affirmed by the representative of the association of exporters and importers of cotton goods that a higher duty should be placed upon this class of fabrics by reason of their expensive character. Inasmuch as these fabrics in most cases cost more than 14 cents per square yard, the suggested addition of 1 cent per square yard would cover practically all of them.

Taking this into consideration, arbitrary lines would be drawn with reference to this particular class of goods, and the proposition of adding 1 cent per square yard for the purpose of imposing appropriate duties for unclipped threads was not adopted. This was particularly true, as the fabrics with unclipped threads are already included within the countable provisions, and it would impose an additional and unequal duty upon them in comparison with the clipped fabrics, which it was not the desire of the committee to impose, and which by this bill is not imposed. Such would not remove but continue the inequality. The committee thought it preferable to adopt the logical proposition of bringing up in the schedules at lower rates the fabrics having unclipped threads to their proper status with the same goods with unclipped threads of practically the same value.

In reaching this conclusion, the committee was further actuated by the proposition that the addition of 1 cent per square yard upon goods with unclipped threads would be a far greater advance in duties than was actually imposed upon them by bringing them up into the category of the goods with unclipped threads. Indeed, in many cases it would amount to an increase in both classes, for in numerous instances at present the counting or not counting of these threads makes no change in the rate of duty, their number being insufficient to advance the goods into another paragraph of higher count.

The committee, therefore, in this particular declined to accept what it deemed to be a higher rate of duty, proposed by the importers' association, and adopted the logical proposition of the uniform classing of these goods under the countable provisions. It is to be particularly emphasized in considering the effect of this provision that it does not extend to all of the goods having figures introduced by extra threads, but only to that comparatively narrow line of goods wherein the figure is inserted as a part of the warp and filling, it being so limited by the very terms of the provision itself. It is confined very largely to high-priced curtain goods—only those where the difference in count is large enough to advance them into higher paragraphs.

The last provision inserted by the Senate committee in paragraph 310, which is 318 of the Senate bill, is that providing as follows:

In the ascertainment of all the particulars, including weight and value, upon which the duties, cumulative or other, imposed upon cotton cloth are herein made to depend, the entire fabric shall be included. The terms bleached, dyed, colored, stained, mercerized, painted, or printed, wherever used in the paragraphs of this schedule, shall be taken to mean all cotton cloth which has been subjected to any of these processes, or which has any bleached, dyed, colored, stained, mercerized, painted, or printed thread or threads in any part of the fabric.

Since the authorship and origin of the provisions adopted by the Senate bill have been called into question, it may be well to advert to the origin of that suggestion. If Senators will turn to the book entitled "Notes on Tariff Revision," before referred to, and to paragraph 310 thereof, they will find the following provisions:

The term colored, wherever used in the paragraphs of this schedule, shall be taken to mean all cotton cloth having colored thread, threads, or yarns in any part of the fabric, and the term bleached, wherever used in the paragraphs of this schedule, shall be taken to mean all cotton cloth having bleached thread, threads, or yarns in any part of the fabric: *Provided*, That cotton cloth other than that subject to additional duty under paragraph 313 of this act, varying in count of

threads in different portions of the fabric, or from which substantial portions of the warp or filling threads are missing, not specially provided for in this act, shall be dutiable as exceeding * * * threads to the square inch.

This suggestion embraces all of the features of the Senate amendment, being no more than expression in different language from that of the Senate amendment.

It was approved by the Finance Committee because a provision of that character is absolutely and logically necessary to prevent absurd results ensuing. In brief it provides that in the ascertainment of the particulars of weight, value, color, and so forth, of cotton cloth for dutiable purposes, the whole fabric and all the threads entering into the fabric shall be considered and not only the warp and weft threads of the fabric.

That the Dingley law was constructed with this in view is evidenced, like these other provisions, in the clear and unmistakable interpretations made of that law by Colonel Tichenor. Speaking of fabrics in which other than the ordinary warp and filling threads were introduced for the purpose of forming a figure, he said:

The board has uniformly held that cotton cloth, whether containing colored threads in the different forms of figures, stripes, checks, or otherwise, and whether covering much or little of the surface of the fabric, were dutiable under the tariff provisions for colored cloths, and these decisions accord with the action of the classifying officers of the customs at the several ports and the rulings of the Treasury Department covering a period of many years and under different tariff acts containing provisions for cotton cloths similar to this present act. We find as a matter of fact the merchandise in question is of the description above stated and hold it is dutiable as colored cloth.

The recent denial by the Supreme Court of a writ upon this subject makes necessary the insertion of this provision to prevent most absurd results following the subsequent reversal of the doctrine stated by Colonel Tichenor.

In accordance with the principle of that decision protests are now, and for two years past have been, filed at the various ports upon all importations of such merchandise, claiming that not alone in determining color and weight, but in the determination of value, nothing but the warp and weft basic threads shall be taken into consideration. The effect of any such construction of the law is, to say the least, startling. In many cases it ignores for dutiable purposes 90 per cent of the value of the fabric. Without the addition of this paragraph, which is manifestly just, a fabric which would to the eye be practically entirely colored, and in the figures of which resides 90 per cent of its value, would be assessed as a fabric not colored and according to the value of the basic warp and filling threads only. This provision makes the whole article and all parts thereof dutiable and prevents considering the basic threads alone for such purposes. It is so drawn here to cover this point in all particulars, that of value, weight, color, painting, printing, and the other elements provided in the statute.

In illustration of this point, I show the Senate a sample of merchandise affected thereby. This sample is a madras curtain. It is composed of bleached warp and weft threads, the base thus formed being valued at not more than 8 cents per square yard. Upon this are superimposed colored threads, bringing the entire value of the fabric up to 40 cents per square yard, foreign market value. Under the decisions of the courts this fabric is held to be not colored. Under the contentions of the protestants now—and the decision must logically follow therefrom—its value for dutiable purposes is not 40 cents, but 8 cents, per square yard.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Wisconsin?

Mr. SMOOT. Yes.

Mr. LA FOLLETTE. I merely want to inquire of the Senator from Utah if he would inform the Senate how great a quantity of goods similar to the sample which he has just exhibited came in in 1907 at the lower rate of duty?

Mr. SMOOT. Mr. President, I will say that, among the etamines——

Mr. LA FOLLETTE. I know; but of this particular class.

Mr. SMOOT. I can not say as to that particular class of goods.

Mr. BEVERIDGE. That is very important. Does the Senator from Wisconsin know?

Mr. LA FOLLETTE. No.

Mr. SMOOT. Mr. President, in the adoption of appropriate language to cover this point the Senate committee also had the advantage of the recommendations to the same effect made by the chairman of the Exporters and Importers' Association of New York, which will be set out in my remarks and which are practically identical with the language adopted by the committee.

The next paragraph affecting duties levied upon cotton articles and fabrics is 321 of the Senate bill, corresponding to paragraph 313 of the Dingley law. The Senate committee has reported the paragraph precisely as it passed the House. Since question has been raised as to the origin of this paragraph, it is meet to state here that the paragraph, exactly as it passed the House and was reported from the Senate committee, was drafted in the Ways and Means Committee of the House, under the authority of that committee. At no time did any member of the Board of General Appraisers at New York make any suggestion to the Committee on Ways and Means or to any Member of the House as to any rate of duty adopted in that paragraph. The rates of duty therein provided for extra threads are the Dingley rates, and the rate therein provided for mercerization of cotton cloth was drafted by the Ways and Means Committee without any suggestion whatever from any member of the Board of General Appraisers or the knowledge of any member of that board as to what rate was to be adopted or had been suggested by any person whomsoever.

No paragraph in the Dingley law has been the subject of such extended litigation as this. The paragraph as passed by the House is, in effect, precisely the same as the corresponding paragraph of the Dingley law, except as to the addition for mercerization. Changes in phraseology have been adopted by the House, and wisely. For many years the provisions of the corresponding paragraph in the Dingley law were in litigation in the courts upon the point of whether or not the Dingley rates therein provided were in addition to the ad valorem as well as the specific rates provided in the countable cotton paragraphs.

It was finally held by the United States Supreme Court in the case of United States *v.* Riggs (203 U. S., 136) that they did so apply. To meet this point made in this case and similar possible points to which the paragraph is yet open, the Ways and Means Committee have caused the paragraph to be recast. In the opinion of the Finance Committee the paragraph as passed in the House is in language that can not be improved upon, and so far as the levy of duties therein made is concerned, there is no change or increase in any of the rates except in the added provision as to mercerization.

The House has added the word "cumulative" in this paragraph. The reason for the insertion of that word is plain. If it were eliminated from this paragraph as drawn, there is little question under the decisions but that it would be absolutely destructive of the force and effect of the paragraph.

Mr. BEVERIDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Indiana?

Mr. SMOOT. Yes.

Mr. BEVERIDGE. Is the addition of that word to the language of the House bill the thing of which chief complaint is made?

Mr. SMOOT. No; not that.

Mr. BEVERIDGE. Not that?

Mr. SMOOT. The word was put in so as to follow the decision of the court.

Mr. BEVERIDGE. The Senate committee adds that word?

Mr. SMOOT. No; the House bill contained it. It would be open to attack without the word. Its insertion gives it no other or different force or effect than the same paragraph in the Dingley law. It was inserted solely for the purpose of fortifying the legal effect of the paragraph. It is the uniform principle of construction that unless it plainly appears in the statute that duties provided are cumulative, the presumption is that their levy has been in the alternative. Accordingly, without the use of this word in this paragraph, it would be seriously open to attack upon that ground, and successful assault upon that particular would result in these high-class cotton fabrics, to which this provision is intended to add extra duties, being assessed for dutiable purposes solely under this paragraph. The omission, for that reason, would be absolutely destructive of the purposes of the law.

The provision of this paragraph for 1 cent per square yard "on all cotton cloth mercerized or subjected to any similar process" has been the particular subject of severe attack, and it was asserted that no inquiry was made as to what the process cost.

The 1 cent rate of duty upon mercerized cotton cloth originated in the Ways and Means Committee of the House of Representatives. It came to the Senate Finance Committee with the weight of the deliberations and the judgment of the Ways and Means Committee, and of the approval of the House of Representatives. That entitled it to respect.

In addition to the weight entitled to the House finding and inquiries upon the subject, there had been filed for the use of the committee a statement upon the subject of mercerization under date of April 1, 1909, by the chairman of the Association of Exporters and Importers of Cotton Goods in the city of New York, who also appeared before the Ways and Means Committee

as the representative of this association, in which the following appears:

Mercerizing.—On page 7773, Tariff Hearings, No. 52, domestic people show that the condition of mercerization is a process that can be applied either to the yarn of which goods are composed (meaning either wholly or in part) or to the goods themselves, to be subsequently either bleached or dyed. This tells the story right here of the purpose and request of this proposition. Manufacturers of cloth are not people who are materially interested with the converting of same subsequently, but they are concerned evidently at the recent court decisions wherein gray goods woven with some mercerized yarn, or that have been mercerized only, are held to be goods not bleached, colored, stained, painted, or printed, and thereby paying duties under the gray cloth schedule, which is the schedule for goods as they come from the loom. Our suggestion of embodying a provision covering this first advance in the converting of cotton cloth, viz, "mercerization," is to provide for it where it belongs, in the countable clauses, paragraphs 312 to 317, inclusive, and make gray goods, if mercerized or containing mercerized yarn in part of them, pay the same advanced rate of duty as bleached cloths. Most of the importations of goods of this character will be found to be of cloths containing from 140 threads to 200 threads to the square inch; therefore by putting gray cloths, if mercerized, into the bleached section, it will be found that 1 cent per square yard advance is obtained in the 100 to 150 thread, and three-fourths of a cent per square yard in the 150 to 200 threads, and 1 cent a square yard in the 200 to 300 thread, and 1 cent per square yard in the over 300-thread schedules. It is not necessary to provide for this further advance should the goods pay ad valorem duty, because it must not be overlooked that where the ad valorem rates apply to any cotton cloth there is at least a 35 per cent or 40 per cent protection on the mercerization because of the added cost to gray cloth when mercerized. We do not believe that this additional protection is at all necessary, but it would be equitable to provide for it in this way, as it practically meets the domestic manufacturers' requests.

The theory of the spokesman for the Importers' Association of New York was that 1 cent per square yard was a reasonable rate of duty for the mercerizing of the bleached cotton cloths provided for in the specific provisions of the countable paragraphs. His contention was that the mercerized cotton cloth provided for by ad valorem duties in the Dingley law would be taken care of by the ad valorem provisions. In addition to this, however, on practically all goods not provided for in the specifics of the Dingley law, he advocated, as previously stated, the addition of 1 cent per square yard by virtue of the provisions of paragraph 321. The aggregate of these statements would amount to this, and he proposed 1 cent per square yard for mercerizing all bleached and unbleached cotton cloth up to that provided for by ad valorem rates. He advocated 1 cent per square yard additional on all cotton cloths above 14 cents per square yard, to be provided for in paragraph 321. While it is true that the reason he assigned for the latter was that it was to be in lieu of counting the unclipped threads, the reasonableness of that additional duty on that price of goods was admitted. In view of the fact that mercerization is something added to cotton cloth, whether it is bleached or unbleached, dyed or not dyed, colored or not colored, irrespective of its previous condition, and that wherever added it increases the value of the cloth, the conclusion has ample support that the logical sequence of the representation was that 1 cent per square yard was not an unreasonable rate to be added to cotton cloths, be it for clipped threads or mercerization.

If it were not the thought of the chairman of the importers' association that the added 1 cent recommended in paragraph 321 should in part, at least, cover mercerization on the higher class goods, his recommendations were all the more inconsistent. Any other view by him would impose 1 cent additional per square yard on the cheaper unbleached goods for mercerization, whereas nothing would be added to the higher priced colored, bleached, and otherwise finished goods. The unbleached goods bear lesser specifics than those that are bleached, colored, and otherwise treated. In consequence, his 1 cent added to unbleached goods would increase their equivalent ad valorem very much more than if the 1 cent were added to the bleached and colored goods, because the equivalent added ad valorem upon the latter would be relatively less.

Inasmuch as mercerization is a process applied to bleached, unbleached, colored, and all goods, irrespective of their other conditions, no reason appeared to the committee why, if 1 cent should be added to the unbleached goods, it should not be added to the higher class goods, particularly as the equivalent ad valorem of this 1 cent additional would be less in the higher priced goods than in the unbleached goods. Should this recommendation, therefore, have been followed by adopting the suggestion of the importers' association, another and greater inconsistency would have been effected in the statute as thus drafted.

The expense of producing mercerized goods is not confined to the actual process of mercerizing or the caustic bath. In order to get satisfactory luster the yarn has to be spun soft. To compensate for the consequent loss of strength because of the softer spinning of the yarn a longer staple and more costly cotton is used. Frequently sea-island or Egyptian cotton is substituted for ordinary American cotton. In many fabrics the process of mercerization requires as an accompaniment the bleaching process in order that the colors may dye evenly. The bleaching referred to is a necessary component of the cost of mercerizing. The process of mercerizing is twofold. It consists in mercerizing the yarns of which the fabric is composed or the mercerizing of the fabric itself after it is woven. In yarn-mercerized fabrics two-ply yarn has generally to be substituted for single yarns. The two-ply yarn is counted as one thread, though twice as costly in many instances. Before the introduction of mercerization silk was used extensively for fancy, striped, check, and figured effects; now a result almost equal to silk is obtained by using mercerized yarns, and the goods are greatly enriched in appearance. It is a fact that the cost of producing a piece of mercerized cloth in almost every case, however produced, entails a much larger expense in the selection of the cotton, in the special spinning of the cotton, and in the unusual and expensive construction of the goods by the use of very fine yarns in one part and relatively coarse yarns in the other part of the fabric, the aggregate of which is much more than the cost of the mere act of mercerization of the cloth itself. Often a double mercerization is necessary and other special facilities to develop the high luster which almost equals silk in appearance. The labor cost is of skilled labor of high-wage class.

Mercerization is a process discovered many years ago, but was unknown as a commercial proposition at the time of the enactment of the Dingley law. In view of the fact that this process is applied oftentimes alone and at the same cost upon plain goods, bleached, dyed, colored, stained, and painted goods, regardless of their condition, and whether or not any of these processes have been applied to them, and in the further view of the fact that it adds greatly to their value, so much so in particular instances that they assume the character of silks and are actually sold in the markets as silks, there should be some positive and distinct line of differentiation marked by an additional rate of duty to be imposed upon the fabrics wherever this process has been applied.

The use of the words "or subjected to any similar process" in the provision for mercerization were particularly criticised. Any such criticism confuses "processes" with "effects." It was here stated:

There is no process not mercerization that could be mistaken for it, but there are processes of ironing and of calendering and of beetling which are similar to mercerization somewhat, and to which these goods have been subjected, giving them a luster very like the mercerized goods.

"Ironing" and "calendering" and "beetling" are not "similar processes" to mercerization. The effects produced by these processes sometimes in a remote degree resemble the effects produced by mercerization, but the processes are entirely and distinctly different. They are no more similar than the process of washing the hands is similar to the process of blacking one's shoes. The interpretation put upon this phrase is not warranted, but is expressly contradicted by the long-established decisions and usages in the administration of the customs of the country. The essential characteristic of the process of mercerization is that it is a chemical bath, and no process can be said to be similar thereto that is not a chemical bath. It is a treatment, as stated, of the goods in a bath of caustic potash.

This provision without the qualifying words "or other similar process," in the light of the experience of the administration of the customs, would be practically nil. Out of the abundance of the experience with the assaults made upon such paragraphs in the interest of reducing or avoiding the payment of duties it requires but the suggestion to prove that the only thing necessary would be to introduce some additional chemical in the bath other than caustic potash, which might or might not affect it, and give to that bath some name other than mercerization, whereby the same result could be produced in the goods and practically the same process employed, but which would not be covered by the statutory terms. For that reason it is absolutely essential that, in order to make the phrase "mercerization" at all effective, the qualifying words be added, and they were added for that purpose and no other, and they effect that end and no other. The elimination of them from such a provision would be the elimination of the provision itself, a fact well known to the House committee when they inserted this provision in the bill.

In the construction of tariff laws fine lines are absolutely necessary to prevent evasions of duty. There is no statute upon the books which is subject to such careful scrutiny and to defeat the purpose of which there is brought to bear greater talent, both legal and scientific. Fine distinctions should be avoided; distinctions and differences impracticable of perform-

ance and administration should be and are avoided. For example, in the embroidery schedules it is necessary to make every particle of embroidery, even to the extent of an initial letter, bear the same rate of duty as a complete embroidery fabric or article. This is for the reason that it is impossible to draw the line unless you make infinite distinctions impossible of administration and invite undervaluation and avoidance of the tariff law from every possible standpoint.

As in embroideries the only safe rule is to put all, however small, in one class and fix a given rate of duty upon them, so it is as to fabrics which are colored in any part, or painted, printed, or mercerized. Any attempt to draw narrow distinctions and fix separate rates of duties according to amount of such that may be put upon a fabric will result in more ridiculous consequences than some of the extreme results which naturally follow the levy of duty upon a fabric containing but a minor portion of any such effects. And while the enforcement of such laws may in specific instances produce ridiculous results, they are such as can be avoided by the importers in every instance. Such results rather emphasize the inequalities which might be produced without the presence of these fine distinctions than militate against the provision itself.

For example, take the case wherein a chair containing woolen upholstery, iron, and wood was assessed at so much per pound, according to the wool contained therein because the wool paragraph provided duty upon any articles "wholly or in part of wool." The moral of this case is that if that particular portion of the paragraph, "in part of," were omitted from the wool schedule, any man desiring to import wool fabrics would only have to attach them, whatever their value be, to a piece of furniture or other article bearing a low rate of duty, and in this way bring in all woolen fabrics which he might desire to import at the wood duty, which is far below the wool duty.

The very case cited is illustrative of the wisdom of these provisions and significant of the fact that they are never to be considered standing alone, but in conjunction with other provisions of the tariff law. In this particular case the ridiculous contention was not sustained, but the article was held properly dutiable at a reasonable rate as household furniture in chief value of wood. From this case we draw the moral that individual provisions of this character should not be criticised as standing alone, but taken in conjunction with other paragraphs of the law, which, when read together, show the wisdom of the entire construction. In this case we have the dual provisions, first, a proper rate upon furniture, and, secondly, the prevention of bringing in manufactures of wool at a lower rate of duty than that provided in other schedules.

Mr. McCUMBER. I do not think it will injure the Senator if he takes a rest long enough to enable the roll to be called. I suggest the want of a quorum.

The PRESIDING OFFICER. The absence of a quorum being suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clarke, Ark.	Frazier	Oliver
Bacon	Clay	Gallinger	Overman
Bankhead	Crane	Gamble	Page
Beveridge	Culberson	Gore	Paynter
Borah	Cullom	Hale	Penrose
Bourne	Cummins	Heyburn	Perkins
Bradley	Curtis	Hughes	Rayner
Brandegee	Daniel	Johnson, N. Dak.	Root
Briggs	Depew	Jones	Shively
Bristow	Dillingham	Kean	Smith, Md.
Bulkeley	Dixon	La Follette	Smith, Mich.
Burkett	Dolliver	Lodge	Smoot
Burnham	du Pont	McCumber	Stephenson
Burrows	Elkins	Martin	Sutherland
Burton	Fletcher	Money	Warner
Carter	Flint	Nelson	Warren
Clark, Wyo.	Foster	Nixon	

Mr. JONES (when Mr. PILES's name was called). My colleague [Mr. PILES] was called from the Chamber a few moments ago and has been unable to return.

Mr. OVERMAN (when Mr. SIMMONS's name was called). I desire to announce that my colleague [Mr. SIMMONS] is necessarily absent from the Chamber to-day.

The PRESIDING OFFICER. Sixty-seven Senators have answered to their names. A quorum of the Senate is present.

Mr. SMOOT. Mr. President, I should have been through by this time if the Senator from North Dakota [Mr McCUMBER] had not called for a quorum. I will proceed now, and it will take me but a few moments to conclude.

So that some of these provisions in the tariff law, which seem to draw narrow and unreasonable distinctions when it is sought to evade the law and assess ridiculous rates of duties, when analyzed in all their naked simplicity are found to be not ridiculous provisions, but safeguards against fraud in the interests of the revenues, and for the purpose of giving employment to American labor and the upbuilding of American industries. These are not provisions for the levy of duty, but they are provisions in the nature of safeguards, absolutely necessary to prevent the avoidance of other schedules which levy the duties intended to be collected.

The provisions of paragraph 324, as reported to the Senate by the Finance Committee, are precisely as reported by the Ways and Means Committee and adopted by the House of Representatives.

During the debate I took occasion to state upon the floor of the Senate that this paragraph was yet under consideration by the Finance Committee, and was one of the several paragraphs which the committee had not finally approved, but on account of which they did not feel warranted in delaying the report of the bill to the Senate until final conclusion had been reached.

It has been represented upon this floor that the words "suitable for covers," as embraced in the House bill and reported by the Senate committee, constituted a broad provision which in its scope and effect would cover into paragraph 324 many classes of goods not used as tapestries but for tableware, the common necessities of life, dress goods, and what not. That statement has no foundation in law or fact, and is at variance with the effect of words and phrases which have been used in customs law from the time of the foundation of the Government. The term "suitable for" occurs in numerous places in every tariff act in the history of the Government. The words "suitable for use as" whenever used in a tariff law have been construed by the Supreme Court and other courts of the United States and uniformly held by the Board of General Appraisers for many years past to mean goods "commonly used as." It is interpreted to be equivalent to the words "commonly used as," and is never given any application of greater or more extensive scope.

It was further claimed that paragraph 318 applied the mercerization duties to cotton table damask. This is not true. Cotton table damask is not included in the term "cotton cloth" as written in the tariff law, and that has been the well-settled construction in customs circles for more than twenty-five years. For that reason cotton table damask is not subject to the provisions for mercerization as drawn.

Cotton table damask for dutiable purposes is named in the law as a separate and distinct article from cotton cloth, and inasmuch as the rate for mercerization in express terms applies solely to "cotton cloth," it does not apply to "cotton table damask;" and the mercerized fabrics exposed to the view of the Senate in illustration of the argument that the provision for mercerization would greatly increase the duty above 40 per cent upon those fabrics were not in any wise affected by that provision, nor would they by any provision of the Senate bill.

The further statement that these same fabrics, by virtue of the provisions of paragraph 324, would be included therewithin, for the same reason would not be included in that paragraph. Under the well-settled rules of construction, which are notably expressed in the decisions, that cotton table damask is not included within the term "cotton cloth," cotton table damask, being otherwhere specifically provided for, would be excluded from the terms of paragraph 324. So that as the bill came from the House, with all of the features therein objected to upon the grounds that the bill raises the duties in any particular upon cotton table damask is without any foundation in fact or law. The duty upon it in the Senate bill and in the House bill remains precisely as it was in the Dingley law, 40 per cent ad valorem.

At the proper time the Senate committee will report its amendments upon this paragraph.

I now submit for printing in the RECORD, in parallel columns, certain cognate suggestions submitted for consideration by the Senate committee in reporting this schedule. They are (1) Notes on Tariff Revision, prepared under the direction of the clerk of the Ways and Means Committee; (2) provisions of the bill as it passed the House; (3) proposed paragraphs submitted by the chairman of the committee of cotton importers and exporters; and (4) provisions of the Senate bill.

Mr. President, I ask leave to print this table in the RECORD without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to follows.

Notes on Tariff Revision.	*Bill as passed by House.*	*Recommendations of importers' associations.*	*Senate bill.*
304. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling, * * * per square yard; if bleached, * * * per square yard; if dyed, colored, stained, painted, or printed, * * * per square yard: *Provided*, That on all cotton cloth not exceeding 50 threads to the square inch, counting the warp and filling, not bleached, dyed, colored, stained, painted, or printed, valued at over * * * per square yard, * * * per cent ad valorem; bleached, valued at over * * * per square yard, * * * per cent ad valorem; and dyed, colored, stained, painted, or printed, valued at over * * * per square yard, there shall be levied, collected, and paid a duty of * * * per cent ad valorem.	312. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling, 1 cent per square yard; if bleached, 1¼ cents per square yard; if dyed, colored, stained, painted, or printed, 2 cents per square yard.	312. Cotton cloth not mercerized, bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling, 1 cent per square yard; if mercerized only, or bleached, or mercerized and bleached, 1¼ cents per square yard; if dyed, colored, stained, painted, or printed, 2 cents per square yard: *Provided*, That on all cotton cloth not exceeding 50 threads to the square inch, counting the warp and filling, not mercerized, bleached, dyed, colored, stained, painted, or printed, valued at over 7 cents per square yard, 25 per cent ad valorem; mercerized only, or bleached, or mercerized and bleached, valued at over 9 cents per square yard, 25 per cent ad valorem; and dyed, colored, stained, painted, or printed, valued at over 12 cents per square yard, there shall be levied, collected, and paid a duty of 30 per cent ad valorem.	312. Struck out.
310. The term cotton cloth, or cloth, wherever used in the paragraphs of this schedule, unless otherwise specially provided for, shall be held to include all woven fabrics of cotton in the piece, or cut in lengths, whether figured, fancy, or plain, the warp and filling threads of which can be counted by unraveling or other practicable means. In determining the count of threads all the foundation threads, as well as the superimposed threads, shall be counted as found in the most substantial part of the fabric. The term colored, wherever used in the paragraphs of this schedule, shall be taken to mean all cotton cloth having colored thread, threads, or yarns in any part of the fabric, and the term bleached, wherever used in the paragraphs of this schedule, shall be taken to mean all cotton cloth having bleached thread, threads, or yarns in any part of the fabric: *Provided*, That cotton cloth other than that subject to additional duty under paragraph 313 of this act, varying in count of threads in different portions of the fabric, or from which substantial portions of the warp or filling threads are missing, not specially provided for in this act, shall be dutiable as * * * exceeding * * * threads to the square inch.	318. The term cotton cloth, or cloth, wherever used in the paragraphs of this schedule, unless otherwise specially provided for, shall be held to include all woven fabrics of cotton in the piece, or otherwise, whether figured, fancy, or plain, the warp and filling threads of which can be counted by unraveling or other practicable means.	318. The term cotton cloth, or cloth, wherever used in the paragraphs of this schedule, shall be held to include all woven fabrics of cotton in the piece or cut into lengths, unless otherwise specially provided for, whether figured, fancy, or plain in weave, the warp and filling threads of which can be counted by unraveling or other practicable means. In determining the count of threads to the square inch in cotton cloth, all the warp and filling threads, whether ordinary or other than ordinary, shall be counted. In ascertainment of the particulars of weight and value upon which the duties, cumulative or other, imposed upon cotton cloth are herein made to depend, the entire fabric shall be included. The terms mercerized, bleached, dyed, colored, stained, painted, or printed, wherever used in the paragraphs of this schedule, shall be taken to mean all cotton cloth which has been subjected to any of these processes, or which has any mercerized, bleached, dyed, colored, stained, painted, or printed thread or threads in any part of the fabric.	318. The term cotton cloth, or cloth, wherever used in the paragraphs of this schedule, unless otherwise specially provided for, shall be held to include all woven fabrics of cotton in the piece, or cut in lengths, whether figured, fancy, or plain, the warp and filling threads of which can be counted by unraveling or other practicable means, and shall not include any article, finished or unfinished, made from cotton cloth. In determining the count of threads to the square inch in cotton cloth all the warp and filling threads, whether ordinary or other than ordinary, and whether clipped or unclipped, shall be counted. In the ascertainment of all the particulars, including weight and value, upon which the duties, cumulative or other, imposed upon cotton cloth are herein made to depend, the entire fabric shall be included. The terms bleached, dyed, colored, stained, mercerized, painted, or printed, wherever used in the paragraphs of this schedule, shall be taken to mean all cotton cloth which has been subjected to any of these processes, or which has any bleached, dyed, colored, stained, mercerized, painted, or printed thread or threads in any part of the fabric.
313. Cotton cloth in which threads, yarns, or filaments other than the ordinary warp and filling threads have been introduced in the process of weaving to form a figure, whether known as lappets or otherwise, and whether unbleached, bleached, dyed, colored, stained, painted, or printed, shall pay, in addition to the duty herein provided for other cotton cloth of the same description, or condition, weight, value, and count of threads to the square inch, * * * cent per square yard if valued at not more than 7 cents per square yard, and * * * cents per square yard if valued at more than 7 cents per square yard. 313. (Supplemental; not contained in bound volume, but printed for use of Ways and Means Committee.) Cotton cloth in which other than the ordinary warp and filling threads are used to form a figure or fancy effect, whether known as lappets or otherwise, shall pay, in addition to the duties respectively provided for cotton cloth in paragraphs * * * of this act, * * * cents per square yard if valued at not more than 7 cents per square yard, and * * * cents per square yard if valued at more than 7 cents per square yard. Cotton cloth mercerized or lustered shall pay, in addition to the duties respectively provided for cotton cloth in paragraphs * * * of this act, * * * cents per square yard.	321. In addition to the duty or duties imposed upon cotton cloth by the various provisions of this section, there shall be paid the following cumulative duties, the intent of this paragraph being to add such duty or duties to those to which the cotton cloth would be liable if the provisions of this paragraph did not exist, namely: On all cotton cloth in which other than the ordinary warp and filling threads are used to form a figure or fancy effect, whether known as lappets or otherwise, 1 cent per square yard if valued at not more than 7 cents per square yard, and 2 cents per square yard if valued at more than 7 cents per square yard; on all cotton cloth mercerized or subjected to any similar process, 1 cent per square yard.	321. In addition to the duty or duties imposed upon cotton cloth by the various provisions of this section, there shall be paid the following cumulative duties, the intent of this paragraph being to add such duty or duties to those to which the cotton cloth would be liable if the provisions of this paragraph did not exist, namely: On all cotton cloth in which other than the ordinary warp and filling threads are used to form a figure or fancy effect, whether known as lappets or otherwise, 1 cent per square yard if valued at not more than 7 cents per square yard; 2 cents per square yard if valued at more than 7 cents per square yard and not more than 14 cents per square yard; 3 cents per square yard if valued at 14 cents or over per square yard: *Provided*, That in no case shall the amount of duties assessed under this paragraph, in conjunction with other paragraphs of this schedule, exceed 45 per cent ad valorem.	321. Same as House provisions.

Mr. SMOOT. Mr. President, these comparisons speak for themselves. There is not a single provision in the Senate bill that was not suggested either by the Ways and Means Committee notes, or by the House bill as it passed and was approved by the House, or which did not originate in the Finance Committee. There is not a single provision of the Senate bill in the much-criticised paragraphs 318 and 321 but that was recommended or approved in some form and almost precisely in effect, and in most particulars precisely in the language, submitted by the chairman of the Association of Cotton Ex-

porters and Importers, of New York. There is no line in the Senate bill, except the added provisions to paragraphs 313 to 317, drawn under direction of the Finance Committee, but that is copied almost precisely from one of the other sources named. The importers' representative himself suggested and approved practically every line of the language of this bill in those paragraphs as written.

His suggestion that a proviso should be added to paragraph 321, limiting the rates collected under that paragraph, was deemed inadvisable because it would have legislated out of the law the provisions he previously suggested be added to the paragraph, and the adoption of which in some form he had already amply supported by satisfactory and convincing arguments and facts submitted.

The amendments presented in the Senate bill to the cotton schedule keep pace with the evolution of the cotton industry of the world, having in view the welfare of all the people in all sections of the United States. They provide uniform rates of duty upon cloths of the same value and condition whether imported under one provision of the tariff act or another, whatever may be the fashion of one season or the caprice of another.

The remarkable development of the cotton industry of the United States is marked by the provisions of the several tariff laws enacted upon that subject. The original cotton schedules of 1890 were at least 50 per cent higher than the cotton schedules of the tariff act of 1894. The cotton schedules of 1897 followed those of the act of 1894 in all particulars except as to the high-class goods. The most complete and systematic cotton schedules prepared in any tariff law were the schedules of 1894. They were based upon specific duties approaching a certain ad valorem, which ad valorem marked at that day the height and complete range of the development of the cotton-manufacturing industries of the world. The specifics of the act of 1894 were supposed to cover the full range of imported cotton cloths, and the ad valorem provisions were intended but as catch-all provisions for such few straggling, unusual goods as might be imported. The same plan was pursued in the act of 1897. Consequent upon the development of the industry, we find in the act of 1897 a new and additional provision added to the specifics for cotton goods over 300 threads per square inch and an increase in the higher ad valorems.

There was, in addition, added to this in the act of 1897 a higher provision for "manufactures of cotton" at 45 per cent, which was also to include woven fabrics of high class, and a still higher provision at 60 per cent, to cover nets, veils, etamines, and other cotton fancies and novelties at 60 per cent ad valorem. These higher rates were added at that time for the purpose stated, of including for dutiable purposes manufactures of cotton which were not known to the cotton world in 1894, at the time of the enactment of the Wilson-Gorman tariff act. No changes were made in the lower schedules, which were retained in order to protect the lower grades of cotton.

In the interim between 1897 and the present time there has been a geographical shift of the cotton industries of the world. Many mills have grown up in the South, until their annual output to-day aggregates about $200,000,000 per annum. By reason of their proximity to the cotton fields and by reason of more favorable labor laws and hours of employment, they were enabled to undersell in their classes of goods the more distant northern manufacturers. In consequence, the New England mills practically abandoned the field of coarse fabrics to a large extent to their southern brothers and pushed on into the range of manufactures of higher-grade cotton cloths.

The South has now invaded that field and the day is not far distant when they will be turning out the higher class goods. It is found, however, in the progress of this movement that the higher provisions of the Dingley law, which were intended by the Congress to provide adequate duties for these classes of manufacturing interests, have been gradually eliminated by construction. It may be that it was the error of the Congress in providing imperfect language; it may be that it was the error of the tribunals construing the law; for to err is human in all. That is immaterial here, for this purpose is not to investigate, but to correct.

The statistics prove these conditions. The importations under the specific provisions of the Dingley cotton schedules show an equivalent ad valorem averaging about 15 per cent higher than the average rate of duty actually collected under the ad valorem provisions, demonstrating conclusively that the high values in cotton goods under that law received less protection than the low values. The increase in importations under the specific provisions between 1898 and 1907 was 22.40 per cent; the increase during the same time under the ad valorem provisions was 306.03 per cent. That is to say, while the coarse goods were amply protected, the fine and fancy goods were largely imported; and who can say that too much protection is afforded by provisions under which importations increased over 300 per cent? I will here insert tables showing these increases:

Importations of cotton cloth and articles, tariff act of 1897.

	Value in 1898.	Value in 1907.	Percentage of increase.
SPECIFIC.			
Total under paragraph—			
304	$3,551.70	$26,873.00	----------
305	106,117.37	117,457.00	----------
306	497,200.58	1,082,680.87	----------
307	972,667.16	1,282,190.71	----------
308	1,336,140.30	1,047,475.42	----------
309	8,263.08	9,623.80	----------
313	67,218.00	95,138.00	----------
Total specific	2,991,158.19	3,661,438.80	22.40
AD VALOREM.			
Total under paragraph—			
305	71,231.00	352,797.15	----------
306	681,979.00	2,022,369.46	----------
307	928,461.13	3,999,679.25	----------
308	427,944.29	1,963,424.54	----------
309	36,881.00	129,605.13	----------
313	164,126.00	913,884.02	----------
Total ad valorem	2,310,622.42	9,381,749.55	306.03

That is the condition which presented itself to the Finance Committee and is presented to the Congress to-day. The problem is, Will the Congress so reconstruct the emasculated provisions of the Dingley law as to frame for the cotton manufacturers of the country some of the degree of protection which they were extended under the Dingley law, and under the faith of which they established this class of manufactures, investing their capital in that faith, purchasing therefor the necessary machinery and appliances, or will they be denied that degree of protection which was guaranteed them by the Dingley law, by the faith of which they entered into the new fields of cotton manufactures?

The committee was actuated solely by this belief, and took into consideration what was necessary to repair the Dingley law, not to give the entire protection afforded by that law, but to give such partial protection as would be adequate for the demands of the present day for the manufacturing interests of the country. Instead of approaching the high rate of 60 per cent afforded in the Dingley law, and an average of about 48.50 per cent upon all the cotton cloth and article schedules, the new provisions adopted the average rate of not more than 43.50 per cent, and so constructed all the schedules that a uniform and complete system of duties shall be collected.

I have said "not more than 43.50 per cent," for while tabulations show this average rate, it must be borne in mind these are estimated upon averages between the lines adopted. As a matter of fact, importations will mostly be nearer the low line, which undoubtedly will reduce this average rate.

The committee believed it the part of wisdom, that would be concurred in not alone by Congress, but by the whole country, that this was an emergency which demanded proper action by the Congress. The committee, therefore, did not feel itself bound by the stated interests of manufacturers in certain lines or importers in certain lines, who may or may not have proceeded to divide up the field, but the committee believed it infinitely better for the welfare of the whole country that a law should be established which would invite all capital to invest in every line of cotton manufacture, and which by affording uniform protection on the higher lines of cotton manufactures would withdraw the northern manufacturers from a contest with the southern manufacturers in an inevitable and necessary effort to regain the field of trade now occupied by the latter. Believing it better that there be adequate protective duties against the importations of high-class manufactures; believing it better to make good the Dingley guaranty to the manufacturers of high-class cotton goods of a market for these goods in this country which could not be undersold by foreign manufacturers, the Senate committee presents this bill.

And the committee submits—in full confidence that a few possible hardships that may be wrought in such a plan, or a possible few increases of duties, made necessary to produce uniformity, or a few possible questionable situations, made necessary in the correction of unfair advantages existing—that the comprehensive plan which is adopted, which, in fact, lowers the equivalent ad valoremn rates of duty intended in the Dingley law under this schedule, and at the same time best serves the interests of the great cotton industry of the whole country,

both North and South; which insures the employment of thousands of workmen and millions of spindles, North and South; which guarantees a home market for the raw cotton of the South, will receive the approval of the Congress and of the whole country.

This bill, as shown, does not increase the average ad valorems; it more proportionately distributes them. They are now lower than the specifics below them. They were intended in the Dingley law to be higher than those specifics. The question here which this Congress must decide is, Will we, when the country is growing richer and richer, demanding finer cotton fabrics and novelties, surrender this great market to the foreign manufacturers by maintaining less rates of duty on high-grade than on low-grade cottons? Will we deny our manufacturers the same protection in this field as they have in the field of low-grade cottons? Will we make good our Dingley promises on the high-grade cottons for the prosperity, peace, and welfare of all sections and all the people?

The Senate bill adopts this latter course. It is for the Congress to decide. The committee submits its measure in confidence of approval.

Mr. LODGE obtained the floor.

Mr. GALLINGER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from New Hampshire suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Crawford	Gore	Paynter
Bacon	Culberson	Hale	Penrose
Beveridge	Cullom	Heyburn	Perkins
Bourne	Cummins	Hughes	Rayner
Bradley	Curtis	Kean	Root
Brandegee	Daniel	La Follette	Shively
Briggs	Depew	Lodge	Smith, Md.
Bristow	Dillingham	McCumber	Smith, Mich.
Brown	Dixon	McEnery	Smoot
Bulkeley	Dolliver	Martin	Stephenson
Burkett	Elkins	Money	Sutherland
Burnham	Fletcher	Nelson	Taliaferro
Burrows	Flint	Oliver	Warner
Clark, Wyo.	Foster	Overman	Warren
Clarke, Ark.	Frye	Owen	Wetmore
Clay	Gallinger	Page	

The PRESIDING OFFICER. Sixty-three Senators have answered to their names. A quorum is present.

Mr. LODGE. Mr. President, when I have concluded what I desire to say in regard to the cotton schedule, I shall be most happy to answer any question I am able to answer in regard to any points which I may be thought to have raised. But until that time I shall decline to yield to interruptions. I do this for two reasons. I desire that what I shall say shall go as connectedly and coherently as may be into the RECORD, and I desire also, if possible, in that way to save the time of the Senate. Our practice of interruptions in the Senate has been carried to such an extent during the discussions on the pending bill that very often an inspection of the RECORD seems to show a rivulet of argument meandering through a vast meadow of pleasant but irrelevant conversation, at times disappearing entirely, like certain rivers which sink into the earth only to come up again at some distant and wholly disconnected point.

Mr. President, I shall begin by stating very briefly what I consider to be the true nature of the revision with which this Congress is charged, because I think this cotton schedule is a very fair example of what a proper revision of the existing tariff law should be. Early in this debate the Senator from Rhode Island [Mr. ALDRICH] and I happened to state incidentally that the Republican declaration of principles contained no pledge or promise of a revision downward or a revision upward. For that statement we were severely criticised. We could not have been more severely criticised if we had uttered a falsehood instead of stating, as we did, the exact truth. I desire, therefore, to call attention very briefly to what was actually said and done by the Republican national convention at Chicago. I had the honor to preside for three days over that convention after it was organized. I had been at Chicago for ten days previously, in attendance upon the national committee. I think that I saw and spoke with as many delegates as anyone there. I am certain I followed all the proceedings of that convention with the closest possible attention. If the words "downward revision" or "upward revision" occurred in any official utterance, or were suggested by any delegate, they entirely escaped my notice; but as memory is fallible, I have taken occasion to look over the official stenographic report of the proceedings of the convention. The officers of the convention who spoke, and who in a sense, I suppose, may be considered to have expressed the views of the convention and the policies of the party, as they understood them, were the temporary and the permanent chairmen. The temporary chairman, the senior Senator from Michigan [Mr. BURROWS], in referring to the tariff, said:

> In this connection it can be safely promised that whatever revision or readjustment takes place under the control of the Republican party, it will give just and adequate protection to American industries and American labor, and defend the American market against unjust and unequal aggression from whatever quarter it may come. It will be a revision that will extinguish the fire in no American mill or put out the light of hope in no American home.

That certainly was as excellent and admirable a statement as it was plain and direct. It contains no allusion to what direction revision of the tariff should take.

The permanent chairman made no allusion to the tariff whatever in his speech. He dealt with other questions.

The Republican platform was then reported, and contains the paragraph which has been read here. I will not read it all again, but I will ask that it be printed:

REPUBLICAN PLEDGES FOR THE FUTURE—TARIFF.

> The Republican party declares unequivocally for a revision of the tariff by a special session of Congress immediately following the inauguration of the next President, and commends the steps already taken to this end in the work assigned to the appropriate committees of Congress, which are now investigating the operation and effect of existing schedules.
>
> In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries. We favor the establishment of maximum and minimum rates to be administered by the President under limitations fixed in the law, the maximum to be available to meet discriminations by foreign countries against American goods entering their markets, and the minimum to represent the normal measure of protection at home; the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system. Between the United States and the Philippines we believe in a free interchange of products, with such limitations as to sugar and tobacco, as will afford protection to domestic interests.

I call attention to the fact that this clause of the Republican platform declared for a revision of the tariff by a special session of Congress, and laid down the principle upon which that revision should be made. It also favored the establishment of the maximum and minimum rates, and concluded with a paragraph about the tariff between this country and the Philippines. It said nothing as to what the revision should be or what direction it should take.

There was a minority report on the platform. That minority report on the tariff repeated the protective principle set forth in the majority report and differed only in advocating the use of the tariff, or, rather, the free list, in order to reach trusts and combinations.

THE TARIFF—MINORITY REPORT.

> The Republican party proclaims its continued loyalty to the true principle of the protective-tariff policy, as established by Hamilton and advocated by Clay, Blaine, and McKinley. Under this true principle of protection such duties were imposed on imports as equaled the difference between the cost of production at home and abroad. From Hamilton to McKinley every great advocate of protection contended that a tariff so levied would establish and maintain American industries, and that free competition between producers would prevent monopoly and insure reasonable prices to all American consumers. Under this system, so long as competition existed, all classes shared in the benefits derived from the protective policy. But a great change has come. Through combinations of corporations, competition between protected interests has been suppressed, and the public compelled to pay prices dictated by monopoly. This condition is unjust, oppressive, and intolerable. It calls for prompt and effective remedy. No tariff policy which contributes in any degree to place the control of prices and markets under the domination of monopoly can be maintained.
>
> To correct these abuses and perpetuate a protective-tariff system based upon the true principle, we pledge the Republican party to the immediate revision of the tariff by the imposition of such duties only as will equal the difference between the cost of production at home and abroad; and whenever the control of any protected product by monopoly or the suppression of competition by agreement between the producers of protected articles limits production and controls prices and wages, the collection of duties upon the similar imported article shall be suspended or abolished and such articles admitted free of duty, except where the cost of labor in the domestic article exceeds that in the imported article, in which case such article shall be subject to a rate of duty equal to the difference between the cost of labor in the domestic and in the imported article, and no more.
>
> To ultimately place our tariff schedules upon a just, scientific, and more suitable basis, there must be a thorough, exact, and impartial investigation of the ever-changing conditions affecting labor and the cost of production at home and abroad. For this purpose we favor the early establishment of a permanent tariff commission, to be appointed by the President. Such commission to be composed of men from civil life, who represent all sections of the country and who are especially equipped by training and experience for this important work.

When Mr. COOPER of Wisconsin, the only dissenter from the majority report, made the minority report, he spoke in favor of it; the only allusion he made to the tariff clause was to read a brief quotation from Mr. Andrew Carnegie, that eminent political economist, who has been so frequently quoted by Democratic Senators in this debate, and who seems desirous of applying to his successors a policy quite different from that

which he enjoyed himself. That was the only allusion Mr. COOPER, speaking for the minority, made to the tariff. It may be well to add that the tariff declaration proposed by Mr. COOPER was rejected by the convention by a vote of 952 to 28. There was no other or further allusion to the tariff in the proceedings at Chicago.

The subsequent official work of the convention was concluded by the announcement to the candidates of their nomination. The President of the United States, in accepting the nomination, made a careful and able statement, reviewing the declarations of the party at Chicago and setting forth his own views and policies. I shall ask to have all he then said in regard to the tariff printed, but I call special attention to what he says in regard to revision:

The consequent material development has greatly changed the conditions under which many articles described by the schedules of the tariff are now produced. The tariff in a number of the schedules exceeds the difference between the cost of production of such articles abroad and at home, including a reasonable profit to the American producer. The excess over that difference serves no useful purpose, but offers a temptation to those who would monopolize the production and the sale of such articles in this country to profit by the excessive rate. On the other hand, there are some few other schedules in which the tariff is not sufficiently high to give the measure of protection which they should receive upon Republican principles, and as to those the tariff should be raised.

I will print the whole, calling attention merely to that passage by which it is made clear that the President was in full accord with the principle of protection declared at Chicago, and that he never for a moment thought that revision meant only reduction of rates.

The PRESIDING OFFICER. Without objection, it is so ordered.

The passage referred to in Mr. Taft's speech of acceptance is as follows:

A revision of the tariff undertaken upon this principle, which is at the basis of our present business system, begun promptly upon the incoming of the new administration and considered at a special session, with the preliminary investigations already begun by the appropriate committees of the House and Senate, will make the disturbance of business incident to such a change as little as possible.

* * * * * * *

REPUBLICAN DOCTRINE OF PROTECTION.

The Republican doctrine of protection, as definitely announced by the Republican convention of this year and by previous conventions, is that a tariff shall be imposed on all imported products, whether of the factory, farm, or mine, sufficiently great to equal the difference between the cost of production abroad and at home, and that this difference should, of course, include the difference between the higher wages paid in this country and the wages paid abroad and embrace a reasonable profit to the American producer. A system of protection thus adopted and put in force has led to the establishment of a rate of wages here that has greatly enhanced the standard of living of the laboring man. It is the policy of the Republican party permanently to continue that standard of living. In 1897 the Dingley tariff bill was passed, under which we have had, as already said, a period of enormous prosperity.

Mr. LODGE. I will also ask that the statement of the candidate for the Vice-Presidency in regard to the tariff be printed. I will ask to have it all printed, but I would especially call attention to the opening sentences.

[From Mr. SHERMAN'S speech of acceptance.]

I especially commend that plank of our platform which promises an early revision of tariff schedules. That pledge will be fulfilled in an adjustment based in every particular upon the broad principles of protection for all American interests; alike for labor, for capital, for producers and consumers. The Dingley bill, when enacted, was well adapted to the then existing conditions. The developments of industrial prosperity in a decade, which in volume and degree have surpassed our most roseate expectations, have so altered conditions that in certain details of schedules they no longer in every particular mete out justice to all. In this readjustment the principle of protection must and will govern; such duties must and will be imposed as will equalize the cost of production at home and abroad and insure a reasonable profit to all American interests. The Republican idea of such a profit embraces not alone the manufacturer, not alone the capital invested, but all engaged in American production. The employer and the employed, the artisan, the farmer, the miner, and those engaged in transportation and trade; broadly speaking, those engaged in every pursuit and calling which our tariff directly or indirectly affects. During a statutory application of this principle, prosperity has abided with us. When a revenue tariff has been the law, adversity and want have been our portion. Our Democratic brethren, whose memories are as short as their promises are frail, and who have always exhibited a lack of capacity to profit by experience, unmindful of the distress and destruction that arrived and departed with the last Democratic administration, declare in their platform that they favor "such immediate revision of * * * schedules as may be necessary to restore the tariff to a revenue basis." A "revenue basis," a "tariff for revenue only," "ultimate free trade"—all have an identical meaning; that meaning being an assault upon American industries, an attack upon the American wage scale, a lessening demand for the products of American soil and American toil; less work, less pay, less of the necessaries and comforts of life. In the light of history, what issue of the campaign so vitally affects American citizens? Experience, that effective teacher—effective save with the one-man power now parading under the title of the Democratic party—has taught the Nation a valuable lesson, and the result of the coming November election will once more prove the American people to be apt scholars. What the laborer of the land, skilled and unskilled, desires is the opportunity at all times to exchange his brain and brawn for good pay in good money. A protective tariff and the gold standard, both now the existing achievements of the Republican party, in spite of Democratic opposition, give the laborer that opportunity.

Mr. President, I have now given all the official utterances made by the Republican party and its candidates in entering upon the campaign. The principle which was then laid down in its resolution as that which must guide and control any revision was one familiar to the country; it asserted that it was our duty to preserve in tariff rates the difference in labor costs between this country and foreign countries and make them sufficient to secure a reasonable profit for the domestic manufacturer, or, in other words, to keep the American market within reasonable limitations for domestic industry.

The Senator from Texas [Mr. BAILEY] said some days ago that this principle no doubt had been that of Republicans generally and had been expressed in many speeches here and elsewhere, but that it had not before been placed in a national platform. He seemed to regard it as a further mark of Republican indifference to economic and constitutional virtue that the party had now formally declared this extraordinary principle as one of its party doctrines. We can not, alas, claim originality even in putting this statement of principle into a national platform. It appeared in a national platform as long ago as in 1884. Here it is:

The necessary reduction of taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor, and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country.

That is from the Democratic platform of 1884. So the principle is at least as old in a national platform as that time. When I heard the Senator from Maryland [Mr. RAYNER], with his accustomed eloquence, speaking yesterday about the "flaming symbol of a tariff for revenue only," which flashed upon the country in the two campaigns when his party won, it seemed to me that "the flaming symbol" which flashed upon the country in 1884, which was one of the years in which the Democrats won, was a very different proposition from "a tariff for revenue only."

Mr. President, whatever its origin, the principle of providing in tariff rates for the difference in labor cost is the sound principle laid down by the Republican party as that by which all tariff changes must be controlled. Beyond this the Republican convention did not go. They said that they would revise the tariff on this principle, and stopped then. What, then, does revision mean and who is to decide as to its character or extent? Revision means going over the whole subject, reviewing it, leaving unaltered what is good, making changes where changes are needed. It does not mean that all the changes in rates should be downward, for that would not be revision, but reduction. It does not mean that all the changes should be upward, for that would be advance and not revision. It does not mean to exclude questions of classification where an old classification is imperfect or to prevent the insertion of new articles and new products which have come into the market since the last tariff was passed. Revision covers all these things and is confined to no one of them. As for the revision downward, although there was no promise or pledge by the party for that any more than for a revision upward, it is no doubt true that many, perhaps most, people expected that the result of any revision would be more reductions than increases. That is the precise view expressed by the President. That was the view that was generally taken. But the question of what the revision should be, of how far it should go, or what the reductions should be, and what the increases, if any, was one for a majority of the House and the Senate to decide. We were not pledged to meet the view as to a downward revision held by one Senator or by a group of Senators, or to accede to the demand for increases of duty put forth by the representatives of one State or another. It is for the majority in both Houses to decide what constitutes a proper revision in all directions.

Mr. President, nothing has been so absolutely misrepresented as the point I am now going to make. As a matter of fact the revision made by the House, the revision reported by the Senate committee, the revision on which we are now engaged, is a revision downward. If you are to call it a revision downward when a majority of the changes in rates are reductions and not advances, it is overwhelmingly a revision downward. The pamphlet which was prepared shows 379 reductions. Remember that the standard of revision is not what the House passed as their form of revision. That which we are revising is the Dingley Act, the existing law, and taking the bill as it came from the Committee on Finance, including the House changes and our changes, there are 379 reductions and some 33 increases, practically every one of the increases being on articles of luxury, like wines or perfumed soaps or perfumery, and the rest very largely on agricultural products.

Mr. President, the general feeling that the revision of the tariff would result in reductions and not in advances is abso-

lutely carried out by this bill, and the contrary impression which has been given out here and sedulously accepted and fostered by a portion of the press is absolutely unfounded and untrue. The list of reductions to which I have referred has been added to by later amendments reported from the Finance Committee. But when the reductions are made, very often nothing is said about them. The Senate, for instance, made yesterday an important reduction in the duties on salt, an article of somewhat general consumption. No attention was called to that. But if an effort to cure a misleading classification or an attempt to bring a rate more nearly to what it ought to be, where in the opinion of the Finance Committee the House cut has been too severe, is made, we are immediately charged with neglecting our pledges and abandoning revision downward.

I will now apply the true principle of revision to the schedule which is before us. I am not going into the details of the schedule; those have been covered this morning by the Senator from Utah [Mr. SMOOT] in one of the most complete and thorough speeches that I have ever heard made on a tariff schedule. But merely to illustrate one or two points that I am about to make, I desire to call attention to what we found when we took up that schedule for revision, review, and improvement. We found that goods of the highest value under the schedule were frequently coming in at the lowest rates; that goods of low value were coming in at high rates; that often goods of the same value were coming in at different rates. This was due, it was said, to rulings and court decisions. It was due primarily to defects in the technical wording of the law of 1897. It is impossible so to draw a great and elaborate tariff bill that no technical defects can be found in it by the most astute counsel whom the ablest business men abroad can employ to pick holes in the statute. In twelve years such a law is sure to be in some important respects twisted, distorted, and perverted from its original purpose. There are other forces also at work. There is, for example, the change in the value of cotton. My friend from Iowa [Mr. DOLLIVER] laughed at me for having alluded to that as a cause of alterations in the schedules or as altering the working of the schedules, but I do not think that a laugh, however good-natured, can turn away the facts. I will give an illustration: You impose a specific duty of one and three-quarter cents under paragraph 313. You double the value of the cotton. We will say that it is stuff that costs 6 cents a square yard, and you have a duty of about 30 per cent, the general range of duties in the bill. Cotton doubles in value. It doubles in value to the foreign maker as it does to us. But when the goods come to the custom-house, of course the duty of one and three-quarter cents has fallen from a 30 per cent duty to a 15 per cent duty. The relations of all the specific duties in the bill are changed.

It has been asked why we have the specific duties in this bill and compound duties. The specific duty, as a broad general principle, is the best duty, because it is the most honest in collection, and that is the reason why specific duties are kept on many articles. It is to prevent so far as may be done needless undervaluations and frauds on the revenue.

Mr. ALDRICH. Will the Senator allow me to interject a statement?

Mr. LODGE. Certainly.

Mr. ALDRICH. Specific duties on cotton goods have been in every tariff law since 1861. They are in every tariff law of every commercial country in the world.

Mr. LODGE. And they were kept in ours in the same way. Of course the change in the price of cotton is one of the causes that has produced a change. Then there have been the court decisions, and then there has been the effect of the light weights in many of the goods which has gone far to destroy the original purpose of the cotton schedule.

I will print in this connection a table showing the equivalent ad valorem percentages of the specific duties on cotton goods imported under each paragraph of the Dingley tariff in 1907 as compared with 1899, when the bill had been in operation for a year. The figures are taken from the government publication entitled "Imports and Duties." In nearly every case they show a decrease in the protection in 1907 as compared with 1899.

When the bill went first into operation and was first enforced the duties were collected as the act on its face seemed to imply, and it will be found by examining this table that under these decisions, under changes of fashion, under rulings of the court, the duties have shifted in nearly every case. For example, in one of the smaller classes the rate has gone from 20 per cent to 7 per cent, and so it runs down all the way. I will not weary the Senate by reading the figures, but will print the table simply to show the change.

The PRESIDING OFFICER. Without objection, the table will be printed. The Chair hears no objection.

The table is as follows:

Table showing the equivalent ad valorem percentage of the specific duties on cotton goods imported under each paragraph of the Dingley tariff in 1907, as compared with 1899, when the bill was first put in operation.

No.—	1899.		1907.	
	Value.	Per cent.	Value.	Per cent.
928	$1,163.00	20.99	$5,149.00	7.63
929	930.60	27.27	5,450.00	19.97
931	1,402.00	22.15	1,330.00	18.42
932	831.00	32.28	310.00	21.80
933	61.00	27.11	1,185.00	32.82
935	22,395.00	21.09	19,080.00	19.73
936	2,532.00	33.30	600.00	30.92
937	29,414.00	43.65	16,727.00	39.29
939	55,360.00	34.37	71,974.00	33.48
940	5,461.00	51.24	4,935.00	40.96
941	11,360.00	43.05	61,306.00	42.35
948	3,083.00	20.33	11,104.00	17.74
949	2,327.00	38.39	9,449.00	26.33
950	1,484.00	28.12	5,601.00	26.85
951	17,725.00	42.70	7,471.00	32.04
955	32,459.00	27.61	142,409.00	23.80
956	10,272.00	47.83	189,776.00	29.48
957	10,589.00	44.79	24,702.00	33.42
958	202,232.00	45.39	123,534.00	40.36
960	55,652.00	35.17	204,674.00	31.44
961	87,665.00	37.46	70,475.00	36.14
962	18,732.00	46.31	269,191.87	40.06
963	54,929.00	48.27	24,294.00	42.15
970	677.03	44.35	3,161.00	31.48
971	11,788.00	48.83	15,798.00	40.60
975	44,492.00	27.69	16,990.00	26.42
976	17,414.00	35.71	14,097.00	33.00
977	6,957.00	46.24	84,607.00	35.33
978	221,924.00	48.17	690,561.66	41.34
982	233,747.00	44.97	96,534.00	40.95
983	115,602.00	43.15	21,474.25	39.95
984	223,107.00	44.84	245,413.00	39.36
985	394,501.00	44.38	161,540.80	46.03
1006	6,954.00	53.73	6,252.00	36.34
1007	7,388.00	53.30	3,969.00	32.99
1009	45,777.00	51.25	24,770.00	46.10
1011	10,387.01	41.00	4,496.00	41.95
1012	80,978.96	40.56	42,277.00	44.88
1013	21,052.00	45.96	5,244.00	42.60
1014	163,238.00	53.86	136,410.42	45.56
1016	995,368.00	53.49	609,136.00	37.93
1017	528,740.67	53.40	124,684.00	49.35
1026	450.00	47.55	4,364.80	39.36
1029	2,554.00	45.11	2,742.00	38.97
1030	5,197.00	50.67	1,523.00	46.92

Mr. LODGE. Finding the conditions which I have described to exist, Mr. President, the Senate committee undertook to make what they considered a proper arrangement of the cotton duties, fixing duties which corresponded and which were harmonious in their general arrangement. They had no intention, in this rearrangement, of advancing the rates of the existing law, and they have not done so. The committee believe that the average rate remains where it was, at about 38 per cent, and that the correct figures will show it. They believe also that their revision will restore the old classifications, that it will provide for the new processes, and that it will remedy the inequalities and injustices which have arisen.

Now, Mr. President, in regard to these new processes, there is only one upon which I wish to detain the Senate, and that is the process known as "mercerization."

Let me say first, Mr. President, that I am not concerned to defend or uphold or explain amendments offered by Mr. Lippitt and Mr. MacColl to the House committee and not adopted. Among the amendments they suggested was one which was embodied in the House bill. Whether it was put in there because they suggested it or because the House committee of their own motion thought it was a proper duty to put in, I do not pretend to say. I see no reason why, if it was suggested to the Committee on Ways and Means and they thought it a good suggestion, they should not put it in, even if the suggestion came from an American manufacturer. I think an American manufacturer is quite as much entitled to the consideration of a committee and of the country as foreign importers, and there have been no lack of suggestions from the latter. If the importers made good suggestions they would be adopted, and some suggestions made by importers on classifications have been adopted, I think, in both Houses. But with me the suggestions of American manufacturers, able and honorable men employing American labor, would always have preference. The other suggestions made by Mr. Lippitt about the counting of filaments, of which so much has been said, have not been adopted by either House, and I am not going to waste time over that proposition, which is only brought forward to "fright us with false fire."

Mr. President, a great point has been made about mercerization, the reason being, as I wish to show later, that the importations are very large under that head. Mercerization is

a process of giving luster to cotton fabrics by dipping them in a bath of caustic soda. It was discovered by Doctor Mercer, an Englishman, or, at least, it was patented by him about 1850. There have been other patents in the same direction added more lately. There have been various new patents in connection with this process, both German and English, but the most important was the one taken out in 1890. I think the name of the inventor of this patent was Lowe. It involved the question of the tension of the cloth. I have tried to find out just when the process came into very general commercial use in this country, although the fact that it was not mentioned in the Dingley Act is proof on its face that it was but little known in 1897 and was not considered of any serious commercial importance.

Mr. President, let me say before I go further that fault has been found with the language "mercerized" or "similar processes." The latter words were necessary because the process is new and not like the old methods of giving luster to cotton cloth. The old names were not sufficient. Lustering and calendering were two of the old names. Those were brought about by mechanical processes subjecting the cloth to pressure under heavy rolls and "beetling" or pounding the cloth with heavy wooden sticks. There was no similarity between those processes of lustering and that of mercerizing, which is a purely chemical process.

I have tried, as I said, to find out when it became of general commercial importance. The first definite statement that I find is that one John Maddocks, in October, 1898, made an agreement giving the rights to use the patents in his possession to Frank A. Sayles, of Pawtucket, R. I., and Lesher, Whitman & Co., of New York. The machines were subsequently installed, and it was several months after this before the first piece of goods was complete. The patents were subsequently contested in the courts by other finishers of cotton goods and were not upheld, so that the process is now free. It is, however, perfectly clear, Mr. President, that, whatever the exact point of time, other mills were no doubt trying the process, and that the process with the tension, which is a very important part of successful mercerizing, could not have been used before 1890. There is no indication that it was in any general use before the passage of the Dingley Act. The market price for doing the work at the start, I may say here, was about 5 cents per pound. I ought to add that cotton yarn was mercerized in this country a short time prior to this, but it was two or three years, at least, after the date given above before the mercerizing of cotton cloth became at all general. It has been constantly growing in use ever since and is now a most important branch of the industry.

Mr. President, dipping in the caustic bath, which costs from three-fourths of a cent to a cent and a half, is really but a small part of the expense. The process of putting it through the bath, with the necessary tension to give the proper luster to the cloth for successful mercerization, has to be carefully performed. In the first place, as to yarn, it has to be twisted—that is, made of two or more single yarns—in order to give it strength to stand the mercerizing process, which consists of holding it taut, so that it can not shrink in length while subject to the action of the caustic soda. The action of caustic soda is to produce a strong tendency to shrink, alike in yarn or cloth subjected to it. Mercer himself, at the discovery of his process, only claimed for it an enriching of the appearance of the fabric and an improved capacity to take dyes, thus making more brilliant colors. It was not, as I have said, until long afterwards and in recent years that the additional discovery was made that by preventing the article treated from shrinking a very high luster and silk-like appearance would be produced, and this result is what is now commercially known as "mercerizing." The effect is much heightened when the yarn is soft twisted; but as it is the twist alone that gives strength to yarn, it is practically impossible at present to mercerize a single yarn soft enough to get satisfactory results in luster. Therefore, whenever a mercerized yarn is required it has to be of two or more ply, which means that if, say, a No. 30 yarn is required, a No. 60 has to be spun, and then two threads twisted together to get the No. 30 size. The cost of yarn increases in proportion to the fineness of the number; so it is evident that the above necessity means greatly increased cost—always of labor, the proportion of which in the cost of yarn gets larger and larger as the number grows finer, and frequently in stock, because as the numbers grow finer it from time to time becomes necessary to use extra-length cotton. The expense is also increased, because a two or more ply yarn will always be more lustrous to the eye than a single. The effect on the eye of mercerization is partly a matter of light and shade—of contrast. The heavier corrugations of two threads twisted round each other helps the effect to the eye.

Extra quality of cotton also has to be used to get the best results. This is an expense in the first cost, in the additional cost of the waste, and in the additional cost of labor and machinery to manipulate it in some of the processes, as in carding, where only from one-half to three-quarters the quantity can be put through a machine, thus needing more labor and more machines per pound. There is further expense in the superior quality of thread necessary to make the general appearance conform to the high-grade article aimed at. This involves the greatest care to be taken in all processes, frequently additional processes, as four operations of speeders in place of three, and always to produce the best results the use of combers, both to get the better luster resulting from the uniformity in length of staple, and to get the regular, even, handsome thread which the operation produces. As for the actual operation of mercerization itself, the market price is about 8 cents per pound.

It must also be remembered that in the process of mercerization the yarn shrinks in weight some 6 to 10 per cent. As yarn is sold by the pound, it is evident that if 100 pounds are put in process and only 90 to 94 come out, in addition to the cost of the treatment itself this reduced weight must be considered. This is not by any means an insignificant matter, but it is a loss of from 6 to 10 cents on every pound of yarn. The result of all this is, as an illustration, that while the price of a single No. 30 varies from time to time, say, from 18 to 25 cents per pound, the price of a No. 60 two-ply mercerized, equal in size to the No. 30 single, is, say, 60 to 65 cents per pound for a standard quality and for a superlative quality, made in the very best manner from sea-island cotton, thus showing the highest luster, it will run up to 80 cents per pound.

This analysis shows the cost of a mercerized yarn as compared with an ordinary single weaving yarn of the same weight. If compared with a two-ply yarn unmercerized, some of the above elements of additional cost would not exist, but we are considering this cost for the purpose of seeing what it amounts to in the substitution of mercerized for unmercerized yarn in cotton cloth, and in most cases this means the displacement of a single thread. There are some cloths whose nature necessitates a twisted thread, as, for instance, sailcloth or duck. In most cases their uses are such that mercerization would be no advantage, and the cases are very few where the use of mercerized threads for beautifying or ornamenting cloth does not involve the full cost as just stated. All the samples which I shall show of this process are of cloths where the same count and weight could be produced by the use of single yarns, and they will represent the ordinary range in the use of mercerized yarn in the cloth.

Now, as to cloth mercerized in the piece; the principle of this is exactly the same as for yarn. The cloth is run through a bath of caustic soda while held so as to prevent it shrinking in width. The elements of cost are the same, except that it is not necessary to use twisted yarn. The intermeshing of the threads gives them the requisite strength. All the other features of cost are there, the use of superior stock necessarily involving some additional labor cost, as described; the use of a softer, rounder, more level thread always involving greater labor; and usually, to get satisfactory results, the use of combers; and, finally, the use of an unusual combination in the number of the yarn in the warp and filling. On almost all pieces of mercerized fabrics you will find a great difference in the luster of the back and front of the cloth. This is due to the back being fine yarn and the face a coarse number, being so made in order to have it as soft and as full as possible, which is necessary to the best results. This wide difference in numbers is a considerable element of enhanced cost. Frequently as fine as No. 70 to No. 80 is used for one face, usually the warp, and as coarse as No. 30 for the other. How much these different features add to the cost is demonstrated by the illustrative samples which I shall show in a moment, and, in addition, is the actual cost of mercerization, running from three-quarters of a cent to 1½ cents per square yard, the whole cost being in many cases some 4 cents per square yard, and the duty proposed affording 25 per cent protection.

Mr. President, to illustrate what I mean by the necessity of preparing the cloth, that [exhibiting], marked "No. 1," is a piece of unmercerized cotton cloth. That [exhibiting] is a piece of the same cloth not specially woven or prepared and mercerized. Here [exhibiting] is a piece of the same cloth specially prepared for mercerization, and mercerized. Anyone who will take the trouble to look at these samples will see at a glance the difference between that which was prepared for mercerization and the others. That [exhibiting] was not prepared for mercerization; that is unmercerized. Any Senator who will take the trouble to look at this sample [exhibiting] will see the immense difference in the quality which is caused by the lack of preparation for mercerization in the same cloth. This [exhibiting] is mercerized and prepared cloth. The cost of mercerization in that No. 3 [exhibiting], which is a simple fabric, is 2¾ cents per square yard more than No. 1; and the duty is 1 cent. Now, here [exhibiting] are the same goods made of mercerized yarn

in the warp—not mercerized cloth, but mercerized yarn in the warp. They are very pretty fabrics, indeed. The yarn is mercerized before it is woven. The cost of that [exhibiting] was 3.86 cents per square yard more than if the ordinary unmercerized yarn had been used; and the duty is always 1 cent.

Here [exhibiting] are goods which are very pretty, ornamented with mercerized yarn in the figures. The cost was 3.07 cents per square yard more than if ordinary unmercerized yarn of the same weight had been used for the same purpose. Here [exhibiting] are simple samples, if Senators care to look at them, of the effects of mercerization. Some of them are extremely pretty and show what can be done by the process.

To show further what can be done, here [exhibiting] is a very fine fabric of mercerized yarn. The difference between ordinary and mercerized construction in this case—these are high-priced goods—is 9½ cents a yard. There is another [exhibiting] as high as 12 cents; there is another [exhibiting] 6¼ cents, the figures being made from mercerized yarns; the difference in cost between ordinary and mercerized construction is 6 cents, 5½ and 4½.

Mr. ALDRICH. I hope Senators will remember that in 1897 practically none of these fabrics were made.

Mr. LA FOLLETTE. I am not able to hear the conversation that is taking place, and I should like to.

Mr. LODGE. The Senator from Rhode Island said that he hoped Senators would remember that none of these fabrics were made in this country prior to 1897.

Mr. GALLINGER. Substantially none.

Mr. ALDRICH. Substantially none.

Mr. LODGE. Here [exhibiting] are finished and unfinished samples of cloth made for mercerization, 136 threads to the square inch, 34 inches wide, weighing 6.4 yards to the pound. On May 14, 1909, a prominent merchant in New York paid a New England mill 6⅛ cents per yard for this cloth unfinished. At the same time another mill offered to make cloth of the same width and count of threads to the square inch, but not of special construction fitting it for mercerization, at 3¼ cents per yard. There was a difference of nearly 3 cents in the mere cost of the construction of the cloth for mercerization. The additional cost for cloth suitable for mercerization, 2¾ cents per yard; add the cost of mercerizing, 1 cent per yard—it has been stated by the Senator from Iowa to be from three-fourths of a cent to a cent and a half per yard—and the total additional cost is 3¾ cents per yard, while the duty proposed for all these additional costs of mercerization, for the most expensive, where it is as high as 12 cents, down to the lowest, which I have shown and which is 2¾ cents, is but a cent a yard, ranging from 25 to 35 per cent ad valorem, and sometimes, I think, very much less.

Mr. President, I have one other sample here, which Senators can see, if they care to look at it. Here [exhibiting] are some specimens of cotton goods specially prepared for mercerization, made with very fine warp and of carefully selected and soft threads. I think it would repay Senators to look at these fabrics and see how much like silk they are. They, of course, command a high price, comparatively speaking.

Mr. ALDRICH. Perhaps the Senator ought to say there that these fabrics are driving silks out of the American market, and not only out of the American market, but out of all the markets of the world.

Mr. LODGE. Mr. President, I have, by the samples I have brought forward, which were procured from different mills and from sellers in New York, tried to show, and I think I have shown conclusively, that for the additional value of mercerization, a cent a yard, as proposed by the House, is a very moderate rate, indeed. There is a great range, as I have shown, between goods of the cheapest class for mercerization and goods of the higher class. It is carried, as these samples show, as high as 12 cents; but there is not one where it makes much over 30 per cent, and in most of them it is a great deal lower.

I have a table here showing the average value per square yard of cotton goods imported under the ad valorem clauses. The ad valorem clauses, as Senators know, are the clauses at the end of each paragraph after the specifics, the general clauses under which all cloths above a certain value come in, and, needless to say, they are the cloths of highest value; they are the most expensive fabrics, and through them most of the mercerized cloths enter. Of $13,000,000 worth of cotton cloths imported, $8,375,000 came in under the ad valorem clauses. They were very largely these mercerized fabrics. The table shows substantially that two-thirds of the importations are in the ad valorem clauses, and, omitting the importations under two very small paragraphs, the lowest average value is 15.8 cents per yard, which, with a 35 per cent duty added, makes 22.7 as the average value, landed in New York. The highest is 26.7 cents, which, with 40 per cent duty added, makes the value 37.4 cents landed in New York. A duty of 1 cent per square yard for mercerization will only mean, therefore, an additional cost of from 3 to 4 per cent upon the average value of the above importations, an amount too insignificant to affect materially the importation of high-priced novelties, which most of these are. Mr. President, the reason that Messrs. Tootle, Broadhurst & Lee; R. A. Whytlaw, Son & Co.; R. K. MacLea & Co.; George Riggs & Co.; William Anderson & Co.; and others protest against this duty to the Finance Committee, and have made such earnest resistance to it, is that they have been bringing these goods in, and they have been bringing them in at an unfair valuation. This is the whole story, so far as I am able to discover, and I have given a great many hours to the question of mercerized goods, upon which the House put a duty of a cent, which the Senate committee has left unchanged.

I come now, Mr. President, to another and widely different subject. A great deal has been said in different speeches in regard to the enormous profits of the New England cotton mills and in regard to wages. I wish to speak of wages first, for that is one element in the cost which has affected the protection afforded by the rates of the existing law. I have here a statement, which I have drawn out, giving the date and amount of increases and decreases in wages paid in New England cotton mills since the passage of the Dingley Act, and showing that the maximum increase up to 1907 was 32½ per cent. Then came the year of depression and bad times, and there was a falling off of 10 per cent, but the net increase in wages to-day, since the passage of the Dingley Act, has been 22½ per cent.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Wisconsin?

Mr. LODGE. Yes.

Mr. LA FOLLETTE. Will it disturb the Senator, before he leaves the subject of mercerization, to let me ask him a question with respect to it?

Mr. LODGE. I yield to the Senator for a question.

Mr. LA FOLLETTE. I simply wish to know if the Senator can state the cost of mercerization in England? He has stated the cost of mercerization, as I understand, in this country.

Mr. LODGE. I suppose the process—that is, the material of the process, the caustic bath, and the loss of weight in the yarns—must be the same there as here; but the difference comes in the labor, which is very considerable because of the necessary employment of the finer yarns.

Mr. LA FOLLETTE. Can the Senator state what that difference in the cost of labor is?

Mr. LODGE. Mr. President, I can state what the difference was when, in the State of Massachusetts, some ten years ago, Mr. Carroll D. Wright collected some statistics on the subject; but it was a good many years ago, and so I have hesitated to allude to it. Mr. Wright in 1885 showed that the average rate of wages in Massachusetts industries exceeded the average wage in the same industries in Great Britain 77.88 per cent. The same relation exists to-day. Nothing has happened to change it, unless to increase the excess of the Massachusetts average wage over that of Great Britain.

Mr. LA FOLLETTE. The Senator misunderstands me. I do not refer to the general difference in wages, but I mean the difference in the wage cost involved in mercerization.

Mr. LODGE. Oh, in mercerization.

Mr. LA FOLLETTE. Yes.

Mr. LODGE. Well, it is the same difference running through all cotton manufactures. It is a mere question of the amount of labor; that is all.

Mr. LA FOLLETTE. Yes; that question, of course, would be involved. If the Senator knows what amount of labor is involved in mercerization——

Mr. LODGE. I have tried to show the amount of labor by showing what cloth prepared for mercerization costs. For instance, these cloths I hold here were offered in the open market—I have the letter here—and a merchant of New York, as I have said, paid to a New England mill 6⅛ cents a yard for this cloth unfinished; it was offered at the same time, not fitted for mercerization, at 3¼ cents per yard. The additional cost was 2¾ cents per yard.

Mr. LA FOLLETTE. I understand, Mr. President——

Mr. LODGE. That additional cost is made up of labor and more expensive material, and more expensive material is, in the main, additional labor cost; that is all.

Mr. LA FOLLETTE. But the duty proposed for mercerization is not for the preparation for mercerization, but for the mercerization itself.

Mr. LODGE. But the mercerizing involves the preparation for mercerizing, otherwise it is an unsuccessful cloth.

Mr. LA FOLLETTE. But if the cloth came in prepared for mercerizing, the duty would not apply; it only applies to the mercerizing. Now, what I want to get at is the difference, if the Senator can inform the Senate, in the cost of the mercerization itself.

Mr. LODGE. I take it, Mr. President, that the law applies to cloths prepared for mercerizing, because it is advanced in manufacture, of course.

Mr. LA FOLLETTE. Then it would be reached under another provision.

Mr. LODGE. It would be reached under another provision. It would be in an advanced stage of manufacture.

Mr. LA FOLLETTE. This particular provision which fixes the duty for mercerization can only apply to mercerization itself.

Mr. LODGE. No. Mr. President, it covers the whole thing. The cloth mercerized does not get the additional duty of the cloth advanced; it gets nothing but the 1 cent.

Mr. LA FOLLETTE. Let me ask the Senator——

Mr. LODGE. It covers the whole cost of mercerization.

Mr. LA FOLLETTE. If cloth came in here not mercerized, but prepared for mercerization, would it take the mercerization duty?

Mr. LODGE. No; I suppose not.

Mr. LA FOLLETTE. No; it certainly would not. Then, it would come in under another paragraph of the bill with respect to cotton cloth, and the mercerization duty would not apply to it at all. So the additional cost in preparing for mercerization would not be covered at all in applying the duty for mercerization.

Mr. LODGE. It seems to me very plain that if cloth comes in not mercerized, it comes in under another paragraph—as advanced in manufacture, and pays a different rate. If it comes in mercerized, it does not come in under the other paragraph, too. It does not pay the other duty on being advanced for mercerization. The cent covers the whole cost of mercerization, not only the caustic bath, but all the construction of the cloth which makes it fit. The cent covers the whole thing. You can not bring it in under two paragraphs at once.

To return, Mr. President, to the matter of wages. The wages had advanced from 1897 to 1907, 32½ per cent throughout the New England mills, and 22½ per cent in 1908. I ought to say in a general way before I pass to my next point that there is no trust or combination and no preponderating influence of any kind in the cotton-manufacturing business in this country, and there is very sharp domestic competition, which has brought down the price of all goods, especially the coarser cloths, to the lowest possible point compatible with the existence of the industry.

Mr. President, I desire now to say something in regard to the earnings of the New England mills, about which so much has been said. I have lived all my life in New England, and I have been in the way of knowing something about the cotton industry. As a trustee, I have had some occasion to consider those mills as investments, and I have been amazed to hear of the gigantic profits of the New England mills, which are found in the Senate, but not in the places where the mills exist. But I did not content myself with my own general very strong impression in regard to this question. I have gone to the official figures. I have not taken anybody's guess or the statement of any enthusiastic association or the assertion of any manufacturer. I have taken from official records the actual dividends paid. Massachusetts is a fair example of the other New England States. It is also the largest cotton-manufacturing State in the Union. These figures are all, as I have said, the subject of official record, as are the earnings of the mills and their condition. I shall very briefly review these figures, which I shall then place in the RECORD, in order to give every Senator an opportunity to examine them.

Three mills have been especially named here as examples of gigantic profits. Let me say at the outset that to take one mill, which for some reason has been particularly successful, or two or three, and say "these are the earnings of the cotton manufacturing industry," is as misleading as it would be to take one gold mine or one copper mine and say that all gold or all copper mines made equal returns; that because the Verde mine or the Calumet and Hecla mine had made enormous returns, the entire copper-mining industry of the United States had made similar returns. The only way to get at the real earnings of an industry is to take a number of mills or a number of mines and compile their dividends for a series of years and then see what the general return was. I could make a showing here, from the papers I have on my desk and from facts within my knowledge, in regard to New England mills, which would show that the industry had lost heavily and that nothing was ever made. But it is impossible, of course, to reach any intelligent conclusion in that way by selecting either failures or successes.

One of the mills mentioned as typical of manufacturing profits was the Dartmouth mill, which is near New Bedford, and which has been extraordinarily successful. It is true that the owners paid in 1907 66 per cent on their capital. Their capital is $600,000. Their plant is valued on their books at $3,000,000, but even on the latter valuation the dividend was very large; 1907 and 1908, however, were wholly exceptional years. But the Dartmouth mill can not be taken in the slightest degree as an example of the cotton industry, for they make union goods of silk and cotton, which is an entirely different proposition from straight cotton goods. They make almost entirely special fancy fabrics.

In this connection let me say that in the cotton-manufacturing industry there is something which is too often overlooked. One year, with a treasurer who buys his cotton well, or an agent who hits the fashion well, a mill will make great dividends, and then perhaps there will be two or three years when they will not buy their cotton well, and they will not hit the taste of the market and the mill will make no dividends, or very small ones. There is a great deal in the personal equation in this matter of making money out of a cotton mill or a silk mill. In the case of the Dartmouth, on their nominal capital of $600,000, the average dividend, including the 1907 dividend of 66 per cent, is 17.85 per cent. On the actual money invested, the dividend for the last ten years has been a trifle less than 6 per cent.

The Troy Cotton and Woolen Manufacturing Company was another one cited. It may surprise Senators to know that it is a mill in Fall River and not in New York. This is a very old mill. It was established in 1813, when Fall River was a little village. Fall River is now a city of over 100,000 people. The mill is built in what is now the center of the city. Land was cheap when the mill was built, and the proprietors bought plenty of land. They own city blocks now, and the year they divided 66 per cent they sold a portion of their land and divided among their stockholders the proceeds of the sale. Their dividends in part come from rents of business blocks. No doubt it has been a very profitable property to those who have owned it, but it is not a manufacturing profit.

The Acushnet mill was the other one cited. It was said that it paid 66 per cent. I have looked over the dividends for a number of years—I think since the foundation of the mill—and they have never paid any such amount so far as I can learn. The average dividend for eleven years has been 15.86 per cent. But the Acushnet is another case of an undercapitalized mill. The capital on the face of the stock is $500,000. The value to replace the mill, owing to the additional money invested in it, is $2,000,000. The average dividend therefore on the actual value of the mill is about 4 per cent.

I have here a letter addressed to my colleague from Mr. Crapo, of New Bedford, a very distinguished citizen of my State, who served for many years in the House of Representatives, who is eminent as a lawyer and is a gentleman of the highest standing. Those who recall him here and who know him will agree with me in all that I could say of him in praise. He writes to my colleague:

NEW BEDFORD, MASS., *May 28, 1909.*

Hon. W. MURRAY CRANE,
United States Senate, Washington, D. C.

MY DEAR SIR: My attention has been called to the statements made in the Senate in discussing the tariff rates on cotton goods, in which the Acushnet and Dartmouth mills, of New Bedford, are cited as exhibiting an enormous profit in this industry.

I am thoroughly conversant with the affairs of the Acushnet mills. It has been and is regarded as a successful concern. On the fair appraisal of its property it has paid its stockholders, including what are called "extra dividends," an average of less than 7 per cent annually. Its capital stock, instead of being inflated or watered, has in the course of its history been reduced, under the idea that such action was in the line of conservative business. Taking the value of the plant and equipment at present cost prices, the Acushnet Mills Corporation is earning and paying to its stockholders between 5 and 6 per cent per annum.

My knowledge about the Dartmouth mills comes from the general understanding in this locality of its operations and methods. That it is and has been exceptionally well managed and prosperous in the making and selling of cotton fabrics can not be questioned. To judge of the cotton industry of New England by this one cotton corporation, in which controversies for control have led to excessive prices for its shares, is absurd.

It is not strange that Senators and Representatives living at remote distances from cotton-manufacturing centers, having no personal knowledge of the industry, but hearing reports, propably grossly exaggerated, of extravagant profits in an isolated case and made under conditions of which they are ignorant, should err in their judgment and unwittingly deal unfairly with a great industry. The importation of and customs receipts on cotton fabrics demonstrates that the tariff duties are not prohibitive, and it is a fact that the number of cotton-mill corporations which distribute to their stockholders in dividends less than 6 per cent exceeds those that distribute more than that rate.

It may be worth noting that the Wamsutta Mills, the oldest cotton-manufacturing corporation in this city, is a plant as large as the Acushnet and Dartmouth mills put together. This plant has been carefully and prudently managed for a great many years. Its goods have the reputation of being second to none in the country. With the exception of one extra dividend of 5 per cent in an exceptionally prosperous year, the stockholders of this corporation have received no more than 6 per cent annual dividends for the last fifteen or twenty years. This corporation enjoys all of the same tariff advantages possessed by the Acushnet and Dartmouth, and has all the same advantages of location and market. In my judgment, it is a much fairer type of the cotton-manufacturing industry of New England than either of the two exceptionally prosperous concerns which are figuring in this debate.

The cotton-manufacturing industry has made great gains in the last twenty years and is still expanding. The wages paid to vast numbers of operatives have in late years been higher than ever before in the history of the business. The wages are fixed not by the rate of profit made by the few very successful mills, but by the great average whose

profits are only moderate. If the prices of the products of the mills are reduced through a reduction in the tariff, the wages of the help in the mills whose margin of profit is not large at present will have to be reduced, and with this reduction must come a reduction all along the line, including the mills whose profits are as great as those of the two selected as examples.

Yours, truly, WM. W. CRAPO.

I found, in looking for statistics, that General Draper, who is known to many in the Senate, and who served in the House of Representatives and afterwards as ambassador to Italy, made a very careful table some years ago showing the dividends of a number of mills from 1882 to 1892. I will print it as it stands:

List of companies whose capital has not changed during the ten years from 1882 to 1892.

Company.	Par value.	January 1, 1882.	January 1, 1892.	Ten years' dividends.
Appleton	$600,000	$717,000	$345,000	$138,000
Boott	1,200,000	2,580,000	1,620,000	924,000
Boston	800,000	1,080,000	848,000	520,000
Boston Belting	700,000	1,225,000	1,422,750	749,000
Boston Duck	350,000	525,000	562,500	225,500
Chicopee	1,000,000	1,900,000	900,000	600,000
Dwight	1,200,000	1,920,000	1,800,000	1,068,000
Flint Mill	580,000	406,000	609,000	342,200
Hamilton Cotton	1,800,000	2,196,000	1,800,000	648,000
Lancaster	1,200,000	2,700,000	1,866,000	1,020,000
Lawrence	1,500,000	2,700,000	2,250,000	1,365,000
Lowell	2,000,000	2,101,775	1,833,333	803,023
Lowell Machine	900,000	2,277,000	1,305,000	810,000
Lyman	1,470,000	1,719,900	970,200	558,600
Massachusetts	1,800,000	2,520,000	1,890,000	1,026,000
Merrimack	2,500,000	4,600,000	2,625,000	1,600,000
Middlesex	750,000	1,875,000	975,000	765,000
Naumkeag	1,500,000	1,890,000	1,590,000	802,500
Otis	800,000	1,040,000	1,480,000	800,000
Pacific	2,500,000	4,750,000	4,187,500	2,125,000
Tremont and Suffolk	1,200,000	2,103,000	1,464,000	738,000
Thorndike	450,000	495,000	540,000	342,000
Chace Mills	500,000	535,000	500,000	285,000
Crescent Mills	500,000	400,000	175,000	167,500
Fall River Manufactory	180,000	315,000	216,000	59,400
Granite Mills	400,000	1,310,800	960,000	612,000
King Philip	1,000,000	1,200,000	1,150,000	420,000
Laurel Lake	400,000	376,000	448,000	216,000
Mechanics	750,000	862,500	637,500	397,500
Merchants	800,000	1,000,000	960,000	480,000
Metacomet	288,000	288,000	201,600	44,640
Narragansett	400,000	400,000	288,000	230,000
Pocasset	800,000	480,000	1,088,000	264,000
Richard Borden	800,000	680,000	780,000	368,000
Robeson	260,000	234,000	221,000	105,300

List of companies whose capital has not changed, etc.—Continued.

Company.	Par value.	January 1, 1882.	January 1, 1892.	Ten years' dividends.
Shove	$550,000	$577,500	$632,500	$294,250
Slade	550,000	495,000	330,000	178,750
Tecumseh	500,000	660,000	512,500	322,500
Troy Cotton Mill	300,000	540,000	585,000	300,000
Union Cotton	750,000	1,374,375	1,575,000	1,357,500
Weetamoe	550,000	467,500	247,500	178,750
Total	37,078,000	55,496,350	44,490,883	24,420,913

I find the total dividends, $24,420,913 for ten years (which would be an average dividend of $2,442,091.13 per year), to be 6.58 per cent per annum of the par value of the stocks of the above companies.

I also find the above annual dividend to be 4.88 per cent of the average selling price for 1882 and 1892, which is $49,993,616.

In the letter which General Draper sent to me, he says:

As to profits during the past ten years, I am quite a large owner, for me, in two concerns, one in the North, at Burlington, Vt., and the other in the South, at Charlotte, N. C. Neither of these concerns has paid continuously 6 per cent, either on the capital stock or on the money actually invested, during the last ten years, though they might have averaged about that figure, but for the bad year just past, during which one of them actually lost money.

I have not gone into the returns of the southern mills of which General Draper speaks, but I think on the whole they have probably done somewhat better on an average than the New England mills.

Thirty-two Fall River mills, omitting the Troy Company, which draws its dividends in part from real estate, and omitting two new mills, which have as yet paid small or no dividends, show an average dividend during the last ten years of 5.99 per cent, say, 6 per cent. The capital, however, in the Fall River mills represents $10.20 per spindle, whereas the cost of building the mills is from $16 to $20 a spindle, probably much nearer the latter figure. A fairer way of figuring the profits is to show how much has been paid per spindle, and on the list which I submit herewith it appears that the average return per spindle per year was 76 cents, or just about 5 per cent, on the lowest cost that anybody could claim that a mill could be produced for.

I will ask that the list, which is a broker's list, conveniently arranged, from Fall River, be printed with the statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

The list referred to is as follows:

Statistics of Fall River (Mass.) manufacturing corporations.

Corporation.	Par.	October, 1908. Capital.	Debt.	Surplus.	Spindles.	Book value per spindle.	Dividends paid during past 14 years. 1895	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905	1906	1907	1908	Extra dividend during past 14 years	Average annual dividend including extras.	Present market prices	Market value per spindle.
American Linen Co	100	$800,000		$191,792.09	91,372	$6.65	7	2½	1	1	4½	6½	5	8	7½	5½	3	6	11	6		5.304	125	$8.84
Ancona Co	100	300,000	$115,535.39		39,136	10.61									(a)		3	6	12	6				
Arkwright Mills	100	450,000	153,418.01		68,432	8.82						4½	5½	5	6	5½	3	4½	6	6			103	9.21
Barnard Mfg. Co	100	495,000	68,622.71		72,992	7.72	7	7	1		3½	8	5½	6	4½		2	4½	7	7		4.48	116	8.81
Bourne Mills	100	1,000,000	218,795.89		91,258	13.35	24	12	18	8	10	14	6½	12½	9½	3½	3	4	5	4½	40	12.46	100	13.35
Border City Mfg. Co	100	1,000,000		107,266.54	119,812	7.45	17½	6½	4	4	6	8	6½	6	6	5½	3½	9½	23½	6	50	11.46	150	11.62
Chace Mills	100	1,200,000		234,837.77	116,688	8.28	6	6½	3½		6	6	6	6	6	3	4½	6	6½	8	58½	9.11	140	12.38
Cornell Mills	100	400,000		233,578.76	45,040	3.69	6	8	7	5	12½	13	6½	7	6½	4	4½	12½	16	11		8.55	180	10.79
Conanicut Mills	100	300,000	47,625.00		29,136	11.93	6½	3½			6	8	8	8	7	5	1	4½	6	5		4.91	100	11.93
Davis Mills	100	500,000		250,810.07	53,856	4.62									(a)			1½	6	6			132	7.59
Davol Mills	100	500,000		105,042.56	44,672	8.84	6½	8	4½	4	5½	8	6½	6	6	4	1	6	6	6	25	7.36	102	9.51
Flint Mills	100	580,000		139,804.00	50,816	8.60	8	8	6½	4	6	8	7	6	6	4	4	6½	12	8		6.71	108	9.57
Granite Mills	100	1,000,000		861,857.02	118,984	5.36	6½	7	2	1	6	8	8	8	8	6	4½	8½	10	8		6.54	150	9.56
Hargraves Mills	100	800,000	117,344.92		111,600	8.21	6½	6	6	6	6	6	6	6	5½	2		1	5½	6		4.89	105	8.57
King Philip Mills	100	1,500,000		871,083.91	135,072	4.65	6	6	6	4½	7½	6	6	16	6	6	6	6	6	6	100	13.86	175	12.98
Laurel Lake Mills	100	600,000		250,927.37	59,808	5.84	6	5½			3½	6	4½	6	8	5½	5½	11	14	13	100	13.20	165	12.35
Lincoln Mfg. Co	100	600,000	297,799.26		50,000	17.95													(a)				90	16.75
Luther Mfg. Co	100	350,000	84,084.77		51,616	8.41									(b)					3			125	10.10
Merchants Mfg. Co	100	1,200,000		111,305.08	131,820	8.26	7	6	2		1	6	2½	4	4	2	2	4	5½	6	50	7.30	118	9.89
Mechanics Mills	100	750,000		288,967.38	57,856	7.96	6½	7	3		5	6	5	4½	4	3	1	4	7	6½		4.46	116	10.04
Narragansett Mills	100	400,000		142,220.35	43,744	5.89	7	6½	5	1	5	8	5½	6	6	5	4	8	11½	8		6.18	135	9.09
Osborn Mills	100	750,000		218,959.32	70,332	7.55	7	7	4		5	8½	3½	4	4	3	2	4	5½	6	25	6.32	115	9.15
Parker Mills	100	800,000	199,284.62		111,684	8.94		3½	3½	5	5½	6½	8	8	7	3		1	5½	6		4.50	100	8.94
Pocasset Mfg. Co	100	1,200,000		188,716.86	125,016	8.09	6	4½	1		4½	6	6	6	6	4½	6	6	6	6	100	12.04	125	10.48
Richard Borden Mfg. Co	100	1,000,000		468,024.67	96,720	5.50	7	5½	3	3	7½	9	6½	6	6	5½	5½	6½	20	13	25	9.21	180	13.77
Sagamore Mfg. Co	100	900,000		348,763.57	91,552	6.02	25½	5	1		5½	9	5	7½	4½	4	5	20	30	12		9.44	180	13.88
Seaconnet Mills	100	600,000	153,252.29		68,384	11.01	6½	6½	5½	3½	6	7	5	5	5	1			1½	4½		4.07	95	10.57
Shove Mills	100	550,000	98,000.78		73,552	8.81	7	7	3½		2½	4½	1½	4	3			4	4½	6	25	5.18	97	8.58
Stafford Mills	100	1,000,000		72,183.32	100,576	9.22	8	8	6	4	14	8	3	4	4		1	4	5½	6		5.29	116	10.81
Stevens Mfg. Co	100	700,000	176,384.23		(c)		4	8	8	8	8	8	8	8	8	6	4½	5	5½	1½		6.50	93	
Tecumseh Mills	100	750,000		249,188.02	78,512	6.38	6½	6½	4		5	7½	5	6	6	5½	4½	6	14½	9½	50	9.75	150	11.15
Troy Cotton and Woolen Manufactory	500	300,000		366,529.28	47,520		28	27	15	11	18	27	17	20	16	11	11	20	67	21	75	27.04	1,650	13.12
Union Cotton Mfg. Co	100	1,200,000		572,544.66	110,128	5.70	11	9	6½	6	8½	10	6½	6	6	4½	6	18½	35½	6		15.38	195	16.04
Wampanoag Mills	100	750,000	99,331.28		85,440	9.94	8	7	3		6	7	2½	4	3	1		2	4	4		3.61	105	10.37
Weetamoe Mills	100	500,000	1,211.99		45,504	11.02	5½	2½			4½	6	3½	4	4	2	2	4½	6½	6½		3.71	100	11.01
Total		23,225,000			2,658,380																			

[a] Organized. [b] Reorganized. [c] Specialties.

Mr. LODGE. I have here a statement of the New Bedford dividends. It shows that the average dividend for 10 mills for ten and eleven years was 10.45 per cent.

New Bedford dividends.

Name of mill.	Average.	Years.
	Per cent.	
Acushnet	15.80	11
Bristol	3.57	10
City	10.79	11
Dartmouth	17.86	10
Grinnell	16.22	11
Hathaway	10.36	11
Pierce	10.45	11
Potomska	5.90	10
Wamsutta	6.31	11
Whitman	7.45	10
Average dividend for 10 mills for 10 and 11 years	10.45	

The average for Fall River and New Bedford mills is 8.22 per cent for the last ten years, but the New Bedford average is above the general average, and brings up the average of southern Massachusetts mills to a point above that of New England generally. In the Lowell, Lawrence, Salem, and Waltham mills the average is between 5 per cent and 6 per cent. The average of 26 mills north of Boston last year was 5.88 per cent. Exceptional profits are usually confined to short periods and are due to fortunate purchases of cotton or some special product which hits the popular fancy.

Here are the dividends of the New Bedford mills, which I ask to have printed, and also a letter from New Bedford giving some further figures, which I shall be glad to have printed without reading.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Dividends of New Bedford (Mass.) cotton mills in 1908.

Name of mill.	Capital.	Number of spindles.	Rate of dividend.	Amount earned.	Dividend per spindle.
			Per cent.		*Per cent.*
Acushnet	$500,000	105,336	16	$80,000	0.759
Bristol	800,000	67,000	[a] 6	45,000	.671
Butler	1,250,000	97,344	8	100,000	1.027
City	750,000	65,312	18	135,000	2.067
Dartmouth	600,000	126,592	[b] 26	396,000	3.128
Gosnold	[c] 550,000 / [d] 550,000	82,232	6	33,000	.401
Grinnell	1,000,000	128,000	8	80,000	.625
Hathaway	800,000	108,328	10	80,000	.738
Kilburn	750,000	74,768	6	45,000	.601
Manomet	2,000,000	125,000	8	160,000	1.28
Nonquitt	1,200,000	60,000	[e] 6 (4)	54,000	.9
Page	750,000	50,576	5 (1½)	9,375	.185
Pierce	600,000	116,008	16	96,000	.827
Potomska	1,200,000	108,000	6	72,000	.666
Soule	1,050,000	92,000	8	84,000	.913
Taber	950,000	60,000			
Wamsutta	3,000,000	228,336	6	180,000	.788
Whitman	1,500,000	139,200	8	120,000	.862
Total		1,834,332		1,709,375	[f] .964

[a] 3 per cent on $700,000; 3 per cent on $800,000
[b] Dartmouth now $1,200,000, paying 12 per cent.
[c] Common.
[d] Preferred.
[e] Nonquitt now paying 8 per cent.
[f] Average per spindle.

In further reply to yours of the 15th, I am inclosing a copy of a communication in answer to an editorial published in one of our local papers, together with some figures we have compiled.

First. The mills in New Bedford are capitalized on an exceedingly low basis, of $10.76 per spindle, and the average cost per spindle of the new mills erected here during the past ten years would figure practically $25.

To be conservative, the total capital of our mills figured on a basis of $20 per spindle would be $36,783,100, instead of $19,800,000, amount as at present.

The average dividends paid during the year 1908 was 8.94 per cent on a total capital of $19,800,000; but if figured on a capital of $36,783,100, and on a $20 per spindle cost, the rate would be 4.89 per cent.

The following table shows the mills that have been running for the ten years ending December 31, 1908, together with the capital of each, average rate of dividend paid, also rate of dividend paid if figured on a basis of $20 per spindle.

Name of mill.	Capital.	Rate of dividend.	Rate of dividend per spindle.[a]
		Per cent.	*Per cent.*
Acushnet	$500,000	21.4	5.079
Bristol	800,000	3.725	2.254
City	750,000	11.575	6.646
Grinnell	1,000,000	9.56	4.51
Hathaway	800,000	13.25	4.892
Pierce	600,000	13.1	4.679
Potomska	1,200,000	5.9	3.278
Wamsutta	3,000,000	6.5	4.281
Dartmouth	600,000	22.85	[b] 6.94

[a] Figured on basis of $20 per spindle cost.
[b] Not including stock dividend.

It might also be of interest to you to know that the rates of dividends of the above nine corporations are figured on a capitalization of $8.78 per spindle. The mills built during the past ten years are capitalized at the rate of $14 per spindle, and the average amount of capital of all our mills, as previously stated, is $10.76 per spindle.

You having called my attention particularly to the dividends paid by the Acushnet and Dartmouth corporations, the above schedule, I think, answers your inquiry as to dividend paid by the mill first mentioned. The Dartmouth figures out, including the 100 per cent stock dividend, declared early in December last, as follows: They have been incorporated fifteen years, and the average rate of dividend paid, based on the $20 per spindle, including all extra cash and stock dividends, figures 6.964 per cent per annum. The extra dividend of both these corporations has been declared, as you readily understand, from surplus earnings of many years.

It might be asked why we still continue to invest money in an industry that does not pay any larger returns. In answer, as you know in Massachusetts especially, our local industries being free from taxation makes our plants attractive to resident investors, and also in the history of this industry the dividends paid have been, as a whole, most uniform.

Any further information or inquiries that you might desire to make it will give me great pleasure to answer; and trusting that Mr. LODGE will be able to help us somewhat on the slight increase we have asked for our tracing cloth, I remain, with kind regards,

Yours, very truly, ——— ———.

NEW BEDFORD MILLS AND THE TARIFF—FURTHER CONTROVERSY OVER MERCURY'S EDITORIAL.

To the Editor of the Mercury:

Referring to your editorial in Wednesday's Mercury to the effect that cotton goods are overprotected in the present tariff, I trust that what I may say as a manufacturer may be placed before your readers, because the subject is of vital interest to New Bedford.

How can it be that we have more protection than is necessary, when the importation of cotton goods in the last fiscal year before the panic was as follows:

Cloths, bleached or dyed	$12,727,769
Clothing, except knit	3,771,188
Knit cottons	3,671,848
Laces, edgings, etc	39,756,502
Thread yarn, not spooled	6,940,261
Total cotton goods imported	73,704,636

This import was as much as the total production of Fall River, Lowell, and New Bedford, and if the demand of the whole market had not been at that time very great, owing to general prosperity, these foreign goods would have displaced home goods to a great extent or compel such reductions in price as to result in unemployment or heavy cuts in wages. Since hard times set in nothing but the tariff has prevented foreign competition from crippling every cotton mill in this city.

I and other manufacturers of fine goods are curious to know your authority for the statement that we are now able to compete with English goods without a duty. The cost of their plants has been a third lower than ours and their labor cost of production is a third lower, while the freight on their cloth to our markets is in some cases lower than ours. By reason of combined ocean and rail rates they have been able to reach Chicago, St. Louis, and other points in the interior of our country at a lower freight charge than we have to pay.

A detail report published in Lancashire for the year 1908 gives operations of 68 joint stock cotton-spinning companies, as follows:

Paid-up share capital, £2,469,469, equal to $2.09 per spindle.

Loan capital, £849,906.

Share and loan capital, equal to $2.80 per spindle.

Net profits for 1908, after providing for interest and depreciation, £374,942, equal to 31½ cents per spindle and 15.18 per cent on share capital.

Year 1907, profits 33.86 per cent on share capital.

Book value of plant, £3,025,412, equal to $2.56 per spindle.

Number of spindles, 5,900,972.

Earnings of 31½ cents per spindle gives Lancashire 15.2 per cent on share capital. Earnings of 31½ cents per spindle gives New Bedford 3¾ per cent on share capital.

Earnings of $2 per spindle gives Lancashire 100 per cent on share capital.

Earnings of $2 per spindle gives New Bedford 21 per cent on share capital, or, in other words, the same earnings per spindle gives Lancashire $5 to New Bedford's $1.

Now, if the fair value of New Bedford mills, as per your editorial some days ago, is $20 a spindle, earnings based on this value, our mills would show as follows:

Thirty-one and one-third cents per spindle would give New Bedford 1.57 per cent.

Two dollars per spindle would give New Bedford 10 per cent.

Besides, there are other countries than Great Britain to be protected from. The manufacturer of cotton goods on the continent of Europe has been increasing in recent years, and there the labor cost is still lower. In Italy, for example, an operative turns out as much for 20 cents as a New Bedford operator turns out for 80 cents, and in Japan the difference is still greater. Since it costs less than half a cent a yard to bring cloth from there here, how long can we keep our mills running at a living profit with this competition? Your intimation that before long we may be able to export fine cloth to Manchester, England, is pure imagination. It would be like "carrying coals to Newcastle."

The Mercury repents, "It is safe to say that there are mills in New Bedford making fine goods of plain construction that are able now to compete with England, with all freight paid." This statement is absurd. There is not a mill in this city than can compete with England in fine yarns; in fact, we could not hold our own, say nothing about profits on a free-trade basis. I have been a cotton manufacturer for fifty years, and am still active and in touch with the markets and cost of production and know my assertion is correct.

I should like to know your authority for saying that "the pressure for a real tariff reduction is greater than is commonly supposed." The evidence that is being taken by the congressional committee at Washington does not show it. On the contrary, there is a heavy preponderance of evidence from all parts of the country in favor of preserving adequate protection, and in most cases this calls for the retention of present duties or for more increases than reductions.

We manufacturers are at a loss to understand how a New Bedford paper can take such interest in damaging our principal industry by advocating a reduction of the tariff on fine cotton fabrics. I am,

Respectfully, yours,

A COTTON MANUFACTURER.

NEW BEDFORD, MASS., *January 22, 1909.*

Mr. LODGE. I now give the average dividends for the past twenty years of 44 companies, and for the past ten years of one company. The list comprises 38 engaged in cotton, 3 engaged in wool, and 4 engaged in wool and cotton together. This shows an average dividend of 44 companies for twenty years of 6.67 per cent. That is a fair presentation of the average earnings of New England manufacturing districts. The list is printed in the Tariff Hearings, page 5505, and I ask to have it printed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

BOSTON, MASS., *December 19, 1908.*

Mr. WILLIAM WHITMAN,
President National Association of Woolen Manufacturers, Boston, Mass.

DEAR SIR: Herewith I hand you condensed and detailed statistics covering the financial operations and stock market fluctuations for the past twenty years of 44 companies and for the past ten years of 1 company, the list comprising 38 engaged in cotton, 3 engaged in wool, and 4 engaged in wool and cotton together.

This list of companies includes all of those whose stocks have been bought and sold with reasonable frequency in the Boston market over a period of twenty years.

Accompanying this letter are three compilations marked "A," "B," and "C," and 45 separate sheets covering in detail the record of each company by single years, giving capitalization, par value of stock, dividends paid, and record of public sales of stock for each year, the high and low quotations being taken.

Common stock which has been issued as a bonus with preferred stock is omitted from these compilations.

Schedule A covers the operations of all the companies for the period from January 1, 1899, to December 10, 1908, and gives the average capitalization for the period, the average annual net return after deducting losses in capital from dividends paid, and the percentage of net return on the average capital stock.

From Schedule A we derive the following results:

Forty-five companies, with an average capitalization of $77,156,615, have shown an average net return for twenty years of $5,148,775 per annum, or 6.67 per cent on the average capital stock.

Five of these companies, 3 engaged in cotton, 1 in wool, and 1 in wool and cotton together, with an average capitalization of $31,662,100, have shown an average net return for the twenty years of $2,896,742 per annum, or 9.10 per cent on the average capital stock.

Excluding these 5 companies, the remaining 40 companies, with an average capitalization of $45,494,515, have shown an average net return for the twenty years of $2,252,033 per annum, or 4.95 per cent on the average capital stock.

Thirty-eight cotton companies, with an average capitalization of $45,209,247, have shown an average net return for twenty years of $2,886,353 per annum, or 6.38 per cent on the average capital stock.

Seven companies, all engaged in wool or wool and cotton together, with an average capitalization of $31,947,368, have shown an average net return for twenty years of $2,262,422 per annum, or 7.08 per cent on the average capital stock.

Schedule B supplements Schedule A by giving the operations of all the companies in two decades separately, the first from 1889 to 1898 and the second from 1899 to date.

From Schedule B we derive the following results:

Forty-four companies, with an average capitalization of $53,022,875, during the decade 1889–1898 showed an average net return of $3,243,573 per annum, or 6.12 per cent on the average capital stock.

Thirty-eight companies engaged in cotton, with an average capitalization of $44,548,000, during the decade 1889–1898 showed an average net return of $2,613,330 per annum, or 5.87 per cent on the average capital stock.

Six companies, all engaged in wool or wool and cotton together, with an average capitalization of $8,474,875, during the decade 1889–1898 showed an average net return of $630,243 per annum, or 7.44 per cent on the average capital stock.

Forty-five companies, with an average capitalization of $78,883,830, during the decade 1899–1908 have shown an average net return of $5,341,485 per annum, or 6.77 per cent on the average capital stock.

Thirty-eight companies engaged in cotton, with an average capitalization of $45,810,630, during the decade 1899–1908 have shown an average net return of $3,068,435 per annum, or 6.70 per cent on the average capital stock.

Seven companies, all engaged in wool or wool and cotton together, with an average capitalization of $33,073,200, during the decade 1899–1908 have shown an average net return of $2,273,050 per annum, or 6.87 per cent on the average capital stock.

Schedule C shows the market selling value of the stocks of all the companies on January 1, 1889, July 1, 1899, and December 10, 1908, based on quotations recorded at public auction sale in Boston, the offerings in practically every case consisting of a few shares. The schedule also includes additional capital invested during the period and the total dividends paid.

From Schedule C we derive the following results:

The market value of the stocks of 44 companies on January 1, 1889, was $62,798,850, and on July 1, 1899, it was $61,389,950, showing a depreciation of $1,408,900. There was invested in these companies during that period $2,270,000 of additional capital, so that the total depreciation for the ten years was $3,678,900.

The market value of the stocks of 42 companies on July 1, 1899, was $67,775,450, and on December 10, 1908, it was $117,683,200, showing an appreciation of $49,907,750. There was invested in these companies during that period $35,940,000 of additional capital, so that the net appreciation was $13,967,750.

Excluding from this last compilation the stocks of 4 companies, 2 engaged in wool and cotton together and 2 engaged in cotton, the market value of the stock of the remaining 38 companies on July 1, 1899, was $46,996,650, and on December 10, 1908, it was $76,625,000, showing an appreciation of $29,628,350. There was invested in these companies during that period $29,820,000 of additional capital, so that the comparison actually shows a depreciation for the period of $191,650

The market value of the stocks of 42 companies on January 1, 1889, was $58,306,350, and on December 10, 1908, it was $84,433,200, showing an appreciation of $26,126,850. There was invested in these companies during that period $13,210,000 of additional capital, so that the net appreciation has been $12,916,850, an average of $645,840 per annum, or about 1¼ per cent per annum appreciation on the selling price January 1, 1889.

Excluding from this last compilation the stocks of 5 companies, 3 engaged in cotton and 2 in wool and cotton together, the remaining 37 companies had a market valuation of $41,392,850 on January 1, 1889, and of $43,375,000 on December 10, 1908, showing an appreciation for the period of $1,982,150. There was invested in these companies during that period $6,190,000 of additional capital, so that there has been a net depreciation in the market value of these 37 companies during the past twenty years of $4,207,850.

Respectfully submitted.

FRANK A. RUGGLES, *Statistician.*

EXHIBIT A.

Average capitalization, average annual net return after deducting losses from dividends paid, and percentage of return on average capital.

1889–1908.

Company.	Product.	Capital.	Net return.	Per cent.
Aetna	Wool	$268,750	$14,250	5.3
American Woolen	do	22,375,000	1,566,250	7
Amory	Cotton	1,212,647	90,530	7.46
Amoskeag	do	4,143,000	477,880	11.53
Androscoggin	do	1,000,000	86,000	8.6
Appleton	do	517,500	[b] 825	------
Arlington	Wool and cotton	2,762,438	243,247	8.8
Atlantic	Cotton	1,000,000	33,000	3.3
Bates	do	1,160,000	126,000	10.86
Boott	do	1,140,000	[b] 11,376	------
Boston Duck	do	350,000	45,400	13.
Cabot	do	724,000	20,220	2.8
Chicopee	do	890,625	[b] 10,944	------
Cocheco	do	1,500,000	15,000	1
Continental	do	1,500,000	7,500	.5
Dwight	do	1,200,000	142,800	11.9
Edwards	do	1,021,250	72,500	7.1
Everett	do	700,000	34,350	4.9
Fisher	do	472,500	27,100	5.74
Franklin	do	862,500	24,500	2.84
Great Falls	do	1,500,000	149,250	9.95
Hamilton	do	1,800,000	81,900	4.55
Hamilton	Wool and cotton	1,000,000	30,250	3.02
Hill	Cotton	980,000	31,360	3.2
Jackson	do	600,000	36,600	6.1
Laconia	do	(c)	(c)	(c)
Lancaster	do	1,140,000	7,500	.66
Lawrence	do	1,218,750	75,000	6.15
Lockwood	do	1,800,000	92,700	5.15
Lowell Bleachery	do	335,000	1,700	.5
Lyman	do	1,470,000	56,595	3.85
Manchester	Wool and cotton	2,066,180	15,300	.75
Massachusetts	Cotton	1,800,000	101,700	5.65
Merrimack	do	2,930,000	133,813	4.57
Middlesex	Wool	750,000	30,375	4
Nashua	Cotton	1,000,000	79,250	7.92
Naumkeag	do	1,500,000	56,250	3.75
Newmarket	do	745,000	[b] 23,800	------
Otis	do	800,000	79,200	9.9
Pacific	Wool and cotton	2,725,000	362,750	13.3
Pepperell [c]	Cotton	2,419,100	489,862	20.2
Salmon Falls	do	600,000	18,300	3.05
Thorndike	do	529,875	47,138	8.9
Tremont and Suffolk	do	1,672,500	121,600	7.27
York	do	975,000	70,800	7.26
Grand total		77,156,615	5,148,775	6.67

[a] Wool and cotton since purchase of Manchester in 1905.
[b] Loss.
[c] Merged with Pepperell in 1899.
[d] Includes Laconia for entire period.

NOTE.—Operations of Amory and Manchester are for seventeen years and American Woolen since organization in 1899.

EXHIBIT B.

Average capitalization and average annual net return after deducting losses from dividends paid, 1889–1898 and 1899–1908.

Company.	1889-1898.		1899-1908.	
	Capital.	Net return.	Capital.	Net return.
Ætna	$250,000	$9,000	$287,500	$19,500
American Woolen			22,375,000	1,566,250
Amory	1,350,000	98,550	1,016,430	79,070
Amoskeag	4,000,000	306,000	4,286,000	649,760
Androscoggin	1,000,000	79,000	1,000,000	93,000
Appleton	585,000	[a]34,050	450,000	32,400
Arlington	1,974,875	122,498	3,550,000	364,000
Atlantic	1,000,000	39,000	1,000,000	27,000
Bates	1,120,000	82,800	1,200,000	169,200
Boott	1,200,000	64,200	1,080,000	[a]86,952
Boston Duck	350,000	56,500	350,000	34,300
Cabot	648,000	12,040	800,000	28,400
Chicopee	1,000,000	45,000	781,250	[a]66,887
Cocheco	1,500,000	30,000	1,500,000	
Continental	1,500,000		1,500,000	15,000
Dwight	1,200,000	134,400	1,200,000	151,200
Edwards	942,500	72,400	1,100,000	72,600
Everett	700,000	27,400	700,000	41,300
Fisher	445,000	25,700	500,000	29,500
Franklin	1,000,000	60,000	725,000	[a]11,000
Great Falls	1,500,000	118,500	1,500,000	180,000
Hamilton (C.)	1,800,000	75,600	1,800,000	88,200
Hamilton (W.)	1,000,000	35,000	1,000,000	25,500
Hill	980,000	31,360	980,000	31,360
Jackson	600,000	33,600	600,000	39,600
Laconia	1,000,000	71,500	[b]	[b]
Lancaster	1,200,000	64,800	1,080,000	[a]49,800
Lawrence	1,312,500	24,750	1,125,000	125,250
Lockwood	1,800,000	88,200	1,800,000	97,200
Lowell Bleachery	400,000	22,800	270,000	[a]19,400
Lyman	1,470,000	49,980	1,470,000	63,210
Manchester	2,000,000	144,000	2,160,700	[a]168,700
Massachusetts	1,800,000	95,400	1,800,000	108,000
Merrimack	2,500,000	140,000	3,300,000	127,625
Middlesex	750,000	47,250	750,000	13,500
Nashua	1,000,000	69,500	1,000,000	89,000
Naumkeag	1,500,000	55,500	1,500,000	57,000
Newmarket	800,000	24,400	690,000	[a]72,000
Otis	800,000	78,400	800,000	80,000
Pacific	2,500,000	272,500	2,950,000	453,000
Pepperell [c]	1,200,000	222,000	2,638,200	597,724
Salmon Falls	600,000	25,800	600,000	10,800
Thorndike	450,000	41,400	608,750	52,875
Tremont and Suffolk	1,395,000	128,700	1,950,000	114,500
York	900,000	52,200	1,050,000	89,400
Total	63,022,875	3,243,573	78,883,830	5,341,485

[a] Loss.
[b] Merged with Pepperell.
[c] Includes Laconia in the second decade.

NOTE.—American Woolen was organized in 1899. Amory and Manchester figures for second decade cover seven years to purchase by Amoskeag.

EXHIBIT C.

Selling value of stock January 1, 1889, July 1, 1899, and December 10, 1908, based on market quotations, additional capital invested, and dividends paid.

Company.	Market selling value of stock.			Additional capital.	Dividends.
	Jan. 1, 1889.	July 1, 1899.	Dec. 10, 1908.		
Ætna	$227,500	$162,500	$375,000	$125,000	$285,000
American Woolen		10,000,000	33,250,000	25,000,000	15,662,500
Amory	1,532,500	1,714,500	Sold.		1,776,200
Amoskeag	7,530,000	7,000,000	16,128,000	3,520,000	9,557,600
Androscoggin	1,300,000	1,160,000	1,550,000		1,720,000
Appleton	420,000	461,750	607,500	300,000	433,500
Arlington	1,380,000	2,625,000	8,400,000	3,500,000	4,864,925
Atlantic	1,000,000	600,000	650,000		660,000
Bates	1,130,000	1,530,000	2,700,000	200,000	2,520,000
Boott	1,602,000	930,000	1,000,000	1,000,000	972,480
Boston Duck	580,000	487,500	650,000		906,000
Cabot	420,000	440,000	640,000	320,000	524,400
Chicopee	1,000,000	900,000	475,000	400,000	681,125
Cocheco	1,260,000	681,000	600,000		300,000
Continental	450,000	330,000	900,000		150,000
Dwight	1,716,000	2,061,000	2,424,000		2,853,000
Edwards	772,500	1,881,000	1,225,000	350,000	1,450,000
Everett	700,000	588,000	980,000		637,000
Fisher	520,000	500,000	500,000	100,000	542,000
Franklin	940,000	1,030,000	550,000		990,000
Great Falls	1,530,000	2,295,000	2,700,000		2,985,000
Hamilton (C.)	1,620,000	1,380,000	1,440,000		1,638,000
Hamilton (W.)	970,000	510,000	650,000		605,000
Hill	818,300	401,800	588,000		638,400
Jackson	504,000	597,000	582,000		732,000
Laconia	1,212,500	[a]	[a]	[a]	[a]
Lancaster	1,080,000	1,350,000	810,000	300,000	1,050,000
Lawrence	2,287,500	945,000	1,812,500		2,259,000
Lockwood	1,764,000	1,314,000	1,890,000		1,854,000
Lowell Bleachery	532,000	312,000	280,000	100,000	334,000
Lyman	940,800	955,500	1,543,500		1,131,900

[a] Included in Pepperell.

Selling value of stock, January 1, 1889, July 1, 1899, and December 10, 1908, etc.—Continued.

Company.	Market selling value of stock.			Additional capital.	Dividends.
	Jan. 1, 1889.	July 1, 1899.	Dec. 10, 1908.		
Manchester	$2,940,000	$1,900,000	[a]	$2,000,000	$1,297,000
Massachusetts	2,070,000	1,800,000	$2,160,000		2,034,000
Merrimack	2,950,000	2,800,000	2,502,500	1,650,000	2,676,250
Middlesex	1,125,000	862,500	262,500		607,500
Nashua	1,180,000	1,270,000	1,220,000		1,585,000
Naumkeag	1,485,000	1,020,000	1,575,000		1,125,000
Newmarket	560,000	240,000	300,000	520,000	244,000
Otis	1,480,000	1,360,000	1,440,000		1,584,000
Pacific	3,875,000	5,275,000	9,000,000		7,255,000
Pepperell [b]	2,886,000	5,878,800	7,530,200		9,797,240
Salmon Falls	460,000	350,000	220,000		306,000
Thorndike	542,250	472,500	1,012,500	225,000	940,275
Tremont and Suffolk	1,536,000	2,055,000	2,000,000		2,432,000
York	1,260,000	900,000	2,520,000	600,000	1,416,000
Total	62,798,850	71,389,950	117,683,200	38,210,000	94,718,295

[a] Sold.
[b] Includes Laconia, except as to market value January 1, 1889.

NOTE.—Losses: Appleton, $450,000; Boott, $1,200,000; Cabot, $120,000; Chicopee, $900,000; Franklin, $500,000; Lancaster, $900,000; Lawrence, $750,000; Lowell Bleachery, $300,000; Manchester, $1,500,000; Newmarket, $720,000; total, $7,340,000.

Mr. LODGE. Mr. President, I have here statistics as to cotton spinning in Lancashire in 1908, so that we may compare the profits of English and American mills and see whether the profits of our mills under protection are excessive as compared with those which have free trade and lower wages.

COTTON SPINNING IN LANCASHIRE IN 1908.

The following shows results of the operations of 68 joint-stock spinning companies in Lancashire for the year ending November 30:

Paid-up share capital	£2,469,469
Loan capital	£849,406
Net profit, 1908, after providing for interest and depreciation	£374,942
Percentage of profit on share capital, 1908	15.18
Percentage of profit on share capital, 1907	33.86
Reserve funds, November 30, 1908	£1,064,744
Reserve funds, November 30, 1907	£1,009,188
Value of plants, November, 1908	£3,025,412
Total number of spindles	5,900,972

I give also the figures for Oldham, in England:

SUPPLEMENTARY REPORT ON COTTON SPINNING IN LANCASHIRE, ENGLAND, IN 1908.

A detailed report just published in Oldham shows that of 100 companies engaged in spinning yarns that send statements to shareholders, 93 companies earned, net, £600,120, and 7 companies lost £13,609, leaving net of £586,511 for the 100 companies.

Paid-up share capital of above	£3,660,012
Mortgages, debentures, and loans	£2,350,798
Total capital employed	£6,010,810
Credit balances at the end of 1908	£1,446,663
Present book value of machinery, mills, and motive power	£5,180,522
Number of spindles, warp and weft	8,400,000

Besides the above, 90 other companies which do not disclose profits earned paid a mean average dividend of 14½ per cent.

If I may digress for one moment as to the favorite declamation about the huge properties amassed and the gigantic profits piled up under the tariff for the benefit of the trusts, I will read a letter from Sir Henry Bessemer to Sir James Kitson, which appeared some time ago in the Journal of the Iron and Steel Institute of Great Britain. Sir James Kitson read it in Pittsburg in 1890. This is what Sir Henry Bessemer wrote:

> Some idea may be formed of its importance as a manufacture when I state the simple fact that on the expiration of the fourteen years' term of partnership of our Sheffield firm, the works, which have been greatly increased from time to time entirely out of revenue, were sold by private contract for exactly twenty-four times the amount of the whole subscribed capital of the firm, notwithstanding that we had divided in profits during the partnership a sum equal to fifty-seven times the gross capital; so that by the mere commercial working of the process, apart from the patent, each of the firm partners retired after fourteen years from the Sheffield works with eighty-one times his subscribed capital, or an average of nearly cent per cent every two months, a result probably unprecedented in the annals of commerce.
>
> Yours, faithfully,
>
> HENRY BESSEMER.

So, Mr. President, large profits are sometimes made in countries where there is no wicked tariff.

Mr. President, in concluding this matter about the dividends paid on the New England mills, I desire to say that under the laws of Massachusetts since 1851 no stock can be issued by any company which is not paid-up stock. The stock absolutely represents money. There is no water possible in any of it. It is all capital paid in. Frequently the companies do not divide their earnings, and after a time they add to the mill, and the addition is paid for out of the surplus. But the dividends I have given are calculated in each case on the face value of the stock and not on the real value of the property, so that the dividend shows the proportion of the increase in being calculated, as I say, on the actual face value. I will give one example of the difference between the face value of the stock and the actual value of the property, the Amoskeag mill, which is not in Massachusetts, but in New Hampshire. It is capitalized at $6,000,000, paying 12 per cent on its capitalization. The book value of its property, however, is $19,460,000, at which valuation its rate of dividend would be less than 4 per cent per annum. That is partly due to the rise in real estate, partly to successful business management, and partly to the accumulation of capital which has been put into a new mill, but which is the capital of the stockholders, of course, just the same as if they had subscribed to it. In fact, they usually do vote it.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from New Hampshire?

Mr. LODGE. Certainly.

Mr. GALLINGER. The Amoskeag Corporation is very similar in one respect to the Troy Mills. They purchased a very large amount of real estate in what is now the city of Manchester, a city of 75,000, and they made very large profits on that real estate. They dispose of it from time to time, and that should properly go into their dividend account. Yet they, as the Senator suggests, a corporation employing 13,000 people, have certainly not made extraordinary profits, although they are making a class of goods that are recognized the world over as of a very superior quality.

Mr. LODGE. Mr. President, in making this estimate I have taken the dividends on the face value, and I think I have demonstrated to anybody who will do me the honor to look at the figures I have given and which will appear in the RECORD, that the average dividends of the New England mills for the last thirty years has not gone beyond 7 per cent. It has ranged between 6 and 7. I have not taken into account at all the amount of money that has been sunk in unsuccessful mills. For instance, the losses in the selling value of mill stock from 1889 to 1908 were as follows: The Appleton, $450,000; Boott, $1,200,000; Cabot, $120,000; Chicopee, $900,000; Franklin, $500,000; Lancaster, $900,000; Lowell Bleachery, $300,000; Manchester, $1,500,000; Newmarket, $720,000; total, $7,340,000.

Mr. CULLOM. All those are losses?

Mr. LODGE. All those are losses, and I have not mentioned all the losses, by any means. The huge fortunes which have been made of late years in this country have not been made in New England or in her industries. I know of no great fortunes made in cotton spinning, as we call it. There have been some New Englanders, like the late Mr. Rogers, in recent times who have made enormous fortunes, but they did not make them in New England or in New England industries. The cotton industry, on the whole, has not made a great return. But it is often forgotten that we began there long before anywhere else; that New England, under hard conditions, has been slowly accumulating capital from the sea and from her industries. The capital is there, but it is not in a few hands; it is largely distributed; it is held in many hands. The great fortunes are not piled up in those long-established industries. Here and there is a mill which makes a large return that has good luck for a few years, but on the whole the owners receive a very moderate return on their money.

I want now to say a word about prices. A great deal has been said in this debate about prices and the effect of the tariff in keeping them up, as if we were the only country that had witnessed of late an advance of prices. As a matter of fact, the advance of prices since the great depression of 1893 to 1897 has been world-wide. I have here a brief table which I have compiled from Sauerbeck's table of world prices, which appears in the London Statistical Journal every month. They take as a basis 100, as is always done in these calculations. This basic figure is the average of prices from 1867 to 1877, and on that basis they show the rise or fall of the world's prices since. Taking the world's prices in vegetable food, corn, and so forth, in 1896 it was 53; in 1906 it had risen to 62; in 1907 to 69. It is interesting to observe that the next year it was 70. It had not fallen. Animal food, meats, and so forth, was 73 in 1896, and it has gone to 89 in 1908; sugar, coffee, and tea have fallen from 59 in 1896 to 48 in 1908. The world's price is 11 points lower. The total food has gone from 62 to 72. That includes the great fall in sugar, coffee, and tea. Minerals rose from 63 in 1896 to 101 in 1906, to 107 in 1907, and fell off heavily in 1908, dropping to 89. The textiles went from 54 in 1896 to 80 in 1906, to 77 in 1907, and 62 in 1908. Sundry materials went from 63 to 73; total materials from 60 in 1896 to 74 in 1908. The grand total of the world's prices from 61 in 1896 went to 77 in 1906, 80 in 1907, and was 73 in 1908.

The table referred to is as follows:

Prices.

[Basis, 100. Average per cent prices from 1867–1877.]

World's prices.	Years.			
	1896.	1906.	1907.	1908.
Vegetable food (corn, etc.)	53	62	69	70
Animal food (meat, etc.)	73	89	88	89
Sugar, coffee, and tea	59	46	48	48
Total food	62	69	72	72
Minerals	63	101	107	89
Textiles	54	80	77	62
Sundry materials	63	74	78	73
Total materials	60	83	86	74
Grand total	61	77	80	73

Mr. LODGE. Mr. President, that shows a great rise in the world's prices. The advance was 20 points up to 1907, when it was checked by the business depression. But it has been a constant and steady rise. What is the cause of this world movement of prices? We are apt to forget that there is a force at work pushing prices upward all the time which is far greater and more powerful than any tariff, and which is but little considered. If I should say to the Senate that if we issue $500,000,000 of paper money prices would rise, everybody would know that I was speaking the exact truth, that they would go up at once. But people do not stop to consider that we have been inflating the world's currency by $200,000,000 of gold a year more than in 1896, ever since the new processes of gold discovery were found. I give here the coinage of the United States and of the world:

Gold production of United States.

1896	$53,088,000
1897	57,363,000
1898	64,463,000
1899	71,053,000
1900	79,171,000
1901	78,606,700
1902	80,000,000
1903	73,591,700
1904	80,464,700
1905	88,180,700
1906	94,373,800
1907 (estimated)	89,620,399

Circulation per capita.

1896	$21.41
1897	22.87
1898	25.15
1899	25.58
1900	26.94
1901	27.98
1902	28.43
1903	29.42
1904	30.77
1905	31.08
1906	32.32
1907	32.22

Gold production of the world.

1896	$202,231,000
1897	236,073,000
1898	286,879,000
1899	306,724,000
1900	254,576,000
1901	260,992,000
1902	296,737,000
1903	327,702,000
1904	347,377,000
1905	377,647,000
1906	400,342,000
1907	410,555,000

Coinage of the world.

1896	$195,899,000
1897	437,722,000
1898	395,477,000
1899	466,110,000
1900	354,936,000
1901	248,093,000
1902	220,405,000
1903	240,499,000
1904	455,427,000
1905	245,954,000
1906	366,326,000
1907	411,803,000

The gold production of the world went from $202,000,000 in 1896 to $410,000,000 in 1907. The coinage of the world went from $195,000,000 in 1896 to $411,000,000 in 1907. The circulation per capita of the United States went from $21.41 in 1896 to $32.22 in 1907. We increased our circulation in the United States 50 per cent in the period that has elapsed since 1896. In thirteen years we added 50 per cent to our coinage.

The gold production of the world has doubled. I am speaking of the annual production, not of the total, of course. The annual coinage has doubled. The result is that you are cheapening your standard all the time, and cheapening your standard means of course that you are advancing the price of everything that it measures. Therefore, Mr. President, when we come to talk about the advance in prices it is well to remember that there is this great force of increased and increasing gold all the time pressing upon us. During these thirteen years, with our balance of trade standing as it has, we have kept in this country practically all the gold we have produced. The amount that goes into the arts is small and constant. The balance has been poured into the circulation. Of course prices have advanced. Prices may fluctuate and go back a little one year, but the general movement is certain. The only thing that can stop the operation of the increasing gold coinage is where you have an oversupply of anything. If you have too much for the world's consumption, the increase of gold can not carry it up. That is shown in the case of sugar. There is more sugar than the world can use. There is an overproduction of sugar. The result is that the world's price of sugar has been declining in the face of this general rise of prices.

Prices have risen in Europe, but labor has not risen in Europe, for the same reason that sugar has not risen—because there is an oversupply. We were shown the other day—I do not know whether the Senator from Rhode Island printed it; it ought to be printed—a report of the George Peabody fund in London, which rents homes to working people. It rents them. It is not a charity in any sense. This report shows that they have over 19,000 people living there, and the heads of the families are engaged in skilled trades. They are not the poorest class or the workers on the streets; they are skilled mechanics. The average weekly earnings of the head of each family in residence at the close of the year was £1 1s. 9d. In the cases in which the governors pay the rates, the average weekly charge, including the rates, of each dwelling was 5s. 4d. a week, and of each room 2s. 4d. The rent in all cases includes the free use of water, laundries, sculleries, and bathrooms. The mean population during the year was 19,914, showing a density, after taking into account the occupied portion only of the Herne Hill and Tottenham estates, of 571 people to the acre, or 9 times that of London. An average wage of $5.25 a week among skilled mechanics, taken at hazard from all trades in London, gives a vivid idea of this labor with which our labor would have to compete if it were not protected by the tariff.

Mr. President, what is the use, in the face of facts like these, of talking about wages being the same there as here? The reason why the gold does not affect those wages abroad is because there are more men than there is work for them. If you apply it to the labor in this country, you will find that with the gold force bringing with it increased prices, bringing with it prosperity, if you please, wages go up in the same way, because the supply of labor is not excessive. I have shown you what the advances in wages were in the New England mills. They had advanced in prosperity, and the advance in wages was 32 per cent. It is the same in the woolen mills. The figures are all printed in the tariff hearings. The Government Manufacturing Bulletin of 1905 shows that the wages in the cotton industry in those five years, from 1900 to 1905, had risen 10 per cent. The wages abroad have not risen as they have risen here. Therefore, when we meet their competition, we are meeting a competition in which we are fatally handicapped, if we meet them on equal terms of tariff, by their lower rate of wages. We have to pay more for what we consume because gold is carrying up the price of all articles throughout the world. Look at the figures I gave of the food products. Textiles fell, minerals fell, materials fell, but the food products of the world did not fall. With the great depression of business, which was world-wide, the food products—animal food and vegetable food—gained a point absolutely in the teeth of the depression of last year. Mr. President, in talking about prices let us be fair. Prices are not going to be affected materially by the tariff. The things that cost the people most, the absolute necessaries of food, are not going to be got rid of by a change in the tariff.

I have, also, the American prices, and I will print them both. One is the textiles, the other is food. I have made as complete a list as I could, from the figures of our Bureau of Statistics, Clothing, which is, of course, a protected industry, woolen and manufactures of cotton and woolen manufactures, I have here in detail. It shows an average increase in the last ten years of 15.23 per cent, but the food products show an average increase of 26.48 per cent. We all know very well how little, comparatively speaking, the food products are affected by the tariff.

The one great food product that is materially affected by the tariff is sugar. The world price of sugar has declined, and all the protection we have had has been unable to force the price of sugar beyond a certain point that of imported sugar duty paid. It has remained at a low point and fluctuated there. I will ask to have those two lists printed.

The PRESIDING OFFICER. Without objection, it will be so ordered.

The lists are as follows:

Clothing.	Per cent.
Blankets	13
Heavy boots and shoes	14
Finer boots and shoes	9
Women's boots and shoes	18
Carpets	21–23
Cotton flannels	49
Denims	11
Drillings	23
Flannels	22
Ginghams	2
Men's hosiery (decrease)	4. 4
Women's hosiery, Egyptian cotton	9–10
Women's cotton hosiery (decrease)	11
All-wool overcoatings	19
Overcoatings, cotton warp (decrease)	11
Overcoatings, light weight	3. 1
Overcoatings, kersey	48
Shirtings, average increase, 1890 to 1908	17
Average increase	15. 23

Mr. LODGE. Taking the average wholesale prices between 1890 and 1899 as the basis of 100, the following articles have shown increases as follows:

Food, between 1890 and 1907.	Per cent.
Barley	69
Oats	67
Rye	45
Beans	6
Butter crackers	33
Soda crackers (decrease)	10
Home-made bread	18
Vienna bread	13
Butter extracts	26
Dairy butter	32
Cheese	43
Eggs	41
Buckwheat flour	32
Rye flour	38
Wheat flour	13
Apples, evaporated (decrease)	.5
Sun-dried apples	23
Currants	87
Prunes (decrease)	24
Raisins	8
Lard	40
White corn meal	29
Yellow corn meal	33
Bacon	41
Fresh beef	14
Mess beef	22
Western beef, salt	44
Hams	32
Mutton	16
Pork	51
Milk	31
Rice (decrease)	5
American salt	12
Spices	32
Sugar (decrease)	1. 6
Tallow	42
Potatoes (decrease)	1. 6
Vinegar	16
Average increase	26. 48

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Wisconsin?

Mr. LODGE. I shall be through in a moment, and then I will yield.

Mr. LA FOLLETTE. I wish to ask a question before the Senator finishes.

Mr. LODGE. Certainly; I yield for that purpose.

Mr. LA FOLLETTE. Does the Senator's table of dividends of cotton mills show the amount set aside as surplus?

Mr. LODGE. It shows the amount invested in the mills.

Mr. LA FOLLETTE. I understood that.

Mr. LODGE. It shows the actual quick capital.

Mr. LA FOLLETTE. It does not show the amount set aside as surplus?

Mr. LODGE. Does the Senator mean undivided profits?

Mr. LA FOLLETTE. Yes; I mean the surplus and undivided profits.

Mr. LODGE. I could get that from the bureau of corporations in Massachusetts, but I have it not here.

Mr. LA FOLLETTE. I did not know whether it was included in the table or not.

Mr. LODGE. They do not carry a large amount of quick capital; they either divide it or invest it.

Mr. LA FOLLETTE. It is not in the table which the Senator is to have printed in the morning?

Mr. LODGE. No; I could not get it without applying to Boston for it.

Mr. OVERMAN. Will the Senator yield to me for an inquiry for information?

Mr. LODGE. With pleasure.

Mr. OVERMAN. I understood the Senator to say that the average rate in the cotton schedules is 38 per cent?

Mr. LODGE. On cotton cloths. I am not including laces. They are 60 per cent.

Mr. OVERMAN. You are not including cotton yarns?

Mr. LODGE. No; I am including cloth. I have only been speaking about the cloth schedule.

Mr. OVERMAN. I know you have. Has there been any increase whatever over the Dingley rates on any of these items?

Mr. LODGE. I do not understand that there has been. If I am correct, and I believe I am, for I have given a good deal of attention to it, we have merely extended the classification to new goods.

Mr. OVERMAN. I understand that.

Mr. LODGE. I do not understand that we have advanced the rate. I certainly had no intention of doing that, as far as I am concerned. But we have not advanced the average ad valorem of the cotton schedule.

Mr. OVERMAN. I want to know if there was any increase whatever in the yarns or cloth from the Dingley rates.

Mr. LODGE. I can not say that there is not a single item that would not show an increase, unless I had the table before me and went over it one by one. The Senator from Rhode Island [Mr. ALDRICH] knows better about those details than I do. I have been over them, and I am not aware of any increase.

Mr. SMITH of South Carolina. I should like to ask a question, in order that I may understand one matter fully. I was interested in what the Senator said as to the increase in the gold production in the world. He said the effect of the gold production had been to raise the general price of wages in this country on account of there not being an oversupply of labor.

Mr. LODGE. Mr. President, what I said was that gold was a continual acting force in raising the general level of the world's prices; that the world's prices had gone up, and, of course, our prices have gone up with the world's prices. I said the upward effect produced by the gold could only be overcome in a case like sugar, where there was more sugar than the world could buy, and nothing could force that up, of course. It can not raise wages generally where there are more men than work, but where there is an overdemand, as in our own country, where, in good times, there is an immense demand for labor, it acts on labor exactly as it acts on any other commodity. I do not mean that that was the only cause at work in advancing the wages of labor; I think there are other causes; but I wished to show, if I could, that even the great propelling force of the increased gold circulation was not sufficient to raise the level of wages in countries where there was an excess of labor.

Mr. SMITH of South Carolina. The main point I wanted to get is whether the Senator was arguing that the increased price of labor in Europe had not responded because of the oversupply of labor in comparison with the gold, while in America it had responded.

Mr. LODGE. That is it exactly. The wages have not responded in England or in Europe as they have here to the general rise of the world's prices.

Mr. SMITH of South Carolina. I just wanted to find out whether that was what the Senator meant, for the reason that it has been contended that our great prosperity in America as compared with Europe came from our higher protective duties and not from the increase of gold.

Mr. LODGE. I think gold is a principal element in the advance of the world's prices. I do not think there is any doubt about that.

Mr. SMITH of South Carolina. I wish to ask just one other question, if the Senator will allow me. The price of sugar, I understood him to say, was not advanced because there was an overproduction of sugar. The price of sugar in this country has held up pretty well in spite of this overproduction. Does the Senator admit the price of sugar, therefore, has been held above a level that it would not otherwise have had but for the higher duties?

Mr. LODGE. Oh, no, Mr. President; the price of sugar has declined proportionately, I think the Senator will find, everywhere.

Mr. President, I wanted to call attention to a few facts in regard to the great cotton industry. In 1905 there were 310,000 people in the United States earning wages in the cotton industry. In Massachusetts there were 88,033 in 1905, and in 1900 there were 92,085. The maximum prior to 1905 was 100,982. The capital was $605,100,164. During this time, which has been a period of prosperity, until within a year, wages have been advanced in those industries, as I have shown, 32 per cent, and the hours of labor have been shortened in Massachusetts to fifty-six hours per week and to fifty-eight in the other New England States.

Mr. ALDRICH. To fifty-six in Rhode Island.

Mr. LODGE. To fifty-six in Rhode Island also. The wages paid out were $94,377,696, and, as I also pointed out, the increase since 1900 to 1905 was 10.9 per cent; that is, there was 2½ per cent increase in the number of wage-earners and an increase in wages of 10.9 per cent.

Under the general cotton products, we imported $31,869,000 worth; under cotton laces, $39,737,000; and under wearing apparel, $1,358,000, making a total of $73,964,000.

Mr. President, almost all of that could be made here without advancing prices to the consumer, if we can be allowed to take possession of our own market. There were 310,458 wage-earners in 1905. That means probably one million and a quarter people who derived their living from the mills. There are 155,000 in New England. There are 31,000 in the Middle States. There are 120,000 in the South. There are 2,000 in the Western States. That is a great body of people, Mr. President. We hear a great deal in this debate about consumers. All those people are consumers. They are also buyers. They buy rice with duty of 100 per cent. They buy tobacco, with its eighty-odd per cent duty. They buy all the articles of the agricultural schedule, and they do not complain.

Mr. NEWLANDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Massachusetts yield to the Senator from Nevada?

Mr. LODGE. No; not now.

It is impossible to draw a distinction between consumer and producer. These people are entitled to the same consideration as every other body of American citizens. They are a large, industrious body. You can not bring down the duties on what they make without affecting them. The only flexible point that remains in the cotton industry is wages. Domestic competition, in the absence of all combinations and trusts, has been sharp and brought costs and prices close together. If you lower duties, you lower wages or deprive all these people of employment.

I was interested the other day, Mr. President, when the Senator from Georgia brought out my dear old friend, the "robber baron." I have not heard of him for a great many years. We have had so many monopolists and trusts lately that the "robber baron" goes back almost to the earlier Victorian times and the days of the Manchester school, when the view which the English people took was that free trade of the Manchester school variety was not only true economically, but that it was also true morally; and anyone who questioned it was a depraved person, ready to question the procession of the equinoxes or the Ten Commandments. We have passed a good way beyond that belief and its queer economic fallacies; but the "robber baron," riding on his forays into the rest of the country, which is just as able to make cotton goods as New England, or New York, or Pennsylvania, or South Carolina, belongs to that old period. When I heard of him once more, it carried me back to the time of the Mills bill, when the "robber baron" rode up and down with great vigor in our debates. I want to quote something that Mr. Reed then said about him. Mr. Reed had a way of saying a wise and penetrating thing more epigrammatically and putting more wisdom into an epigram than any man I have ever known in public life. In his speech on the Mills bill he said this:

> After all, this exaggerated idea of the profits of manufacturers is at the bottom of the chairman's feelings. Whenever I walk through the streets of that democratic importing city of New York and look at the brownstone fronts my gorge always rises. I can never understand why the virtue which I know is on the sidewalk is not thus rewarded. I do not feel kindly to the people inside. But when I feel that way I know what the feeling is. It is good, honest, high-minded envy. When some other gentlemen have the same feeling they think it's political economy.

Mr. President, I think that the world of political economists and others have got beyond the theories of the Manchester school. Even in the rosy dawn of its first triumph there was a

man in England, who was afterwards a prime minister, Mr. Disraeli, who said, in 1846:

> It may be vain now, in the midnight of their intoxication, to tell them there will be an awakening to bitterness. It may be idle now, in the springtide of their economic frenzy, to warn them that there will be an ebb of trouble. But the dark and inevitable hour will arrive; then, when their spirit is softened by misfortune, they will recur to those principles which made England great, and, in our belief, can alone keep England great. They may then, perchance, remember, not with unkindness, those who, betrayed and deserted, were neither ashamed nor afraid to struggle for the good old cause—the cause with which are associated principles the most popular, sentiments the most utterly national—the cause of labor, the cause of the people, the cause of England.

Sixty years have passed, Mr. President, and the party of Disraeli is on the eve of its return to power, carrying all the by-elections on the issue of tariff reform, which, over there, means a reimposition of reasonable protective duties. Mr. Disraeli's vindication has been slow in coming, but it promises to be complete.

Mr. President, the Senator from Iowa quoted a very great writer, Thomas Carlyle. He, too, was living and thinking at the time of the idolatry of free trade and the Manchester school; and I want to add one other short quotation from him. Here is what he said in Past and Present:

> All this dire misery, therefore, all this of our poor workhouse workmen, of our chartisms, trade strikes, corn laws, Toryisms, and the general downbreak of laissez faire in these days may we not regard it as a voice from the dumb bosom of nature saying to us: "Behold, supply and demand is not the one law of nature; cash payment is not the sole nexus of man with man; how far from it. Deep, far deeper than supply and demand are laws, obligations, sacred as man's life itself; these also, if you will continue to do work, you shall now learn and obey. He that will learn them, behold nature is on his side; he shall yet work and prosper with noble rewards. He that will not learn them, nature is against him; he shall not be able to do work in nature's empire—not in hers. Perpetual mutiny, contention, hatred, isolation, execration, shall wait on his footsteps till all men discern that the thing which he attains, however golden it looks to be, is not success, but the want of success."

The world has been coming back to those utterances, Mr. President, and when you really touch the chord, and when the peril comes home to the people, you can hear the response in trumpet tones. Look at the feeling of our extreme western people on the Pacific coast against the importation of Asiatic labor. There is no use in talking "laissez faire," or "buying in the cheapest and selling in the dearest market" to them; they do not propose to have that competition at their doors. Their instinct is absolutely right, in my judgment; and that instinct is just as strong among the people on the other side of the imaginary line in British Columbia. The men of our race here do not propose to have their standard of living lowered to such a point; they will not endure it; and the introduction of a lower-priced labor is just the same in its effects, whether it comes in the form of a man or of the man's work in the goods.

I ask for no extravagant protection; but here is a great industry, with over a million people dependent upon it; an industry that can be set up anywhere. I say that it is for the interest of this entire country that this industry should be fostered and built up. It is small benefit to the people of this country if you lower the price a little on mercerized goods to those who buy at the department stores in New York and elsewhere and throw out of employment thousands of working people scattered from Maine to Florida. It is more important to us to have those people employed. That is what I care about.

My own interest in these mills is next to nothing; but my interest in the welfare of that manufacturing population in Massachusetts is intense. We have got 488,000 people in my State engaged as operatives in all forms of manufacture. The life of the State is there. It is easy enough to say with cheerful indifference, as the Senator from Kansas said, that if the industry does not pay, let them find employment somewhere else. That is a hard measure, Mr. President. Their labor, their bread, is all there; their capital is there in the skill of their practised hands. It is all they have got, and they have been given opportunity for labor and protected in it by the Government. They are grateful for it. They sent their own representatives here to the Committee on Ways and Means to speak for protection. They are as eager for it, more eager than anyone else. It is for those people I plead. It is not that the manufacturer may make more money. I am not anxious about the capitalist. He can take his capital and go to China, if he chooses, and make money. I am not worrying over him; but I am worrying over the thousands of people in those mills whose homes, whose lives, whose hopes, whose everything are bound up in this great industry. What matter does it make whether they live in Massachusetts or in South Carolina? They are Americans. Let us give them a chance to make all the goods they can. Domestic competition has kept the price down, and it will keep it down, but give these wage-earners a chance to work.

Mr. ROOT. Mr. President, before the discussion of this cotton schedule is concluded, I wish to say a few words regarding the participation of the general appraisers of the United States in the preparation of the amendments which have been presented to the Senate by the Finance Committee. I am perhaps, to some extent, moved to speak upon the subject by a certain feeling of loyalty to a worthy and praiseworthy class of public servants, with whom I was long closely associated in former years in enforcing the tariff laws of the United States as the district attorney of the United States for the southern district of New York. I knew them then and during many years of connection with the executive branch of this Government. I have known them since that time; and I wish to say to the Senate that there is nowhere a more devoted, sincere, and capable body of public servants than are they.

Remarks have been made in the course of the discussion upon this schedule which, not so much by direct statement as by their form and the impression which they have conveyed, seem to indicate that there is something discreditable in the fact that representatives of the great body of expert servants of the United States engaged in the enforcement of the tariff laws have been brought to Washington for the purpose of informing the members of the Finance Committee in their preparation of amendments. Among those who have been brought here, including the gentleman whose name has been mentioned to-day—Mr. de Vries—are the most trusted and the most able of the experts of the United States in enforcing the tariff laws.

That is not my opinion alone, but I venture to say that you will find it to be the universal opinion, not of the importers alone, but of the manufacturers as well as the importers, of judges and juries, and of the citizens of the communities in which they live and work. They are not the agents of the manufacturers; they are the agents of the people of the United States, who employ them under the laws made by this Congress to inform themselves upon the meaning and the application of our customs laws and upon all the intricacies of the vast and complicated business to which those laws are to be applied. They do perform their duty with exemplary fidelity, skill, and integrity.

I am sure the Senator from Iowa [Mr. DOLLIVER], who has several times alluded to the presence of these gentlemen here, agrees with me in my estimate of them.

Mr. DOLLIVER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Iowa?

Mr. ROOT. Let me finish my sentence, and then I will yield.

I am sure that the Senator from Iowa has not intended in a word that he has spoken to bring any of those gentlemen into discredit, to wound their feelings, or to carry to the minds of the people of our country the idea that they are not now here engaged in faithfully and properly discharging the duties for which they are employed by the Government of the United States. I now yield to the Senator from Iowa.

Mr. DOLLIVER. Mr. President, the Senator from New York is entirely right in saying it is not any part of my purpose to make a disparaging allusion to anybody. I have all my lifetime had a very fixed rule, and that is to treat with kindness and respect the opinions and the activities of every man; but I have been in the last thirty days subjected to a running fire of disparagement, originating, much of it, behind the doors of the Finance Committee, both as to my motives and as to the manner of the preparation which I have tried to make in the discharge of my duties here, that has seemed to me to warrant these indirect and veiled allusions, which have seemed to wound the sensibilities of the Senator from New York. But I will add that I have made no such disparagement of Appraiser De Vries as was unconsciously made against him this day by the honored chairman of the Finance Committee [Mr. ALDRICH], who, in the course of explaining to the Senate how the intentions of Congress has been turned aside and how the protective character of the act of 1897 had been destroyed, undertook to denounce as wicked, and, if I understood him correctly, inspired by evil-minded importing interests, certain decisions which modified somewhat the original understanding of the Dingley Act. The worst reflection that I have made upon the general appraiser was to point out to the Senator from Rhode Island that the decision that destroyed the integrity, as he claimed, of the original Dingley tariff act, was a decision rendered by the chairman of the General Board of Appraisers.

Mr. ROOT. Mr. President, I am gratified at the statement of the Senator from Iowa. I knew that he entertained only respect for these gentlemen, with whom he also has been long associated in his former distinguished services in framing the tariff acts of the United States.

I think sometimes, Mr. President, Members of the Senate and of the House of Representatives fail to appreciate how weighty their own words are and how deep may be the wound, and perhaps the injury done, to the humble servants of our Government by criticisms or reflections which pass in the Chamber itself as of very little consequence.

Mr. President, the tariff laws have to be applied to exceedingly complicated and varied business. It has been my fortune to try many hundreds of tariff cases and to rely upon the examination of this very class of public servants for the establishment of the Government's case. I have seen many and many a time what I knew to be the intention of Congress fail of effect, because the words used by the draftsman of the act were not aptly selected to describe the very thing that the draftsman had in mind. Many and many a time, Mr. President, in the trial of causes for the Government I have wished that the witness who had been explaining the business to which the law was to be applied might have been before the committee that framed the law.

For years I have watched the Treasury decisions and the framing of new statutes—for, I am sorry to say, sir, that it was many years ago that I was engaged in the business of enforcing these laws—and many a time I have seen in the framing of successive tariff acts new language adopted for the purpose of curing failures in previous laws and to give effect in practical application to the intention for which the law was framed. In every case those improvements of the law to obviate the defects in past statutes have been brought about by the intelligent and instructive advice of these experts of the Government, whose advice was fruitless when the law with its defects was to be enforced.

It seems to me, sir, that it is a step, and a great step, in the direction of the right way in framing a tariff law, to bring these gentlemen here, so that they may advise the committees of Congress how to frame the statute in such a way that the classification, the description, the distinctions, the discriminations of the law may be rightly adjusted to the variations and the transactions of the business to which the law is to be applied; and I beg to say, sir, that it seems to me that the presence of these gentlemen here is in the direct line of the development of the tariff commission, which so many of my friends upon this floor desire.

I myself, sir, believe that it is highly desirable to have a body of public officers who shall investigate the facts before the proposed statute comes into the Houses of Congress for discussion, who shall be able to present to us in clear and definite form the facts, ascertained as a master in chancery would obtain them for the benefit of the court. I see in the provision which the committee has reported the opportunity for the organization of such a body of public officers, and I see in the presence of Mr. de Vries, Mr. Sharretts, and the other assistants whom they have here advising the committee, a step in the orderly and natural development of such a public body—a step in the kind of process, sir, by which, under our system of laws, those who inherit the Anglo-Saxon method of improving law, naturally proceed, not by framing a theoretical system anew, but by the process of gradual development.

I welcome the presence of these gentlemen. I think they are entitled to credit for the proper and praiseworthy performance of their public duty as officers of the United States, and I hope that they will not only be continued here in the performance of their work, but that from this beginning will grow the existence of a body of public officers specifically charged with doing upon a wider scale and in a manner better adapted to securing the best results precisely what they have been doing here with the Finance Committee.

Mr. DANIEL. Before the Senator from New York takes his seat, I should like to ask him a question with a very brief introduction. I appreciate the force of what the Senator has said. I had the honor to be one of the committee appointed by this body to help to frame the tariff bill, and I should like to ask the Senator if he thinks that the appointees of the Senate have the right to hear the officers of the Government who come to instruct the Senate?

Mr. ROOT. I suppose this question relates to the oft-mooted controversy which the Senator from Virginia has been carrying on with his Republican associates on the Finance Committee, quite unsupported, as I have observed, by his Democratic associates on the committee——

Mr. DANIEL. That may be true——

Mr. ROOT (continuing). As to the method which the committee should follow.

My understanding is that experts were assigned to inform the Republican members of the committee, and that other experts were assigned to the Democratic members of the committee; and I think that was a very wise and sensible arrangement, for I do not think the country ought to have been kept waiting while this whole subject was discussed for months in the committee room between the representatives of the two political parties, and while the subject is again discussed for months in the Senate between the same representatives of the same parties.

The inevitable effect of having members of both parties together in the discussions which led to the framing of the amendments to this bill would have been that two different views, or perhaps many more than two different views—the views of the Republican party and all the different views of the Democratic party—would have been presented and discussed in the committee room.

Mr. President, the State which I have the honor in part to represent is waiting with its industries for action upon this bill. Its merchants have suspended their customary orders for goods abroad. Its manufacturers are refraining from laying in their stocks of raw material for the conduct of their business. The great activities upon which the revenues of the Government depend are in a state of partial suspension during the discussion of this bill. I do not wish that any Senator should refrain for a moment from any such discussion as he considers to be useful toward attaining the result, but I would not for the sake of a form duplicate the discussion—have it once in the committee room and again on the floor of the Senate. It seems to me that it would be idle and would be useless.

Mr. DANIEL. Mr. President, we heard a most excellent legal argument, and an enlightening argument, from the Senator from New York, and while we all feel the pressure of these events, I wish to say that the State of Virginia has exactly the same right to be represented here as to its enormous interests and its great and growing manufactures that the State of New York has.

Mr. ROOT. I hope the Senator from Virginia does not understand me as questioning that right?

Mr. DANIEL. I do understand you not only as questioning it, but as taking the side of those who have denied it.

Mr. ROOT. The Senator from Virginia certainly misunderstood me if he so understands me.

Mr. DANIEL. I will explain my understanding.

Mr. ROOT. I answered the question——

Mr. DANIEL. No, sir; you have never answered the question.

Mr. ROOT. I answered the question of the Senator from Virginia, that I did not think it was expedient that there should be a double discussion upon this subject, not by the Senator from Virginia, but by any Senator; that there should be a discussion of the whole subject first in committee, and then a discussion in the Senate. Far from me to indulge in any discrimination against the State of Virginia or its Senator, whose words have always delighted and instructed me, and to whom I am always more than glad to yield.

Mr. DANIEL. Mr. President, I do not attribute anything but the right motives to the distinguished Senator from New York, but I have heard him repeat discussions that went before the committee, no doubt, if he knew anything about them, as much as any average Senator here, and always to enlightenment and instruction. I have occupied no more time upon this floor than he has done, and only a few Senators, who were not so well represented as that Senator was upon the committee and who had to grope in the dark here, have occupied more time than the other distinguished Senators, some of whom were on the committee, and who, like the Senator from Massachusetts [Mr. LODGE], to-day have felt perfectly free to discuss what they had already been informed of, like everybody else.

My distinguished friend is mistaken in saying he answered my question. I did not ask the Senator what he thought expedient, nor is he or the committee the sole judge of expediency in this body. I asked him the question if he thought it was right that all this illumining information, which he has defended on account of its character, and all these expert men, whom he has shown to be capable, should be sent here by the Government of the United States to illumine a committee, and that members of the committee, who have as dignified a position as anyone who may control it, should be denied that light before they went into the discussion? That is the question I asked, and that is the one which was replied to by a most ingenious, a most evasive, and a most sophistical reply.

Mr. GORE. Mr. President——

Mr. DANIEL. I have not yielded the floor. The distinguished Senator from New York says that they have sent us experts. They sent no such experts as these. They denied us a right which, as American Senators, we possess, and which is a part of our title to sit in this body—the information that the Government sent these experts to give.

The Senator says that the Democratic members of the committee did not stand by me. What difference does it make

whether people stand at your back when a man stands on an American constitutional right? Does the Senator look to see what is behind him or what support he has when he knows he is right? I took my position because I knew I was right in it, and if no one else on any side came to support me, let them answer with themselves.

Mr. President, I have dropped this matter because not only was I helpless, but the Senate was helpless. I might have expected, but for helplessness, that the distinguished Senator from New York himself would have volunteered to stand forth and defend me. But the Senator is helpless, I presume. He knows what is right as well as any man in this country. He knows as well as any man in this country what becomes the dignity of a Senator and his desire to serve.

What difference if Democratic committees heretofore have done the same? Are there not many respects in which all parties might reform themselves, and are we to be bound by things that were wrong because our party did them? I would lament the obligations under which such a principle would put the distinguished Senator or any Democratic Senator. The thing is not right. It is in plain violation of the parliamentary law of this body.

It is in plain violation of the spirit of the Constitution of the United States, which says that each State, however great, each State, however small, each State, however populous, each State, however few its population, each State, however rich—and there is none richer than New York—and each State, however poor, shall have an equal representation in the Senate. Samson with his locks on was one man; Samson with his locks shorn is another.

I do not think the Senator from New York will ever stand up and say he is right. I do not think he will ever put the weight of his high character, of his great career, and of his distinguished opinion behind such a proposition; and I had a certain sympathy with him in his evasion. I leave him in bed with it.

Mr. ALDRICH. Mr. President, the Senator from Massachusetts [Mr. LODGE] alluded to a statement which he understood I was to put into the RECORD in regard to the earnings of certain classes of people in London. The statement has been furnished to me by my colleague [Mr. WETMORE]. It is from the forty-fourth annual report of the governors of the Peabody donation fund, of London:

> The average weekly earnings of the head of each family in residence at the close of the last year was £1 1s. 9d. In the cases in which the governors pay the rates the average weekly charge, including the rates, of each dwelling was 5s. 4d. a week, and of each room 2s. 4d. The rent in all cases includes the free use of water, laundries, scullieries, and bathrooms.
>
> The mean population during the year was 19,914, showing a density, after taking into account the occupied portion only of the Herne Hill and Tottenham estates, of 571 people to the acre, or nine times that of London.

This was for the year ended February, 1900, the report having been made in February of this year.

The employments of these people are given in a table which is annexed to their report, which I ask to have printed in the RECORD. It includes plumbers, gas fitters, bricklayers, and the great class of people in the city of London. Of course these statistics were not secured for any political purpose or any economic purpose. This is simply a report of the board of governors as to the earnings of the people living in these houses, and stating their occupations. Of course Senators will understand that the average earnings of $5.25 a week are less than half the earnings of persons engaged in similar employments in any city in the United States.

The PRESIDING OFFICER. The Senator from Rhode Island asks unanimous consent that the table which he has referred to may be printed in the RECORD. The Chair hears no objection, and it is so ordered.

The table referred to is as follows:

Table showing the employment of the tenants.

Bag makers	7
Bakers	39
Bookbinders, etc	53
Book folders	57
Boot and shoe makers	31
Box makers	33
Brass finishers	16
Brewers' men	86
Bricklayers	16
Brush makers	8
Butchers	21
Cabinetmakers	28
Cabmen	38
Carmen	280
Carpenters	64
Carpet planners	5
Cellar men	40
Charwomen	530
Checkers	33
Cigar makers	12
Cloth workers	17
Coachmen and stablemen	118
Cooks	61
Coopers	9
Costermongers	9
Dressmakers	50
Enginemen	42
Engravers	6
Farriers	5
Firemen	7
Florists	17
French polishers	22
Furriers	11
Gardeners	14
Gas fitters	31
Glass cutters	17
Hatters	14
Harness makers	5
Jewelers	15
Laborers	695
Lamplighters	28
Laundresses	17
Leather dressers	16
Letter carriers, etc	81
Lightermen	13
Machinists	84
Mangle women	14
Masons	10
Messengers	86
Metal workers	47
Molders	4
Needlewomen	205
Nurses	44
Office keepers	63
Packers	154
Packing-case makers	13
Painters, etc	71
Pensioners	112
Plumbers	20
Police constables	69
Porters	431
Printers	163
Sailors	17
Scavengers	33
Servants	153
Servants (railway, tram, and omnibus)	104
Shopmen	90
Smiths	27
Soldiers	24
Stevedores	10
Stokers	27
Storekeepers	39
Tailors	86
Tidewaiters	5
Timekeepers	16
Tin-plate workers	11
Travelers	28
Turners	14
Type founders	1
Umbrella makers	4
Upholsterers	15
Various trades	58
Waiters	78
Warehouse laborers	216
Watchmen	27

Mr. BRISTOW rose.

Mr. ALDRICH. I was about to move to adjourn, but I will withhold the motion if the Senator from Kansas desires to speak.

Mr. BRISTOW. For just a moment.

Mr. GALLINGER. Will the Senator from Kansas yield to me for a moment?

Mr. BRISTOW. Certainly.

Mr. GALLINGER. In connection with the paper the Senator from Rhode Island has submitted, I want to ask unanimous consent to have printed a single page from Bulletin No. 80, of the Bureau of Labor, January, 1909, which has just come to the Members of this body. It relates to wages in the textile industries in Great Britain, which has a direct bearing upon the discussion of this paragraph in the bill. I ask unanimous consent to have it printed. I thank the Senator from Kansas.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Hampshire? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

Wages per week of women and girls in textile industries.

[From the Board of Trade Report, 1886.]

Industry.	Average wages.	Per cent of all women and girls whose full-time earnings were—				
		Under $2.43.	$2.43 and under $3.65.	$3.65 and under $4.87.	$4.87 and under $6.08.	$6.08 and over.
Lancashire and Cheshire cotton	$3.51	10.7	44.9	33	12.1	0.3
Yorkshire and Lancashire woolen	3.20	10.6	64	25.3	.1	.....
Yorkshire woolen and stuff	2.78	36.6	62.8	.6	.....	.....
West England stuff	2.60	45.3	54.7	.....	.....	.....

The higher wages in Lancashire in the cotton industry are due in part, at least, to trade unions, and woolen wages may be indirectly affected by cotton wages in that district. Earnings are higher in dis-

tricts where the textile manufactures are most centralized and highly organized, and lowest where they are only a subsidiary industry.

In Dundee an investigation made in 1904 showed the following wages paid women workers in the jute and flax mills of that city:

Women's wages per week in Dundee textile mills, by occupations, 1904.

Occupation.	Lowest wage.	Highest wage.	Medium wage.	Predominant wage.	Number of observations.	Number receiving predominant wage.
Preparers	$1.44	$2.04	$2.15	$2.15	85	24
Shifters	1.76	2.33	2.03	2.01	26	4
Spinners	1.70	3.10	2.33	2.33	134	107
Winders [a]	1.70	3.35	2.68	2.68 / 2.93	31	[b] 7
Weavers [a]	1.32	3.65	2.92	2.92 / 3.41	46	[b] 10

[a] Pieceworkers. [b] At each predominant wage.

The weekly wages of 206 male preparers were secured, showing a medium wage of 10s. 4d. ($2.51), and a predominant wage of the same amount; and 80 male shifters received a medium wage of 9s. 5d. ($2.29), while the predominant rates, paid to 16 in each case, were 9s. 5d. ($2.29), and 10s. 3d. ($2.49). The half timers whose wages were investigated numbered 150, and they received a medium wage of 4s. (97 cents), and a predominant rate, paid to 35, of 3s. 7d. (87 cents). The medium earnings of men power-loom operatives were 19s. ($4.62), while men working on carpet looms earned 12s. ($2.92). In a Liverpool rope factory, with over 100 women employees, the average earnings of the women were as follows, in the occupations stated: Preparers, 10s ($2.43); carders, 8s. 2½d. ($2); opening knots, 6s. 10½d. ($1.67); spinning green hemp, 9s. 7½d. ($2.34); machine spinning, 12s. ($2.92); hand spinning, 13s. ($3.16). In another factory of the same kind the per cent of women and girls employed earning under 6s. ($1.46) was 39; those earning 6s. and under 8s. ($1.46 and under $1.95) was 19; those earning 8s. and under 10s. ($1.95 and under $2.43) was 11; those earning 10s. and under 12s. ($2.43 and under $2.92) was 11; and those earning 12s. and over ($2.92 and over) was 20.

Mr. BRISTOW. Mr. President, I rose to refer in a few words to a statement made by the Senator from Massachusetts [Mr. LODGE] in regard to a remark made by myself in the discussion, and to state that, repeated as it was by the Senator from Massachusetts, in the connection it was, it is misleading. The remark as attributed to me was made in discussing the development of an industry, when I stated that if the beet-sugar industry could not be developed so that ultimately we could produce sugar without imposing a tax of 2 cents a pound upon the importation of sugar, we had better not undertake to develop it, but let the energy of our people be devoted to the development of some other enterprise that would be more practicable.

Mr. LODGE. I did not refer to what the Senator from Kansas said on sugar. It was a remark he made one day in regard to one of the lead industries. He said—of course I do not profess to give the exact words now, at this distance, but it impressed me very much at the time—that if this industry required so much protection, let the people engaged in it go into something else.

Mr. BRISTOW. I still maintain that there are industries which it does not pay to undertake to develop. If you have to impose a duty that is too high, we had better use our energy in developing things that it is more practicable to produce, and it was not certainly offered in connection with a discussion that would lead one to believe that a factory should be dismantled and the people turned out to seek employment elsewhere.

In this connection, I want to state that I voted for a duty of 1½ cents a pound on lead, not because I believed that originally such a duty was justified, but because there have been mines opened, and I was convinced that to take that duty off would close those mines and compel the people who are at present employed to seek other employment; and rather than to precipitate that kind of a condition, I favored the keeping on of a duty which I thought was too high.

Mr. ALDRICH. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 6 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, June 2, 1909, at 10.30 o'clock a. m.

HOUSE OF REPRESENTATIVES.

TUESDAY, *June 1, 1909.*

The House met at 12 o'clock noon.

Prayer by Rev. George Robinson, chaplain, United States Army, retired.

The Journal of the proceedings of Friday, May 28, was read and approved.

LEAVE TO PRINT.

Mr. MOSS. Mr. Speaker, I ask unanimous consent to print some remarks in the RECORD.

The SPEAKER. The gentleman from Indiana asks unanimous consent to print remarks in the RECORD. Is that the request of the gentleman?

Mr. MOSS. Yes.

The SPEAKER. Is there objection?

Mr. PAYNE. Mr. Speaker, reserving the right to object, on what subject?

The SPEAKER. The gentleman does not state.

Mr. PAYNE. Then I shall object unless he does state.

Mr. MOSS. The remarks are upon the subject of the woolen schedule. It is some data which I prepared on the woolen schedule sometime ago.

The SPEAKER. The gentleman desires to print remarks in the RECORD upon the woolen schedule.

Mr. PAYNE. I have no objection.

The SPEAKER. The Chair hears no objection.

Mr. MOSS. Mr. Speaker [reading]—

A business proposition for business men. A problem in economics: For each $100 spent for clothing, $19.42 goes to labor.

This statement appeared in the Local Option Sentinel, issued to the voters of Clay County at the recent special election. I have not verified this statement, but as it was one of a number of computations including the labor cost of boots and shoes, furniture, hardware, cotton goods, men's furnishings, and whisky, I presume it was verified before being published.

Referring to the tariff bill as pending before Congress, I find the following rates: Cothing, ready made, and articles of wearing apparel, 44 cents per pound and 55 per cent, equivalent to a tariff charge of 100.56 per cent ad valorem. This comparison, Mr. Speaker, suggests this further problem in economics—another business proposition for business men: Why shall a product of which less than 20 per cent of the total cost is said to be due to labor be taxed more than five times the entire labor cost? Our present tariff law, the Dingley Act, carries the highest rates in the history of our country's tariff legislation. The average ad valorem rate is 44.16 per cent, or less than one-half the rates on ready-made woolen or part-woolen clothing. In fact, the silk schedule, which is supposed to be used largely by the rich, is but 53.24 per cent as compared with 60.02 per cent in the woolen; on sugar the average rate is 61.13 per cent; so that of all our high-tariff duties the highest schedules are wools and sugar, two prime necessities of life. It has generally been understood that the sugar trust has controlled the rates on sugar, and this has been a scandal for years; but who has controlled the rates on wool and woolens? These rates are not new, and the present revision is not changing them. Senator ALDRICH, in explaining this schedule, said:

The rates upon woolen cloths were substantially identical in the McKinley Act with what they are in the Dingley Act, and what the rates reported by the Senate committee are.

We have here a statement that these rates have been in the law since 1890, a period of nineteen years, and that there is no change to be made in this good year of our Lord. Senator DOLLIVER of Iowa, who has been in Congress for more than twenty years, carried these rates further back in the calendar of time, and said:

Nor is it necessary to quote what happened in 1897 or 1890. My honored friend [Mr. ALDRICH] could have gone further. The fabric of the protection of woolen merchandise was built long before 1890. It is certain that the exact framework of our present schedule applicable to woolen cloths appeared in 1867. So far as I can find out, although I am not an acute student of the hidden things of history, a meeting was held in the Senate between the shepherds and the woolen manufacturers; and the shepherds being extremely anxious for substantial rates, it was after a while agreed between them that each should take what he wanted; but the public was not present in the conference so far as the RECORD discloses.

Senator WARREN. I did not exactly catch all the Senator said. In connection with what tariff and in what year was the meeting between the shepherds and woolen manufacturers to which he refers?

Senator DOLLIVER. I think it was in 1867.

Senator WARREN. I have only a word to say. While it is evident that that was before my day in the Senate, it was not before my day in the sheep business or in the wool business, and it was not before my day of meeting with other shepherds. If there was an agreement of that kind, I never heard of it; and I know that I was down here fighting for better protection for the woolgrowers, and that we were not satisfied with what we got.

Senator DOLLIVER. I may have been deceived by a myth and a tradition; but if I have, it has deceived a good many other people.

This seems to me to be very nearly like the old rule of "addition, division, and silence," and, as Senator ALDRICH had stated, that this schedule constituted the very citadel of protection. I wondered if that strong, old fortress had been erected by the very common methods which are used to plunder the revenues of our municipalities and other local governments. And I have been fortunate enough in searching through the public libraries to find an old volume which has the minutes of that celebrated meeting between the weaver and spinners of our beloved country, and to secure from their minutes an exact copy of the tariff bill of 1867, although the minutes of that meeting was dated April, 1866, and the Congress which gave their suggestions the power to tax the American people had not yet been elected. The law passed March 2, 1867; and in copying the suggestions of these shepherds the clerk of the

Ways and Means Committee of Congress carelessly dropped out three words—Canada long wools—but this mistake of the clerk was promptly corrected by a special act of Congress, containing a preamble to the effect that the words "Canada long wools" were inadvertently omitted from section 2 of the tariff act; and it was therefore resolved by the Senate and House of Representatives of the United States of America in Congress assembled that these three words, "Canada long wools," be added to the law, and thus the mistake of a careless clerk, when employed by the Congress of the United States to copy the minutes of a woolgrowers' meeting, was rectified and the American people were given as selfish a law as was ever written on the statutes of any people.

I shall place in these remarks in parallel column this report of the wool men and the law as it was enacted by Congress. The report was agreed upon in April, 1866, and the law was enacted in March, 1867. I ask every voter who is tired of costly clothing and high taxation to compare these two columns, and then ask himself who wrote this law. Then recall the statement of Senator DOLLIVER, who said that—

This law is the exact framework of our present schedules as applicable to woolen cloths.

And then ask yourself another question: Why shall the minutes of that meeting held forty-three years ago be copied by the present Congress and a tax of 100 per cent be continued on woolen clothing?

The Government issues the CONGRESSIONAL RECORD to record the speeches for and against any proposed legislation made by the Members of Congress. A reporter was present at this convention of woolmen and took down their speeches. They were all in favor of the bill; and, as I have quoted from the official CONGRESSIONAL RECORD, I will also give extracts from this private congressional record, to show what patriotic motives inspired this meeting and whose interests were being guarded and protected. I quote from E. B. Porter, of New York, who spoke, in part:

Looking this question square in the face, we have concluded, as I have said before, to let bygones be bygones. There has been wrestling and struggling between the respective interests that are represented here, and it must have been of great damage to some of those interests. It can not be helped that it has been so. As I said before, we can not help the past, but we can make provisions for the future; and that is all that men can ever do. Are we willing to do it? We have said in these resolutions that we are. If we mean just what we have said in regard to the matter, then what hinders? Certainly Congress will not set itself up in opposition to these two great interests.

Mr. Colburn, of Vermont, also said in part:

Now I believe it would be a grand thing if we should go hand in hand and get an amount of protection in this country both for wool and woolens that will become gradually, say in ten years, totally prohibitory. Some will say, "Then you are going to oppress the poor. You are going to make clothing so dear that the poor man can not clothe his family at all." Well, that string has been harped upon in this country for political purposes, a good many years. Oppress the poor man! When the Government is ready to give him 110 acres of land, if he can pay $10; if he finds he can not get sufficient wages to support his family, will he not take up that land and become a farmer? It is all moonshine to talk about oppressing the poor man in this country. We can not oppress the poor by a high tariff or anything of that kind."

Mr. Hayes, of Massachusetts, said in part:

It is the way of ignorant and barbarous people to cherish the memories of ancient hatred. It is the triumph of civilization to do away with old enmities and prejudice. And we, gentlemen, we of the eastern tribes, have come up to-day to meet you gentlemen of the West, with no recollection of the old feud which has divided us so long. "We have," to quote the language of one of your letters, Mr. President, "washed off the war paint, if any yet remains. We have buried the hatchet; we have smoked the pipe of peace;" and, in this first council of once hostile interests, we have formed an alliance which I trust will inaugurate a new and auspicious era in all our industries.

This joint council between the eastern tribes of spinners and western tribes of shepherds appointed an executive committee to draft a tariff bill, and I submit a copy of that report in parallel columns with the law as passed by Congress eleven months later. Mr. Pottle was right. Congress did not set itself up in opposition to these two great interests; nor was Senator DOLLIVER deceived by a myth.

PROPOSED BILL BY THE WOOLGROWERS, SUBMITTED APRIL, 1866.

That from and after the passage of this act, in lieu of the duties now imposed by law on the articles hereinafter mentioned, there shall be levied and collected on all manufactured wool, hair of the alpaca, goat, and other like animals, imported from foreign countries, the duties herein provided. All wools, hair, etc., as above, shall be divided, for the purpose of fixing duties to be charged thereon, into three classes, to wit:

CLASS 1.

Clothing wools.—That is to say, merino, mestiza, metz, or metis wools, or other wools of merino blood, immediate or remote; down clothing wools, and wools of like character with any of the preceding, including such as have been heretofore usually imported into the United States from Buenos Aires, Australia, Cape of Good Hope, Russia, Great Britain, Canada, and elsewhere, and also including all wools not hereinafter described or designated in classes 2 and 3.

CLASS 2.

Combing wools.—That is to say, Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used; and also all hair of the alpaca, goat, and other like animals.

CLASS 3.

Carpet wools and other similar wools.—Such as Donskoi, South American, Cordova, Valparaiso, native Smyrna, and including also such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Egypt, Syria, and elsewhere.

For the purpose of carrying into effect the classification herein provided, a sufficient number of distinctive samples of the various kinds of wool, hair, etc., embraced in each of the three classes above named, selected and prepared under the direction of the Secretary of the Treasury and duly verified by him (the standard samples being retained in the Treasury Department), shall be deposited in the custom-houses and elsewhere, as he may direct, which samples shall be used by the proper officer of the customs to determine the class, above specified, to which all imported wools belong. The duty upon wools of the first class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be 32 cents or less per pound, shall be 10 cents per pound, and, in addition thereto, 10 per cent ad valorem; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 32 cents per pound, shall be 12 cents per pound, and, in addition thereto, 10 per cent ad valorem. The duty upon wools of the second class, and upon all hair of the alpaca, goat, and other like animals, the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be 32 cents or less per pound, shall be 10 cents per pound, and, in addition thereto, 10 per cent ad valorem; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 32 cents per pound, shall be 12 cents per pound, and, in addition thereto, 10 per cent ad valorem. The duty upon wools of the third class the value whereof at the last port or place whence exported into the United States, excluding charges in such port, shall be 12 cents or less per pound, shall be 3 cents per pound; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 12 cents per pound, shall be 6 cents per pound: *Provided*, That any wool of the sheep, or hair of the alpaca, goat, and other like animals, which shall be imported in any other than the ordinary condition as now and hereafter practiced, or which shall be changed in its character or condition for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt or any other foreign substance, shall be subject to pay twice the

THE LAW PASSED BY CONGRESS MARCH 2, 1867.

That from and after the passage of this act, in lieu of the duties now imposed by law on the articles mentioned and embraced in this section, there shall be levied, collected, and paid on all manufactured wool, hair of the alpaca, goat, and all other like animals, imported from foreign countries, the duties hereinafter provided. All wools, hair of the alpaca, goat, and other like animals, as aforesaid, shall be divided, for the purpose of fixing the duties to be charged thereon, into three classes, to wit:

CLASS 1.

Clothing wools.—That is to say, merino, mestiza, metz, or metis wools, or other wools of merino blood, immediate or remote; down clothing wools, and wools of like character with any of the preceding, including such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, and elsewhere, and also including all wools not hereinafter described or designated in classes 2 and 3.

CLASS 2.

Combing wools.—That is to say, Leicester, Cotswold, Lincolnshire, Down combing wools, or other like combing wools of English blood, and usually known by the terms herein used; and also all hair of the alpaca, goat, and other like animals.

CLASS 3.

Carpet wools and other similar wools.—Such as Donskoi, South American, Cordova, Valparaiso, native Smyrna, and including also such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Egypt, Syria, and elsewhere.

For the purpose of carrying into effect the classification herein provided, a sufficient number of distinctive samples of the various kinds of wool, hair, etc., embraced in each of the three classes above named, selected and prepared under the direction of the Secretary of the Treasury and duly verified by him (the standard samples being retained in the Treasury Department) shall be deposited in the custom-houses and elsewhere, as he may direct, which samples shall be used by the proper officer of the customs to determine the class, above specified, to which all imported wools belong. And upon wools of the first class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be 32 cents or less per pound, the duty shall be 10 cents per pound, and, in addition thereto, 11 per cent ad valorem; upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 32 cents per pound, the duty shall be 12 cents per pound, and, in addition thereto, 10 per cent ad valorem. Upon wools of the second class, and upon all hair of the alpaca, goat, and other like animals, the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be 32 cents or less per pound, the duty shall be 10 cents per pound, and, in addition thereto, 11 per cent ad valorem; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 32 cents per pound, shall be 12 cents per pound, and, in addition thereto, 10 per cent ad valorem. Upon wools of the third class the value whereof at the last port or place whence exported into the United States, excluding charges in such port, shall be 12 cents or less per pound, the duty shall be 3 cents per pound; upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 12 cents per pound, the duty shall be 6 cents per pound: *Provided*, That any wool of the sheep, or hair of the alpaca, goat, and other like animals, which shall be imported in any other than the ordinary condition as now and hereafter practiced, or which shall be changed in its character or condition for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt or any other foreign substance, shall be subject to pay twice the

amount of duty to which it would otherwise be subjected, anything in this act to the contrary notwithstanding: *Provided further*, That when the wool of different qualities is imported in the same bale, bag, or package, it shall be appraised by the appraiser, to determine the rate of duty to which it shall be subjected, at the average aggregate value of the contents of the bale, bag, or package; and when bales of different qualities are embraced in the same invoice at the same price, whereby the average price shall be reduced more than 10 per cent below the value of the bale of the best quality, the value of the whole shall be appraised according to the value of the bale of the best quality; and no bale, bag, or package shall be liable to a less rate of duty in consequence of being invoiced with wool of lower value: *And provided further*, That the duty upon wool of the first class which shall be imported washed shall be twice the amount of duty to which it would be subjected if imported unwashed, and that the duty upon wool of all classes which shall be imported scoured shall be three times the amount of duty to which it would be subjected if imported unwashed. On sheepskins and Angora goatskins, raw or unmanufactured, imported with the wool on, washed or unwashed, the duty shall be — per cent ad valorem; and upon woolen rags, shoddy, mungo, waste, and flocks shall be 12 cents per pound.

amount of duty to which it would otherwise be subjected, anything in this act to the contrary notwithstanding: *Provided further*, That when the wool of different qualities is imported in the same bale, bag, or package, it shall be appraised by the appraiser, to determine the rate of duty to which it shall be subjected, at the average aggregate value of the contents of the bale, bag, or package; and when bales of different qualities are embraced in the same invoice at the same price, whereby the average price shall be reduced more than 10 per cent below the value of the bale of the best quality, the value of the whole shall be appraised according to the value of the bale of the best quality; and no bale, bag, or package shall be liable to a less rate of duty in consequence of being invoiced with wool of lower value: *And provided further*, That the duty upon wool of the first class which shall be imported washed shall be twice the amount of duty to which it would be subjected if imported unwashed, and that the duty upon wool of the classes which shall be imported scoured shall be three times the amount of duty to which it would be subjected if imported unwashed. On sheepskins and Angora goatskins, raw or unmanufactured, imported with the wool on, washed or unwashed, the duty shall be 30 per cent ad valorem; and upon woolen rags, shoddy, mungo, waste, and flocks the duty shall be 12 cents per pound.

This report will be found on page 440, Revenue System of the United States, published by the Government in 1866. The spinners also wrote a bill on manufactures of wool, which is published on page 442, same volume, and which was substantially copied by Congress. The woolgrowers adopted as the basis of their bill that it would require 2 pounds of unwashed wool to equal 1 pound of washed wool, and that a pound of scoured wool was equal to 3 pounds of unwashed wool. The manufacturers adopted the basis that it required 4 pounds of unwashed wool to produce 1 pound of cloth; and the agreement between the two interests was that the protection given to wool should be added to the cloth as a specific duty and that an ad valorem duty in addition should be added for the protection of the wool manufacturer. Thus in the instance given in these remarks on woolen clothing, the rate is 44 cents a pound and 55 per cent ad valorem. The 44 cents a pound is the duty under the Dingley law on 4 pounds of unwashed wool. This amount goes to the shepherd; the manufacturer is given the 44 cents a pound duty on imported cloth to compensate him for paying the woolgrowers the 44 cents on 4 pounds of unwashed wool. As the manufacturer pays it to the woolman and charges it to the consumer, he receives neither a profit nor loss on the wool duty, but is placed in the same position he would be if wool was upon the free list. The 55 per cent ad valorem on the cost of the cloth, and this of course includes the added price of the wool, goes exclusively to the manufacturer and constitutes his exclusive advantage or profit out of the schedule. By this simple arrangement both parties make a handsome profit. In 1907 the wool in class 1 paid an average ad valorem of 47.46 per cent; wool clothing, 55 per cent in addition to the wool duty, or a total of more than 100 per cent. Of course the consumer pays both, and in cases of clothing only in part made of wool the manufacturer gets part of the 44 cents, as that is the full duty on 4 pounds of wool; and in part woolen cloth there are not 4 pounds of raw wool used in making 1 pound of cloth.

This agreement has never been questioned or set aside. It is the law to-day. It has not been proven that it requires 3 pounds of unwashed wool to make 1 pound of scoured wool. In fact, it is known not to be true in many cases, and since no scoured wool is ever imported it may fairly be accepted that the rate is well above the average, since it is prohibitory on washed and scoured wool. There were 90,045,325 pounds of unwashed wool of class 1 imported in 1907, 1,675 pounds of washed wool, and 8,119 pounds of scoured wool. Neither has it been proven that it requires 4 pounds of unwashed wool to make a pound of woolen cloth. In fact, to take the exact figures which the woolen manufacturers themselves gave in 1866—they will be found on page 445, taken from the operations of the Proctorville Woolen Mills, of Vermont—61.92 ounces of mestiza wool made 1 pound of woolen cloth. It is well known that all the wools grown in the Middle States, as Indiana and Ohio, are light-shrinking wools, and that the showing on these wools would be much more favorable. The real point, however, to remember is that the amount of 4 pounds—and therefore the specific duty of 44 cents on a pound of cloth—was determined by the manufacturers themselves; that the example given to justify this proportion requires but 61.92 ounces of wool, instead of 64 ounces; and that the wool chosen is an imported heavy-shrinking wool and is not representative of our native wools. It is to be remembered, also, that the specific duty of 44 cents is not lessened if there is any other article used than pure wool, and as much shoddy, woolen rags, and cotton is used in manufacturing there is a palpable fraud practiced on this class of cloth. Even if it does require 4 pounds of unwashed wool to make a pound of pure woolen cloth, it does not require 4 pounds of wool and 2 pounds of cotton or shoddy to make a pound of cloth.

There is much speculation among the people as to who make our laws—whether the Members, by hard work and great study, master these problems, and thus become truly qualified as experts, or whether suggestions come from outside sources. The demand for a tariff commission arises from the belief that Congress does rely on outside authority, and necessarily must continue to do so as relates to technical information. The people justly prefer that these experts shall be employed by them than that they should be on the pay roll of private interests.

Prominent Members of Congress have strongly denied that Congress is in need of experts to gather information, and that a tariff commission is wholly unnecessary and would be probably mischievous. I quote from a letter written by Congressman DALZELL, of Pennsylvania, published in the Bulletin, June 1, 1909, in opposition to the creation of a commission. Mr. DALZELL says:

> I can not conceive of any measure much more useless and, at the same time, more fraught with possible injury to the business interests of the country than the creation of such a commission.
>
> Under the Constitution of the United States the inauguration of all measures for the raising of revenue is exclusively intrusted to the House of Representatives, and the duty resulting to the House thereby can not by law be delegated to anyone. It would be impossible to create a commission that would have any authority, even in the most remote way, to fix tariff duties. For practical purposes, therefore, a tariff commission would be utterly useless. The utmost that it could do would be to recommend legislation. But it goes without saying that no House of Representatives would be willing to accept the conclusions of an outside body merely upon its recommendation and without having direct knowledge with respect to the matter recommended.

In view of the action of Congress in 1867, in copying the minutes of a woolgrowers' convention, and that this action has been indorsed by every subsequent Republican Ways and Means Committee, including the present committee, of which Mr. DALZELL is a prominent member, this statement is fairly entitled to a place in the funny papers as a joke. Mr. DALZELL further says in his letter:

> But the most convincing argument against the creation of such a commission is to be found in the fact that such a commission would keep the business interests of the country in a state of perpetual unrest. What is needed in a tariff law is stability.

That is the strong point of the wool schedule, its stability. The woolen schedule has been considered settled by every Republican Ways and Means Committee since the treaty of 1866.

In commenting on Mr. DALZELL'S letter, the American Economist, the organ of the stand-pat high protectionists, said:

> These reasons for opposing the tariff commission scheme can not fail to be recognized as urgent and convincing. Not one of them can be successfully met, answered, or overcome.

If this clipping had been taken from Judge or Puck, it would not require a label to be classed as a joke.

I do not wish to attempt to take away the credit to which years of hard work and study and conscientious devotion to public service justly entitle Members of Congress; and I feel sure that every Member brings to his public duties not only his entire ability, but the very highest character of conscience and integrity; but it is not necessary to set up the claim of universal knowledge to be entitled to respect or to qualify for useful work in Congress, and in view of the showing on this schedule, it may be said of some of our wool experts in Congress: "No doubt but ye are the people and that wisdom shall die with you."

Unfortunately we can not know how many other associations of producers have been fortunate enough to get their minutes changed into law by action of Congress, and thus be given the privilege of levying the taxes which they wish to collect from the American people. That the wool men have secured this privilege there can be no doubt; but the more this whole tariff question is studied, the more the hidden facts are searched out and placed before the American people, the conviction grows that much of the so-called "expert knowledge" is given by men whose business interests are affected by the results of their statements and whose selfishness renders such statements unsafe to be accepted as the basis to tax the American people. Our tax system is an indirect method of taxation, but the fram-

ing of these laws must be an open and not a secret method. This is the very center of the people's fight for tariff reform, and it is the real crux of the controversy.

MESSAGES FROM THE PRESIDENT OF THE UNITED STATES.

Sundry messages, in writing, from the President of the United States were communicated to the House of Representatives by Mr. Latta, one of his secretaries.

PAN-AMERICAN SCIENTIFIC CONGRESS, SANTIAGO, CHILE.

The SPEAKER laid before the House the following message from the President (S. Doc. No. 64), which was read, referred to the Committee on Foreign Affairs, and ordered to be printed:

To the Senate and House of Representatives:

I transmit herewith for the information of Congress the report of the delegates of the United States sent to the Pan-American Scientific Congress held at Santiago, Chile, in pursuance of the sundry civil act approved May 27, 1908, "to enable the Government of the United States to be fittingly represented at the First Pan-American Scientific Congress, to be held at Santiago, Chile, during the year 1908."

WM. H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

PORTO RICAN FRANCHISES.

The SPEAKER also laid before the House the following messages from the President, which were read, referred to the Committee on Insular Affairs, and ordered to be printed:

[S. Doc. No. 67.]

To the Senate and House of Representatives:

In accordance with section 32 of the act of Congress approved April 12, 1900 (31 Stat., 84), entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," I have the honor to transmit herewith, for the consideration of the Congress, certified copy of a franchise granted by the executive council of Porto Rico, May 6, 1909, entitled "An ordinance repealing an ordinance entitled 'An ordinance granting to Conrado Diaz, his heirs and assigns, the right to use for irrigation purposes 32 liters of water per second from the river Rio Jueyes, in the barrio Jauca, municipal district of Santa Isabel.'"

WM. H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

Also:

[S. Doc. No. 69.]

To the Senate and House of Representatives:

In accordance with section 32 of the act of Congress approved April 12, 1900 (31 Stat., 84), entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," I have the honor to transmit herewith, for the consideration of Congress, certified copy of a franchise granted by the executive council of Porto Rico, May 6, 1909, entitled "An ordinance repealing an ordinance entitled 'An ordinance granting to Frank P. McCurdy the right to establish and maintain a ferry service between the municipalities of San Juan and Cataño.'"

WM. H. TAFT.

THE WHITE HOUSE, *May 28, 1909.*

WITHDRAWAL OF PAPERS.

By unanimous consent Mr. GOEBEL was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of John H. H. Babcock, Fifty-ninth Congress, no adverse report having been made thereon.

LEAVE OF ABSENCE.

By unanimous consent, Mr. FINLEY was granted leave of absence for ten days, on account of business.

ADJOURNMENT.

Mr. PAYNE. Mr. Speaker, I move that the House do now adjourn.

Mr. OLMSTED. Mr. Speaker, if the gentleman will withhold his motion for just a moment, I have read somewhere that in a large manufacturing establishment they hung up notices throughout the building to the effect that persons desiring to attend grandmothers' funerals or cousins' weddings should give notice two hours in advance of the calling of the game. I venture to suggest there is a good attendance here, and we might treat the gentleman's motion as notice, and before it is put devote an hour or so to debate in which certain gentlemen wish to engage on the Porto Rican bill.

Mr. CLARK of Missouri. Mr. Speaker, I think the motion is not debatable.

Mr. PAYNE. Mr. Speaker, I call for the regular order.

Mr. OLMSTED. I merely make the suggestion to the gentleman from New York; that is all.

The SPEAKER. The gentleman from New York moves that the House do now adjourn.

The question was taken, and the Chair announced that the Chair was in doubt. The House divided and there were—ayes 72, noes 48.

Mr. MACON. The yeas and nays, Mr. Speaker.

The SPEAKER. The ayes have it——

Mr. MACON. Mr. Speaker, I asked for the yeas and nays.

The yeas and nays were refused.

The motion was agreed to.

Accordingly (at 12 o'clock and 13 minutes p. m.) the House adjourned to meet on Thursday next.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

A letter from the Acting Secretary of Commerce and Labor, transmitting a schedule of useless papers in his department (H. Doc. No. 44)—to the Joint Select Committee on Disposition of Useless Executive Papers and ordered to be printed.

A letter from the Secretary of the Smithsonian Institution, transmitting, with a copy of a communication from the superintendent of construction of the National Museum, a statement of costs caused by default of contracts (H. Doc. No. 45)—to the Committee on Appropriations and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 10318) to create a board to correct military records—to the Committee on Military Affairs.

By Mr. MAYS: A bill (H. R. 10319) to provide for the dredging of the Apalachicola and Chattahoochee rivers in the State of Florida—to the Committee on Rivers and Harbors.

By Mr. STEENERSON: A bill (H. R. 10320) relating to the compensation of letter carriers in the Rural Delivery Service—to the Committee on the Post-Office and Post-Roads.

Also, a bill (H. R. 10321) for the relief of homestead settlers under the act of February 20, 1904—to the Committee on Indian Affairs.

By Mr. WICKERSHAM: A bill (H. R. 10322) to modify and amend the mining laws of the United States in relation to the Territory of Alaska, and for other purposes—to the Committee on the Territories.

Also, a bill (H. R. 10323) to create, establish, and enforce a miner's labor lien in the Territory of Alaska, and for other purposes—to the Committee on the Territories.

By Mr. AUSTIN: A bill (H. R. 10324) to authorize the Postmaster-General to establish a station, substation, or branch post-office in certain communities—to the Committee on the Post-Office and Post-Roads.

By Mr. STEPHENS of Texas: Joint resolution (H. J. Res. 56) disapproving a certain law enacted by the legislative assembly of the Territory of New Mexico—to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 10325) granting an increase of pension to Martin Kennedy—to the Committee on Invalid Pensions.

By Mr. BROWNLOW: A bill (H. R. 10326) granting an increase of pension to David M. Hull—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10327) granting an increase of pension to Joseph Laughters—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10328) granting an increase of pension to Samuel Shell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10329) granting an increase of pension to John R. Craig—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10330) granting an increase of pension to James Evans—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10331) granting a pension to Lemiel A. Ragan—to the Committee on Invalid Pensions.

By Mr. CAMERON: A bill (H. R. 10332) granting a pension to Joinville Reif—to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 10333) granting an increase of pension to William Sheffer—to the Committee on Invalid Pensions.

By Mr. CULLOP: A bill (H. R. 10334) granting an increase of pension to William King—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10335) granting an increase of pension to John H. Bailey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10336) granting an increase of pension to James I. Crouch—to the Committee on Invalid Pensions.

By Mr. EDWARDS of Kentucky: A bill (H. R. 10337) for the relief of George W. Vermillion—to the Committee on War Claims.

Also, a bill (H. R. 10338) for the relief of P. H. Idol and J. A. Craft—to the Committee on Claims.

Also, a bill (H. R. 10339) for the relief of Stanley E. Brown—to the Committee on Claims.

Also, a bill (H. R. 10340) for the relief of Martin A. Turner—to the Committee on Military Affairs.

Also, a bill (H. R. 10341) for the relief of Marion M. Barton—to the Committee on Military Affairs.

Also, a bill (H. R. 10342) for the relief of Pleasant G. Decker—to the Committee on Military Affairs.

Also, a bill (H. R. 10343) for the relief of Warren O. Anderson—to the Committee on Military Affairs.

Also, a bill (H. R. 10344) for the relief of James Piles—to the Committee on Military Affairs.

Also, a bill (H. R. 10345) for the relief of Ellsworth Haggard—to the Committee on Military Affairs.

Also, a bill (H. R. 10346) for the relief of Bailey Owens—to the Committee on Military Affairs.

Also, a bill (H. R. 10347) for the relief of Andy Inman—to the Committee on Military Affairs.

Also, a bill (H. R. 10348) for the relief of James M. Cook—to the Committee on Military Affairs.

Also, a bill (H. R. 10349) for the relief of Francis Denham—to the Committee on Military Affairs.

Also, a bill (H. R. 10350) for the relief of John Tucker—to the Committee on Military Affairs.

Also, a bill (H. R. 10351) to correct military record of Pleasant Thomas, late of Company B, East Tennessee National Guards—to the Committee on Military Affairs.

Also, a bill (H. R. 10352) granting a pension to Arrenee Nolen—to the Committee on Pensions.

Also, a bill (H. R. 10353) granting a pension to T. J. Ingram—to the Committee on Pensions.

Also, a bill (H. R. 10354) granting a pension to Kizzil Potter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10355) granting a pension to Mary Howard—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10356) granting a pension to Nancy Stringer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10357) granting an increase of pension to Jonothan Kelley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10358) granting an increase of pension to William Perry—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10359) granting an increase of pension to Jesse F. Parker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10360) granting an increase of pension to William Thrasher—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10361) granting an increase of pension to Madison J. Morgan—to the Committee on Invalid Pensions.

By Mr. GOEBEL: A bill (H. R. 10362) granting an increase of pension to Henry H. Bronstrup—to the Committee on Invalid Pensions.

By Mr. HANNA: A bill (H. R. 10363) granting an increase of pension to Maria A. Bradley—to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 10364) granting an increase of pension to Noah Hubler—to the Committee on Pensions.

By Mr. HOWLAND: A bill (H. R. 10365) granting an increase of pension to Jasper C. Downs—to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 10366) authorizing the appointment of Maj. W. R. Parnell, United States Army, retired, to the rank and grade of brigadier-general on the retired list of the army—to the Committee on Military Affairs.

By Mr. MACON: A bill (H. R. 10367) for the relief of Thomas D. Ruffin, of Woodruff County, Ark.—to the Committee on War Claims.

By Mr. MORRISON: A bill (H. R. 10368) granting a pension to Nancy A. Jarrell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10369) granting a pension to Samuel Fleetwood—to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 10370) granting an increase of pension to Abraham Prebost—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10371) to remove the charge of desertion from the military record of James M. Larue, and for other purposes—to the Committee on Military Affairs.

By Mr. SHARP: A bill (H. R. 10372) granting an increase of pension to S. A. Williams—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

Mr. ALEXANDER of Missouri: Paper to accompany bill for relief of Levi P. Hyatt and Henry E. Gibson—to the Committee on Invalid Pensions.

By Mr. ESCH: Petition of citizens of Wisconsin against a reduction of the duty on barley—to the Committee on Ways and Means.

By Mr. HAYES: Petition of citizens of the Fifth Congressional District of California against increase of duty on gloves—to the Committee on Ways and Means.

Also, paper to accompany bill for relief of James Burke—to the Committee on Invalid Pensions.

By Mr. HOLLINGSWORTH: Petition of Cleveland Memorial Post, Grand Army of the Republic, Department of Ohio, against portrait of Jefferson Davis on silver service of battle ship *Mississippi*—to the Committee on Naval Affairs.

By Mr. GOEBEL: Paper to accompany bill for relief of Henry H. Bronstrup—to the Committee on Invalid Pensions.

By Mr. HOWELL of Utah: Petition of citizens of Cache County, Utah, for increasing rate of pensions for all survivors of Mexican and civil wars to $25 per month, and also of their widows to $20 per month, and to grant all white-race citizens born in the United States or its territories, 65 or more years of age, and to their widows, who have not married, of 60 or more years of age, a pension of $15 per month, provided such citizens or their widows are not pensioners under the existing law—to the Committee on Invalid Pensions.

By Mr. KAHN: Petition of M. A. Harder, William M. Gruver, and H. H. McCallum, of San Francisco, Cal., favoring law to exclude all Asiatics—to the Committee on Foreign Affairs.

By Mr. SHARP: Petition of W. A. Rang Lodge, No. 425, Brotherhood of Railway Trainmen, favoring S. 236, S. 1986, and H. R. 7553—to the Committee on Interstate and Foreign Commerce.

Also, petition of Mansfield Retail Grocers' Association and business men of Richland County, Ohio, favoring a parcels-post system—to the Committee on the Post-Office and Post Roads.

Also, petition of ex-Union soldiers and sailors of Mount Vernon, Knox County, Ohio, favoring granting of pensions to all widows of soldiers and sailors of the war of the rebellion without regard to date of marriage—to the Committee on Invalid Pensions.

By Mr. SMITH of Texas: Petitions of citizens of Roscoe, Colorado, Pecos, Midland, Big Springs, Snyder, and Loraine, all in the State of Texas, against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. TAYLOR of Colorado: Petitions of Denver Live Stock Exchange, of Denver, and Chamber of Commerce, of Colorado Springs, favoring retention of duty on hides—to the Committee on Ways and Means.

By Mr. WANGER: Petition of presidents and ex-presidents of the United Societies of Philadelphia for Relief and Protection of Immigrants, against the increase of immigration tax from $4 to $10—to the Committee on Immigration and Naturalization.

SENATE.

WEDNESDAY, *June 2, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

USELESS PAPERS IN THE EXECUTIVE DEPARTMENTS.

The VICE-PRESIDENT. The Chair lays before the Senate a communication from the Secretary of Commerce and Labor, transmitting, pursuant to law, a list of papers and documents on file which are not needed or useful in the transaction of the current business of that department and have no permanent value or historical interest.

In accordance with the statute the Chair appoints the Senator from North Carolina [Mr. SIMMONS] and the Senator from New Hampshire [Mr. GALLINGER] members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, for the disposition of useless papers in the Department of Commerce and Labor.

SOCIETY OF DAUGHTERS OF THE AMERICAN REVOLUTION.

The VICE-PRESIDENT. The Chair lays before the Senate a communication from the secretary of the Smithsonian Institution, transmitting, pursuant to law, the eleventh annual report of the National Society of the Daughters of the American Revolution for the year ended October 11, 1908.

The Chair desires to call the attention of the Senate to the

fact that the accompanying report contains matter in the way of illustrations, which would require the special order of the Senate for printing. If there be no objection, such an order will be made.

Mr. CULLOM. I move that it be referred to the Committee on Printing.

Mr. ALDRICH. Let it be referred to the Committee on Printing.

Mr. CULLOM. That is my motion.

The VICE-PRESIDENT. Without objection, the communication will be referred to the Committee on Printing.

FINDINGS OF THE COURT OF CLAIMS.

The VICE-PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact filed by the court in the cause of Watson, Frye & Co. *v.* United States (S. Doc. No. 71), which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT laid before the Senate the following telegram, which was read and referred to the Committee on Finance:

AUDITORIUM, ASHEVILLE, N. C., *June 1, 1909.*

VICE-PRESIDENT,
Washington, D. C.:

The Travelers' Protection Association, in convention assembled, representing 40,000 commercial travelers, respectfully petition Congress for immediate action upon the tariff question, believing that its early consummation will promote great awakening of the best interests of our country.

H. O. GRAY, *National President.*

The VICE-PRESIDENT presented a petition of the Chamber of Commerce of Spokane, Wash., praying for the adoption of certain amendments to the interstate-commerce law, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the Chamber of Commerce of Spokane, Wash., and a petition of the Oregon and Washington Lumber Manufacturers' Association, of Portland, Oreg., praying that an appropriation be made to enable the Interstate Commerce Commission to secure the valuation of all railroad properties in the United States, which were referred to the Committee on Interstate Commerce.

He also presented a petition of the American Forestry Association, praying for the enactment of legislation to provide for the acquisition of new national forest reserves, especially in the Appalachian region, which was referred to the Committee on Forest Reservations and the Protection of Game.

Mr. CULLOM presented petitions of the compositors of the Aurora Daily Beacon, of Aurora; of the mailers, compositors, and pressmen of the Joliet Daily News, of Joliet; of the Drovers' Journal Publishing Company, of Chicago; and of the stereotypers, pressmen, compositors, and counting-house employees of the Illinois State Register, of Springfield, all in the State of Illinois, remonstrating against a retention of the duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented memorials of sundry independent oil producers, farmers, landowners, and citizens, directly interested in the oil industry in the State of Illinois, remonstrating against oil being placed on the free list, which were ordered to lie on the table.

Mr. JONES presented a petition of the Chamber of Commerce of Spokane, Wash., which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

SPOKANE CHAMBER OF COMMERCE AND
SPOKANE MERCHANTS' ASSOCIATION,
May 18, 1909.

Whereas mutual confidence and stable business conditions are necessary as between shippers and the common carriers to the future welfare of the Nation: Therefore be it

Resolved by the Spokane Chamber of Commerce and the Spokane Merchants' Association, That we most earnestly indorse and recommend to Congress the passage of amendments to the interstate commerce act which shall give to the Interstate Commerce Commission, in its discretion, power to suspend the taking effect of proposed advances in existing rates, or rules affecting rates, upon a prima facie case being made showing the unreasonableness of such proposed advances in rates or changes in rules pending a hearing; which shall give to the shipper the right to route his freight, where through routes and through rates are provided for in joint through tariffs, should he desire to avail himself thereof; and which shall require carriers to quote rates in writing upon application, and upon request to insert rates in bills of lading.

Respectfully submitted.

SPOKANE CHAMBER OF COMMERCE,
By D. T. HAM, *President.*

Attest:
[SEAL.] L. G. MONROE, *Secretary.*

SPOKANE MERCHANTS' ASSOCIATION,
By A. M. TOLAND, *President.*

Attest:
J. B. CAMPBELL, *Secretary.*

Unanimously adopted by both associations this the 18th day of May, 1909.

Mr. JONES presented a petition of the Chamber of Commerce of Spokane, Wash., which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

SPOKANE CHAMBER OF COMMERCE AND
SPOKANE MERCHANTS' ASSOCIATION,
May 18, 1909.

Whereas recent rate hearings before the Interstate Commerce Commission have demonstrated that the railroads place particular stress upon the enormous increase in the valuations of their properties, arrived at by their own experts and based upon an alleged increase in the cost of reproduction, and have used these deductions as an argument before the Interstate Commerce Commission to resist any reduction of present excessively high freight rates to Spokane and other interior points similarly situated; and

Whereas to employ competent expert engineers to make a fair estimate of cost of the reproduction of a single transcontinental railway as a basis of valuations would require many thousands of dollars and thereby place a financial burden upon the people of any community seeking relief from extortionate freight rates that would be excessively unjust to the people and should, of a right, be borne by the National Government: Therefore be it

Resolved by the Spokane Chamber of Commerce and the Spokane Merchants' Association, That we respectfully memorialize Congress to grant without unnecessary delay an appropriation of $1,000,000 to the Interstate Commerce Commission, to use all or such part of said sum as may be necessary to make the valuations of all railroad property at the soonest possible date; and

Resolved, That these resolutions be spread upon the minutes of our respective associations and that a copy be forwarded to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives, the chairmen of the Committees on Interstate Commerce of the Senate and House, and to the chairman of the Interstate Commerce Commission; also that a copy be sent to each of our Senators and Congressmen, and that we urge them not only to give the measure their personal support, but that they use every effort in keeping with the dignity of their office to urge their fellow-members to do likewise.

Respectfully submitted by the interstate commerce committee and unanimously adopted by both associations this the 18th day of May, A. D. 1909.

SPOKANE CHAMBER OF COMMERCE,
By D. T. HAM, *President.*

Attest:
[SEAL.] L. G. MONROE, *Secretary.*

SPOKANE MERCHANTS' ASSOCIATION,
By A. M. TOLAND, *President.*

Attest:
J. B. CAMPBELL, *Secretary.*

Mr. FRYE presented a memorial of Local Union No. 70, International Brotherhood of Stationary Firemen, of Livermore Falls, Me., and a memorial of Local Union No. 16, International Brotherhood of Pulp, Sulphite, and Paper Mills Workers, of Orono, Me., remonstrating against a reduction of the duty on print paper and wood pulp, which were ordered to lie on the table.

Mr. DOLLIVER presented a concurrent resolution of the legislature of Iowa, which was referred to the Committee on Public Lands and ordered to be printed in the RECORD, as follows:

Concurrent resolution.

Concurrent resolution memorializing the Iowa delegation in Congress to use their efforts to secure an act providing for the acquisition of certain lands at the confluence of the Wisconsin and Mississippi rivers for the use as a national park, and to secure an appropriation therefor.

Whereas the preservation of the means of health and happiness, which, through selfishness or thoughtlessness, are so likely to be destroyed, are of great importance to the American people; and

Whereas the present and future happiness and welfare of our country demands that we have permanent public pleasure grounds and parks which are accessible by many and kept as near as possible in their natural state; and

Whereas we are awakening to the fact that in order to retain for ourselves and our posterity any of the natural conditions of our rivers, lakes, hills, and bluffs with their growth of vegetation and native groves it is necessary that those tracts be taken in charge by the Government before the natural beauty has been destroyed by human greed; and

Whereas the Father of Waters flows through a valley of untold resources and wealth, which is destined as time passes to become the home of unnumbered millions, whose health and happiness demand that they have public playgrounds and parks; and

Whereas the hills and bluffs, rising hundreds of feet above the river, with numerous springs and brooklets of pure water, the flats, and islands at the confluence of the Wisconsin and Mississippi rivers are most desirable and suitable for a public park; and

Whereas said place is historical as well as picturesque, still showing the mounds and trails of the red man as they were left by him, and the rock-ribbed hills as made by the elements through the ages, with native forests but slightly touched by human hand; and

Whereas the said lands on either side of the Mississippi, as well as the numerous islands in the river, can be purchased at a reasonable price: Therefore be it

Resolved by the house (the senate concurring), That we hereby memorialize our Senators and Representatives in Congress to use their efforts to secure the enactment of a law providing for the acquisition of said territory, to be used as a national park, and to secure an adequate appropriation therefor, and that copies of this resolution be forwarded to each member of the Iowa delegation in Congress.

Mr. DOLLIVER presented house concurrent resolution of the legislature of Iowa, which was referred to the Committee

on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

House concurrent resolution.

Concurrent resolution memorializing the Iowa delegation in Congress to provide for the improvement of the post-roads in the State of Iowa and to secure an appropriation therefor.

Whereas in the early history of the State Congress provided for the construction of main lines of railroad by the donation of great tracts of public lands, and immediate development and prosperity of the State evidenced the wisdom of such legislative action; and

Whereas the roads over which rural delivery routes are established are the important connecting links between the farm and the main transportation lines: Therefore be it

Resolved by the house (the senate concurring), That we hereby memorialize our Senators and Representatives in Congress to use their efforts to procure the enactment of a law for the improvement of the post-roads in the State of Iowa under the supervision of the Agricultural Department of the United States, and to secure an adequate appropriation therefor, and that copies of this resolution be forwarded to each member of the Iowa delegation in Congress.

Mr. DOLLIVER presented petitions of sundry citizens of Ellston, Ottumwa, Davenport, and Lewis, all in the State of Iowa, praying for a removal of the duty on hides, which were ordered to lie on the table.

He also presented petitions of sundry citizens of Independence, Spencer, Miltonville, and Cedar Rapids, all in the State of Iowa, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a petition of the Commercial Club of Fort Dodge, Iowa, praying for the appointment of a tariff commission, which was ordered to lie on the table.

Mr. DEPEW presented petitions of sundry citizens of Geneva, Seneca Falls, Phelps, Auburn, Hornell, Hammondsport, Mount Morris, Dansville, Rushville, Bath, Middlesex, Stanley, Alabama, Buffalo, Akron, Pavilion, Penn Yan, Dresden, Victor, Halls Corners, Gorham, Elmira, and Canandaigua, all in the State of New York; of Bridgeport, Conn.; Battle Creek, Mich.; and Boston, Mass., praying for a restoration of the duty on foreign oil production, which were ordered to lie on the table.

THE WOOLEN INDUSTRY.

Mr. WARREN. I present certain matter relating to the history of wool and the woolen industry. I move that it be printed as a document (S. Doc. No. 70).

The motion was agreed to.

LEATHER AND SHOE INDUSTRY.

Mr. WARREN. I present certain material relating to the leather and shoe industry. I move that it be printed as a document (S. Doc. No. 72).

The motion was agreed to.

HOURS OF DAILY SESSION.

The VICE-PRESIDENT. The morning business is closed.

Mr. ALDRICH. I ask that the resolution with reference to the hour of meeting, coming over from a previous day, may be taken up.

The VICE-PRESIDENT. The Chair lays before the Senate a resolution coming over from yesterday, which will be read.

The Secretary read Senate resolution No. 54, reported yesterday by Mr. ALDRICH from the Committee on Finance, as follows:

Senate resolution 54.

Resolved, That until otherwise ordered the Senate shall meet at half past 10 o'clock a. m.; that at half past 5 a recess shall be taken until 8 o'clock p. m.; and that the Senate shall adjourn for the day not later than 11 o'clock p. m.

Mr. CULBERSON. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Heyburn	Rayner
Bacon	Crawford	Hughes	Root
Bailey	Culberson	Johnson, N. Dak.	Scott
Beveridge	Cullom	Johnston, Ala.	Simmons
Bradley	Dick	Jones	Smith, Md.
Brandegee	Dillingham	Kean	Smith, Mich.
Bristow	Dixon	La Follette	Smith, S. C.
Brown	Dolliver	Lodge	Smoot
Bulkeley	Fletcher	Martin	Sutherland
Burkett	Flint	Money	Taliaferro
Burnham	Foster	Nelson	Taylor
Burrows	Frye	Oliver	Warner
Burton	Gallinger	Page	Warren
Carter	Gamble	Paynter	Wetmore
Clark, Wyo.	Gore	Penrose	
Clarke, Ark.	Hale	Perkins	

Mr. JOHNSTON of Alabama. My colleague [Mr. BANKHEAD] is necessarily absent. He is paired with the junior Senator from Nevada [Mr. NIXON].

The VICE-PRESIDENT. Sixty-two Senators have answered to the roll call. A quorum of the Senate is present. The question is on agreeing to the resolution.

The resolution was agreed to.

THE TARIFF.

The VICE-PRESIDENT. The calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The pending amendment is on page 97, paragraph 313.

Mr. GORE. Mr. President, I shall detain the Senate but a few moments. I should not detain the Senate even for one moment if I did not feel constrained to say a few words in reply to the remarks of the senior Senator from Massachusetts [Mr. LODGE] delivered here on yesterday. That Senator had occasion to refer to a few observations which I made some two or three weeks ago with reference to fabulous dividends which had been declared by certain woolen and cotton mills situated in the New England States. I alluded particularly to the Acushnet, the Dartmouth, and the Troy cotton and woolen manufactories.

The senior Senator from Massachusetts on yesterday did not intend to place me in the light of having represented those dividends as ordinary, average, and usual dividends, but the Senator's remarks, in my judgment, were susceptible of that construction. I desire now, thus early in my career here, to place myself before the Senate in the proper light, and to assure Senators that I had no purpose then, and that I shall never have any purpose of misleading the Senate or misrepresenting the facts in relation to any subject. The Senator confessed that the dividends of the Dartmouth Cotton Company in 1907 amounted to 66 per cent, and that of the Troy Cotton and Woolen Manufacturing Company to be 67 per cent. I alluded to those dividends as exceptional. I stated that no retail merchant in Oklahoma and that no retail merchant in the State of Maine, in my opinion, had realized net earnings equivalent to those fabulous dividends.

Mr. President, I said on that occasion that the average dividends for nine years of the Acushnet Company were only 21 per cent, notwithstanding it declared in 1907 the exceptional dividend of 66 per cent, showing, sir, that dividend towering like a mountain peak above the sea level of an average of 21 per cent. I did not say then, as I might have said, that in 1908, as well as in 1907, the Dartmouth Company declared a dividend of 66 per cent. I omitted to mention that because 16 per cent was the regular dividend in 1908, and the additional 50 per cent was a special dividend; and I did not think it fair to cite a special dividend here in proof of my contention. I did not mention then, as I might have done, that the Dartmouth Company declared, I believe, on the 24th of February of this year a special dividend of 100 per cent, payable either in cash or in stocks.

The senior Senator from Massachusetts says that the earnings of these cotton manufacturers are moderate and are modest. If he asserts that to be the rule, then I shall demonstrate before I sit down to the astonishment of the Senate that there are numerous exceptions to prove this rule.

I stated on a former occasion that the Troy Cotton and Woolen Manufactory had declared in 1907 a dividend of 67 per cent. The senior Senator from Massachusetts [Mr. LODGE] explained that that excessive dividend was due to a sale of real estate. I shall show that those companies in New England have been doing a pretty thrifty real-estate business during the last nine or ten years, and if that Senator undertakes to explain these stately dividends upon that theory, he will find that he has undertaken a laborious task—doubtless a labor of love.

I knew the statement would be challenged. I bestirred myself to ascertain what explanation would be offered here. I have a telegram assuring me that the Troy Cotton and Woolen Company would explain that excessive dividend by the statement that they had made a sale of real estate. I would suggest an amendment to the name and style of that company. It should be changed from the Troy Cotton and Woolen Company to the Troy Cotton, Woolen and Real Estate Company.

But, Mr. President, that company allowed its stocks and allowed its securities to be listed, advertised, and sold to the public upon the representation that regular and special payments of 67 per cent had been made during the year 1907. I do not know exactly what estimate to place upon the commercial honor of those who will allow their securities to be sold in the market upon representations of this kind, without the slightest hint that this splendid dividend was due not to the earnings of the business, but to real-estate transactions. If those gentlemen are willing to prove their poverty by disproving their integrity, of course I am powerless to prevent it.

While those dividends may have been exceptional, while they may have risen above the sea level, I shall demonstrate to the Senate that there is a long chain of towering peaks in this

mountain range of profit. From this on I shall not allude to the earnings of these companies by subdividing them into dividends and surplus; but let me say, before I pass on, that the Troy Cotton and Woolen Manufactory is capitalized for $300,000. In 1907 it had a surplus of $422,000. The par value of that stock is $500 per share and the market value was $1,650—230 per cent over and above the par value.

Mr. President, let me say here that the dividend declared is no exact test or criterion of the total earnings of these companies. We must examine how much is declared in the way of dividends and how much is set aside as a portion of their surplus earnings. Let me illustrate what I mean.

The Massachusetts Cotton Mills, situated at Lowell, Mass., is capitalized for $1,800,000; its surplus in 1907 was $1,679,000; and its net earnings in 1907 aggregated 41.30 per cent. It declared a dividend of only 8 per cent and set aside 33 per cent of its net earnings as a part of its surplus.

In contrast with this, I allude to the Bates Manufacturing Company, situated at Lewiston, Me. It is capitalized for $1,200,000. In 1907 its surplus was $1,100,000, and its net earnings in that year aggregated 41.87 per cent; we will call it 42 per cent. It declared a dividend of 35 per cent, and 6 or 7 per cent was transferred to the account of its surplus. It is no answer to say that these plants are worth more than the nominal amount of their capitalization. It does not meet the issue. It evades the issue to say that these manufactories are worth more than the face value of their stocks plus their accumulated surplus. Of course they are. The value of these plants, of these factories, must be determined not by the amount of stock issued, but by the proven, the assured, earning capacity of the establishment itself. This is the only yardstick, this the only standard.

Now, there is one other mill situated in the State of Maine which I will mention. I refer to the Pepperell Manufacturing Company, located at Biddeford, Me. During the last nine years it has declared dividends averaging only 24 per cent. In 1905 its dividends were 47 per cent; in 1906 its dividends rose to the modest amount of 62 per cent on its capitalization. You see, the real-estate business was pretty brisk during the year 1906.

Now, then, I will cite only one mill in the State of New Hampshire. It really has no place in this gilded company. I allude to the Great Falls Cotton Manufacturing Company, of Somersworth, capitalized at one and a half million, having a surplus of $987,000, and its net earnings in 1907 was the miserable pittance of only 21 per cent. You see, the real-estate business in New Hampshire is not so profitable as in the State of Maine and the State of Massachusetts. I make no mention of the Laurel Lake Company, whose earnings in 1907 barely exceeded 28 per cent, and it is, therefore, not entitled even to passing notice.

But, Mr. President, the half has never yet been told. I come now to the American Linen Company, situated at Fall River, Mass. In 1907 its net earnings were only 30 per cent, 11 per cent being announced to the world as its dividend, a mere foothill in the mountain chain.

Again, Mr. President, there is the Tecumseh Mills, located in the same city. Its net earnings in 1907 were 34 per cent on its capital stock, rather a modest earning for a company situated in that section.

In 1907 the Border City Manufacturing Company did a little more prosperous real estate business and realized net profits aggregating 37½ per cent, but its dividends were only 23½ per cent, the remainder going into its accumulated surplus.

Not only that, Mr. President, the Pierce Manufacturing Company, of New Bedford, Mass., in 1907 declared a dividend of only 32 per cent on its capitalization. The Hathaway Company announced, as I remember, a dividend of only 40 per cent, sustaining, I suppose, some reverse in its real estate transactions. The Union Cotton Manufacturing Company of Fall River—that is a patriotic name—realized in 1907 net earnings aggregating 46 per cent. I believe its declared dividend, however, was only 35½ per cent.

Mr. President, "Hills peek o'er hills and alps on alps arise." I come now to the Sagamore Manufacturing Company, which was a little more fortunate in its real estate transactions than these other companies. In 1907 its net earnings rose to the lofty altitude of 48½ per cent, declaring, I believe, an unpretentious dividend of only 30 per cent, allowing 18 per cent to go into its surplus. I shall not advert to the Bourne mills which, in 1903, confessed to a dividend which towered up to 49½ per cent. That is ancient history.

Mr. President, I shall not weary the patience of the Senate by a long, tedious, and monotonous recital of these exceptional profits. I mention these exceptions merely to prove the golden rule that their earnings are both moderate and modest. But I come now to the tallest peak of this mountain range of net earnings; I come to the Pikes Peak, the Mont Blanc, the Mount Everest of the entire range, so far as I have been able to explore the system. I refer now to the Algonquin Printing Company, a company engaged in the manufacture of cotton fabrics of various dyes. That concern was organized in 1893, when the panic was running riot in this country. It is capitalized at $500,000. It had on hand, in 1907, a surplus amounting to $750,000—I believe about 150 per cent of its entire capitalization. During the last nine years its net earnings have aggregated 607 per cent, six times the entire amount of the capital invested. Its average annual return to its stockholders during the last nine years has been the modest amount of 67½ per cent. So you see these companies have been fairly prosperous in their real estate transactions, taken in connection with their business as manufacturers of cotton and other fabrics. For these statements and statistics I have four several authorities of the very highest character. They are alike unimpeached and unimpeachable. Three of them reside in the very shadow of the factories. They are Edwin J. Cole, banker and broker, of Fall River; Sanford & Kelly, bankers and brokers, of New Bedford; A. B. Turner & Co., of Boston; and last, but not least, Moody's Manual of Industrial Securities.

Mr. President, it is no wonder that these gentlemen had the candor to say that the Dingley law was entirely satisfactory to them. It certainly is sufficient to satisfy a restrained and reasonable appetite like theirs. If they had demanded more, they would have placed themselves in the category with the horse leech's daughters, raising the constant cry of "more, more, more." I do not characterize those gentlemen as robbers; I doubt not that they are worthy citizens. I know they are intelligent citizens, judging by their business success and by their selection of United States Senators.

I say, again, that I do not stigmatize those gentlemen as robbers or as bad citizens. Indeed, sir, I can not criticise them for these high profits. That is the fault of the system. I complain of the legislation; I complain of the legislators who have made these enormous profits both a possibility and a reality. I think that the cotton planters of the South, whose net earnings annually are only $71, as demonstrated by the junior Senator from South Carolina [Mr. SMITH], have a right to complain that when they sell the raw material for a song, the manufacturers, who convert it into the finished product, realize net earnings ranging from 6 to 66 per cent; and the farmers of the great and golden West have a right to complain that they are taxed upon these fabrics, not in order to pay high dividends and high profits to the manufacturers, but are taxed, as the apostles of protection pretend, to pay living wages to American laborers who are employed in these mills.

Mr. President, the average farmer in Kansas, Iowa, and Oklahoma could not carry on a conversation with his fellow-citizens, these American laborers in these manufactories. Unfortunately, they can not speak our mother tongue. From once classic Greece have come the descendants of Penelope, the ancient weaver, who are now tending the looms of New England.

We tax the farmers of the South and the West to pay those laborers good wages and to pay the profits of the manufacturers, but I have a lurking suspicion that those good-natured, philanthropic, and benevolent manufacturers do not divide their net earnings on the square with the American laborers.

Mr. President, I am sorry to have been obliged to have taxed the patience of the Senate on this occasion, but I felt constrained, in view of the remarks of the Senator from Massachusetts [Mr. LODGE] on yesterday, to say this much in justification of what I had said on a former day. I want to say again that the half has not yet been told; and if those gentlemen furnish explanations when it is signified to them that explanations would be acceptable, I shall furnish still other instances, which may call with equal clamor for justification before the laborers, the farmers, and the retail merchants of this country, who have been charged with extortion, and in whose behalf I felt called upon to reveal these exceptional, enormous, and fabulous profits realized by these manufacturers. I doubt if half the retailers in the United States have realized earnings ranging from 6 to 66 per cent. I doubt, sir, if 1 per cent of them have enjoyed profits rising to anything like that lofty summit. In fact, take the profits—the net earnings of the manufacturers and merchants—and no one can doubt on whose side the excessive and fabulous dividends will be found. The retail merchant must be acquitted of extortion. Some of the manufacturers, at least, will find it difficult to escape conviction.

The VICE-PRESIDENT. The question is on agreeing to the committee amendment to paragraph 313.

Mr. BACON. I hope it may be stated to the Senate, so that we may know what it is.

The VICE-PRESIDENT. The amendment will be again stated, if there be no objection.

Mr. BACON. I do not think it has yet been stated.

The SECRETARY. In paragraph 313, page 97, after the words "cotton cloth," it is proposed to insert the words:

Valued at not over 7 cents per square yard, not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling——

Mr. BACON. I did not know the question was on the long amendment which had been read on yesterday. I supposed it was another amendment. I shall not ask to have it read, unless some other Senator desires that it shall be.

Mr. NELSON. Mr. President, I am aware that anything that may be said on this subject relating to the cotton schedule and the increase of duties will be of little effect in this Chamber. I am also aware that, notwithstanding what may be pointed out as to the action of the Finance Committee in this matter, still, right or wrong, the rule of the Finance Committee will prevail.

Yesterday we had from the senior Senator from Massachusetts [Mr. LODGE] a long discussion as to the meaning and import of the Republican platform adopted at Chicago last summer in respect to the question of a revision of the tariff. I am not questioning what the New England idea may have been of that platform. I can only speak for the people of the West, of the Mississippi Valley, and not beyond. With us that platform was understood to mean a revision downward. If all which was intended by the revision of the tariff was to correct inequalities, all that we needed to do was to provide an additional revenue and leave the Dingley law intact.

I do not think it was the common understanding of the people of this country that that tariff needed a revision simply to adjust certain inequalities. No one had any such idea. The popular mind had for years been bent on a revision of that tariff on a downward basis. In the Republican convention at Chicago in 1904 was the first time the rule was adopted in our platform that a just measure of protection was the difference of cost in the production at home and abroad. That principle had never before been inserted in our platform.

I happened, Mr. President, to be on the committee on resolutions in that convention and on the subcommittee that prepared the platform. It was upon my suggestion that that provision was inserted. I offered an amendment to the effect that the just measure of protection was the difference in the cost of production at home and abroad; but my amendment was to some extent emasculated by inserting the words "at least," so that it finally emerged from the committee in the condition that the just measure of protection should be at least equal to the difference in the cost of production at home and abroad. The same phraseology, in a modified form, was found in the platform of 1908—that the just measure of protection was the difference in the cost of production at home and abroad—with the addition that the manufacturers or the protected interests should have a reasonable profit. That was the first time in our history when an attempt was made to inject into a platform the provision that the Government was to guarantee to the people a reasonable profit. But I shall enter into no discussion of that subject any further than simply to say that throughout the Mississippi Valley not only was it the understanding among our people that the revision was to be downward, but all our candidates who addressed the people on the hustings—our candidate for President, among others—gave our people to understand that the revision of the tariff was to be an honest downward revision.

I have heard a great deal in this Chamber of late to the effect that we ought to hasten with the consideration of this tariff legislation and dispose of it; that the business of the country is awaiting action here, and is at a standstill. Mr. President, the business of the country need not be alarmed, for there is no downward revision. The only thing they will have to wait for is the upward revision, to see how much they have got to mark up their goods. They can all assume, and they all have a right to assume from what has transpired here in the Senate, that there will be no downward revision of any substantial character, at least no downward revision that they do not themselves expressly consent to.

Now, what about this cotton schedule—and I am coming particularly to that in order that we may fully understand it? But before I come to that, I want to call the attention of the Senate to the fact that yesterday, when the Senator from North Carolina asked the Senator from Massachusetts, near the closing part of his speech, whether the amendments to these paragraphs relating to the cotton schedule—cotton cloth—increased the duty or not, the Senator from Massachusetts evaded him and gave him no definite information on the subject.

Mr. President, I propose to demonstrate, as far as I can, and, if possible, to show, that there is something more in these amendments to the paragraphs from 313 to 317, inclusive, than the mere matter of correcting discrepancies that have arisen from the decision of the appraisers at New York as to the value of goods. To understand the question fully, I will say, in the first instance, to Senators, that if they will follow me and look at paragraphs 313 to 317, inclusive, they will find that those paragraphs segregate the cotton schedule into five different classes, based upon the number of threads to the square inch.

Take paragraph 313. The Dingley law provided for two classes of rates, one rate based upon the number of square yards to the pound; that is, a given piece of cotton cloth with not exceeding 100 threads to the square inch, and with so many square yards to the pound, was assessed a special duty, varying as to different classes or different brackets. Then there was a proviso in the Dingley law in all these paragraphs making an ad valorem rate upon these specific goods.

In the Senate committee amendment that has been presented this proviso, which is based on an ad valorem rate, has been stricken out, and they have inserted a set of specific rates. I want to call your attention to these figures and compare them with the ad valorem rates fixed in the Dingley law.

Take paragraph 313, on page 90. The Dingley ad valorem rate on goods not bleached, referred to in paragraph 313, was 25 per cent; on bleached goods, 25 per cent ad valorem; and on dyed, colored, painted, and so forth, 30 per cent ad valorem. That was the ad valorem rate in the Dingley law. That was in addition to the rate fixed upon the number of square yards in the pound. What are the amendments covering that? What is the substitute for the ad valorem rate in the proviso of the Dingley law which is stricken out? I have taken pains to figure it out, and I will say to Senators how I have figured it as nearly as it is possible, without the data as to the importation of goods. For instance, where the amendment uses the phrase "value at over 7 and not over 9 cents per square yard," I have taken the intermediate figures, the halfway figures, and assumed that the cloth was 8 cents a square yard—that is, I have taken the halfway points between the two extremes as a basis.

Figuring it out on that basis, the ad valorem rate under the Dingley law, as I have said, on unbleached cotton goods under paragraph 313 was 25 per cent ad valorem. Under this amendment, to which I call your attention, the first amendment in italics on page 98, the rate will be as follows—it is made into five brackets or classes: The first is 28 per cent, the next is 31.6 per cent, the third is 39 per cent, the fourth is 41.5 per cent, and the next is 46.6 per cent, showing a difference between those figures and the ad valorem rate of the proviso contained in paragraph 313. If that is not an increase, I should like to have somebody tell me who is better informed than I am why it is not.

Take the next Senate committee amendment, commencing at the foot of page 98—and this paragraph relates to cotton cloths with less than 100 threads to the square inch. Coming to that paragraph, on bleached goods the ad valorem rate in the proviso in the Dingley law is 25 per cent. What is it here? It is divided into five brackets, running as follows: Twenty-seven and five-tenths per cent, 37 per cent, 38.88 per cent, 42 per cent, 47.08 per cent. Those are the rates substituted for the 25 per cent ad valorem rate of the Dingley law to meet the question that was raised yesterday by the Senator from Utah as to the undervaluation or as to the effect of the decision of the appraisers at New York. That does not go to the question of what the Dingley law fixed. The Dingley law fixed an ad valorem rate of 25 per cent on unbleached, 25 per cent on bleached, and 30 per cent on dyed, printed, and painted goods. That was the rate. The question whether that rate was evaded or not has nothing to do with the measure of the tariff imposed. It was a 25 per cent rate, and against that you have these five different classifications, every one of them exceeding the ad valorem rate in the Dingley law. Now these rates in italics——

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Indiana?

Mr. NELSON. I will yield by and by. While the rates in italics are specific rates, I have taken the pains to reduce them to ad valorem rates for the purpose of comparing them with the Dingley rates. Now I yield to the Senator from Indiana.

Mr. BEVERIDGE. Perhaps the sentence that the Senator is coming to may answer my inquiry. This was the question:

The Senator stated what the Dingley rates were, and then he has stated that the Senate committee amendment greatly increased the Dingley rates.

Mr. NELSON. Certainly.

Mr. BEVERIDGE. What explanation to that has the committee made? I can not remember that point in either of the speeches yesterday.

Mr. NELSON. When the Senator from North Carolina asked the Senator from Massachusetts last night about it, he gave us no explanation. Either he did not know or he was not in a position to give the information.

Coming to the last amendment in paragraph 313, the words in italics, commencing at the foot of page 99, which relate to dyed goods, and comparing those rates with the ad valorem rates of the Dingley law, which are 30 per cent, you will find that they are divided into five brackets, running as follows: Thirty and sixty one-hundredths per cent, 38.32 per cent, 43.21 per cent, 41.60 per cent, and 47.61 per cent, showing as clear as anything could be that there is a large increase over the rates of the Dingley law.

As I said a moment ago, I am aware of the fact that my figures are not absolutely correct, because you can not get the correct figures until you get the importations. Goods may come in at various figures; but I have taken as a basis—which is the nearest we can come to it in the present status of affairs—the intermediate figure between the two extremes. For instance, here in paragraph 314 are the words "valued at over 9 and not over 10 cents per square yard." I have taken the basis there of 9½ cents a square yard and figured it out.

What I have said in reference to paragraph 313 applies in equal measure and to a greater extent to paragraph 314. Under the proviso contained in the Dingley law, which you will find stricken out in paragraph 314, at the top of page 102, the ad valorem rate on unbleached goods is 30 per cent; on bleached goods, 35 per cent; and on dyed and printed goods, 35 per cent. That proviso is stricken out; and in lieu of that are inserted the words found in italics on page 102, which I will not take the time of the Senate to read; but I have figured out what those rates amount to. On unbleached goods they are again divided into five classes, or five brackets, and they run as follows: Thirty-one and fifty-seven one-hundredths per cent, 38.88 per cent, 41.5 per cent, 43.33 per cent, and 47 per cent, as against the 30 per cent ad valorem rate contained in the Dingley law, showing large increases, in some instances of more than 50 per cent, over the rates of the Dingley law.

Coming now to the other class of bleached and dyed goods, which are all under the same rate, under the Dingley law the ad valorem rate on bleached and dyed is 35 per cent. What is it here? Under the amendment proposed by the Senate committee the rates on bleached cotton in paragraph 314—there are five brackets, five classes—run as follows: Thirty-six and ninety-five one-hundredths per cent, 38.88 per cent, 42 per cent, 44.44 per cent, and 47.61 per cent, showing an increase in every instance, from the highest to the lowest bracket, and in the highest of more than 50 per cent.

Coming, in the next place, in the same paragraph to dyed, colored, and painted goods, under the Dingley law the rate on goods included in that paragraph is 35 per cent. In the Senate amendment they are put in four classes, and the rates run as follows: Thirty-eight and eighteen one-hundredths per cent, which, you will perceive, is in excess of the rate in the Dingley law—38.18 per cent, 43 per cent, 42.13 per cent, and 47.61 per cent. Here, again, there is an increase on every one of these paragraphs way beyond the rates in the Dingley law.

What is true, Mr. President, as to paragraph 314 is also true as to paragraph 315. Under paragraph 315, by the proviso contained in the Dingley law, the ad valorem rate was fixed at 35 per cent on cotton goods not bleached, and so forth; on bleached goods, 35 per cent; and on goods dyed, painted, printed, and so forth, 40 per cent. What are the rates substituted for those Dingley rates in this bill? The first amendment in paragraph 315 makes five different classes, and the rates run as follows: Thirty-eight and eighty-eight one-hundredths per cent, 41.50 per cent, 43.33 per cent, 44.44 per cent, and 47.61 per cent—every one of them an immense increase over the Dingley rate.

In the next bracket, relating to bleached goods, the figures are as follows: 38.88, 41.90, 44.44, 47.61, as against 35 per cent of the Dingley law.

Coming now to the next class, those that are dyed, painted, printed, and so forth, in paragraph 314, the ad valorem rate of the Dingley bill is 35 per cent, and the rate under this bill is divided into four specific classes, 43.63, 43, 42.17, and 47.51 per cent.

The same thing holds true in reference to paragraph 316. It will be observed that in the Dingley law, in all these paragraphs to which I refer, from 313 to 317, there is a proviso which applies an ad valorem rate in addition to the specific rate.

Under paragraph 316 the ad valorem rate of the Dingley law, found in the proviso on unbleached, bleached, and dyed, the three different classes, was 40 per cent. In this bill they are segregated into three different classes. On the first class, those that are not bleached, dyed, and so forth, the rates fixed in the bill are ad valorem rates equal to 41.50, 43.55, 44.44, and 44.51, demonstrating clearly an immense increase in this schedule.

Now, coming to the next class, goods that are bleached, we find the same discrepancy in the amendment of the Senate committee. The ad valorem rates are equal to 42 per cent, 44, 44.41, 50, and 48.7, showing in every instance an increase over the Dingley rates of 40 per cent.

The same thing holds true in reference to goods that are dyed, painted, printed, and so forth. The ad valorem rate in the Dingley Act is 40 per cent. The ad valorem applying to specific rates in the Senate amendment is 42.13, 50, and 48 per cent.

What I have said about these other paragraphs applies with equal force to paragraph 317. Under the Dingley law, by virtue of the proviso, the ad valorem rate as to all those classes, unbleached, bleached, and dyed, is 40 per cent, while under the Senate amendment to this paragraph, on unbleached cotton the rates are 44.33, 44.44, 50, and 48.7. Those are the specific rates reduced to an ad valorem basis. On bleached goods, under the Senate amendment, the rates will be 44.44, 50, and 48.07, showing in every instance a large increase over the ad valorem rates under the Dingley Act.

The same holds true in reference to painted, dyed, and printed goods. The ad valorem rates of the Dingley Act are 40 per cent in the proviso which has been eliminated. The rates in the Senate amendment amount to 50 per cent. Under the Senate amendment it is segregated into two classes, one at the rate of 50 per cent, the other at the rate of 48 per cent. I think that by these figures—and they are as accurate as they can be made without having the actual importations before us—I have demonstrated that this bill increases the rates of the Dingley bill all the way from 10 per cent to more than 50 per cent over existing rates.

There is another question which has troubled me about this matter, and that is this: I call the attention of the Senate to paragraph 313, for the purpose of illustrating what I mean. I will read the paragraph:

313. Cotton cloth, not bleached, dyed, colored, stained, painted, or printed, not exceeding 100 threads to the square inch, counting the warp and filling, and not exceeding 6 square yards to the pound, 1¼ cents per square yard.

There is a rate based not only upon the threads in the square inch, but based upon the number of yards to the pound. Then that is followed, after making another class or two of the same kind, based upon the weight of goods, by those valued at over 7 and not over 9 cents per square yard, 2¼ cents per square yard.

This seems like a cumulative duty. If a piece of cloth, not exceeding 100 threads to the square inch, weighs so many pounds to the square yard, or so many square yards to the pound, it is liable to a certain duty based upon that weight. Then, in addition to that, if that class of goods comes within the valuation fixed in the Senate amendment, why is it not subject to that additional rate based upon value? In other words, is there not something in this bill in the nature of a cumulative rate—first, a rate based upon weight; secondly, a rate based upon the value of the goods? As I said, if a given piece of goods comes within the proper schedule of weight and also comes under the valuation specification, why should it not, under this bill, be subject to a twofold rate of duty, one based upon the rate and the other based upon value?

I am confirmed in this suspicion by turning to paragraph 318, and I wish to call the attention of the Senate to the peculiar language injected into that paragraph. I am calling attention to the language in the Senate amendment on page 109. I quote the following, commencing in line 5 on that page:

In the ascertainment of all the particulars, including weight and value, upon which the duties, cumulative or other, imposed upon cotton cloth are herein made to depend, the entire fabric shall be included.

Those words seem to imply to my mind that in passing upon these goods, as to what rate of duty they are to pay, you are not only to take into account their weight, but also their value, and you are to make allowances at both points.

If a given piece of cloth comes in on its weight, it is liable to a certain specific duty prescribed in the bill. If it comes under the specific valuation based upon a particular value, it is liable to the duty fixed as against that valuation. Now, at all events, whatever the construction may be, it seems to me that this bill,

in these paragraphs, is open to the suggestion that it leads to cumulative duties; and if it leads to cumulative duties—if I am correct in that regard, although I may be wrong—it would more than double the duties of the Dingley law upon cotton goods. But aside from that——

Mr. BEVERIDGE. I wish merely to ask a question for information. Will the Senator kindly explain just at this point what cumulative duties are?

Mr. NELSON. Cumulative duties are where you have one duty mounted on top of another.

Mr. BEVERIDGE. I know; but how does that come about?

Mr. NELSON. It comes about, as I understand it, in this way: You first levy a specific duty based upon the weight of the cloth. If a given piece of cloth does not exceed, for instance, 100 threads to the square inch, and, in the language of the bill, not exceeding 6 square yards to the pound, it pays a duty of 1¼ cents per square yard. That is perfectly clear. On a piece of cloth that does not exceed 100 threads to the square inch, including the warp and filling, and not exceeding 6 square yards to the pound, the duty is 1¼ cents per square yard.

Then the next paragraph says—I go on and skip and come down to the Senate amendment—

Valued at over 7 and not over 9 cents per yard, 2¼ cents per square yard.

There you have two classes of duties, one based upon weight and the other upon the value, and as the phraseology of the bill is, it seems to me it is liable to the construction that it amounts to cumulative duties.

Mr. BEVERIDGE. That is, that those two shall be added together?

Mr. NELSON. Yes, sir. If a given piece of cloth reaches the description, comes within the valuation and comes within the bracket of weight, then it is liable to both classes of duties. That the bill has something of this kind in view is evident from the cautious and unique amendment inserted on page 109 in italics. I will read it again. This is the paragraph which immediately succeeds the ones relating to the cotton schedule. These peculiar words are found in the Senate amendment:

In the ascertainment of all the particulars, including weight and value, upon which the duties, cumulative or other, imposed upon cotton cloth are herein made to depend, the entire fabric shall be included.

Mr. BEVERIDGE. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Indiana?

Mr. BEVERIDGE. I suggest the absence of a quorum.

Mr. NELSON. Oh, I do not care.

Mr. BEVERIDGE. I do.

Mr. NELSON. These high protectionists do not care to hear me. Never mind.

Mr. BEVERIDGE. I do.

The VICE-PRESIDENT. Does the Senator from Minnesota yield for that purpose?

Mr. NELSON. I do not care.

The VICE-PRESIDENT. The Senator from Minnesota declines to yield.

Mr. NELSON. I decline to yield.

Mr. BACON. Mr. President, I have no interest in the matter except the preservation of the rules. I sympathize with the Senator——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Georgia?

Mr. BACON. I rose to a question of order.

The VICE-PRESIDENT. The Chair did not so understand the Senator from Georgia.

Mr. BACON. I say I have no interest in the question raised except in the interest of the preservation of the rules. I was going to say that I entirely sympathize with the feelings of the Senator from Minnesota that he does not care to have present those who do not wish to hear him, but at the same time the rule of the Senate is absolute and imperative that whenever there is the suggestion of the absence of a quorum all else must be suspended and nothing can be done until that question is determined.

Mr. BEVERIDGE. I could not take the Senator from Minnesota off his feet.

Mr. BACON. The Senator can make that suggestion at any time.

Mr BEVERIDGE. I could only do it by getting the floor, and the Senator from Minnesota has the floor, and he has declined to yield, and therefore I could not get the floor for the purpose of suggesting the absence of a quorum.

Mr. BACON. I do not at all acknowledge the correctness of that statement of the rule.

Mr. HALE. I think, if the Senator will allow me, that the Senator from Indiana has stated the rule precisely as it has always been enforced. A Senator speaking can not be taken from the floor, even to suggest the lack of a quorum, unless he yields. It is only by yielding or otherwise that the suggestion of the lack of a quorum can be made. I think the Chair is entirely right, and that the rule is as stated by the Senator from Indiana. It must depend upon the Senator from Minnesota whether he yields or not.

Mr. BEVERIDGE. In other words, the Senator must yield before another Senator can get the floor.

The VICE-PRESIDENT. Certainly.

Mr. BACON. I have not had as long experience here as the Senator from Maine, but I have been here a number of years, and I have never before in that time heard on the floor of the Senate a suggestion of that kind.

Mr. HALE. Mr. President——

Mr. BACON. The Senator will pardon me. I ought to be permitted to make my statement before the Senator from Maine replies to it.

Mr. HALE. Certainly.

Mr. BACON. The incorrectness of that construction, it seems to me, can be very easily demonstrated. It is not the personal privilege of a Senator which is being asserted by him to the extent that he would have to take the floor in order to exercise it. He is in the discharge of a duty higher than a personal privilege. It is the duty of every assembly to have a quorum present while business is being transacted, and the effort to insure that is not the exercise of the personal privilege of a Senator in any effort to get the floor for the purpose of addressing the Chamber. It is a different purpose altogether. It is a fundamental proposition in every parliamentary body that a quorum must be present. It is true it is sometimes only constructively observed. It nevertheless exists. If one Senator can get the floor and hold it against the suggestion of the absence of a quorum, it would be a very simple matter for a Senator to get the floor and have nobody present but himself and one other Senator perhaps, and so, by refusing to yield the floor, the question could never be raised whether other Senators should be present. It is absolutely untenable. I challenge the Senate to show any possible construction upon which such a contention can be properly based. It puts it in the power of one Senator, for instance, when we have night sessions, to address the Chamber any night, and after he has once obtained the floor he may hold it for hours and not permit the suggestion of the absence of a quorum, while his political associates, perhaps, are absent taking their rest, although the opposite side would be compelled in self-defense to be present. That would put an undue power in the hands of the minority or of oppression in the hands of the majority. It seems to me there is no possibility of defense for any such construction.

If the Senator from Indiana should rise for the purpose of asserting some personal right, or to ask a personal privilege, it would be a different matter. Then he would have to have the floor upon the consent only of the Senator having the floor. But he does not rise at this time for the purpose of asserting a right. He is here rising to a question of order, and a man can rise to a question of order at any time, I care not who has the floor. It is the highest question of order that a quorum is present.

Mr. BEVERIDGE. Will the Senator permit me?

Mr. BACON. Yes.

Mr. HALE. The Senator declined to yield to me.

Mr. BACON. I yield to the Senator from Maine. I did not decline to yield to him except merely to state the proposition before doing so.

Mr. BEVERIDGE. No, but——

Mr. BACON. No; I yield to the Senator from Maine.

Mr. BEVERIDGE. Before the Senator from Maine goes on I wish to call attention to the rule which, after all——

Mr. BACON. There is so much buzzing of conversation around that I can not hear.

Mr. BEVERIDGE. Before the Senator from Maine proceeds, I wish to call attention to the rule which seems to me to give some support to the contention of the Senator from Georgia:

If, at any time during the daily sessions of the Senate, a question shall be raised by any Senator as to the presence of a quorum, the Presiding Officer shall forthwith direct the Secretary to call the roll.

Mr. HALE. That is the rule, well understood. I think the Senator from Georgia, who is very old and experienced in all such questions, misapprehends the modus operandi of the entire rule and of the course of the Senate proceedings. The suggestion of a lack of a quorum can not be made by a Senator sitting in his seat and declaring that he believes no quorum is present. He can only suggest that when he gets the floor. He can

not exclaim "There is no quorum here, and I call attention to that," and then claim that the roll shall be called. He can only make the suggestion by addressing the Chair, and when he addresses the Chair for the purpose of making the point, the Chair addressing the Senator then speaking and occupying the floor, has but one thing to do, no matter what is in the mind of the Senator who is addressing the Chair. The Chair asks "The Senator from Minnesota has the floor. Does he yield?" The Senator from Minnesota says he does not yield——

Mr. BURKETT. Let me ask a question.

Mr. HALE (continuing). And therefore the point of no quorum has never come before the Senate and can only be by the recognition of the Senate.

Mr. BURKETT. Suppose a Senator was using inappropriate language, and that a Senator rose when he was using improper language and called attention to the fact. Does the Senator contend——

Mr. HALE. There a specific rule is made. It is ex necessitate rei. That has to be done, and the rule about improper language applies there; but that does not apply when a Senator wants to suggest the lack of a quorum. The illustration is not analogous in the slightest degree.

Mr. BURKETT. It shows that the Senator speaking does not control the floor as against the Senate.

Mr. HALE. He does not when he uses improper language.

Mr. BACON. Mr. President, I have the floor and I have not yielded.

The VICE-PRESIDENT. The Senator from Georgia is entitled to the floor, and he yielded to the Senator from Maine.

Mr. HALE. The Senator sees that under our practice here——

Mr. BEVERIDGE. I am inclined to agree with the Senator from Georgia, after reading the rule, that it is the highest right, directly conferred upon any Senator who rises and gets the attention of the Chair on a point of order. It is not, after all, an interruption. It is the statement of a point of order, which is one of the highest privileges of the Senate. The analogy given by the Senator from Nebraska, invoking the rule when a Senator uses improper language, is not appropriate. The rule states, I believe, that any Senator may call another Senator to order, who shall then resume his seat until permission is granted to proceed.

Mr. HALE. That is a specific provision.

Mr. BEVERIDGE. That is a specific provision. It seems to me it is a question of the highest privilege. After having read the rule, I am inclined to agree with the Senator from Georgia.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Michigan?

Mr. BACON. I prefer to yield to the Senator from Maine, unless the Senator from Michigan desires to ask the Senator from Maine a question.

Mr. SMITH of Michigan. I do. Suppose we were operating under a unanimous-consent agreement that we should take a vote on the pending amendment in fifteen minutes from now, and the Senator from Minnesota was addressing the Senate, and not making any point as to the absence of a quorum, and declining to yield for that purpose. Is it possible that some one hostile to the Senator from Minnesota could rise and arbitrarily take him from his feet and ask for a call of the roll and consume time within which the Senator from Minnesota might be permitted to conclude his address?

Mr. BEVERIDGE. The answer to that plainly is that unanimous consent is not binding under parliamentary law, but only on the honor of Senators. It is a gentleman's agreement. So the illustration is not good.

Mr. SMITH of Michigan. Unanimous consent can not be vacated except by unanimous consent.

Mr. BEVERIDGE. It can be vacated by any Senator disregarding it.

Mr. HALE. Unanimous consent is the highest law here.

Mr. BACON. Mr. President, I think I have the floor.

The VICE-PRESIDENT. The Senator from Georgia has the floor, but the Senator has not yet raised a question of order. The Senator rose to suggest a question of order, but the Senator has not stated the point of order.

Mr. BACON. I do raise the point of order—I so intended—if it is necessary to do so.

The VICE-PRESIDENT. The Chair does not understand that it is.

Mr. BACON. My suggestion may make it unnecessary.

The VICE-PRESIDENT. The Chair wanted to have the Senator from Minnesota understand the status; that was all.

Mr. FRYE. Mr. President——

The VICE-PRESIDENT. Will the Senator from Georgia yield to the Senator from Maine?

Mr. BACON. If the Senator from Maine will just let me state one proposition, I will yield with pleasure. However, I will yield now, if the Senator prefers.

Mr. FRYE. I only wanted to ask the Senator a question. Does the Senator contend that the Chair is obliged to recognize any Senator sitting in his seat and making a proposition without rising to a point of order or being recognized by the Chair?

Mr. BACON. No, I do not; but I say this——

Mr. FRYE. The Senator from Indiana was sitting in his seat.

Mr. BEVERIDGE. I beg the Senator's pardon; I had risen and, as the RECORD will show, got recognition from the Chair.

The VICE-PRESIDENT. The Senator from Indiana had risen and had addressed the Chair.

Mr. BEVERIDGE. Certainly.

The VICE-PRESIDENT. The Senator from Indiana asked the Senator from Minnesota if he would yield, and, without waiting for an answer from the Senator from Minnesota, the Senator from Indiana, standing on his feet, suggested the absence of a quorum.

Mr. FRYE. I should like the Senator to answer the question, for the suggestion is very frequently made from the floor without rising and without any recognition by the Chair.

Mr. BACON. I think there could be but one answer to that, and that would be in the negative. Of course no man can do that, because a Senator——

Mr. FRYE. I did not suppose that the Senator from Indiana had addressed the Chair.

Mr. BEVERIDGE. I had, and obtained recognition.

Mr. BACON. A Senator, of course, must rise and address the Chair, and he must be recognized by the Chair. There is no question about that.

Mr. President, I hope I may have the attention of Senators, because I desire to have them consider this suggestion. A point of order is in order at all times. Whenever the Senate is proceeding out of order, I care not who has the floor, if he is out of order for any reason, it is legitimate and proper for any Senator to address the Chair and make the point of order. There is no distinction as to any classification of order. Any point of order on any proceeding at any time is of the very highest privilege of the Senate, and a Senator does not have to get the permission of the Senator who may be addressing the Chair in order to make a point of order. A point of order is always in order for consideration. It must be necessarily so, or else there is no foundation for parliamentary procedure. It lies at the bottom of it all, that there must be order, the body must proceed in order, and whenever it is proceeding out of order it is the privilege of any Senator to ask that the order be enforced.

If the point of order is not good, it will be overruled and the Senator will proceed. If it is good, the Chair will so decide, and the Senator will not proceed until the difficulty has been removed. I respectfully submit, Mr. President, that there is no distinction in that regard as to any points of order. Anything that is a point of order is a matter that a Senator has a right to bring to the attention of the Senate. In so doing, he speaks for the Senate and not for himself.

I repeat, the fundamental point of order which lies at the basis of all parliamentary procedure is that there must be a quorum present.

Mr. President, I doubt if any precedent can be found for this contention, although sometimes questions are made in a very peculiar way and under the pressure of the moment, and for the furtherance of party exigency, not in this body particularly, but in all parliamentary bodies; more so in other bodies than in this, because we have less partisanship in this body in the way of parliamentary procedure than there is elsewhere. There is here more recognition and reliance upon the good faith of each Senator, in the recognition, for instance, by one of the minority of the right of the majority to control. Even if the larger part of the majority party Senators should be absent and all the minority should be present, there would be no effort made by the minority to take advantage of that situation. I do not suppose there has ever been an instance from the foundation of the Government where the minority in the Senate has ever sought to take advantage of the absence of the majority in the Chamber. There is a different school of procedure in this body from what there is in ordinary bodies. There is confidence in the good faith of Senators. We recognize the right that every Senator's vote shall count here at all times, whether he is present or absent. That illustrates the spirit that animates the Senate in its procedure.

Mr. RAYNER. If the Senator from Georgia will permit me, I do not think there is any doubt about the proposition at all. I should like to refer the Senator from Georgia, if I can have

his attention, to the fact that this rule is taken from section 6 of Jefferson's Manual, and the clause provides:

Whenever, during business, it is observed that a quorum is not present, any Member may call for the House to be counted; and, being found deficient, business is suspended.

If the speech of the Senator from Minnesota is "business," then the Senator from Indiana has a right to call for a quorum.

Mr. BACON. I was proceeding to say that precedents are sometimes not conclusive in the establishment of a logical conclusion, but I very much doubt if any precedent can be found for any such suggestion as that when a Senator is on the floor addressing the Senate, with nobody in the Chamber but himself and two or three others, it is not in order for a Senator to make the point of order that there is no quorum present, unless the Senator who is addressing the Senate at that time sees proper to yield for that proceeding. If he can do it in that case, he can do it in any other case where there is a want of order.

The Senator from Nebraska [Mr. BURKETT] asked a question of the Senator from Maine which struck at the root of the matter; although the Senator from Maine did reply that that matter is under a specific rule, it is not necessary that there should be a specific rule. It is the simple proposition that a parliamentary body must proceed in order, and when not in order, it is the highest privilege to call attention to the fact and have the disability removed.

Mr. President, I repeat the illustration which I gave a while ago. Suppose we were to have a night session, and it should resolve itself into a question of endurance. Can it be said that a Senator may get the floor at a night session and say, "I am not going to yield to the question of no quorum. Every one of my party associates may absent himself from the Chamber, if he wants to; I will hold the floor myself, and I will not yield to the suggestion of no quorum. While I will compel one side to stay here, I will permit the other side to go away?" That would be giving a most monstrous power to any Senator.

As I said before, I have no interest in the matter in this present instance, except the preservation of what I consider to be a fundamental rule. I think there is a pretty fair attendance here. I myself was listening with very great interest and with large instruction to the honorable and learned Senator from Minnesota, as I always do. I think most of us who desired to hear were here. Consequently I am arguing this question not in its application to this particular case, but as showing that it would be a most unfortunate precedent for us to establish here that on any question of order a Senator who raises that question has to have the consent of the Senator who is addressing the Senate before he can be heard. A question of order is the very highest privilege, affecting the entire body. The present contention is absolutely, according to my view, indefensible from any standpoint, either of practical procedure or any consideration of the principles of parliamentary law and parliamentary procedure.

Mr. GORE and Mr. BURKETT addressed the Chair.

The VICE-PRESIDENT. The Senator from Minnesota is entitled to the floor when he demands it. Will he yield to the Senator from Oklahoma?

Mr. NELSON. Mr. President, the country is waiting for the disposal of this tariff bill, and I would suggest to the Senator from Oklahoma that if he will be as brief as possible I will yield.

Mr. GORE. Yes, sir; I will respect the wish of the Senator from Minnesota.

I merely wish to suggest to the Senator from Georgia that his contention is founded not merely upon parliamentary rule and parliamentary usage, but it is based on the Constitution of the United States itself. The Constitution declares in express terms what the Senate can do in the absence of a quorum. There are only two things which it has the constitutional power to do. One is to adjourn, and the other is to compel the attendance of a quorum. No individual Senator can intervene his will to amend and abrogate the Constitution of the United States.

The VICE-PRESIDENT. If the Chair may be permitted, he will make a statement, although the Chair understands the Senator from Georgia did not raise a question of a point of order upon which the Chair must pass.

Mr. BACON. I do raise it.

The VICE-PRESIDENT. The Chair desires to say that in the body in which the Chair for a time served it was possible always in certain circumstances, under the construction of the rule, to take a Member from his feet, whether he desired it or not; and the theory of the Chair would have been that a Senator could rise at any time and raise the point of no quorum. But the Chair found on examining the precedents that in this body there is a precedent for the opposite ruling, made only one year ago. During the discussion of the conference report on the bill relating to the national banking law, the Senator from Wisconsin [Mr. LA FOLLETTE] attempted to raise the question of the presence of a quorum. The Senator from Rhode Island [Mr. ALDRICH] raised a question of order that a Senator must first obtain possession of the floor before he could raise that question. The Chair sustained that contention; and upon an appeal from the decision of the Chair, the decision was sustained by a vote of 32 to 14.

So, while the Chair's notion would have been that the Senator from Indiana could have risen and, without the consent of the Senator from Minnesota, raised the question of the presence of a quorum, under the ruling that the Senate itself has made in the proceeding only a year ago the Chair felt constrained to say that the Senator from Indiana must first obtain the floor.

Mr. BACON. If the Chair will pardon me, that was an occasion when the temper of the Senate was not disposed toward the decision of anything upon any line of conservatism or in a judicial mind in any way.

I presume, of course, there was such a decision, though I did not happen to be present in the Chamber at that identical moment. Several other things were done that night which were revolutionary in their character, and have been pronounced on this floor by myself and others as absolutely revolutionary.

This is a question of importance; and I will say, Mr. President, in order that it may not be affected by anything which is now before the Senate, that it is a matter which ought to be referred to the Committee on Rules. Let us have this matter settled in a proper way. If I were to now ask the Chair to submit the question to the Senate, it might be now decided by the Senate upon some other grounds than purely parliamentary considerations. Therefore I will not now ask that there be a submission to the Senate, but I will, at the proper time, introduce a resolution referring this matter to the Committee on Rules.

The VICE-PRESIDENT. The Chair will further state that, what the Senator now suggests, the temper of the Senate at that particular time is not disclosed by cold type.

Mr. BACON. It is not disclosed, but it is a very burning instance in the memory of those who had the misfortune and pain to be present on that occasion.

Mr. GALLINGER. And most of us did not entertain the heat that the Senator from Georgia does on the subject. We thought we were proceeding strictly according to the rule.

The VICE-PRESIDENT. The Chair further suggests that the first clause of Rule XX seems to carry out what was the Chair's original idea on the subject. That clause reads:

A question of order may be raised at any stage of the proceedings, except when the Senate is dividing.

Mr. BACON. I simply desire to say, in response to the Senator from New Hampshire, that conceding all that may be in the recollection of the Senator relative to myself, I can only say, in regard to the temper of others upon that occasion, that it is very well to bear in mind the old adage that is put in rhyme:

Oh wad some power the giftie gie us
To see oursel's as others see us!

The VICE-PRESIDENT. The Chair does understand the Senator from Georgia now to withdraw his point of order.

Mr. BACON. I do, simply for this reason: I think it is a matter of grave importance, and if we were to decide it to-day it might be that some Senator would vote without reference to the cool judgment which he may give to it at some other time. Therefore I will not make the point now, but I intend to bring it to the attention of the Senate in the way of a resolution, to be referred to the Committee on Rules.

Mr. GORE. Mr. President——

The VICE-PRESIDENT. Will the Senator from Minnesota yield to the Senator from Oklahoma?

Mr. GORE. Just one word.

Mr. NELSON. Certainly.

Mr. GORE. I wish to call the attention of the Chair and the attention of the Committee on Rules, when the resolution reaches it, to the fact that the decision and precedent just cited by the Chair are void on its face, the vote being 32 to 14, which would make 46, which was not a quorum of the Senate at the time that vote was taken. So the decision was void, and demonstrates the high-handed procedure which prevailed at that time and the importance of observing and conserving the rules of the Senate.

The VICE-PRESIDENT. May the Chair make the further statement that the RECORD shows the Vice-President counted the Senate and discovered that a quorum was present? The Senator from Minnesota will proceed.

Mr. NELSON. I will suggest to the Senator from Indiana that he withdraw his point of order for the moment.

The VICE-PRESIDENT. The Senator from Indiana has not made it.

Mr. NELSON. When this little episode as to the point of order occurred, Mr. President, I was nearly through with my remarks. I had aimed in this brief discussion to point out to the Senate that the effect of the amendments reported by the Finance Committee to paragraphs 313, 314, 315, 316, and 317, if you analyze them carefully, is to increase the rates of the Dingley law, so far as I have compared them with the ad valorem rates contained in the provisos of these various paragraphs of the Dingley law. But if you compare the figures I have given with the specific rates fixed in the bill based upon the weight of the cloth, you will find the same increase. Whether you compare them with the ad valorem rate or with the specific rate of the Dingley law, you will find that these new rates are an increase of the old rates. It was no wonder, in view of these facts, that the Senator from Massachusetts yesterday declined to commit himself on that question and declined to answer the Senator from North Carolina.

While I am thankful to my friend from Indiana for suggesting the absence of a quorum, Mr. President, I was well aware of the fact that my remarks this morning would be distasteful to a number of Senators on this side of the Chamber. Such being the case, I was the last man in the world to blame them for withdrawing from the reach of my voice. I can sympathize with them. I can only say to them that I will endeavor in the future to inflict as little of my remarks upon them as possible. I do this, first, because I am of a merciful disposition, and, in the next place, I know that whatever I may say on this subject is entirely futile with those gentlemen; it will be like talking to a stone wall.

I have but one word more to say. If the purpose of these amendments was simply to cure the evasions and undervaluations that have occurred in the operation of the Dingley law, I should certainly have sympathized with that effort and been glad to join the Senators in curing those defects, but when the Finance Committee, under the guise of remedying those discrepancies and defects and the undervaluations that have occurred under the Dingley law, proceeds deliberately to increase the rates, as they have done in the bill, all the way from 10 to 50 per cent over the existing rates, I can not join them in sustaining such an effort.

I may be mistaken, Mr. President, in the question whether the rates in the bill are cumulative rates. Perhaps I am all astray on that point; but waiving that question, the other question remains, that if you apply the specific rates to the Senate amendments and try to ascertain by their application the ad valorem rate that they would amount to, I think I have demonstrated to every fair-minded Senator that these rates are in excess of the Dingley rates.

There is one other fact that I desire to call the attention of the Senate to, and with all his ingenuity and skill it was not displaced by the Senator from Massachusetts [Mr. LODGE] last night. It has been pointed out in this Chamber that there is no industry so prosperous and making such large dividends as the cotton-manufacturing industry. Under those circumstances, while they make all the way from 10 per cent up to 66 per cent, perhaps if you strike the average over 25 per cent, dividends, with a good big surplus in addition, why we should raise the rates for the benefit of these prosperous manufacturers passes my scrutiny.

But, Mr. President, while I am getting old in years, I am not too old to learn. The prophet said there was nothing new under the sun. This tariff bill has demonstrated that he was mistaken. We find that one of the most profitable industries in this country comes here and through their representatives seek to invoke a higher rate of protective duties than they have heretofore enjoyed, and they do this after appearing before the Committee on Ways and Means of the other legislative body and telling them through their representatives that they were satisfied with the Dingley rates and have been prosperous and doing well. How in the face of those facts that I have briefly referred to Senators can have it in their hearts to increase the rates is something I can not comprehend.

I am aware that in this matter, being classed as an insurgent, or as a progressive Republican, if you please, my judgment and my opinion are of little account, but by and by the people of this country will have an opportunity and a chance to express their views on this question, and when that time comes people can as readily retire into the smoking room as they can now.

Mr. FRYE. Mr. President, the last remark of the Senator from Minnesota [Mr. NELSON] leads me to violate a studied purpose to vote and not talk; and it was also suggested by the Senator from Oklahoma [Mr. GORE], who cited the Bates mill in my own city as an illustration of remarkable profits.

I am familiar with the Bates mill. I can remember when it scaled down, by the authority of the legislature, 75 per cent of its stock. It subsequently increased its stock to $1,200,000, and it has been paying dividends on the $1,200,000, while it has a productive capacity of at least $3,000,000, and on that productive capacity it has not paid over 6 per cent. It has more machinery to the square foot than any other mill in the United States. Fortunately, it made a line of goods like the Amoskeag mill, and it has been profitable. But, at the same time, the Continental mill, an enormous structure, built, I should say, twenty-four years ago, never paid a dividend until last year, and then only 4 per cent. In addition to that, the Continental mill, by authority of the legislature, reduced its capital one-half.

Then again, the Hill mill, with fine factories of large capacity, have for the last ten years been paying dividends most of the time at 4 per cent, and the stock, $100 being the par value, went down to $35. By the authority of the legislature this last year they cut down their capital one-half.

Again, the Lewiston mill, in the same city, some twenty years ago, finding it could make nothing, gave up the business of manufacturing. Its machinery and its factory stood for fifteen years without any use whatever. Then the mill and machinery were sold at auction for one-tenth of the original cost.

In making up these computations of profits nothing is said about the mills which have been unfortunate. If an average could be drawn of all the cotton mills of the United States, you would not find that the average would be over 6 per cent.

Mr. LA FOLLETTE. Mr. President, the fundamental principle upon which a protective tariff was originally declared as the policy of this country has been widely departed from. I do not know that I can serve a better purpose than briefly to bring back to the consideration of this body the basic principle upon which the protective-tariff policy was established by the father of that system in the beginning.

As established by Alexander Hamilton the true principle of a protective tariff provided such duties on imports as equalled the difference between the cost of production at home and abroad. From Hamilton to McKinley every advocate of protection contended that a tariff so levied would establish and maintain American industries. From Hamilton to McKinley those who opposed the policy of protection contended that duties so levied would tend to create and maintain monopolies in protected industries. From Hamilton to McKinley every great advocate of protection answered that the security of industries so protected would invite capital to invest and insure free competition between producers, and such competition would prevent monopoly and guarantee reasonable prices to American consumers of the protected products.

Hamilton made the best statement of this principle and its operation ever enunciated. Indeed, sir, in his report upon manufactures he stated every argument for the protective-tariff policy and every argument in opposition to it with greater clearness and power than has ever been offered upon either side. These are his words:

> Though it were true that the immediate and certain effect of regulations controlling competition of foreign with domestic fabrics was an increase of price—

And it always is. No man who is honest will deny that—

> it is universally true that the contrary is the ultimate effect with every successful manufacture. When a domestic manufacture has attained to perfection and has engaged in the prosecution of it a competent number of persons, it invariably becomes cheaper. Being free from the heavy charges which attended the importation of foreign commodities, it can be afforded, and accordingly seldom or never fails to be sold, cheaper in process of time than was the foreign article for which it is a substitute.

And, Mr. President, I say from a close and persistent study of our tariff history that the principle of Alexander Hamilton has been, from the beginning, the only justification for imposing upon consumers a system of protective duties for the establishment of new industries.

Now, I should like the attention of every Senator to this further declaration of Hamilton:

> The internal competition which takes place soon does away with everything like monopoly, and by degrees reduces the price of the article to the minimum of a reasonable profit on the capital employed. This accords with the reason of the thing and with experience.

Sir, for more than one hundred years the ablest champions of a protective-tariff system have met the attack upon it with Hamilton's unanswerable argument, that free competition between domestic industries would make monopoly impossible.

Blaine, in this "Twenty Years of Congress," makes domestic

competition the very corner-stone of the protective system. He says:

Protection in the perfection of its design does not invite competition from abroad, but is based on the contrary principle, that competition at home will always prevent monopoly on the part of the capitalists, assure good wages to the laboring man, and defend the consumers—

Defend the consumers—

against the evil of extortion.

You see, Blaine recognized the fact that protection would be vulnerable except for the principle invoked by Hamilton, that domestic competition would prevent monopoly and so prevent the imposition of extortionate rates upon the domestic purchaser of the domestic product.

M'KINLEY SAID MONOPOLY COULD NOT SURVIVE.

That was the Blaine to whom you, Mr. President [the VICE-PRESIDENT in the chair], and I, as young men entering public life gave heed as an expounder of the correct principles of the protective tariff policy; so William McKinley, a Member of the House of Representatives, rising rapidly to the leadership of his party as the embodiment of the protective tariff principle, answering the charge that the tariff fosters monopolies, said:

They—that is monopolies—can not long exist with an unrestricted home competition such as we have. They feel the spur of competition from 37 States, and extortion and monopoly can not survive the sharp contest among our own capitalists and enterprising citizens.

McKinley, like Blaine; McKinley, like Clay; McKinley, like every great advocate of the Hamiltonian theory, realized that free competition among the protected industries was the handmaid of the protective tariff policy.

And now I ask some of you older members of this body upon the Republican side, who, I contend, are seeking to lead the Republican party into a new and strange country which you can not fortify or defend, who are setting up a new standard of protection that never has been and never can be defended, to heed the words of one of the most conservative protectionists in history—a Republican leader who commanded the confidence of business men, a great minister of finance, a constructive statesman, who probably wrote his name upon as many, if not more, chapters of federal legislation than any man who served with him during the long period of time he was in the Senate—John Sherman, of Ohio. With a clearness of vision and statement which characterized all his public utterances he declared on this floor:

The primary object of a protective tariff is to secure the fullest competition by individuals and corporations in domestic production.

And, sir, well understanding that no lopsided system of protection can be sustained, he added these words:

If such individuals or corporations combine to advance the price of the domestic products and to prevent the free result of open and fair competition, I would, without a moment's hesitation, reduce the duties of foreign goods competing with them in order to break down the combination.

SHERMAN GAVE WARNING OF IMPENDING DANGER.

Mr. President, John Sherman was no mere politician; he was a statesman in his day. I do not use the term "politician" in disparagement. There are honest politicians as there are honest statesmen. The politician sees only the events that are transpiring in the day and hour in which he lives. He frames legislation to meet existing conditions. The statesman sees not only what exists to-day, but what is coming to-morrow and to-morrow and to-morrow. Upon the events of this hour, applying the economic and financial principles which he has mastered, he frames the legislation of to-day to meet the events of to-morrow and next year and the next decade.

From his eminent outlook Sherman saw not only what was upon us in 1890, but what would come twenty years later, and he warned the men of that day against the time of the abandonment of the vital principle of the protective system.

Mr. President, up to a certain time in the history of this nation's tariff legislation it was not felt by protectionists that there was so much danger in high duties. In 1890 I remember some effort was made to inquire into the difference in the cost of labor and cost of production here and abroad. But it was not considered so vitally important because Republican protectionists believed that any injustice to the consumer that might arise in the beginning from the enactment of high duties would be quickly remedied by home competition. That belief was based on the long-accepted theory that a profitable industry would invite investment of capital, and prices would be reduced to the basis of fair compensation to the American manufacturer, good wages to the American laborer, and that the average American citizen would share the general prosperity arising from the development of American industries.

CHANGE IN INDUSTRIAL CONDITIONS.

But conditions have changed in this country in twenty years. I would not take the time of the Senate to recall the declarations of Alexander Hamilton, John Sherman, or William McKinley, if there were not basic economic reasons for so doing. We are revising the tariff in this year of 1909 under conditions that never confronted the Congress in any other revision of the tariff law since the protective policy was adopted in America.

John Sherman, with the prophetic vision of the statesman, saw that combinations would be formed by the protected manufacturers; that competition would be suppressed and destroyed; that the consumers would be charged such prices as the combinations chose to charge them.

Sherman saw that and wrote into the statute books the Sherman antitrust act in 1890.

Following the enactment of the Dingley tariff law came the business and industrial revolution which Sherman saw approaching. In three years after the enactment of the Dingley tariff, 179 combinations were formed, with a total stock and bond capitalization of $3,784,000,000. Do I need to recall the purpose of these combinations? It was to do what Sherman feared would be done—suppress competition in the industrial and commercial life of this country and to control our markets. Shielded by the Dingley rates against competition from abroad, this plan of destroying competition at home was devised so that the prices fixed for the American consumer should be regulated not by home competition nor by foreign competition, but regulated by these combinations of combinations organized and reorganized until they constitute a single power with a single purpose in control of production, transportation, and finance.

By 1904 trust control extended to 8,664 plants, with a total capitalization of $20,379,000,000. It suppressed competition. It had the American purchaser at its mercy.

What has happened since 1904? This: By January 1, 1908, the increase in trust consolidations and capitalization embraced 10,220 plants, with outstanding stocks and bonds aggregating $31,672,000,000. In every line of business, speaking of it in a national way, not in a small or local way, organizations cover so much of the field of production as to establish absolute control of markets and prices.

Mr. President, it is noticeable that the Republican members of the Finance Committee have absented themselves from this Chamber. I shall have some questions to propound. I am content, sir, to submit such to their vacant chairs, if the members of the committee are content to have me do so, and I protest against any call for a quorum while I have the floor.

Mr. President, the man who organizes the control of production in any line subjects not only the producers of the raw material but the consumers of the finished product to an industrial servitude.

Two hundred manufacturers of shoes came to Washington begging for a hearing before the Committee on Finance. Why? Because the meat packers' trust had reached out to take control, and is taking control, of the tanneries of the country, and next they will be manufacturing shoes.

Let this continue to develop and the half dozen men who control the price of every pound of beef, of mutton, and pork as it comes from the farms and ranches across the continent to the butcher shops will also control the price of leather, and step by step they will reach out for control of the finished product which goes to the consumers—harness, saddlery, boots, shoes, and every form of leather. Why not?

Mr. DIXON. Mr. President——

The PRESIDING OFFICER (Mr. JONES in the chair). Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I do.

Mr. DIXON. Will the Senator yield for a question?

Mr. LA FOLLETTE. Certainly.

Mr. DIXON. Not in an unkindly spirit, but as a matter of information and to know the basis of the Senator's argument, I should like to ask him if the combination of capital which we all recognize as being true is not world-wide and is not confined to the United States?

Mr. LA FOLLETTE. I thank the Senator for that suggestion, and I will reply to it.

Mr. DIXON. I should like to have the Senator answer that.

Mr. LA FOLLETTE. I will answer it. I am no dodger. The Senator knows that.

Mr. DIXON. I did not apprehend that for a moment.

Mr. LA FOLLETTE. Just give me a chance.

Mr. DIXON. Certainly.

Mr. LA FOLLETTE. It is becoming world-wide and probably will be in the end world-wide. I am not looking out into this

economic field, I hope, blindly. I do not expect to see the trusts of this country regulated by tariff legislation alone. We can not get rid of all the evils of monopoly dominating every important line of industry by merely lowering the tariff. But, if trusts and combinations get indirect benefit and are strengthened by the tariff, it offers one way of reaching them. And we should make the most of every means at our command to check their unlawful control of markets and prices. If I have not succeeded in making my position clear already to the Senator from Montana I have been unfortunate. It is that we should not, in the enactment of this legislation, by the smallest fraction do anything to strengthen that power in this country, and we should do all we can to lessen it.

REASON FOR SOME FOREIGN COMPETITION.

Mr. DIXON. I wish the Senator from Wisconsin would elucidate this point for my information. By cutting down the tariff duty so as to give freer importation into this country would we not be merely putting the American market and the American people at the mercy of the great combinations of capital in Germany, France, and the other European countries instead of those here at home?

Mr. LA FOLLETTE. Not unless those foreign combinations form a coalition with the combinations of this country. So far as my investigation discloses, the productions of the United States Steel Company are the only ones upon which such a combination has already been formed. I tell you it is the duty of every man here, if I may be permitted to say so, from my point of view at least, to employ every means possible to forestall the time when the combinations of this country shall be strong enough to say to the combinations of other countries: "We are able to hand you over, without entering upon the field of competition, the whole American market."

I want to let the foreign producer into this country at such a level of duty as will allow his production to sell in the market here as something of a check upon excessive prices imposed upon the American people by the combinations formed to destroy home competition. That is my position.

Mr. President, I am not so inexperienced as to believe that by any process of legerdemain, by the speaking of some legislative word here or there, we are going to be able to solve problems of monopoly in transportation and all forms of business. I do not believe that the most wise and just tariff that could possibly be framed would solve them. I say that in the face of these combinations, forming in violation of the Sherman Act, Republican and Democratic administration alike has been remiss in failing to prosecute; and I say that both branches of Congress, looking out over the whole field, seeing what was taking place, have been remiss in neglecting to investigate and devise every possible means within the reach of legislation to cope with this great evil. And here to-day in the revision of the tariff we should be using the weapon at hand to lop off any undue benefits derived from the tariff which strengthen these great interests instead of passing a bill to promote further exploitation of the American people.

It is a favorite argument of those who defend the existing condition to say, "Are you blind to the industrial development of the world? Would you return to the wasteful processes of competition?" No intelligent man who sees what is happening in an economic and social way in the world will for a moment deny that centralized production cheapens production. No one will deny that competition among small producers is, from an economic standpoint, wasteful.

But if it is conceded that combinations may control the markets of this country and can say to producers they shall take so much and to the consumers they must pay so much, it is as truly slavery as to compel men to work without wages. There is no difference in principle between compelling a man to work without wages and compelling him to take a certain price for his product or labor and pay a certain price for what he buys when these prices are not fixed by the law of supply and demand but are fixed by the arbitrary decision of those who arbitrarily control the market.

INDUSTRIAL FREEDOM—FAIR CHANCE FOR EVERY MAN.

Mr. President, the American people will never surrender their industrial liberty. We will go back to the system of competition if need be in order to prevent it, even though it is less economical. I do not say that is necessary, but I do say that the people who won independence for this country and who preserved this Government will never permit their markets to be controlled by any combination of men who can dictate prices for raw materials and prices for finished products and prices for human labor.

We talk about a free country. Brave men went out in '61 to keep undivided upon the map of America these United States and to write on the escutcheon of this country, "There shall be no bondmen under the flag." What did they mean by that? Do you think they meant just taking the shackles off the hands? Is that freedom? No, it is not. Freedom, true freedom, as expressed in the Declaration of Independence—equality for all men—means not only free hands, not only physical freedom; it means, sir, I want to say in this presence this afternoon, industrial and commercial freedom, equality of opportunity, and a fair chance for every man. And you are building up a system here that will destroy the progress of our country, the development of the American race. Competition may be wasteful, but under the stimulus of competition we have made wonderful progress. We have outstripped all the nations of the earth. There are some things to be considered in the life of a nation besides cheapness. In this system of monopoly which is being developed the individual opportunity of which we are so proud is denied the boy who is poor and without influence.

What is coming out of this for our children? I have a couple of little boys. I am looking forward to the time when they will finish their education. What are they going to do? I tell you, Senators, things have changed in thirty years, and in the next ten years they will change more. If this consolidation and centralization of production progresses in the next ten years as in the last ten or fifteen, there will be no opportunity for independent individual effort. Whatever a boy's equipment, he will have to take a place in an organization as a subordinate part of its machinery.

Mr. President, it can not be denied that since the enactment of the Dingley law inventions have made greater progress than at any time in history; processes have been more highly specialized and simplified; hand labor has been more and more largely eliminated, and the expense of production very much reduced. But with all this phenomenal growth and reduced cost of production, because of the uncontrolled mastery of the markets by combinations, the consumer has been denied any share in cheapened production.

Speaking broadly, and with reference to the lines of largest production, it is no longer necessary in manufacture in this country to put the product upon the market with a view of meeting competition, and it is no longer necessary to manufacture for this market with a purpose of producing good quality. With duties practically high enough to prohibit any restraining influence of foreign competition upon practically all of the necessaries of life, and with combinations formed with intent and power to monopolize business, restrain competitive trade, fix, influence, and increase prices, the consumer is not only denied the benefits of cheapened production, but is compelled to pay extravagant prices for inferior articles.

EXORBITANT PRICES FOR INFERIOR PRODUCTS.

The great Emancipator said that no man is good enough to be the master of another man. Greed tempted by absolute control has advanced prices until the cost of living to the consumer under these new industrial conditions has been increased nearly 50 per cent.

More than this, monopoly not only advances prices, but having substantially a clear field in which it arbitrarily fixes its charge, it is in a position to be quite as arbitrary as to the character and quality of the commodity which it controls. This is an attribute of monopoly. These two things inevitably accompany centralized control: Exorbitant prices and inferior products.

In the reign of Edward VI favored saddlers of England were granted a monopoly of the trade in leather, until Parliament, yielding to petition and appeal, revoked the monopoly, saying:

> Since the making of the statute all kinds of leather are more slenderly and deceitfully wrought and made than ever before, but dear and dearer.

Human nature has not greatly changed with the centuries. A manufacturer of clothing in the hearings before the Ways and Means Committee last December submitted the following statement:

> As a manufacturer of clothing for a period of fifty years I can truthfully state that I never handled cloth of so inferior a quality for the price as I do now.

Speaking broadly, and with reference to the lines of largest control, it is no longer necessary to manufacture an article of the highest quality in order to hold trade, because it is no longer necessary for that article to compete as formerly for business upon intrinsic merit.

A single control commands business, it does not ask it, because competitors have been driven from the field. Hence there is shoddy in nearly everything we wear and adulteration in nearly everything we eat.

Is it necessary for me to remind Senators of the crusade that has been made all over America in the last few years since the enactment of the Dingley law to protect the lives and homes of our people against adulterations in manufactured food products? Is it necessary to remind this body that a national, patriotic organization has for years been seeking to arouse the people of this country to the importance of exercising in the commercial world some sort of regulation and control of the manufacture of clothing to insure its healthfulness?

Paying exorbitant prices for inferior products, the public finally became aroused and demanded that Congress should reduce the duties fixed by the Dingley Act. Session after session they were denied. Session after session their appeals were ignored. Memorials and petitions were without effect. Trusts and combinations opposed revision. Everybody must understand that; everybody must admit that.

We are not in session here to-day, Senators, upon the appeal of the protected interests. Every day members of the Finance Committee, and it is only when compelled to answer questions that they respond, arise and explain advances in the rates on the ground that the manufacturers claim such increases are necessary. I say to the members of the Committee on Finance, you are not revising the tariff because of any clamor for it from standpatters. You are revising it because the consumers of this country raised such a storm that they compelled political parties to write into their platforms a pledge for tariff revision, which was understood, and was intended to be understood, to mean tariff reduction.

PEOPLE EXPECT REDUCTION IN DUTIES.

Before I get through I shall show that the people who forced this revision instead of getting reductions are getting increases, and will have heavier burdens to carry than they now have to bear if this bill is passed as proposed.

There was no mistaking what the people wanted. They knew what they were entitled to and they demanded it. In every home where the burden of higher and higher prices is a serious consideration, the problem was carefully worked out. They knew for the first time in the tariff history of America that those who had invoked the principle of protection had betrayed it.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I do.

Mr. DIXON. Does the Senator from Wisconsin claim that there is any combination or trust among the cotton spinners and weavers of the country?

Mr. LA FOLLETTE. Do you mean the laboring men—the people who work?

Mr. DIXON. No; the manufacturers.

Mr. LA FOLLETTE. I will come to that a little later when I take up the cotton schedule, if my friend from Montana will be patient with me.

The people knew that their only escape from the increasing burdens which were becoming too heavy to bear was to obtain relief by demanding some measure of foreign competition to take the place of the domestic competition which combination and conspiracy had destroyed. They demanded revision of the tariff and they demanded revision downward. Revision had to come. That mysterious power in an enlightened democracy which finally marshals public opinion for the right and makes it irresistible forced this revision of the tariff. Platforms could no longer ignore it. Candidates, recognizing the inevitable in advance of political conventions, pledged themselves for immediate revision. Revision had to come.

Mr. President, the Senator from Indiana [Mr. BEVERIDGE] rendered the Senate and the country a distinct service in bringing together in logical order the declarations of President Taft upon tariff revision, made when he was a candidate for the nomination, after he was nominated, and while a candidate for election, and after he became President-elect, when he appeared in this Chamber to take the oath of office. A platform was made at Chicago. It may please some Senators to make a narrow and technical construction of it as a basis for legislation, but it is never just to any political party to construe its principles upon the narrow declarations of its platform alone.

Many things must be considered in order to interpret correctly and truly the position of a party upon any question.

Mr. President, we must all recognize the importance of the interpretation of the platform by the presidential candidate, together with his public declaration of principles, which are in the nature of pledges to the people of what will constitute the policy of the party if he is elected.

Mr. President, speaking his first authoritative word as the candidate of the Republican party, Mr. Taft raised the standard of his party above the Chicago platform and the work of that convention. Every word he uttered was of profound importance to the voters of this country, and should have binding force upon the Republican members of this body if they recognize their moral obligations to the electorate of this country.

Everyone who went out to appeal to voters of the United States in behalf of the Republican party was glad to have the declarations of the candidate for President upon which to base a campaign.

You know that. And the policy which he outlined in reference to the tariff was everywhere accepted as a party pledge and ought to have great influence with the majority in this body in the consideration of this bill.

Mr. MONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Mississippi?

Mr. LA FOLLETTE. I yield.

Mr. MONEY (at 2 o'clock and 2 minutes p. m.). The Senator who has the floor is somewhat exhausted. It is quite warm here, and that he may continue with some sort of comfort, I ask that the Senate take a recess for thirty minutes, by consent.

The PRESIDING OFFICER. Does the Senator from Mississippi make that motion?

Mr. MONEY. I ask consent of the Senate that we take a recess for thirty minutes to enable the Senator from Wisconsin to proceed with his speech.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

Mr. HALE. For what length of time?

Mr. GALLINGER. Is the request for a recess?

The PRESIDING OFFICER. That the Senate take a recess for thirty minutes.

Mr. HALE. Thirty minutes.

The PRESIDING OFFICER. The Chair hears no objection, and the Senate stands in recess for thirty minutes.

At the expiration of the recess (at 2 o'clock and 32 minutes p. m.) the Senate reassembled.

Mr. ELKINS. Mr. President——

The VICE-PRESIDENT. The Senator from West Virginia.

Mr. ELKINS. Mr. President, I do not see the senior Senator from Wisconsin [Mr. LA FOLLETTE] here.

The VICE-PRESIDENT. The Chair understands that the senior Senator from Wisconsin will be in the Senate Chamber in a moment, though he is not now here. Does the Senator from West Virginia desire to take the floor?

Mr. BULKELEY. I ask unanimous consent to submit an amendment to the pending bill, and ask that it be printed and referred to the Committee on Finance.

The VICE-PRESIDENT. Without objection, the amendment will be received, printed, and referred to the Committee on Finance.

Mr. BEVERIDGE. I call attention, Mr. President, merely to the fact that constructively and theoretically that can not be done, even by the consent of the Senator from Wisconsin [Mr. LA FOLLETTE]. Theoretically the Senator from Wisconsin has had the floor all the time; and I understand the rule of the Senate is that whether he occupies it all the time or not, where a Senator has the floor, no bill or anything else can be introduced. He himself can not even yield for that purpose. Theoretically the Senator from Wisconsin has not yielded the floor at all. It is all right; only I am simply calling attention to the rule.

The VICE-PRESIDENT. The Chair begs to state that the Senate was in session; that the Senator from Wisconsin [Mr. LA FOLLETTE] was not demanding the floor, and the Senator from Connecticut [Mr. BULKELEY] did ask unanimous consent to submit an amendment.

Mr. BEVERIDGE. I am not quarreling at all, except I wish to say that theoretically every instant since the Senator from Wisconsin ceased speaking he has occupied the floor; but it is not worth while——

The VICE-PRESIDENT. That is not theoretically——

Mr. GALLINGER. Theoretically the Senator lost the floor when the recess expired.

The VICE-PRESIDENT. The Senator did not demand the floor, and was not entitled to it.

Mr. LA FOLLETTE. Mr. President, I want to express my appreciation of the courtesy of the Senator from Mississippi [Mr. MONEY] in suggesting a brief recess. I was very glad to avail myself of it, though I probably did not need it as much as appearances might indicate. I speak with perhaps undue earnestness. It is a sort of habit I have formed. I feel very deeply about some things. I want to say to any of my very good friends on either side of this Chamber that they must not have

any apprehension about my wearing myself out. While the heat is oppressive and a little rest is very refreshing, I oftentimes speak for a much longer period of time under circumstances not nearly so pleasant and agreeable as I am enjoying this afternoon. After I occupy the floor for a time, and before I finish what I have to say upon the cotton schedule, I shall comply with the request of the Senator from West Virginia [Mr. ELKINS], who desires to address the Senate this afternoon.

POLITICAL AND MORAL OBLIGATIONS OF REPUBLICANS.

When I yielded the floor I was calling attention to the importance of the declarations of the Republican candidate for the Presidency as binding upon a Republican Congress in the consideration of this tariff bill. I said that by every political and moral obligation we are bound to recognize the importance of every declaration that he made. The American citizen's ballot is all that he has under our system to give him any part in his government. It is his certificate of citizenship; it is his shield, his weapon of defense; and whenever and by whatever means he is induced to cast that ballot for a certain line of policy or to the support of certain candidates an obligation arises, and as a result it should be binding upon every representative of the party involved. The voter has a chance to speak but once in four years. That is only a few times in a generation. He has no opportunity, except through his ballot, to make his influence felt in national government. And yet by every principle upon which this Government is founded all of the powers are derived from the people and come from the ballot. President Taft, realizing some of the shortcomings of the platform made in Chicago, went beyond that platform to the people of this country, and in some measure made a platform upon which he appealed to them for their votes. Every vote that he received upon the issues as defined by him, taken in connection with the platform, constitutes an obligation that we can not disregard.

Weighing well his words, knowing what their influence would be upon the American voter in the event of his nomination, on the 5th of September, 1906, at Bath, Me., Mr. Taft said:

> Speaking my individual opinion and for no one else, I believe that since the passage of the Dingley bill there has been a change in the business conditions of the country, making it wise and just to revise the schedules of the existing tariff. The sentiment in favor of a *revision of the tariff* is growing in the Republican party, and in the near future the members of the party will doubtless be able to agree on a reasonable plan.
>
> * * * * * * *
>
> How soon the feeling in favor *of revision* shall crystallize into action can not be foretold, *but it is certain to come*, and with it those schedules of the tariff which have inequalities and are *excessive* will be readjusted.

He emphasized revision. It commanded the thoughtful attention of voters, won their confidence, and incurred a certain obligation. Later, on February 10, 1908, when the campaign for the nomination for the Presidency was well advanced he made a speech in Kansas City in which he had this to say on the tariff question:

> In the ten years which have elapsed since the enactment of the Dingley tariff, the conditions have so changed as to make a number of the schedules under the tariff too high.

WHAT TAFT SAID AND MEANT.

This was out in the Missouri Valley, where every word uttered on that proposition would be weighed at its full value. Mr. Taft said:

> This renders it necessary to reexamine the schedules in order that the tariff shall be placed on a purely protective basis. By that I mean it should properly protect against foreign competition and afford a reasonable profit to all manufacturers, farmers, and business men; but *should not be so high as to furnish a temptation to the formation of monopolies to appropriate the undue profit of excessive rates.*

Just think, Mr. President, how deeply those words uttered at Kansas City would sink into the hearts and minds of the people of the Missouri and the Mississippi valleys. It is true that this was before the nomination was made, but it is well understood that Mr. Taft was practically nominated a long time before the Chicago convention.

In his speech of acceptance on July 28, 1908, he spoke with a new authority—

> The tariff in a number of the schedules exceeds the difference between the cost of production of such articles abroad and at home, including a reasonable profit to the American producer.

Does anybody think he was talking about the agricultural schedule when he said that? I think not. Mr. President, an utterance like that meant a great deal; it was an effective declaration to the voters of this country on the very threshold of that campaign. We can not shirk its obligations.

> The tariff in a number—

He did not mean that we could stop with a slight reduction of some of the rates in the steel schedule which would not make a shade of difference with the consumer of this country in the price of those products. He did not mean that we should make slight reductions in other schedules which were excessive, leaving the rates still excessive; but he meant that when we revised the tariff we should revise all schedules, basing the rates upon the difference in the cost of production at home and abroad. That is what he meant, because he said it.

Continuing—

> The excess over that difference serves no useful purpose, *but offers a temptation to those who have monopolized the production and the sale of such articles in this country to profit by the excessive rates.*
>
> The tariff in a number of the schedules *exceeds the difference between the cost of production* of such articles abroad and at home, including a reasonable profit to the American producer.

Take that declaration of the candidate for the Presidency, with the statement following it, that conditions invite excessive prices and excessive profits; take it in connection with the declaration of the Republican platform, that the tariff should be revised upon the basis of the difference in the cost of production, and contrast it, Mr. President, with the tariff bill before us, not one single rate of which is based upon that principle of the platform or upon the declaration of President Taft.

> On the other hand, there are some *few* other schedules in which the tariff is not sufficiently high to give the measure of protection which they should receive upon Republican principles, and as to those the tariff should be raised.

The candidate for the Presidency in that declaration and in his letter of acceptance made two things plain: That there were several schedules in which the duties were too high and in which they should be reduced in accordance with the principles laid down in the platform, and there were but few schedules in which there should be increases.

You can not get away from that. He nailed it down. That is the declaration upon which you, Mr. President (the Vice-President in the chair), and the candidate for the Presidency went to the American people for your election, and secured it.

Again in his speech in Cincinnati on September 22, 1908, Mr. Taft said:

> The Dingley tariff has served the country well, but its rates have become *generally excessive.*

TAFT SAID PRESENT RATES ARE EXCESSIVE.

In the course of this debate, Mr. President, it has come to be a sufficient answer to any question which any Senator may ask as to an excessive rate for the members of the committee to say "that is the Dingley rate," as though that was the sum of all that need be said in defense. That was not the way Candidate Taft understood it. That was not what the voters of the country meant when for four, six, eight years they were clamoring here for a revision of the tariff until they forced it upon a reluctant Congress, until they made a new division in the Republican party, until they coined and put into the speech of the people of this country a new name—"standpatters"—to designate a small but powerful minority of the party. It was the pressure of public sentiment demanding revision of the tariff which gave rise to a designation of a political status typified by men who would not revise the tariff, and they comprised the Tory element of the House of Representatives who were able for years to stand pat and thwart all effort of the people for revision.

William H. Taft, as the nominee of the Republican party, understood just what the people understood—that the Dingley tariff had served the country well, but its rates had become generally excessive. That was the general understanding, and Taft knew it, and he said it, and they voted for him because he was a progressive and not a standpatter. Reading further from that same speech—reading connectedly—he said:

> The Dingley tariff has served the country well, but its rates have become generally excessive. They have become excessive because conditions have changed since its passage in 1897.

He not only made the statement, but he reenforced it; he drove it home.

> Some of the rates are probably too low, due also to the change of conditions.

There would come no protest from the senior Senator from Iowa, none from the junior Senator from Kansas, none from the junior Senator from Iowa, none from any Senator on this floor, if rates had been advanced only upon reliable evidence that the difference in the cost of production warranted the advance. What did he say next? The very next words are these:

> But on the whole the tariff ought to be lowered.

Let those words ring in your ears—you, members of the Committee on Finance, who reported this bill.

> But on the whole the tariff ought to be lowered.

On the whole, I will demonstrate that you have raised it, and I will make so clear a demonstration that you can not get away from it.

In appealing to the members of the committee I should have said the member of the committee. As I run my eye over the Republican side I see only one. I appreciate his presence.

Listen!

But on the whole the tariff ought to be lowered in accordance with the Republican principles.

Read you [Senator DOLLIVER, of Iowa] out of the Republican party because you criticised the woolen schedule and the cotton schedule and the general character of this bill! They may do it here. They can not do it before the country. They can not do it in history. You can summon always the President of the United States as your first witness, for he said at Cincinnati, on the 22d of September:

But on the whole the tariff ought to be lowered in accordance with the Republican principles and the policy that it has always upheld, of protection of our industries.

Still further along in this same speech the President said:

The movement in favor of revision has arisen within the Republican party and is pressed forward by members of the Republican party. The revision which they desire is a revision which will reduce excessive rates.

THE BILL WILL TEST PARTY'S GOOD FAITH.

Mr. President, in the course of this debate the Republicans who oppose this bill have been frequently accused of party disloyalty. But I say that the Republican Members of the committee responsible for this bill are not the final authority, or the best authority, on the question of loyalty to the party or to the public.

Mr. President, in reading the roll call, for which I have been sometimes criticised, and often misrepresented, I have never attacked any individual Senator, nor said anything about the United States Senate I would not say here. I have dealt with legislation, not individuals, and have presented the facts and stated the principles involved, and have said this legislation was disposed of by the following vote, and have read from the CONGRESSIONAL RECORD the names of those voting for and those voting against certain measures. I have done that upon the principle that we are representatives of the people of our States and of the United States, and that they are the final judges as to whether we represent their interests, and that they are the final authority as to our party loyalty or disloyalty.

Mr. Taft said revision was being pressed forward by the Republican party, and when this bill is understood, that party will determine who has, and who has not, kept faith.

Mr. Taft said:

The revision which they desire is a revision which shall reduce excessive rates, and at the same time preserve the industries of the country.

Mr. President, every American citizen, whatever his party, his profession, or his business, desires the preservation and prosperity of our industries. No wage-earner would vote for the injury or destruction of our great manufacturing industries, because that would mean loss of employment. But it is beginning to sink into the mind of the man who toils in the factory and to take hold of his convictions in a lasting way, that while he is getting a wage in excess of the wage of the man with whom he competes in foreign countries, when that wage comes to be expressed in living, in rent, in butcher's bills and grocery bills and clothing bills and doctor bills, there is something to be considered besides the mere difference in the American and the foreign wage scale. He understands that hours of labor and cost of living are important factors in this tariff problem.

Now, when a candidate for the Presidency came forward with a declaration that there should be a revision that should reduce excessive rates it appealed to the man whose cost of living had advanced 50 per cent since the Dingley Act was passed and whose rate of wages had not kept pace with it by any measure of means. It took hold of him, and we ought to consider that here. We are obligated, morally and politically, to consider it, we Republicans who are making a tariff law, and we should make the law in accordance with the conditions upon which we induced the voters of this country to cast their ballots in November, 1908.

The President says further in this same speech:

I wish there to be no doubt in respect to the revision of the tariff. I am a tariff revisionist, and I have been one since the question has been mooted.

REPUBLICANS MUST MAKE BILL CONFORM TO PARTY PROMISE.

On September 24, 1908, I spent the day with Mr. Taft. He visited my home city. I had the pleasure of presenting him to a large audience in the gymnasium of the University of Wisconsin, where he spoke. I went with him from Madison, rode with him during the day, and heard him deliver a number of addresses. He closed the day with a speech at Milwaukee. Mr. Bryan had been in Milwaukee shortly before, and it was expected that he would soon visit the State of Wisconsin again and travel to a considerable extent over the same course taken by Mr. Taft. So Mr. Taft's Milwaukee speech was in effect an answer to Mr. Bryan on the tariff question. He said:

The encouragement which industry receives leads to the investment of capital in it, to the training of labor, to the exercise of the inventive faculty of which the American has so much, and in practically every case in which adequate protection has been given the price of the article has fallen, the difference in the cost of producing the article abroad and here has been reduced, and the necessity for maintaining the tariff at the former rate has ceased.

. . . . There are many articles in common use to-day which were unknown when the Dingley tariff bill was enacted. Conditions with respect to the cost of articles abroad have changed just as they have changed in this country, so that the difference between the cost of production at home and abroad ten years ago was in many instances different and less than it is to-day.

. . . . And that the tariff is greater than the differential between the cost of production at home and abroad, and that it should therefore be reduced.

I can say that our party is pledged to a genuine revision, and as a temporary head of that party, and President of the United States, if it be successful in November, I expect to use all the influence that I have by calling immediately a special session, and by recommendation to Congress to secure a genuine and honest revision. . . .

He put his interpretation upon what would be a genuine and honest revision.

It is my judgment, as it is that of many Republicans, that there are many schedules of the tariff in which the rates are excessive, and there are a few in which the rates are not sufficient to fill the measure of conservative protection.

A conservative protection, not a blind, irrational protection. He said further:

It is my judgment that a revision of the tariff, in accordance with the pledge of the Republican platform, will be on the *whole a substantial revision downward*, though there probably will be a few exceptions in this regard.

So, Republican Senators, when you scan this bill and analyze it, if it does not square itself with that declaration, taken in connection with the Republican platform, I say to you that you can not, acting in good faith with the people of this country, vote for the bill. It must embody a substantial revision downward or it is a violation of the Republican pledge made by the man who carried the flag of the Republican party to victory in 1908.

In another speech on the tariff, delivered at Des Moines, Iowa, September 25, 1908, Mr. Taft said:

It is my judgment as it is that of many Republicans that there are many schedules of the tariff in which the rates are excessive, and there are a few in which the rates are not sufficient to fill the measure of conservative protection.

Again, in the State of Iowa, he was appealing to Republican voters upon the basis of conservative protection; and again he construed the party pledge to mean that many of these schedules must be reduced and that the increases, if any, would constitute but the few exceptions.

Again he said in that connection:

It is my judgment that a revision of the tariff in accordance with the pledge of the Republican party will be on the whole a substantial revision downward—

Using the same language he used in Milwaukee—

though there probably will be a few exceptions in this regard.

As the temporary leader of the party I do not hesitate to say, with all the emphasis of which I am capable, that if the party is given the mandate of power in November it will perform its promises in good faith.

You Senators from Iowa, from Nebraska, from Minnesota, you Senators from the whole Mississippi Valley, well you know the language used at Des Moines, and at Milwaukee, and at every other place where Mr. Taft spoke on that remarkable tour through the great Mississippi and Missouri valleys. I say to you that the men who voted for him will look to you to see that this tariff is revised upon the lines laid down by the President when he made that memorable campaign and met face to face the voters of that great and populous section of the country.

Finally, in his inaugural address of March 4, Mr. Taft said:

It is thought that there has been such a change in conditions since the enactment of the Dingley Act, drafted on a similarly protective principle, that the measure of the tariff above stated will permit the reduction of rates in certain schedules and will require the advancement of few, if any.

If the Republican platform at Chicago admits of the diverse interpretations it has been given in this debate, there is all the more reason for this emphasis on Mr. Taft's utterances. The people if doubt existed, accepted the interpretation of their candidate for President, who promised to call a special session to revise the tariff, and who, they well understood, must pass final judgment when the bill was brought to him for approval.

So, I say, we approach the consideration of the tariff bill under obligations which we can not shirk or put aside, which must be binding upon us, and which require us, on the whole, to revise the tariff downward; which require us to adopt, if there is necessity for advance of any rate, a conservative protective policy with respect to that advancement.

Mr. President, that brings me to the consideration of the work of the committees of Congress in the treatment of this bill, and at this point, at the request of the Senator from West Virginia [Mr. ELKINS], who is especially desirous of addressing the Senate this afternoon, I will yield temporarily and later resume what I have to say.

Mr. ELKINS. Mr. President——

Mr. BEVERIDGE. I think attention should be called to the fact, inasmuch as the Senator from Wisconsin has yielded, that the Chair held that he not being here thirty minutes after the recess expired, the floor had been yielded, and he had to resume it again; and that now yielding, it puts him in the position of having spoken twice on one day. That ought to be noted.

Mr. LA FOLLETTE. I will say, if there is any difficulty about my taking the floor to continue what I have to say, I will adjust myself to it very easily by offering an amendment, which will give me a right to go on. I do not think there will be any narrow construction of the rule in this respect. I have not shown any disposition unduly to tax the patience of the Senate; I do desire to discuss this schedule in a somewhat thoroughgoing way; and I have not any doubt that I will be permitted to do so without any mere technicalities being applied to my right.

Mr. BURROWS. Mr. President, I am very sure there will be no question about the right of the Senator to proceed.

Mr. ELKINS. Mr. President——

Mr. NELSON. Will the Senator from West Virginia yield to me for a moment?

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Minnesota?

Mr. ELKINS. I do.

Mr. NELSON. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Minnesota suggests the absence of a quorum, he having been yielded to for that purpose.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clarke, Ark.	Gallinger	Paynter
Bacon	Clay	Gamble	Penrose
Beveridge	Crane	Gore	Perkins
Borah	Crawford	Hale	Piles
Bourne	Cullom	Heyburn	Rayner
Bradley	Cummins	Johnson, N. Dak.	Root
Brandegee	Curtis	Johnston, Ala.	Scott
Briggs	Dick	Jones	Simmons
Bristow	Dillingham	Kean	Smith, Md.
Brown	Dixon	La Follette	Stephenson
Bulkeley	Dolliver	McEnery	Sutherland
Burkett	Elkins	Martin	Taliaferro
Burnham	Fletcher	Money	Warner
Burrows	Flint	Oliver	Warren
Carter	Frazier	Overman	
Clark, Wyo.	Frye	Page	

The VICE-PRESIDENT. Sixty-two Senators have answered to the roll call. A quorum of the Senate is present. The Senator from West Virginia will proceed.

Mr. ELKINS. Mr. President, the tariff debate in the Senate and the discussion in the public press make plain one fact, that the protective policy and protection sentiment is stronger throughout the country and with the people than at any other period in its history. The Senators who claim that the rates are too high and ought to be reduced, I think, are good protectionists and are sincere in what they are endeavoring to bring about.

But I do not agree with those Senators in the revision of duties downward, especially when they wish to go as far as the free list. I want to stop somewhere this side of the free list. I think the products of West Virginia are entitled to protection, the same as the products of other States. I want to put the reasons for protecting them on the same ground that is claimed for the manufactured products and the agricultural products of other sections of the Union.

Putting foreign products competing with American products in our home market on the free list is not reduction of duties, but it is destruction of property interests.

I still believe that protection in its broadest and best sense would be strengthened by placing a duty on every foreign product competing with American products in our markets, thereby insuring some measure of protection or some share in the distribution of duties on all competing American products, discriminating against none.

Some Senators consider what is called raw materials are not such products as are entitled to protection. What is generally termed "raw material" in one section is the manufactured product of another. Whenever money is invested in raw materials and labor has been expended on them, they become manufactured products and are entitled to protection the same as any other product and for the same reason.

Bismarck, more than twenty years ago, attributed the wonderful progress and prosperity of the United States to the protective policy, and urgently advocated protection for the German Empire, which it has adopted, and is now a strong protection nation. Germany protects more of her products than any other country in Europe, and as a result is to-day most prosperous and leads Europe in manufacturing. Germany has so arranged her tariff in the interest of protection that if she finds a foreign article being sold in her markets she immediately puts a duty on the same. In this way Germany drives competing products of other countries out of her markets, and has obtained such a degree of prosperity in manufacturing that she not only manufactures nearly everything her own people consume, but sends her manufactured products to the markets of England and other countries.

I wish to give some reasons for maintaining a duty on bituminous coal, among the leading and important industries of West Virginia and the whole country.

Coal and petroleum are finished products and entitled to the same consideration in fixing the duties on foreign products competing with American products in our markets as other manufactured products.

To produce coal and petroleum requires vast capital, large plants, great improvements, and the employment of labor; indeed, everything that enters into the manufacture of shoes, sugar, cutlery, woolen and cotton goods, tobacco, gloves, on all of which there are, in the present bill, duties ranging from 50 to 150 per cent. There should be no difference or discrimination against coal and petroleum in making the tariff.

Mr. President, I hold in my hand a table of some articles taken from the pending bill arranged in three classes—the high-duty class, the medium-duty class, and the low-duty class. In the high-duty class the duties range on foreign importations competing with American products from 50 to 262 per cent, in the medium-duty class the duties range from 22 to 50 per cent, and in the low-duty class range from 5 to 22 per cent.

Coal is in the low-duty class, the duty on lumber has been reduced 50 per cent, and oil is on the free list, as will be observed.

West Virginia is not ambitious that coal and petroleum should be in the high-duty class or medium-duty class. We would be quite satisfied if these products find a place in the list containing the low duties placed upon foreign products imported into the United States. We do not ask much; we are moderate in our demands, although the capital invested in these two great industries is equal to the capital invested in most of the leading industries of the United States.

Let me read from this table the list of duties; this will tell the whole story. If the products enjoying the protection which I am about to name are entitled to the high duties placed upon them, then coal and petroleum should not be on the free list, but have a reasonable duty.

The duty on tobacco is 262 per cent; cigars, 172 per cent; woolens and worsted cloths, 136 per cent; another class of worsted cloths—and I do not know one from the other, Mr. President—is 122 per cent. Here is tobacco again, 122 per cent; then all dutiable tobacco, 104 per cent; dress goods, 103 per cent; woolens and worsted cloths, 95 per cent; all manufactures of wool, 90 per cent; limes, 89 per cent; woolen yarns, 87 per cent; lemons, increased from 47 to 70 per cent. Then look at the list of agricultural products, all having high duties under the Dingley law—the duty on some of them is increased in the present bill.

Mr. President, I would be satisfied with the present duty of 67 cents on coal and a duty of 1 cent a gallon or even less on crude petroleum.

I insist that there is not an American industry more important than petroleum or coal.

When coal is reached in the table from which I am reading it is 22 per cent under the Dingley law, but as reported in the Payne bill it is made free, and petroleum is also made free. I can not understand this discrimination.

The table referred to follows.

Certain of the chief commodities ranked according to average ad valorem duty, per rates of the Senate bill on basis of imports of 1906.

[* indicates change of rates; † average ad valorem duty not ascertainable on account of change in rates.]

Paragraph of Senate bill.	Article.	Average ad valorem, imports of 1906.			Dingley income, 1907.	Senate estimate.
		Present rate (Dingley bill).	Senate bill.			
	High duty, average ad valorem over 50 per cent.	*Per cent.*	*Per cent.*	*Specific duty.*		
217	Tobacco, wrapper and filler mixed, with more than 15 per cent wrapper, and also leaf tobacco of two or more countries, mixed or packed together.	262.70	262.70	$1.85 per pound	$11,905,463.07	$11,905,463.07
221	Cigars and cheroots	172.04	172.04	$4.50 per pound and 25 per cent.	10,621.25	10,621.25
374	Woolen or worsted cloths, value not more than 40 cents per pound	136.73	136.73	33 cents per pound and 50 per cent.	37,378.42	37,378.42
373	Woolen yarns, value not more than 30 cents per pound	136.09	136.09	27½ cents per pound and 40 per cent.	31.18	31.18
374	Woolen or worsted cloths, value 40 to 70 cents per pound	122.29	122.29	44 cents per pound and 50 per cent.	224,596.07	224,596.07
217	Tobacco, filler, stemmed	122.32	122.32	50 cents per pound	240.00	240.00
217–221	All dutiable tobacco	104.41	104.39		26,125,037.41	26,113,185.29
376–377	Dress goods, wool manufactures	103.33	103.33		4,253,859.77	4,253,859.77
374	Woolen or worsted cloths, value above 70 cents per pound	95.48	95.48	44 cents per pound and 55 per cent.	1.67	1.67
217	Cigars and cheroots, Cuban	91.28	91.28	$4.50 and 25 per cent, less 20 per cent.	3,474,330.35	3,474,380.35
368 390	All manufactures of wool	90.30	90.30		36,554,815.89	36,554,815.89
273	Limes	89.23	89.23	1 cent per pound	38,901.65	38,901.65
373	Woolen yarns, value more than 30 cents per pound	87.73	87.73	38½ cents and 40 per cent	116,843.59	116,843.59
217	Tobacco, filler, stemmed, Cuban	72.52	72.52	50 cents per pound less 20 per cent.	1,508,798.36	1,508,798.36
273	Lemons (increase)	*47.27	70.90	1½ cents per pound	1,539,583.54	2,309,375.32
273	Oranges	69.13	69.13	1 cent per pound	211,275.49	211,275.49
217	Tobacco, filler, unstemmed	64.54	64.54	35 cents per pound	8,677,478.85	8,677,443.41
450–452	Gloves, men's, Schmaschen (sheep), lace finish	64.29	64.29	$3 per dozen	3,180.82	3,180.82
236	Rice, cleaned	64.08	64.08	2 cents per pound	539,084.67	539,081.11
151–153	Cutlery	*63.70	(†)		1,437,855.69	1,614,109.90
100	Plate glass, polished, unsilvered	63.55	63.55	10 to 22½ cents square foot	784,569.81	900,533.70
213	Sugar, above No. 16 Dutch standard	*64.32	63.00	1.91 cents pound	84,220.43	82,060.91
213	Sugar, not above No. 16 Dutch standard	61.43	61.71		59,947,799.73	59,247,819.69
442	Hats, fur, not over $5 per dozen	*94.66	61.66	$1.25 and 15 per cent	4,743.13	3,087.12
326	Hosiery, value not exceeding $5 per dozen	60.16	60.16	50 cents to $2 and 15 per cent.	4,115,446.35	4,115,446.35
345	Laces, lace window curtains, etc., cotton	60.00	60.00	60 per cent	23,843,088.97	23,843,001.89
227	Barley	55.23	55.23	45 cents bushel	3,544.50	3,544.50
395	Silk fabrics, woven in the piece	*55.09	(†)		6,766,856.66	8,936,881.29
326	Hosiery, value over $5 per dozen	*55.00	55.00	55 per cent	23,295.90	23,295.90
217	Tobacco, filler, unstemmed, Cuban	54.73	54.73	35 cents less 20 per cent	1,508,798.36	1,508,798.36
310–330	All manufactures of cotton	*54.00	(†)		14,271,036.64	15,023,722.66
236	Rice, uncleaned	53.66	53.66	1½ cents per pound	357,079.84	357,079.84
450–452	Gloves, all gloves	51.89	51.89		4,243,363.57	4,243,363.57
101	Glass, cylinder and crown, polished, silvered, and looking-glass plates exceeding 144 square inches.	*64.45	51.47	11 to 25 cents per square foot.	715.05	543.51
	Medium duty—average ad valorem 21 to 50 per cent, inclusive.					
418	Hats, bonnets, and hoods, straw, chip, etc., trimmed	50.00	50.00	50 per cent	74,491.35	74,472.59
398	Ribbons	50.00	50.00	do	920,674.23	920,661.49
67	Soap, fancy, perfumed, etc. (increase)	*35.00	46.66	20 cents per pound	181,085.97	241,447.93
97	Glass, cylinder, crown, and common window	*46.30	46.10	1½ to 4½ cents per pound	545,382.74	543,084.75
442	Hats, fur, value $10 to $20 per dozen	*56.13	43.90	$4 per dozen and 15 per cent.	39,108.26	30,139.56
365–366	Wool, classes 1, 2, and 3	43.47	43.47	33 to 36 cents per pound	16,562,748.08	16,562,748.08
442	Hats, fur, value $5 to $10 per dozen	*57.48	43.19	$2.25 per dozen and 15 per cent.	42,535.05	31,901.27
128	Tin plate	*52.87	42.29	1.2 cents per pound	2,120,292.65	1,695,513.98
228	Malt, barley	40.80	40.80	4.5 cents per bushel	1,512.90	1,512.90
189	Clocks	40.00	40.00	40 per cent	236,809.80	236,809.80
242	Cheese	39.22	39.22	6 cents per pound	2,009,525.16	2,009,525.16
313–317	Cotton cloth	*38.62	(†)		4,686,396.63	5,284,672.29
393	Spun silk	*37.54	(†)		1,427,480.08	1,883,915.80
442	Hats, fur, value more than $20 per dozen	*48.17	37.11	$5.50 per dozen and 15 per cent.	39,108.26	30,139.56
352	Flax, hemp or ramie; woven fabrics less than 4½ ounces per square yard and counting more than 100 threads per inch.	35.00	35.00	35 per cent	1,481,080.42	1,481,047.07
453	Harness, saddles, and saddlery	*45.00	35.00	do	72,284.78	56,221.49
418	Hats, bonnets, hoods, straw, chip, etc., not trimmed	35.00	35.00	do	74,481.35	74,472.54
310	Cotton thread and carded yarns (not including spool thread)	*33.98	(†)		1,071,890.69	1,113,289.65
238	Wheat (increase)	*26.54	31.85	30 cents per bushel	4,785.73	5,742.60
282	Meats, preserved or prepared	25.00	25.00	25 per cent	102,095.91	102,095.91
73	Soda ash	*38.77	25.84	¼ cent per pound	25,294.67	16,863.10
239	Wheat flour	25.00	25.00	25 per cent	39,384.99	39,384.99
280	Bacon and hams	24.29	24.29	5 cents per pound	23,775.32	23,775.32
231	Corn (increase)	*17.99	23.99	20 cents per bushel	1,425.89	1,900.18
236	Paddy (rice)	22.92	22.92	¾ cent per pound	11,158.71	11,158.71
424	Coal, bituminous	22.32	22.32	67 cents per ton	695,480.10	695,480.10
	Low duty—average ad valorem 20 per cent or less.					
118	Bar iron, bars, blooms, billets, etc., charcoal used in manufacture	*31.37	20.91	⅓ cent per pound	442,519.22	295,012.80
424	Coke	20.00	20.00	20 per cent	112,517.36	112,517.36
67	Soap, castile	19.25	19.25	1½ cents per pound	64,419.58	64,419.58
281	Beef, fresh	19.10	19.10	2 cents per pound	7,566.43	7,566.43
124	Steel rails	*33.44	16.72	$3.92 per ton	30,670.02	15,333.24
236	Rice flour, meal, and broken rice	16.72	16.72	¼ cent per pound	346,974.15	346,974.15
116	Pig iron	*26.31	16.44	$2.50 per ton	2,174,688.46	1,359,180.02
275	Pineapples	16.06	16.06	7 cents per cubic foot	107,189.16	107,189.16
129	Steel	*20.13	(†)		637,836.50	679,696.55
448	Boots and shoes	*25.00	15.00	15 per cent	41,155.30	24,690.74
448	Upper leather	*20.00	15.00	15 per cent	483,589.15	325,199.86
448	Calfskin leather	*20.00	15.00	15 per cent	41,370.80	31,028.10
237	Rye (increase)	*7.50	15.00	20 cents per bushel	15.75	31.50
117	Flat iron, rolled or hammered	*27.33	13.66	⅓ cent per pound	23,970.37	11,985.19
406	Paper, printing	*15.56	13.37	⅓ to ⅓ cent per pound and 15 per cent.	96,040.38	80,940.75

Certain of the chief commodities ranked according to average ad valorem duty, etc.—Continued.

Paragraph of Senate bill.	Article.	Average ad valorem, imports of 1906. Present rate (Dingley bill).	Average ad valorem, imports of 1906. Senate bill.		Dingley income, 1907.	Senate estimate.
	Low duty—average ad valorem 20 per cent or less—Continued.	*Per cent.*	*Per cent.*	*Specific duty.*		
115½	Iron ore	*19.30	12.06	25 cents per ton	$391,544.43	$244,715.27
402	Wood pulp, chemical, unbleached	10.15	10.15	⅛ cent per pound	266,885.21	266,885.21
402	Wood pulp, chemical, bleached	9.88	9.88	⅛ cent per pound	210,305.74	210,305.74
116	Spiegeleisen	*15.24	9.52	$2.50 per ton	329,690.03	206,056.28
117	Round iron, not less than $\frac{1}{16}$ inch in diameter	*14.02	7.01	$\frac{1}{10}$ cent per pound	22,571.18	11,285.60
197	Lumber, other than whitewood, sycamore, and basswood	*12.94	6.47	$1 per 1,000	1,794,325.13	904,476.56
116	Ferromanganese	*8.20	5.13	$2.50 per ton	378,173.11	236,358.15
448	Leather, band, belting, and sole	*20.00	5.00	5 per cent	12,347.82	3,086.96
448	Skins for morocco, tanned but unfinished	*10.00	5.00	do	311,282.22	155,641.09
197	Lumber, whitewood, sycamore, and basswood	*5.98	2.99	50 cents per 1,000	13,872.26	7,459.78
	Free.					
672	Calfskins					
541	Cotton					
581	Hides of cattle	*15.00				
402	Pulp wood				678,161.54	481,983.81
668	Silk, unmanufactured					
692	Tobacco stems					
402	Wood pulp, mechanically ground	12.26			200,970.59	4,792.86
	Petroleum					
	Coal					

IMPORTANCE OF COAL.

Mr. ELKINS. I wish now to give some figures and data to show the extent and importance of the coal industry of the United States. The production of coal last year, and it was a dull year, was 419,000,000 tons, worth $500,000,000 at the mouth of the mine. This includes anthracite coal. In estimating the value of coal, the cost of transportation must be considered, because transportation adds so greatly to the cost of coal, so that in many instances it is worth twice as much as the coal and often three times as much. Therefore, if we consider the question of the transportation of 419,000,000 tons of coal it is equal at least to $800,000,000, making the total cost of coal at the points of consumption and distribution $1,300,000,000. So there is involved in the coal industry in mining and transportation this enormous sum of money every year.

Coal going to New England from West Virginia is worth say $3.25 to $3.50 a ton in any of the ports of New England; $2.10 of this is transportation. It is $1.40 by rail and 70 cents by water. West Virginia has to send her coal by rail 400 miles and by water 600 miles to reach New England, to compete there with Nova Scotia coal.

Nearly 3,000,000 people depend upon this industry for a living. There are thousands of towns and small communities scattered all over the country dependent almost entirely on coal mining and the coal industry, just as there are towns and communities everywhere dependent upon the steel, iron, shoe, leather, cotton, woolen, and other industries.

The capital invested in coal lands, mines and improvements will reach into thousands of millions. With this vast outlay of capital and the people employed, it becomes a very serious matter to disturb or impair in any way the coal industry.

It is said this will only affect some of the coal States in the East and a few States in the Northwest. I wish to lay it down as a general proposition that when anything tends to reduce the price of a commodity in a given locality this reduction affects the price of the commodity all over the country, and if the price of coal is reduced or coal mining is destroyed in certain States you affect the price of coal generally.

West Virginia last year produced over 40,000,000 tons, and the year before, I think, 48,000,000 tons. This coal was valued at the mouth of the mine at the lowest estimate at $40,000,000. Nearly 80 per cent of this cost was labor. It cost $64,000,000 for transportation to get the coal to market.

So there is involved in the coal industry in my State $104,000,000 every year to mine and get the coal to the point of transportation and distribution.

It is estimated that 50,000 miners and laborers are employed in and about the mines in West Virginia.

Coal mining is the chief industry of West Virginia, and has been for two generations. The owners and operators of coal mines are not alone the parties interested. The coal miners, coke drawers, handlers, and outside laborers dependent on the successful operation of coal properties are also interested.

The bankers, merchants, grocers, and farmers near the mines, as well as many other people, are directly or indirectly interested. A large coal plant is always the nucleus of a town, which depends on the working of the mine. The abandonment or the closing of large and established mines, or their impairment, would destroy whole communities and towns and bring distress and ruin to many people.

Pennsylvania, Ohio, Illinois, Indiana, and other coal States consume within their borders most of the coal they produce. Pennsylvania produces 225,000,000 tons of coal, and outside of anthracite coal most of it is consumed in supplying the needs of the State, while West Virginia has but few manufacturing plants. Having natural gas in many counties it is used for domestic purposes and for operating mills, factories, plants, and mines.

The cost of mining West Virginia coal is from 85 cents to $1 per ton; when sold to New England the railroad freight is $1.40; water freight, 70 cents per ton; commissions and insurance, 20 cents; total, $3.30 per ton alongside in New England.

The price of West Virginia coal in New England is about $3.50 per ton, but it is often sold as low as $3 to $3.25, sometimes lower. The actual difference in the price of Nova Scotia and West Virginia coal in New England is from 75 cents to $1 in favor of Nova Scotia coal.

THERE HAS ALWAYS BEEN A DUTY ON COAL.

Since the formation of the Government there has never been a moment that there was not a duty on bituminous coal. It is singular that now it is sought to take off this duty and put coal on the free list. Even under the Wilson law there was a duty of 40 cents a ton.

The duty on bituminous coal since 1789 is shown in a table which I will ask to have inserted in my remarks. The duty runs from 56 cents a ton in 1789, under a bill drawn by James Madison, to 84 cents in 1792, $1.26 in 1794, and in 1812, $2.80; under the Walker tariff, the great Democratic tariff, $1.75; under the Wilson law 40 cents, and that did not last long. Even that 40 cents Mr. Bryan voted for and some Senators who were then members of the House.

The VICE-PRESIDENT. Without objection, consent will be granted to insert the table in the RECORD.

The table is as follows:

Duty on bituminous coal since 1789.

	Duty per ton.
1789	$0.56
1790 to 1792	.84
1792 to 1794	1.26
1794 to 1812	1.40
1812 to 1816	2.80
1816 to 1824	1.40
1824 to 1842	1.68
1842 to 1846	1.75
1846 to 1857	.65–.75
1857 to 1861	.55–.65
1861 to 1862	1.00
1862 to 1864	1.10
1864 to 1872	1.25
1872 to 1893	.75
1893 to 1894	.75
1894 to 1897	.40
1897 to 1909	.67

Mr. ELKINS. From the beginning of the Government to the present time *no President, no Congress*, no national platform of any political party, and none of the great statesmen of the past has favored free bituminous coal.

A low duty on coal would injuriously affect in the West the mining interests of the States of Oregon, Washington, Wyoming, Utah, Alaska, and parts of Montana, and in the East the mining interests of West Virginia, Maryland, and eastern Pennsylvania, while the coal interests of Iowa, Illinois, and Ohio might not be hurt.

I have a letter received here from a producer of coal, written from Seattle, which I will ask to have inserted in my remarks:

The letter referred to is as follows:

WALTER OAKES, *President and Treasurer.* HERVEY LINDLEY, *Vice-President and Secretary.*

THE ROSLYN FUEL COMPANY,
ROOMS 607–610 LOWMAN BUILDING.

L. P. KETCHAM, *Sales Agent.*

SEATTLE, WASH., *May 22, 1909.*

Hon. STEPHEN B. ELKINS, *Washington, D. C.*

DEAR SIR: As a coal operator in the State of Washington, I want to protest against the removal or reduction of the duty on coal. We are at a disadvantage with the British Columbia mines and absolutely need the protection in competition with them for the following reasons:

1. They pay lower wages there.
2. They have longer hours.
3. They employ Chinese and Japanese labor, which we can not do here if we want to do so.
4. The adjacent British Columbia mines, besides, have other advantages in a water haul to Puget Sound market, instead of rail haul. This makes a cheaper rate than from our mine by 60 cents, and also greater than from many other mines.
5. The British Columbia fields are easier and more cheaply mined than ours, from the character of the veins and the way they lie.
6. The British Columbia coals are higher grade than most of our coals.
7. They are marketing large quantities of coal here on the present basis, both on the coast and in the interior. A large amount is shipped into Spokane and adjacent territory from various mines in British Columbia territory. A large tonnage is also imported into the Puget Sound district from Vancouver Island. This shows that the removal of duty is unnecessary, and, if done, they can do business on a 67 cent a ton larger basis. The history of former period of removal of duty was that they reduced prices temporarily until many of our mines had to shut down, and then raised them again, so the consumer did not get the benefit.
8. To protect this district from coal shortage. When the last shortage existed no coal could be obtained from the British Columbia coast market. Our own fields must be developed, therefore, to take care of consumers.
9. If duty is taken off, it will tend to prevent or delay the development of the Alaska fields, where the highest grade coal on the coast is found.

The people of this State seem to be practically unanimous in favoring the retention of duty, realizing that they will not secure any reduction in prices if duty is removed. The prices that are charged for coal in Victoria and Vancouver have been as high, or higher, than are charged here.

I trust you will appreciate the force of above arguments and use your influence and vote to prevent removal of duty.

Yours, very truly,

THE ROSLYN FUEL CO.
By WALTER OAKES.

BRITISH COLUMBIA COAL.

Mr. ELKINS. Just as the writer says, the coals of British Columbia are inexhaustible and better than the coals of Washington, Wyoming, Oregon, and other Western States, while in the East many of the coals of West Virginia, Maryland, and western Pennsylvania are better than the Nova Scotia coals. If coal with the cheap labor of Canada is made free, or a low duty is imposed upon it and our market opened to British Columbia coals, the American mines in those States that can be reached in short distances by railroad from Canada will close, and the coal industry in those localities, with the towns and communities dependent on it, will absolutely be destroyed.

The Crows Nest and other mines in Canada produce better coal than the mines of Washington, Idaho, Wyoming, Oregon, and Alaska, and in the next place the Canadian coal can reach the markets in many places at lower rates than the coals of the States named.

The only reason why all the mining operations of those States would not close in the event of free coal is the matter of transportation. The transportation would be too high to allow the coal to be hauled long distances, but just as far as these coals can be hauled in competition with American coal they will drive the American coal out of the market.

Mr. SCOTT. Will my colleague yield to me a moment?

Mr. ELKINS. Certainly.

Mr. SCOTT. Is it not true that in Nova Scotia there are large coal fields now only waiting to be opened up and developed, provided there is no duty placed upon coal so that it can be brought in?

Mr. ELKINS. Yes; that is true. New mines in Nova Scotia are ready to be opened whenever the duty of 67 cents is removed. Nova Scotia sent 700,000 tons of coal last year to New England after paying the duty.

Mr. GALLINGER. Mr. President, does the Senator think that putting coal on the free list would do much good so far as the consumer is concerned?

Mr. ELKINS. No; not a bit.

Mr. GALLINGER. I asked that question for the reason that we had free coal a few years ago, and we in New England, notwithstanding a million tons more or less were sent in from Nova Scotia, did not discover that we got our coal any cheaper because of the fact that it came in from Nova Scotia free. It displaced that much West Virginia and Pennsylvania coal, but the profits went into the pockets of certain well-known gentlemen with whom doubtless the Senator from West Virginia is acquainted.

Mr. ELKINS. The Senator is right, as he always is on economic questions. We did not get the coal any cheaper, but, strange to say, we imported 3,000,000 tons into this country in eight months. A part of that came from England. The price was maintained all the time. It did not go 1 cent lower.

Mr. JONES. Mr. President, will the Senator yield to me for a moment?

Mr. ELKINS. Certainly.

Mr. JONES. The Senator may cover this point possibly later on in his address in connection with Pacific coast coal. I wish to suggest that some of the best anthracite coal fields are found in Alaska. Some of the best naval coal is there and in British Columbia. About 75,000 tons a year are now being shipped into that territory. If the duty is taken off it will prevent the development of those fields in Alaska, and it would be of great value to this country if we could get them developed.

Mr. ELKINS. I thank the Senator from Washington for the suggestion. He is right. Last year 250,000 tons of coal were brought into Alaska from British Columbia, paying 67 cents duty. The mines in Alaska are not yet opened. Take off the duty and it will be seen that the American operator would have no show at all.

NOVA SCOTIA COAL.

Mr. President, I wish to give some facts touching the production of coal in Nova Scotia. Nova Scotia produced last year 5,800,000 tons of coal. Six hundred thousand or 700,000 tons of it came into New England. The rest, 5,000,000 tons, was consumed in Canada. It was consumed there as far as railroad transportation would allow it to go. The coal can only go as far west as Montreal, and from Montreal to Winnipeg, a distance of 1,600 miles, there is no coal. Nova Scotia coal is used with the greatest success for domestic purposes in Canada. It drives every wheel and operates every plant in Canada. It is used on all the railroads. It does for the people of Canada what it will do for the people of New England if we take this duty of 67 cents off. It will displace in the end the coal of West Virginia, Maryland, and Pennsylvania, and I want to show what interests would be impaired. In Massachusetts and Maine we have $4,000,000 worth of shipping now hauling coal from Norfolk and Baltimore to New England. That would go by the board. There are $4,000,000 invested in barges. This is all American investment. They would have to go out of business, not to speak of displacing 16,000,000 or 20,000,000 tons of coal from the three States, of which 14,000,000 is from West Virginia.

This is a matter of deep concern to West Virginia, Maryland, and Pennsylvania. We can not allow this vast trade and this great interest to be impaired. Besides, the great coal railroads of West Virginia, the Norfolk and Western, the Baltimore and Ohio, the Chesapeake and Ohio, were built largely as coal roads, and to take from these roads 16,000,000 tons traffic per annum would be a great loss to the roads and the stockholders.

Mr. SCOTT. Will my colleague allow me?

Mr. ELKINS. Certainly.

Mr. SCOTT. I wish to call attention to the new road that has been built through our State and through old Virginia. The Senators from old Virginia as well as West Virginia are very much interested in that new road. It is one of the greatest coal roads that has ever been built in this country.

Mr. ELKINS. That is true. It cost from $40,000,000 to $60,000,000. The late Mr. Rogers built the road out of his private fortune.

Mr. SCOTT. For nothing but coal hauling.

Mr. ELKINS. As my colleague suggests, that road will develop a vast coal section in West Virginia.

The people of West Virginia who are engaged in coal mining are most estimable citizens, good business men, and employ large capital in their business, and incidentally build up communities and employ vast numbers of wage-earners. On what

ground can any distinction or discrimination be made against the coal-mining industry in favor of other industries?

The senior Senator from Kentucky [Mr. PAYNTER], sitting near me, who so ably represents a great coal State, is deeply interested in this question of a proper duty on coal. Very soon from this new railroad connection, or Virginian railroad, coal will be shipped from his State to Norfolk, thence by water to New England and New York.

It will be asked if West Virginia coal is better, why is it not used in New England to the exclusion of Nova Scotia coal? In the first place, Nova Scotia in the last six or seven years has only been able to supply that part of Canada east of Montreal and send 700,000 tons to New England. With her present development she can not supply much more coal than she now furnishes Canada and sends to us.

Nova Scotia has about a thousand square miles of coal, containing four veins whose average thickness is about ten feet, making about six thousand millions of tons of coal, two-thirds of it as good as West Virginia coal. Now remove the duty and give this coal the New England, New York, and New Jersey markets, and the result would be that Nova Scotia in a few years would furnish New England nearly all the coal she now gets from West Virginia, because Nova Scotia coal could be sold for lower prices. It will be asked, Why should not the people of New York and New England get their coal cheaper? The answer to this involves the whole question of protection. If New England and the East ought to have cheaper coal and get it by taking off the duty, then why should not the duties on all manufactured products competing with those of New England be also taken off, so that the people all over the country could get them cheaper? The principle of protection is to build up our home industries by manufacturing our own products—this gives our people employment, keeps the money in the country, and makes this country an independent and self-reliant nation.

ANALYSES OF WEST VIRGINIA AND NOVA SCOTIA COALS.

I have analyses taken from the United States Navy reports comparing the West Virginia and Nova Scotia coals. I know it is technical to talk about fixed carbon, volatile matter, ash, and sulphur. Probably all Senators will not understand these terms, and I shall not detain the Senate to read them, and will only add that Nova Scotia was so ambitious about her coal and its good qualities that her coal operators bid against the best West Virginia coal to supply the United States Navy.

To show the quality of Nova Scotia coal and the best coal from West Virginia, I submit the following:

Analyses taken from the United States Navy reports.

	Moisture.	Volatile.	Fixed carbon.	Ash.	Sulphur.
	Per ct.	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*
Nova Scotia coals:					
Cape Breton	2.78	32.27	59.52	4.26	1.10
Pictou	2.10	32.27	57.57	7.56	.50
Spring Hill	1.02	34.58	60.82	3.78	1.20
West Virginia coals:					
Pocahontas (average of 12 analyses)	.69	18.53	74.07	5.65	.76
New River (average of 12 analyses)	.82	20.55	74.11	4.52	.55
Page	——→	33.16	61.11	5.73	1.18

At a large steam plant in Maine during 1908 tests were made, under boilers, of West Virginia nut and slack coal, costing $2.95 per gross ton delivered, against Spring Hill, Nova Scotia, slack, costing $2.40 delivered, a difference in price of 18.6 per cent. Yet, as the result of these tests, Nova Scotia coal was awarded the contract; and in the same contract in 1909 Nova Scotia coal suppliers made a price of $2.20 per gross ton, including duty of 15 cents per ton, and were awarded the contract. West Virginia coal would now cost, owing to increased labor and freighting, $3.07 delivered, a difference in price of 25.7 per cent. To be on a competing basis, the West Virginia coal would now have to sell at $2.80, which would mean about 63 cents at the mines, considerably less than the average cost of production.

Analyses of Nova Scotia coals—Dominion Coal Company.

Name of seam.	Moisture.	Volatile.	Fixed carbon.	Ash.	Sulphur.
	Per ct.	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*
Gowrie	0.50	31.41	62.73	5.36	2.71
Caledonia	.92	30.31	62.33	6.43	1.10
Reserve	.52	37.60	56.54	5.54	1.25
Lingan	.75	37.26	58.74	3.25	1.35
International	.80	29.40	65.50	4.20	2.32
Gardner	.....	31.96	65.22	2.82	1.18
Victoria	.28	33.30	62.92	3.50	2.84
Old Sydney	1.26	35.51	59.11	4.11	1.70
Spring Hill	.30	32.60	64.48	2.56	1.21
Acadia	1.05	27.42	62.18	9.35	1.48
Intercolonial	.90	22.92	67.15	9.08	1.06
Reserve	2.78	32.27	59.52	5.43	*1.17
Nova Scotia	1.37	34.31	57.36	6.26	4.16

* United States navy-yard.

With the exception of three analyses, the figures show the Nova Scotia coal is as good as two-thirds of the coal of West Virginia or of Pennsylvania or of Maryland. The Pocahontas and New River coals are the best in the State of West Virginia. There is only 7 per cent difference in the heating value of Nova Scotia coal and the coal of West Virginia. Pocahontas coal is 14.805 British thermal units per pound of coal; the Nova Scotia coal is 13.755 British thermal units. This is one of the best tests. I find the duty on coal imported into Canada is 50 cents per ton. The duty on coal under the Dingley bill is 67 cents, and on slack it is 15 cents a ton. There has been in the last six years, owing, it is said, to some misinterpretation or evasion of the law, a loss to the United States Government in the way of duties of perhaps $200,000 a year. Under the Dingley law it was provided that coal slack which would pass through a half-inch screen could be imported from Canada at 15 cents. It turned out that pretty nearly everything which came in was slack. It was claimed that the coal was very fine; but the fact was that it was made into slack before and during shipment and when it got to Boston most of it was appraised as slack, because it was so fine that it would pass through a half-inch screen, although it was not slack produced in the ordinary way. Most of the coal imported as slack was ordinary coal and should have paid a duty of 67 cents a ton instead of 15 cents.

Mr. CLARK of Wyoming. Will the Senator yield to me just on that particular point?

Mr. ELKINS. I will.

Mr. CLARK of Wyoming. A great deal of coal that is shipped as coal passes through our custom-houses as slack. It is impossible to ship bituminous coal without creating more or less slack in the shipment. The importer would say to the custom-house officer, "You see that 50 per cent of that is slack." As to 30 or 40 per cent of the coal which is shipped and paid for by the people of the United States as coal, the shipments come through in that way—a certain part paying a duty of 67 cents and a certain part a duty of 15 cents, when it all should have paid the full rate.

Mr. ELKINS. That is a fact. But, following the suggestions of the Senator from Wyoming, the able chairman of the Judiciary Committee, who has just taken his seat, and with the consent and approval of the Treasury Department, an amendment defining "slack" has been prepared which it is hoped will correct this misinterpretation or evasion of the law that has been going on for six or seven years, which has had the effect of displacing West Virginia coal in the New England market and at the same time causing a loss to the Government in the way of duties of nearly $1,000,000.

To make this slack question clearer I will go more into detail. It seems that in loading the Nova Scotia coal after it was mined into the railroad cars it was dropped from an unusual height. This broke up the coal considerably. Then in unloading it into the boats taking it to Boston it was passed through a tube 60 feet long, with breakers. This also broke up the coal, so that by the time it reached Boston it would nearly all pass through a half-inch screen, and therefore most of it was set down as slack by the custom-house officer and paid only 15 cents a ton duty. Most all of these importations were made by the New England Gas Company, which has 400 by-product coke ovens near Boston, and the finer the coal the better it is suited for making coke; so this company not only got its coal in on a 15-cent duty, but it was prepared just to suit its purposes. This evasion of the law has engaged the attention of the Treasury Department for some time, and there have been various rulings on the subject besides suits instituted in the courts. I have prepared an amendment defining coal slack, which I think will prevent this further misinterpretation of the law.

Mr. FLETCHER. May I interrupt the Senator for just a moment?

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Florida?

Mr. ELKINS. I do.

Mr. FLETCHER. We are rather shy on that product in Florida and I do not know much about it. I should like to ask the Senator to tell us where the coal comes from which is imported into this country?

Mr. ELKINS. So far as the southern coal is concerned, Tennessee is producing very fine coal.

Mr. FLETCHER. But I mean the importations.

Mr. ELKINS. The importations are principally from British Columbia in the West and Nova Scotia in the East. The competitor with West Virginia coal is Nova Scotia coal lying right on the borders of New England. The Nova Scotia mines come down almost to the sea, a distance of 12 or 15 miles. West Virginia coal is hauled 600 miles by water and 400 miles by rail, while Nova Scotia coal is hauled but 15 miles by rail and 600

miles by water. This gives Nova Scotia coal a great advantage, about a dollar and twenty-five cents a ton in transportation alone.

There are American and Canadian capitalists waiting to see if coal is put on the free list to buy coal lands in Canada, and if they should, and open new mines, Nova Scotia coal will ultimately take the New England market, I think, except for the very best quality of coal, and in a few years take all the New England market. The result of this would be so disastrous, so ruinous, and demoralizing to West Virginia, Maryland, and eastern Pennsylvania that these States can never consent to the lowering of the duty on coal.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Idaho?

Mr. ELKINS. Yes; I yield.

Mr. HEYBURN. If the Senator will permit me, before he passes from the question of duty, I desire to suggest that in the original tariff bill a duty of 50 cents a ton was levied upon coal. That was the tariff bill that was passed in 1787, the first tariff bill, passed by the First Congress.

Mr. ELKINS. James Madison drew it.

Mr. HEYBURN. Fifty cents was the duty levied in order that those coal beds, known then to exist but not developed, in what was then Virginia, and in Pennsylvania and in Maryland, and with a transportation that must be by wagon to the place of use, might compete with coal from England which came by water, and the Representatives of Virginia, Pennsylvania, and Maryland insisted on that duty of 50 cents a ton on coal in order that we might be able to develop our own coal fields and shut out the English coal.

Mr. ELKINS. It was put in for that very reason.

Mr. SUTHERLAND. Mr. President——

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Utah?

Mr. ELKINS. I do.

Mr. SUTHERLAND. In answer to the Senator from Florida [Mr. FLETCHER], the Senator from West Virginia stated that our importations of coal came from Nova Scotia.

Mr. ELKINS. Not altogether. I will correct that. I have the data right here.

Mr. SUTHERLAND. The Senator did not mean to say that there were not large importations of coal from other parts of Canada?

Mr. ELKINS. No; but so far as West Virginia and Maryland are concerned, they compete with Nova Scotia coal. The Western States of Oregon, Washington, Utah, Wyoming, Idaho, and Montana are concerned in this question. As I said before, the coals in British Columbia are better in quality than these coals. That is admitted by everybody. If the duty of 67 cents should be taken off, British Columbia coal will supply the demand of those States as far as the markets can be reached by rail. There are two railroads now being built to Crows Nest to haul this coal to points in the United States. Of course, more coal will come in if we remove this duty of 67 cents a ton.

Mr. SCOTT. I should like to ask my colleague, merely for information, Is there not a great deal of Australian coal that comes into this country as ballast?

Mr. ELKINS. Yes; that is so on the Pacific side undoubtedly.

Mr. SCOTT. And they furnish coal in the Philippine Islands.

Mr. ELKINS. Some coal comes as ballast to San Francisco from Australia. San Francisco also takes coal from British Columbia. Enormous quantities are shipped from British Columbia in foreign vessels just as on the Atlantic side. Norwegian steamers haul coal from Nova Scotia and American vessels do not get this business either on this side or on the Pacific side. Chinese labor is employed in manning the steam and sailing vessels going to San Francisco from British Columbia.

EARNINGS OF CANADIAN COAL COMPANIES.

To show the difference between the earnings of the Canadian coal companies and ours, I cite the following facts: The Dominion Coal Company, which is the great coal company of Nova Scotia, has 750,000,000 tons of coal in the ground. It has just been fairly organized and opened its mines on a large scale within the past six years, but during this time has done a profitable business. With a capital of $15,000,000 common stock, $3,000,000 preferred stock, and $5,000,000 in bonds, the Dominion Coal Company of Canada earned net last year $2,094,539.23, or a profit of 56 cents per ton, when we are satisfied with 15 cents and less on all of our coal. The Dominion Company paid 7 per cent on the preferred stock, 4 per cent on the common stock, and 5 per cent on the bonds. Practically all the imports from Nova Scotia to the New England States came from this company.

The Intercolonial Coal Company of Canada paid dividends last year of 7 per cent on the preferred stock and 8 per cent on the common stock. The preferred and common stock amounted to $2,800,000. The net earnings last year of the Crow's Nest Coal Company, which is the most promising and one of the most aggressive coal companies in western Canada, were $1,060,998. It paid dividends and also declared a stock dividend of $2,485,000 on April 23, 1908.

To confirm what I have said, I read an extract from letter dated June 1, 1909, written by a well-known English capitalist, familiar with coal property, who was asked to purchase a large coal field in the State of Tennessee. Here is what he said:

> You certainly have one of the finest coal properties I ever saw, and the only drawback to it, in my opinion, is its geographical position with respect to the consuming markets, and the consequent low selling price realized for the coal at the pit's mouth.
>
> I am at the moment very deeply engaged with our Nova Scotian coal field, where the margin between the cost of producing and the average selling price is about three times greater than in your district.

As I have said, the average profit that West Virginia coal operators are glad to get is 15 cents; and in the last two years none of the important coal companies of West Virginia have made a profit. The profits made on West Virginia coal are about one-third of the profits the Canadian coal operators make.

Agricultural products are highly protected in the pending bill; so are the products of all the factories, plants, woolen mills and cotton mills, tanneries, cloth factories, and steel and iron. Then why should not coal be treated fairly; why make any distinction between it and other manufactured products?

Mr. FLETCHER. May I ask the Senator just one other question?

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Florida?

Mr. ELKINS. Yes.

Mr. FLETCHER. What would 67 cents a ton be on an ad valorem basis? The Senator says he wants a duty of 67 cents a ton.

Mr. ELKINS. It is according to the price. If the price be three dollars and a half, that would be 40 per cent. No; I am mistaken.

Mr. FLETCHER. I am trying to get at that.

Mr. ELKINS. No; it would be a little over 20 per cent ad valorem. I am glad the Senator asked the question.

RECIPROCAL TRADE IN COAL WITH CANADA.

Mr. President, since the Payne bill has been under discussion there has been a movement, not for the first time in our history, but for the first time in recent years, to put coal on a reciprocity basis with Canada—rather to have reciprocal trade in coal with Canada. That would mean free trade with Canada as to Nova Scotia and British Columbia coal. Ohio, Illinois, and Indiana probably would not be hurt, nor would they be profited. So far as I can see, these States already hold the Canadian market between Montreal and Winnipeg, and they can not get a pound of coal except from the United States into that market, because the railroads can not haul coal west of Montreal from Nova Scotia, nor from British Columbia mines east for a long distance. I oppose reciprocal trade because it would injure the great coal-producing States of both the East and West. I am opposed to reciprocal trade arrangements for another reason. They place in the hands and control of foreign countries the power to fix and regulate our tariff, to my mind a dangerous power. Suppose our operators had made contracts for coal for one or two years and the railroads had made their rates, would it be a wise thing to allow Canada to say on the following day the duties between the two countries should be reduced one-half or taken off entirely?

Going back in our history, in 1854 we tried reciprocity with Canada for ten years in coal and other products, mostly agricultural. I think there were 25 articles in the list, but the principal ones were agricultural products and coal. Canada never exercised her treaty rights so far as coal was concerned, and coal carried a duty all through the life of that treaty. The result was that in ten years the treaty was abrogated. It did not work well. The reason I refer to this is that the Payne bill provides for reciprocal arrangements between the United States and Canada as to coal.

Mr. President, I send to the Secretary's desk, and ask to have read, an extract from a speech made by the late Senator Gorman July 23, 1894, on coal, when the Wilson bill was under discussion. Senator Gorman was the acknowledged leader of his party in the Senate. He was a statesman of the highest order of ability, a man of the purest character, and took rank during his long service in this honorable body as one of the ablest, most useful, and influential Senators the Senate and country has ever known. I beg the attention of Senators on the other side of the Chamber to the words of this distinguished Senator.

The PRESIDING OFFICER (Mr. KEAN in the chair). Without objection, the Secretary will read as requested.

The Secretary read as follows:

In the first tariff bill which was ever passed, when we had statesmen who were near to the time of the formation of the Constitution, who understood a principle when they saw it better than some of us do who are a hundred years distant from that period, a tax on coal of 56 cents a ton of 2,240 pounds was levied; from 1792 to 1794 the tax was 84 cents a ton; from 1794 to 1812 it was $1.40 a ton; from 1812 to 1816 it was $2.80 a ton; from 1824 to 1842, the great Democratic period when the giants of the party controlled the Government and when we had undisputed control in every branch, what do you suppose was the tax levied on coal? One dollar and sixty-eight cents a ton. In 1842 it was increased to $1.75 a ton.

The treaty with Canada for reciprocal trade ran ten years, until 1866, and then, by the common consent of every patriotic Democrat in the country, without dissent on either side of the Chamber, we abrogated that treaty and put coal back upon the taxable list, and the duty remains now at 75 cents a ton.

What did the Senate propose to do? To put a tax of 40 cents a ton on coal, only one-half of what Robert J. Walker placed upon coal in his great Democratic tariff and less than was put upon it in the great tariff act of 1857, when R. M. T. Hunter of Virginia managed that bill in the Senate, as you (Mr. Voorhees) manage this now. We have fixed the duty 10 per cent lower than he fixed it.

Mr. SUTHERLAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Utah?

Mr. ELKINS. Yes.

Mr. SUTHERLAND. Before the Senator resumes his remarks, I have a letter, which I received this morning from Mr. S. W. Eccles, who is president of the Copper River and Northwestern Railway Company, a gentleman whom I have known intimately for many years, and I know him to be entirely reliable. If it will not disturb the course of the Senator's argument, I should be glad to have that letter incorporated in the RECORD.

Mr. ELKINS. I shall be glad to have it read, as I am sure it will throw light on the subject.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

COPPER RIVER & NORTHWESTERN RAILWAY CO.,
OFFICE OF THE PRESIDENT, 165 BROADWAY, NEW YORK,
New York City, June 1, 1909.

Hon. GEORGE SUTHERLAND,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I think I wrote you some time ago that I was president of the Copper River and Northwestern Railway, which is being constructed in Alaska, and we expect to have 200 or more miles completed by the end of 1910. We also have in contemplation construction of a branch 50 miles in length to the Bering River coal fields, from which large quantities of coal should be supplied the United States Government and the citizens residing on the Pacific coast. The cost of mining in Alaska will be heavy; so will the cost of railway transportation. We have elements to contend with there to a greater extent and the conditions generally are worse for cheap operation of the railway than in any other part of North America. At this time we are compelled to use coal mined in British Columbia, cost of which is about $12 per ton at the port of Cordova in Alaska. Naturally I am anxious to see the coal mines opened up so that we may develop that wonderful country where the business for a long time will be limited, and in order to do this we must operate under the most favorable conditions and one of the chief items of the cost is fuel. I believe it will be impossible for the miners to mine their coal, ship it by rail and steamer to Puget Sound and California ports unless every possible protection is given them and one of the items of protection is tariff; present duty is 67 cents per ton. If this is removed I think it will almost lock up the Alaska mines.

Living in the West as you have and having had the experience with transportation in the Rocky Mountains, you can to a great extent realize the seriousness of deep snow, washout, and other troubles. Am not advised as to your views with respect to duty on coal, but I hope it may be in favor of continuing the charge as now made. I believe it to be of the greatest possible interest to the people of the Pacific coast that the great coal fields in the ice-frozen region of Alaska shall be opened up. I therefore trust that in considering this important matter you will bear in mind what I have recited above.

Very truly, yours,

S. W. ECCLES, *President.*

Mr. ELKINS. I have had a great many letters of similar import, I will say to the Senate, confirming just what the writer of that letter states.

Mr. President, I wish to emphasize more sharply, if I can, that no discrimination ought to be made in the case of the coal industry in levying duties or guaranteeing protection. Coal is a great American industry, and entitled to protection the same as the farm products in the States bordering on Canada and the manufactured products of New England, Pennsylvania, New Jersey, and New York.

I notice that smelts, eels, barley, rye, pumice stone, and lemons are favored with high duties in the pending bill. In looking around to find something not protected in Massachusetts, it seems eels and smelts were the only products not on the dutiable list, and instantly a duty was imposed in the present bill upon eels and smelts. This fact, with high duties on nearly everything New York, New England, Pennsylvania, and New Jersey produce, encourages me to ask that the present duty on coal be not disturbed. Coal is already in the low-duty class.

Coal deep in the ground as nature left it is raw material, and no harm can result if in this state it should be put on the free list; but when it is mined and brought to the surface of the earth, it becomes a manufactured product, as much so as any other manufactured product, and should share in such protection as is accorded other American products. The same may be said of oil 3,000 feet below the surface of the earth, and the untouched trees in the deep forests. They are raw materials and left where nature placed them. I do not oppose their going on the free list, but when the trees are made into lumber and the oil pumped into tanks they become manufactured products and need protection.

With these words in behalf of retaining the present duty on coal, the greatest industry of my State, with its production increasing every year, destined, as I believe, some day to be the greatest coal-producing State in the Union, I will at an early day discuss the claims of West Virginia to have another leading and important industry reasonably protected.

PETROLEUM.

The production of petroleum is one of the leading and important industries of the country. Petroleum is now being produced in 15 States of the Union, and every year new discoveries are made in States where it was not expected to be found. Whenever found, it adds to the value of land; indeed, its discovery is always a new creation of wealth. The farmer who leases the land on royalty for the development of oil is the most interested person next to the oil producer. Leases of oil land provide for the payment of one-eighth of all the oil produced as a royalty; besides, for the privilege of exploiting lands to find oil, the farmer gets in the way of rent from $1 to $2 an acre.

The independent producers of the United States are vitally interested in the question of a duty on oil. This industry has had the advantage of a duty on foreign oil since it has been used for practical purposes. For the first time in its history it is proposed to put oil on the free list. Against this proposition the independent oil producers of the United States protest, and claim that this will work a great injustice to an important industry.

The Standard Oil Company can stand free trade in oil, but the independent producer can not. As an American product competing with foreign products at home and in the markets of the world, being a manufactured article, oil is entitled to consideration in the making of the tariff the same as any other manufactured article.

The independent oil producers are deeply concerned over putting petroleum on the free list. They produce 89 per cent of the crude petroleum of the country, and the opening of our markets and making them free to the petroleum-producing nations of the world would be a serious injury to their interests, especially as oil is now commanding very low prices—in some localities selling for 50 cents a barrel and even less. This is caused partly by want of transportation or pipe lines to take the oil to the Gulf ports for shipment. In any effort to injure the Standard Oil Company or correct alleged abuses by this great combination the independent oil producers, already having a hard time, do not want to suffer and be driven out of business by putting petroleum on the free list.

ALWAYS A DUTY ON OIL.

Petroleum was first discovered for practical purposes in 1854; the first duty levied on it and its products was in 1863, and a duty in some form has continued ever since. Under the Wilson bill a duty of 40 per cent ad valorem was placed on petroleum and its products. Among those who voted for the bill may be named Senators BAILEY, BANKHEAD, DANIEL, and Gorman; also Bynum and W. J. Bryan, the great leader of the Democratic party. The Wilson bill imposed a duty of 40 per cent ad valorem as a measure of fair protection to one of our leading industries and to prevent our market from being overrun by foreign oil. Under the Dingley bill there was a countervailing duty on oil, and in this way foreign oil was prevented from the unrestrained freedom of our markets. For the first time oil has been put on the free list in the pending bill. The independent oil producers claim this is an injustice and will work great harm to the oil industry of the United States.

Mr. NELSON. And the Mills bill.

Mr. ELKINS. Yes, and the Mills bill had a duty; but I am referring to the Wilson bill more particularly.

I have no less respect for William J. Bryan's judgment for having voted for this duty; but some of his successors now want free petroleum, and I am sorry to say there are some Republicans looking in this direction. I do not want the revision of the duty on oil to be down and out. I do not want to go so far down as to hit the free trade floor, which is not far away. The descent is always easy. The old Latin phrase, "Facilis descensus averno est," comes to my mind as very apt

in this matter of downward revision. Translated under present conditions this would be, "The descent to free trade is easy." Then I have in mind, also, the concluding part of this quotation, which says, "But to retrace one's steps, this is a work, this is a toil." Once on the free list the independent producers fear there never would be any retracing of steps or getting back to a duty.

Petroleum and its products constitute one of the leading industries of the United States. There are about 170,000 oil-producing wells in the United States, representing, directly and indirectly, an outlay of about $700,000,000, of which the independent producer owns seven-eighths. Are you going to impair this tremendous investment, seven-eighths of which belongs to the independent producer, in order to punish the Standard Oil Company? The Senator from Wisconsin [Mr. LA FOLLETTE] made an able speech yesterday. One feature of it was this very question of the evils and abuses of concentration and combination in business, but in trying to regulate the trusts through the tariff or otherwise we must not destroy the independent producer and his large interests. If the independent oil producer or the independent steel maker or the independent producer in any other business is to be hurt or destroyed in trying to correct the abuses of the great combinations, then in the end this would leave everything in the hands of the great combinations. This surely should be avoided. The great trusts and combinations can stand free trade and survive, but the independent producer can not; he must go to the wall and disappear, leaving the trusts and combinations in charge of all production and without opposition.

OIL PRODUCTION.

The production of oil in the world is 900,000 barrels per day. Of this the United States produces 600,000 barrels, divided amongst 15 States, as follows:

State.	Wells.	Barrels daily.
California	14,000	120,000
Texas	8,000	40,000
Oklahoma and Kansas	13,000	180,000
Pennsylvania	45,000	25,000
Ohio	45,000	45,000
Indiana	10,000	8,000
West Virginia	14,000	25,000
New York	4,000	1,500
Illinois	13,000	110,000
Kentucky	2,000	1,500
Wyoming	80	900
Louisiana	800	12,000
Colorado	300	1,500
Utah	50	600

During the past two years the oil production has doubled in America, and it is $16,000,000 greater in value than the output of gold and silver in the United States. We boast about the annual production of gold and silver, and we are rejoiced at it and try to increase it.

Mr. HEYBURN. It lasts longer.

Mr. ELKINS. It lasts longer, as my friend suggests. Money is never unfashionable, or at least it never has been in the history of civilization. Some people claim they do not like money, but so far as I have observed, all people want to get money, and always more. Silver was under a cloud for a time, but thanks to wise Republican policies it is now equal in value to gold.

Last year the oil producers of the United States, fighting in the neutral consuming countries of the world, exported oil of the value of $104,000,000. Since oil production began the United States has exported $4,000,000,000 worth of oil. Think of this vast amount of money coming into this country from one industry.

There are 500,000 men engaged in the production of oil in the United States, on whose labor 2,500,000 people depend, and the daily wages paid are about $1,000,000, or approximately $300,000,000 per annum. This includes the production, refining, and shipping of petroleum, as also the manufacturing of petroleum products.

The value of the oil-producing property of independent concerns and independent refineries is about eight times greater than that of the Standard Oil Company. The independent producers sell most of their oil to the Standard Oil Company, because this company has nearly all of the pipe lines to the sea and does most of the refining.

The Standard Oil Company is more largely interested in refining than in producing.

The sugar trust is more interested in refining sugar than in producing it, just as the Standard Oil Company is more interested in refining oil than in producing it. The difference in these two great trusts is, while the independent oil producers own seven-eighths of the oil production and oil property of the country, the sugar trust owns 51 per cent of the beet sugar interests. Yet refined sugar by a vote of the Senate has a duty of 61 per cent; besides there is a duty on raw sugar. The independent oil producers are entitled to more consideration in the matter of a duty on oil, or some protection, than sugar so highly protected, because they own seven times as much oil property in the United States as the Standard Oil Company owns.

In view of these facts it would seem the oil industry is far more entitled to a duty than the sugar industry.

The Standard Oil Company is more largely interested in refining oil than in producing it. It produces only 11 per cent of the crude oil of the United States and independent operators produce the other 89 per cent. Placing oil on the free list would injure the independent producer of oil, because he produces nearly all the crude oil of the United States, and foreign oil would compete with the independent producer.

The Standard Oil Company, in addition to refining oil, is engaged more particularly in the transportation of oil in its pipe lines to the sea.

Canada pays a bounty of 54 cents a barrel in order to encourage oil production. I wish every State in this Union had oil and natural gas—they are great sources of wealth.

Thus far but little oil has been discovered in Canada. In order to encourage production, Canada pays the oil producer a bounty, instead of putting oil on the free list.

Much is said about the Standard Oil Company and what it desires in the way of a duty. I do not believe anyone knows but their own people. So far as I can learn, the Standard Oil Company seems indifferent on the subject.

When a duty was put on oil in the Payne bill the Standard Oil Company seemed to be satisfied, and when oil was put on the free list it seemed equally satisfied.

I propose to vote to protect the great oil industry of the United States by levying a reasonable duty on it. I believe it is entitled to protection the same as other American products. I will not vote otherwise in response to a prejudice against the Standard Oil Company.

Ten years ago the Standard Oil Company refined 90 per cent of the oil produced; now they refine only 80 per cent, showing a substantial gain on the part of the independent refiners.

The independent oil producers are making headway in the refining business. They will be greatly discouraged if oil is put on the free list. Some of the best citizens of the United States are engaged in oil production, and oil is a competitive product and will be affected seriously by a change in the present law. It is entitled to protection the same as any other American product competing in our markets with foreign products.

Mr. DOLLIVER. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Iowa?

Mr. ELKINS. Certainly.

Mr. DOLLIVER. The Senator has had very great business experience, and he will oblige me very much if he will point out with particularity exactly how putting oil on the free list would affect the independent oil producer.

Mr. ELKINS. I will. That brings me to this point, which I was going to discuss later. To-day in Russia, I am informed, owners of oil property are preparing to bring oil here if it is put on the free list; and in Mexico some of the best oil fields are within only 300 miles of our borders, and if oil is made free there is nothing to hinder oil coming in from Mexico, while Mexico has a high duty on imported oil.

Mr. DOLLIVER. That is a very important statement, and I have not seen anything about it in the newspapers or in any other literature that has been forced upon my attention; and I should like to have the Senator's authority for the statement that they are preparing ships in Russia.

Mr. ELKINS. English capital has acquired large oil fields in Mexico and is securing more. The Standard Oil Company also has large oil interests in Mexico. Last Saturday night one of these English capitalists dined in New York at the house of a friend of mine. Speaking of Mexican oil, he said: "If we can only get oil on the free list in the United States, we will ship oil from Mexico to all the ports on the Gulf of Mexico and the Atlantic coast." He added "that Russia is preparing to bring oil into this country in tank ships in case of free oil. I know this is not a matter of public notoriety yet." This is the authority I have, and it comes to me in the way I have stated and I credit it. I am sure, if oil is put on the free list, both Mexico and Russia will send oil to this country, and both countries maintain high duties against our oil.

In the year 1908 there were 17,000 wells drilled in the United States, at a cost of about $30,000,000.

There are 100,000,000 barrels of oil now above ground in the United States ready for shipment.

What will become of this vast surplus in case there is no duty on oil?

Mr. BRISTOW. May I inquire who owns the hundred million barrels?

Mr. ELKINS. I suppose the Standard Oil Company own a good deal of it, because it has bought it for the purpose of refining it. But the independent producers own most of it. They are now storing large quantities.

Mr. BRISTOW. If the duty is put on, and they own a hundred million barrels, the Standard Oil will be very well pleased with the duty.

Mr. ELKINS. There is a countervailing duty on oil under the Dingley Act. Whether the Standard Oil Company will be benefited or injured I can not answer the Senator, and I do not think he can find out. I know the Standard Oil Company does not own all of the one hundred millions of barrels of surplus oil. The independent owners own a vast quantity, because in many localities they can not ship the oil and the Standard company will not buy the oil.

Mr. DOLLIVER. Is there a duty on as respects the importation of oil from Mexico?

Mr. ELKINS. Yes. Whatever Mexico puts on against us, that same duty obtains here under the Dingley Act, under the countervailing clause. Mexico has a duty of 4.86 cents per gallon on crude oil imported into Mexico, and about 13 cents per gallon on refined oil.

Mr. SCOTT. Will my colleague yield to me for just a moment in order that I may reply to the Senator from Kansas in regard to the amount of oil being carried to-day. You know that our independent oil producers can carry their oil as long as they want. The Standard, if it is carried in pipes, carries it thirty days without any charge. After that a very small charge is made, and the producers can carry it as long as they see proper.

Mr. SMITH of Michigan. The Senator from West Virginia said that the Mexicans had a duty of what rate?

Mr. ELKINS. I will come to that and show the rates of all countries. Four and nine-tenths cents per gallon, I think, is the duty.

Mr. SMITH of Michigan. But does the Senator know whether the countervailing duty has been imposed by the Treasury Department?

Mr. ELKINS. I know if Mexico attempted to ship any oil into this country a like duty would be imposed in this country against the Mexican importations.

Mr. SMITH of Michigan. I want to know whether, as a matter of fact, the Treasury Department has put the countervailing duty against the Mexican oil.

Mr. ELKINS. So far as I can learn no oil has come in from Mexico. If it should, then it would pay the duty our oil pays when shipped into Mexico. This excludes Mexican oil, because the importers can not afford to pay such high duties as Mexico imposes.

Mr. SMITH of Michigan. It has not come in?

Mr. ELKINS. No.

Mr. SIMMONS. As a matter of information, I should like to inquire of the Senator from West Virginia if it is the Standard Oil Company that is getting ready to ship?

Mr. ELKINS. From Russia?

Mr. SIMMONS. From Russia, and whom he fears will buy the old fields in Mexico. Is it the Standard Oil Company that is doing that?

Mr. ELKINS. The Standard Oil Company owns oil territory in Russia and Mexico, but whether it is getting ready to ship I do not know.

Mr. SIMMONS. You said somebody was getting ready, and I think it important to know who the somebody is.

Mr. ELKINS. The Russian oil producers; I take it all of them. They are getting ready, according to the statement which came to me in the way I have related in answer to the question proposed by the Senator from Iowa.

Mr. SIMMONS. Who is getting ready to develop the Mexican fields and flood this country with Mexican oil?

Mr. ELKINS. I think the Standard Oil and the British and some Californians.

Mr. SIMMONS. If the Senator will permit me to ask him a question. I understood him to say, and it is my understanding of the fact, that the independent oil producers produced about seven-eighths of the crude oil.

Mr. ELKINS. Eighty-nine per cent.

Mr. SIMMONS. The Standard Oil Company——

Mr. ELKINS. The Standard produced 11 per cent.

Mr. SIMMONS. Refined most of that. It buys and refines it.

Mr. ELKINS. Yes, the Standard company refines the oil after purchasing it.

Mr. SIMMONS. Does not the Standard Oil Company absolutely fix the price of the oil it buys, and if it can absolutely fix the price, why should the Standard be concerning itself about oil from Mexico or from Russia or from anywhere else?

Mr. ELKINS. I do not know whether the Standard is concerning itself about a duty or not. The Standard Oil Company, I believe, can fix the price of oil around the world, but I do not know yet whether it wants this duty off or on. But it would be just the same if it owned oil in Mexico and it would be more profitable to ship it into the United States; it would in that event ship it here and sell in our market, and all foreign importations of oil, whether by the Standard Oil Company, the Russians, or the English, would displace that amount of oil in the United States and therefore reduce the price and narrow the market.

Mr. SIMMONS. How could it be more profitable if the independent producers produce all the oil the Standard wants and the Standard can get it at its own price?

Mr. ELKINS. The independent producers do not sell all the oil they produce to the Standard; they refine a great deal of their own production.

Mr. SIMMONS. If the independent producers produce all that the Standard Oil wants.

Mr. ELKINS. I have never heard the Standard accused of having all it wants, whether of oil or money or anything else.

Mr. SIMMONS. I think the Senator is right about that.

Mr. CURTIS. I should like to add to what the Senator from West Virginia has said, that in the State of Kansas we have 18 independent oil refineries and they buy oil from the independent producers, and to-day in our State the independent refineries furnish 45 per cent of the oil used.

Mr. SCOTT. In a refined state?

Mr. CURTIS. In a refined state. I should like to say a word further. The Senator said a minute ago that the Standard was buying up most of the oil in Oklahoma.

Mr. ELKINS. No, I did not say Oklahoma. I said in West Virginia.

Mr. CURTIS. From what the Oklahoma independent oil producers say and what the officers of the Government report, there are thousands of barrels stored in great earthen embankments because the operator of the three pipe lines will not buy the oil, and the independent producers must continue to produce it because the rules and regulations of the Interior Department required them to continue the operation of the wells on the lands leased from the Indian allottees, who are under the jurisdiction of the Interior Department, and the oil so stored is going to waste.

Mr. SIMMONS. Will the Senator from Kansas permit me?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from North Carolina?

Mr. CURTIS. Certainly.

Mr. SIMMONS. I understand the Senator from Kansas to say we are producing more oil in this country than we have any use for.

Mr. CURTIS. They are producing more than they have a market for; that is, more than the pipe lines in Oklahoma can take care of. There are three pipe lines, and those pipe lines are employed to their fullest capacity all the time, and they do not take care of the oil that is produced there. Those people believe that if there were more pipe lines there would be a market for the oil they produce, provided the oil from Mexico is not admitted and the price reduced. If the price of oil in Oklahoma is reduced 5 cents a barrel many of the wells in Oklahoma will be plugged.

Mr. SMITH of Michigan. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Michigan?

Mr. ELKINS. I do.

Mr. SMITH of Michigan. I was very much interested in the statement of the Senator from West Virginia that the Russian oil people were contemplating an invasion of this market. I had always been led to suppose that the activities of Russia in the oil field were confined largely to continental Europe, and the statement which the Senator makes seems to me a very threatening statement. As I understand, there are very large quantities of oil in Russia, and Russia has hitherto furnished about all the oil that Germany has required. Am I right about that?

Mr. ELKINS. Yes, partly; and the United States partly; nearly all. Germany is finding oil, but not all she needs. She imports from other countries, especially from Russia, as I am informed.

Mr. SMITH of Michigan. Germany is finding oil?

Mr. ELKINS. Yes; I will come to that.

Mr. SMITH of Michigan. And Russia is now seeking a larger market, including our own. Is that correct?

Mr. ELKINS. Yes. The other countries that are competing have put on a tariff against Russian oil, and she is now trying to find some country which has bad judgment enough to take the duty off oil, so they can ship their oil to that country, and if this bill is not changed and a duty put on oil, Russian oil will surely enter our markets.

Mr. BEVERIDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Indiana?

Mr. ELKINS. Yes.

Mr. BEVERIDGE. The Senator from Michigan was impressed, as the Senator from Iowa was, by this new and formidable apparition of Russian ships. The Senator from Iowa called for the source of the information, and it was as follows, so that the Senator from Michigan, being a lawyer, can judge of its weight: An Englishman being a free trader and, of course, a friend of Russia, as they all are, who had some oil properties in Mexico, at dinner the other night in New York, told another free-trade friend of this threatening danger on the horizon that so affects the Senator from West Virginia; and then this free-trade friend, of course, told his free-trade friend, the Senator from West Virginia, all about this conspiracy.

Mr. ELKINS. I can not say it is a conspiracy; whatever it is, it means invading the American market with foreign oil if we make oil free.

Mr. BEVERIDGE. That is the size of that.

Mr. ELKINS. The Senator from Iowa asked me, and I was frank enough to tell him. It is not in the public press. It is not official. I do not think it is generally known.

Mr. GALLINGER. It will be to-morrow.

Mr. ELKINS. To-morrow it will be known, I hope.

Mr. BEVERIDGE. It is a desperate apparition conjured up over dinner between two free traders.

Mr. ELKINS. It is not an apparition. I believe Russia will have sense enough to send her oil here if we have little sense enough to take off the duty. It is just what anyone would do. If the able Senator from Indiana possessed oil wells in Russia, and the duty was taken off, he would look around for a ship to-morrow to transport his oil to this country.

With these facts, general facts, and statements collected from authentic sources, except the facts gathered at a free-trade dinner, which does not go so well with my friend, the Senator from Indiana——

Mr. BEVERIDGE. I used the Senator's words about that.

Mr. ELKINS. I do not think any good reason can be shown for not protecting this industry the same as any other leading industry of the United States against foreign competition.

In localities where oil is produced whole towns and communities depend upon the oil business, the same as entire communities and towns in other States depend upon mining and manufacturing, and changing the duty or removing it entirely would work incalculable damage and loss, not only to oil operators and owners, but to whole towns and communities. We began with a duty on oil, and to change it now and make it free would bring ruin and disaster to many independent producers.

There are towns and communities in Pennsylvania and West Virginia—I do not know whether there are any in the Senator's State—which are largely dependent upon the oil production, just as there are towns in New England which have been built up around factories for a hundred years, and if you impair or destroy the oil business and permit other countries to take our markets and furnish the oil we now produce great ruin and disaster would follow. How would the people live who are now dependent upon the oil business? They would have to seek other localities where they could find new homes and employment.

I want to speak of West Virginia.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Iowa?

Mr. ELKINS. I do.

Mr. CUMMINS. I wish the Senator from West Virginia would state again the volume of exports of oil.

Mr. ELKINS. One hundred and four millions last year, I think I put it.

Mr. CUMMINS. Is it not true, then, that we have at the present time practically free oil—the free importation of oil?

Mr. ELKINS. I do not think the countervailing duty works to that end. I shall discuss that a little later.

Mr. CUMMINS. It is true, is it not, that upon all the oil exported the duty paid, whatever it may be, is repaid or reimbursed by the exporting company; and if we import oil from Mexico and pay a duty upon it, or from Russia and pay a duty upon it, the volume of our exports is sufficient to enable the company exporting to retake all the duty paid upon the oil, and therefore, as it seems to me, we have now free oil. The proposition of the Senator from West Virginia is to take oil from the free list under the Dingley law and put a duty upon it. That is the substantial proposition, is it not, made by the Senator from West Virginia?

Mr. ELKINS. Let me answer the Senator, if I can. I stated refined oil. That is what we export; not crude oil. I do not know of any crude oil coming into the United States. It is prevented by the countervailing duty. I stated that. The Senator is mistaken. Oil is not on the free list under the Dingley law. The countervailing duty is equal to the same duty any exporting country puts on imported oil. In most countries the duty on oil is very high, and this would make their exports to our country high and, I am glad to say, unprofitable.

Mr. CUMMINS. I am sure the Senator from West Virginia is substantially right.

Mr. NELSON. The statistics of imports from 1894 to 1907 show that there were imported of crude petroleum free in 1907 345,721 gallons and of refined petroleum 1,544 gallons.

Mr. CUMMINS. A very insignificant amount.

Mr. NELSON. And under the countervailing clause petroleum is now free, except for the countervailing duty as against countries imposing a duty on us. Under the countervailing clause there were 11,336 gallons of crude oil imported.

Mr. CUMMINS. Yes.

Mr. ELKINS. I stated none, because that is an insignificant amount, hardly anything at all.

Mr. CUMMINS. It therefore is true, is it not, that under the Dingley law, with the application of the rebating clause, we have substantially free oil, and the proposition of the Senator is to change it from free oil to dutiable oil?

Mr. ELKINS. I should like to hurry through, but I will answer that. If you will maintain the countervailing duty in the Dingley Act I will not ask for any duty, because that will work a high duty, as nearly all oil-producing countries have a high duty against our oil.

Mr. CUMMINS. I desire to ask another question. We export oil to Mexico at the present time.

Mr. ELKINS. Yes.

Mr. CUMMINS. We practically supply that Republic with her oil.

Mr. ELKINS. No, not all; Mexico now produces about 20,000 barrels of oil a day and very soon will produce more; besides she has oil refineries.

Mr. CUMMINS. What reason has the Senator from West Virginia to believe that the conditions will be changed and that oil will presently be imported into the United States from Mexico, even though the countervailing duty be removed?

Mr. ELKINS. From the best information I have the oil fields of Mexico are very promising, cover a very large extent of territory—probably the whole Gulf coast down to Veracruz, nearly 800 miles in distance—the oil is of good quality. I think just as soon as more oil wells are bored in Mexico there will be large importations into the United States, if there is no duty.

Mr. SCOTT. Will my colleague yield to me for a moment?

Mr. ELKINS. Yes; and then I should like not to be interrupted further. I should like to answer the Senator, because I think it is getting at the facts.

Mr. SCOTT. This is good doctrine, I suppose. It is Collier's Weekly. It says:

> A wonderful pool of oil of unexpected richness has been discovered within a few hundred miles of the boundary of the United States.

And it goes on, referring to this point, just across the Rio Grande from the United States.

Mr. CUMMINS. I have read that report. The truth is that that particular oil could not be brought into the United States at all. It is purely fuel oil, and could be used only as a substitute for coal on railroads. It can not be refined into illuminating oil, and I think an examination of the report of the scientist who has visited Mexico will show that the oil field of Mexico, so far as now known, is very limited in extent, probably very meager, and will be in its output. So the fears that some people seem to have that Mexico will import any considerable oil into the United States, under any circumstances whatever, are not well founded.

Mr. SCOTT. Will my colleague yield to me for a moment?

Mr. ELKINS. Yes; and then I must close.

Mr. SCOTT. Just a moment. The Senator from Iowa, of course, is well posted on these matters, and perhaps he will answer me as he did once before in debate, that it is not necessary for me to advise him in this matter. But, if I am correctly informed, all the railroads of the southern part of the country are supplied with oil produced in California. It furnishes the motive power for all those great railroads. Now, as I understand, and I think I have been credibly informed, the oil in Mexico is equally as good if not better for fuel purposes for railroads than the oil found in southern California. He certainly does not want to cripple the industry in southern California. I beg pardon of my colleague.

Mr. ELKINS. The Senate is growing weary, and I feel that I am taxing its patience too much; more than I should.

PETROLEUM IN WEST VIRGINIA.

I wish to speak about West Virginia as an oil-producing State and the importance of the oil industry.

West Virginia has 14,000 wells producing petroleum. Farmers get a royalty of $2,500,000, and the rents from land for oil purposes are $1,500,000, making $4,000,000 a year.

In West Virginia the farmers are in partnership in a sense with the oil producer, and it is a great source of revenue to the farmers. The farmer gets one-eighth of all oil produced on lands leased for oil. Every time the sun goes down in my State $50,000 is paid for oil that day. Do you think we are going to give up this industry or allow it to be impaired or hurt by making oil free when duties are imposed on nearly all other American products competing with foreign products? The distinguished Senator from Massachusetts [Mr. LODGE] found the other day that of the products of his State smelts and eels had escaped a duty, so one was instantly imposed on these products. Pumice stone has shared the same fate, but up to this moment the great petroleum industry is on the free list.

Petroleum is one of the great industries of West Virginia, ranking next to coal in value and importance. There are more than 250 independent oil producers in the State, and this body, representing this great industry through the Oil Association, has earnestly protested against taking off the countervailing duty on crude petroleum and its products, as provided in the Payne bill, and insist, if taken off, there should be a duty of 40 per cent ad valorem on petroleum and its products or a specific duty of 1 cent on a gallon on crude oil.

The oil producers have nearly one hundred millions of dollars invested in the oil business in 35 of the 55 counties of the State; the petroleum interest pays in taxes nearly half a million dollars annually into the state treasury.

The State would feel it a great hardship to do without this tax.

It would be unjust now to do anything in the way of changing or shifting the duties in a way that would impair this industry and bring loss to the independent operators.

The Standard Oil Company owns the pipe lines to the sea, I admit. The independent producers of West Virginia and Pennsylvania have one pipe line, and only one. The Standard buys nearly all the oil and pays cash for it, and there is no clash between the farmers of West Virginia and the independent oil producers and the Standard Oil Company.

Mr. President, I have a very strong memorial, addressed to the Senate, signed by the Oil Association of the independent producers of West Virginia and other States. I will not detain the Senate by reading it. It is a very earnest petition not to take off the countervailing duty without substituting an ad valorem or specific duty in its stead.

The PRESIDING OFFICER. Without objection, the petition will be published in the RECORD.

The petition is as follows:

MEMORIAL TO UNITED STATES SENATE ON BEHALF OF THE INDEPENDENT OIL PRODUCERS OF WEST VIRGINIA.

The independent oil producers of West Virginia most earnestly protest taking a countervailing duty off of crude petroleum and placing it on the free list for the following reasons:

First. Because they have $100,000,000 invested in the oil business in 30 of the 55 counties of the State, and pay annually nearly one-half a million dollars into the state treasury, and are therefore entitled to protection, which none but the National Congress can give, to one of the chief industries of the State.

Second. Because in the history of olidom, pioneer development has always been done by the independent producers, as is most likely to be in future cases, and its continuance depends upon the price of crude oil being kept sufficiently high to encourage prospecting in partly developed fields, and in what is known in oil parlance as "wild-cat territory."

Third. Because much of the money necessary and being used in prospecting for oil is borrowed from the banks of the State and a slump in the oil market would cause a run on the banks.

Fourth. Because there are at least 500,000 people in the United States engaged in and dependent upon the oil business, of which there are forty to fifty thousand in West Virginia dependent upon the oil and gas business for their occupation and support.

Fifth. Because in old developed oil fields where the wells have dropped in production to one or two barrels per well per day the owners could not stand a reduction in the price of oil below what it is now and continue their operation.

Sixth. Because if crude petroleum were placed on the free list and the products of Mexico and Canada (lower in grade and produced at less cost) were allowed to come in free of duty in competition with our own products in the South and West it would not only get our market in oils of the same grade, but would affect our higher-grade oils in West Virginia, Ohio, and Pennsylvania, and the United States being not only the greatest consumer, but the greatest producer as well, would not only eliminate as an exporter in the markets abroad in the eight producing and the twelve nonproducing countries which levy import duties on petroleum (if the countervailing duty was removed and no specific tariff were imposed), but the inducements to protection would be absolutely strangled at home.

It is most earnestly urged that instead of placing crude petroleum on the free list or retaining the countervailing duty under the Dingley Act, that at least a 40 per cent ad valorem be fixed, but in the event an ad valorem duty of a sufficient amount to protect the industry can not be agreed upon the countervailing duty as it now stands is asked to be retained.

Hence, from the foregoing statements, supported by the following authentications and facts and figures, it will be seen that the oil industry is of sufficient importance to merit the most serious and favorable consideration possible, and that its very life, on account of the vast sums expended and the risks run, and the timidity of capital in risking enterprises, depends absolutely upon whether this giant industry is to be left as a piece of flotsam floating upon an uncertain sea of industrial caprice, or is to be given that protection it deserves along with other legitimate American industries of similar magnitude and importance.

FACTS AS TO WEST VIRGINIA.

Aggregate valuation of oil and gas companies, 1908	$76,400,000
Taxes paid on the above amount in 1908	495,000
Amount oil production, 1908, was 9,300,000 barrels, value	16,275,000
Value of oil leasehold estates in West Virginia in 1908 aggregates	25,480,000
Oil royalties paid to farmers and landowners	2,340,000
Amount paid out by oil companies alone for lease rentals	1,550,000
Amount paid out to pumpers and employees at producing wells in the operation of producing oil wells, over	2,600,000
Amount paid out annually in West Virginia for labor and supply men, teamsters, etc., in drilling new wells	4,670,000
Over 6,000 men regularly employed in West Virginia by oil companies, at average salary of $70 per month, making a monthly pay roll of (and this does not include teamsters employed or laborers hired by contractors who drill wells by contract)	420,000

Of the aggregate value of oil production in West Virginia $11,000,000 of the $16,000,000 remains here and goes to the landowners and laborers of the State.

From forty to fifty thousand people in West Virginia are directly supported by the oil and gas industries, not counting the indirect benefits going to merchants, hotel keepers, professional men, and business people generally.

Mr. ELKINS. Many people believe that the Standard Oil Company owns or controls all the oil production in the United States and the independent oil producers are of little importance.

I have two letters here that I will ask to have placed in the RECORD, one from Mr. Charles B. Morrison, who helped Mr. Frank B. Kellogg, and one from Mr. Kellogg himself, who represented the Government in the suit against the Standard Oil Company to dissolve the corporation. Both of them testify that there is a great body of independent oil producers in the United States. It was claimed that the Standard Oil Company owned all these independent wells and property. I will not detain the Senate to read these letters, but ask that they be printed in the RECORD.

The PRESIDING OFFICER. The Chair hears no objection to the request of the Senator from West Virginia.

The letters referred to are as follows:

DAVIS, KELLOGG & SEVERANCE, ATTORNEYS AT LAW,
MERCHANTS' NATIONAL BANK BUILDING,

FRANK B. KELLOGG.
CORDENIO A. SEVERANCE.
ROBERT E. OLDS.

ST. PAUL, MINN., *May 26, 1909.*

C. D. CHAMBERLAIN,
New Willard Hotel, Washington, D. C.

MY DEAR SIR: The refiners which you have represented in the past, members of the National Petroleum Refiners' Association, are, I have no doubt, independent of the Standard Oil Company. In the very thorough investigation we made and in all the testimony taken before the special examiner in the Standard Oil case these refiners were treated as independent, and I believe them to be so.

Very truly, yours,

FRANK B. KELLOGG.

MORRISON, BROWN & GOULD LAW OFFICES,
900 FIRST NATIONAL BANK BUILDING,

CHARLES B. MORRISON.
C. LE ROY BROWN.
CHARLES J. GOULD.
JOHN S. LORD.
PAUL W. WEMPLE.

CHICAGO, *May 25, 1909.*

Mr. C. D. CHAMBERLAIN,
New Willard Hotel, Washington, D. C.

DEAR Mr. CHAMBERLAIN: Yours of the 20th inst. just reached me, and in reply I have to say that if the question as to whether the petroleum interests which you represent are independent of the Standard arises at any time, you are at liberty to call upon me, and I think I can satisfy any person that those interests are independent. From the time we commenced the suit in behalf of the Government against

the Standard Oil Company and its affiliated companies you and those connected with your office were of great help to us, not only in posting us as to the facts but in assisting us in gathering the testimony and in presenting it to establish the facts, and if there is any one thing that I learned thoroughly during the progress of that lawsuit it was that you and the companies engaged in the petroleum business with which you were connected were wholly and completely independent of the Standard interests. And you were not afraid to have your hostility to those interests known to everybody, because what you did in assisting the Government in its prosecution was done openly and fearlessly, and was greatly appreciated by the attorneys representing the Government. * * *

It seems strange to me, knowing the facts as I do, that anyone at all posted should ever raise the question as to the independence of the companies which you represent. However, I can readily understand that one not going through it as we did might not be so thoroughly posted upon the situation as I am.

I wish you success in your efforts to uphold and advance the independent oil interests of the country.

Very truly, yours, C. B. MORRISON.

Mr. ELKINS. No business requires so great an expenditure with so great a risk as the oil business. The cost of drilling an oil well 3,000 feet deep is $10,472, a little over $3 per foot, and wells at a less depth would be at the same ratio.

The above expenditure must be made before any returns, and "on the chance of striking oil;" yet look at the distribution of money in many directions, supporting the different industries and persons connected with and dependent upon the oil business.

In a condensed form I want to submit some figures which will certainly warrant my colleague and myself, as well as Senators from other States, in standing here and defending this great interest. So far as it affects West Virginia the figures are as follows:

Aggregate assessed valuation of oil and gas companies, 1908, $76,400,000.

Taxes paid on the above amount in 1908 into the state treasury, $495,000.

Amount of oil production, 1908, was 9,300,000 barrels, valued at $16,275,000, or $50,000 a day.

Value of oil leasehold estates in West Virginia, 1908, amounts to $25,480,000.

Oil royalties paid to farmers and landowners, $2,340,000.

Amount paid out by oil companies alone for lease rentals, $1,550,000.

Amount paid out to pumpers and employees at producing wells, in the operation of producing oil wells, over $2,600,000.

Amount paid out annually in West Virginia for labor and supply men, teamsters, etc., in drilling new wells, $4,670,000.

Over 6,000 men regularly employed in West Virginia by oil companies, at average salary of $70 per month, making a monthly pay roll of $420,000.

This is a great showing for one industry in a State. Surely it will not be denied advantages granted other American products.

OTHER OIL-PRODUCING COUNTRIES MAINTAIN A HIGH DUTY ON PETROLEUM.

All oil-producing countries of the world have high tariffs against importation of oil. Why should the United States open its home market to oil from other countries maintaining the highest duties against our oil?

I submit some figures showing the duties imposed by foreign countries on crude oil and refined petroleum:

Import duties levied on petroleum by countries producing petroleum.

[Reduced to American currency and American gallons.]

Country.	Crude oil (per gallon).	Refined oil (per gallon).
	Cents.	*Cents.*
Austria (Galicia)	4.967	14.36
Roumania	1.14	2.84
Burma (India)	1.66	1.66
Russia	2.816	16.895
Mexico	4.86	13.27
Canada	Free.	2.083
Java (Dutch Indies)	(a)	.37
Japan	(b)	4.785

[a] 5.19 per cent ad valorem.
[b] 20 per cent ad valorem plus 20 per cent for sundries.

The oil of Mexico, in case of free oil, will be the greatest menace to the oil industry in the United States. If we have free oil, nothing can hinder Mexico sending oil to all of our ports on the Gulf of Mexico and the Atlantic coast. Water rates on petroleum in tank steamers are low. This would have the effect of reducing prices, displacing American oil, throwing thousands of people out of employment, and reducing the value of oil property. Some of the oil fields of Mexico are only about 300 miles from our border. Mexico is now producing about 25,000 barrels a day and will, it is estimated, in two years produce 200,000 barrels per day. Labor is very cheap in Mexico, from 20 to 40 cents per day. Most of the oil exported is shipped from Tampico, a seaport—30 or 40 miles by pipe line from the oil fields—and there, by delivering it into tank steamers, it can come to the United States at a very low freight rate.

The Standard Oil Company owns a number of refineries in Mexico, also great oil properties. It is believed the Standard Oil Company would take advantage of oil being on the free list and import it into the United States. Imported oil would displace that much American oil, no matter whether the Standard Company or others import it.

Foreign countries producing petroleum, with an aggregate population of at least 200,000,000, have shut out the American product by prohibitive duties.

To the countries closing their doors to American petroleum the bill as reported to the Senate offers the unrestrained freedom of our markets.

Placing petroleum and its products on the free list would benefit Russia, Mexico, Canada, and the Dutch Indies, and be a great stimulant to the development of every foreign petroleum industry. The damage that would follow would be felt by the independent oil producer all over the country, because prices, already too low in some localities, as Kansas, Oklahoma, and Texas, would still further decline. The Standard Oil Company could stand this better than the independent producer.

The plethora of 100,000,000 barrels of crude oil in the United States ready for shipment should be a strong incentive to sustain its supremacy in the world's markets, rather than to destroy its value by offering the American markets unreservedly to foreign competitors.

FOREIGN COMPETITORS OF AMERICAN PETROLEUM.

As to the extent of the foreign production of petroleum the following is submitted:

Country.	Annual crude production.
	Barrels.
Russia	62,050,000
Austro-Hungary (Galicia)	12,775,000
Roumania	8,395,000
Dutch Indies	10,950,000
Burma	5,475,000
Mexico	9,125,000

These countries have a large surplus available for export, and against this surplus the American product is competing in the neutral competing markets of the world.

The production of Germany and Japan, while already large and increasing, is still inadequate for their home requirements.

The producing and refining industry of Canada would be promptly stimulated by a new free market across her frontier.

Italy, Egypt, Algiers, Assam, Peru, South Africa, Australia, and New Zealand produce oil, and capital is being found to aid in its development.

Russia, Austria, and Mexico, with an aggregate population of about 200,000,000 people, are the great competitors of the United States in the production of petroleum. The combined annual production of petroleum in these countries last year was 84,000,000 barrels. Their per capita consumption was twenty-eight seventy-fifths of a barrel. Under the Dingley law these countries could have had free trade at any time with the United States on petroleum and its products, yet they refused it. The production of crude petroleum in the United States last year, with a population of 85,000,000, was 182,000,000 barrels of oil. The per capita production in the United States was two and twelve eighty-fifths barrels.

The United States is both the largest oil-producing and the largest oil-consuming country in the world, and not only has it the largest surplus available for export, but such surplus has to-day need of enlarged markets.

With these facts before the Senate, I can not believe it possible that it will put oil on the free list, to the great injury of the independent producers of the United States.

Removing the countervailing duty without substituting a specific duty would be giving up the unconditional freedom of the greatest consuming market of the world without any return.

EFFECTS OF DISCRIMINATING IN FAVOR OF SECTIONS.

The effect of favoring some States and sections in making the tariff and discriminating against others would not only be unjust but disastrous. West Virginia, both in the House and Senate, votes willingly for a duty on wheat, corn, meat, hides, barley, eggs, potatoes, and other agricultural products to protect farmers all over the country against like products coming from Canada and Europe; also for a duty on all manufactured goods or products of New England, Pennsylvania, and other States to protect these products against foreign competition even if she does not manufacture any of them. She does so on the

broad, general principle of protection. I would not consider it fair to put on the free list products of other States which my State did not produce.

Pennsylvania has $300,000,000 capital invested in manufactures—more than the 14 southern States combined—all protected with high duties.

Massachusetts, in area, 8,000 square miles, with a population of 3,000,000, without coal, iron, lumber, wool, or cotton, all of which is hauled within her borders, turns out manufactured products equal to 60 per cent of the entire South, which has 26,000,000 people and is rich in natural resources.

In 1905 West Virginia had 2,109 establishments; the capital invested was $86,820,823. The annual value of products was $99,040,670. New England had 22,279 establishments, the capital of which was $1,870,995,405. The annual value of products was $2,025,998,437. Pennsylvania had 23,495 establishments; the capital was $1,995,836,988, and the annual value of products $1,955,551,332. New Jersey had 7,010 establishments, the capital of which was $715,060,174, and the annual value of products $774,369,025. New York had 37,194 establishments, the capital of which was $2,031,459,515, and the annual value of products $2,488,345,579.

I mention the vast number of these manufacturing establishments, their capital, and the value of their products with infinite pride and pleasure. I rejoice we have so many in our country and wish we had more. I am glad that the products of these establishments are highly protected, and as a result are prosperous and their owners doing a good business.

If it should be proposed to put on the free list a portion of these products whose annual value is $1,500,000,000, after they had enjoyed protection for so long a time, I am sure no Senator, though he be the rankest free trader in this body, could be found to vote for such a proposition, because if such a thing were possible it would be followed by ruin and disaster. This leads me to ask why are not the reasons equally strong in every particular for not putting coal, oil, and lumber on the free list, the annual value of their products being $1,500,000,000; employing more people, with more capital invested, and whose operations extend over a continent?

PROTECTION SHOULD BE MAINTAINED ON COMPETING PRODUCTS.

Protection has been the foundation upon which the great manufacturing industries of New England, Pennsylvania, New York, and New Jersey, and other States have been built, and these industries are the growth of nearly a century. To ask that one-half of their products be put on the free list and low duties on the rest would bring ruin to these great States; even society itself, with the impairment of these industries, would becomes disorganized. Yet this is just what the Payne bill requires as to the leading and longest-established industries of West Virginia and the South.

Heretofore the South has opposed protection, even on her own products, and, in my judgment, to the great detriment of her people and business. It is said the South has made politics her business, while the North has made business and prosperity her politics. Look at the difference in the progress and prosperity of the two sections. Look at the triumphs and astonishing results in New England, with mostly brains and granite as natural resources, not producing enough meat and breadstuffs to support her people, with no coal, iron ore, timber, oil, cotton, yet she leads in manufacturing in many important industries, and her people are contented, successful, and prosperous. If New England had the natural resources of the South and her vast area she would lead all nations in manufacturing and general business, and go on not only shaping the destinies of this mighty Republic, but influencing and molding the thoughts and economic policies of the world.

Protection has kept the Republican party in power for nearly fifty years, and will continue to do so as long as the Democratic party opposes this cardinal principle, long ago adopted and confirmed time and time again by the American people.

The South can stand free trade better than any portion of the Union, but she can not go forward and make progress in the industrial race of the nation and enjoy that prosperity that belongs to her, by reason of her great advantages and natural resources, if the products of other sections of the Union have high duties and protection and low duties or none at all on her products. This makes the race uneven. For fifty years the South has been denied advantages other sections have enjoyed.

In looking at the schedules in the pending bill no important American farm or manufactured product in New England, New York, Pennsylvania, New Jersey, the Northwest, and Pacific States, competing with foreign products, is on the free list; not one. Then, why should the leading industries of certain other sections and States, such as coal, lumber, oil, and other products, be put on the free list or have a low duty? This is discrimination which should not obtain in making a tariff bill for the whole country. The people of the South are the consumers of the farm and manufactured products of other States and pay their part of the duties that protect them, and in turn, according to all the rules of fairness and justice, the products of West Virginia and the South should be protected.

No competing American products should be put on the free list unless everything into the making of which they enter should either have a low duty or be likewise placed on the free list.

As I have said before in this debate, I believe there should be levied on all foreign products competing with American products in our home markets some duty high or low, according to conditions, so that American products competing with foreign products should have some measure of protection and some share in the distribution of duties. If this principle should be adhered to, there would be less difficulty in framing the present bill, and when it becomes a law it would give more general satisfaction than if we maintain high duties on some products and no duties at all on others.

A true protectionist can not be selfish and partial; he can not ask for a duty or protection on the products of his State or section and deny it to other States and sections. With him protection should be an economic principle; not local, but national.

The protectionist votes to maintain protection to American industries and American wages, always having the good of the whole country and the good of the people in mind.

A tariff never could be made if the States voted for duties only on their own products and against placing a duty on the products of other States, which they do not produce. If there is to be a revision or change in the tariff downward or upward, or however made, I protest why make it downward on coal, oil, lumber, iron ore, and other southern products and not on highly protected products? Why reduce the duty on lumber 50 per cent and increase or retain a high duty on wheat, barley, cotton, woolen goods, cutlery, shoes, sugar, and many other articles?

The tariff should be general in principle and application, not favoring certain products, States, and sections, while discriminating against others.

The Republican party, strongly intrenched as it is in public confidence, can not continue to hold power if it fails to adhere to protection on broad lines, and, in making the tariff, discriminates in favor of the products of certain States and sections. No section of this country could be prosperous if part of its manufactured and other products were on the free list or had only a low duty.

Duties should not be mountain high on some products and no duties on others.

The present tariff bill, to last and give satisfaction, must be made right. Duties must be fairly and justly levied and distributed on foreign products, with no favoritism to States or sections.

LUMBER, COAL, AND OIL SHOULD HAVE A FAIR DUTY.

More than 1,000,000 men are employed in the lumber, coal, and oil industries of the United States. The daily wages paid for labor in these three industries is about $2,500,000, or $750,000,000 annually. The amount of money paid out each year for the transportation of these products to market is about $2,000,000,000. These figures are staggering, but they show the importance and greatness of these industries. The money invested in these industries is just as sacred and the same as the money invested in other industries; they give employment and homes to hundred of thousands of wage-earners.

Carrying on these industries helps the general business of the whole people and country. Then why discriminate against them by putting them on the free list or imposing on them a low duty? Any injury to them, any hindrance to their progress and success, any impairment in any way would be a great loss, not only to these industries, but to the whole country. It would cause a diminishing volume of business throughout the entire country; there would be reduction of wages, and thousands of people would be thrown out of employment.

The value of the annual output of coal, lumber, and oil in the United States is equal to the value of the farm products of 15 agricultural States, or equal to the value of the manufactured products of many States in the East, all of whose products are highly protected.

It has been argued in this debate, I believe, for the first time in the Senate, that because a product is exhausted by use it should not be protected.

This is a worse heresy than out-and-out free trade, and I hope it will find no place in our tariff system. Whether an industry

is short lived or long lived, it should make no difference in the protection which it should receive while it does live.

The theory has also been advanced that coal, oil, lumber, iron ore, and other products exhausted or destroyed by use should be put on the free list as a means to their conservation. This theory, while new and strange, is open to the objection that the burden of conservation falls on the individual, and not on the State. Conservation is in the public interest, and therefore the individual owner should not be made to suffer to promote the general good.

If we are going to open the markets of the United States for coal, oil, and lumber to Canada, Mexico, and the countries of Europe, why not open them to farm products, and let Canada supply them on the north, and Mexico supply lumber, cattle, oil, zinc, and lead on the south, on the theory that it is best to prolong the life of these industries by letting foreigners share our markets or drive our people out of them that these products may be conserved?

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 20 minutes p. m.) the Senate adjourned until to-morrow, Thursday, June 3, 1909, at 10 o'clock and 30 minutes a. m.

NOMINATIONS.

Executive nominations received by the Senate June 2, 1909.

SURVEYOR OF CUSTOMS.

Louis P. Bryant, of Louisiana, to be surveyor of customs in the district of New Orleans, in the State of Louisiana, in place of Fenton W. Gibson, deceased.

PROMOTIONS IN THE NAVY.

The following-named ensigns to be lieutenants (junior grade) in the navy from the 2d day of February, 1909, upon the completion of three years' service in present grade:

Cleon W. Mauldin,
Chester L. Hand,
Aubrey K. Shoup, and
John J. McCracken.

The following-named lieutenants (junior grade) to be lieutenants in the navy from the 2d day of February, 1909, to fill vacancies existing in that grade on that date:

Cleon W. Mauldin,
Chester L. Hand,
Aubrey K. Shoup, and
John J. McCracken.

Passed Asst. Surg. Richard B. Williams to be a surgeon in the navy from the 11th day of December, 1908, vice Surg. George Rothganger, retired.

First Lieut. Albert N. Brunzell to be a captain in the United States Marine Corps from the 10th day of July, 1908, vice Capt. James W. Broatch, deceased.

Second Lieut. Paul A. Capron to be a first lieutenant in the United States Marine Corps from the 14th day of December, 1908, vice First Lieut. Louis G. Miller, deceased.

The following-named machinists to be chief machinists in the navy from the 3d day of March, 1909, after the completion of six years' service in present grade, in accordance with the provisions of an act of Congress approved March 3, 1909:

Charles H. Hosung,
Adam Gibson,
Charles G. Nelson,
Fred J. Korte,
Clarence M. Wingate,
Jannis V. Jacobsen,
George W. Johnson, and
Francis J. McAllister.

Carpenter Charles E. Richardson to be a chief carpenter in the navy from the 5th day of May, 1909, upon the completion six years' service, in accordance with the provisions of an act of Congress approved March 3, 1899, as amended.

POSTMASTERS.

CALIFORNIA.

Frank D. Burrows to be postmaster at San Anselmo, Cal. Office became presidential July 1, 1908.

Charles B. Fischer to be postmaster at Burbank, Cal. Office became presidential January 1, 1909.

William H. Macy to be postmaster at San Dimas, Cal. Office became presidential January 1, 1909.

COLORADO.

Charles W. White to be postmaster at Julesburg, Colo., in place of William H. Wallace, deceased.

INDIANA.

William Helminger to be postmaster at Bremen, Ind., in place of James M. Ranstead. Incumbent's commission expired January 9, 1909.

Edwin L. Lautzenhiser to be postmaster at North Manchester, Ind., in place of Jonas Grossnickle. Incumbent's commission expired December 12, 1908.

ILLINOIS.

Jennie M. de Roo to be postmaster at Fort Sheridan, Ill., in place of Jennie M. de Roo. Incumbent's commission expired January 9, 1909.

M. M. Hitchcock to be postmaster at Berwyn, Ill., in place of Harry J. Faithorn, resigned.

James P. Jack to be postmaster at Newton, Ill., in place of James P. Jack. Incumbent's commission expired December 20, 1906.

William W. Lowry to be postmaster at Auburn, Ill., in place of William W. Lowry. Incumbent's commission expired December 12, 1908.

IOWA.

Henry E. Westrope to be postmaster at Corning, Iowa, in place of Charles W. Gray, resigned.

LOUISIANA.

Arthur F. Clement to be postmaster at Mansfield, La., in place of Isabel C. Taylor. Incumbent's commission expired February 10, 1909.

Tolbert J. Wakefield to be postmaster at Lake Charles, La., in place of James S. Thomson. Incumbent's commission expired March 1, 1909.

MAINE.

Fred W. Preble to be postmaster at Bingham, Me., in place of Mary E. Clark, resigned.

MASSACHUSETTS.

Ralph W. Emerson to be postmaster at Chelmsford, Mass., in place of Ralph W. Emerson. Incumbent's commission expired November 17, 1907.

NEBRASKA.

William H. Rood to be postmaster at North Loup, Nebr. Office became presidential January 1, 1909.

NEW YORK.

Ivans Lewis Hubbard to be postmaster at Bay Shore, N. Y., in place of Eugene P. Strong, removed.

Agnes M. Nolan to be postmaster at Chateaugay, N. Y., in place of Edward L. Nolan, deceased.

NORTH CAROLINA.

Thomas H. Ramsbottom to be postmaster at Chadbourn, N. C. Office became presidential January 1, 1909.

OHIO.

Frank G. Hoskinson to be postmaster at Montpelier, Ohio, in place of James C. Holloway. Incumbent's commission expired March 3, 1907.

Sylvanus P. Louys to be postmaster at Stryker, Ohio. Office became presidential January 1, 1909.

James T. McCready to be postmaster at Butler, Ohio. Office became presidential January 1, 1909.

De Witt C. Pemberton to be postmaster at New Vienna, Ohio, in place of De Witt C. Pemberton. Incumbent's commission expired February 10, 1909.

Charles B. Saxby to be postmaster at Weston, Ohio, in place of Charles B. Saxby. Incumbent's commission expired January 5, 1908.

OREGON.

J. C. Pritchett to be postmaster at Freewater, Oreg., in place of Anna G. Baskett, resigned.

PENNSYLVANIA.

Lily Watters to be postmaster at Evans City, Pa., in place of Lily Watters. Incumbent's commission expired February 19, 1907.

SOUTH CAROLINA.

Della D. Carter to be postmaster at Lake City, S. C. Office became presidential October 1, 1908.

SOUTH DAKOTA.

Horace M. Green to be postmaster at Alcester, S. Dak. Office became presidential January 1, 1909.

Jacob R. Guthrie to be postmaster at Murdo, S. Dak. Office became presidential October 1, 1907.

TEXAS.

Frank L. Irwin to be postmaster at Terrell, Tex., in place of Francis M. Barton, deceased.

Luther B. Johnson to be postmaster at Celina, Tex. Office became presidential January 1, 1909.

WEST VIRGINIA.

William J. Crutcher to be postmaster at Holden, W. Va. Office became presidential April 1, 1908.

Lancey W. Dragoo to be postmaster at Smithfield, W. Va., in place of Ezra A. Edgell. Incumbent's commission expired April 12, 1908.

Mary Hateley to be postmaster at Follansbee, W. Va. Office became presidential January 1, 1909.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 2, 1909.

CONSULS.

Henry P. Coffin to be consul at Mazatlan, Mexico.
Augustus E. Ingram to be consul at Bradford, England.
Marion Letcher to be consul at Acapulco, Mexico.
George B. McGoogan to be consul at Progreso, Mexico.
George H. Scidmore to be consul at Kobé, Japan.

ASSOCIATE JUSTICE SUPREME COURT NEW MEXICO.

Alford W. Cooley to be associate justice of the supreme court of the Territory of New Mexico.

ASSOCIATE JUSTICE, SUPREME COURT OF THE PHILIPPINE ISLANDS.

Charles B. Elliott to be associate justice of the supreme court of the Philippine Islands.

CHIEF OF THE BUREAU OF NAVIGATION IN THE NAVY.

Rear-Admiral William P. Potter to be Chief of the Bureau of Navigation in the navy.

PROMOTIONS IN THE NAVY.

Capt. Herbert Winslow to be a rear-admiral in the navy.

Commander William Braunersreuther to be a captain in the navy.

POSTMASTERS.

ALABAMA.

George W. McFall, at Sheffield, Ala.

ARKANSAS.

Richard P. Chitwood, at Magazine, Ark.

OHIO.

Howard B. Jameson, at Dalton, Ohio.
Solomon Rousculp, at Thornville, Ohio.

SENATE.

THURSDAY, *June 3, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

FRENCH SPOLIATION CLAIM.

The VICE-PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spoliation claims, set out in the findings of the court relating to the vessel schooner *Friendship*, Patrick Drummond, master (S. Doc. No. 73), which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

Mr. DEPEW presented memorials of Local Union No. 11, of Buffalo; of Local Union No. 17, of Syracuse; of Local Union No. 189, of Ticonderoga; and of Local Union No. 130, of Watertown, all of the International Brotherhood of Stationary Firemen; of the Board of Education of Fort Edward; of members of the Brooklyn Citizen composing-room chapel of Brooklyn; of the stereotypers, pressmen, and mailers of the Star Gazette, of Elmira; of the compositors, stereotypers, and pressmen of the Troy Record, of Troy; of Local Union No. 20, of Piercefield; of Local Union No. 5, of Ticonderoga; and of Local Union No. 1, of Fort Edward, of the International Brotherhood of Pulp, Sulphite, and Paper Mills Workers, all in the State of New York, remonstrating against a reduction of the duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented a petition of members of the Martin B. Brown Company book chapel, of Brooklyn, N. Y., praying that print paper and wood pulp be put on the free list, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Bath, Pembroke, Wellsville, Pavilion, Newstead, Hammondsport, Penn Yan, Phelps, Akron, Stanley, Branchport, Oakfield, Romulus, Victory, Mount Morris, Syracuse, Holley, Troy, Hornell, and Canandaigua, all in the State of New York, praying for the restoration of the duty on foreign oil productions, which were ordered to lie on the table.

Mr. PERKINS presented a petition of the Chamber of Commerce of Oakland, Cal., praying that an appropriation be made to enable the Interstate Commerce Commission to secure a valuation of all railroad property in the United States, which was referred to the Committee on Interstate Commerce.

He also presented a petition of General George Washington Council, No. 49, Junior Order United American Mechanics, of Fresno, Cal., praying for the enactment of legislation to prohibit the immigration into the United States of all Asiatics, except merchants, students, and travelers, which was referred to the Committee on Immigration.

BILL INTRODUCED.

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DIXON:

A bill (S. 2523) for the establishment of a new land district in Chouteau County, State of Montana; to the Committee on Public Lands.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The Secretary will state the pending amendment.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clarke, Ark.	Foster	Penrose
Bacon	Clay	Frye	Perkins
Beveridge	Crane	Gallinger	Piles
Bradley	Culberson	Hale	Scott
Brandegee	Cullom	Hughes	Smith, Mich.
Bristow	Cummins	Kean	Smoot
Brown	Curtis	La Follette	Stone
Bulkeley	Daniel	Lodge	Sutherland
Burkett	Depew	McCumber	Taylor
Burnham	Dick	Martin	Tillman
Burrows	Dillingham	Nelson	Warner
Burton	Dixon	Nixon	
Carter	Dolliver	Oliver	
Clark, Wyo.	Flint	Page	

Mr. PILES. My colleague [Mr. JONES] is necessarily absent for a short time this morning.

The PRESIDING OFFICER (Mr. KEAN in the chair). Fifty-three Senators have answered to their names. A quorum of the Senate is present.

Mr. BROWN. Mr. President, I call the attention of the Senate and of the chairman of the Committee on Finance to the fact that we were informed the other day that the committee had in contemplation a further report on the paragraph relating to wood pulp and print paper. I wondered if we could have some idea this morning of the character and tenor of that contemplated amendment.

Mr. ALDRICH. Mr. President, the committee have not arrived at any definite conclusion with reference to that matter. My impression is that the rate which the committee will report will be above the House rate and below the existing law; but that is as definite a statement as I am able to make at this moment.

Mr. BROWN. I simply desired to know for the reason that I myself have in contemplation an amendment to the paragraph. I give notice now to the committee that I intend to propose an amendment putting wood pulp and print paper on the free list, and I expect to submit some reasons in support of that amendment.

Mr. ALDRICH. The committee will report an amendment as soon as possible to that paragraph. I realize that it is a matter of great public interest. The Senator can rest assured that the report of the committee will be within the limits which I have suggested.

Mr. STONE. Mr. President, I wish to interpose at this point to say a few words about a matter which I deem important. I tried to get the floor yesterday for this purpose, but could not, and so I avail myself of this opportunity.

Last Saturday during a half acrimonious debate in the Senate, growing out of an effort made by several Senators to have a certain report relating to German wages furnished by the German Government to our State Department sent to the Senate and printed for the use of the Senate, the Senator from Rhode Island [Mr. ALDRICH], among other things, said:

It is the first time in the history of the United States, I assume, when a foreign government has undertaken to send through diplomatic channels to the United States anonymous testimony of manufacturers to answer statements made before a committee of Congress.

A little later on the same day, during the course of the debate, the Senator further said:

If I were not afraid of saying something which might be considered harsh, I would say that the attempt on the part of the representatives of any government or the manufacturers of any country to influence the legislation of this Congress in this way is, to say the least, impertinent.

Mr. President, when the Senator from Rhode Island made these somewhat petulant and extraordinary declarations every one here took notice, and I think everyone regarded his utterances as impolitic, if not impolite. The Senator from Rhode Island is known everywhere——

Mr. ALDRICH. Mr. President, it is impossible for me to hear the Senator from Missouri. I hear my name mentioned occasionally, but I can not hear what the Senator is saying.

Mr. STONE. I wish the Senator to hear what I am about to say, for this I know is true.

Mr. ALDRICH. I assume the statement the Senator is making is true.

Mr. STONE. There were statements made by the Senator that were incorrect. The Senator from Rhode Island is everywhere known as one of the great leaders, if not, indeed, the leader in chief, of the majority party as represented in the Senate. These remarkable utterances, therefore, naturally attracted attention, both here and abroad, and I am not surprised that the German Government and people have taken notice of them and have felt offended because of them. I desire to read the following cablegram printed widely throughout the country on yesterday:

BERLIN, *June 1.*

The charge made at Washington by various American Senators that the German Government was endeavoring to influence tariff legislation in the United States by supplying official information regarding wages, which, upon examination, proved them to be much higher than the wages attributed to German manufacturers in the hearing before the Ways and Means Committee, has caused a disagreeable impression in governmental offices here. This is especially the case at the ministry of the interior and the foreign office, where the information in question was prepared, in reply to a request sent in by the State Department.

The German Government has been subjected during the past two months to attacks by German trade journals for having supplied America with German trade secrets. This knowledge of German wages, it is alleged, made it possible to adjust the new tariff to a level where German goods could not be exported to the United States. An abstract of the foreign office's communication, through Ambassador Hill, to the State Department was cabled from here March 29 and was reproduced in the German newspapers. It brought out savage attacks on the Government for yielding to "the impudent demands of the Yankees."

The State Department, in formulating its request, sent through Ambassador Hill, is understood to have emphasized the point that Germany's advantage lay in supplying trustworthy information with regard to wages so that the United States could frame its tariff schedules equitably. Otherwise, it was argued, Germany could not complain if erroneous information was used as a basis. This request was received December 10, and was made the subject of a communication to the Federated States of Germany, each of which ultimately obtained the information desired from the official chambers of commerce. The mass of reports was first collated in the ministry of the interior and then in the trade division of the foreign office. It was transmitted about March 27, and arrived at Washington about April 8, being sent in duplicate, both through Ambassador Hill and Count von Bernstorff, the German ambassador at Washington.

Some surprise is expressed here that for two months the material apparently did not reach the American Congress, or if it did reach either House, it must have been pigeonholed.

German officials have been enduring attacks at home, but they are amazed at the accusation from America that they acted strangely in complying with the request of the American Government. The matter is likely to come up in the Reichstag.

Thus it will be seen that this indictment by the Senator from Rhode Island directed against the German Government has caused a disagreeable impression in governmental offices in Berlin.

Mr. ALDRICH. If the Senator desires to be absolutely accurate, as I am sure he does, and if he rereads my statement, he will see that I made no charges against the German Government. I was talking about German manufacturers who were furnishing information here and whose names were kept from us, with no means of verifying the information received and information furnished us, with the express understanding that it was not to be used in the enforcement of our customs laws. The Senator may himself consider of value information furnished by manufacturers whose names are withheld, and furnished with a distinct understanding that the information was not to be used in the enforcement of our laws. The Senator can put whatever value he pleases upon that information.

Mr. STONE. The Senator will pardon me——

Mr. ALDRICH. There is no question about the German Government involved here. The German Government forwarded this information, but forwarded it under two express conditions. One was that the names should not be disclosed. The other was that we could not use the cost of any production to raise the invoice values of merchandise imported into the United States contrary to our laws.

Mr. STONE. Mr. President, I did not rise to discuss, nor do I intend to discuss, the value of this report. I shall certainly do what the Senator graciously says I may do—attach such importance as I please to the report, if I ever have a chance to see it. My purpose in rising at this time was to give the Senator from Rhode Island an excuse and opportunity to make an explanation, which I think is due from him.

Mr. ALDRICH. I stand upon the statement which I made before, and if the Senator sees fit to make any kind of——

Mr. STONE. I will read what the Senator said. He suggested that I should read it. I have read it already, but I will read it again. The Senator said:

If I were not afraid of saying something which might be considered harsh, *I would say that the attempt on the part of the representatives of any government* or the manufacturers in any country to influence the legislation of this Congress in this way is, to say the least, impertinent.

That is what he said.

Mr. ALDRICH. I stand by that.

Mr. STONE. The Senator stands by it, and yet here is, in effect, a charge that what was done by the German Government was done to influence legislation here, and he characterized it as impertinent.

Mr. ALDRICH. Mr. President, I repeat——

Mr. STONE. I say——

Mr. ALDRICH. I repeat that any attempt on the part of any government at any time to influence the legislation of Congress upon tariff matters is impertinent. I say that of any such attempt. I do not say that the German Government has made any such attempt in this case; but I say, if it has, it would be impertinent, or if any government makes that attempt it would be impertinent.

I will say further that an attempt to influence the legislation of Congress by furnishing anonymous statements which can not be used by the Government itself for the enforcement of its own laws is a thing which should be deprecated by every Senator of the United States, whatever may be his views upon this question.

Mr. STONE. I agree, everyone must agree, that if a foreign government should of its own motion seek to interpose in our domestic affairs with a view to influencing legislation here or to influencing the administraton of our laws, it would be worse than mere impertinence. But when the Senator made that remark we had before the Senate at that time and were discussing this very report.

Mr. ALDRICH. Mr. President, we were not only discussing this report, but a large number of other communications which had been received by the Finance Committee from the representatives of various governments. We were not discussing the German situation alone by any means.

Mr. STONE. I beg to differ——

Mr. ALDRICH. Well, the Senator can differ as much as——

Mr. STONE. I do differ on the facts.

Mr. ALDRICH. I am speaking of the facts.

Mr. STONE. No; the Senator may think he is, but he is not.

Mr. ALDRICH. I had in mind no particular thing in connection with this matter by the German Government. I did not say that the German Government was trying to influence tariff legislation; but I said (and when the statements are printed the Senator will see for himself) these manufacturers whose names are withheld were trying to answer testimony given before the Ways and Means Committee of the House for the purpose of influencing the action of Congress.

Mr. STONE. Mr. President, I repeat, the one thing before the Senate at that time in question was the report transmitted to our State Department through diplomatic channels by the German Government. We were not discussing anything else. The Senator from Rhode Island, somewhere in the course of his remarks, and, as I recall it, after he had made the statement I have quoted, did say that other reports of like kind from other governments had been sent to the committee.

Mr. ALDRICH. Now, Mr. President——

Mr. STONE. But that was a mere statement in the course of debate.

Mr. ALDRICH. There can be no question about my position in this matter. I said then, and now repeat, that any attempt

on the part of any government, whoever it may be, to influence the tariff legislation of the United States is impertinent, and I repeat it with all the emphasis at my command.

Mr. STONE. Of course, the remark of the Senator from Rhode Island, to which I am adverting as an "impertinence," was made, necessarily, with reference to the matter then before the Senate, and to nothing else.

Mr. ALDRICH. Mr. President, I had no such purpose. I had absolutely nothing of the kind in my mind. I was discussing the abstract proposition as to the interference of any government by any methods as to our tariff legislation.

I did and I will now so characterize the attempt of the German manufacturers, whose names are withheld, to furnish information to answer statements made before the Ways and Means Committee for the purpose of influencing tariff legislation given under such circumstances, when there is no way of ascertaining the correctness of the information they furnished and given with the express provision that it should not be used to punish those same importers for undervaluation at our ports.

Mr. STONE. Mr. President, I have no wish to press the Senator unduly; and if he intends what he has said to be in explanation and in effect a withdrawal of the charge of impertinence against the German Government, and if he means to assure the Senate that he did not intend by what he said to offend the German Government or its representatives, I am willing to leave it there and drop the matter.

Mr. ALDRICH. Mr. President, there was nothing in the language used or in anything connected with the statement that would lead any reasonable man to suppose that I intended an affront to the German Government. That is ridiculous and absurd; and I think that that idea could find lodgment in no man's mind, unless the Senator from Missouri has that impression.

Mr. STONE. Mr. President, I did have that impression, and I have it yet.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Missouri yield to the Senator from South Carolina?

Mr. STONE. I yield to the Senator from South Carolina.

Mr. TILLMAN. I want to ask whether the document which is causing this discussion has been printed? It was ordered to be printed, I think, on Monday last. It surely does not take all this time to translate it, unless it is very voluminous.

Mr. ALDRICH. It was sent by the Committee on Finance to the State Department with the request that it should be translated.

Mr. STONE. It has not yet been translated here, but I do not want to start that discussion. It has not been translated.

Mr. ALDRICH. But that is not the fault of the Finance Committee.

Mr. STONE. That is not the question in hand, and, if the Senator from South Carolina will pardon me, I had rather not be diverted by a discussion on that subject.

Repeating, I will say to the Senator from Rhode Island that I not only had the impression he deprecates, but it seems that the same impression prevailed in official circles in Germany. The dispatch I have read informs us that this disagreeable impression is especially manifest at the ministry of the interior and the foreign office, one of which prepared the information and the other of which transmitted it, through the American ambassador, to Washington.

Mr. OVERMAN. I want to state that the senior Senator from New York [Mr. DEPEW] made a speech, in which he said that this information was sent here voluntarily. I asked him where he got such information, and he said he was told so.

Mr. STONE. I remember that, and I expected to refer to it later.

Mr. ALDRICH. I stated in my remarks that the information was sent at the request of the American ambassador at Berlin to the Finance Committee, transmitting certain statements in German for the information of that committee. Those statements reached the Finance Committee about the middle of April. I sent at once to the Chief of the Bureau of Statistics for a man to come up and see what was the nature of these statements.

Mr. STONE. The Senator has stated that before.

Mr. ALDRICH. Let me go on a little further. A part of these documents reached the committee about the middle of April and another part about the 10th of May, just about twenty days ago. In the meantime the Senator from Missouri, who seems in some way, in this matter, to be the accredited representative of the German Government—I do not know what else he is—made certain statements as to what those——

Mr. STONE. That statement, I will say, is an impertinence.

Mr. ALDRICH. Well, let me say why I think so.

Mr. STONE. Yes.

Mr. ALDRICH. The Senator from Missouri——

Mr. STONE. It is worse than an impertinence.

Mr. ALDRICH. The Senator from Missouri, in the course of the discussion, made certain statements, that these documents contained information of this nature. He read here a statement from the Assistant Secretary of State, or the Acting Secretary of State, that the statement presented by him was a correct transcript of the document which had been furnished the Finance Committee.

Mr. STONE. That part of it.

Mr. ALDRICH. That part of it. How the Secretary of State and the Senator from Missouri knew what was in that statement I can not even guess——

Mr. STONE. I will inform the Senator.

Mr. ALDRICH. For the only copy which was received by the State Department was sent to the Finance Committee, and was in their possession. How could the Secretary of State know that it was a correct transcript, or how could the Senator from Missouri know what was in that document? The Senator appears this morning and reads, not from any official statement of the German Government, but from a newspaper report, that Germany is aggrieved, and he calls upon me—I do not know in whose behalf he makes the demand—to retract the statement which I made about the impertinence of any government coming here and trying to influence tariff legislation. Now, the Senator from Missouri can explain to himself, or to anybody else, if he wants to, why he takes such great interest in this matter, and why he does not let the German Government, if they are aggrieved, notify our Government through the usual diplomatic channels.

Mr. STONE. So, Mr. President, the Senator says that it appears to him that I am in some way representing the German Government.

Mr. ALDRICH. Well, Mr. President, I should like to know——

Mr. STONE. The Senator must permit me to proceed.

Mr. ALDRICH. All right.

Mr. STONE. The Senator made a statement he had no right to make. I am an American Senator, representing American interests, and I resent a statement of the kind he has made. To characterize it mildly, it is a gross impertinence.

The Senator says he does not know how I obtained the information. He ought to know, for only the other day he asked me here on the floor where I got information of this German report, and I told him how I got it, and when and from whom. That is in the RECORD of that day. Therefore there is absolutely no excuse for his statement respecting that matter. He says I call upon him to retract. I do not; but if I did, it would be because I do not think, under the circumstances of this case, the Senator should have offered an unprovoked affront to a great and friendly power.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Will the Senator from Missouri yield to the Senator from Rhode Island?

Mr. STONE. Well, I can not refuse to yield, but I would rather proceed.

Mr. ALDRICH. I certainly have no desire to interrupt the Senator, except with his consent.

Mr. STONE. I will yield.

Mr. ALDRICH. I should like to ask the Senator from Missouri, in all good faith, suppose this question was reversed; suppose that certain manufacturers or producers of the United States, interested, as they all are, very greatly in the German tariff, for the German tariff is the one tariff of all others that affects our great exportations of meat products and all of our agricultural products; suppose the people engaged in the raising of cattle and in the production of agricultural products should undertake to send statements, not verified by their names, to the German Reichstag when that body had under consideration a German tariff, with an express agreement that it should not be used by the German Government and that the names should not be disclosed, what do you think the Kaiser would say of that kind of interference on the part of the American manufacturers?

Mr. STONE. Mr. President, that is a different question. However, I will say that if the German foreign office had sent a request to our State Department for information as to our industries, and our State Department had sent out to the best sources of information available, and which it deemed the most reliable and trustworthy, and thus obtained statistics and then collated them, and afterwards transmitted them to the German Government with a request that the names of informants should not be used, I do not think that any member of the German parliament or any minister of the German Government would

have denounced the action as an impertinence on the part of the Government of the United States.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Missouri yield to the Senator from Rhode Island?

Mr. STONE. I do.

Mr. ALDRICH. Mr. President, as to the statement now made by the Senator from Missouri there is no question; and I certainly would not have undertaken to criticise the statements which were sent to us if they had simply furnished facts without reference to legislation which was going on in the United States; but these gentlemen were not satisfied with furnishing facts, they undertook to answer statements and to deny statements made by American producers with a view of influencing our legislation. That is what I am objecting to, and that is where the impertinence in this case comes in. I have as great admiration for the German people and for their great Emperor as any man can possibly have. Nobody on the face of the earth, no government on the face of the earth has ever——

Mr. STONE. Mr. President, I want to be courteous, but I can not——

Mr. ALDRICH. All right; go ahead.

Mr. STONE. I can not yield the floor entirely.

Mr. ALDRICH. All right.

Mr. STONE. The Senator from Rhode Island stated here last Saturday—I am not sure but that he has repeated it this morning—that he did not know what was in that German report, as it had not been translated.

Mr. ALDRICH. Mr. President, I stated on several occasions that an abstract of the nature of these various statements was made by the experts of the Department of Commerce and Labor for the committee. That is all of the knowledge I have about it.

Mr. STONE. Yes; but the Senator also first made the other statement.

Mr. President, this is a regrettable circumstance. It is to be regretted that any Senator, and especially one holding a position of such prominence as the Senator from Rhode Island, and a Senator so widely known and of such large influence, should have so far forgotten himself and so far forgotten the proprieties, however great the immediate exigency, as to offend a friendly government in so gross a manner and with so little provocation. Indeed, this offense of his is without provocation. The German Government was not guilty of any "impertinence" or impropriety. The German Government is represented by gentlemen of great ability, learning, and experience, and who understand the proprieties of international intercourse as well as we or as well as any people in the world. They would have been among the last to officiously obtrude themselves upon matters relating purely to our domestic concern and which addressed themselves solely to our judgment and our national policy. And they did nothing of that kind. So far from that, it has now become well demonstrated that our own Government, acting through the State Department, several months ago instructed our ambassador at the German court to request the German Government for authentic information as to the amount of wages paid in different industries in the German Empire. Since this charge was made here by the Senator from Rhode Island, the German ambassador at Washington, Count von Bernstorff, in defense of his Government, has given out the following statement:

> As I understand it, the American ambassador in Berlin last December requested my government to have the German Chamber of Commerce provide certain information concerning German wages for the Ways and Means Committee of the House of Representatives. Accordingly this information was provided and sent to the State Department. This is, so far as I know, the only connection Germany had with the matter.

And so it seems, Mr. President, that our own officials, desiring to obtain information upon this important subject for the use of the House and Senate committees, and, I assume, also for the use of the Congress itself, requested the German Government to furnish the very information in question. We were about to engage upon the important business of making a new tariff law, and I presume that this information was asked for to be used for what it might be worth when the committees of Congress and the Congress itself should engage in the preparation and enactment of this legislation. The German Government did not thrust itself upon us; all they did was to courteously and obligingly comply with our request. The data, whatever it is, was prepared under the eye of the German interior department, was then delivered to the German foreign office, and thereafter turned over to our ambassador by the German foreign minister. The ambassador in turn transmitted it to our State Department at Washington, and the Secretary of State later on put it into the hands of the Finance Committee. That is all there is to it, so far as the German Government is concerned. With these facts before us, it is amazing that a great Senator should stand on the floor of this Chamber and use the language he did, substantially charging the German Government with an act of impertinence.

The Senator from Rhode Island said that this is the first time in the history of the country that a foreign government had attempted to furnish such information for the use of the American Congress. In that statement the Senator was as far from the fact as in the other statement he was, as I think, far from propriety. Why, Mr. President, on the same day, and later on in the same debate, the Senator said:

> The report which is now under discussion—call it a report or whatever you may—

It was the very report in question—

> the statement was sent to the Committee on Finance, as were two or three hundred, at least, in my judgment, similar statements from foreign governments or representatives of foreign governments, bearing upon the tariff.

Two or three hundred similar statements from other governments bearing on the tariff! And so it seems, Mr. President, that what the German Government did was not exceptional, although the Senator said that it was the first time that such a thing had been attempted within his knowledge. On the contrary, according to the Senator's own subsequent avowal, numerous reports of like character from other governments were furnished the Finance Committee. They have not been furnished the Senate, and the Senator objects to having them printed for the use of the Senate.

Mr. BEVERIDGE. Oh, no.

Mr. STONE. He did, distinctly.

Mr. BEVERIDGE. Mr. President, the RECORD shows—I have the RECORD before me——

Mr. STONE. I am not talking about the German report, but the other reports.

Mr. BEVERIDGE. I was listening carefully, and I thought the Senator was talking about the German report as well as the other reports.

Mr. STONE. But I said—and the Senator from Rhode Island nodded his assent—that he would object to the printing of these two or three hundred reports furnished by other governments.

Mr. BEVERIDGE. There has been no request for them.

Mr. STONE. Yes; the Senator from Wisconsin [Mr. LA FOLLETTE] did make a request of that kind. Whether these other reports were furnished as this German report was furnished—that is, at the request of our Government—I do not know, but I suspect that they were. I have been reliably informed that last summer the Ways and Means Committee, or at least members of that committee, requested the State Department to communicate, through diplomatic circles, with foreign governments with a view to obtaining certain information, and, among other things, information about wages, and that these requests were made with a view to this then contemplated legislation.

Moreover, Mr. President, this course has been pursued in former times. The junior Senator from North Dakota [Mr. JOHNSON], in the course of this same debate, last Saturday called attention to the fact that reports of like kind were laid before the Ways and Means Committee in 1897, when the Dingley bill was under consideration. Why the Finance Committee and others who knew of these reports, and at whose instance, I am told, they were primarily obtained, have sought to smother and suppress them I do not know. Perhaps, if the information had been what they desired, we would have had the reports published and paraded upon the desks of every Senator and Member of the House, and had them heralded abroad through the columns of our virtuous and impartial press. However, Mr. President, I did not rise to discuss that feature of the subject. My chief purpose in speaking is that attention might be called to the matter here, so that the Senator from Rhode Island might set right, not himself alone, but the Senate of the United States, before the country and the world.

He complained a moment ago that if the German Government felt offended, I and others might remain silent and let the German Government itself seek redress through diplomatic circles. But the German Government can not, nor can anybody in this country, call the Senate of the United States or any Senator to answer for what may be said or done in this Chamber. That position is untenable.

Mr. President, I am through, but I want the German Government and the German people to understand, as I hope they will, that in what the Senator from Rhode Island said, and in what the senior Senator from New York [Mr. DEPEW] said, when, still following the Senator from Rhode Island, he spoke after the same fashion, they stand alone in the Senate of the United States, and that in these unfortunate utterances they do not have the sympathy or support of their colleagues.

Mr. ALDRICH. Mr. President, there is no mystery about this matter at all. The right of the United States to ask foreign governments or foreign manufacturers to furnish them with facts as to the cost of production or the rate of wages is not in question. Nobody has made any suggestion as to that matter. Our Government certainly had a right to ask, and it was entirely proper that they should ask, the German Government to furnish them statistics in regard to the cost of production and the wages of labor. It was entirely proper that the Government of Germany should send that information here. I am not calling that in question at all. It has been done, and it ought to be done always. It is entirely proper to get this statistical information.

I want to call attention to the particular case in point. This request of the German Government was made last November. The information furnished was sent to the Finance Committee about the middle of April, after the bill had passed the House and after the Committee on Finance had reported their recommendations to the Senate. What I find fault with is that suddenly, upon the floor of the Senate, in the discussion of one of the items of this bill, a Senator rises in his place and undertakes to furnish a part of this information to affect the action of the Senate upon that particular item. If the expert who gave me an abstract of the contents of these statements is correct—and of course I shall wait to get the translation of the entire document—but if the expert who furnished me the abstract of what these papers contained is correct, they were statements which undertook to answer arguments on the part of American producers and American manufacturers in favor of higher or lower rates in the tariff schedules—statements to influence the action of Congress upon those matters entirely outside of the question of the cost of production or the rate of wages. That is what I call impertinence. I am not charging impertinence upon the German Government, but I am only saying that an attempt on the part of anonymous manufacturers to influence the action of Congress is impertinent, and I care not whether they live in Germany or France or anywhere else. We are here engaged, I suppose, in legislating for the people of the United States. Germany is our principal industrial competitor.

When the Senator from Missouri interrupted me, I was expressing my admiration for that great statesman who presides over the destinies of the German Empire. If there is one thing for which he is entitled to the praise of his own countrymen and the admiration of the world, it is that, under all circumstances, he has supported and encouraged by every means in his power the industries of the great German Empire. He has been the one conspicuous ruler who has, under every circumstance and under all conditions, made the interests of the German people in every field supreme. I honor him, and I admire him, for those qualities; and I, myself, realize that he would be the last man in the world to suggest that German interests should control the action of the Congress of the United States. I am confident, if he could have known the use which was being made of the statistics to influence the legislation of a friendly power, that he would have been the first man to have repudiated any such application of the statements which were sent to the United States.

No. It will not do to say that I made any attack of any kind upon the German nation or upon its representatives. They have followed the policy of protection in recent years to an extent that no other nation in the world has, not only by their legislation, but by regulations, by rebates in freight, and in a thousand different ways of which we have never thought. They have built up the industries of Germany to an extent which is greater than that of any other nation except the United States. They are entering the markets of the world in competition with Great Britain, and with France, and ourselves. They are entering those markets encouraged and protected by the full force of the German Government on all occasions, and the representatives of that government would be the last people in the world to expect their interests to be paraded in the Senate of the United States as reasons why we should not follow the policy which the interests of this people and of their interests dictate. They have a right to be friendly with us. But they are rivals. They are our greatest rivals in the industrial and commercial world, and while they are protectionists, while they are carefully guarding the interests of their people, they would never consent, in my judgment, to have the interests of their manufacturers sent here to help a party here or a policy here which would be destructive of the interests of the United States.

Mr. TILLMAN. There is something mysterious to me—it may not be so to others—in this matter. Why can not we get at the exhibits and judge for ourselves what all this racket is about? The Senator tells us that he has an abstract from which he has drawn certain deductions, and he gives us those deductions here. The Senate ordered the printing of this document, and the abstract, too—I mean the translation and the abstract, too—several days ago, and the abstract immediately, and it has not come.

Mr. ALDRICH. That order was not entered. The papers themselves arrived while the discussion was going on, and the Senate ordered their publication. They were sent to the State Department for translation, and they have not yet been received from the State Department.

Mr. TILLMAN. Is there some hocus-pocus about this delay? Is it honest and clean?

Mr. ALDRICH. It is absolutely honest and clean.

Mr. TILLMAN. I know it is, so far as the Senator from Rhode Island is concerned.

Mr. ALDRICH. And so far as the committee is concerned. It is a very large and voluminous document, and very few men——

Mr. TILLMAN. Would ever undertake to read it.

Mr. ALDRICH. I have never said that.

Mr. TILLMAN. I undertake to say it.

Mr. ALDRICH. Except a very few Senators here. But it requires some man who understands technical matters. I do not know in whose hands the State Department put the translation.

Mr. TILLMAN. But when the Senate orders a document printed——

Mr. ALDRICH. It has to be translated. The committee had to order somebody to do it, and it was left to the State Department. The committee did so on the theory that if it was sent to the State Department, there would be no criticism. If we had selected some one else and there had been any difference of opinion, the committee might have been criticised for employing a man to translate it. It seemed to me better to send it to the State Department for translation.

Mr. TILLMAN. That is all right, provided we get it and get it promptly. There is this phase of the situation which presents itself to me: There seems to be something in the figures presented by the German Government that the Senator from Rhode Island does not like.

Mr. ALDRICH. I have no knowledge whatever of the contents of this paper, except the short abstract furnished the committee by an expert of the Department of Commerce and Labor as to what the contents were. I have no knowledge of any other kind as to what its contents are. The Senator must remember—I think I have stated it once or twice upon this floor—that there is more literature of various kinds coming to the Finance Committee in one day than it is possible for me to read, if I had nothing else to do, in a month.

Mr. TILLMAN. Undoubtedly.

Mr. ALDRICH. I have to be here. My duties are on this floor. This bill has been reported. It has been reported with the action of the committee upon it. I can not undertake to read all the material sent to us every day.

Mr. TILLMAN. That is well understood.

Mr. ALDRICH. The paper has gone to the State Department for translation. We will ask the State Department to hurry up the translation.

Mr. TILLMAN. And bring in the abstract, too.

Mr. ALDRICH. The abstract was not furnished by the State Department.

Mr. TILLMAN. We want to see why the Senator has been so angry about it——

Mr. ALDRICH. I have not been angry.

Mr. TILLMAN (continuing). Bordering upon the line of discourtesy and lack of respect to the German Government.

Mr. ALDRICH. I thought the Senator from South Carolina had known me long enough to know——

Mr. TILLMAN. But the Senator from Rhode Island is set in his purpose——

Mr. ALDRICH. I am not set in any purpose.

Mr. TILLMAN (continuing). To pass his bill in a certain way, and he has certain figures presented by his lieutenants which, I think, are contradicted by the facts. I can not conceive of American labor getting four times as much as German labor.

Mr. ALDRICH. There have been statistics by the hundreds and thousands of pages——

Mr. TILLMAN. I have gotten so I do not believe what they say. My belief in the statement of the Senator from Maryland [Mr. RAYNER], that there is an awful lot of lying going on, is growing stronger every day.

Mr. ALDRICH. If the Senator is in haste——

Mr. TILLMAN. I do not want any special favors. I want the Senate to know whatever I get, and I want the abstract

furnished the Senate to be printed at once, so that we may have it by morning.

Mr. ALDRICH. I have no objection to the abstract being printed.

Mr. TILLMAN. I think the RECORD will show it has been ordered printed.

The VICE-PRESIDENT. The Senator asks unanimous consent that the abstract be printed as a document (S. Doc. No. 74). Is there objection? The Chair hears none, and it is so ordered.

Mr. DEPEW. Mr. President, the Senator from Missouri [Mr. STONE] concluded his speech by alluding to me and the remarks which I made when this question was last under discussion. I knew nothing about this matter except what was revealed in the debate on that occasion; but from what has transpired in the discussion this morning, I am convinced that I was exactly right in the views which I expressed at that time.

The whole matter seems to be about this: That sometime last year before the meeting of the last Congress a request was made—precisely what, we do not know—by the American minister at Berlin for certain facts. It seems, if what has been stated on the floor is correct, that a document arrived here and was presented to the Finance Committee after the tariff bill had been considered in the House and had passed the House.

Mr. ALDRICH. And had been reported by the Committee on Finance.

Mr. DEPEW. And had been reported from the Committee on Finance; and that the report, instead of being the statistics called for before the December meeting of the last Congress, was not presented to the State Department until nearly six months after. It was then in the form of a reply by the German manufacturers to the testimony before the Ways and Means Committee of the House in regard to the schedules in the bill reported by the Finance Committee of the Senate. In other words, instead of a statement of the facts, it was a denial of certain testimony, and controverting other testimony given under oath by American manufacturers. The German manufacturers were not under oath, and their names withheld, so the communication was anonymous.

Another singular thing occurred to me in regard to this matter, and that was that this was alleged to be an official communication from the German Government, coming through the ordinary diplomatic channels, that it was in German, that it was confidential in regard to the authors of the statistics which it contained, and that it was transmitted to the Finance Committee and returned immediately to the State Department because it was not translated and because it was anonymous. Nevertheless, it is claimed by the Senator from Missouri that it was a state document, furnished by the German Government. But before that document was transmitted to the Finance Committee, the Senator from Missouri was enabled, in a speech upon a particular schedule in this tariff bill, to quote from that confidential governmental communication in the hands of our State Department and to say that he knew that that was an exact copy.

It seems to me strange that a solemn diplomatic communication of this kind, not yet having been communicated to the Congress of the United States, could still be in the hands of somebody who could give it to a Senator, to be used in a debate, for the purpose of affecting legislation upon articles in which Germany competes in this country with our manufacturers. I do not care where the Senator received that information. He received it undoubtedly from an importer. It must have been from an importer, for no one else would have been interested in furnishing it except a German importer; and then the question arises, How did that German importer obtain from the files of the State Department this confidential communication unless copies were furnished by German manufacturers to their correspondents in New York?

Mr. STONE. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Missouri?

Mr. DEPEW. Certainly.

Mr. STONE. It is strange that the Senator from New York, still walking in the footsteps of the Senator from Rhode Island, should express wonderment as to where I obtained that information, when, at least two or three times, I have told all about it in the presence of the Senate and of the Senator from New York. I will state it again. The table I put in the RECORD was handed to me by Mr. Montague Lessler, an ex-Member of Congress, who told me that it was taken from a report in the State Department furnished by the German Government. Where he got it or how he obtained it I do not know, and I did not inquire; but I sent an inquiry to the State Department as to its accuracy, and the Assistant Secretary, Mr. Wilson, wrote me a letter, which I put in the RECORD, that he had compared the table with the original text and that it was accurate.

Mr. KEAN. I should like to ask the Senator whether Mr. Lessler is the same person who, as a Member of Congress and a member of the Naval Committee of the House, was under investigation?

Mr. STONE. I can not answer that. But I will ask the Senator from New Jersey why he propounds that inquiry? In what way does the matter he inquires about affect the question?

Mr. KEAN. I want to locate him.

Mr. STONE. Suppose you do locate him. I have no objection; but how does that affect the question at issue? That does not concern the substance or the truth of the report sent to our Government.

Mr. DEPEW. Mr. Montague Lessler is a friend of mine, formerly a Member of Congress from one of the districts in my State, a very honorable gentleman, a lawyer. He is practicing at the New York bar, and he was here honorably and legitimately as attorney for the importers of the article under discussion.

Mr. SMITH of Michigan. What is the article?

Mr. DEPEW. Razors.

Another thing touched me, and rather on my funny bone, in this matter. There is no nation in the world for which I have a larger measure of respect and admiration than for the German nation. I have been visiting Germany for thirty years, and I have seen the marvelous growth of that Empire since the present Emperor ascended the throne.

I remember a remark made at one time when I was in Germany, not to me, but to a diplomatic representative, by Bismarck, that the great difficulty with Germany was the German cradle; that Germany did not have the industries to take care of coming generations, and therefore it was necessary for her to expand anywhere in the world, on any continent, where territory could be had for colonization. But the present Emperor of Germany energized German production; then he energized the German navy; then he energized the German merchant marine, until to-day Germany is succeeding Great Britain as the workshop of the world, and is becoming the workshop of the world because she is the most highly protected nation in the world, higher than ourselves.

She has surpassed us in this, that she has a technical school in which the German youth are educated to an efficiency and a proficiency in all manufactures and in all chemical products, technical schools that do not find their parallel in any other country, and which are turning out for German industries an army of experts whose skill is threatening the control of the markets of the world.

Then she has another thing which we have not. Germany has a merchant marine, built up by subsidies, which reaches every port in the world, and whose object and purpose are to carry German products into all countries where we want to compete; and by having their own marine, they are able to control the markets, especially the South American and African and eastern markets, against the United States.

I said this touched my funny bone, and it was in this way: In the first place, that the German Government should be the author of an anonymous communication, and in the next place—although I do not believe it was an official communication—I could not conceive how the foreign office of Germany, engrossed, as it is, on matters of the most momentous international concern, could come down to razors. I tried to think of a meeting of the German cabinet, with that most accomplished diplomat, Prince von Bulow, presiding, and there should come up the question of the triple alliance, there should come up the question of friction with Russia, there should come up the question of the Balkan crisis, there should come up the critical relations existing between Germany and Great Britain, with the fever heat that Great Britain is in with regard to German aggression, and that then Prince von Bulow should say to his associates, "Now, let us lay aside all these international questions, which involve our existence, and come down to razors." Razors! "Let us enter into negotiations with the United States in reference to razors. Let us present the statements of the razor manufacturers of Germany to the State Department, so as to teach the American Congress what should be a proper duty to be imposed by that Congress upon the importation of German razors."

Mr. President, the thing is absurd. It is ridiculous. It is lowering the dignity of a great diplomat, of the diplomatic relations which exist and are of the most friendly character between Germany and the United States. I do not believe for a moment that the Emperor of Germany or his foreign minister would consider, even in answer to a request, a communication

which could be tortured into an effort to influence the American Congress upon a bill whose sole object is to raise revenue for the support of our Government, to take care of our army and our navy, and our coast defenses, and to protect the American manufacturer and the American laborer.

That thing is too absurd to believe for a moment, and I can only suppose that the German Government, in transmitting this anonymous communication presented to it by the German manufacturers, did it with no intention of having it used as an official document for the purpose of influencing the action of the American Congress. I acquit the German Government of any such intention.

Mr. DANIEL. Mr. President——

The VICE-PRESIDENT. Does the Senator from New York yield to the Senator from Virginia?

Mr. DEPEW. Certainly.

Mr. DANIEL. The Senator used a term there that attracted my attention. He spoke of an anonymous communication. Is it not a fact that all the names of the persons who have made these communications are in the State Department and that the object in not giving them out was lest they might be used at home for their own injury?

Mr. DEPEW. I understand names are attached to these communications which have been presented by the manufacturers of these various articles, with the request that those names be kept in confidence and that the communications only, unsigned and anonymous, should be transmitted, if transmitted at all, to the American Congress.

Mr. DANIEL. Of course we do not know accurately all the details of these matters, but according to my information any Senator can go there and verify the names; but for reasons, not as between the Governments at all, the names have been withheld, lest they go to Germany and be made a matter of injury to the persons signing the statements. I do not see that it is any offense to this Government, as they can be assured of the names if they wish to. But it is not to be made, as I understand, a matter of publicity, which might injure the deponents. I should like to know if the Senator has any accurate information on that subject?

Mr. DEPEW. I only know what has been revealed in debate, and the only thing I know, and all the Senate has as to the kind of information which is contained in this remarkable document, is the statement of the chairman of the Finance Committee that the names of the authors are erased, and the communication from the State Department is that they are to be confidential; and the other statement, made here by the Senator from Missouri when we had under discussion the schedule on razors, if I remember rightly that statement, which gave the elements of cost with regard to wages and prices paid to the wage-earner, but it omitted the great essential of the hours; and if this communication, in computing the cost as to daily or weekly wages, has left out the hours of work, it is utterly worthless for comparison with American cost.

Mr. President, I did not intend to consume so much of the time of the Senate. I believe that in a day or two we will have all these communications. I only rose to say that from the information which was before the Senate when I made a few remarks the other day, and the information which has come from the speech of the Senator from Missouri in his colloquy with the chairman of the Finance Committee this morning, I stand by what I said.

Mr. STONE. Mr. President, just a word. This communication from the German Government was not a confidential communication. If it had been, the State Department would not have sent it to the Finance Committee. If it had been, the President of the United States would not have transmitted it to the Senate. It was a communication sent by the German Government to our Government, at the request of the State Department, putting but one condition upon its use, and that was that the names of the manufacturers or persons who had primarily supplied the information, at the request of German officials, should not be made public.

I agree with the Senator from Virginia [Mr. DANIEL] that the document itself is entitled to be treated with respect, and I agree with him that if any Senator desires for any reason to see the names of the men who furnished the information to the German Government, I have no doubt that he can see them in confidence by applying to the State Department.

Mr. President, the pertinent and important fact must not be overlooked that the matter contained in this communication was obtained by the German Government from the sources they considered most reliable, and when that Government transmitted it here they put upon it the stamp of their approval. It will not do to say the German manufacturers have sent this information to the United States for use in Congress. These Senators can not escape the charge first made, that the German Government itself was impertinent by now insisting that the manufacturers were impertinent. Neither were impertinent.

Would it be an impertinence for the German manufacturers themselves to have responded to a request from our State Department for this kind of information if it had been directed to them in the first instance? Certainly no one would so contend. How, then, can it any more be said that they are impertinent or that they have done anything to be criticised when they furnished this information at the request of their own Government, made at our instance and for our purposes?

Our Government asked the German Government for this information. The German Government obtained it from original and authentic and reliable sources, examined it, collated it, tabulated it, and transmitted it in response to the request of our State Department, and when they transmitted it they gave to it the sanction of their authority. Does anyone suppose the German Government would deliberately send here to our State Department information that it knew to be untrue, deceptive, and unreliable? No more could we charge that against the Government of Germany than they could make a like charge against the United States if the situation was reversed.

Mr. President, I have not succeeded in having the Senator from Rhode Island and the Senator from New York make a direct retraction of the things they said, but they have plastered them over now and so sugar-coated them with fulsome and pleasing eulogies of the German Government, the German people, and everything else remotely German that I think the bitter taste will be mitigated if it does not wholly disappear. Therefore I have not labored in vain.

Mr. DEPEW. Mr. President, just one moment. I think whatever may be the failure on the part of the chairman of the Finance Committee and myself to say the proper thing to placate the sensibilities of the German Government, all that deficiency has been amply met by the eloquent, able, incisive defense of the German Government which has been made by the Senator from Missouri. I do not think that any Senator, nor even Prince von Bulow himself, could have better presented the case of Germany than it has been presented by my friend from Missouri. Every element of rhetoric, every resource of oratory, every creation of logic, and every appeal to German patriotism has had its full satisfaction in the admirable presentation of the German case by my friend from Missouri.

Just one word further. The detail with which the Germans are entering our country to compete in everything is evidenced in the lithographs which we have all received. Every town in the State of Missouri that has a schoolhouse that will hold 500 people, or a railway station which is the admiration of the neighborhood, has a post card revealing the beauties of this piece of architecture, and on it is "made in Germany." The same is true of every other State in the Union. The sightseer in Washington is met at every turn by a boy asking the tourist to buy a post card as a souvenir of the capital of his country, and when he admires the picture of the White House or the Capitol or the Library he discovers that it was made in Germany.

Mr. ALDRICH. Mr. President, before the Senator from Wisconsin proceeds, I should like to occupy a very few minutes, because I have some of these abstracts here that I should like to read to the Senate, even before their publication. I should like to get the opinion of some Senators as to whether they think they are impertinent or not:

Bronze powder. Nuremberg Chamber of Commerce.
Request of American manufacturers to raise duty from 12 to 15 cents per pound unreasonable. Admits that American wages are twice what they are in Germany. States that difference of cost of wages is not sufficient to warrant increase of rate asked for by American manufacturers before Committee on Ways and Means. States that only about 100 persons employed in this industry in the United States.

Does the Senator from Missouri think that that is impertinent or not?

Mr. STONE. Mr. President, that is not the question we have before the Senate. The Senator desires to open up a discussion on the merits of that report. We had better wait until we get it, if we ever do.

Mr. ALDRICH. The report will be here.

Mr. STONE. Then we will discuss it.

Mr. ALDRICH. I want to say to the Senator from Missouri and to the Senate that whatever indignation I may have expressed in reference to this matter, as the Senator from South Carolina [Mr. TILLMAN] suggested, had proper foundation so far as these abstracts are concerned which have been submitted to the committee, and that was the only point I made in reference to the matter.

Clay pipes.
Chamber of Commerce of Limburg a. d. Lahn. Statement of Mr. Kurth—

Picking out an individual—

regarding labor cost in this industry is incorrect.

That is a statement made before the Ways and Means Committee of the House.

The American labor cost on this same grade is 36 cents.

Going on and explaining the reasons why the Congress of the United States should not fix a certain rate of duty upon clay pipes.

Coal-tar dyes.
Mr. Schoellkopf's tables do not prove anything, as they are too general, applying to a total production of 3,000,000 pounds merely, without specifying the single products or dyestuffs. As a matter of fact, the latter are composed of the most various raw materials and are produced according to the most various methods. Prices accordingly vary considerably. A comparison would be valuable only in case it were based upon cost figures for the United States and Germany of certain well-defined dyestuffs.

Then there is the following:

WOOLEN INDUSTRY.

CHAMBER OF COMMERCE, *Augsburg.*

The statement of William Whitman that the wages of operatives in the carded-wool industry are three times as high in America as in Germany is incorrect.

Mr. President, my point is that the statement made to me of the contents of these papers showed me distinctly that the statements were being made to answer the statements of American manufacturers before the Ways and Means Committee of the House for the express purpose of affecting and influencing the legislation of Congress.

Mr. STONE. Mr. President, just a moment. I desire to ask the Senator from Rhode Island if he regards the samples he has selected and read from the abstract he had made of this report as impertinent?

Mr. ALDRICH. I do certainly understand that when a German manufacturer, whose name he is not willing to state, comes here and says that a rate which is fixed or proposed to be fixed in the tariff bill is too high, it is the height of impertinence.

Mr. STONE. Is it impertinent for the manufacturer in Germany to say that a statement made by any person, anywhere, as to the cost of wages in his industry is incorrect, if it is incorrect?

Mr. ALDRICH. I do not say that under ordinary circumstances, if one should come here in person, if any Senator——

Mr. STONE. Are these extraordinary circumstances? This is a response to a request we made of these people.

Mr. ALDRICH. If the Senator from Missouri should come here, as he has on several occasions, and make a statement that American manufacturers were wrong in their conclusions, and upon his own responsibility as a Senator say that the rates ought not to be put up, I have no objection to that at all. But the Senator from Missouri comes here with a statement, which he says is a statement of the German Government, and produces figures which he says are official figures in answer to the request of the representative of the United States in Germany. Does the Senator suppose that Mr. Hill, the ambassador of the United States in Germany, asked the opinion of the Nuremberg Chamber of Commerce whether the particular rates which we propose to fix in our tariff bill were too high? Is that the purpose of this information? I think not.

Mr. STONE. I should think it was a part of the purpose——

Mr. ALDRICH. It seems to have been.

Mr. STONE. That it was a part of the purpose of the State Department. I should think that when members of the Ways and Means Committee went to the State Department and requested this information, through diplomatic channels, it would not be improper for the German manufacturer to call attention to the fact, if it be a fact, that certain statements made were not founded in truth.

Mr. ALDRICH. But that is not the statement I am finding fault with. The statement is that the rates which are proposed in the bill are too high and are unreasonable.

Now, Mr. President, that may affect the Senator from Missouri. His action and his vote in this Chamber may be governed by that kind of testimony, if he pleases. The American people will not regard that evidence as good evidence.

Mr. STONE. The Senator has not any right to say that.

Mr. ALDRICH. Well, I think so.

Mr. STONE. The Senator ought not to say that. I will say to him that I will be influenced by whatever testimony I think worthy of credence.

Mr. ALDRICH. That is what I said.

Mr. STONE. And I do not care whether it is testimony coming from the lips of one man or another; nor whether he lives in America, in Germany, or in any other country. All I want to know is the actual truth.

Mr. ALDRICH. It makes a great difference to me, and I hope to a large majority of the Senate, whether we are to take the opinion and follow the advice of men who are interested in destroying American industries or those who are engaged in building them up in this country.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. TILLMAN. I wish to say just a word to the Senator from Rhode Island.

Mr. LA FOLLETTE. I will yield.

Mr. TILLMAN. He seems to be very indignant, apparently, and in some phases I expect his indignation is earnest, over the idea that the labor cost of articles in Germany and America should be brought out here in this way.

Mr. ALDRICH. I am not finding fault with any facts. I am now finding fault that German manufacturers should come here in the form of a statement and undertake to influence our legislation by saying that the rates are too high or are unreasonable.

Mr. TILLMAN. The Senator has said that often enough for all of us to get that idea. I certainly have it thoroughly fixed in my mind.

I want to call his attention to this point: The Republican platform adopted last summer expressly required or demanded or pledged that the difference in the labor cost here and in Europe should be the basis of our action in revising the tariff up or down. Was not that so?

Mr. ALDRICH. That is true; but whose testimony does the Senator——

Mr. TILLMAN. Wait a minute. Just how are we to get the best testimony available, to get the honest truth rather than garbled and distorted statements? Our ambassador in Germany requested the German Government to give information on certain points respecting labor cost. It is sent to us, and the German authorities ask our State Department to consider the names as confidential, but did not say that they did not indorse the facts.

Now, the Senator from Rhode Island and the Senator from New York get up a great hullabaloo about the anonymous character of this information. It comes to us in the only way we could get it, unless our own consuls would be able to go to those manufacturers and get them to tell their trade secrets, which would be absurd; they could not do it. We have these things in the only way possible to get them, and because they do not conform to the ideas of the American manufacturers whom the Senator from Rhode Island represents and whose interests he is watching so closely he gets unhappy over it, and he immediately attacks the source of information as unworthy of credit, as being impertinent, and all that sort of thing.

I think the Senator is entirely unjust to the German Government or to anybody who has had anything to do with transmitting this information. We were supposed to be making an honest revision of the tariff, trying to conform to the pledges of the party which was intrusted by the people with that work, in the hands of its friends, and information comes which contradicts the statements of the manufacturers here. They say that our labor cost is so much and the German labor cost is so much. Here comes authoritative information from the German Government saying that is not true, and the Senator says the German manufacturers are intimidating Congress, arguing and pleading that the tariff is too high, and all that sort of thing. It is an injustice, to my mind.

Of course the Senator from Rhode Island has his own opinion, and he is very hard-headed and awfully set in his purpose to carry this bill through along special lines; and I predict he is going to do it, from what I have seen so far. I confess I do not see why he should grow so indignant and attempt to muddy the water and confuse the minds of the American people with the idea that the German Government is impudent to come into the American Congress and try to argue Republicans here out of their fixed purpose to arrange this tariff according to their scheme.

Mr. SMITH of Michigan rose.

Mr. LA FOLLETTE. Mr. President, I think I must ask the attention of the Senate. I must claim my right to the floor.

The VICE-PRESIDENT. The Senator from Wisconsin will proceed.

Mr. LA FOLLETTE. In view of the discussion which has taken place this morning, I ask unanimous consent for the pres-

ent consideration and passage of the resolution which I send to the desk.

The VICE-PRESIDENT. The Senator from Wisconsin sends to the desk a resolution, which will be read.

Mr. LA FOLLETTE. And for which I ask immediate consideration.

The Secretary read the resolution (S. Res. 55), as follows:

Senate resolution 55.

Resolved, That the President of the United States, if not incompatible, in his judgment, with the public interest, be, and he hereby is, requested to transmit to the Senate copies of all the correspondence which passed between the Department of State and the German Government, or between any representative of the United States and officials of the German Government, having relation to the report upon German manufactures furnished by the German Government to the United States.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The Senator from Wisconsin asks unanimous consent for the present consideration of the resolution. Is there objection?

Mr. SMITH of Michigan. I should like to say just a word on the resolution.

The PRESIDING OFFICER. The Chair suggests that the resolution is not now before the Senate.

Mr. SMITH of Michigan. If I can have the consent of the Senator from Wisconsin——

Mr. LA FOLLETTE. I ask unanimous consent for the present consideration of the resolution. I do not think there ought to be any objection to it.

Mr. SMITH of Michigan. I should like to say a word on the resolution.

Mr. LA FOLLETTE. After we obtain unanimous consent for its present consideration and passage.

Mr. SMITH of Michigan. I shall not object.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. BEVERIDGE. Mr. President——

Mr. LA FOLLETTE. It contains the usual provision.

Mr. BEVERIDGE. I think the Senator will have to add just one thing.

Mr. LA FOLLETTE. I would be glad to have the Senator state it.

Mr. BEVERIDGE. Perhaps not, but it occurred to me so; and that is, any communications between our Government here and our ambassador—so as to include that.

Mr. LA FOLLETTE. I will ask to have the resolution read again; and if anything was omitted that ought to be included, it can be inserted.

Mr. BEVERIDGE. I merely wish to say that it appears from the discussion here that our State Department requested our ambassador in Germany to procure this information, and then he requested the German Government, and the German Government gathered it by asking their boards of trade. Then it was placed in the hands of our ambassador in Berlin and transmitted to our State Department, which transmitted it to the committee.

Mr. ALDRICH. There is one suggested amendment I should like to make in the resolution, and that is whether the Government of the United States asked the opinion of the German Government or any of its people as to the character of the tariff which we should enact.

Mr. LA FOLLETTE. I did not hear the Senator.

Mr. BEVERIDGE. That will be disclosed from the correspondence.

Mr. ALDRICH. I do not know whether that additional source of information is desired.

Mr. LA FOLLETTE. The resolution asks for all correspondence. There will be nothing omitted.

Mr. ALDRICH. It had better go over until to-morrow, and we will look it over.

The PRESIDING OFFICER. Upon objection, the resolution will go over.

Mr. LA FOLLETTE. Mr. President, I am not very much surprised that the Senator from Rhode Island [Mr. ALDRICH] objects to the present consideration of the resolution. It has been very difficult to get before the Senate for its consideration anything pertaining to this report from the German Government.

The Senator from Rhode Island left the floor for a few moments this morning and returned to lay before the Senate certain excerpts from an abstract which has been, or is being, prepared from this document, in order to test the sense of the Senate as to whether that document conformed to the proprieties or not. I suggest to the Senator from Rhode Island that it is not for him to sample that document and then call for a judgment of the Senate upon it. The Senate is as capable of judging that document as he is.

That we claim the right to do. That document was never intended, sir, for private consideration by any Senators or by any committee of the Senate. The suggestions of the Senator from New York [Mr. DEPEW] that this report was nothing more than a business prospectus issued by German manufacturers, he now says were predicated entirely upon what has come up in debate; and that statement is another exemplification of the spirit which has been manifested with respect to this document.

Mr. President, at one time in the consideration of this subject a good many months ago there was manifested a sincere determination to ascertain the facts upon which to predicate the making of a tariff. That is indicated by the fact that before any testimony was given to the Ways and Means Committee this Government asked the German Government for information with respect to the wages paid in various occupations in Germany.

Senators may seek now to dull the edge of criticisms of that great Government made a few days ago upon this floor, but the fact remains, and the RECORD will show, that Germany did not seek to meddle in our legislative affairs, but that somebody in authority in our Government deemed it worth while to ask the German Government to present here the facts with respect to wages in that country. That request was communicated officially to the German Government. A response was made.

Now, because of some of the matters stated in that report, the Senator from Rhode Island attempts to excite the feeling and resentment of Senators upon this floor. Although the report was called for before any testimony was taken by the Ways and Means Committee of the House the response was not made until after some testimony had been given with respect to the wages paid in Germany. Because some of the statements in this report take up the declarations made before the Ways and Means Committee of the House of Representatives of American manufacturers with respect to the wages paid in Germany, and claim that misstatements are contained in that testimony, the Senator from Rhode Island now endeavors to excite the resentment of Senators against the German Government on the ground that that Government is seeking to interfere with legislation here.

Because the Senator from Missouri and other Senators have risen here and asked to have that testimony presented to the Senate the Senator from Rhode Island made the unwarranted accusation—not by inference, but by direct statement—that the Senator from Missouri and others who are calling for this testimony are here representing the German Government and German manufacturers. I ask the Senator from Rhode Island whom he represents on this floor?

I will show, Mr. President, by the spokesman of the Committee on Finance—not in the course of debate, where one may possibly in the heat of discussion make an overstatement, but off of the cold, printed page—a declaration by the Finance Committee as to whom they considered and whom they represented in fixing the rates in this bill. I have taken some part, Mr. President, in calling for this testimony with respect to the wages paid in the various occupations in Germany.

Mr. SMITH of Michigan. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Michigan?

Mr. LA FOLLETTE. I do.

Mr. SMITH of Michigan. Mr. President, the Senator from Wisconsin has called for a statement of the wages paid in Germany.

Mr. LA FOLLETTE. I have called for the report of the German Government made to this Government in response to its request.

Mr. SMITH of Michigan. That is a very fair request, and no one, it seems to me, can find any fault with it. I should not attempt to find any fault with the Senator from Wisconsin in that matter, but if the report which these boards of trade have forwarded deals not only with the wages paid in Germany and in America, and then argues that such wages are only two and one-half times as high in certain lines of employment in Germany as here, and undertakes to offset that disparity by showing the cost of living here and in Germany, that is going a little further, I think, than even the Senator from Wisconsin would care to have any foreign board of trade go, because the difference between the cost of living here and in Germany is of no concern to German boards of trade. That relates solely to the welfare and disposition of our own people, and is not the subject of proper argument by boards of trade in Germany.

Mr. BEVERIDGE. Mr. President, will the Senator from Wisconsin allow me?

Mr. LA FOLLETTE. Just one moment, if the Senator from Indiana please. I will yield to him in a moment.

Mr. BEVERIDGE. Very well.

Mr. LA FOLLETTE. I have nothing to do with that, because I do not know anything about it. I feel, as a Member of this body, and I think the Senator from Michigan [Mr. SMITH] ought to feel, that I have intelligence enough to take that statement from the German Government and read it and analyze it and attach to it the importance which it deserves. I do not ask the Senator from Rhode Island for permission to do it, nor do I——

Mr. SMITH of Michigan. Neither do I, Mr. President.

Mr. LA FOLLETTE. I do not yield to the Senator from Michigan now. Wait for the answer. I do not ask any man in this body to interpret testimony for me. I do not need any direction or assistance from the Senator from Rhode Island with respect to it. Let me say——

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Michigan?

Mr. LA FOLLETTE. Not now.

The VICE-PRESIDENT. The Senator declines to yield.

Mr. LA FOLLETTE. I decline to yield until I shall have finished my answer.

Mr. President, this report raises a number of very important economic questions as to the weight which should be given to the difference in all the conditions surrounding labor in that country and in this country. The cost of living, the rents, the amounts paid for fuel, for clothing, for groceries, and for all the living expenses are all important matters to be taken into consideration, and are entitled to a certain measure of weight, judged by recognized rules among students of economy and finance.

I do not yield my judgment to any Senator on this floor in interpreting these facts. All I am contending, and all the Senator from Missouri [Mr. STONE], or any other man on this floor has contended, with respect to this report from the German Government, is that the Finance Committee had no business to bottle it up.

Mr. SMITH of Michigan. Now, Mr. President——

The VICE-PRESIDENT. Will the Senator from Wisconsin yield to the Senator from Michigan?

Mr. LA FOLLETTE. No; not at present.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield.

Mr. LA FOLLETTE. I do not know how the Senator from Michigan or anybody else outside of the Finance Committee secured information in respect to the contents of this document. It may be that the statement of the Senator from Michigan is only an inference.

Mr. SMITH of Michigan. Mr. President——

Mr. LA FOLLETTE. But that makes no difference.

The VICE-PRESIDENT. The Senator from Wisconsin has declined to yield. The Senator from Michigan can not interrupt without the permission of the Senator from Wisconsin, and he declines to yield.

Mr. LA FOLLETTE. I have not yet finished my answer to the Senator from Michigan.

Mr. SMITH of Michigan. The Senator from Wisconsin asks how I got the information——

Mr. LA FOLLETTE. No; I did not ask, and I do not care how you got it, or whether you have such information, or whether your statement with respect to it was a surmise. It does not make any difference. All there is of this business is just this: This body is entitled to whatever there is in this document, it makes no difference what it contains or whether or not it will weigh with us when we get it. It was sent here by one of the foremost governments in the world—not volunteered, not intruded upon the legislative proceedings of this great Nation, but sent here upon the formal invitation of this Government. That much has been made clear in this debate.

Mr. President, I say, first, in decency to that Government, we are entitled to have it, and have it promptly. Second, in fairness to Members of this body, we are entitled to have it and to interpret it for ourselves.

No member of that choice band chosen to sit in the sacred precincts of the Finance Committee has any exclusive privilege with respect to a document which belongs to this Government and which belongs to this body as much as it does to them.

The Senator from Rhode Island [Mr. ALDRICH] says that it was received after the bill had been reported. He said that on this floor this morning. He is clever in his statements. This will be discovered if you follow and analyze those statements. He will make a definite statement that cuts down to the bone. Then he surrounds it with generalizations enough to involve it, so that when you come to demand an answer for that particular statement a side door is open here and another there for opportunity to escape a definite answer and definite responsibility for what he says. But, speaking of this report, he did say on this floor this morning—and I took it down from his lips as he uttered it—

> The information came to the Committee on Finance about the middle of April, and after the report of the bill.

I say it did not. I say it came to the Committee on Finance before the bill was reported to the Senate, and, although he attempted, in the debate the other day, to invoke this question by stating that the committee had received a multitude of documents through the State Department from other governments, I will venture to say now nothing has been received here by the State Department from any government bearing upon this subject that stands on the same footing as does this report.

I want to be frank with the Senate. I do not say that upon official authority, but I say it on what I believe to be absolute authority. This report called for by this Government, furnished by the German Government in response to that call, stands to-day as a document entitled to consideration, at least to report to the Senate—at least to be open where everybody can see it. It did not come to the Finance Committee after they had reported the bill to this body. It went to the Finance Committee while the bill was in its possession. I will venture to say that the chairman of the Finance Committee had his attention specifically called to that document after it had been sent to him, and was asked by the Department of Commerce and Labor whether he did not want it put into such condition that it could be examined by his committee.

Mr. BEVERIDGE. Mr. President, may I ask the Senator from Wisconsin a question?

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. BEVERIDGE. I merely want to ask a question.

The VICE-PRESIDENT. Does the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I do.

Mr. BEVERIDGE. I understand that an order has been made by the Senate, by unanimous consent, for the immediate translation and report of this document to the Senate. Am I wrong about that?

Mr. LA FOLLETTE. I think the records of the Senate will show that the order of the Senate is for the printing of this document. That order and unanimous consent did not express anything with respect to translation; but after the document was received here, as the Senator from Indiana will remember, while the subject was under discussion in the Senate after the document came into possession of the Secretary of the Senate——

Mr. BEVERIDGE. Mr. President, if the Senator will permit me just one remark. I have been from the first of the very hearty opinion that this Senate was entitled to have the document, and it has been so decided. The Senator also made a unanimous-consent request this morning for the correspondence, which he put in the regular form—"if in the opinion of the President it is not incompatible with the public interests."

I think that, if the Senator will renew his request for unanimous consent, upon reflection it is likely that nobody will object, because in the end it can not be objected to. I suggest to the Senator from Wisconsin at this point that he renew his request for unanimous consent. I may be wrong, but I think it will be agreed to.

Mr. LA FOLLETTE. I should not feel at liberty to do that, because at the time I made the request the Senator from Rhode Island [Mr. ALDRICH] was on the floor and objected. I do not see him now, and I would not like to take advantage of his absence from the floor to renew the request at this time.

Mr. BEVERIDGE. It is only due to the Senator for me to say——

Mr. LA FOLLETTE. I do not think the Senator from Indiana had noticed that the Senator from Rhode Island was absent.

Mr. BEVERIDGE. Yes; I did. And yet it is only due to the Senator to say that I feel so strongly that this unanimous consent should be given—as I am sure other Senators have felt, and some of us have expressed that opinion to the Senator from Rhode Island—that I do not now understand, even if he were here, that he would object. Otherwise I am sure I would not make the suggestion which I now make in the presence of the Senator from Maine [Mr. HALE]. Perhaps I am wrong, and perhaps there will be objection, but I think not.

Mr. LA FOLLETTE. Mr. President——

Mr. BEVERIDGE. I thought it would be helpful.

Mr. LA FOLLETTE. I hope the Senate will consent to the passage of the resolution calling for that information; but, under all the circumstances, I do not feel that I ought to make that request at this time.

Mr. BEVERIDGE. I will withdraw my suggestion to the Senator from Wisconsin. Perhaps, after all, the matter had better take its course.

Mr. LA FOLLETTE. I do not care at this time to say anything further with respect to this document, more than that I knew many weeks ago that it had been received from the State Department, and that I knew it was in possession of the Committee on Finance. I do think that a word or two further might be said. It looked as though there was an effort, when the subject was last before the Senate, to involve the question in some misunderstanding with respect to the character of this document, as to whether it was confidential or not. It was not confidential. It is not an anonymous document. It is entitled to the full and fair consideration of this body, coming, as it does, from the German Government. That Government did not withhold the names attached to the statements embodied in that report, further than this, that they were in the nature of trade secrets, and as no manufacturer in America would care to disclose to a competitor in business his costs of production, so no manufacturer in Germany cared to disclose to his competitors in Germany, and have it published in this country, this information in regard to his particular factory. That is all there is to it.

There is not a Senator on this floor who can not go to the State Department if he desires to test the authenticity of the facts and figures given in this report. In so far as the names of any of the men who made those statements are concerned, he can procure that information confidentially. So that the withholding of these names does not go to the matter of testing the accuracy of these statements.

Besides all that, will anyone suppose for a moment, Mr. President, that the German Government would send, in response to a request from this Government, a statement like that and then resort to an artifice to cover up inaccuracies and perversions of statement by suppressing names? To suggest that on this floor is to impeach the integrity of the German Government; and every Senator who has intimated here that, because these names are withheld, the facts stated were not entitled to full and fair consideration, has launched against the German Government, I think very unjustly, a suggestion of discredit. All the bearing that the absence of these names from this document can possibly have here goes solely to the credit of the facts stated, and nothing else; and those names are in the possession of the Department of State. They are simply withheld from publication, as stated by the German Government, for trade reasons.

Furthermore, Mr. President, I have been informed that a large percentage of these documents, or a considerable number of them, at least, are not merely signed statements, but are sworn to by those making them. Mr. President, I have been informed that the great bulk of these statements come to this Government through the boards of trade of Germany. The boards of trade of Germany are not private and local institutions, but are a part, in a qualified or quasi way, of the German Government itself. They belong to its commercial department. So that whatever documents come in that way from German boards of trade have somewhat more of approval with respect to their reliability and their credence than could be given ordinarily to the similar reports of boards of trade in this country.

Mr. President, I spoke yesterday of the new economic conditions that must be considered by the committees of both Houses in the revision of the tariff at this time, differing widely from any that had been presented to any other Ways and Means Committee of the House or to any other Finance Committee of the Senate in all the history of tariff legislation. I referred to the pledges made by the Republican party with respect to revision, and brought to the attention of the Senate Mr. Taft's repeated statements bearing upon this subject throughout the campaign. I think, Mr. President, they all were harmonious, cumulative, and strong. And I wish now to ask the attention of the Senate to the proceeding which has taken place here pursuant to the pledges made by the Republican party with respect to the revision of the tariff.

On yesterday, before I took the floor, the Senator from Rhode Island secured the passage of a resolution requiring sessions of this Senate for the consideration of this bill to be held at night as well as throughout the day. This is in line with the policy that has been pursued with respect to the bill from the beginning.

This bill passed the House of Representatives on April 9; it was received here April 10, read twice, and referred to the Committee on Finance. On April 12 it was reported back with amendments. On April 15 it was taken out of the possession of the Senate and recalled by the House. On April 19 it was returned by the House to the Senate. So that this body got this bill into its possession for its consideration on the 19th day of April, 1909. It was read twice, referred to the Committee on Finance, and immediately reported back to the Senate upon the same day and thrust upon its consideration, followed by a statement made by the chairman of the Finance Committee—a most remarkable statement, Mr. President—a statement that I undertake to say will find no parallel in the history of tariff legislation in this country.

Here was a great bill, not a bill dealing with some phase of the tariff question, but a bill for the complete revision of the tariff, for which an extra session had been convened. This bill was presented for the consideration of the Senate without any report or explanation concerning the changes in it, and they aggregate into the hundreds, affecting the interests of the whole people.

Senators from the New England States may smirk. If it is an increase in duty for a cotton or woolen industry in New Hampshire or Massachusetts, Senators are pleased to take the floor and say it is a matter of tremendous importance.

Mr. GALLINGER. Mr. President——

Mr. LA FOLLETTE. Not at present.

That great interests are involved in those States; that labor and the homes of the laborers are dependent upon those changes.

Mr. GALLINGER. Mr. President——

Mr. LA FOLLETTE. Not just at present.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield.

Mr. LA FOLLETTE. If the Senator will resume his seat for a few minutes——

Mr. GALLINGER. I want to ask the Senator——

Mr. LA FOLLETTE. The Senator understands that I do not yield just now.

Mr. GALLINGER. The Senator can do as he pleases.

Mr. LA FOLLETTE. I will do as I please when I have the floor. Let that be understood.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield.

Mr. LA FOLLETTE. But if changes here mark advancing rates and affect the homes of the consumers generally of this country, it provokes derision on this floor when objection is made, and questions are asked, and I propose to show why.

The statement made by the Senator from Rhode Island when he presented this bill to the Senate did not relate to the revision of duties at all. It related solely to revenue; to what this bill would do toward providing sufficient revenue to support the Government. He did say that the rates and the schedules would be explained and would be defended later.

I undertake to say that fairness to the Senate and to the country called for a full report on this bill, explaining its provisions, giving the reasons for its proposed changes as a necessary basis for its thorough and intelligent consideration. There may be Senators here who do not care about these rates or do not care especially about the reasons for its provisions, its changes, its increases; but I submit, Mr. President, that if the revision of the tariff is important, the reasons for it are important, and every man on this floor assumes a responsibility when he votes for these schedules and amendments, and we have been compelled to vote on them with very little enlightenment so far as the Committee on Finance is concerned.

CONTRAST PRESENTATION OF THIS WITH OTHER TARIFF BILLS.

Mr. President, I may be wrong in saying that the proceedings on this bill are without parallel in the history of the tariff legislation of this country. I have not been able since this bill came in on the 19th of April to exhaust this subject. But I went back far enough to get a sort of rule which might fairly be taken as a guide, and when the Senate contrasts the proceedings in the consideration of other tariff bills with the exceptional proceedings of this special session, I ask them to remember that if there ever was a time calling for deliberation, that time is now.

We ought to spend our efforts and the time for which we are salaried without stint and without limit, stay here if need be until next fall, if need be until next December, to get at the truth in the revision of the tariff. Because we are revising it under economic and industrial conditions which never before have confronted the American people when dealing with this subject that may be a reason for hurrying over it if special interests are to be served here instead of public interests, that may be a reason for not permitting the Senate to know what this bill contains or how it is to affect in the next ten or fifteen years the welfare of the American people.

In 1888, revising the tariff under conditions of competition between domestic interests and industries, there was no such haste. The conditions that prevailed at that time were the

conditions that had prevailed from the beginning of this Government, and therefore the tariff could stand investigation and examination. On the one hand we had the views of the Democratic party, clean cut and well defined. On the other hand we had the views of the Republican party concerning the bill, the rates it proposed, their effect upon manufacturers, labor, and the public. They were plain economic statements. Therefore the issue could be fought out clean handed on this floor, on principle, and nobody seemed disposed to rush consideration at that time.

The Mills bill was reported to the Senate October 3 by Senator Allison. That was the tariff bill of 1888. It was reported to the Senate on the 3d of October by Senator Allison. He asked that it be placed on the calendar, and gave notice that he would call it up for consideration upon the following Monday morning. This was the Tuesday preceding. He also gave notice that on the following day or on Friday majority and minority reports would be filed to accompany the bill. On Thursday, October 4, one day or two days after the bill was presented, the Senator from Rhode Island [Mr. ALDRICH] said:

I present the report of the Committee on Finance upon the bill (H. R. 9051) to reduce taxation and simplify the laws in relation to the collection of the revenues.

And he later said:

I ask that the report and the views of the minority, which will be presented by the Senator from Tennessee [Mr. Harris], may be printed in the RECORD, and I ask that an order be made that they be printed in brevier type for the convenience of Senators.

In those days, Senators, it was considered important enough to give the facts to the Senate, and to present them in convenient form for examination. The Senator from Rhode Island asked to have his report upon the Mills bill printed in the CONGRESSIONAL RECORD in the type used for its regular proceedings, not in reduced type generally used for reports when printed in the RECORD; and there follows in the RECORD the report of the majority of the committee, in which there are set forth all the reasons for the revision of the tariff which was proposed at that time. The report covers 27 columns—13½ pages—of the CONGRESSIONAL RECORD. In hastily reading over it I find more than a column of discussion under the head of ad valorem duties.

I find a long discussion of the attitude of the House in placing certain articles on the free list. More than three columns of this report are given to a discussion of the wool and woolen schedules. There are also two columns devoted to the discussion of labor cost of production and a half column devoted to manufacturers' profits. The whole report submitted was an exposition of the bill as presented to the Senate and of the differences between it and the bill which had passed the House, to which was appended a comparison of the rates of duty proposed by the House and the then existing rates, and other appendices.

There was also printed in the RECORD the views of the minority, which occupy 11½ pages of the RECORD. In addition to having this printed in the RECORD, the Senator from Rhode Island introduced a resolution to have 6,000 copies printed for the use of the Senate.

Four days later, October 8, the entire bill was printed in the RECORD, and the acting chairman of the Committee on Finance, Mr. Allison, made a speech explaining the provisions of the bill, which occupies 14 columns of the CONGESSIONAL RECORD. Put that in contrast, Senators, with the statement made by the Senator from Rhode Island about this bill. The people in homes that are paying 40 to 50 per cent increased prices on the necessaries of life have for years been demanding a revision of the tariff. Now a revision comes, and the bill is reported here changing the House bill in most marked particulars. When it comes for our consideration it comes from the chairman of the Committee on Finance with a brief statement with respect to revenues, with no report, no explanation of a single change in it, no reason given for raising the duties, and, more than that, we are forced to take it up for consideration on the next day after it is reported. And day after day Senators are compelled to come here with no opportunity given for the study of the provisions of the bill or the changes made by the Senate committee, and we sit here struggling to learn something about it, appealing to the Finance Committee for information. We are not treated with patience by the chairman, who seems only to feel that Senators are meddling and are very impertinent in wanting to know the basis of its various provisions, the cause for changes, and reasons for increases.

LEGISLATION IS CONTROLLED BY A FEW MEN.

Mr. President, under a system that has grown up, which puts the control of legislation and control of the Senate of the United States in the hands of two or three men, whose authority has been recognized here for so many years without question, there has developed a situation which makes it hazardous for a Senator to question this supreme power or to raise any objections, ask any information, or to fail to go along when told. I want to suggest to the autocracy of the Senate that the clock will strike presently a new hour in the legislative life of this Senate—not a new hour, but one which will chime in harmony with the earlier life of this Government. States will demand equal representation, and States will have equal representation on this floor. Do you suppose that the sovereign States of this country are always going to take their legislation from the Senator from Rhode Island? Does the Senator from this or that New England State believe that this control of legislation is to continue? No. The day of its overthrow is at hand. No one can shut his eyes to the presence in this Chamber of a new force—a body of men in the Republican organization with new ideas; that is, with old ideas; with ideas that go back to the basis of constitutional government and the equal rights of all men.

But, sir, to return to a comparison of the proceedings upon this bill and other tariff bills. Upon October 18, 1888, the following resolution was passed by the Senate, which had the Mills bill under consideration:

Resolved, That the Committee on Finance be authorized and directed to continue during the recess of Congress the investigation of such revenue matters, including the bill H. R. 9051, as have been referred to it by resolution of the Senate, subject to the authority conferred by said resolution.

The resolution was agreed to.

Come down two years later. The McKinley bill was reported to the Senate by Senator Morrill, of the Finance Committee, June 18, 1890. The general debate upon the bill began almost immediately, but it was a general debate, a debate that is always helpful. The Senate was not forced to begin, without ample time for investigation, the consideration of amendments to the bill.

Mr. President, we have been under a great strain here, obliged to vote upon amendments at once, without opportunity to secure needed information. It could not be obtained from the Finance Committee, the record shows that; it was not in their possession, the record proves that. I mean to say they were not able to give any sound economic reasons—only superficial, partisan, partial reasons, or manufacturers' reasons—for increasing these rates.

Mr. Morrill said, when he reported the McKinley bill:

There has not been any written report prepared with this bill.

Why? He gives the reasons for it:

I will say to Senators that a report, a very elaborate one, was made two years ago, and as the bill is substantially the same as the measure reported by the Senate committee two years ago, perhaps there may not be any written report furnished.

The McKinley bill was reported on June 18. An attempt was made to have the bill taken up and considered by paragraphs for amendment on July 19. That was a month after the bill had been reported. There are many Senators here who were Members of one House or the other at that time. They will recall that Senators were just as anxious then, more anxious, perhaps, than now, to be free from the legislative obligations and at liberty to return to their homes. We had been in session in that Fifty-first Congress steadily from December to the 18th of June, when the bill reached the Senate. We remained in session until the 1st day of October—I think the longest session in the history of the Government.

But, Mr. President, it was not until July 28, forty days after the bill had been reported to the Senate, that the first amendment to paragraph 1 was formally read in the Senate for its consideration.

SENATE HAS NOT BEEN INFORMED AS TO EFFECT OF BILL.

No Senator can discharge the obligations resting upon him in the consideration of amendments to the bill before us, increasing or decreasing duties, without knowing whether those duties are a measure of the difference in the cost of production here and abroad. If the duty is placed too low, you wrong the labor of this country, and if it is placed too high you wrong the consumers of this country.

We should have on reliable authority the correct standard. And that is not possible, Mr. President, when a bill of this magnitude, two-thirds of it printed in italics, indicating changes in rates, is forced upon our consideration within twenty-four or forty-eight hours after it comes from the committee.

I submit to the Senate we have been proceeding without any possibility of knowing whether we are discharging our obligations to the people of this country, whether the Repub-

lican Members of the Senate are keeping the pledges made in the Republican platform and the pledges made by our candidate for the Presidency.

The Dingley bill came to this body from the House of Representatives on the 1st day of April, 1897. It was not reported from the Committee on Finance for the consideration of the Senate until the 4th day of May, 1897. One month and four days the Senate Committee on Finance had the Dingley bill under consideration.

After the bill was reported to the Senate the Senate was given two full weeks to get acquainted with its paragraphs and provisions. It was two entire weeks after the Dingley bill was reported that Senator ALDRICH, of the committee, arose in the Senate and said:

I give notice that I shall ask the Senate to proceed to the consideration of this bill on Tuesday, the 18th instant, immediately after the morning routine of business.

That was fourteen days after it was reported and a month and eighteen days after it was received from the House. I am continuing the quotation. He said further:

Printed statements showing the character and effect of the changes suggested will be ready for distribution to Senators within a few days.

I desire also to state in behalf of the majority of the committee that it is their intention to present provisions in regard to reciprocal trade with other countries in place of the section which the committee recommends be stricken from the bill.

Two days later complaint was made in the Senate because the comparative statement promised had not been furnished.

Upon May 13 Mr. ALDRICH stated to the Senate that he desired to modify the statement which he had previously made with reference to his intention to call up the bill and that he hoped to be able to call it up about a week later.

And it was not until May 25, three weeks after the bill was reported, that Senator ALDRICH asked unanimous consent that the formal reading of the bill be dispensed with and that the bill should be proceeded with, paragraph by paragraph, for amendment. That being agreed to, Mr. ALDRICH then proceeded with a general exposition of the bill, covering 13 columns of the RECORD. It was not a little terse twenty or thirty minute statement about the revenue side of the bill, but an exposition of the protective duties of the Dingley bill, a statement such as has not been made for us here in the consideration of this measure.

It was on May 26, nearly two months after the bill came from the House, that the first amendment of the Committee on Finance, on page 1, line 3 of the bill, was read and considered. So from the time the bill was passed by the House and transmitted to the Senate a month and twenty-five days had elapsed and the bill had actually been in the Senate, reported from the Committee on Finance, and it had been under discussion during a period of three weeks before it was taken up to be considered by paragraph for amendment.

ONLY NATION WHICH HURRIEDLY ENACTS TARIFF LEGISLATION.

Senators, I ask you to contrast that record with the record of the proceedings upon the pending bill, and in that connection remember our new economic and industrial conditions, never before presented to the American Senate in framing a tariff bill, conditions which require the fullest study and investigation in the enactment of tariff legislation.

Yet we have this measure forced upon us for action without any report or explanation of its provisions, and only the most limited opportunity even for individual investigation. Almost every day either the chairman of this great committee, or some one in sympathy with him, rises here to admonish us that we are doing wrong in not at once passing this bill as reported; that we are interfering with business; that $10,000,000 a day is being lost to the business interests of the country because we do not join in railroading the bill through without debate.

Do Senators know that we are dealing with this legislation as no other civilized government in the world deals with important legislation of this character? As I have sat here, day after day, endeavoring as best I could to glean some reliable information with respect to these duties, I have wondered if it is a part of the plan of legislation in these days of combination and monopoly that a tariff bill shall be framed in secret and under conditions that will not admit of investigation; that it shall be put through the Senate under a pressure that renders it impossible for Senators to understand it, while those in favor of this system array behind it all the great business interests of the country, to demand, as they have by a flood of telegrams to Senators, that debate shall cease and the bill be passed immediately. I have wondered, sir, if it is a part of a great plan to write this legislation on the statute books without permitting investigation which would expose its faults, its weaknesses, its wrongs.

How easy it would be to relieve the business situation by writing in the bill, it shall not go into effect until January 1, 1910, or July 1, 1910. There is not another government of any standing in the world that passes a tariff bill providing that it shall go into effect immediately upon its passage. An amendment adopted to this bill to-day, saying that it shall go into effect on the 1st day of July, 1910, would relieve the business situation, wheels would begin to turn, and every business man would know what raw material he could buy to convert into the finished product, and sell at the same tariff level; and there would be no occasion for this haste to get the bill through without anybody knowing what is in it.

Mr. President, no government that has standing or respectability in the world to-day ever undertook to revise a tariff as we are revising this. I took a little pains to look up the methods of tariff legislation of two or three of the great powers. At the risk of having somebody here who may not be entirely willing to disclose whom he represents, charge me with representing the German Government, I am going to give the method pursued by that Government when enacting tariff legislation.

GERMANY.

In the tariff revision of 1906 in Germany the tariff commission virtually took a census of industries, obtaining information on such subjects as the cost of production at home and in the principal foreign countries, the importation of articles into Germany and exports of articles to foreign countries, prices at home and in the principal foreign markets, duties in the principal competing countries, and so forth. This information was obtained direct from the manufacturers upon blanks sent out by the commission. In the hearings which the commission held about 2,000 trade experts were examined, who assisted in sifting the material obtained from the manufacturers with a view to getting at the correct facts, and ascertaining exactly the cost of production.

Mr. President, if a manufacturer comes before one of the committees of the American Congress and says the wages in a foreign country are lower than the wages here and we must have a tariff of 75 per cent or 126 per cent to protect us, his testimony is at once accepted. That is the statement which has been made here by the chairman of the Committee on Finance, because he says that man is a patriotic citizen; he is seeking to maintain industries in America and furnish employment to American labor. There is no other place in our whole system of government, in the courts or elsewhere, where the rights of men are determined upon any such one-sided testimony as that.

Is not the American manufacturer primarily and directly interested here? Is he not a prejudiced witness? Yet you can find scores of statements made by the Senator from Rhode Island in the course of the debate in which the testimony of the American manufacturer before the committee is the only testimony cited upon which rates are based.

I undertake to say, Mr. President, that the great mass of people of this country have an interest here. I do not believe the American consuming public wants these rates so reduced as no longer to protect American labor. But everybody knows that with no foreign competition combinations suppress domestic competition and put prices up and extort from the consumer what they please. The consumer has a right to demand that this shall not be done with the aid of his Government. Is he unreasonable? Why has he not a day here?

The testimony taken upon which these rates are fixed so far as the Finance Committee is concerned takes no account of the consumer. He has not been heard. The Finance Committee, through one of its exponents here, announced the committee's programme by which they excluded the consumer from all consideration in framing the bill which they reported.

But let us see how the German Government proceeded.

In securing the information upon which to base legislation, it spent six years, if I remember rightly. The Senator from Indiana [Mr. BEVERIDGE] has given much time in the investigation of that matter, and he will know whether I am right in my recollection as to the time.

Mr. BEVERIDGE. The Senator is correct from the beginning to the end. It took six years.

Mr. LA FOLLETTE. Spending six years in the investigation of the tariff, there was no disturbance of business and no occasion for a disturbance of business in Germany, the people understanding that when a bill was introduced there they would be still given, before that bill would go into effect, ample time to adjust their business to the new rates. The German Government, I say, spent all that time gathering information, and this information was not suppressed. It was not kept behind the closed doors of a Finance Committee. They got the

rates of wages in foreign countries. What did they do with it? Put it in a pigeonhole and never look at it? No. They published it. Contrast that with the record here of the effort that has been necessary to get published for the use of the Senate similar information furnished by the German Government through the State Department to our Finance Committee. And we have not got it yet. We may get it, Mr. President, but it will be after most of the schedules have been passed. Yet the Finance Committee received it on the 3d day of April, according to the President in his message.

In Germany all of the information was published in readily accessible form for the guidance of the Bundesrat and Reichstag, accompanied with statements of the reasons why the duty on every article of the tariff was fixed at a certain rate; that is, there was not a change of duty made—and you can get access to those volumes in the Department of Manufactures here in Washington—for which that great committee did not give its reasons. Now, can any reasonable man say, when we touch this subject only once in about ten or twelve years, when it means so much to the industries of this country, so much to the labor of this country, so much to the consumer of this country, that it is asking too much that the committees that investigate and report these bills shall give us a reason for every change of duty?

KNOW NOTHING OF DIFFERENCE IN COST OF PRODUCTION.

I have no special commission here, Mr. President, to represent the consumer. I come from a State that is one of the foremost manufacturing States in this Union. I do not want to say an unkind word of one of the members of the Committee on Finance. I have no feeling which would cause me to do so. But I say that I do not believe that there is a member of the Committee on Finance who could take the stand here before this body and furnish the facts and details necessary to establish the true difference in the cost of production between this and foreign countries with respect to six items in this great bill.

Mr. President, to determine the difference in cost of production he must ascertain, first of all, the difference in the cost of producing the raw material in our country and in the competing foreign countries, not only the gross difference in the cost of producing the raw material, but the difference in the wage cost of raw material, the difference in the overhead charges, the difference in all the items that enter into that production.

Then he must ascertain what is the difference in the cost of transportation from the European point of shipment into the principal markets here, and the difference in the cost of transportation from the principal points of production in this country to the principal markets in this country. He ought to be able to state the difference in the wage cost at each step of this development.

Mr. President, it was not so vital twenty years ago to have the exact difference in the cost of production as it is now. There was not then the possibility of maintaining excessive rates that exists to-day. Horace Greeley and the men who ground into me the belief in the wisdom of a protective tariff system did not so much fear advancing rates beyond the difference in the cost of production, because then the people had a competitive market in this country. Competition between domestic producers ultimately reduced the price to a reasonable level for the consumer. That is not so now. The time has come now when we are under obligation as never before in the history of America to know the difference in the cost of production. We ought to know one other thing. We ought to know whether the industry is controlled by a combination or a monopoly which dominates the market in this country.

Having ascertained that there is a control of markets by a monopoly or combination, a tariff committee or a tariff commission should ascertain whether there is any difference in the labor cost in that product and in the competing foreign product. Having ascertained exactly what that shade of difference is, the duty should be cut down to the bare level of that difference in the wage cost. There may be a difference in the rates of interest on capital; there may be a difference in other conditions that would make the American product cost more to produce, but the American producer is not entitled to have those things considered when, under the shield of protection afforded him by the Government, he builds up monopolies and combinations to destroy one of the vital principles of the protective system, namely, competition between him and other domestic producers.

I would not make the labor employed by trusts suffer because the trust does wrong; but I would, if possible, take away from that combination or monopoly every hair's breadth of protection except what would go to the labor.

Mr. President, I will hasten along. I had just concluded stating what the German Government has done in the way of revising the tariff, in sharp contrast with what we are doing here.

AUSTRIA-HUNGARY.

In preparation for the revision of the Austria-Hungarian tariff, which took place at the same time as the German revision, information was obtained as to the cost of the production of every article covered by the tariff, the prices at home and in the principal foreign countries, the information filling nearly 100 volumes carefully digested. The tariff bill submitted by the Government to parliament was accompanied by a comprehensive statement, giving succinctly the reasons in every case for the various changes made in the tariff of that Government.

FRANCE.

The French parliament has been at work on a revision of the tariff for two years.

The committee on tariffs consists of 32 members of the Chamber of Deputies. This committee formed a subcommittee for each schedule of the tariff. In submitting recommendations to the Chamber for changes in the tariff, the committee accompanied them by reports, in which reasons were stated for all changes in the tariff which the committee proposed to make, the reasons going into such questions as the cost of production at home and abroad, the extent of competition, the rates of duty at home and in foreign countries, and every detail which could be necessary to determine the correctness of the rate.

These reports, Mr. President, sum up the testimony before the committee and before its subcommittees on different schedules, and are accessible in detail to the members of the legislature. Oh, there was something, Mr. President, that would give information to the members of the French parliament in guiding them in the discharge of their duty. Mark with what deliberation they proceeded! It was in February when this great committee of 32 members reported their bill to the French parliament. Were they asked in twenty-four hours to submit to seeing that bill forced to immediate consideration under the pressure and power of a one-man control? No, no; not that. The bill was reported in February. They were allowed from that time to the 11th of May—three months' time, with all possible information furnished to them—to study the bill in the light of all the testimony bearing upon the subject.

UNDUE HASTE PREVENTS SENATORS FROM MASTERING THE BILL.

Mr. President, I ask you to contrast with such methods of legislation the course pursued with this bill. The pending bill came into the Senate for its consideration on the 19th of April. It was presented here, a brief statement was made by the chairman, and at once we were called upon to take up the consideration of the bill by paragraphs. We had proceeded but a few days, the sessions beginning at 12 o'clock, when a motion was made by the chairman that the sessions should begin at 11 o'clock. Senators who wanted to know what they were doing felt severely this cutting down of their time for investigation. No Senators were wasting those hours spent out of this Chamber. It was suggested in the course of debate that a little more time be given to Senators to investigate and study these schedules in their rooms, and less time wasted on this floor in trying to force Senators to vote upon them in ignorance more or less complete, would in the end be a saving of time. But, no; that could make no appeal to the chairman of the Committee on Finance. He drove on and on with his grim determination to force this bill through. Soon Senators were called to meet here at 10 o'clock, and a little later the sessions were extended to 11 o'clock at night, thus cutting off entirely all opportunity for Senators to do any work upon the bill out of session.

Mr. President, I do not want to transgress the rules of the Senate by imputing improper motives to any man, but it is right for the country to know that Senators who have asked for more time are not laggards, are not indolent, are not wasting any time that they may have outside the sessions, but that they wanted every moment of their time, from the hour when this bill came from the Finance Committee, to devote, with such poor means as they have, to conscientious study and investigation of the paragraphs of this bill and their bearing upon the public interest.

I go further, and I say that to deny them that opportunity and to intimate that they are derelict in their duty in not willingly coming here and spending the entire day and half of the night in voting through these schedules when they and other Senators are in blind ignorance in respect to them—I say that this intimation which has been made here calls for the counter statement that somebody wants to get this bill through this Senate without its provisions being known.

Mr. President——

Mr. BRISTOW. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Kansas?

Mr. LA FOLLETTE. No; I do not. I leave it to the Chair to determine whether it is necessary; whether any Senator, as suggested by the Senator from Georgia [Mr. BACON] yesterday, has not a right to rise on this floor and demand the presence of a quorum whenever, in his opinion, the Senate is proceeding without a quorum. I should have preferred not to have raised this question; but since it comes up, I leave it to the Chair.

The VICE-PRESIDENT resumed the chair.

Mr. BRISTOW. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. Did the Senator from Wisconsin yield to the Senator from Kansas?

Mr. LA FOLLETTE. I did not yield.

The VICE-PRESIDENT. Then the Senator from Kansas [Mr. BRISTOW] has not the floor.

Mr. LA FOLLETTE. Mr. President——

Mr. BEVERIDGE. Mr. President, may I make an inquiry?

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. BEVERIDGE. I merely want to make an inquiry as to whether the Senator from Kansas got recognition of the Chair? That is all I want to know.

The VICE-PRESIDENT. The Senator from no State other than Wisconsin has received recognition of the present occupant of the chair.

Mr. BEVERIDGE. I did not mean "the present occupant of the chair." I wanted merely to know whether the record showed that the Senator from Kansas got recognition of the Chair. I am not talking about yielding.

Mr. GALLINGER. Regular order, Mr. President.

The VICE-PRESIDENT. The Senator from Wisconsin now has the floor, and has had the floor since the present occupant of the chair resumed the chair.

Mr. BEVERIDGE. I am aware of that, Mr. President; but I was merely asking for information as to whether the Senator from Kansas did have the recognition of the Chair. Of course if the present occupant does not know, I can not pursue my inquiry.

The VICE-PRESIDENT. The Senator from Wisconsin has the floor.

Mr. BEVERIDGE. I hope the present occupant of the chair understands that I am not seeking to embarrass him.

NO CONSIDERATION OF THE CONSUMER.

Mr. LA FOLLETTE. Mr. President, on June 1 the Senator from Utah [Mr. SMOOT] made an address on this floor. He laid down here what I think may be fairly taken as the rule which guided the Committee on Finance in framing this bill. I shall read what he said. I read from page 2614 of the RECORD, beginning at the bottom of the first column on that page:

> In the enactment of a tariff law there are other parties concerned than the manufacturers and the importers of the article. The United States Government is immediately concerned that proper and consistent revenues be collected upon all dutiable articles. The public with money available for investment is also concerned—

That is the second party in interest—

> that duties should not be levied solely for the protection of existing manufacturers or for the advantage of existing importers. Such uniform and consistent duties should be levied as will not conserve monopoly of any lines, and that all may have an equal opportunity for the investment of capital and the embarkment in every possible legitimate enterprise. In that view the committee proceeded.

The Senator from Utah stated that the Government was concerned as to its revenues and that people with money to invest were concerned. But nowhere in the list of those who were to be considered in the making of a tariff bill, nowhere in the list of the parties concerned, is the consumer mentioned or apparently thought of.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. Certainly, I will.

Mr. SMOOT. I may have been unfortunate and unhappy in my expression, but I wish to call the Senator's attention to these words:

> Such uniform and consistent duties should be levied as will not conserve monopoly of any lines, and that all may have an equal opportunity for the investment of capital and the embarkment in every possible legitimate enterprise.

Mr. LA FOLLETTE. Oh, yes; I read that, Mr. President. I think it is perfectly plain that this committee was giving special consideration to those who had capital to invest, to those who were already in business, and those who had more money to go into business. They were considered; the revenue interests of the Government were considered; but, Mr. President, the party who brought about this revision of the tariff at this time—Mr. Consumer, a numerous individual, whose interests are very considerable—is not mentioned or referred to by the Senator from Utah [Mr. SMOOT] as worthy of consideration. And it seems to me, from such examination as I have made of this bill, that he was not considered when the bill was framed.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield further to the Senator from Utah?

Mr. LA FOLLETTE. Certainly.

Mr. SMOOT. May I ask the Senator what percentage of the American people are consumers that are not also producers?

Mr. LA FOLLETTE. Well, Mr. President, I am not going into any hair-splitting speculation such as that. I am discussing this question upon lines which I do not think admit of an interrogatory of that sort. The Senator from Utah, the members of the Finance Committee, the Republican party, and this administration, charged with the responsibility of revising this tariff, having that revision forced upon them by the body of the people of this country who buy the things which are protected by rates which the President himself says over and over again are too high, will answer that question at another time when the answer will be heeded.

Mr. President, that is the way it seems to me this bill is framed. I do not now propose to discuss any schedule other than the cotton schedule. I shall ask the indulgence of the Senate again when we come to the woolen schedule and when we return to certain items passed over in other schedules. With my best diligence, I have been gathering some information outside of the testimony taken by the Ways and Means Committee, and outside of any information which has been furnished by the Finance Committee. When we come to some of those items that have been passed over that are of importance to the people of this country, I shall have a few facts to lay before the Senate relating to those rates. To begin with, Mr. President, we may well consider, first of all, how the rates have been advanced in the cotton schedule.

INCREASES OF GREAT DECREASES OF LITTLE IMPORTANCE.

It has been contended here in the course of this debate, and it has been reasserted several times in the discussion of the cotton schedule by the Senator from Rhode Island, that there were no increases of duties whatever made in this schedule as reported by the Senate Finance Committee. On page 1723 of the RECORD, Mr. ALDRICH said at the conclusion of the speech of the Senator from Iowa [Mr. DOLLIVER]:

> I expect to show when I take the floor that there are no increases in the cotton schedule of the bill at all.

The Senator from Massachusetts [Mr. LODGE], as I now remember, reiterated that statement.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield further to the Senator from Utah?

Mr. LA FOLLETTE. Just for a question. If it is for a question, I will yield.

Mr. SMOOT. The Senator from Massachusetts is not in the Chamber, and I want to say this in his behalf: In the speech or in the statement which he made, he said there was no equivalent ad valorem duty advanced.

Mr. LA FOLLETTE. I shall come to that, Mr. President. I assure the Senator from Utah that I will not overlook any material point in the discussion of this schedule. The Senator from Rhode Island said, because I have his words before me, at the conclusion of the address of the Senator from Iowa:

> I expect to show when I take the floor that there are no increases in the cotton schedule of the bill at all.

Mr. President, the value of imports of cotton cloth in 1907, according to the Estimated Revenues furnished by the Finance Committee, was $13,880,614; the revenue from it was $5,362,999.40, or an average ad valorem of 38.6 per cent. Under the proposed bill the Finance Committee estimates the revenue from the same imports at $6,051,880, or an average ad valorem of 43.6 per cent. So that, notwithstanding the statement of the chairman of the committee, according to his own figures as furnished to this body, the new bill shows an increase of 13 per cent in the duty on cotton cloth over the Dingley rates.

I have not forgotten that the Senator from Massachusetts said, speaking of the bill generally, that there were something over 300 decreases and only about 30 increases in rates in this bill. I have not forgotten, Mr. President, that the Senator from Rhode Island furnished to the Senate a statement purporting to show the increases and the decreases which this bill proposes in existing rates. He gave the decreases in very great detail in his statement, but when it came to the increases he dismissed

the entire subject with a very brief reference. The list of reductions fills 23 pages of his printed document, while the increases are enumerated on less than a page, the impression being given that the increases are few and of relatively small importance. But an examination of the table of Estimated Revenues compiled by the Finance Committee will show conclusively that the increases of duty were of far greater importance than one was led to believe from the presentation made in the pamphlet submitted by the Senator from Rhode Island, and of far greater importance than the decreases.

REAL EFFECT OF THE PROPOSED CHANGES.

I therefore requested the Secretary of Commerce and Labor to have prepared a table based upon the figures furnished in the Finance Committee's Estimate of Revenues, showing in separate columns the value of the imports on which the duties are unchanged, on which the duties are increased, and on which the duties are decreased, and the per cent of increase or decrease in each case. This table was accordingly compiled and summarized by schedules, and the whole recapitulated by the Bureau of Statistics of the Department of Commerce and Labor. The result of this work affords the most complete and most instructive presentation yet made of the changes proposed in the present tariff law by the pending bill, so far as these changes are definitely shown on the face of the bill. There are, however, sweeping increases of duty of which such a compilation could not take account, which will be produced by changes in phraseology and new general provisions. I will refer to these hereafter.

This compilation shows how absurd it is to undertake to judge the effect of the changes in this bill by counting the number of increases and the number of decreases of duty. The utter irrelevancy of such a comparison is obvious. It can mean nothing, and it can mislead no thinking man.

I wish to say that ultimately I purpose to publish this entire table for the use of Senators who may care to consult it; but I desire to have incorporated in it day by day such changes as may be made, so that when this bill is in the final stage and the time comes for a vote upon it in the Senate it will be possible to have before us on very short order a reasonably accurate statement of the actual changes which it makes in the tariff duties.

One of the pages of this document has a recapitulation——

Mr. NELSON. Will the Senator yield to me for a minute?

Mr. LA FOLLETTE. I will.

Mr. NELSON. It will probably be some days before the Senator's speech is published, and therefore I should be very glad if the Senator would have the statement to which he has referred, received from the Department of Commerce and Labor, printed in to-morrow's RECORD for the information of the Senate.

Mr. BEVERIDGE. And as a document.

Mr. NELSON. And as a document.

Mr. LA FOLLETTE. Just as soon as I can spare it from my work on the floor I will be very glad to have it printed. I have no duplicate of it.

Mr. NELSON. Could not the Senator have a copy made, so that we could have it printed?

Mr. LA FOLLETTE. It would take several days to make a copy of it. It is a voluminous document. It will take about two days or three days after it goes to the printer before it can be returned; but just as soon as I can dispense with it I will have it printed. I ask unanimous consent now that I may have this table prepared by the Bureau of Statistics of the Department of Commerce and Labor printed as a Senate document as soon as I can submit it to the printer.

The VICE-PRESIDENT. Is there objection to the request of the Sentor from Wisconsin? No objection is heard, and it is so ordered.

INCREASES DO NOT ALL APPEAR ON FACE OF BILL.

Mr. LA FOLLETTE. Turning to the recapitulation of that table I find that the total value of the goods affected by the increases of duty is nearly $102,000,000, while the value of articles affected by reductions of duty is but slightly over $66,000,000, or about two-thirds of the value of the goods upon which the duty has been raised. Furthermore, while the average per cent of reduction is 31.16 per cent, the average increase of duty is 36.73 per cent.

Nearly 15 per cent of the value of all the imports in 1907 is affected by increases of duty and less than 10 per cent by reductions of duty—over 75 per cent of all the imports remaining subject to the same rates as under the Dingley Act. The last point, however, requires a serious qualification, for while many of the articles enumerated in the tariff nominally remain subject to the same rates of duty as they did under the Dingley Act, a large number of them will, as a matter of fact, be subject to considerably higher rates, either as a result of new wording in different paragraphs, or as the result of new classification, as is notably the case with the cotton schedule, and finally as a result of the new provision for valuation, which will greatly increase the valuation for duty purposes of goods subject to ad valorem rates of duty, or subject to duties which vary according to the valuation placed upon the goods at the custom-house.

I do not know whether Senators have given consideration to this new provision, but we are soon to have a new measure for the valuation of foreign imports upon which these duties are to be reckoned. No longer is the valuation to be determined according to the rule which has always prevailed, according to the foreign value of the goods imported, but we are to have a new standard fixed, a standard which, I think, will put into the hands of interested parties in this country the fixing of the value of the imports on which the duties are to be based.

Of the 14 schedules comprising the tariff there are only 4 in which reductions affect a larger volume of goods than the increases. These are the earthenware, metals, wood, and sugar schedules.

This tabulation, prepared by the Department of Commerce and Labor, shows that the increases of duty in the cotton schedule affect imports valued at more than $10,000,000 in 1907, while the reductions affect the ridiculously small sum of less than $45,000. Nearly twenty-one and a half million dollars' worth of imports are nominally left by the bill subject to the same duties as under the Dingley law. As a matter of fact the splendid analysis of the changes in the phraseology of the cotton schedule made by the Senator from Iowa, supplemented by the illustrations by actual samples which I propose to submit to the Senate, abundantly prove the fact that the greater part of imports coming in under the cotton schedule will be subject to increased duties.

Mr. President, starting with paragraph 310, I wish to call the attention of the Senate to the increases made in rates in the cotton schedule. Taking first cotton yarn, on all numbers up to and including No. 15, the percentage of increase over existing duties is 24.46 per cent. The increase on yarn No. 18 over existing duties is 41.95 per cent.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. Yes.

Mr. SMOOT. I know the Senator wants to be perfectly fair.

Mr. LA FOLLETTE. I am perfectly fair. I am quoting the table prepared by the Bureau of Statistics——

Mr. SMOOT. I just wanted to call attention——

Mr. LA FOLLETTE (continuing). Based upon the figures which your committee submitted to the Senate. If they are not fair, the fault lies in your own figures, and the matter must be settled some way between you and the bureau.

Mr. SMOOT. It is settled here in the Senate. And I want to call the Senator's attention to the fact that an amendment has already been adopted which is a decrease on that number of yarn.

Mr. LA FOLLETTE. As you reported the bill the rate was a decided increase on that number of yarn. Your statement suggests one thing I did not call attention to, and that is the matter of committee amendments. I am very much obliged to the Senator——

Mr. SMOOT. Mr. President——

Mr. LA FOLLETTE. Just a moment.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield, as the Chair understands.

COMPLETE BILL WAS NOT REPORTED.

Mr. LA FOLLETTE. I am very much obliged to the Senator from Utah. I overlooked that. This bill came in April 19, and we were forced to consider it. It purports to be a "reported bill." It never was a reported bill. We have not a reported bill to-day. Every day the chairman or some other member of the committee stands up here and makes a new report on the bill. When are we to know what kind of a bill this committee will report? We were entitled to have the schedules of this bill reported complete, subject, of course, to modifications now and then to correct errors. But that is not the plan which this committee pursues. Senators go to work and investigate a schedule, and investigate it thoroughly, crowded as they are for time by this programme, meager as is the information contained in a mass of printed volumes. When Senators have done the best they can and a schedule comes up for consideration, then the chairman takes the floor and hour after hour introduces amendments changing the whole character of the schedule. Those amendments are introduced, and no Senator can tell what is

their significance or effect as they are read from the clerk's desk. Then we are called upon to vote. This daily amendment of the bill by the Finance Committee stamps the character of the bill and the work of the committee.

Mr. President, returning to the subject upon which the Senator from Utah interrupted me. No. 18 yarn is increased, as reported, 41.95 per cent over the existing rate. And upon what basis? We imported in 1907 only $46 worth of that class of yarn.

Take the next. I do not know whether they have——

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. Certainly.

Mr. BEVERIDGE. Does the Senator mean an increase of 42 per cent or an increase to 42 per cent?

Mr. LA FOLLETTE. I mean an increase of 42 per cent over the existing rate.

Mr. BEVERIDGE. In addition to the existing rate?

Mr. LA FOLLETTE. Yes. I will tell you just what the two rates were. The table will show.

Mr. BEVERIDGE. I see.

Mr. LA FOLLETTE. One was 14.09 per cent and the other 20 per cent, and an increase in rates from 14.09 to 20 is an increase of 41.95.

Mr. BEVERIDGE. And that on an article of which there have been only $46 of imports?

Mr. LA FOLLETTE. Forty-six dollars' worth imported into this country in the fiscal year 1907.

Look at the next item. On yarn No. 20 the per cent of increase over the existing duty is 107.25.

Mr. BEVERIDGE. Before the Senator takes that up——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. Certainly.

Mr. BEVERIDGE. If it does not interrupt the Senator too much——

Mr. LA FOLLETTE. Let me conclude.

Mr. BEVERIDGE. Yes.

Mr. LA FOLLETTE. And the imports of yarn of that number was $9,439.

SOME STARTLING ADVANCES IN DUTIES.

Mr. BEVERIDGE. I want to ask where the increase is so enormous and the imports are only $46, what is the explanation of the Finance Committee of that raise?

Mr. LA FOLLETTE. Mr. President——

Mr. BEVERIDGE. I do not want to interrupt the Senator.

Mr. LA FOLLETTE. I want to take up each one of these items, and an interruption at every line for an explanation by some one else would not only protract my discussion of this schedule for several days—and I should like to get through to-day if I can—but would, of course, destroy the continuity of my argument. Whatever criticism I make here will go into the RECORD, and if any member of the committee thinks it worth while, he can take it up seriatim and reply to it. I hope the Senator will——

Mr. BEVERIDGE. I see that. That is quite true. But the Senator's first statement was somewhat startling, and I was surprised that the Committee on Finance——

Mr. LA FOLLETTE. I beg the Senator from Indiana not to be startled yet. [Laughter in the galleries.]

The VICE-PRESIDENT. Occupants of the galleries will please refrain from demonstrations.

Mr. LA FOLLETTE. On yarn No. 25 the percentage of increase is 42.76 per cent; the value of imports $26,042. On yarn No. 30 the percentage of increase is 11.42; the imports, $7,180. The next one is a small increase. You might have thought they would have overlooked it—5.6 per cent on imports valued at $2,878.

The next increase in that schedule is on yarn numbered 90; increase 17.58 per cent, and only $923 worth imported. The next increase is on yarn, colored, bleached, dyed, combed, or advanced beyond the condition of singles by grouping or twisting two or more single yarns together, and on the numbers up to and including No. 20 the per cent of increase is 36.66. The value of imports was $149,485. Of yarn No. 21 of that description the per cent of increase is 98.72 and the imports were $9,008.

On the next number, No. 22, the per cent of increase is 110.44 and the imports $8,109. On yarn No. 24 of that class the per cent of increase is 61.71; the value of importations was $73,313. On yarn No. 25 the per cent of increase is 59.34, nearly 60 per cent, and the value of importations was $25,702.

You may search the testimony given by cotton manufacturers before the Ways and Means Committee of the House, when they appeared in person before that committee, subject to cross-examination, and you will not find that they ever asked for that increase. You can not find a line of testimony from them suggesting that they desired any increase in the rates of the cotton schedule excepting a letter submitted after the public hearings were closed and which was tucked away in the appendix to the printed hearings, where is was discovered by the Senator from Iowa [Mr. DOLLIVER]. It was from a Rhode Island manufacturer. It was a request for a special duty on mercerization.

Mr. DOLLIVER. Several found their way into the bill, including mercerization.

NECESSITY FOR COTTON INCREASE IS DISCOVERED AFTER HEARINGS CLOSED.

Mr. LA FOLLETTE. But is it not strange that the cotton manufacturers did not discover that they required an increase in duties until after the hearings before the Committee on Ways and Means of the House had closed? It was only after the hearings were closed that a document emanating from one of the manufacturers disclosed the "necessity" for any increase in rates on cotton.

Mr. DOLLIVER. The document was in the form of a letter——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. I do. I shall be glad to have the Senator state the facts.

Mr. DOLLIVER. From Mr. Lippitt and Mr. MacColl, purporting to be a committee representing the Arkwright Club.

Mr. LA FOLLETTE. Asking for what?

Mr. DOLLIVER. Asking for four or five things, including mercerization, practically all of which they got out of both committees.

Mr. LA FOLLETTE. On yarn No. 26 of the description of which I was speaking when I digressed the increase of duty is 53.56 per cent and the value of imports for the year 1907 was only $8,865.

On yarn No. 27 of this description the per cent of increase over the existing rate is 17.10 per cent and value of imports $7,410.

On yarn No. 28 the increase is 42.45 per cent and value of imports $14,951.

On yarn No. 29 the increase is 74.58 per cent and value of imports $330.

On yarn No. 30 the increase is 36.99 per cent and value of imports $94,595.

On yarn No. 32 the increase is 22.43 per cent and value of imports only $11,375.

On yarn No. 33 the increase is 50.51 per cent and value of imports $3,192.

On yarn No. 34 the increase is 62.02 per cent and the value of imports $8,178.

On yarn No. 35 the increase is 27.42 per cent and value of imports $13,788.

On yarn No. 36 the increase is 5.44 per cent and value of imports $117,114.

On yarn No. 37, the increase is 44.68 per cent, and value of imports $236.

On yarn No. 38, the increase is 37.29 per cent, and value of imports $52,554.

Mr. BEVERIDGE. Would it bother the Senator to again state what the percentage of increase is on No. 37, of which the imports are $236?

Mr. LA FOLLETTE. Forty-four and sixty-eight one-hundredths per cent, while on No. 40, with $266,123 of imports, the increase is 2.80 per cent.

On yarn No. 41, the increase is 12.21 per cent, and value of imports $14,774.

On yarn No. 42, the increase is 33.90 per cent, and value of imports $4,080.

Yarn No. 44, with $9,839 of imports, escaped without any increase. I do not know how it did it, but somebody must have been off duty for a few minutes.

On yarn No. 45, the increase is 12.31 per cent, and value of imports $17,135.

On No. 46, in spite of the fact that there was a whole dollar's worth imported, the duty was not increased.

On yarn No. 47, the increase is 2.59 per cent, and value of imports $2,016.

On yarn No. 48, with $24,000 of imports, the duty is not increased.

On yarn No. 50, with $107,000 of imports, the duty is not increased.

On yarn No. 52, with $28 of imports, the duty is not increased.

On yarn No. 53, the increase is 34.70 per cent, and the value of imports $202.

On yarn No. 67, the increase is 44.09 per cent, and the value of imports $196.

The next increase is on yarn No. 250. The increase is 33.33 per cent, and the value of imports was $104.

On yarn No. 270, the increase is 54.42 per cent, and the value of imports was $237.

ADVANCES IN COTTON CLOTH DUTIES.

Coming now to cotton cloth, I find some very interesting results. Of cotton cloth, not exceeding 50 threads to the square inch, counting the warp and filling, and not bleached, dyed, colored, stained, painted, or printed, the total imports in 1907 were only $16,274, and yet this committee increased the duty on it 125.02 per cent. Upon cloth of that same count and kind when bleached the increase is 460.29 per cent, and the total value of the imports under the present duty was only $5,149. In asking the Senator from Indiana not to get startled awhile ago at a little increase of 42 per cent I sought in a measure to forewarn him of such things as this.

This is the class of imports which have been brought in through a loophole, as it were, in the Dingley law at very low duties—the etamines of which we have heard, by which such fearful raids have been made on the revenues. They were imported at a low duty—too low—but, low as it was, the importations in 1907 amounted to only $5,149. This is the sort of justification which has been offered here by this committee for increasing the duties on over ten millions of dollars of imports in this schedule. It would seem that these increases of 125 per cent and 460 per cent alone would cure the defect. On the dyed, colored, stained, painted, and printed cloth of that count, the increase is 50.01 per cent, and the total value of imports $5,450.

Mr. DOLLIVER. If the Senator will permit me, it will still further illuminate that item to carry out the figures. The average ad valorem of that $5,000 importation under paragraph 312 was only about 18 cents a yard, showing that the amount upon which this enormous increase arose was practically negligible, because it must have been valued at about 50 cents a yard.

Mr. LA FOLLETTE. Now, Mr. President, following these increases, we come next to the rates on cloth not exceeding 100 threads to the square inch, counting the warp and filling, and not bleached, dyed, colored, stained, painted, or printed, but valued at over 7 cents per square yard. I find that this quality of cloth is marked with a big "L," which, we are informed by the chairman of the Committee on Finance, means luxury. When you find an "L" on a line here you want to look out for trouble. In order to make these raises or increases of duty reach as many items as possible, a new standard of luxuries has been erected here for the people of the country. According to this new standard, anybody who wears coarse cotton cloth worth over 7 cents a yard indulges in luxury, and if the people will have these "luxuries" they must pay the tariff fixed by this committee.

On this particular "luxury," coarse, unbleached cotton cloth valued at over 7 cents per square yard, the committee has increased the tariff rate 51.52 per cent, and the value of the imports for a whole year was only $17,446.

On the same count of cloth, bleached and valued at over 9 cents per yard, the duty is increased 44.60 per cent, and the value of imports was only $76,106, an importation to which the most ultra and unreasonable protectionist could hardly have objected.

MR. LIPPITT SAYS IMPORTATIONS ARE HEALTHY REGULATION.

Mr. DOLLIVER. It may fortify the Senator's view in that particular to know that Mr. Lippitt said before the House committee, distinctly referring to all the importations of cotton cloth, that they were only a healthy regulation of the cotton trade.

Mr. LA FOLLETTE. I thank the Senator from Iowa. I remember that now.

Mr. BEVERIDGE. Who is Mr. Lippitt? I do not know.

Mr. DOLLIVER. He appeared there as the representative of the Arkwright Club, of Boston.

Mr. BEVERIDGE. What is the Arkwright Club?

Mr. DOLLIVER. It is the cotton manufacturers' association of New England.

Mr. LA FOLLETTE. Mr. Lippitt, if I may supplement what the Senator from Iowa has said, is one of six men or six families who control the great cotton industry of Rhode Island. Mr. Lippitt is a man who has been on hand here whenever tariffs were to be revised as the spokesman of the cotton industry. Mr. Lippitt is the head and front of the cotton organization in Rhode Island. He did not represent, Mr. President, the great body of the people of Rhode Island when he sent his letter up here asking for some increases, after he had appeared before the Ways and Means Committee and stated that the conditions were satisfactory to the cotton industry under the Dingley tariff, any more than he represents in his views as a member of the Republican party the rank and file and the great body of voters of that party in Rhode Island.

What excuse or justification is there for moving up these rates when the importations are so meager? You may devise some fine-spun, sophistical argument based on comparisons of the ad valorems in 1899 and 1907, but I believe that when the Senate comes to go into that fine-spun theory and analyze it and dissect it, the Committee on Finance will not find it a very substantial foundation on which to go to the country for approval of these enormous increases.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. I do.

Mr. BEVERIDGE. I dislike to interrupt the Senator, but I want to get this matter clear in my mind, if I can. Mr. Lippitt, it is said, represents the cotton industry. Did I understand the Senator from Iowa or the Senator from Wisconsin to say that he first appeared before the Ways and Means Committee of the House and expressed himself as satisfied with the present duty?

Mr. LA FOLLETTE. I beg the Senator's pardon. I did not hear his question. Will he please repeat it?

Mr. BEVERIDGE. Certainly. Do I understand that this gentleman first appeared before the Ways and Means Committee of the House and expressed himself satisfied with the present rates, and that it was a good regulation of the cotton industry, and then later wrote a letter asking for increases?

Mr. LA FOLLETTE. Yes, sir.

Mr. BEVERIDGE. Was that the case?

Mr. LA FOLLETTE. I think, Mr. President, that I will be able to furnish the statements.

Mr. BEVERIDGE. What reason did he give in his letter, if any?

Mr. LA FOLLETTE. I beg pardon.

Mr. BEVERIDGE. That is a curious situation. Did he give any reason in his letter for changing his views of a few weeks before, before the Ways and Means Committee of the House?

Mr. LA FOLLETTE. I will submit it at a later time in the discussion.

Mr. BEVERIDGE. Did I understand the Senator rightly?

Mr. LA FOLLETTE. I have not got it right at hand, but I have a reference to it. The Senator is right in the assumption that he——

Mr. BEVERIDGE. That he first appeared before the Ways and Means Committee of the House and said the present rates were satisfactory——

Mr. LA FOLLETTE. Perhaps the Senator from Iowa may have the statement right there at hand.

Mr. BEVERIDGE. And later on he said——

Mr. LA FOLLETTE. I will recur to it again. I will see that it gets into the RECORD.

Mr. DOLLIVER and Mr. SMITH of Michigan addressed the Chair.

The VICE-PRESIDENT. To whom does the Senator from Wisconsin yield?

Mr. LA FOLLETTE. I yield to the Senator from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. My recollection is that the cotton hearings were held in December. Will my friend from Michigan give me the memorandum of the date?

Mr. SMITH of Michigan. December 1.

Mr. DOLLIVER. Mr. Lippitt's appearance before the Ways and Means Committee in connection with Mr. MacColl was December 1, and on January 15, 1909, he writes a letter to Mr. PAYNE, chairman of the committee, containing suggestions as to amendments, in which he was joined by Mr. James R. MacColl, both representing themselves as delegates or representatives of the Arkwright Club.

Mr. BEVERIDGE. The Senator from Michigan says he has that statement. Is it brief?

Mr. SMITH of Michigan. I have the statement, and I was just examining it, if the Senator from Wisconsin will permit me.

DINGLEY COTTON RATES HIGH ENOUGH, SAYS MR. LIPPITT.

Mr. LA FOLLETTE. Has the Senator the letter which was presented before the Ways and Means Committee by Mr. Lippitt after the hearings?

Mr. SMITH of Michigan. I was just——

Mr. BEVERIDGE. He appeared before the Ways and Means Committee of the House and said that the present law was satisfactory. Then later he puts in a letter to the effect that it is not?

Mr. LA FOLLETTE. I will put it in later.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Michigan?

Mr. LA FOLLETTE. I do.

Mr. SMITH of Michigan. The statement to which the Senator from Iowa referred, which I hold in my hand, is very important. In it Mr. Lippitt says:

> The form of the present cotton tariff is the result of many efforts, and considering the wide variety of products it covers, has stood the test of practical operation fairly well. It has been the object of many legal attacks, in the course of which the terms used have, for the most part, been given careful legal definitions, and therefore should not be disturbed. Some minor features, however, are still in controversy and may need elucidation, but the present cotton situation as a whole has resulted in establishing in this country a great industry, widely distributed, employing many people and much capital. It has regulated, but not prevented, importations; has made moderate profits and reasonable wages possible to the capitalist and laborer, but is not a bonanza.
>
> We ask, therefore, that the present schedule shall not be materially changed, and that cotton manufacturers be allowed to continue the operation and further development of this important industry under the same tariff conditions that now prevail.

I was just reading this testimony, Mr. President, and am very glad indeed to give the Senate the benefit of it.

Mr. DOLLIVER. If the Senator from Wisconsin will permit me, I will ask the Senator to read the last sentence in the testimony of Mr. Lippitt also.

Mr. SMITH of Michigan. The statement throughout indicates that Mr. Lippitt, whoever he is, and I do not have the honor of his acquaintance, seems to be largely identified with this industry, and has indicated that the present rates are quite satisfactory.

Now, Mr. President, I do not hesitate for one moment to say that if this schedule reported from the Finance Committee does raise the Dingley rates, I would not under any circumstances vote for it. I do not see any justification for it, and one of the leading cotton manufacturers says they ask no increase in rates. The Senate has not hesitated to cut the duty on the products of my State. I have no complaint to offer, but I shall under no circumstances cast my vote in favor of increasing the rate of duty upon this class of goods when those who are engaged in their manufacture ask no further assistance at our hands.

Mr. LA FOLLETTE. Mr. President, I do not wish this cotton schedule passed by the Senate until I have completed what I have to say about it. I can not conclude to-day, or, at least, I prefer to yield the floor for the present, if I can be recognized to continue at a later time.

Mr. NEWLANDS. Mr. President, I would inquire whether there is anything in the rules that would prevent the Senator from going on? If so, I ask unanimous consent that the Senator be allowed to proceed when he feels in condition to do so.

Mr. LA FOLLETTE. Mr. President, I suppose that I could do that; but before the Senate shall take up and pass this cotton schedule, I should be glad to be permitted to have completed my argument, upon which I wish to base some amendments to be offered to the Senate for their consideration; but I have spoken for a considerable time, and I do not want to go on now, unless compelled to do so.

Mr. NEWLANDS. Mr. President, I ask unanimous consent——

The VICE-PRESIDENT. The Chair was waiting for the Senator from Wisconsin to yield the floor, so that the Senator from Nevada might be recognized. The Senator from Nevada has not yet been recognized by the Chair. If the Senator from Wisconsin will yield to the Senator from Nevada, the Chair will gladly put the request.

Mr. NEWLANDS. Will the Senator from Wisconsin yield to me for that purpose?

Mr. LA FOLLETTE. I yield temporarily for that purpose.

The VICE-PRESIDENT. That is all the Chair desires to ascertain.

Mr. LA FOLLETTE. I do not want to yield the floor.

Mr. NEWLANDS. I now ask unanimous consent, Mr. President, in view of the physical condition of the Senator from Wisconsin, that he be permitted to proceed when he is ready to proceed with his argument upon this schedule.

Mr. ALDRICH. Mr. President, it is not necessary to ask that consent. The Senator from Wisconsin can yield the floor and can proceed at any time he pleases during the consideration of the bill.

Mr. LA FOLLETTE. I will say to the Senator from Rhode Island that I do not wish to proceed with my argument against the adoption of this schedule after the schedule has been passed.

Mr. ALDRICH. The schedule can not be entirely passed to-day, I assume. There are a large number of paragraphs. I should, however, like to have a vote upon the pending proposition.

Mr. DOLLIVER. Mr. President, I should like to suggest that the attitude of the Senate on these amendments will be determined by its attitude on the amendment which I have offered to paragraph 312, so far as these new specific duties are concerned. It is not my purpose to offer these amendments, but to take the sense of the Senate upon the propriety of them. Therefore I should not like to have a vote taken upon the amendment which I have offered, or even upon the amendment of the Committee on Finance to paragraph 313, until the Senator from Wisconsin has concluded his remarks.

Mr. ALDRICH. The pending amendment is the amendment of the Finance Committee to paragraph 313.

The VICE-PRESIDENT. The Senator from Rhode Island is correct.

Mr. ALDRICH. And the Senator from Iowa [Mr. DOLLIVER] has given notice of an amendment, which is not now in order, and which, I think, does not affect this question at all; that is, it does not in my mind. The pending amendment can be voted on. We can not certainly hold this schedule up indefinitely for Senators, as this bill must be disposed of.

Mr. LA FOLLETTE. I would be very glad to finish to-morrow, but I should like to have an opportunity, if I can——

Mr. ALDRICH. I should be very glad to have a time fixed for taking a vote on all the paragraphs in this schedule. If that conclusion can be reached, I have no objection to having the speeches of the Senator from Iowa [Mr. DOLLIVER] and the Senator from Wisconsin [Mr. LA FOLLETTE] made at their convenience; but, unless we can reach an understanding about the vote upon the schedule, I certainly shall have to ask the Senate to proceed with its consideration.

Mr. NEWLANDS. Mr. President, I would ask the Senator from Rhode Island whether he expects or intends, if it is in his power, to complete the consideration of the cotton schedule at the session to-day?

Mr. ALDRICH. I have no expectation about it. I am desirous of getting a vote upon all these paragraphs and schedules at the earliest possible moment; but if an understanding can be reached that a vote shall be taken at some time to-morrow, without further discussion on this schedule, I shall be very glad to have that done.

Mr. DOLLIVER. Mr. President——

The VICE-PRESIDENT. The Chair assumes that the Senator from Wisconsin [Mr. LA FOLLETTE] yields for this general discussion.

Mr. LA FOLLETTE. I do.

Mr. DOLLIVER. I would suggest to the Senator from Rhode Island that the principle involved in all of the Senate committee amendments, which convert the ad valorems of the law of 1897 into specific equivalents in the Senate bill, is the same. Therefore, having only a desire to have the sense of the Senate taken upon the propriety of the amendments advancing these rates, it seems to me that no time would be gained by postponing the discussion until other paragraphs are reached. I should like the whole discussion to be confined to this first one, which involves them all, so that thereafter the amendments might be adopted without further debate and without even a roll call of the Senate.

Mr. ALDRICH. Then, Mr. President, I would suggest—I do not know how much more time the Senator from Wisconsin requires——

Mr. LA FOLLETTE. I do not know exactly. I could make better progress if I were a little refreshed; that is all. I can go on now if it is vital that I should do so.

Mr. ALDRICH. Mr. President, I would suggest that we agree to take a vote upon all the items in this schedule, for I assume that, as the Senator from Iowa [Mr. DOLLIVER] says, the first amendment of the committee to paragraph 313 will really dispose of the question. If the Senate should adopt the committee amendment to paragraph 313, it involves all the same questions in the other paragraphs pertaining to cloth. I would suggest that at 12 o'clock to-morrow we take a vote upon the paragraphs of the cotton schedule, without further discussion.

Mr. NEWLANDS. I would suggest to the Senator from Rhode Island that it is hardly fair, when we are now discussing a particular paragraph in a particular schedule, in which there are a number of paragraphs, to insist, as a condition of the right of the Senator from Wisconsin to speak to-morrow upon this particular paragraph, that the Senate should, by unanimous consent, agree that it shall vote upon all the paragraphs.

Mr. ALDRICH. I am willing to extend the time if the Senator desires it. The paragraphs of this schedule are practically unchanged, except the four paragraphs in relation to extending specific duties. I want myself to explain to the Senate the pur-

pose of the committee and the effects of these changes, but I can do it in half an hour at any time. My purpose, however, is to get rid of this schedule. If 12 o'clock is too early, I will suggest 3 o'clock to-morrow. Let us fix some time at which we can come to a conclusion upon this paragraph. It has been discussed now for two days; and it seems to me that all sides of it have been pretty well covered. I assume that everybody is anxious to get a vote on this proposition sooner or later. I certainly do not expect to take exceeding an hour in any event, and I do not know of anyone else on the committee who intends to take much time. There may be some questions asked that would have to be answered.

Mr. BURKETT. Let me ask the Senator from Rhode Island why can not this schedule be passed over?

Mr. ALDRICH. No.

Mr. BURKETT. The Senator from Wisconsin [Mr. LA FOLLETTE] is making a general discussion of this paragraph now. Two members of the Committee on Finance have occupied considerable time, and, in my opinion, somebody ought to take more than an hour in answer to some of the things which have been stated by the Senator from Wisconsin. If we could pass the paragraph over and have some other paragraph considered——

Mr. ALDRICH. My own judgment is that ten minutes will satisfy anyone in the Senate as to the correctness of the attitude of the committee; and that will only apply, of course, to suggestions which have been made, whatever they may be.

Mr. BURKETT. Why not let it go over and take up another paragraph?

Mr. ALDRICH. No; that can not be done.

Mr. BURKETT. Then, Mr. President, it seems to me we could take up other paragraphs and to fill up the time until the Senator from Wisconsin can get some rest.

Mr. ALDRICH. I do not see why we should do that. Probably other Senators are ready to discuss this matter. If we can get an agreement for a time to vote, I will say now that we shall not have any night session, but that I shall ask for an adjournment.

Mr. BEVERIDGE. How can the Senator from Rhode Island get any agreement until the discussion shows some signs of nearing its conclusion?

The VICE-PRESIDENT. The Chair begs to say to the Senator from Wisconsin that he may take his seat. The Chair recognizes that he has the floor and has yielded temporarily. He need not stand in order to hold the floor.

Mr. LA FOLLETTE. I thank the Chair.

Mr. NEWLANDS. Mr. President——

The VICE-PRESIDENT. The Senator from Wisconsin has yielded temporarily in order that this general discussion may proceed.

Mr. NEWLANDS. My understanding, Mr. President, was that the Senator from Wisconsin had yielded to me.

The VICE-PRESIDENT. But thereafter the Senator from Wisconsin stated to the Chair that he would yield for the purpose of general discussion, in the hope of reaching some conclusion.

Mr. NEWLANDS. Mr. President, if I am now entitled to recognition——

The VICE-PRESIDENT. The Senator from Nevada.

Mr. NEWLANDS. I would say that I hardly think it fair upon the part of the chairman of the committee in charge of this bill, in view of the physical disability of the Senator from Wisconsin [Mr. LA FOLLETTE] to proceed with his argument now, to exact as a condition——

Mr. ALDRICH. I am making no insistence at all. The Senator from Wisconsin has a perfect right to yield the floor or to go on, at his convenience. I have no suggestion as to when the Senator from Wisconsin shall occupy the floor or when he shall not. I am only talking about the business of the Senate, which is not to be diverted or set aside for the convenience of any Senator. I certainly do not expect the Senator from Wisconsin, if he is physically unable, to go on with the discussion this afternoon, but I do ask that the business of the Senate shall go on. That is all.

Mr. NEWLANDS. But, Mr. President, the Senator does insist upon going on with the consideration of this schedule in the hope of concluding the consideration of this schedule as quickly as it can be accomplished, and that, too, without any consideration whatever for the physical condition of the Senator who now has the floor, who has not exhausted a moment of time unnecessarily, who has not uttered an idle word, and who has addressed himself to consecutive argument, an argument, which I may say, needs reply, upon this very schedule. The Senator from Rhode Island has intimated that at some time during the consideration of this schedule he will require at least half an hour, and I think it is safe to say that that limitation will have to be enlarged. It will require at least half an hour for the purpose of addressing the Senate regarding this particular schedule and clearing up certain misunderstandings regarding it. Now, we are within an hour and a quarter of adjournment, and if the Senator from Rhode Island should take the floor now——

Mr. GALLINGER. An hour and three-quarters.

Mr. ALDRICH. We have until half past 5.

Mr. NEWLANDS (continuing). To make the statement which he contemplates, it would take a considerable portion of that time; and it seems to me it is only reasonable for the Senator from Rhode Island to agree now that the Senator from Wisconsin shall proceed to-morrow, and that he will not seek to close the debate or to secure a vote upon the particular paragraph or schedule to which the Senator from Wisconsin is now addressing himself. I ask the Senator to yield to that understanding——

Mr. ALDRICH. Mr. President, the Senator——

Mr. NEWLANDS (continuing). If not, I will be compelled to make a motion to that effect.

Mr. ALDRICH. There is no necessity for the Senator from Wisconsin getting unanimous consent to proceed or not to proceed; that is entirely within the control of the Senator from Wisconsin. He is not obliged to ask the consent of the Senate to go on at any particular time and he is not obliged to ask the consent of the Senate to give up the floor at any particular time. That is entirely within the Senator's own privilege and right. What I am suggesting is, that in order to suit the convenience of Senators, if a time can be fixed to take a final vote upon the paragraphs of this schedule, I am willing to consult the convenience, not only of the Senator from Wisconsin, but of all other Senators, with reference to this particular schedule. It seems to me that I am not making an unreasonable request about it.

Mr. NEWLANDS. But, Mr. President, there is objection to fixing the time now for a vote upon this schedule or upon this particular paragraph. It is true the Senator from Wisconsin can withdraw from the floor; that is within his power; but all we ask is that the consideration of this schedule be continued, and not disposed of by a vote, in such a way as to secure to the Senator from Wisconsin an opportunity to-morrow, when he is physically able to proceed with his argument, to address the Senate, and he assures the Senate that he will close his argument to-morrow. It seems to me that is a reasonable request. If the Senator from Rhode Island will not yield to the request for unanimous consent, there will be nothing remaining then but to make a motion upon the subject.

Mr. ALDRICH. Mr. President, I ask Senators upon the other side, or upon this side, who seem to have control of the opposition to this schedule, whoever they may be, if they will consent to fix a time to take a vote upon this schedule?

Mr. DANIEL. Mr. President, this is a schedule, in which, as I hear—of course I know nothing about committee transactions, as I am only a senatorial member of it, and was not allowed to attend it, against the rules of this body—the insurgents in the committee have taken charge, not only of the bill, but of the witnesses, of the publications, and of everything else connected with our business. They come now craving——

Mr. ALDRICH. Mr. President, is the Senator from Virginia——

Mr. DANIEL. Mr. President, I am addressing the Senate and decline to yield.

Mr. ALDRICH. Is the Senator occupying the floor in his own right?

The VICE-PRESIDENT. The Senator from Wisconsin [Mr. LA FOLLETTE] has the right to the floor. He has yielded while this discussion has been progressing, practically by unanimous consent, in order to ascertain if some agreement might be reached. That is the parliamentary status. The Senator from Wisconsin can reclaim the floor at any moment he desires.

Mr. DANIEL. Mr. President, the Senator from Wisconsin is making a very instructive speech and is enlightening the ejected portion of the committee, as well as the rest of the Senate, on matters about which the gentlemen in haste have had full opportunity to be informed by witnesses. I have observed before to-day about such measures as this that when gentlemen have had peculiar opportunities to prepare themselves, when they have got all the mechanism of business arranged to suit themselves, and have constituents who have been fixed to suit themselves through their agency, they immediately get in a hurry to put everything through. I have also observed that Senators who wish to be informed and have not had those opportunities, as Senators who are acting upon their conscience and in accordance with the laws of this country and the rules of this body, always desire to know what they are doing before

they are forced to do it. It is a noticeable fact that some people, who are peculiarly in haste for other people to meet their wishes, are exceedingly patient with themselves and are exceedingly patient in performing their part of the functions of this body, which it was their duty first to perform before calling upon others to act under them.

The Senator from Rhode Island has not yet made a committee report on these subjects which he is now discussing. He has amendments and compels the Senate to be patient and wait for them. They still await them. He who asks equity must do equity, and he who asks haste for what he wishes to do must not be impatient with those who have not had his opportunity to know what he knows. I certainly would not think of crowding anybody, much less one who has had time, and improved it, to examine into the pending schedule, which is of the utmost moment to the consumers of this country; which is of the utmost moment to the people who are less able to provide the necessaries of life; which is of the utmost moment to the common and ordinary necessities of life, not of fashionable, but of decent living.

So, Mr. President, the Senator from Rhode Island must put himself in more becoming attitude and in more just attitude to this body before he can get upon his knees and pray the whole body to yield to his suggestion, if not dictation.

Mr. GALLINGER. I ask for the regular order, Mr. President.

The VICE-PRESIDENT. The regular order is demanded. The Senator from Wisconsin is entitled to the floor.

Mr. DOLLIVER. Mr. President, if the Senator from Wisconsin——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. For a moment.

Mr. DOLLIVER. If the Senator from Wisconsin, being worn out and ill and unable to proceed, desires to repose for a few moments, possibly until half past 5 o'clock, I will be glad to relieve his fatigue by taking the floor myself.

Mr. LA FOLLETTE. I thank the Senator very much; I know the Senate would be very glad to make the exchange; but I am quite refreshed by my little rest and able to go on now, I think, for another hour or two.

Mr. DOLLIVER. I am very much gratified to know that.

Mr. LA FOLLETTE. But I will yield to the Senator, at the suggestion of Senators here who are wearied at the sound of my voice.

The VICE-PRESIDENT. The Senator from Wisconsin can not yield the floor to another Senator. That has been ruled over and over again. He can not parcel out the time, except by unanimous consent, other than for an inquiry; and the discussion that has been going on, as the Chair stated, has been by unanimous consent, the Senator from Wisconsin yielding for that purpose.

Mr. PENROSE. Regular order, Mr. President.

The VICE-PRESIDENT. The regular order is demanded. The Senator from Wisconsin [Mr. LA FOLLETTE] has the floor.

Mr. BEVERIDGE. I rise to a parliamentary inquiry.

The VICE-PRESIDENT. The Senator will state his parliamentary inquiry.

Mr. BEVERIDGE. The Senator from Wisconsin, having yielded the floor now to the Senator from Iowa or any other Senator, has spoken once. If the Senator from Iowa should then speak, the Senator from Wisconsin, when the Senator from Iowa gets through, or any other Senator to whom he yields gets through, at any time during this legislative day could again resume the floor, and on no other legislative day. Is that correct?

The VICE-PRESIDENT. That is not correct.

Mr. BEVERIDGE. It is not correct?

The VICE-PRESIDENT. No; the Senator from Wisconsin can be recognized again to-morrow.

Mr. BEVERIDGE. Oh, certainly; but I am talking about——

Mr. GALLINGER. Can not the Senator be recognized twice the same day under the rule?

The VICE-PRESIDENT. Yes; he can be recognized twice on the same day under the rule, or he can be recognized to-morrow.

Mr. BEVERIDGE. The Chair misapprehended me. My inquiry—I was probably unfortunate in not making it clear—was, if the Senator from Wisconsin should now yield the floor, he then has spoken once, and under parliamentary law——

Mr. ALDRICH. He could go on to-morrow.

Mr. BEVERIDGE. I am talking about the legislative day. Then, when the Senator to whom he yields gets through, or anybody else gets through, he may then resume the floor again if he gets the recognition of the Chair.

The VICE-PRESIDENT. Certainly.

Mr. BEVERIDGE. And that is all for that day.

The VICE-PRESIDENT. That is the correct interpretation, in the opinion of the Chair.

Mr. LODGE. Mr. President, on a question of order a Senator can not yield the floor to another Senator.

The VICE-PRESIDENT. Certainly not.

Mr. BEVERIDGE. He can if nobody rises to suggest that he can not. If a Senator yields the floor and any other Senator is fortunate or unfortunate enough to get recognition of the Chair, he can go on, and the only point was whether the Senator might resume at any time.

Mr. PENROSE. Regular order!

The VICE-PRESIDENT. The Senator from Wisconsin is the regular order.

Mr. LA FOLLETTE. I should like to inquire of the Senator from Rhode Island if it is his purpose to have a session to-night?

Mr. ALDRICH. That is the order of the Senate.

Mr. LA FOLLETTE. I know that is the order of the Senate; but is it the order of the Senator from Rhode Island? [Laughter.]

Mr. ALDRICH. I am under the orders of the Senate——

Mr. BEVERIDGE. It is for the Senate to determine.

Mr. ALDRICH. It is for the Senate to determine, and not myself.

Mr. BEVERIDGE. It might be proper to ask as to the intention of the Senator from Rhode Island, in charge of the bill; and I take it that is what the Senator from Wisconsin meant.

Mr. ALDRICH. I stated that if I could secure an agreement to fix the time to vote upon this schedule, which certainly can not involve very many more hours of discussion—at least, it seems to me so—I would not ask for a session to-night, and that I would ask the Senate to adjourn instead of going on to-night. It seems to me that is a very reasonable request.

COTTON CLOTH OF ALL GRADES INCREASED.

Mr. LA FOLLETTE. Mr. President, resuming my discussion of the increases in the cotton schedule, I next invite the attention of the Senate to paragraph 314. Paragraph 314 provides duties for cloth exceeding 100 and not exceeding 150 threads to the square inch, counting the warp and filling, and it first provides for cloth of that count not bleached, dyed, colored, stained, painted, or printed.

Mr. BEVERIDGE. Where is the Senator reading from now?

Mr. LA FOLLETTE. I am reading from paragraph 314, and I call attention to the first description under that paragraph. Of cloth, of the description given, not exceeding 4 square yards to the pound, there were $11,104 worth imported last year, and the committee did not increase the duty upon that cloth. Of cloth of this count exceeding 4 and not exceeding 6 yards to the pound there were $9,449 imported in a year, and that escaped an increase at the hands of the committee. But for some reason or other, when it reached the next class, cloth exceeding 6 and not exceeding 8 square yards per pound, the committee increased the duty 20 per cent, although the value of a year's imports of this class of cloth was only $5,601.

On cloth of the same description valued at over 9 cents per square yard, the average increase is 17.87 per cent and the value of imports was $20,028.

Coming now to bleached cloth of the same count and weight as the foregoing, valued at over 11 cents per square yard, which is considered a "luxury" by this committee, the average increase by the committee amendment is 17.23 per cent and the value of imports for one year $465,521.

The next four items of this bracket for some reason or other were passed over without increases by the Senate committee. But on cloth of this count and weight, dyed, colored, stained, painted, or printed, and valued at over 12½ cents per square yard, the increase is 13.09 per cent and the value of imports was large—$1,536,802.

The next paragraph, No. 315, embraces cotton cloth, exceeding 150 and not exceeding 200 threads to the square inch, counting the warp and filling. On cloth of this count, not bleached, valued at over 10 cents per square yard, the increase is 20.89 per cent. The value of imports for the year 1907 amounted to only $6,171.

On cloth of the same count bleached and valued at over 12 cents per square yard, the average increase by the committee amendment is 32.83 per cent, and the value of imports was $1,242,235.

On cloth of this count dyed, colored, stained, painted, or printed, and valued at over 12½ cents per square yard, the increase is 11.20 per cent, and the value of imports for the year 1907 was $2,751,271.98.

Mr. OVERMAN. Mr. President, it is very evident——

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Does the Senator from Wisconsin yield to the Senator from North Carolina?

Mr. LA FOLLETTE. I yield temporarily for a question.

Mr. OVERMAN. It is very evident to the Senate that the Senator from Wisconsin is physically unable to go on.

Mr. LA FOLLETTE. I wish the Senator would not say that. I am able to proceed.

Mr. OVERMAN. I do not think he is.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor, and he declines to yield further.

Mr. LA FOLLETTE. I am very much obliged to the Senator, but I do not want to be put on the record as an invalid.

I call the attention of the Senate now to paragraph 316, embracing cloth exceeding 200 threads and not exceeding 300 threads to the square inch. On cloth of this count, not bleached, valued at over 12½ cents per square yard, and bleached, valued at over 15 cents per square yard, the increases are slight.

But on cloth of this count dyed, colored, stained, painted, or printed, valued at over 17½ cents per square yard, the average increase is 29.43 per cent, and the year's imports amounted to $1,443,233.

The next paragraph, 317, embraces all cotton cloths counting over 300 threads to the square inch, counting warp and filling. On cloth of this count not bleached and not exceeding 2 square yards to the pound the increase is 62.50 per cent, although the imports for a year amounted to only $358 in value.

On bleached cloth of this count valued at over 16 cents per square yard the increase is 20.85 over the Dingley rate, and the imports of 1907 amounted to only $10,027.55.

On cloth of the same count when dyed, colored, stained, painted, or printed, and valued at over 20 cents per square yard, the increase is 16.78 per cent, while the imports were $118,977.

Paragraph 321 embraces cloth in which there are woven figures, sometimes known as "lappets." On cloth of this character exceeding 50 and not exceeding 100 threads to the square inch, counting the warp and filling, not bleached, dyed, stained, colored, painted, or printed, not exceeding 6 square yards to the pound and valued at more than 7 cents per square yard, the increase is 30.81 per cent, although the value of imports for a whole year was only $18.

On cloth of that description exceeding 9 square yards to the pound and valued at more than 7 cents per square yard the duty is increased by the Finance Committee 13½ per cent, while the importation in 1907 was only $700.

On cloth of this character and count, dyed, colored, stained, painted, or printed, not exceeding 6 square yards to the pound, valued at more than 7 cents per square yard, the increase is 21.04 per cent, while the imports for a year under the present rates amounted to only $75.

On cloth of this character not exceeding 100 threads to the square inch, counting the warp and filling, not bleached, dyed, colored, stained, painted, or printed, valued at over 7 cents per square yard, the duty is increased 38.19 per cent, while the value of imports for 1907 was $68,505.

On cloth of the same description bleached, valued at over 9 cents per square yard, the increase is 31.88 per cent, and the value of imports was $80,837 in 1907.

NO MISUNDERSTANDING OF THESE INCREASES.

On the same cloth dyed, colored, stained, painted, or printed, and valued at over 12 cents per square yard, the increase is 32.48 per cent, and the value of imports in 1907, $220,244.

Mr. JONES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Washington?

Mr. LA FOLLETTE. I do.

Mr. JONES. I should like to ask the Senator a question. As I understand, he is speaking of an item on page 39, and the Finance Committee's statement shows that the present equivalent duty is 30 per cent, and under the Senate bill 44.28 per cent. That shows an increase of 14 per cent. The Senator's percentage of increase, as I understand, is about 40 per cent of this 30 per cent. Is that the basis upon which his increases in percentage are computed?

Mr. LA FOLLETTE. I am giving the per cent of increase over the existing rate which this bill makes, and I give it exactly as it is computed by the Bureau of Statistics. It is not my construction, and they are not my figures. I assume that the Bureau of Statistics knows how to figure these increases correctly. On the item I have just read the Finance Committee's statement shows that the duty under the present law is 40.83 per cent and under their bill is 54.09 per cent. The difference is an increase of exactly 32.48 per cent.

Mr. JONES. I know; but I want to understand the basis.

Mr. LA FOLLETTE. The Senator can very readily see for himself. If he takes the ad valorem equivalent given in the Senate bill and the ad valorem equivalent given in the present law, and ascertains the difference, he can soon compute what rate per cent that difference is on the existing duty.

Mr. JONES. If the Senator will permit me, the 30 per cent given on the page here is 30 per cent of the full value of the article, which is estimated of course at 100 per cent. Now, then, this increase of 14 per cent is also 14 per cent of that full 100 per cent value. But it would be equivalent to 40 per cent of the present percentage.

I think we ought to understand exactly the basis upon which these computations have been made as to increases. If it is an increased percentage upon the 100 per cent valuation, it would be a certain per cent. If it is an increase on the present percentage of duty, it would be a much higher rate. I think we should understand clearly the basis on which the figures are made. I ask for information, because it has been bothering me all the way through here.

Mr. LA FOLLETTE. I have made it as clear as I can to the Senator.

Mr. JONES. I understand. The percentage which the Senator calls the percentage of increase is the percentage that the difference between these two ad valorems is upon the percentage as shown here.

Mr. LA FOLLETTE. Yes, sir.

Mr. JONES. Of the ad valorem duty.

Mr. LA FOLLETTE. That is right.

Mr. JONES. And not upon the 100 per cent.

Mr. LA FOLLETTE. It is the percentage of increase over the existing rate.

Mr. JONES. It seems to me that gives rather an erroneous impression as to the rate of increase, because it gives a much higher rate. It would be better understood if the percentage of increase was given upon the hundred per cent value of the article imported, upon which these ad valorem changes are based.

Mr. LA FOLLETTE. I have given the exact and actual increase. The form in which I have stated it is the only form which would correctly state the per cent of increase, or which would have any exact meaning whatever.

Mr. JONES. Yes.

Mr. LA FOLLETTE. And it does not admit of any possible misunderstanding.

Mr. JONES. If a person understands the basis taken on which to compute that percentage, there can be no misunderstanding; but one man might have in his mind the full hundred per cent value, when the rate of increase would be one, or he might take the percentage that is given here and thus get another rate.

CHAIRMAN OF FINANCE COMMITTEE HAS NOT EXPLAINED.

Mr. LA FOLLETTE. The table which I shall print and from which I am reading—and reading exactly as it is—gives the ad valorem of the existing rate, gives the ad valorem of the new rates as reported in the bill just as found in the table furnished by the Committee on Finance, gives the value of the imports, and gives the per cent of increase of the duties reported by the Finance Committee over the existing rates. This table I will print in full.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I do.

Mr. ALDRICH. The Senator from Wisconsin says that the committee have reported some percentages of increases. That is not correct. I do not desire to interrupt the Senator with reference to these various figures, but I will say that the Senator is acting upon misinformation as to the extent of these and as to the character of the report of the committee.

Mr. LA FOLLETTE. The Senator from Rhode Island has taken occasion every time a criticism has been made of this bill to inject into the remarks of the Senator the statement that it is not correct and that he is acting on misinformation, and that some time or other he will explain it all to the Senate. He has made that promise again and again, but he has never redeemed it or pretended to do so.

I say to the Senator from Rhode Island I am not proceeding upon misinformation, and I say to the Senator from Rhode Island that these figures are based upon the figures furnished by his committee and given to the Senate in what is called the estimates of revenue, furnished, I take it, not to mislead the Senate, but to aid Senators to correct conclusions upon this bill.

At an earlier time in this debate, when those estimates were referred to, the Senator from Rhode Island said they had been

prepared very hurriedly; that there were mistakes and errors in them; that the only occasion for surprise was that they did not contain more errors. I say that was a confession which the chairman of the Finance Committee ought never to have been compelled to make. But this Book of Estimates, the only guide furnished us by the committee to aid us in interpreting the changes in this bill, has been three times revised and printed. It is the business of that committee—it is of every committee—to furnish correct information. Nearly half of the employees of the Bureau of Statistics have been detailed to the service of the Committee on Finance for weeks. I say that neither the committee nor the chairman nor anybody else responsible for the bill has a fair and just right to screen themselves behind errors in the work which they have compiled and furnished to the Senate.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I do.

Mr. ALDRICH. The tables furnished to the Senate were prepared, as every Senator at all familiar with the subject knows, by men in the Bureau of Statistics or connected with the Government, upon the importations of a certain year, without reference to any knowledge as to the changes which have taken place in the act and the application of those changes. They do not make any attempt to say what the effect of the changes in classifications would be upon the rates fixed by the bill which is pending. It is impossible for them, as stated by the Senator from Minnesota yesterday. There can be no data under their control or under the control of anyone which would show what precise value, with its application to these various changes, would be had upon importations in the future.

The Senator says we furnished no explanation. The Senator from Utah [Mr. SMOOT] in one of the clearest and most comprehensive statements that I have ever heard in the Senate explained the application of these rates to the paragraphs. That statement was not only based upon the judgment and information of the committee, but was based upon the information and judgment of all the best experts in the government service. That statement shows that the rates which are imposed by these specific duties which we have recommended are practically 5 per cent less than the rates which were imposed by the Dingley Act. If the Senator from Wisconsin had read that statement carefully, I think he would have been satisfied as to the accuracy of those figures.

I intend to supplement that statement by facts, partly from the importations of last year, partly from the judgment of the men who for years have been passing upon these importations at the custom-house, and I intend to show to the Senate that while there are some apparent increases in this schedule, judging by the importations of 1907, the effect of these changes is a reduction of duties, while there is an apparent increase in some of the items.

SENATOR FROM RHODE ISLAND IS MISTAKEN.

Mr. LA FOLLETTE. The Senator from Rhode Island will never get any man in the Senate or out of it who will investigate these changes in rates to accept the statement which he has made or the one which was put into the RECORD by the Senator from Utah [Mr. SMOOT]. I say to the Senator from Rhode Island what he has said to many Senators on this floor—you are mistaken. You never will be able to make the Senate accept your statement that these changes have not increased these rates, unless they accept your statement, as sometimes some Senators are given to, without question and without understanding. The Dingley law as it stands on the statute books to-day is the law of this land with respect to its tariff duties and customs.

Mr. ALDRICH. Will the Senator permit me?

Mr. LA FOLLETTE. Not just now.

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. Not for the moment.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield for the present.

Mr. LA FOLLETTE. It is not for the Senator from Rhode Island, or anybody else in this body, because they happen to have a hand on legislation and in legislation with respect to the tariff, to say that that law meant something that the courts determined it did not mean. There was a defect in the cotton schedule of the Dingley law, a defect curable by a single and simple amendment, which will be pointed out and made plain to the Senate. But that defect, that oversight, does not afford a justification for increasing the rates directly upon the bulk of the countable cotton cloths, which increases can be computed mathematically, and also increase rates by new wording, as I shall point out later, in ways that can not be calculated mathematically.

So, Mr. President, I say the Senator from Rhode Island is estopped from rising now, when this bill is half or two-thirds through the Senate, to impeach the information which he has furnished and upon which we have proceeded, these estimates of imports and the ad valorem equivalents, because they no longer serve his purposes. I yield now to the Senator.

Mr. ALDRICH. Mr. President, the Dingley Act, when it was passed, imposed the lowest duty of 60 per cent ad valorem upon the entire class of soft fabrics, high-class luxuries, with low count. The court or the general appraisers or both, it makes no difference which, reduced that 60 per cent to the provision of paragraph 304 of the old law, which is paragraph 313 of the present measure. So cloths valued at 24 cents a yard were imported into this country at 1 cent a yard, or about 4 per cent ad valorem.

This bill corrects that by changing that rate from 1 cent a yard to a specific of 24 cents, or 7 cents a yard, if I remember it, which is, on its face, an increase on the plan which the Senator from Wisconsin has adopted of 600 or 700 per cent, and still the existing rate under this bill will be 20 per cent less than the rate which the Dingley law placed upon that very article.

Of course the Senator and his friends can find places of this kind—they are in every law—by which an apparent increase is made. It is to cure the defects. If that is not the purpose of this revision, what is it? I say, the Senate would be derelict in its highest duty if it did not cure these defects, and that it should not be restrained from doing that duty by the objection of the Senator from Wisconsin, which is that he can show an increase of duty in this manner.

AN ILLUSTRATION OF THE INCREASES.

Mr. LA FOLLETTE. Mr. President, I have one of those instances right before me, and it makes a fine illustration of the argument of the Senator from Rhode Island. It is the next item in the table—paragraph 321, cloth exceeding 100 and not exceeding 150 threads to the square inch, counting the warp and filling, not bleached, dyed, colored, stained, painted, or printed, exceeding 4 and not exceeding 6 square yards to the pound, valued at more than 7 cents per square yard. It was subject under the Dingley law to the low ad valorem of 11.40 per cent measured on the importations of the year 1907. This is seized upon because it happens to show a low ad valorem equivalent at this time as offering an opportunity for an advance, and it is advanced 185 per cent. Now, why? The importation of this cloth under that low duty, which was taken as the basis of this increase, amounted to $5 in the year 1907. That was an awful defect in the Dingley law——

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. Not just now. I will give you a chance to get in when I get through with this statement. There was an importation of only $5 under the low Dingley rate. No industry in this country could have suffered very severely from the competition of the pauper labor of Europe, which only succeeded under that rate in putting into this market $5 worth of that material.

Mr. ALDRICH. Will the Senator now yield to me?

Mr. LA FOLLETTE. I do.

Mr. ALDRICH. Does the Senator think the amount of importations in any particular year ought to fix the rate of duty? Did he use this reasoning in his vote for a duty on barley?

Mr. LA FOLLETTE. I rather expected that sooner or later I would hear some such observation as that from the Senator from Rhode Island. It is about the plane upon which the chairman of the Committee on Finance proceeds in giving his instruction and information to the Senate.

Mr. ALDRICH rose.

Mr. LA FOLLETTE. I do not want you to interrupt me now. Wait until you get your answer. You are going to be accorded the same kind of treatment that I received from you.

The VICE-PRESIDENT. The Senator will please address in the third person.

Mr. LA FOLLETTE. I accept the correction.

Mr. President, it rather seems to me that the chairman of this important committee, at an earlier period in this debate, might well have seen fit to present to the Senate the theory upon which all of these advances were made, instead of waiting until the cotton schedule was reached. Now, the Senator from Utah [Mr. SMOOT] is put forward with a remarkable statement, which I shall take up later, and which I believe it will be possible to show is reasoning in a vicious circle, by which the high rates of to-day are made the basis for higher rates to-morrow.

I do not care at this time, and wearied somewhat as I am, to take up that part of the discussion; but I do purpose to do it, and I am very glad the Senator from Rhode Island has seen fit to call attention to the statement of the Senator from Utah.

You can not justify these real advances over the Dingley rates by pretending that they are only apparent advances. I am just reminded by a remark which I overheard in a rear seat that I neglected to make any response to the Senator from Rhode Island with respect to my vote upon the duty on barley, and I will take the opportunity to do it now.

REASONS FOR THE DUTY ON BARLEY.

Mr. President, when the duty on barley was fixed at 30 cents per bushel, from an investigation which I made at that time, for I wrote that rate in the law of 1890, it was clearly demonstrated, in my judgment and in that of the committee and of the House of Representatives, that that rate was necessary to save the markets of this country and the producers of barley in this country. We were at that time year by year losing the market to the Canadian farmer. Year by year our acreage was being diminished. The imports had increased until the equivalent of one-fifth of the entire product of this country came across the line from Canada. Unless that rate was increased, and increased to that figure, I was convinced at that time—and I have heard no argument to change my mind since—that the farmers of this country would have to abandon the growing of barley; that the entire acreage, something more than 3,000,000 acres, as I now remember, that were devoted to the barley crop in this country at that time, would have been forced into the production of some other crops. The rate fixed on barley at that time is the rate of the existing law.

I listened to the discussion that took place on the Senate floor when the amendment to the barley duty was presented, but I heard no statement in all that discussion that convinced me that it was safe or prudent to change the present law and reduce the duty on that product.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I do.

Mr. ALDRICH. I did not make the suggestion I did with reference to barley to suggest that the Senator was guilty of inconsistency, but I desired to call his attention to the fact that in the case of one article where there were practically no importations, 11,000 bushels imported and an exportation of 5,000,000 bushels, he did not hesitate to vote for a large increase in the rate over the bill as it came from the House. I assume that he did it sincerely, and I assume that it was a matter of judgment with him and not a matter of local interest.

VOTED FOR NO INCREASE OVER EXISTING LAW.

Mr. LA FOLLETTE. Mr. President, I voted for no increase of duty over existing law. The Senator from Rhode Island is crafty, adroit, and clever in diverting, if possible, the attention of the Senate and the country from the glaring, the shocking, increases over existing rates which this bill discloses.

But I purpose, Mr. President, to hold the attention of the Senate, if I can, to this bill and to this cotton schedule, and when I have pointed out the increases that are made, I then am going to undertake to show not only that the duties should not be increased over the Dingley rates, but that, upon the principle expressed by President Taft in all of his utterances and in the platform of the Republican party, they should be reduced through every paragraph. I will show that by indubitable evidence with respect to the labor cost in this country and the labor cost in the competing countries.

Mr. ALDRICH. Will the Senator permit me?

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I yield for a question. I do not care to yield for a speech.

Mr. ALDRICH. Does the Senator think we are bound either by President Taft's views upon this question or by the Chicago platform to reduce the duties below the existing law, without reference to anything else?

Mr. LA FOLLETTE. What an idle question, when I just stated to the Senator, if he had been giving me his attention, that upon the difference in the cost of production, the difference in the labor cost, I will show that these duties should be reduced. Neither the Chicago platform nor the utterances of President Taft warrant the question asked by the Senator. The discrimination which the Chicago platform makes, and which President Taft has reenforced so many times, is that duties shall be based upon the difference in cost of production and not upon what any cotton manufacturer or any other manufacturer says he wants.

Mr. BEVERIDGE. Will the Senator yield to me?

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. Certainly.

Mr. BEVERIDGE. Will the Senator yield to me that I may address a question to the Senator from Rhode Island?

Mr. LA FOLLETTE. I will.

Mr. BEVERIDGE. The Senator from Rhode Island has stated, and of course with accuracy and sound judgment, that the opinion of the manufacturers who are building up the industry should have weight and influence. Am I correct about that?

Mr. ALDRICH. I have made a great many statements in that connection. If the Senator will refer me to the particular statement he has in mind——

Mr. BEVERIDGE. Yes; I will.

Mr. ALDRICH (continuing). Perhaps I may be able to answer it categorically, but I would prefer at the present time to deal with the Senator's colleague, who is now addressing the Senate.

Mr. BEVERIDGE. And the Senator's colleague also?

Mr. ALDRICH. I understand that.

Mr. BEVERIDGE. Certainly; we are all colleagues here. That being true, and of course, as a matter of fact, it has been stated, as it ought to be stated, as President Taft stated in his speeches, that the opinion of the manufacturers who built up the business and were most interested in the increase of duty should have influence, I wish to read to the Senator merely, because it has been read before here this afternoon when the Senator was not here, and it is fair to him to hear it——

Mr. ALDRICH. It has been read, I think, half a dozen times in my hearing.

Mr. BEVERIDGE. Let us read it again.

Mr. ALDRICH. But, Mr. President, in this matter it is not necessary that I should take the suggestion of any manufacturer. Before I get through with this discussion I intend to present facts as to the difference in the cost of production between this country and competing countries. Of course I shall be very glad to hear either the Senator from Indiana or the Senator from Wisconsin in their presentation of the facts bearing upon this case.

Mr. BEVERIDGE. I am not intending to present anything, because I am listening to both sides. These two quotations I was directing the attention of the Senator from Rhode Island to because most certainly the person who represents the cotton industries of the country and is more deeply interested, in a selfish way, than anybody else——

Mr. ALDRICH. Will the Senator permit me?

Mr. BEVERIDGE. Certainly.

Mr. ALDRICH. I have noticed the peculiar facility on the part of both the Senator from Indiana and the Senator from Wisconsin to accept the statements of certain people in reference to these industries and these rates without reference to anyone's else opinion; and I assume that the opinion which the Senator is to read from meets his views and the views of the Senator from Wisconsin, or else this interruption would not have taken place.

Mr. BEVERIDGE. Mr. President, the Senator's assumption in that regard is just as incorrect as, apparently, the Senator's information must have been upon many other things. The Senator's observation as to what a Senator notices about the effect of the opinions of various men I will leave to the Senate itself to judge of. But that does not deter me, because, in good faith, I want to know the Senator's opinion about this.

I read from the testimony before the Ways and Means Committee the statement of Mr. Lippitt. I did not know who he was until this afternoon, when I asked the question. Mr. Lippitt represented the Arkwright Club, and is the largest cotton manufacturer, or at least is represented to be, and comes from the Senator's own State. I understand he is a man of credibility and a man of some business acumen, and certainly knows about his own business. He says:

> The form of the present cotton tariff is the result of many efforts, and considering the wide variety of products it covers has stood the test of practical operation fairly well. It has been the object of many legal attacks, in the course of which the terms used have for the most part been given careful legal definitions, and therefore should not be disturbed. Some minor features, however, are still in controversy——

Mr. ALDRICH. That is right.

Mr. BEVERIDGE. Very well; we will read on—

> and may need elucidation; but the present cotton situation as a whole has resulted in establishing in this country a great industry, widely distributed, employing many people and much capital. It has regulated but not prevented importations, has made moderate profits and reasonable wages possible to the capitalist and laborer, but is not a bonanza.
>
> We ask, therefore, that the present schedule shall not be materially changed, and that cotton manufacturers be allowed to continue the

operation and further development of this important industry under the same tariff conditions that now prevail.

He concludes his statement as follows:

I am not appearing here to ask for an increase in the duties on the cloth clauses of the cotton schedule. I think that while there are importations going on under them, it is reasonably regulative of the cotton trade. The importations are not so large that we feel justified in asking that the duties be increased, but we would not like to see them decreased, as we believe that any decrease would certainly result in very much larger importations and a great deal more of our cotton being manufactured abroad and shipped back as finished goods, as we say.

There is the complete statement I see marked. I simply read it to the Senator and ask what he thinks about that statement of the representative of the cotton manufacturers formally made before the Ways and Means Committee of the House.

Mr. GALLINGER. It has been read six times.

Mr. ALDRICH. It has been read quite a number of times.

Mr. BEVERIDGE. Then, the Senator is better prepared to reply.

Mr. ALDRICH. The Senator probably was not in the Senate when I made the statement, and probably has not read it in the RECORD, that the particular paragraphs he refers to were never submitted to any manufacturer or to anybody interested in this business.

Mr. BEVERIDGE. That is not the question I am asking.

Mr. ALDRICH. I am answering the Senator's question, and it will give the Senator from Wisconsin more time if I enlarge upon it.

Mr. BEVERIDGE. That will be satisfactory.

Mr. ALDRICH. That will be satisfactory, I know, to the Senator from Indiana. I said then, and I repeat, that these amendments were prepared by the committee itself from their knowledge of the defects which had been produced by the courts and by the Board of General Appraisers, or whoever else you please.

Now, I will say to the Senator from Indiana what is absolutely true, to my knowledge, from my long experience in tariff legislation. I venture the assertion that there are not three cotton manufacturers in the United States who knew about those decisions and their effect upon the law. The South manufactures about one-half of the cotton goods produced in the United States. I am willing to venture the statement that there are not two men engaged in cotton manufacture in the South who had any idea about the decisions which I have referred to.

Mr. BEVERIDGE. It certainly could not have affected their industry seriously if they did not know about it.

Mr. ALDRICH. I have myself seen industries dwindle and go out of existence on account of decisions made under the tariff act which the men themselves had no knowledge or no suspicion of.

Mr. DOLLIVER. Mr. President——

Mr. ALDRICH. They never heard of them until they were brought to their attention in a practical way, and perhaps not then, in the loss of their business and the destruction of the industry.

Mr. DOLLIVER. Will the Senator from Wisconsin yield to me?

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. ALDRICH. Mr. President——

Mr. DOLLIVER. I should like to ask a question.

Mr. ALDRICH. If I do not interfere with the other two gentlemen, who seem to be occupying the floor, I yield.

Mr. BEVERIDGE. I beg pardon; that is not an answer. I have not occupied the floor one instant to-day. I did want the Senator's opinion on that question, and now that I have the floor——

The VICE-PRESIDENT. The Senator from Indiana has not the floor. The Chair is trying to find out who has. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. I yield.

Mr. BEVERIDGE. Now that I have the floor——

Mr. DOLLIVER. I understood the Senator from Wisconsin to yield to me.

Mr. LA FOLLETTE. I will yield to the Senator from Iowa in a moment.

Mr. BEVERIDGE. I have read it again, and I will ask the Senator this question: Since he has stated that it is because of decisions which might injuriously affect the industry in which these men are engaged, decisions of which the men in that industry absolutely knew nothing themselves, does he think the cotton industry is a languishing industry? If he does, Mr. Lippitt says it is a very flourishing one.

Mr. ALDRICH. Mr. President——

Mr. LA FOLLETTE. Mr. President, I have the floor.

Mr. ALDRICH. Very well; I will wait and speak in my own time.

Mr. LA FOLLETTE. I merely wish a recognition of the fact that I have the floor.

The VICE-PRESIDENT. Certainly the Senator from Wisconsin has the floor. Does he yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I will yield to the Senator from Rhode Island.

Mr. DOLLIVER. I desire, if the Chair will permit me——

The VICE-PRESIDENT. The Senator from Wisconsin has yielded to the Senator from Rhode Island. Does the Senator from Rhode Island care to claim the floor?

Mr. ALDRICH. I do not.

Mr. LA FOLLETTE. I yield to the Senator from Iowa.

Mr. DOLLIVER. I desire to ask the Senator from Rhode Island to what decisions of the courts he was referring.

Mr. ALDRICH. I was referring to a series of decisions which, if the Senator had listened to my remarks——

Mr. DOLLIVER. I did listen, and I took the book of statistics, and also the Senator's statement of yesterday, that these decisions had raised the importations from $2,000,000 to $9,000,000, and I found the speech of the Senator from Utah [Mr. SMOOT] was devoted to etamines, when the total importations under the paragraph referred to in those decisions amounted to $26,000.

Mr. ALDRICH. The Senator is entirely mistaken in that statement. It is like a large part of the information which is floating around the Senate. It has absolutely no foundation in fact. There is no way of finding out how many goods were classed as etamines under the original act that were imported last year. The Senator from Iowa, with all the assistance he may have and with all the knowledge he may have, which is very great, can not possibly make any kind of an estimate.

Mr. DOLLIVER. There is a way, however, of finding out what goods were imported under paragraph 312.

Mr. ALDRICH. That has nothing whatever to do with the case.

Mr. DOLLIVER. Your complaint was that these etamines had been taken out of the 60 per cent paragraph and thrust into paragraph 312, and that it had greatly increased the importations. I find, upon examining the book of statistics, that the total importations under paragraph 312 were only $26,000.

Mr. ALDRICH. The Senator from Iowa is a very wise man and a very intelligent man, but he, with all his wisdom and intelligence, can not give a correct answer to the statement as to the amount of etamines imported that were admitted at a different rate of duty from what was originally intended; he could not do it to save his life. Any statement made of the character which he has just made is simply misleading and must be based upon misinformation.

Mr. DOLLIVER. If I am going to be misleading, I am going a little further. I have examined all these things, and I say to the Senate now that any man with sagacity enough to investigate the statistical tables must know that under the decisions to which the Senator referred as effecting changes in rates, the importations are a mere bagatelle of the cotton-cloth importations into the United States.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. Yes; certainly.

Mr. SMOOT. If the Senator had followed up my remarks very closely, he would have found out that——

Mr. NELSON. Mr. President, I call for the regular order.

The VICE-PRESIDENT. The regular order is the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. NELSON. The regular order, I think, is a recess at 5 o'clock.

The VICE-PRESIDENT. The Senator is mistaken. A recess is provided for at half past 5 o'clock. The regular order is the Senator from Wisconsin.

Mr. GALLINGER. He has yielded.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. The Senator from Utah can not proceed.

Mr. GALLINGER. The Senator from Wisconsin yielded to the Senator from Utah.

The VICE-PRESIDENT. But he could not yield to the Senator from Utah for such a purpose, except by unanimous consent. The Senator from Minnesota [Mr. NELSON] demanding the regular order is equivalent to an objection. The Senator from Wisconsin will therefore proceed.

Mr. NELSON. I withdraw my objection.

The VICE-PRESIDENT. The Senator from Minnesota withdraws his objection, and therefore the Senator from Utah can proceed.

Mr. GALLINGER. Mr. President, I rise to a question of order.

The VICE-PRESIDENT. The Senator will state his question of order.

Mr. GALLINGER. The Senator having the floor has yielded twenty-five times to-day to Senators who have made observations. Is it to be understood that he can not do that?

The VICE-PRESIDENT. Except by unanimous consent. The Senator can only yield for a question. He can not yield for speeches.

Mr. GALLINGER. But who has made objection?

The VICE-PRESIDENT. No one has, until now. The Senator from Minnesota made an objection by a demand for the regular order.

Mr. GALLINGER. But the Senator from Minnesota was under a misapprehension. He thought the hour for a recess had arrived.

The VICE-PRESIDENT. The Senator from Minnesota has now withdrawn his demand, and therefore the Chair stated that the Senator from Utah [Mr. SMOOT] might proceed.

Mr. TILLMAN. I rise to a question of order.

The VICE-PRESIDENT. The Senator will state his point of order.

Mr. TILLMAN. Under what rule of the Senate is the Chair authorized to state that a Senator can not yield when one Senator protests?

The VICE-PRESIDENT. Under the unbroken precedents of the Senate a Senator can not yield the floor to another Senator, except he may yield for an inquiry; but he can not yield to another Senator for a speech, except by unanimous consent.

Mr. TILLMAN. In other words, you take a Senator off the floor if one man objects?

The VICE-PRESIDENT. Certainly.

Mr. TILLMAN. I do not know anything about parliamentary law, but I know something about fair play and common sense; and I never heard of any such thing here before.

The VICE-PRESIDENT. The Senator from South Carolina is out of order.

Mr. TILLMAN. If the Chair will please explain, I will try to get in order.

The VICE-PRESIDENT. The Senator will be in order as soon as he takes his seat.

Mr. TILLMAN. I do not feel disposed to be ordered to sit down by anybody. The Senate can order me out of this Chamber, but the Vice-President or the President of the Senate can not order me to sit down.

The VICE-PRESIDENT. The Senator is out of order.

Mr. TILLMAN. In what way?

The VICE-PRESIDENT. The Senator has not been yielded to by the Senator from Wisconsin [Mr. LA FOLLETTE]. The Senator from Wisconsin has the floor.

Mr. TILLMAN. I rose to a question of order. I was recognized by the Chair, and I am trying to get some information upon my point of order.

The VICE-PRESIDENT. The Chair answered the inquiry.

Mr. TILLMAN. But I protested against it, and I appeal from it.

The VICE-PRESIDENT. If the Senator will state exactly what he appeals from, the Chair will recognize him.

Mr. TILLMAN. I appeal from the decision of the Chair. If I understood it, he undertook to state that a Senator can not proceed with one man objecting.

The VICE-PRESIDENT. The Chair ruled absolutely the opposite.

Mr. SCOTT. The Chair ruled the opposite.

The VICE-PRESIDENT. Absolutely the opposite.

Mr. TILLMAN. Did not the Chair state that the Senator from Wisconsin could not yield to another Senator, except by unanimous consent?

The VICE-PRESIDENT. The Chair did so.

Mr. TILLMAN. Then, that compels the Senator from Wisconsin to proceed with only one man objecting; and if one man objects to the Senator from Wisconsin yielding, that compels the Senator from Wisconsin to continue until he breaks down.

The VICE-PRESIDENT. It compels him to proceed until he takes his seat; until he yields the floor, most certainly, under the unbroken precedents of the Senate.

Mr. TILLMAN. Then he would have to ask unanimous consent to continue?

The VICE-PRESIDENT. To continue his remarks?

Mr. TILLMAN. Yes.

The VICE-PRESIDENT. Certainly not. The Senator from Wisconsin is entitled to the floor without limit.

Mr. TILLMAN. Just so; I just understand the situation; but I do not feel, and I do not think, the Senate will ever agree to adopt a rule that any Senator must be compelled to speak on if one man objects. That is what I object to.

The VICE-PRESIDENT. The Chair held, and the Chair will always hold, under the unbroken precedents of the Senate, that a Senator can not yield to another Senator to make a speech, except by unanimous consent. He can yield for an inquiry; and Senators constantly do so.

Mr. TILLMAN. Mr. President, of course he can yield to an inquiry.

The VICE-PRESIDENT. Certainly he can.

Mr. TILLMAN. And then continue his speech?

The VICE-PRESIDENT. And then proceed with his speech.

Mr. TILLMAN. But suppose the inquiry involves debate?

The VICE-PRESIDENT. That can be stopped at any time by the objection of any Senator.

Mr. HALE. Undoubtedly.

The VICE-PRESIDENT. Without any question. Now, if the Senator from South Carolina will be good enough——

Mr. TILLMAN. I have seen this new doctrine broken here many thousands of times in the Senate, and I do not believe that it is the rule under which we have been acting.

The VICE-PRESIDENT. The Senator from South Carolina appeals from the decision of the Chair. The question is, Shall the decision of the Chair stand as the judgment of the Senate?

Mr. TILLMAN. Mr. President, I appeal from this decision. When you first explained what you meant, I understood you to say that the Senator from Wisconsin could not yield for a question or anything else, but must speak on, if one Senator objected.

The VICE-PRESIDENT. The Chair——

Mr. TILLMAN. Now, if you will explain——

The VICE-PRESIDENT. The Chair stated the opposite; and the Senator from South Carolina appeals.

Mr. TILLMAN. I do not want to appeal from common sense, nor from the rules of the Senate, either.

The VICE-PRESIDENT. The Senator has appealed, and the Chair is about to put the question.

Mr. TILLMAN. If that is what the Chair meant, I withdraw the point of order.

The VICE-PRESIDENT. The appeal?

Mr. TILLMAN. I withdraw the appeal.

The VICE-PRESIDENT. The Senator from South Carolina withdraws the appeal, and the Senator from Wisconsin [Mr. LA FOLLETTE] will proceed. The Senator from Minnesota [Mr. NELSON] having withdrawn his demand for the regular order, the Senator from Wisconsin yields to the Senator from Utah [Mr. SMOOT].

Mr. CULBERSON. Mr. President, I invite the attention of the Chair to the fact that the Senator from Minnesota did not demand the regular order in the sense of compelling the Senator from Wisconsin to proceed, but he said what his demand was—the regular order to take a recess at 5 o'clock.

The VICE-PRESIDENT. The Chair begs to state to the Senator from Texas that he is in error in this, that the Senator from Minnesota demanded the regular order. Then, after the Chair had ruled that the Senator from Utah could not proceed under that demand, the Senator from Minnesota explained what he expected to accomplish by demanding the regular order.

Mr. CULBERSON. What I want to call the attention of the Chair to was the fact that the Senator from Minnesota did not contemplate the regular order in the sense of demanding that the Senator from Wisconsin should proceed.

The VICE-PRESIDENT. Which he thereafter explained, certainly, and then the Chair announced that the Senator from Utah, the demand for the regular order having been withdrawn, might answer in response to the yielding of the Senator from Wisconsin.

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I should like first to know if the Senator from Utah, to whom I yielded, desires to——

Mr. NELSON. Will the Senator from Wisconsin yield to me for just a moment?

Mr. LA FOLLETTE. Certainly, if agreeable to the Senator from Utah.

Mr. SMOOT. Very well.

Mr. NELSON. I want to say that I was under the erroneous impression that we were to take a recess at 5 o'clock; and I called for the regular order for that purpose, not to cut off the Senator from Utah from answering the question of the Senator from Wisconsin or any other Senator.

The VICE-PRESIDENT. The Chair so understands, and the Senator from Wisconsin so understands; and now he yields to the Senator from Utah.

Mr. SMOOT. Mr. President, in answer to the Senator from Iowa, I wish to refer briefly to the court decisions, and to state to him that the amount of importations under paragraph 312 does not cover all the importations affected under the court decisions by any manner of means. They cover but a very small part of them; and yet the statement of the Senator from Iowa a few days ago was that upon that particular paragraph there was a 400 per cent increase; but in my speech I showed that the first decision on etamines reduced the rate from 60 per cent to 45 per cent and goods affected falling in paragraph 322, and neither the Senator from Iowa nor any other Senator can state the amount or value of the goods so affected. The second assault was in relation to the completed article and nonhomogeneous fabric and the decision of the court reduced it to colored countable cottons at 30 per cent ad valorem and 2 cents per square yard, under paragraphs 305 and 313, equivalent to 35 per cent, and a duty of only 14 cents per square yard was collected. Many thousand dollars worth of these goods under the Dingley law came in under those paragraphs, and the Senator from Iowa——

Mr. DOLLIVER. At what rate?

Mr. SMOOT. At 35 per cent.

Mr. DOLLIVER. That is the exact rate you put on them in this bill.

Mr. SMOOT. I am not discussing that question. I am discussing the question that they were intended by the Dingley law to carry a duty of 60 per cent, and through the decision of the court they have been reduced in this case to 35 per cent. The very next decision reduced them to 30 per cent; and the next decision reduced them, as I said, so as to come under paragraph 305, and to something like 10 per cent. The last decision made by Mr. de Vries was the one that changed the classification causing the goods to fall within paragraph 312, which was the Dingley paragraph 304; and the importations under this paragraph do not amount to much. But who can tell the amount of importations under all the other paragraphs?

Mr. DOLLIVER. The truth is that the importation of them never amounted to anything, whatever paragraph they came in under, as the proprietor of any dry-goods store will tell you.

Mr. SMOOT. Mr. President, so far as the truth of the matter is concerned, we do know that they amounted to this much: That the importers of New York spent thousands and thousands of dollars in attorneys' fees for a decision of the court to take etamines out of paragraph 339 and put them into a paragraph carrying a lower rate; and after they had secured the decision changing this class of goods from paragraph 339 to paragraph 322, they commenced another fight to get them in at a lower rate, and then still a lower rate. They were still not content, but wanted a lower rate; and under another decision they received it.

Mr. DOLLIVER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. Certainly, I do.

Mr. DOLLIVER. All of these court decisions put together are applicable to etamines, so called, and vitrages and the green goods that the Senator has exhibited here, the fancy cottons, like tidies and table covers, affected by the decisions—all of them put together, instead of furnishing any reason for changing the Dingley tariff law, as this committee has changed it, in reality are negligible quantities in the commerce of the United States.

Mr. ALDRICH. Mr. President, against that statement I will put this statement——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I yield to the Senator from Rhode Island.

Mr. ALDRICH. Against that statement of the Senator from Iowa I will put this statement, with knowledge: I know that the provisions of the act of 1897 in regard to etamines intended to include all the soft fabrics, fancy fabrics of a low count that were imported into the United States, and I know that that purpose of the Government has been frustrated, and that the law has been emasculated by the men who are here now in this city demanding that frauds upon the Government shall be consummated by the Senate of the United States, not only by this decision, but by half a dozen decisions, to which I will call the attention of the Senate; and that neither the Senator from Iowa nor any other Senator can say to what extent this fraudulent changing of the law——

Mr. DOLLIVER. What does the Senator mean by "fraudulent?"

Mr. ALDRICH. I mean fraudulent in the sense that the intention of Congress has been absolutely destroyed.

Mr. DOLLIVER. By whom?

Mr. ALDRICH. By various people who have had to decide these questions.

Mr. DOLLIVER. Have they decided the questions correctly?

Mr. ALDRICH. No; not according to my judgment. But whether they decided them correctly or not, the effect is what I am talking about; and it is that effect which I propose to ask the Senate to cure. I propose to ask the Senate that this importation of goods, valued at 24 cents a yard, at 1 cent a yard shall stop; and if the Senator from Iowa and the Senator from Wisconsin say, because we put a reasonable duty on them, we have increased the rate four or five or six hundred per cent, that is the effect of revising this law so that a proper and reasonable duty will be imposed upon these articles.

Mr. LA FOLLETTE. Mr. President, against the statement of the Senator from Rhode Island, I put the figures. All the cotton goods imported into this country last year at the rate of duty of 15 per cent or under amounted to but $74,397.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. Certainly.

Mr. ALDRICH. There was $9,000,000 worth of goods imported into the United States valued above the specific rate fixed by the act of 1897 from 7 to 20 cents a yard; and neither the Senator from Wisconsin nor the Senator from Iowa can even give the slightest guess as to what proportion of that $9,000,000 worth of goods had been reduced from 60 per cent to 45 per cent, and to rates varying from 4 to 6 to 10 to 20 to 25 and 30 per cent below the intention of Congress, clearly expressed, in my judgment.

Now, it is to cure those defects that I am pleading here in behalf of the laborers engaged in these industries and in behalf of the honest collection of duties. I am asking the Senate to restore the law as it stood in 1897, and not to permit these gentlemen who, by one means or another, have secured the changes, to consummate their purposes through the action of the Senate of the United States.

Mr. CLAY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Georgia?

Mr. CLAY. I want to ask the Senator from Rhode Island a question.

Mr. LA FOLLETTE. Just a moment.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield for the present.

Mr. LA FOLLETTE. Just a moment, and I will yield. The Senator from Rhode Island can stand on this floor and make his declarations without authority as many times as he chooses, but he can not wipe out the work of the department. All the imports under the cotton schedule amount to but a fraction of 3 per cent of the total production of this country of that product.

Mr. ALDRICH. I was aware of that fact.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. LA FOLLETTE. I yield to the Senator from South Carolina.

Mr. TILLMAN. I want to ask the Senator from Rhode Island to specify as to this indictment which he brings against somebody who has changed the law, as he states. Does he attack the courts?

Mr. ALDRICH. Mr. President, the Senator from South Carolina has asked me that question three or four times.

Mr. TILLMAN. I do not recall that I have.

Mr. ALDRICH. The Senator has.

Mr. TILLMAN. But if the Senator reiterates the assertion and does not prove it, I will keep on asking him until the end of time.

Mr. ALDRICH. If it is any satisfaction to the Senator, I will give him a memoranda of the cases and he can read them for himself and see who rendered the decisions which made these changes in the law and what their effect was. If he will read the speech of the Senator from Utah [Mr. SMOOT] upon the subject——

Mr. TILLMAN. I do not want to be referred by the Senator from Rhode Island to the Senator from Utah. Let him tell me himself.

Mr. ALDRICH. I will give the Senator himself the memoranda as to the cases which I have referred to.

Mr. TILLMAN. Why not print them in the RECORD and let us all read them?

Mr. CLAY. Let me ask the Senator a question there, because it has given me some trouble.

Mr. ALDRICH. Certainly.

Mr. CLAY. What was the Dingley rate per yard on these goods selling for 24 cents per yard?

Mr. ALDRICH. Sixty per cent on part of them and 45 per cent on the others.

Mr. CLAY. What change in that rate did these decisions make?

Mr. ALDRICH. The Senator from Utah has just said that the first decision reduced the rate from 60 per cent to 45 per cent; the next decision reduced the rate from 45 to 30 per cent, as I remember; and the next decision reduced the rate to about 6 per cent.

Mr. CLAY. Under what theory?

Mr. ALDRICH. The Senator can get the decisions, and can read them.

Mr. CLAY. I do not care to have the decisions read. All the courts could do would be simply to construe the law as to what it meant; but the courts could not change the law.

Mr. ALDRICH. No.

Mr. CLAY. And the courts simply held what the Dingley law was. Now, how does the Senator know—here is a question of importance to me—and can the Senator inform the Senate as to what was the intention of Congress in regard to those goods?

Mr. ALDRICH. I think I can answer that question. Congress intended by the provisions of the Dingley Act, as I have already said, to put on soft fancy cotton of a low count a duty of 60 per cent ad valorem, upon the theory that that count did not in any way affect the value or the question of value. "Cloths counting less than 50 threads to the square inch" were intended to cover all the coarse cotton cloths that are made in the United States, and the duty was a cent a yard.

These fancy goods did not count perhaps over 50, or from 50 to 100, or possibly from 100 to 150 threads to the square inch. If they were admitted under the countable provision, the duties might have ranged from 20 per cent to 25, or from 25 to 30 per cent, instead of 60 per cent. Of course it was of very great importance to the importers to have the etamines taken out of the 60 per cent clause into a lower clause; and the courts decided that the word "etamines" should not apply to any of the goods, except such as were commercially known as "etamines." It is barely possible—perhaps I should say it is probable—that Congress could have used some more comprehensive term in that connection than "etamines;" but "etamines" were known to the trade at the time, and it was intended by Congress, and so supposed by everybody, that that word did apply to all these fancy goods. There is another decision——

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Michigan.

Mr. LA FOLLETTE. I yield to the Senator from Michigan, if the Senator from Rhode Island has concluded.

Mr. ALDRICH. I have concluded.

Mr. SMITH of Michigan. I do not desire to annoy the Senator from Rhode Island, but I am anxious, if possible, to harmonize the statement which he has made with the conclusions which I have partially reached. Now, Mr. President, Mr. Lippitt is acknowledged to be a leading cotton manufacturer in New England, is he not?

Mr. ALDRICH. He is a cotton manufacturer of great intelligence.

Mr. SMITH of Michigan. Now, Mr. President, what does he mean when he makes this statement:

It—

Meaning the form of the present cotton tariff—

has been the object of many legal attacks, in the course of which the terms used have for the most part been given careful legal definitions, and therefore should not be disturbed.

Mr. ALDRICH. I will say to the Senator what I think Mr. Lippitt meant, because I——

Mr. LA FOLLETTE. I yield to the Senator from Rhode Island.

Mr. ALDRICH (continuing). Because I happen to know something about the litigation to which Mr. Lippitt refers. There was a contention in the court that another provision of the act imposed a duty of 1 and 2 cents a yard upon what are called lappets and fancy goods, and that that should be imposed as a cumulative duty. That duty was upheld by the courts. I am not sure, of course, whether or not Mr. Lippitt knew about these other matters to which I have referred, but you will find that he says there, in that same statement, that there are some minor matters still in controversy.

Mr. SMITH of Michigan. Oh, yes.

Mr. ALDRICH. Those are some of the minor things, I suppose, he referred to; but whether he referred to those or not, I say to the Senator from Michigan that, in my judgment, if we want a consistent and systematic tariff bill, based upon specific rates, which do not increase one particle the rates fixed by the House, it is simply a matter of the substitution of specific rates for ad valorem rates in the interest of the revenue; and, as I will explain, I think, to the satisfaction of the Senator from Michigan——

Mr. SMITH of Michigan. I certainly hope so.

Mr. ALDRICH. I certainly will.

Mr. SMITH of Michigan. Mr. President, if I understand the Senator from Rhode Island correctly, he is not in exact harmony with Mr. Lippitt as to the wisdom or unwisdom of this new classification.

Mr. ALDRICH. I think I am exactly in harmony with him; I think I am in harmony with every man who wants the revenue honestly collected and who wants a cotton schedule that will be symmetrical and harmonious in all its parts and that does not raise the rates above those now imposed by law.

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I do.

Mr. NELSON. I want to say to the Senator from Michigan, that the trouble with Mr. Lippitt at the time he made that statement before the Committee on Ways and Means was that he was not aware of the new doctrine that the tariff was to be revised upward. If he had been impressed with that idea, his statement would have been more conservative. [Laughter.]

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Michigan?

Mr. LA FOLLETTE. Yes.

Mr. SMITH of Michigan. I am bound to say, in all candor, that I agree entirely with the statement of the Senator from Minnesota [Mr. NELSON]. I have read Mr. Lippitt's testimony line for line several times, and I do not understand him to urge an increase in these rates, and I do not think that the chairman of the Committee on Finance is under his influence at all. If he had been, he would not increase these rates.

Mr. ALDRICH. Mr. President, if the Senator from Michigan will bear with me——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I yield to the Senator from Rhode Island.

Mr. ALDRICH. Mr. Lippitt was not in this country when this bill was prepared, and had not been for some time, and, of course, I was not under his influence, but I will say to the Senator from Michigan, with a full knowledge of what I am saying, that the rates in this clause are not increased, and I will show that to his satisfaction.

Mr. SMITH of Michigan. I am very glad, Mr. President, to have that statement, and I have great faith in it.

Mr. CLAY. As I understood, the Senator from Rhode Island stated on the floor of the Senate several days ago—of course I never refer to private conversations here, and we ought not to do so—but I understood the Senator to say on the floor of the Senate that while there had been a change in the rates from ad valorem rates to specific rates, the real rates in this schedule were the same as in the Dingley law.

Mr. ALDRICH. Or a little lower and not higher, taken as a whole.

Mr. GALLINGER. I ask for the regular order, Mr. President.

Mr. GORE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Oklahoma?

Mr. LA FOLLETTE. I do, Mr. President.

Mr. GORE. I know absolutely nothing about the influence of Mr. Lippitt with the senior Senator from Rhode Island, but I do not think that anybody can cast the weight of his authority into the balance against the authority of the Senator with respect to the passage of the Dingley Act. The Senator has stated here to-day, and has stated repeatedly during the course of this discussion, that no cotton manufacturer was consulted with reference to the cotton schedule. Mr. President, I believe that statement, and I presume that every other Senator believes it. It is an eminently reasonable statement.

But the Senator from Rhode Island had occasion to-day to animadvert upon a statement contained in this celebrated German report respecting one William Whitman. Mr. Lippitt may have had nothing to do with this schedule; but it seemed that Mr. Whitman had something to do with the woolen schedule of the Dingley Act. I send to the desk a brief correspondence between Mr. Whitman and Mr. North. Of course the Senator from Rhode Island was not a party to that correspondence, and he is not responsible for it. I offer it merely as shedding an interesting side light upon the methods of tariff revision in the past, and I offer it as an astounding instance of actual and undeniable impropriety. But I may say that Mr. North, either for the efficiency of his services on that occasion or for the injury to his health, received a complimentary remembrance, amounting to $5,000 in the coin of the realm. I ask the Secretary to read the marked portions of the statement which I send to the desk.

The VICE-PRESIDENT. If there be no objection, the Secretary will read the marked portions as requested.

The Secretary read as follows:

DRESS GOODS, YARNS, AND TOPS.

78 CHAUNCY STREET, BOSTON,
July 10, 1897.

MY DEAR MR. NORTH: I am unable to go to Washington and have no one to look out for my interests there but yourself, and I depend upon you. Of course, Messrs. ALDRICH and Dingley will do all they can, but I depend upon your letting them know what I need. I depend upon you. Dress goods, yarns, and tops.

Yours, very truly,
WM. WHITMAN.

BOSTON, *April 6, 1897.*

I depend upon you to look out for my interest in this regard. You know how important it is, not only to me, but to the whole worsted industry of the United States. If there is the slightest danger of any change, I must see these gentlemen before it is too late. * * *

WM. WHITMAN.

BOSTON, *June 2, 1897.*

We all depend upon you to watch closely our interests; to see that nothing is overlooked or neglected by our friends on the committee. I have no doubt they will do all they can do, but with so many interests to look after our special representative must see to it that our interest receives proper attention.

WM. WHITMAN.

BOSTON, *June 9, 1897.*

Bear in mind that I am depending upon you wholly to look after my interests.

WM. WHITMAN.

WASHINGTON, D. C., *June 10, 1897.*

I will do the best I can with Mr. Allison when the time comes, but he knows nothing about the understanding I have with ALDRICH on the worsted-yarn schedule.

S. N. D. NORTH.

WASHINGTON, D. C., *June 20, 1897.*

It is lucky I was here, and just in the position I am. It has given me a whole day to work on the matter and get it right; and with ALDRICH away there is no one on the committee who knows anything about it. But Allison and Platt trust me, and I expect they will both agree to what I have asked. I went all over the matter with them last evening.

S. N. D. NORTH.

The VICE-PRESIDENT. The hour of 5 o'clock and 30 minutes having arrived, in obedience to the order of the Senate the Senate stands in recess until 8 o'clock this evening.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The pending question is on the amendment to paragraph 313.

Mr. NELSON. I shall not suggest the absence of a quorum, if anyone wants to speak; but if the amendment is to be put to a vote, I shall have to call for a quorum.

Mr. HALE. The Senator from Wisconsin [Mr. LA FOLLETTE] has the floor.

The VICE-PRESIDENT. The Senator from Wisconsin had the floor, and of course the Chair would recognize him were he here.

Mr. DOLLIVER. Mr. President, I regret to say that the Senator from Wisconsin is sick, worn out by his efforts and the heat of the afternoon, and he will not be able to proceed with his remarks until to-morrow morning.

Mr. PENROSE. I ask for the question on the pending amendment.

The VICE-PRESIDENT. Does the Senator from Iowa ask for the floor?

Mr. DOLLIVER. I do not.

Mr. HALE. Let the pending amendment be reported.

The VICE-PRESIDENT. The Secretary, then, will report the pending amendment.

Mr. BRISTOW. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Kansas suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Frye	Nelson
Beveridge	Crane	Gallinger	Nixon
Borah	Crawford	Gamble	Page
Bradley	Cullom	Hale	Penrose
Brandegee	Cummins	Heyburn	Perkins
Briggs	Curtis	Hughes	Piles
Bristow	Depew	Johnson, N. Dak.	Root
Brown	Dick	Jones	Scott
Bulkeley	Dillingham	Kean	Smith, Md.
Burnham	Dolliver	Lodge	Smith, Mich.
Burrows	du Pont	McCumber	Smoot
Burton	Fletcher	McEnery	Sutherland
Carter	Flint	Martin	Warner
Clark, Wyo.	Frazier	Money	Warren

The VICE-PRESIDENT. Fifty-six Senators have answered to their names. A quorum of the Senate is present. The question is on agreeing to the committee amendment to paragraph 313.

Mr. BEVERIDGE. Mr. President, at the time of taking the recess the Senator from Wisconsin [Mr. LA FOLLETTE] was addressing the Senate, and we all expected him to go on to-night. The Senator from Iowa [Mr. DOLLIVER] has informed the Senate that the Senator from Wisconsin is ill, due to the great heat of the day and the prolonged and unusual exertion to which he was put in speaking for so many hours this afternoon.

I believe it is the unbroken custom of the Senate, when any Senator is addressing the body on any question and even indicates that he is weary, that the Senate, of course, lets the matter go a reasonable time, until he shall be sufficiently strong to proceed. I think in the history of the Senate—older Senators can say—that custom has been unbroken, and that courtesy has never been denied to any Senator. Even this session I recall two or three instances where a Senator upon the other side of the Chamber was addressing the Senate, and one, I remember, on this side of the Chamber, and it was suggested by some Senator—I think in one instance the Senator from South Carolina suggested it—that the Senator had been speaking for two or three hours and was evidently weary, although showing at that time no signs of it, and of course the usual courtesy, which never has been denied, was extended to him, and the Senate then adjourned until the next day.

I myself know nothing about the matter, but on the statement of a Senator here who does seem to know about it, it seems to me the Senate can not break its universal rule of courtesy to continue this matter until the Senator from Wisconsin may have a reasonable time, not an unreasonable time, to continue his remarks. This would be as true of the Senator from Illinois, the Senator from Nebraska, the Senator from Rhode Island, or the Senator from any other State.

I merely suggest this to the older Senators in this body, who have had much larger observation in the Senate, although during the ten years I have been here I have never known this universal custom violated, and, of course, I take it for granted it will not be now.

That is all I have to observe. It struck me as not being quite fair to submit to the Senate for a vote an amendment upon which a Senator was addressing the Senate, when at the recess he still held the floor, and constructively holds it now, when the Senate has the information upon the statement of a fellow Senator that that Senator is not ready to proceed.

Mr. ALDRICH. Mr. President, never within my knowledge has the business of the Senate been suspended for two or three days, or for one, to allow any Senator to discuss questions. There are 10 or 12 amendments to this schedule, and we will not be able to dispose of all of them to-night, and the Senator from Wisconsin will probably be here to-morrow morning, and we can go on and vote on these propositions as they come up.

Mr. BEVERIDGE. I do not understand it to be a question of two or three days or even of one day, nor do I understand it to be, from what I have heard—because I must learn about the cotton schedules from what I hear on both sides—to be a question involving merely one amendment.

It has been stated here two or three times by the Senator from Iowa and the Senator from Wisconsin, who constructively holds the floor at this moment, but who on account of his indisposition is not present to-night, that the whole question embraced in the discussion arises on the amendment just about to

be submitted. That being the case, neither of the points made by the Senator from Rhode Island would seem to be pertinent, first, because there is no suggestion of a delay of two or three days or of one day; and, second, because all of the questions involved arise upon the amendment now under discussion.

I say this, and the Senator from Rhode Island can correct me if I am wrong, if it is not true, that not only where a Senator says he is indisposed, or information is credibly brought by a Senator in honorable standing on this floor that another Senator is indisposed, but I even recall an instance in my own brief experience where a Senator said: "I desire to address the Senate upon this subject, and am not ready to proceed, but shall be to-morrow morning." The Senate always, so far as my observation goes—I may be wrong—has extended him the courtesy of allowing him until the next morning to prepare. Is not that true? That is not even a question of illness.

Mr. ALDRICH. There are a half-dozen Senators, including the Senator from Indiana, who sympathize with the Senator from Wisconsin about this matter——

Mr. BEVERIDGE. Pardon me. It is not a question of sympathy. I have the floor.

Mr. ALDRICH. And there is no reason why the Senator should not go on and make his speech.

Mr. BEVERIDGE. Mr. President, I decline to yield.

The VICE-PRESIDENT. The Senator from Indiana declines to yield.

Mr. BEVERIDGE. First of all, because it is not a question of sympathy, and, second, because of the Senator's unnecessary suggestion that I can go on and make a speech. I have no speech to make. I desire nothing but the fullest light upon this question, and nothing but fair play.

Mr. DOLLIVER. Mr. President——

Mr. BEVERIDGE. Pardon me. I decline to yield.

I assure the Senator from Rhode Island, and he knows it in his heart, that that treatment would by me be accorded to him if I was opposed to him, as much as it would be accorded to the Senator from New Jersey or the Senator from Connecticut or any other Senator on the Democratic side or on our side.

Mr. DOLLIVER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Indiana yield to the Senator from Iowa?

Mr. BEVERIDGE. Yes; I do now. I yielded first to the Senator from Rhode Island. He rose first and made those observations, which were not necessary.

Mr. DOLLIVER. I rose to say that the Senator from Rhode Island has been promising for four weeks that he would make a statement about this bill, and there being a quorum present, it would be at least a fair suggestion that he proceed to make that statement before a vote is taken on a proposition that involves the principle of the Senate amendments throughout this schedule.

Mr. ALDRICH. Mr. President——

Mr. BEVERIDGE. I yield.

Mr. ALDRICH. I am so anxious to get a vote upon this bill and every feature of it that I am willing to forego any desire to make a speech and to go on and vote now.

Mr. DOLLIVER. This is not a question of the Senator's desire to make a speech. It is a question of good faith with the Senate, entered into here publicly more than ten times since this debate began.

Mr. ALDRICH. I assume I can choose my own time to make a statement. I shall make the statement before the schedule passes from the consideration of the Senate. There are 10 or 12 amendments to this schedule. I hope we may be able to dispose of some of them to-night.

Mr. BEVERIDGE. If the Senator will pardon me, the first question, which far transcends the anxiety of all of us to get a vote upon every amendment and the bill itself, is whether or not we shall accord that courtesy which always has been accorded when it is brought to us on the word of an honorable Senator here that another Senator, now having the floor, is not prepared to proceed from physical reasons. I again remind the older Senators—and I want to be corrected if I am wrong—that that has always been true, even where a Senator merely stated that he was not prepared to go on.

The Senator will recall that in the case of the Senator from Iowa, who was engaged here in an entertaining speech, upon the suggestion of the Senator from South Carolina that the Senator had talked a good while and evidently must be weary, the Senator from Rhode Island was the first to accord to him the courtesy of a night's rest.

On another occasion, I think, perhaps, I was the one who suggested it, although another Senator brought it up. The Senator from Texas had been addressing the Senate for perhaps two hours and a half, and some Senator suggested that he had been speaking a long time, under great physical exertion, and immediately the courtesy was accorded to him of continuing the next day. Is not that true?

Mr. ALDRICH. When the Senator from Indiana shall have concluded his remarks, I will speak.

Mr. BEVERIDGE. I have no remarks. I say the first question to be decided is the question of universal courtesy, which never yet has been broken; a courtesy which, I will say, the Senator from Rhode Island well knows that if it involved him——

Mr. GALLINGER. Mr. President——

Mr. BEVERIDGE. Just a moment. Then, I am going to sit down. If he was not here, and it was a question upon which I earnestly opposed him, I would feel bound to see that that courtesy was extended to him, and to any other Senator. It is a question of fair play.

Mr. GALLINGER. Mr. President——

Mr. BEVERIDGE. Certainly; I am through.

Mr. GALLINGER. Mr. President, it possibly is unfortunate that some of us have been here a good while. I thought it was unfortunate to-day when, in the most courteous manner possible, I asked the Senator from Wisconsin [Mr. LA FOLLETTE] if I might interrupt him. He was offensive and insulting. I took my seat, and have kept it since.

Mr. President, the Senator from Wisconsin has occupied the attention of the Senate for two days. The Senate yesterday did what I think it has never done before. It took a recess in the middle of the day to accommodate the Senator from Wisconsin. It seems to me if we are ever going to pass this bill we must go on and transact the business in the usual way. If a Senator is to send word here that he is not well, and we are to adjourn the work of the Senate until he recuperates, a dozen Senators can do the same thing, and we will find ourselves in the ridiculous attitude of not transacting the business that is before us.

Mr. BEVERIDGE. Will the Senator permit me?

Mr. GALLINGER. Certainly.

Mr. BEVERIDGE. It is to say merely this—and of course the Senator appreciates it—that the last remark, that a dozen Senators might do the same thing, raises a question of good faith. I would not have made the suggestion had not the Senator from Iowa brought to the Senate the message that I suggested.

Mr. GALLINGER. Yes.

Mr. BEVERIDGE. And of course twelve other Senators are not going to do that. It is a question of good faith.

Mr. PENROSE. Mr. President——

The VICE-PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Pennsylvania?

Mr. GALLINGER. Certainly.

Mr. PENROSE. I desire to say for the information of the Senator from Indiana that I question the good faith of this proposition, and while I have no——

Mr. BEVERIDGE. That raises another question.

Mr. PENROSE. Yes; it does.

Mr. BEVERIDGE. It does, indeed.

Mr. PENROSE. While I have no desire to make any reference to the Senator from Wisconsin in his absence, I will be prepared to show to the Senate at any time that a part of his professional tactics is to make this pretense of sickness, while he is openly abroad upon the streets consulting with the editors of yellow journals and the agents of uplift magazines.

Mr. BEVERIDGE. Will the Senator from New Hampshire permit me?

The VICE-PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Indiana?

Mr. GALLINGER. I yield to the Senator from Indiana.

Mr. BEVERIDGE. I will say to the Senator from Pennsylvania that if the Senator from Pennsylvania can show that this particular instance is a matter of bad faith, it raises quite a different question. If he can show that, I shall instantly withdraw my suggestion.

Mr. PENROSE. Mr. President——

Mr. BEVERIDGE. Pardon me. But it is not sufficient for the Senator to say that it is a part of a man's usual course of conduct. If the Senator can show that on this occasion that is the case, I have no suggestion to make to the Senate, but he must show that first; and the Senator is not justified, if he will excuse me, in suggesting this, merely upheld by a general course of conduct. If it is true in this instance, that is one thing; and if it is a general course of conduct, it is another thing. The Senator knows that is a fair statement.

Mr. PENROSE. I shall be ready to show at any time that on so many occasions has this practice been maintained as to make any man in his ordinary senses absolutely refuse to be-

lieve the veracity of any statement regarding the sickness of the Senator from Wisconsin.

Mr. BEVERIDGE. Now the Senator raises an issue with the Senator from Iowa.

Mr. PENROSE. I make the statement; and I make it without fear of contradiction, and make it as a statement which will allow the fullest investigation, whether it applies to this particular night or not.

Mr. BORAH and Mr. DOLLIVER addressed the Chair.

The VICE-PRESIDENT. Does the Senator from New Hampshire yield, and to whom?

Mr. GALLINGER. I yield to the Senator from Idaho, if he has asked me to do so.

Mr. BORAH. Mr. President, I do not desire to delay this bill for one moment, as everyone knows, but I seriously protest against these accusations being made against the Senator from Wisconsin in his absence. It is not becoming the Senate, and it is an improper thing to do. The Senator from Wisconsin ought to be permitted to be present when such serious charges are made as involve the integrity of his actions in the Senate Chamber, and we can do no less as a senatorial body than to observe here the ordinary rules which prevail among gentlemen outside of the Senate.

Mr. GALLINGER. Mr. President, I will occupy the attention of the Senate but a moment. I have made no accusations against any one, and I am not going to do it. I have been here a good while. In the discussion of this bill I have occupied perhaps ten or fifteen minutes. The Senator from Wisconsin [Mr. LA FOLLETTE] saw fit this morning to look in my direction and make an offensive allusion to New England. I rose to ask permission to interrupt him, and he was offensive. I have no disposition to retort in kind. I will not do that. The only thing I want to say is that if we are to adjourn the work of the Senate whenever it is suggested that a Senator is not sufficiently well to continue his speech—I do not say in every instance it would not be in good faith—we will certainly make very slow progress with this bill.

Mr. DOLLIVER. Will my friend the Senator from New Hampshire permit me to interrupt him?

Mr. GALLINGER. Certainly.

Mr. DOLLIVER. I sat near the Senator from Wisconsin, and it did not require a physician to see that the man's strength was entirely exhausted. He was hardly able to stand upon his feet, as Senators who sat near him yesterday and to-day will bear me witness. I feel grieved——

Mr. ALDRICH. If the Senator will yield to me for a moment, I think I see a way out of this difficulty.

Mr. GALLINGER. Does the Senator from Rhode Island wish to interrupt me?

Mr. ALDRICH. I should like to interrupt the Senator, if he will permit me.

Mr. GALLINGER. I yield.

Mr. ALDRICH. I suggest that we go on with Schedule J to-night. That is the next schedule—flax.

Mr. GALLINGER. That is entirely satisfactory to me. The only point I desired to make was that I thought we ought to proceed with the work of the Senate.

Mr. CULBERSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Texas?

Mr. GALLINGER. I yield to the Senator from Texas.

Mr. CULBERSON. The Senator from New Hampshire expresses his satisfaction with some arrangement. We have not been able to hear what it is.

Mr. ALDRICH. I suggested, in order to make progress, that we go on with Schedule J—take up the amendments to that schedule. It is the flax schedule. To that I think there is no objection.

Mr. BEVERIDGE. There is no possible objection to that course. The only objection was to going on with the schedule on which a Senator had been addressing the Senate and had not concluded his remarks.

Mr. MONEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Mississippi?

Mr. GALLINGER. I yield to the Senator from Mississippi with pleasure.

Mr. MONEY. Mr. President, I am very glad to know that the Senator from Rhode Island has taken the course he has to go to another schedule, which seems to solve the difficulty. I do not believe anyone here wants to talk on this bill. I know there is no man here who will be more glad to finish it and go home than I.

I want to say a word, however, about the action I took on yesterday, which has been alluded to by my friend from New Hampshire. I was told this morning that it was unprecedented in the Senate. I did not think of a precedent for an act of humanity. I sat near the Senator from Wisconsin and saw the tremendous excitement under which he was laboring, from what cause I do not know, for it does not excite me to speak, but it does him. I saw that he was exhausted; I saw him tremulous as an aspen leaf, and I thought he was about to faint. I heard him gasping for breath. The senior Senator from Maine [Mr. HALE] came across the hall and told me he heard him over there, that far away. I did not consider whether there was a precedent or not.

I simply asked for unanimous consent that we take a recess for thirty minutes to enable the Senator from Wisconsin to so recuperate his strength as to enable him to proceed with his speech. I do not regret that that action was taken, and I am very glad the Senator was sufficiently relieved at that time to resume his remarks.

I want to say that, as far as I am concerned, I am the last man to make a complaint about the proceedings of the Senate, for I am deeply sensible of the uniform kindness and indulgence I have always received at its hands. I do not think the cause will be at all facilitated in passing this bill by attempting to evade any discussion or any part of it. I do not charge that anybody is making that effort, and I do want to congratulate the Senator from Rhode Island that he was wise enough to allow this schedule to be passed over, in order that the Senator who was speaking on it could complete his remarks. This is the way to secure a speedy passage of the bill, and gentlemen on the other side, and on both sides, will find when we unite by agreement it is very much better than to unite by compulsion.

Mr. GALLINGER. Mr. President, I think no one better knows the humanitarian instincts and kindnesses of the Senator from Mississippi than the Senator from New Hampshire. I have been associated with him outside of the Senate. I have learned to admire him greatly, because of those very qualities. I think I can claim for myself a reasonable degree of consideration on that point. But the Senator from Mississippi will recall the fact that after the recess was ended the Senator from Wisconsin came in here, and instead of expressing any degree of gratitude to the Senate for the courtesy it had shown him, practically told us he did not need any relief—that he could have continued his speech; he felt that we had done something that he appreciated in a way, but it was an entirely unnecessary courtesy.

Mr. President, I have no disposition to say another word. I have not occupied much of the time of the Senate. I have regretted that there have been some personalities and criminations and recriminations in this debate which, I hope, will cease. I have no disposition to have an acrimonious discussion with any Senator on either side of the Chamber. It is not my nature. It was a matter of sincere regret to me to-day that the Senator from Wisconsin, who has occupied so much of the time of the Senate, refused to permit me to ask him a question, and in a very discourteous and insulting manner made a retort.

I am quite willing that the Senator from Wisconsin may be shown all possible courtesy; but I only rose to say that I think we ought to go along with the bill, not necessarily with the schedule that was under consideration this afternoon, but with some other part of the bill; and it is very gratifying to me to have the Senator from Rhode Island make the suggestion that he has made, which I think appeals to every Senator present to-night.

Mr. LODGE. Mr. President, before we take up Schedule J, I merely wish to say that I do not want what I consider a mistaken view to go without any protest as to what I think the practice of the Senate has been in such cases. I have never known the business of the Senate stopped and the position taken that no business could go on; that nobody else could speak because it was not convenient for one Senator to speak at that moment. Again and again, at the close of a day, the Senate will adjourn in order to allow a Senator to complete his remarks the next day. But that courtesy is widely different from the proposition that because a certain Senator is not ready to go on all debate must cease on the subject which he is discussing, and nobody else must speak and no other consideration be had. I have never known that done for anybody in my time of service here. Others have had more.

Mr. BEVERIDGE. Mr. President, the question was not in the least whether the Senate should not proceed with business. The question was not in the least whether any other Senator should or should not speak. The question was upon a demand for a vote on a pending question, upon which question a Senator was addressing the Senate under the circumstances that have been presented. No Senator in this body will say that he can remember a time in the history of the Senate when a vote was

insisted upon under those circumstances. There is not a man here who has not been willing and more than willing to go on either with the debate or with other business of the Senate. But that was not the question, and that is not the way it is going to be permitted to be ended. The question was whether or not we should have a vote on the question upon which the Senator from Wisconsin was addressing the Senate when an honorable Senator informed us that he was ill and he could not proceed. That question which has been so happily settled to the satisfaction of all will not be permitted to be clouded after it has been settled.

The VICE-PRESIDENT. The Senator from Rhode Island requests that the Senate now take up Schedule J. Is there objection? The Chair hears none. The Secretary will read the first paragraph passed over in Schedule J.

The SECRETARY. On page 116, Schedule J, "flax, hemp, and jute and manufactures of," the committee proposes to insert after the subhead a new paragraph, as follows:

330*a*. Flax straw, $5 per ton.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to. It is agreed to. The Secretary will read the next paragraph passed over.

The SECRETARY. It is proposed to insert a new paragraph as follows:

330*b*. Flax, not hackled or dressed, 1 cent per pound.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to. It is agreed to. The Secretary will read the next paragraph passed over.

The Secretary read as follows:

333. Hemp, and tow of hemp, $20 per ton; hemp, hackled, known as "line of hemp," $40 per ton.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to. The Chair hears no objection. The Secretary will read the next paragraph passed over.

The Secretary read as follows:

334. Single yarns made of jute, not finer than 5 lea or number, 1 cent per pound and 10 per cent ad valorem; if finer than 5 lea or number, 30 per cent ad valorem; yarns made of jute not otherwise specially provided for in this section, 35 per cent ad valorem.

The VICE-PRESIDENT. Without objection, the paragraph will be agreed to.

Mr. BRADLEY. I have an amendment before the Senate which I desire may be called up.

The VICE-PRESIDENT. The Senator from Kentucky offers an amendment to paragraph 334.

Mr. BRADLEY. It is to insert a new paragraph, paragraph 333½.

The VICE-PRESIDENT. It will be read by the Secretary.

Mr. ALDRICH. I suggest to the Senator to wait until we reach the free list on that item.

Mr. BRADLEY. I did not hear the remark of the Senator from Rhode Island.

Mr. ALDRICH. That amendment will properly come up when we reach the free list.

Mr. BRADLEY. No, sir; I beg the Senator's pardon. Jute is one of the items under the free list.

The VICE-PRESIDENT. The amendment proposed by the Senator from Kentucky will be stated.

The SECRETARY. It is proposed to insert as a new paragraph, at the top of page 117, after line 2, the following:

333½. Jute and jute butts, 1½ cents per pound.

Mr. BRADLEY. Mr. President, some time ago I called the attention of the Senate to this amendment, which at that time was proposed. Unfortunately for me, at the time I made those remarks the lunch hour was at hand and very few Senators were present. With the consent of the Senate, I desire in a very brief way to call the attention of Senators to the object of the amendment.

In the first place, hemp is an old industry. At one time the article was largely raised in Virginia, Missouri, Kentucky, and other States. First and last, it has been successfully raised in many of the States of this Union, especially, I may say, in Pennsylvania, Indiana, Wisconsin, Michigan, Minnesota, and Kansas. It is now raised only in Nebraska, California, and Kentucky.

The Agricultural Department has made many tests in the different States, and from a report of that department I find that it can be raised along the Pacific coast, in almost the entire Valley of the Mississippi, and in nearly every State of the Union.

A tariff has existed on hemp, with the exception of a few years, from the very beginning of our Government. The attention of the country was forcibly called to that matter by Henry Clay. The industry increased in development up to a period just preceding the war, until it had grown to immense proportions for that day and time. There were 417 mills in the United States, 50 of which were in New York and 159, I believe, in the State of Kentucky. There were also some in Massachusetts and other States. It was then raised in large quantities. It was found that with slave labor and protection it could be made profitable. There are now only 28 mills in the United States.

After the war, however, labor became uncertain and the hemp industry was very materially decreased. However, it maintained its existence to a considerable extent up to 1890, when jute and jute butts were put upon the free list. It exists now only by reason of the fact that there is but comparatively little of it cultivated, there having been only 8,000 tons produced last year, where once were produced 80,000 tons. So long as the hemp industry is kept within a contracted circle that long it is profitable, because for certain purposes hemp is indispensable. Those purposes are not, however, very general, and it takes but a small quantity in order to supply them. When that market is supplied then hemp comes in conflict with jute and jute butts, and if any great quantity were produced it would find no sale beyond the contracted market to which I have referred.

I want to say to Senators that jute and jute butts are cultivated by labor paid 5 cents a day, while labor in the hemp fields costs $1.50 per day. I want to say, further, to Senators that for a period after the war, by reason of the uncertainty of labor, the hemp industry languished, but in the last few years machines have been invented by which hemp can be cut and be broken, so that no longer is the uncertainty of labor a question. The only trouble now is the free importation of jute.

From 1904 to 1908 the importations into this country of jute and jute manufactures increased from $20,000,000 to $34,000,000, 70 per cent in four years.

Now I want to call attention to the fact that 107,533 tons of jute were imported into this country last year free of duty. And yet Senators tell us that they are in favor of protecting American labor! When you allow this foreign article to be brought in here, produced in the fields of India at 5 cents per day labor, to come in conflict with American labor, and yet say that you are protectionists, I do not understand it.

And while, Mr. President, jute is brought in free, Congress has been especially careful to place a protective duty on the manufactures of jute. The American who manufactures jute is amply protected, while the farmer who produces hemp and flax receives no protection whatever.

That may be protection; that may be Republicanism; but if it is either, I do not understand it. Not only so, but the effect of this free jute is felt by the farmer who raises flax as much or more as the producer of hemp. Two million eight hundred thousand acres of flax were raised last year, mostly in the States of Minnesota, Kansas, Wisconsin, Montana, Michigan, Missouri, Iowa, Nebraska, and the Dakotas, for the seed; and we find that out of 5,000,000 tons of flax straw produced only 300,000 tons of it were manufactured, simply because the farmers and manufacturers could not compete with free jute.

I heard my distinguished friend the junior Senator from Texas [Mr. BAILEY] the other day say that he would not vote to make any article free unless it was an absolute necessity of life. I want to talk to the Democratic Senators who announce themselves in favor of a tariff for revenue. I want to ask you whether or not you think that this jute should come into this country free and without the payment of a single cent of tax, while a 1½ cent duty would produce *three million two hundred thousand dollars*.

Senators talk about reducing the wages of labor. I know there are some gentlemen on the floor of the Senate who talk eloquently upon the subject of protection, who, as soon as the question of jute is raised, vacate their seats and run into the cloakroom. Why? They are the very Senators in this body who are for the highest protection on manufactured jute, because it is in their own section, and they are willing to sacrifice the farmer of this country, to injure the hemp grower and the flax grower, but they are not willing to sacrifice the jute manufacturer in their own section.

In the language of the Senator from West Virginia [Mr. ELKINS], if there is anything on earth I do not like, it is a "spotted protectionist." This doctrine is right, or it is wrong. If protection is right upon one article, it is right upon all where that article needs protection in order to foster the industry.

I have seen a great many sorts of politics since I have been in the Senate, Mr. President, a great many strange things that I do not understand, being a young man from the country, not acquainted with the arts and sciences of politics, but a simple, plain, old-fashioned Kentuckian. I have seen a lot of things up

here that I do not understand. And tariff, tariff, tariff has been ringing in my ears until I feel a good deal like the man who killed another down in Kentucky. When he was arraigned he was asked to tell his story. He said: "I killed him in self-defense." "Well," said the lawyer, "did he try to kill you?" "No; he did not." "Did he draw a weapon on you?" "No; he did not." "Did he insult your wife or your daughter?" "No; he did not." "Then, what did you kill him for?" "Because he came to my house, when I was behaving myself like a gentleman and not interrupting anybody, and said he had come down there to talk tariff to me. That is the reason I killed him." [Laughter.]

Now, Mr. President, I do not want to talk anybody to death. I have tried to be as modest as I could. I know that a junior Senator stands mighty little chance in this body. When I came here one of my old friends in the Senate came to me and said: "Be careful, Senator; remember you are nothing but a junior. Keep quiet. If you venture, these senior Senators will take you in out of the wet." [Laughter.] I have heard my mother talk about the bogey man and all that sort of thing, but I will tell you honestly that I have been alarmed ever since I have been in Washington, and what I stand in dread of is the presence of the senior Senators in this body. [Laughter.]

There are a great many dangerous things in this world. Automobiles are dangerous things; they are liable to run over you and kill you. Electric cars are dangerous things; they are liable to run over you and kill you. But there is nothing on this earth that can compare in point of danger to a senior Senator when he stands properly on his stilts. [Laughter.]

I want Senators to indulge me while I speak under this state of alarm. It is a strange thing to me, Mr. President, that there is no protection to the farmer in flax or hemp. It is a strange thing to me that 4,700,000 tons of flax straw in your States are burned up and go up in smoke every year because you can not compete with jute.

You want protection for lemons in California. I believe in protecting lemons in California. [Laughter.] You want protection for lumber in the State of Washington. All right; I believe in protecting lumber in the State of Washington. [Laughter.] You want protection for coal and iron in West Virginia and Alabama. All right; I believe in protecting coal and iron. [Laughter.] I believe in protecting everything that needs protection.

Now, I want to know whether other Senators are equally as fair and as honest in this respect. You say you have not enough tariff on jute manufactures; that if you have a duty on jute you must increase it on your jute manufactures. If that is true, increase it. Increase it; that is your business. [Laughter.] But, in the name of justice, do not protect your jute manufacturers when you refuse to protect the farmer from the importation of free jute. If there is anything in this world that is imported into the United States free, that is absolutely a source of disgust to an American citizen, it is jute. [Laughter.] Where does jute come from? Who are the people who make jute? Heathens; yellow men, spotted men, everything on earth but white men. They go out and work in the fields. I had some pictures of some of them the other day. I wish you could see them. They have never found out that the day of fig leaves is past. [Laughter.] And that is the sort of degraded labor that you reward in free America by allowing jute to come to your shores unprotected.

I appeal to the Senate for justice in this matter. It is true I come from the State of Kentucky, but I am not ashamed of that. There is no better State on this earth than Kentucky. Kentucky is like the man's wife was who said that there never was a better woman on earth than she as long as her husband would let her have her own way. [Laughter.]

Why should we not have this protection? What is the reason why we should not have it? Are we a part of this country or not? We pay more internal revenue [laughter] than any State in this Union except two. [Laughter.]

The VICE-PRESIDENT. Will the Senator suspend until the Chair suggests to the occupants of the galleries that they are all here as guests of the Senate, and that the decorum of the Senate does not permit demonstrations of either approval or disapproval by such guests. The Senator from Kentucky will proceed.

Mr. BRADLEY. Mr. President, I hope that the occupants of the galleries will be in order. [Laughter.] I surely do not desire to be the innocent cause of any trouble in the Senate, for I have heard enough of this trouble lately, and I am glad I am out of it. I have not made anybody mad this session. I have not been mad either. I am not going to be mad unless the Senate refuses to give me a tariff on jute. [Laughter.] Then I reserve the right to myself to get mad and to stay mad during the remainder of the session. [Laughter.]

I promised you, Mr. President, when I rose, that I would speak but a few moments. I have heard very many Senators say that and do right to the contrary. I am going to show you that there is one Senator who can keep his word. [Laughter.] I am going to suspend right here, relying upon the justice, the statesmanship, and the Americanism of the Members of this great Senate.

The VICE-PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Kentucky [Mr. BRADLEY]. [Putting the question.] The "ayes" have it, and the amendment is agreed to.

Mr. MONEY. Mr. President, I ask for the yeas and nays on that amendment.

The yeas and nays were not ordered.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is paragraph 334.

The VICE-PRESIDENT. Is there objection to agreeing to the paragraph? The Chair hears none.

Mr. ALDRICH. The committee have an amendment to that paragraph, in line 6, after the word "yarns," to insert the words "in the gray."

The VICE-PRESIDENT. The Secretary will state the amendment proposed by the Senator from Rhode Island.

The SECRETARY. In paragraph 334, page 117, line 6, after the word "yarns," it is proposed to insert the words "in the gray."

The VICE-PRESIDENT. The question is on the amendment.

Mr. BACON. I hope the Senator from Rhode Island will explain the amendment. We are absolutely in the dark on an amendment offered with no information given in regard to it.

Mr. ALDRICH. This makes the paragraph apply to yarns which are not colored or bleached.

Mr. BACON. I again request that the Chair shall put the question to the Senate on amendments, and not put us in the position of not objecting. We want to get information about these amendments. We do not desire that it shall appear by the RECORD that we are agreeing to them.

The VICE-PRESIDENT. The Senator will allow the Chair to say that when the Senator says he makes that request again, the Chair applied it to a single division of the bill, else the Chair would not have put it in that form, though he understood the Senator desired it in that way. The question now is on agreeing to the amendment proposed by the Senator from Rhode Island [Mr. ALDRICH].

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is paragraph 343.

Mr. ALDRICH. There is an amendment in paragraph 336.

The VICE-PRESIDENT. The Secretary will state the amendment. If the Senator refers to the amendment in line 19, that was agreed to on the first reading of the bill.

Mr. ALDRICH. I desire to offer an amendment to that paragraph, in line 18. I ask that the vote by which the amendment was agreed to be reconsidered for the purpose of making this amendment.

The VICE-PRESIDENT. Without objection, the vote by which the amendment was agreed to will be reconsidered. The Secretary will now state the amendment proposed by the Senator from Rhode Island.

Mr. ALDRICH. On page 117, line 18, after the word "number," I propose the amendment which I send to the desk.

The VICE-PRESIDENT. The amendment proposed by the Senator from Rhode Island will be stated.

The SECRETARY. On page 117, line 18, after the word "number," it is proposed to insert "12 cents per pound and."

The VICE-PRESIDENT. The question is on the amendment to the amendment.

Mr. CULBERSON. Mr. President, I desire to know what that amendment means. Let it be read again.

The VICE-PRESIDENT. The amendment proposed by the Senator from Rhode Island will be again stated.

The SECRETARY. On page 117, in line 18, after the word "number," it is proposed to insert the words "12 cents per pound, and," so that if amended it will read:

If made from yarn finer than five lea or number, 12 cents per pound, and three-fourths of 1 cent per pound additional for each lea or number.

The VICE-PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 343—oilcloth for floors, and so forth.

Mr. HALE. I gave notice the other day that I would ask that paragraph 339 be reconsidered in order to offer an amendment.

The VICE-PRESIDENT. The Senator from Maine asks unanimous consent to reconsider the vote by which paragraph 339 was agreed to. Without objection, the vote by which the paragraph was agreed to will be reconsidered. The Senator from Maine offers an amendment, which the Secretary will state.

Mr. HALE. The amendment has been considered by the Committee on Finance.

The SECRETARY. In lieu of paragraph 339, as printed in the bill, it is proposed to insert as a new paragraph the following:

339. Floor mattings, plain, fancy, or figured, manufactured of split straw, grass, or rushes, or other vegetable substances not otherwise provided for, commonly known to the trade as China and India mattings, containing 90 ends of warp or less, 3 cents per square yard; if containing more than 90 ends of warp, 12 cents per square yard; floor mattings manufactured of round straw, grass or rushes, known to the trade as Japanese matting, if containing 185 ends of warp or less, 3 cents per square yard; containing more than 185 ends of warp, 12 cents per square yard: *Provided*, That invoices of all imported China, India, or Japanese mattings shall specify the number of ends of warp contained therein.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Maine.

Mr. CLAY. Mr. President, I should like to ask the Senator from Maine if his amendment makes an increase or decrease over the present law. We could not catch the amendment clearly. I have had some complaints from merchants in my State in regard to paragraph 339.

Mr. HALE. It does not interfere with the common kinds; it is only the larger kinds of matting, the higher classes of matting, which are affected. Otherwise the paragraph is precisely as reported.

Mr. CLAY. There is an increase on the higher classes?

Mr. HALE. Yes; on the higher classes. It is not so much of an increase as it is the development of the industry. I can give the reasons as given here by the experts, if the Senator requires it. It is for the development of the industry, not interfering with the common kinds of matting.

Mr. CLAY. I do not think I care to have anything read to the Senate now. I simply wanted a statement.

Mr. HALE. I will only say that this whole matter, of course, will go into conference and will be fully considered there. I have had the amendment drawn so that it will not interfere in any way with the lower and commoner kinds of matting.

Mr. CLAY. The paragraph, as it stands in the bill, is simply the reenactment of the Dingley law, is it not?

Mr. HALE. I think it is almost exactly or quite the language of the Dingley law. The only change in this regard is in relation to the higher kinds of matting.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Maine.

Mr. FLETCHER. Mr. President, I, like the Senator from Georgia [Mr. CLAY], have received some communications from merchants and others dealing in these kinds of articles, protesting against the increase of rates, and I am impressed that this matting, made from straws and vegetable materials, composes the floor covering for people in moderate circumstances. I do not think it meets the case to say that it is only the finer kinds of matting upon which the duty is increased by this amendment. All kinds of matting made of this material are floor coverings, required by people who are not able to indulge in velvet carpets or floor coverings of that kind. I submit that a duty of the kind proposed by this amendment will add materially to the cost of this kind of floor covering. Under those conditions, I feel it my duty to oppose the amendment.

Mr. HALE. The Senator from Florida is entirely wrong. The amendment does not in any way affect the kind of mattings the Senator has in view. It does not raise the price; and it ought not to raise the price. The constituents of the Senator are not in any way unfavorably affected by this amendment. The amendment was very carefully drawn. I will not, however, take any more time in regard to it.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Maine [Mr. HALE].

The amendment was agreed to.

Mr. DOLLIVER. Mr. President, I desire to call the attention of the chairman of the Committee on Finance to paragraph 338. I notice that an amendment has been inserted in the first line of the paragraph, putting some of the fish nets made of cotton into that paragraph. I desire to call the attention of the Senator from Rhode Island to the fact that, if cotton cloths of the material out of which those nets are made, are made dutiable at 60 per cent under paragraph 345, it will operate to create a duty of 80 per cent on that very cheap article of cotton manufacture. I do not know whether that is thought desirable or not, but I call the Senator's attention to it.

Mr. ALDRICH. I did not understand the last part of the Senator's statement.

Mr. DOLLIVER. I refer to the cotton cloths out of which fish nets are made.

Mr. ALDRICH. In what paragraph is that?

Mr. DOLLIVER. It is in paragraph 345.

Mr. ALDRICH. The nettings referred to in paragraph 345 are made of yarn, and not of cloth.

Mr. DOLLIVER. But the word "cords" occurs in line 4.

Mr. ALDRICH. Those are cords that are used for ornamentation.

Mr. DOLLIVER. "Wholly or in part of cotton."

Mr. ALDRICH. As I have stated, those cords are used for the ornamentation of dresses.

Mr. DOLLIVER. If that is so, I withdraw the suggestion.

Mr. ALDRICH. I am sure of it.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 343, oilcloth for floors, plain, stamped, painted——

Mr. CUMMINS. I ask that this paragraph be passed over at this time.

The VICE-PRESIDENT. The Senator from Iowa asks unanimous consent to pass over paragraph 343.

Mr. ALDRICH. I have no objection to that, if the Senator is not ready; but the committee have some amendments to suggest.

Mr. CUMMINS. I have some amendments to offer, but I did not suppose that the paragraph would be reached to-night. I have not them in my desk.

The VICE-PRESIDENT. No objection is heard——

Mr. ALDRICH. I have two committee amendments to offer. I will propose them and then let the paragraph go over.

Mr. CUMMINS. I have no objection to that.

Mr. ALDRICH. The amendments are in line 6, after the word "other," to insert the word "floor," so as to read "all other floor oilcloth," so that there shall be no question as to what oilcloths are referred to; and then to strike out "except silk oilcloth," in the next line. Those are committee amendments, which I assume are in line with the thought of the Senator from Iowa upon this subject.

Mr. CUMMINS. Mr. President, one of the amendments that I had in mind to offer was striking out the words "and all other oilcloth," as being wholly unnecessary, unless it is intended to include table oilcloth in the paragraph.

Mr. ALDRICH. No; it is not intended to do that; and for that reason the committee propose to insert the word "floor," so that it will apply only to floor oilcloth.

Mr. CUMMINS. I suggest the word "floor," found in the first line, would qualify sufficiently, I think, the description. However, if the Senator agrees to pass the paragraph over, we can discuss that hereafter.

Mr. ALDRICH. I had an idea that the amendments suggested by the committee were exactly along the line of the ideas of the Senator from Iowa.

Mr. CUMMINS. They are; but I wish to go further and to ask that there be an additional separation; that is to say, I shall ask that all linoleum under 9 feet in width shall not be taxed the same amount per square yard, for there is so vast a difference in the value of linoleum of the same width, if you please, that it is unjust to attach the same duty to all the qualities of this material.

Mr. ALDRICH. Mr. President, does the Senator from Iowa prefer to have these amendments go over unadopted, or would he consent to have them now adopted?

Mr. CUMMINS. I have no objection whatever to the adoption of the amendments the Senator proposes, because they cover precisely one of the amendments that I had intended to offer, although in a different way.

Mr. ALDRICH. Then, I ask, Mr. President, that the amendments which I have suggested be adopted, and that the paragraph be then passed over.

The VICE-PRESIDENT. The amendments will be stated.

The SECRETARY. On page 119, paragraph 343, line 6, before the word "oilcloth," it is proposed to insert the word "floor;" and after the word "oilcloth," at the end of line 6, to strike out the parenthesis and the words within it "except silk oilcloth."

Mr. BACON. Mr. President, I should like to ask the Senator whether those are increases over the present rates?

Mr. ALDRICH. No; they are amendments to prevent the paragraph from applying to oilcloths other than floor oilcloths; for instance, oilcloths that are used for table covers or for other particular purposes are not entitled to the high rates which are included in this paragraph. But the paragraph has been passed over, at the suggestion of the Senator from Iowa, who has some amendments reducing the rates.

The VICE-PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Rhode Island.

The amendment was agreed to.

The VICE-PRESIDENT. The paragraph will be passed over as amended. The next amendment passed over will be stated.

The SECRETARY. Paragraph 344, as follows:

344. Shirt collars and cuffs, composed of cotton, 45 cents per dozen pieces and 15 per cent ad valorem; composed in whole or in part of linen, 40 cents per dozen pieces and 20 per cent ad valorem.

The paragraph was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 345. Laces, lace window curtains, and all other lace articles——

The VICE-PRESIDENT. All the committee amendments to paragraph 345 have been agreed to. Without objection, the paragraph as amended is agreed to. The Chair hears no objection.

Mr. ALDRICH. Have all the committee amendments to that paragraph been agreed to?

The VICE-PRESIDENT. They have all been agreed to. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 347, page 121, plain woven fabrics of single jute yarns——

Mr. ALDRICH. The committee has an amendment to paragraph 346. I ask that the vote by which the paragraph was adopted may be reconsidered, for the purpose of offering an amendment.

The VICE-PRESIDENT. There is no amendment in that paragraph, so the Senator may offer his amendment without a motion to reconsider.

Mr. ALDRICH. Then, I move to strike out the words, in line 7, "nets, nettings."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. In paragraph 346, page 121, line 7, after the word "curtains," it is proposed to strike out "nets, nettings."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The committee amendments to paragraph 347 have been agreed to.

Mr. JONES. Mr. President, I should like to have paragraph 347 and paragraph 349 passed over. I have amendments to offer to both of those paragraphs. I thought I had all the data here, but I find I have not, as I did not expect the paragraphs to come up to-night. I should like to have those two paragraphs go over.

Mr. ALDRICH. I ask that those paragraphs be passed over.

The VICE-PRESIDENT. Without objection, paragraph 347 and paragraph 349 will be passed over. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 350, bagging for cotton, gunny cloth, and similar fabrics——

Mr. ALDRICH. I ask that that paragraph be passed over, at the request of several Senators.

Mr. CLAY. Does the Senator intend to take it up to-morrow?

Mr. CULBERSON. Mr. President, I will say to the Senator from Rhode Island that I have an amendment pending putting cotton bagging on the free list, which I trust may be adopted to-night.

Mr. ALDRICH. The Senator from Mississippi also has an amendment, as have, I think, several other Senators. I do not want to have that amendment considered just now. The committee have not yet made up their minds as to just what ought to be done with this paragraph.

Mr. CULBERSON. The Senator will consent to the consideration of it at an early day, I trust.

Mr. ALDRICH. I think so; yes.

Mr. CLAY. Probably to-morrow?

Mr. ALDRICH. I am not sure about to-morrow. I will see the Senator from Texas before it is taken up and give him ample notice with regard to it.

The VICE-PRESIDENT. Is there objection to the request that the paragraph be passed over?

Mr. TILLMAN. It seems to me that we might settle this to-night, if the Senator from Rhode Island and the committee are disposed to treat the southern farmer as they have treated the western farmer. This cotton bagging is absolutely necessary to the southern farmers, and it is thrown away as soon as we pack the cotton. We have to buy it and pay for it, and then we lose it when the cotton gets to the market, for it is subtracted as tare. The western farmer, who has to cut his wheat and oats, gets his binding twine free, and why should not the southern farmer, who has to prepare his cotton for market, get his bagging and ties free?

I made an appeal to the Senator and his committee in the last tariff bill twelve years ago in relation to this matter. I got no hearing then, but I think his heart is a little softer now than it was a long time ago, and that he will realize that he ought to make some reasonable concession and let us feel that we are not simply discriminated against because we are from the South.

Mr. ALDRICH. I assure the Senator from South Carolina and the Senate that the committee at a very early day will take up this matter and give it very careful consideration.

Mr. BACON. My friend from South Carolina is mistaken in his recollection.

Mr. ALDRICH. My recollection is that the Senate agreed to the proposition referred to by the Senator from South Carolina.

Mr. BACON. During the consideration of the Dingley bill an amendment was adopted in the Senate putting both bagging and ties on the free list, but it was stricken out in conference committee.

Mr. TILLMAN. That means that the conferees of the Senate gave us away, or they surrendered to the House; and they might do it again. It is just a question of whether we are going to have consideration and they will stand by us in the conference, as we have a right to expect. They stood by free binding twine and gave that to the western farmer.

I know I made a very urgent plea—I do not know whether it was a strong or an eloquent one, but I tried to make it so—for the consideration of the item in regard to sacks for wheat, which has been passed over at the instance of the Senator from Washington [Mr. JONES]. An immense expenditure is required in the South in sacking our fertilizers. But that has been passed over, and I do not want to consume time. However, I want the Senator prayerfully to consider this business of letting the farmers of the South and the West fare alike.

Mr. ALDRICH. My friend from South Carolina knows his persuasive influence over the committee, and especially over the chairman of the committee.

Mr. TILLMAN. The Senator and I have been very good personal friends, and I have made many appeals to him in matters of legislation; but his heart has grown flinty and he has turned that stony gaze on me which left not even a shadow of hope. So I am afraid, unless he will give me his promise; and if he will give me his promise, I will be satisfied, for he never breaks his word, so far as I ever heard.

Mr. ALDRICH. I promise the Senator now that the committee will give the matter careful consideration. If we have to do this at all, we want to do it in a manner that will enable us to go before the House conferees and say that we are going to stand by it.

Mr. TILLMAN. All you have got to do is to ask the Senate for a vote on it, and you will get a unanimous vote, except probably from one or two Senators, whose States are interested in the manufacture of bagging. There is nobody here much interested in keeping the duty on bagging except possibly three or four Senators.

The VICE-PRESIDENT. Is there objection to the paragraph being passed over? The Chair hears none. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 352, woven fabrics——

The VICE-PRESIDENT. The committee amendments to paragraph 352 have been agreed to. Without objection, the paragraph as amended is agreed to. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 353.

The VICE-PRESIDENT. The committee amendment to paragraph 353 was agreed to on the first reading of the bill. Is there objection to agreeing to the paragraph as amended? The Chair hears none. The paragraph as amended is agreed to.

Mr. ALDRICH. Mr. President, before paragraph 355 is

adopted, I offer an amendment on behalf of the committee as a substitute for that paragraph.

The VICE-PRESIDENT. Paragraphs 354 and 355 were both stricken out.

Mr. ALDRICH. I ask to reconsider the vote by which paragraphs 354 and 355 were stricken out; and I move to insert the substitute which I send to the desk.

The VICE-PRESIDENT. It is not necessary to reconsider. The Senator may simply move to insert.

Mr. ALDRICH. I call the attention of the Senator from Vermont to this amendment, as I think he is interested in it.

The VICE-PRESIDENT. The Senator from Rhode Island offers a new paragraph, to be known as paragraph 354, which will be stated.

The SECRETARY. It is proposed to insert in the bill, on page 124, a new paragraph, to be known as paragraph 354, as follows:

354. Istle or tampico, or mixtures thereof with other vegetable or animal fibers, when dressed, dyed, combed, treated, or manufactured in any manner, 35 per cent ad valorem.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. That completes the paragraphs of Schedule J.

Mr. ALDRICH. I ask now that we go to Schedule N—Sundries.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Rhode Island that the Senate now take up the consideration of Schedule N? The Chair hears none.

Mr. ALDRICH. It begins on page 167.

Mr. BACON. Am I to understand that the woolen schedule has been passed?

Mr. ALDRICH. Passed over.

Mr. BACON. Passed over. Very well.

The VICE-PRESIDENT. The Secretary will state the first amendment passed over in Schedule N.

The SECRETARY. Page 167, Schedule N—Sundries. The first paragraph passed over is paragraph 419, brushes, brooms, and feather dusters of all kinds, and hair pencils in quills or otherwise, 40 per cent ad valorem.

Mr. ALDRICH. In paragraph 417 the committee have an amendment, after the word "beads," to insert the words "and spangles."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. In paragraph 417, on page 167, line 20, after the word "beads," it is proposed to insert "and spangles."

The amendment was agreed to.

Mr. ALDRICH. In line 21, I submit a verbal amendment to strike out the words "35 per cent ad valorem."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 167, line 21, paragraph 417, it is proposed to strike out the words "35 per cent ad valorem" and the semicolon.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. BACON. Mr. President, I do not understand the amendment. The Senator moves to strike out the words "35 per cent ad valorem."

Mr. LODGE. The amendment is to prevent a repetition. Those words are repeated. It does not affect the rate.

Mr. BACON. Very well.

Mr. ALDRICH. If the Senator from Georgia will look at the paragraph, he will see that that is a duplication.

Mr. BACON. I did not understand that the striking out was due to the fact that there was a duplication of language.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. LODGE. Mr. President, in paragraph 418, in line 10, I desire to offer an amendment.

The VICE-PRESIDENT. Paragraph 418 was agreed to. In the absence of objection, the paragraph will be considered as open to amendment.

Mr. LODGE. I have an amendment to offer to that paragraph. In line 10, after the word "rattan," I move to insert the words "real horsehair."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 168, paragraph 418, line 10, after the word "rattan" and the comma, it is proposed to insert the words "real horsehair."

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. Without objection, paragraph 419 is agreed to.

Mr. ALDRICH. Mr. President, before that is done, I will say that the Senator from Montana has some amendments to this paragraph, and the Senator from Indiana desires to have it go over.

Mr. KEAN. What paragraph is that?

Mr. ALDRICH. Paragraph 419. I ask that it be passed over.

The VICE-PRESIDENT. Without objection, paragraph 419 will again be passed over.

Mr. DOLLIVER. I desire to ask the chairman of the committee to explain the effect of the amendment in paragraph 418, which strikes out the words "if bleached, dyed, colored, or stained, 20 per cent ad valorem."

Mr. ALDRICH. What line is that?

Mr. DOLLIVER. Line 13.

Mr. KEAN. If the Senator will look at paragraph 455, he will see it is covered by that.

Mr. DOLLIVER. I do not know whether it is the intention of the committee to make this braid dutiable at 35 per cent, the same duty as hats.

Mr. KEAN. If the Senator will look at paragraph 455, he will see it is covered there.

Mr. DOLLIVER. To leave it dutiable at the same rate as the finished product, it seems to me a little out of the usual order.

Mr. ALDRICH. No; I think the Senator is mistaken about that. I think the first part of the paragraph applies to what he is talking about, at 15 per cent.

Mr. DOLLIVER. That applies to the material not bleached or dyed. You struck out the other. It would seem to leave that material dutiable at the same rate as hats. Braids, if not colored, are dutiable at 15 per cent. The words that were stricken out made them dutiable, if bleached or dyed, at 20 per cent; and the hats into which they are finally formed are made dutiable by the next clause, at 35 per cent. It struck me that it might be a bad thing to have the colored braid dutiable at the same rate as the finished product.

Mr. ALDRICH. I think the language as it was before these words were stricken out accomplished the same purpose. It provided for hats, bonnets, and hoods composed of straw, whether wholly or partly manufactured. I think that covers the suggestion made by the Senator from Iowa.

Mr. DOLLIVER. No; I think that would not apply to such braids. The Dingley law provided a special bracket for dyed and colored braids. I do not see why it should be omitted.

Mr. SMOOT. It carries now only 15 per cent instead of 20.

Mr. DOLLIVER. But that bracket distinctly describes braids not colored.

Mr. ALDRICH. I will ask that the amendment be disagreed to. I have no objection to a reconsideration of the motion by which the amendment was agreed to, and to having the amendment disagreed to.

The VICE-PRESIDENT. The Chair suggests that the Senator's face was turned away from the Chair, and the Chair could not understand what was said.

Mr. ALDRICH. It is in reference to the amendment in paragraph 418, lines 13 and 14. I ask that the vote by which the amendment was agreed to be reconsidered and that the amendment be disagreed to.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Rhode Island? The Chair hears none. Does the Senator from Rhode Island ask that the paragraph be passed over?

Mr. ALDRICH. No; I ask that it be agreed to.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to. Paragraph 419 is passed over. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 424, page 170, coal.

Mr. BURTON. I ask that the paragraph be passed over. It is a highly important paragraph.

The VICE-PRESIDENT. Is there objection? The Chair hears none. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 427, at the bottom of page 171.

Mr. FLINT. In paragraph 423, line 6, on page 170, after the word "gross," I move to insert "snap fasteners, or clasps, or parts thereof, by whatever name known, 50 per cent ad valorem."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. Paragraph 422 was stricken out by vote of the Senate. The committee have a suggested substitute for that, in reference to button forms, and I call the attention of the Senator from New York to the amendment.

The SECRETARY. Insert in the bill a new paragraph, to be known as 422, as follows:

Button forms or covers for buttons, of whatever material composed, not exceeding 3 inches in any one dimension and fit only for buttons, 10 per cent ad valorem.

The amendment was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 427, where the committee propose to strike out the paragraph in the bill and to insert a new paragraph, as follows:

427. Dolls, and parts of dolls, doll heads, toy marbles of whatever materials composed, and all other toys, and parts of toys, not composed of china, porcelain, parian, bisque, earthen or stone ware, and not specially provided for in this section, 35 per cent ad valorem.

The amendment was agreed to.

Mr. ALDRICH. I should like to go back for a moment to paragraph 418. I move to strike out the words "not bleached, dyed, colored, or stained," in line 12, and leave all these braids, whether colored or stained or not, at 15 per cent ad valorem instead of 20.

The SECRETARY. On page 168, line 12, strike out the words "not bleached, dyed, colored, or stained."

The amendment was agreed to.

Mr. ALDRICH. And also strike out the words which were inserted a few moments ago by the Senate.

The SECRETARY. Agree to the amendment in lines 13 and 14, striking out certain words.

Mr. ALDRICH. So that it will read——

The SECRETARY. All these articles "suitable for making or ornamenting hats, bonnets, or hoods, 15 per cent ad valorem," without reference to whether they are colored or not.

Mr. BRISTOW. Mr. President, I could not understand that statement.

The VICE-PRESIDENT. The Secretary will again state the amendment.

The SECRETARY. On page 168, paragraph 418, line 12, strike out the words "not bleached, dyed, colored, or stained," and the comma, and in lines 13 and 14 agree to the amendment, striking out certain words, as follows: "if bleached, dyed, colored, or stained, 20 per cent ad valorem."

Mr. CULLOM. Reducing it to 15 per cent on all of them.

The amendment was agreed to.

The VICE-PRESIDENT. The Secretary will report the next paragraph passed over.

Mr. CULBERSON. Was paragraph 424 passed over?

Mr. ALDRICH. Yes; it was.

The VICE-PRESIDENT. It was. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 429. Firecrackers of all kinds.

Mr. OLIVER. I wish to ask what was done with 428.

The VICE-PRESIDENT. Four hundred and twenty-eight was agreed to on the first reading; it was not passed over.

Mr. ROOT. I have an amendment to 428 which was referred to the committee. I do not know whether the committee have considered it.

Mr. ALDRICH. No; I think the committee are not yet willing to adopt the amendment, but we will consider it.

Mr. ROOT. This paragraph is still open to amendment?

The PRESIDING OFFICER (Mr. KEAN in the chair). The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 429. The committee proposes to strike out the paragraph and to insert a new paragraph, as follows:

429. Fire crackers of all kinds, 8 cents per pound; bombs, rockets, Roman candles, and fireworks of all descriptions, not specially provided for in this section, 12 cents per pound; the weight on all the foregoing to include all coverings, wrappings, and packing material.

Mr. BACON. That raises the rate of the House, as I understand.

Mr. ALDRICH. It does on certain classes of fireworks.

Mr. LODGE. The higher classes.

Mr. ALDRICH. The higher classes.

Mr. BACON. I suppose there is a reason for it.

Mr. ALDRICH. A revenue reason.

Mr. BACON. Revenue?

Mr. ALDRICH. Yes; to increase the revenue.

Mr. BACON. I have not time to refer to the tables the committee has furnished us. I notice there is still a difference in the rate on the different classes of fireworks. I suppose the committee has, of course, been guided by some reason why that difference should be made. I should like to know what it is.

Mr. ALDRICH. The committee thought this a good subject for revenue. It is not a necessity in any part of the country that we know of, and we thought there could not be a better article upon which to raise some additional revenue.

Mr. BACON. I appreciate that reason very strongly, but the Senator did not answer the question which I propounded—that was, why there is a difference in the different classes of fireworks, one class being 8 cents and the other 12 cents.

Mr. ALDRICH. We have put the bombs and rockets and the higher class goods, which are much more expensive than firecrackers, at a higher rate.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SECRETARY. Paragraph 433.

The PRESIDING OFFICER. The Chair understands that 433 was agreed to on the first reading, then it was afterwards passed over.

Mr. CUMMINS. What is the paragraph?

The PRESIDING OFFICER. Four hundred and thirty-three.

Mr. CUMMINS. I have an amendment I desire to offer to the paragraph. I called the attention of the committee to it. I understood it was agreeable to the committee. The amendment I ask is that, after the word "cartridges," in line 19, there be added the words "and cartridge shells, empty."

Mr. ALDRICH. I think there is no objection to that.

The PRESIDING OFFICER. Without objection, the motion by which the amendment was agreed to is reconsidered, and the question is on agreeing to the amendment offered by the Senator from Iowa.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. CUMMINS. And there should also be stricken out the word "and," before the word "cartridges," in order to make the paragraph read as it should.

The PRESIDING OFFICER. Without objection, that will be done.

Mr. BULKELEY. The amendment has been adopted, I suppose. I wish to suggest that the paragraph go over.

The PRESIDING OFFICER. The Senator from Connecticut asks that paragraph 433 go over. Is there objection?

Mr. ALDRICH. What is the request?

The PRESIDING OFFICER. That paragraph 433 go over.

Mr. CUMMINS. As I understand, the amendment I offered has been adopted.

The PRESIDING OFFICER. The Chair so understands.

Mr. ALDRICH. Is the request of the Senator from Connecticut that the paragraph be passed over?

Mr. BULKELEY. Yes. I withdraw it if the Senator——

Mr. ALDRICH. Has the Senator an amendment to this paragraph?

Mr. BULKELEY. I want to suggest a change of the rate from 30 to 35 per cent on safety fuses.

Mr. GALLINGER. The House bill was 35 per cent.

Mr. BULKELEY. I brought the matter to the attention of the committee some time ago. I do not know what consideration they have given it.

Mr. ALDRICH. I remember the Senator from Connecticut offered an amendment of that kind, and it has been somewhat considered by the committee, but we have not yet been able to agree to the amendment of the Senator from Connecticut.

Mr. BULKELEY. I have no objection to its being passed to-night. I will have an opportunity to examine it later.

Mr. PENROSE. I think it a good thing to have it go over, if the chairman does not object. However, I do not insist upon it.

Mr. ALDRICH. I think it had better go over until the Senator from Connecticut has an opportunity to present his views to the committee.

Mr. BULKELEY. I did not think we would get along so far with the schedules to-night.

The PRESIDING OFFICER. Without objection, the paragraph is passed over.

Mr. LODGE. I desire to offer an amendment to paragraph 432. In line 14, page 173, I move to insert "wax and fancy matches and papers, 35 per cent ad valorem."

The amendment was agreed to.

The paragraph as amended was agreed to.

The SECRETARY. Page 174, paragraph 435——

Mr. ALDRICH. In 434 I have an amendment. At the end of the paragraph I move to insert:

Bed feathers, raw, not manufactured, dusted, or cleaned by machinery or advanced from the crude condition, 10 per cent ad valorem.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. In paragraph 435 as amended, after the word "crosses" in the seventh line, I move to insert "except such as are composed of dog, goat, and sheep skin, temporarily sewed together."

Mr. BACON. I should like to inquire of the Senator if that operates to put that class of furs in the basket clause?

Mr. ALDRICH. No.

Mr. BACON. By excluding it in this clause?

Mr. ALDRICH. No; it puts them at 20 per cent ad valorem, I think.

Mr. SMOOT. It simply means this, that from China they import dogskins, sewed together, just in a blanket, and under the paragraph as it is now they would come in as manufactured articles or partially manufactured articles. This takes the goatskins and dogskins and puts them in the same rate as if they were not sewed together.

Mr. ALDRICH. It makes the duty 20 per cent instead of 35 per cent.

Mr. BACON. I quite agree with the purpose. I wanted to know how it was affected. To what clause is that class of goods transferred—another paragraph?

Mr. ALDRICH. The third line of this paragraph, at 20 per cent.

Mr. BACON. It puts them in that clause?

Mr. ALDRICH. Yes.

Mr. CLAY. I ask the Senator what is the rate on the articles that I will mention now:

Articles of wearing apparel of every description, partly or wholly manufactured, composed of or of which fur is the component material of chief value, but not in part of wool, 50 per cent ad valorem.

Is not the present rate 35 per cent ad valorem?

Mr. ALDRICH. It is, I think.

Mr. CLAY. It is an increase from 35 to 50 per cent. There ought to be some reason for it.

Mr. ALDRICH. They are articles of revenue, pure and simple. They are luxuries. Ordinary people do not wear them, and we could see no good reason why people who want to buy these high-class furs should not pay a reasonable duty on them. It is a revenue measure.

Mr. DOLLIVER. I desire to strike out——

The VICE-PRESIDENT. One amendment is pending which the Secretary has not yet reported. The Secretary will state it.

The SECRETARY. On page 175, in the proposed committee amendment, at the end of line 7, after the word "crosses" and the comma, insert "except such as are composed of dog, goat, or sheep skin temporarily sewed together."

The VICE-PRESIDENT. Does the Senator from Iowa desire to offer an amendment to the amendment?

Mr. DOLLIVER. I desire to move to strike out, in line 11, the words——

The VICE-PRESIDENT. Let us dispose of this amendment, and then we will dispose of the Senator's amendment. The question is on agreeing to the amendment proposed by the Senator from Rhode Island.

The amendment was agreed to.

Mr. DOLLIVER. I desire to move to strike out, in line 11, the words "but not in part of wool."

I should say I do that because, in very many of these fur garments there appears in some portion of them, either in the lining, in the buttons, or elsewhere, wool.

Mr. ALDRICH. The words are unnecessary. They are taken care of by other provisions in the bill, and I do not object to the suggestion of the Senator from Iowa.

Mr. DOLLIVER. I was going to say that a garment already dutiable at 50 per cent, which I do not object to, by being carried over into the wearing-apparel wool clause, would be dutiable at 44 cents a pound and 60 per cent, which in many cases would be very exorbitant.

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 175, in the committee amendment, line 11, strike out the words "but not in part of wool" and the comma.

Mr. ALDRICH. I accept the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 442, page 176. The committee propose to strike out the paragraph as printed in the bill and to insert in lieu thereof the following:

442. Hats, bonnets, or hoods, for men's, women's, boys' or children's wear, trimmed or untrimmed, including bodies, hoods, plateaux, forms, or shapes, for hats or bonnets, composed wholly or in chief value of fur of the rabbit, beaver, or other animals, valued at not more than $5 per dozen, $1.25 per dozen; valued at more than $5 per dozen and not more than $10 per dozen, $2.25 per dozen; valued at more than $10 per dozen and not more than $20 per dozen, $4 per dozen; valued at more than $20 per dozen, $5.50 per dozen; and in addition thereto on all the foregoing, 15 per cent ad valorem.

Mr. BRANDEGEE. Mr. President, I had no idea that this paragraph would be reached this evening. I do not think it can be acted upon this evening. I suggest that it be passed over.

The VICE-PRESIDENT. The Senator from Connecticut asks unanimous consent to pass over paragraph 442. Is there objection? The Chair hears none. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 448, at the bottom of page 178.

The VICE-PRESIDENT. The Secretary will report the first amendment in the paragraph.

The SECRETARY. After the word "band," in line 25, insert "bend."

Mr. ROOT. I desire to ask what was done with paragraph 445?

The VICE-PRESIDENT. Paragraph 445 was agreed to on the first reading of the bill. It was not passed over.

Mr. ALDRICH. In accordance with a previous notice, I offer a substitute for paragraph 444, fixing specific duties on jewelry, instead of the ad valorem.

The VICE-PRESIDENT. The Senator from Rhode Island offers a committee amendment to paragraph 444, which the Secretary will state.

The SECRETARY. It is proposed to strike out all of paragraph 444, as printed in the bill, and to insert:

444. Chains, pins, collar, cuff, and dress buttons, charms, combs, millinery and military ornaments, together with all other articles of every description, finished or partly finished, if set with imitation precious stones composed of glass or paste (except imitation jet), or composed wholly or in chief value of silver, German silver, white metal, brass, or gun metal, whether or not enameled, washed, covered, plated, or alloyed with gold, silver, or nickel, and designed to be worn on apparel or carried on or about or attached to the person, valued at 20 cents per dozen pieces, 1 cent each, and in addition thereto three-fifths of 1 cent per dozen for each 1 cent the value exceeds 20 cents per dozen; all stampings and materials of metal (except iron or steel), or of metal set with glass or paste, finished or partly finished, suitable for use in the manufacture of any of the foregoing articles (except chain valued at less than 30 cents per yard, other than nickel or nickel-plated chain), valued at 72 cents per gross, 3 cents per dozen pieces and in addition thereto one-half of 1 cent per gross for each 1 cent the value exceeds 72 cents per gross; rope, curb, cable, and other fancy patterns of chain, without bar, swivel, snap, or ring, composed of rolled gold plate or of silver, German silver, white metal, or brass, not exceeding one-half of 1 inch in diameter, breadth, or thickness, valued at 30 cents per yard, 6 cents per foot and in addition thereto three-fifths of 1 cent per yard for each 1 cent the value exceeds 30 cents per yard; finished or unfinished bags, purses, and other articles, or parts thereof, made in chief value of metal mesh composed of silver, German silver, or white metal, valued at $2 per dozen pieces, 10 cents per piece and in addition thereto three-fifths of 1 cent per dozen pieces for each 1 cent the value exceeds $2 per dozen; all of the foregoing, whether known as jewelry or otherwise and whether or not denominatively or otherwise provided for in any other paragraph of this act, 25 per cent ad valorem in addition to the specific rate or rates of duty herein provided; all articles commonly or commercially known as jewelry or parts thereof, finished or unfinished, including chain, mesh, and mesh bags and purses composed of gold or platinum, whether set or not set with diamonds, pearls, cameos, coral, or other precious or semiprecious stones, or imitations thereof, 60 per cent ad valorem.

Mr. CULBERSON. That is a proposed amendment to paragraph 444?

Mr. ALDRICH. Yes. It imposes specific duties upon jewelry instead of ad valorem. It is a provision that has been agreed to by everybody concerned, the importers and manufacturers and everybody else, with a view of getting some definite duties upon jewelry. It is largely for the purpose also of increasing the revenue. I have no doubt that it will largely increase the revenue if we adopt it.

Mr. CULBERSON. This is one of those cases where the amendment changes the paragraph so completely, adding so much to it, changing the system of taxation from the ad valorem to the specific, that it occurs to me it ought to be printed and lie over.

Mr. ALDRICH. I will say to the Senator that it can be agreed to now, and I will consent to return to it if the Senator finds any occasion to criticise it, or it can be taken up in the Senate. I think there can be no objection to it.

Mr. CULBERSON. I may not have any particular objection to it; but a number of Senators are not here to-night. I would be glad to have the amendment printed.

Mr. ALDRICH. If, I will say to the Senator from Texas, he should desire to have it reconsidered, there will be no objection. I desire to go on as far as I can, as the Senator knows, with the bill.

Mr. CULBERSON. I understand that, and I am not making any opposition to that.

Mr. ALDRICH. It is a pure revenue measure upon the article of jewelry, which ought to pay a high duty, if anything does. If the Senator will permit it to be agreed to, and if any Senator wants to have it reconsidered, it can be reconsidered.

Mr. CULBERSON. Of course I will not ask the Senator to explain it. I doubt whether that could be done without a critical comparison. But I will ask him in what material respect the proposed amendment differs from paragraph 444?

Mr. ALDRICH. It is intended to be the same as the paragraph except upon some kinds of jewelry that are imported under general provisions at a much lower rate than they ought to pay.

In some of those cases there would be a slight increase, but not in many cases. It is the expectation of the committee that it will yield a considerably larger revenue than the present law because it will prevent undervaluation.

Mr. CULBERSON. I notice that the paragraph already carries a tax of 60 per cent ad valorem.

Mr. ALDRICH. Most of the articles are 60 per cent under the bill. It is only certain articles that are undervalued constantly. All parts of the trade have agreed to this amendment as being a proper distribution of the rates.

Mr. CULBERSON. With the understanding that this matter may be reconsidered after it appears in print, if any Senator desires to have it done, I will not insist upon its being printed and go over, but I respectfully submit that an amendment of this importance and of this length, which changes the original paragraph, ought really to be printed before it is adopted so that the Senate can examine it.

Mr. ALDRICH. I gave notice twice that the committee would have an amendment to propose to this amendment. I ask that it may be agreed to, and if there is any objection to it hereafter it can be reconsidered.

Mr. ROOT. May I ask if the amendment makes provision for semiprecious stones cut, but not set?

Mr. ALDRICH. That comes in the next paragraph. The Senator from New York has an amendment to offer to that paragraph.

Mr. ROOT. I have an amendment to offer to paragraph 445.

Mr. ALDRICH. That is the next paragraph. I ask that this amendment may be agreed to.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. The paragraph as amended is agreed to, without objection.

Mr. LODGE. Paragraph 445——

The VICE-PRESIDENT. That paragraph was agreed to on the first reading.

Mr. LODGE. I desire to return to that paragraph for a moment.

Mr. ALDRICH. The Senator from New York has an amendment to offer to this paragraph.

Mr. LODGE. I wish to perfect certain omissions in it.

Mr. FLINT. I think the amendment of the Senator from New York will cover the whole paragraph.

Mr. CULBERSON. On paragraph 444 the Chair inadvertently stated, I think, that that paragraph was agreed to without objection. Some of us on this side object to it.

Mr. ALDRICH. I think the Chair had better put the vote. I think he did put it.

The VICE-PRESIDENT. The Chair did put the vote, but the amendment having been agreed to, the Chair then said, "Without objection, the paragraph is agreed to as amended."

Mr. CULBERSON. The proposition I submit is that some of us voted against it, and some of us, at least, did not intend to agree that it should be adopted without objection.

The VICE-PRESIDENT. On the second vote the Chair put it by unanimous consent, as it was simply a repetition of the vote which had been taken. The motion was to substitute a new paragraph for paragraph 444. That was voted on, and having been agreed to, the Chair stated that, without objection, the paragraph as amended would be agreed to.

Mr. CULBERSON. That is the point. The Chair stated that the paragraph would be agreed to without objection, whereas we did object on this side, and we do object to the paragraph.

Mr. ALDRICH. I ask that the question be put to the Senate over again.

The VICE-PRESIDENT. The Chair understands that the Senator from Texas desires the Chair to put the vote on the paragraph the second time.

Mr. ALDRICH. Upon agreeing to the paragraph as amended.

Mr. CULBERSON. I do not know that it ought to have been put the second time at all.

The VICE-PRESIDENT. The Chair was very much in doubt whether there was any necessity for putting it, but, as a matter of form, he did put it.

Mr. CULBERSON. The proposition of the committee was to substitute the proposed matter for the whole paragraph?

The VICE-PRESIDENT. That was the amendment.

Mr. CULBERSON. Upon that some of us voted "no."

The VICE-PRESIDENT. Certainly.

Mr. CULBERSON. The RECORD will show, I think, that the Chair then said the paragraph would be agreed to, without objection. That is the point in the matter. If the vote is put each time, and it is announced carried or lost, there will be no necessity of stating that the paragraph was agreed to without objection.

The VICE-PRESIDENT. The Chair, then, will put the question the second time. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Senator from New York [Mr. ROOT] offers an amendment to paragraph 445.

Mr. ROOT. I wish to offer an amendment to paragraph 445.

Mr. ALDRICH. I ask that the amendment may be stated.

The VICE-PRESIDENT. The House language was stricken out and the Senate committee language inserted in its stead. Now the proposition is to amend the Senate language, the Chair understands.

Mr. LODGE. By substituting certain matter.

The VICE-PRESIDENT. By substituting certain matter therefor. The amendment striking out and inserting having been agreed to, it seems to the Chair that the Senate must now reconsider the vote and perfect the paragraph and then readopt it.

Mr. ALDRICH. I ask that it be reconsidered.

The VICE-PRESIDENT. Without objection, the vote will be reconsidered. The Secretary will restate the amendment of the Senator from New York.

The SECRETARY. In line 8, page 178, after the words "precious stones," insert "valued at more than 50 cents per carat;" and in line 9, after the words "ad valorem," insert "precious and semiprecious stones valued at 50 cents per carat or less, and all," so as to make the paragraph read:

445. Pearls and parts thereof, drilled or undrilled, but not set or strung, except in bunches for transportation only, 10 per cent ad valorem; diamonds and bort, coral, rubies, cameos, and other precious stones and semiprecious stones, valued at more than 50 cents per carat, cut but not set, and suitable for use in the manufacture of jewelry, 10 per cent ad valorem; precious and semiprecious stones valued at 50 cents or less per carat, and all imitation precious and semiprecious stones and imitation pearls, not beads, for use in the manufacture of jewelry, doublets, artificial or so-called "synthetic or reconstructed" rubies or other precious stones, 20 per cent ad valorem.

Mr. ALDRICH. I can not consent to the provision "50 cents per carat." I will have to understand what that is. I am willing that the amendment shall be printed and go to the committee, but I do not now understand what the effect of it will be.

Mr. ROOT. I will say that the object of the amendment is to differentiate between the cut precious stones and the semiprecious stones. The 10 per cent duty on cut diamonds, rubies, and other precious stones is sufficient protection for the lapidaries in America, because of the high value of the really precious stones, but the semiprecious stones are of very low value, and the 10 per cent given upon cut semiprecious stones is no protection at all.

Mr. ALDRICH. I suggest that the Senator offer his amendment to be printed and we will take up the paragraph. As at present advised, I could not consent to it.

Mr. ROOT. Very well.

The VICE-PRESIDENT. Without objection, the amendment will be printed and lie on the table, and the paragraph will be passed over.

Mr. LODGE. Before the paragraph is passed over, I should like to call the attention of the chairman of the committee to an amendment which I think is necessary in order to perfect it. After the word "stone," in line 10, I move to insert a comma, and the words "including pearls or parts thereof," and in line 12, after "pearls," to insert "or parts thereof."

Mr. ALDRICH. There is no objection to that amendment.

Mr. LODGE. It is simply to perfect the paragraph.

The VICE-PRESIDENT. The Secretary will state the amendment proposed by the Senator from Massachusetts.

The SECRETARY. On page 178, line 10, in paragraph 445, after the word "stones" insert "including pearls and parts thereof," and in line 12, after the word "pearls" insert the words "and parts thereof."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ALDRICH. Paragraph 448 will have to be passed over until after we decide upon the duty on hides.

Mr. BACON. I understand that the former action of the Senate has been reconsidered and that paragraph 445 is now open to amendment generally.

Mr. ALDRICH. Yes.

Mr. BACON. I have some amendments that I propose to offer to the paragraph, probably not to-night, if it is going over; but I desire to ask some information of the committee. I notice that paragraph 445, if I read it correctly, refers only to pearls and diamonds which are unset. I will ask the chairman of the committee in what paragraph is there provision made for those which are set?

Mr. ALDRICH. In the jewelry paragraph, at 60 per cent ad valorem.

Mr. BACON. Is that the paragraph to which the Senator has just offered the amendment?

Mr. ALDRICH. Yes. It retains, though, on articles of that kind the same rate which they now bear—60 per cent ad valorem.

Mr. BACON. Very well. That is the information I wish. The paragraph which was adopted, which the Senator consented might be reconsidered, embraces the provision relative to set pearls and set diamonds?

Mr. ALDRICH. Yes; all precious stones that are set in the form of jewels would have to pay that rate.

Mr. BACON. They are in the paragraph that has been adopted?

Mr. ALDRICH. They are.

Mr. BACON. That was the reason why I asked the question. I intend to offer some amendments to the rates provided for in paragraph 445.

Now, one other question, if I may be pardoned. I understand that uncut diamonds are on the free list. Am I correct in that?

Mr. ALDRICH. Uncut diamonds are on the free list. Cut diamonds are at 10 per cent ad valorem.

Mr. BACON. I intend to offer an amendment increasing the rate on unset diamonds from 20 to 25 per cent, and I am also going to offer an amendment proposing a duty on uncut diamonds. I will not do so now, however, as I understand the paragraph is to go over.

The VICE-PRESIDENT. With the amendment offered by the Senator from New York pending, the paragraph is passed over.

Mr. SCOTT. May I ask the chairman of the committee if the next paragraph can not go over?

Mr. ALDRICH. Paragraph 448 will have to go over until we decide about the duty on hides.

Mr. SCOTT. That is what I thought.

The VICE-PRESIDENT. Without objection, paragraph 448 is passed over. The Secretary will read the next paragraph passed over.

The SECRETARY. Paragraph 450——

Mr. ALDRICH. In paragraph 450a, I move to strike out, in line 5, the word "seventy-five" and insert "twenty-five," so as to read "one dollar and twenty-five cents."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 181, line 5, in the proposed committee amendment, strike out "seventy-five" and insert "twenty-five," so as to read:

Women's or children's "glace" finish, Schmaschen (of sheep origin), not over 14 inches in length, $1.25 per dozen pairs.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. CULBERSON. Was paragraph 450 passed over?

Mr. ALDRICH. Paragraph 450a is the one I move to amend.

Mr. CULBERSON. Has paragraph 450 been adopted?

Mr. ALDRICH. That is only a preliminary paragraph, the Senator will see. There are no rates in it.

Mr. BACON. All those paragraphs were passed over on the former reading without action?

Mr. ALDRICH. Paragraph 450a and following are the paragraphs of existing law. I now suggest to reduce the rates on the common gloves from $1.75 to $1.25 a dozen.

Mr. BACON. We, of course, did not anticipate that this schedule would be reached to-night. We were on the cotton schedule this afternoon. At my request, all these paragraphs were passed over at the former reading. It would hardly be competent for us to pass upon the suggestion of the Senator from Rhode Island now in making amendments which he has doubtless well considered, but which we have had no opportunity to examine.

Mr. ALDRICH. I have stated—the Senator, perhaps, did not catch my remark—that this paragraph 450a and the following paragraphs imposing duties on gloves are precisely the present rates. The House bill provided for quite an increase of the duty on women's gloves. The Senate committee have not reported favorably upon that amendment, but are keeping the present law; however, my present proposition is to reduce below the present law the duty on common gloves from $1.75 to $1.25 a dozen.

Mr. CULBERSON. Let me see if I understand it. The House committee and the House itself, I understand, passed the bill greatly increasing the duty on women's and children's gloves and also on men's gloves. If I may have the attention of the Senator from Rhode Island, I am trying to see if I understand this matter. The House committee and the House itself proposed an increase over the Dingley rates on gloves.

Mr. ALDRICH. On women's gloves.

Mr. CULBERSON. On women's gloves.

Mr. ALDRICH. Leaving the duty on men's gloves.

Mr. CULBERSON. The Senate committee reported favorably an amendment striking out the House provision and restoring the Dingley rate on women's gloves.

Mr. ALDRICH. That is correct.

Mr. CULBERSON. And now I understand the Senator from Rhode Island to propose an amendment still further reducing the present rate.

Mr. ALDRICH. The Senator from Texas is correct.

Mr. CLAY. Simply on one item.

Mr. ALDRICH. On one item, on common gloves.

Mr. CLAY. In other words, the Dingley law on all classes of women's gloves will stand just as it is now, with the exception of gloves at $1.75 per dozen.

Mr. ALDRICH. Not costing $1.75, but the duty of $1.75 a dozen.

Mr. CLAY. I mean where the tariff is fixed at $1.75, you have fixed it at $1.25.

Mr. ALDRICH. That is right.

Mr. BEVERIDGE. The Senator from Rhode Island proposes to reduce it 50 cents.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. BACON. To what particular paragraph does it relate?

Mr. ALDRICH. Paragraph 458a.

Mr. BACON. There are three or four paragraphs here. I really think we ought to see the amendment and be able to compare it with the text.

Mr. ALDRICH. I suggest that the Senator would not want to see that amendment, because it is very simple. In line 5, page 181, I move to strike out "seventy-five" and insert "twenty-five" before cents.

Mr. BACON. There is no objection to that, of course.

Mr. ALDRICH. That seems perfectly plain to me.

Mr. BACON. Is that the only amendment offered to any of these paragraphs?

Mr. ALDRICH. That is the only amendment offered by the committee to the schedule as reported by them.

Mr. BACON. I notice that paragraphs 450a, b, c, d, and e are all of them amendments to the House bill.

Mr. ALDRICH. They are amendments substituting the existing law for the House provisions.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Rhode Island to the amendment of the committee.

The amendment to the amendment was agreed to.

Mr. ALDRICH. I ask that all the paragraphs from 450, 450a, 450b, 450c, 450d, and 450e may be agreed to.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the committee inserting paragraph 450a as amended.

Mr. CULBERSON. I ask the Senator, in the first place, why is not a reduction made in paragraphs 450b, 450c, 450d, and 450e, as well as in 450a?

Mr. ALDRICH. Because they apply to a different class of gloves, a higher class of gloves, upon which no reduction, in the opinion of the committee, should be made. These are the ordinary gloves, cheaper gloves.

Mr. CULBERSON. I understand that. I wanted the RECORD to show upon what basis the committee are acting.

Mr. ALDRICH. They are acting precisely upon the basis that a reduction might be made on these cheaper grades of gloves; and, in the opinion of the committee, no reduction can be made safely upon the other grades.

Mr. CULBERSON. I will ask the Senator, Is there any proposed reduction of the Dingley rates in men's gloves?

Mr. ALDRICH. No; men's gloves are very low under the Dingley rate. Those are the gloves on which the glove manufacturers think the rates should be largely increased, and they were increased by the Ways and Means Committee and by the House.

Mr. CULBERSON. At any rate, there is no proposed reduction?

Mr. ALDRICH. There is no proposed reduction further than that.

Mr. RAYNER. Mr. President, I want to ask if paragraph 339, which seems to be a very important amendment, was adopted?

The Senator from Maine [Mr. HALE] introduced an amendment. It is a very important amendment. It seems to have been adopted in a hurry without any debate. I should like to have that paragraph considered.

Mr. ALDRICH. If the Senator from Maryland, upon investigation, thinks he would like to move an amendment, I will see that he has the right to move any suggested amendment he sees fit.

Mr. RAYNER. Before the bill goes into the Senate?

Mr. ALDRICH. Before it goes into the Senate.

Mr. RAYNER. The Senator from Maine says it does not raise the duty upon the lower class of mats, and of course I take his statement. But it seems to me that the amendment is a little complicated; we can not work it out very well. It has never been printed and has never been explained by anyone. I should like to have an opportunity to examine it.

Mr. HALE. I said to the Senator, and also to the Senator from Florida, that as far as I am concerned I would look the matter over, and if there should be some amendment to the amendment necessary to protect the lower classes of matting, I would have no objection to it; that I did not seek to reach them at all. So far as I am concerned—and I think I can say for the committee—there will be that opportunity at any time after looking it over. I wish the Senator himself and the Senator from Florida would look it over, to see if they believe there is anything that infringes upon the use of the cheaper kinds of matting.

The VICE-PRESIDENT. The question is on agreeing to paragraph 450a as amended.

Mr. BACON. Mr. President, I do not desire to retard the progress of the consideration of the bill or its disposition, but, as I said, it is altogether without anticipation on our part that this glove matter would be reached to-night. It was passed over before in order that we might look into it a little. I do not know that there is any amendment to be offered, but I would be very glad if the Senator would let those paragraphs go over until to-morrow, the amendment proposed having already been adopted. It may not need any further action; I do not know.

Mr. ALDRICH. I will ask the Senator to allow the paragraph to be agreed to with the same understanding that we had with reference to the other paragraphs.

Mr. BACON. To be reconsidered if any Senator wishes a reconsideration?

Mr. ALDRICH. To have it reconsidered if any Senator wishes it.

Mr. BACON. Very well.

The VICE-PRESIDENT. The Chair understands the motion of the Senator from Rhode Island is to strike out paragraph 450 as passed by the House and to insert paragraphs 450, 450a, 450b, 450c, 450d, and 450e.

Mr. ALDRICH. That is right.

The VICE-PRESIDENT. The question is on agreeing to the motion of the Senator from Rhode Island.

The motion was agreed to.

Mr. ALDRICH. I ask that the paragraphs as amended be agreed to.

The VICE-PRESIDENT. The question is on agreeing to the paragraphs as amended.

The paragraphs as amended were agreed to.

Mr. ALDRICH. I ask that the same action be taken in regard to paragraph 451, that paragraph 451 as reported by the committee be substituted for paragraph 451 in the House text.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 182, strike out paragraph 451, as printed in the House bill, and insert a new paragraph 451, as follows:

451. In addition to the foregoing rates there shall be paid the following cumulative duties: On all leather gloves, when lined, $1 per dozen pairs; on all pique or prix seam gloves, 40 cents per dozen pairs; on all gloves stitched or embroidered, with more than 3 single strands or cords, 40 cents per dozen pairs.

Mr. BACON. If I understand correctly, by the use of the term "cumulative" is meant that those are duties imposed in addition to the duty which would have been due if those particular features were not found in these gloves.

Mr. ALDRICH. That is right; and that is the existing law. It is the precise terms of the existing law.

Mr. BACON. I simply wish to suggest, if that is really a part of the same subject, that the Senator will consent that we may have the same privilege with reference to paragraph 451.

Mr. ALDRICH. Undoubtedly.

Mr. BACON. That is the same as in the case of the preceding paragraph?

Mr. ALDRICH. Undoubtedly.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be read.

The SECRETARY. On page 183, paragraph 453——

Mr. LODGE. Let that go over. That is a part of the leather question.

The VICE-PRESIDENT. The Senator from Massachusetts asks that the paragraph be passed over. Is there objection? The Chair hears none. The Secretary will read the next paragraph passed over.

The Secretary read as follows:

462. Paintings in oil or water colors, pastels, pen and ink drawings, and sculptures, not specially provided for in this section, 15 per cent ad valorem; but the term "sculptures" as used in this act shall be understood to include only such as are cut, carved, or otherwise wrought by hand from a solid block or mass of marble, stone, or alabaster, or from metal, and as are the professional production of a sculptor only, and the term "painting" as used in this act shall be understood not to include such as are made wholly or in part by stenciling or other mechanical process.

Mr. LODGE. In paragraph 455 there is a committee amendment. In line 23, after the word "horn," I move to insert the word "quills."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 183, line 23, paragraph 455, after the word "horn" and the comma, insert the word "quills" and a comma.

The amendment was agreed to.

Mr. PENROSE. At the end of the same paragraph, after the word "thereof," in line 4, page 184, I move to insert:

Combs composed wholly of horn, or composed of horn and metal, 50 per cent ad valorem.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Pennsylvania.

The amendment was agreed to.

Mr. ROOT. Mr. President, there is a question that has been somewhat discussed in conversation with members of the committee, in regard to reclaimed rubber. I understand it is understood that that is to go over.

Mr. ALDRICH. There are two different contending interests on that subject, I think. One wants it on the free list and the other wants a duty on it. I will say that the committee will try and adjust those differences, if they can, and report an amendment later.

Mr. PENROSE. I understand that on the subject of reclaimed rubber the trade is getting together, and an important communication will be sent to each Member of the Senate setting forth the views about that item.

Mr. ROOT. All that I wished was that the paragraph should be kept open.

Mr. ALDRICH. If the committee are able to reach an agreement, I will see that the amendment is offered.

Mr. BEVERIDGE. May I ask the Senator from Pennsylvania whether I understood him correctly when I understood him to say that the Senate would receive a communication setting forth the views of both sides?

Mr. PENROSE. I understand that almost everybody in this business will send a communication within the next day or so to each Member of the Senate, declaring in favor of having reclaimed rubber on the free list.

Mr. BEVERIDGE. All interests agree to it.

Mr. DICK. Mr. President——

Mr. PENROSE. I think there is one exception. It may be that the Senator from Ohio will speak for that.

Mr. BULKELEY. Mr. President, I offered a day or two ago an amendment, which I think might meet the views of a large part of those engaged in this line of business, to put this article on the free list with crude rubber.

The VICE-PRESIDENT. Paragraph 455 has not yet been agreed to as amended. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. There is nothing pending in reference to paragraph 456. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is paragraph 462, paintings in oil or water colors, and so forth.

Mr. DICK. Mr. President, do I understand that the suggestion of the chairman of the Committee on Finance would permit further discussion and consideration of the pending amendments placing the article of rubber on the free list or the dutiable list, as the case may be, and that the matter goes over for further consideration?

Mr. ALDRICH. It is with a view that the committee will try, if possible, to readjust the complex views.

The VICE-PRESIDENT. That matter has not been put to the Senate. The Chair did not understand that such a request had been made.

Mr. ALDRICH. I do not ask that anything be passed over. I am simply suggesting that the committee will report some amendments to this rubber provision.

Mr. DICK. Very well.

The VICE-PRESIDENT. In paragraph 462, the Secretary will report the first committee amendment.

The SECRETARY. The Committee on Finance propose to amend paragraph 462, on page 185, in line 7, after the word "and," to strike out "statuary" and insert "sculpture;" in line 8, before the words "per centum," to strike out "twenty" and insert "fifteen;" in line 9, after the word "term," to strike out "statuary" and insert "sculptures;" in line 11, after the word "such," to strike out "statuary as is" and insert "as are;" and in line 13, after the word "as," to strike out "is" and insert "are," so as to read:

462. Paintings in oil or water colors, pastels, pen and ink drawings, and sculptures, not specially provided for in this section, 15 per cent ad valorem; but the term "sculptures" as used in this act shall be understood to include only such as are cut, carved, or otherwise wrought by hand from a solid block or mass of marble, stone, or alabaster, or from metal, and as are the professional.

The amendment was agreed to.

Mr. LODGE. In line 13, after the word "metal," I move to insert the words "except articles in whole or in part molded or cast in metal."

The VICE-PRESIDENT. The amendment proposed by the Senator from Massachusetts will be stated.

The SECRETARY. On page 185, in line 13, after the word "metal," it is proposed to insert "except articles in whole or in part molded or cast in metal."

Mr. BACON. What is that amendment, Mr. President?

The VICE-PRESIDENT. The Secretary will again state the amendment.

Mr. BACON. No; I should like the Senator from Massachusetts to explain it.

Mr. LODGE. It is simply to exclude the bringing in of castings under this paragraph of articles of metal cast and molded. It is simply to try to make the paragraph cover works of art, which it is intended to cover, and no other articles.

Mr. BACON. I beg the Senator's pardon, but I did not understand him. Does the Senator's amendment refer to all castings—bronzes, for instance?

Mr. LODGE. Anything that is——

Mr. ALDRICH. Anything not a work of art.

Mr. BACON. "Not a work of art?" I did not catch that.

Mr. ALDRICH. Not a work of art.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Massachusetts [Mr. LODGE].

Mr. BACON. Mr. President, I should like to ask the Senator from Massachusetts how far-reaching that amendment is? I ask him for information and not for controversy.

Mr. ALDRICH. Anything which is a work of art would be admitted at 15 per cent. If it was not a work of art, it would come in at whatever rate the metal would bear, whether it was a casting or whatever form it was in.

Mr. BACON. Whatever rate the metal would bear?

Mr. ALDRICH. Yes.

Mr. LODGE. It would come in under manufactures of metal.

Mr. BACON. Under manufactures of metal?

Mr. ROOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from New York?

Mr. ALDRICH. I do.

Mr. ROOT. Would not all bronzes be cast?

Mr. ALDRICH. They might be, yes; but if it was a work by sculptors it would come in under other provisions free, if it was the work of American artists; or, under this provision, at 15 per cent ad valorem.

Mr. ROOT. I am entirely in sympathy with this amendment and with the cause of the amendment; but I should not want to have any more lead brought in as statues. We once had that done.

Mr. ALDRICH. This would exclude that, of course.

Mr. ROOT. But I should be a little afraid that this would exclude all bronzes.

Mr. ALDRICH. We will look at the amendment and see.

Mr. LODGE. We might withdraw the amendment.

Mr. ALDRICH. I think perhaps it would be safer to withdraw the amendment.

Mr. LODGE. I think it would be better to withdraw the amendment and let the matter be considered further, because there is no desire to exclude anything in that amendment, except ordinary articles of commerce, which ought to come in as manufactures of metal.

The VICE-PRESIDENT. Without objection, the amendment will be withdrawn. The Chair hears no objection.

Mr. NELSON. Mr. President, I want to inquire whether the proviso at the end of that paragraph has been stricken out?

Mr. LODGE. It has been stricken out, and is provided for on the free list.

Mr. ALDRICH. It is provided for in another place.

Mr. LODGE. It is the same thing as in the free list.

The VICE-PRESIDENT. The Chair begs to inform the Senator from Massachusetts that he is in error. The proviso has not yet been acted upon. The Secretary will state the next amendment.

The SECRETARY. The next amendment is in line 14——

Mr. HEYBURN. Before leaving paragraph 462——

The VICE-PRESIDENT. The Chair was having an amendment to the paragraph stated.

Mr. HEYBURN. Before leaving that paragraph, I desire to inquire of the committee whether the language there was broad enough to cover, or rather whether it would include in the castings the artist's work which must be sent to Italy for the purpose of selecting the marble from which it is ultimately to be made, and then returned to this country?

Mr. LODGE. The work of American artists comes in free. There is a different paragraph covering that further on in the bill.

Mr. ALDRICH. It is on the free list.

Mr. LODGE. That is on the free list. It is entirely covered in that.

The VICE-PRESIDENT. The Secretary will state the next committee amendment.

The SECRETARY. In paragraph 462, page 185, line 14, before the word "sculptor," the Committee on Finance propose to strike out the words "statuary or."

The amendment was agreed to.

The VICE-PRESIDENT. The next amendment proposed by the committee will be stated.

The SECRETARY. On page 185, line 17, after the word "process," it is proposed to strike out the proviso, as follows:

Provided, That any of the foregoing which are proved to the satisfaction of the Secretary of the Treasury, under rules prescribed by him, to have been in existence more than twenty years prior to their importation shall be admitted free of duty.

Mr. BACON. Possibly it might be well to determine the question as to whether or not this proposed change is to be made in the law. It is true that the question may come up when we come to consider the free list, but it seems to me, if there is to be any controversy upon the action of the Senate as to this particular amendment, it might as well be postponed until that time. Of course I am very frank to confess that I should desire to learn from the committee how serious this question may be in its results. I do not insist upon taking it up now.

Mr. LODGE. I can explain it.

Mr. BACON. I think I understand that the purpose of it is that all these works of art which have been in existence prior to a certain time shall be admitted free. I know that is the purpose, but as to how far-reaching it may be, how far it will affect the revenue, I think is important to be known. I know that while it is considered somewhat heretical for one to object to anything of this kind, we, at least, ought to be well informed as to what we are doing before we commit ourselves to the proposition.

Mr. LODGE. Mr. President, the law now places a duty of 20 per cent ad valorem on all works of art which are included in this paragraph—paintings and sculptures. That is the present law. The House sent over this paragraph placing a duty of 20 per cent on paintings and sculptures less than twenty years old. By their proviso they make paintings and sculptures more than twenty years old free. The Senate adopted that provision of the House, and added to it an extension to other works of art more

than a century old. It was the opinion of the committee that it was better legislation to put them on the free list. The clause as it now stands imposes a 15 per cent duty on paintings and sculptures less than twenty years old. That will be the result if the amendment, including the paragraphs in the free list, are adopted.

Mr. CULBERSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Texas?

Mr. LODGE. I do.

Mr. CULBERSON. Has the Senator such information as to be able to say what value in property will come into the United States free of duty under this paragraph, if adopted and on the free list?

Mr. LODGE. I think the paragraph in the free list has been drawn with great care. It represents a great deal of labor, consideration, and work. I think it is carefully guarded against fraud, and that the definitions, which it has been always very difficult to get, are accurate and will be sufficient. I can tell by looking what the revenue was under this clause. Of course the Senator understands that this is the old question of free art, which has been contested in every tariff bill since I have known anything about it, and which was adopted in the Wilson law. The Dingley tariff reimposed a duty of 20 per cent.

Mr. CULBERSON. Judging from newspaper accounts, the inquiry goes a little further than that. It is stated—I do not know how true it is, but it is immaterial to me how true it is—that the purpose of this amendment is to permit the introduction into this country free of certain known works of art in existence at this time and the ownership of which is known. What I want to know is if this amendment has been drawn with any specific reference to any such question as that?

Mr. LODGE. Certainly not. Mr. President, that is something I know nothing about, except I know that there are works of art owned by Americans which are in Europe, and which I should be very glad to see brought to the United States. But the amendment was drawn without any reference to that or any knowledge about it, so far as I am concerned, and I have had something to do with drafting the amendment.

Mr. BACON. Mr. President, I should like to ask the Senator from Massachusetts upon what ground is based the discrimination between works of art more than 20 years old and those less than that?

Mr. LODGE. That was dictated to the House, I suppose—as it would have been to the Senate if the House had not put it in—by the consideration of fraud.

Mr. ALDRICH. The twenty-year limitation, to which the Senator refers, does not apply to works of art generally, but only to paintings and sculpture.

Mr. LODGE. Only to paintings and sculpture. I thought the Senator understood that. All other works of art, carvings, and so forth, have a hundred years' limitation. The purpose of that limitation was to avoid the difficulty which happened under the Wilson law, which resulted simply in free art, without any limitations. It was used for bringing in a mass of merchandise as works of art, which were nothing but ordinary merchandise for sale; such things as decorated screens, made in Japan, which are put in front of washstands; little paper shades for candles, and so forth. Those things are pure merchandise. Nobody desires to bring them in as works of art. The twenty years' limitation, it is believed, would shut out that sort of thing.

Mr. BACON. That is an explanation which is quite a reasonable one, but not known to those who had not had the inner information.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Page 186, paragraph 465, pencil leads not in wood——

Mr. CLAY. I desire the attention of the Senator from Rhode Island for a moment. Some matters have been passed that are worrying me. I understood the Senator from Rhode Island to say to me some days ago that rattan used in the manufacture of chairs was on the free list.

Mr. ALDRICH. Yes; crude rattan—rattan in its natural state—is on the free list.

Mr. CLAY. I find this language in paragraph 418:

418. Braids, plaits, laces, and willow sheets or squares, composed wholly or in chief value of straw, chip, grass, palm leaf, willow, osier, rattan—

And so forth—

15 per cent ad valorem.

Mr. ALDRICH. That refers to plaits, and so forth, manufactured of rattan.

Mr. CLAY. Then the raw material used in the manufacture of chairs——

Mr. ALDRICH. Is on the free list.

Mr. CLAY. I presume it is intended to be included in paragraph 708½, but I am not certain of it.

Mr. ALDRICH. It is on the free list under paragraph 708½.

Mr. CLAY. What about paragraph 208?—

208. Chair cane wrought or manufactured from rattans or reeds, 10 per cent ad valorem.

Mr. ALDRICH. That refers to wrought rattan, and paragraph 708½ to rattan in its natural state.

Mr. CLAY. Then the rattan in its natural state will remain in this bill just as it is under the present law?

Mr. ALDRICH. There is no change whatever.

Mr. CLAY. I understand it now, and I thank the Senator.

The VICE-PRESIDENT. The Secretary will report the first amendment to paragraph 465.

The SECRETARY. After the word "wood," in paragraph 465, page 186, the committee proposes to strike out "10 per cent ad valorem" and insert "or other material, black, 1½ cents per ounce; colored, 2 cents per ounce; copying, 3 cents per ounce."

Mr. DOLLIVER. Mr. President, I observe that the existing rate on leads not in wood is 10 per cent, and that a small importation has occurred at that rate, realizing to the Treasury about $11,000 a year. I would not be willing to have that converted into a specific duty without somebody being able to state with certain accuracy what the value of these leads by the ounce actually is.

Mr. ALDRICH. I think that that will have to go over, because my own papers with reference to that matter are not here, and I did not expect this paragraph to be reached to-night. Perhaps, however, the Senator from Utah [Mr. SMOOT] has the figures; I have them not at present.

Mr. SMOOT. Mr. President, the materials from which such leads are made have to be imported, and the duty paid on these materials amounts to more than the total amount of duty levied on the completed articles. For instance, a gross of blue pencil leads requires 8 ounces of blue, upon which is levied a duty of 4 cents; to manufacture this into pencil leads requires delicate hand work and extends over a period of several weeks. Ten per cent duty on the finished leads amounts to less than 3 cents per gross. Foreign manufacturers have not been slow to take advantage of this defect in our law, and have established many so-called "pencil factories" in this country, which import the leads and merely incase them in wood.

Mr. President, I have a letter here from the Richard Best Pencil Works, of Irvington, N. J. They are importers of these leads. They incase the leads in wood and sell them, of course, as lead pencils, and claim to be manufacturers of lead pencils in this country. According to the figures given by them, they claim that there is an increase of duty of 1,000 per cent in this particular paragraph.

Mr. DOLLIVER. That is what I want to get the truth on.

Mr. ALDRICH. Mr. President, I am extremely anxious to finish this schedule up to the free list—there are only two or three other paragraphs remaining—and adjourn. So I think perhaps this matter had better go over until another time.

Mr. KEAN. I will say to the Senator from Iowa that the rate is only 40 per cent ad valorem.

The VICE-PRESIDENT. The paragraph will be passed over.

Mr. ALDRICH. To the next paragraph I offer the amendment which I send to the desk.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. Paragraph 466, page 186, line 7, after the word "films," it is proposed to insert "including moving-picture films not developed or exposed."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 468, plows, tooth and disk harrows, harvesters, reapers——

The VICE-PRESIDENT. The Secretary will state the committee amendment.

The SECRETARY. On line 23, after the words "ad valorem," it is proposed to strike out the remainder of the paragraph.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. BACON. I notice that that paragraph is marked in the copy of the bill that I have as being passed over at the request of the Senator from South Dakota [Mr. CRAWFORD]. It is a very important matter to a very large number of people who use farm machinery. I do not see the Senator from South Dakota in his seat; but when notice has been given by a Senator as to some particular paragraph, those of us who have objections to it are disposed to leave the matter to him. I think paragraph 468 ought to be passed over until the Senator is present.

Mr. ALDRICH. I have no objection to that course. I thought the Senator from South Dakota was here. He was here a moment ago.

Mr. ROOT. He was here a moment ago.

Mr. SMOOT. The Senator will be here in a moment.

Mr. CRAWFORD entered the Chamber.

The VICE-PRESIDENT. The Secretary will state the committee amendment in paragraph 468.

The SECRETARY. In line 23, after the words "ad valorem," it is proposed to strike out the proviso.

Mr. CRAWFORD. Mr. President, I simply requested that this paragraph be passed over, because I wanted to look into it. I have now no objection to the paragraph being adopted.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. BACON. I should like to ask the committee why that proviso is stricken out?

Mr. ALDRICH. With a view of having it go into the general provision in regard to the maximum and minimum rates.

Mr. BACON. I can not hear the Senator.

Mr. ALDRICH. With a view to having it go into the general provisions recommended by the committee with reference to the maximum and minimum duties, believing that these discriminations, if they exist, can be better taken care of in that way than in the method suggested in the proviso.

Mr. BACON. I suppose the Senator has proper grounds for confidence that the maximum and minimum provisions of the bill will be accepted by the Senate. I myself am not prepared to give my adhesion to the proposed law in that regard.

Mr. ALDRICH. My impression is that when the Senator hears the argument upon the question he will certainly be in favor of it.

Mr. BACON. Possibly that may be true, but I do not think it probable. The suggestion that I would make—and it may not be a proper one; at least it may not be well founded—is that a provision of this kind, which is correct in itself, should not be stricken from the bill until it has been determined that it will find a place somewhere else.

Mr. ALDRICH. It will be in conference anyhow, and I assure the Senator that if the maximum and minimum provisions do not pass—and I am perfectly confident that if the bill passes at all there will be some maximum and minimum provision in the bill——

Mr. BACON. I am not familiar with the details of that amendment which has been brought in by the committee; but is there a distinct provision in the maximum and minimum features of the amendment as to all these provisos? Of course we know that there is a general feature in the maximum and minimum which relates generally to discriminations; but is there any such provision in the maximum and minimum amendment as that where an importation is from a country which does not impose any duty upon a similar article the importation shall come in free also? Is there any such provision as that in the maximum and minimum clauses?

Mr. ALDRICH. I think it is included in the terms of the maximum and minimum provisions, as we have it.

Mr. BACON. It would embrace that?

Mr. ALDRICH. I think so.

Mr. SMOOT. There is a further reason why this proviso should be stricken out; and that is, that if it is included the International Harvester Company, or any great plow company, could go over into Germany or anywhere where there was cheap labor, manufacture agricultural machinery in such country and ship it in here free of duty. So, instead of giving the laborer of America a chance to make it in America, they could have it made in a foreign country and shipped into this country without paying duty.

Mr. BACON. Mr. President, I am very frank to say that, leaving aside for the present the simple question of revenue, I think if there is any class of goods which ought to come into this country free, it is the class of goods that the agriculturists have to use in the way of machinery for their crops.

Mr. ROOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from New York.

Mr. BACON. With pleasure.

Mr. ROOT. I want to suggest to the Senator from Georgia that if the Senate should not be satisfied with the maximum and minimum provisions as reported by the committee there are quite a number of these provisos in the bill as it came from the House, and the Senate would doubtless adopt a provision in lieu of the maximum and minimum provision imposed by the committee, which would group together these various provisos. So it is hardly necessary for us to trouble ourselves about it now.

Mr. BACON. I am perfectly willing to act upon the suggestion of the Senator from Rhode Island and the suggestion of the Senator from New York in that regard. I understand that the paragraph is going over. I do not know whether the Senator from South Dakota intended to offer an amendment to it or not.

Mr. ALDRICH. No; the Senator from South Dakota withdrew his request that it should go over.

Mr. BACON. Well, Mr. President, we were put in an embarrassing position as to a great many of these items by the fact, as previously stated, that we have been altogether without any suspicion that they would be reached to-night. I myself desired to offer an amendment to it, but I am not prepared to do so, because I did not think it at all possible that this question would come up to-night. I think the rate of duty on these harvesting machines and this agricultural machinery, if there is any duty at all, ought to be extremely low.

Mr. President, the matter has been so often brought to the attention of the Senate that I would not be justified in speaking of it at any length; and I only mention it now in view of the possibility that the Senator may consent to let it go over. The farming population of the country, whatever Senators may think in the way of indirect benefit, certainly so far as any direct advantage from the imposition of duties is concerned, do not share in it in any degree whatever as compared with those who engage in manufacturing industries.

Mr. ALDRICH. I ask the Senator from Georgia to consider the suggestion made by the Senator from Utah.

Mr. BACON. What is that?

Mr. ALDRICH. I know it to be true that the International Harvester Company are now establishing large manufacturing plants in Germany, in France, and in Russia, I think, and that it will be possible for that company, if you put the rates too low, to get into this country all their machines at a lower cost to themselves, perhaps, than they could be made in the United States.

Mr. BACON. Mr. President, if the great agricultural class of this country can get their machinery cheap and at the same time even a very small revenue——

Mr. ALDRICH. They would not get it any cheaper, because, as the Senator from Washington has very well said, the International Harvester Company fixes the prices of their machines everywhere.

Mr. BEVERIDGE. Not only that, Mr. President, but, if I remember aright, I have seen in a government publication that that company gets higher prices for their machines abroad than they get here at home. That is the one exception, I believe, the one notable exception, to that state of affairs of which we hear so much as to the selling of our products abroad cheaper than at home. I am sure that I have at my house a government publication which shows the astonishing fact that this company gets a higher price for its machines abroad than here.

Mr. BACON. I have no doubt of that.

The VICE-PRESIDENT. The hour of 11 o'clock p. m. having arrived, under the order of the Senate, the Senate stands adjourned until 10.30 o'clock a. m. to-morrow, Friday, June 4, 1909.

HOUSE OF REPRESENTATIVES.

THURSDAY, *June 3, 1909.*

The House met at 12 o'clock noon.

Prayer by Rev. George Robinson, chaplain, United States Army, retired.

The Journal of the proceedings of Tuesday, June 1, 1909, was read and approved.

COLUMBIA HOSPITAL FOR WOMEN.

The SPEAKER announced the following appointments of directors for the Columbia Hospital for Women, Washington, D. C.:

Mr. STURGISS and Mr. FOSTER of Illinois.

LEAVE OF ABSENCE.

Leave of absence was granted as follows:

To Mr. MILLER of Kansas, indefinitely, on account of important business.

To Mr. JOYCE, by unanimous consent, indefinitely, on account of important business.

CALL OF COMMITTEES.

Mr. PAYNE. Mr. Speaker, I call for the regular order.

The SPEAKER. The gentleman from New York [Mr. PAYNE] demands the regular order. The Clerk will call the committees.

The committees were called.

PORTO RICO.

Mr. PAYNE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 9541, the Porto Rican bill.

And, pending that, Mr. Speaker, when we adjourned the last time this bill was under consideration we had reached the discussion under the five-minute rule. I understand there are two gentlemen on that side of the House, and probably one on this, who desire to spend some time in general debate. I therefore ask that general debate be in order in the Committee of the Whole at this time for the day, and I would like to give notice that I shall ask on Monday that a vote be had on the amendments to the bill, but no vote on any amendment to-day—simply general debate. I ask unanimous consent that it be opened for general debate to-day.

Mr. MACON. Mr. Speaker, I desire to say that the gentleman from Missouri [Mr. BORLAND], who offered the amendment the other day, brought it to my desk and stated that he was very anxious to be heard upon it when the bill was presented to the House for further consideration. He stated that he would have to be away for several days and requested me to do what I could to postpone further consideration of the bill until his return, and for that reason I am going to make a point of no quorum in order to give him a chance to get back before the matter is taken up. He is very much interested in the adoption of his amendment, and I myself think we ought to adopt it and ought also to have a constitutional majority in the House when a bill of such importance is up for consideration. I make the point that there is not a quorum present.

Mr. OLMSTED. Does the gentleman from Arkansas [Mr. MACON] have any objection to our having a little general debate on the bill to-day? There is no vote to be taken. That would not interfere with his friend from Missouri.

Mr. MACON. I will say, Mr. Speaker, that this bill is simply an extension of what was known in the South a few years ago as the infamous "carpetbag rule." And as I do not want the Porto Ricans to be cursed with that kind of government, I am going to insist upon a quorum being present before the House proceeds to consider the bill further.

Mr. SLAYDEN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SLAYDEN. Mr. Speaker, as I understood the request of the gentleman from New York, it was that additional time be given for general debate. Now, I want to ask the Speaker if the suggestion of no quorum by the gentleman from Arkansas is a refusal to consent to the extension of time for general debate?

Mr. PAYNE. As far as I am concerned, we can extend the time for general debate, no matter what the gentleman from Arkansas [Mr. MACON] may do.

Mr. SLAYDEN. What I want to know is the parliamentary status; if his request for the presence of a quorum was a refusal of the unanimous consent for general debate?

Mr. PAYNE. It is a refusal, of course.

Mr. MACON. Mr. Speaker, I want the gentleman to understand that I do not object to unanimous consent for anything that does not improperly cost the Government anything. If a proposition does not carry an improper or unnecessary charge against the Government or seek to do an injustice to any of its citizens, I do not object to unanimous consent at all, no matter what is proposed to be done by the Congress. I will thank the gentlemen if they will bear that in mind.

Mr. GAINES. Regular order!

The SPEAKER. As many as favor the motion of the gentleman from New York——

Mr. BARTLETT of Georgia. Mr. Speaker, before that question is put, I would like to ask the gentleman from New York if he has withdrawn his request for unanimous consent?

Mr. PAYNE. I have not withdrawn my request.

Mr. BARTLETT of Georgia. I wanted to know if the gentleman intended to change the request for unanimous consent upon which general debate has been had and confine it to this very bill, or have general debate.

Mr. PAYNE. It is for general debate confined to the bill.

Mr. BARTLETT of Georgia. The gentleman did not state it that way.

Mr. PAYNE. At the beginning an order was made that all general debate on this bill be confined to this bill.

The SPEAKER. The Chair will put the request of the gentleman, as he understands it. The gentleman from New York asks unanimous consent that for to-day the order heretofore made by the House closing general debate shall be modified so that general debate shall be in order upon this bill for to-day. Is there objection?

Mr. HENRY of Texas. I will ask the gentleman from New York if he would not agree that the gentleman from Missouri may have thirty minutes on Monday to explain his amendment and to discuss it?

Mr. PAYNE. I would not have any objection to that on Monday, if that will satisfy the gentleman from Missouri.

Mr. HENRY of Texas. It will satisfy me, and I think it will satisfy the gentleman from Missouri to take thirty minutes then.

The SPEAKER. Does the gentleman modify his request?

Mr. PAYNE. I think I will modify the request—that upon Monday next general debate shall be in order for thirty minutes, and that be allowed to the gentleman from Missouri [Mr. BORLAND].

Mr. SLAYDEN. Mr. Speaker, the remarks that I had intended to submit apply entirely to the amendment that has been offered by the gentleman from Missouri [Mr. BORLAND]. However, they could not be made in five minutes.

Mr. PAYNE. That is the amendment now pending, is it not?

Mr. SLAYDEN. Well, I wanted to know. The remarks that I expect to make will not occupy more than ten or fifteen minutes; and I also would prefer to wait until Monday to discuss the amendment.

The SPEAKER. Does the gentleman further modify his request, so as to allow fifteen minutes also to the gentleman from Texas?

Mr. PAYNE. I have no objection to that.

Mr. GARRETT. I want to suggest to the gentleman from New York—I am not going to object to his request—whether it would not be better to proceed in the regular way, and at the end of five minutes extend the time?

Mr. PAYNE. That would be for the committee to say. I supposed that I could get unanimous consent now, and I can not understand the attitude of gentlemen objecting to unanimous consent.

Mr. CLARK of Missouri. We have not objected to the unanimous consent.

Mr. PAYNE (continuing). It is simply a favor of the House granted to gentlemen, two or three of whom are on that side, to indulge further in general debate when otherwise they would have to proceed under the five-minute rule; but they can not have the time, if the objection is coming from that side of the House.

The SPEAKER. Is there objection to the request of the gentleman from New York as modified at the request of the two gentlemen from Texas? [After a pause.] The Chair hears none.

The question was taken on the motion to go into Committee of the Whole House on the state of the Union, and the Speaker announced that the ayes seemed to have it.

Mr. MACON. Mr. Speaker, I call for a division.

The House divided; and there were—ayes 120, noes 11.

Mr. MACON. I make the point of no quorum, Mr. Speaker.

The SPEAKER. Evidently there is not a quorum present.

Mr. PAYNE. I suggest that the roll be called on the motion.

The SPEAKER. The Doorkeeper will close the doors; the Sergeant-at-Arms will notify absentees; as many as are in favor of the motion will, as their names are called, answer "yea;"

as many as are opposed will answer "nay;" those present and not voting will answer "present;" and the Clerk will call the roll.

The question was taken; and there were—yeas 161, nays 1, answered "present" 15, not voting 213, as follows:

YEAS—161.

Adair	Foster, Vt.	Langley	Russell
Adamson	Gaines	Latta	Scott
Aiken	Gardner, Mich.	Lenroot	Sims
Alexander, Mo.	Garner, Tex.	Lindbergh	Sisson
Austin	Garrett	Livingston	Slayden
Bartholdt	Glass	Lloyd	Smith, Mich.
Bartlett, Ga.	Graff	Longworth	Smith, Tex.
Beall, Tex.	Grant	Loud	Sparkman
Bingham	Greene	Loudenslager	Sperry
Boutell	Guernsey	McDermott	Spight
Burgess	Hamer	McGuire, Okla.	Stanley
Burke, S. Dak.	Hamilton	Madison	Steenerson
Butler	Hammond	Maguire, Nebr.	Sullowav
Byrns	Hanna	Martin, Colo.	Swasey
Calder	Hardy	Martin, S. Dak.	Tawney
Campbell	Hawley	Mays	Taylor, Ala.
Candler	Hay	Miller, Minn.	Taylor, Ohio
Cassidy	Hayes	Moon, Tenn.	Thistlewood
Clark, Mo.	Helm	Morehead	Thomas, Ky.
Cooper, Pa.	Henry, Conn.	Morgan, Mo.	Thomas, N. C.
Cooper, Wis.	Henry, Tex.	Morgan, Okla.	Thomas, Ohio
Cox, Ind.	Higgins	Morrison	Tou Velle
Craig	Hill	Moss	Townsend
Creager	Hinshaw	Murphy	Volstead
Cullop	Hitchcock	Needham	Vreeland
Cushman	Hobson	Oldfield	Wallace
Dalzell	Houston	Olmsted	Wanger
De Armond	Howard	Page	Webb
Dickson, Miss.	Howland	Palmer, A. M.	Weeks
Dies	Hughes, Ga.	Parker	Wheeler
Douglas	Hull, Tenn.	Payne	Wickliffe
Dwight	Humphreys, Miss.	Pearre	Wiley
Edwards, Ga.	James	Pickett	Wilson, Ill.
Ellerbe	Jamieson	Pray	Wood, N. J.
Ellis	Jones	Prince	Woods, Iowa
Englebright	Keifer	Randell, Tex.	Woodyard
Esch	Kelliher	Ransdell, La.	Young, Mich.
Fitzgerald	Kennedy, Ohio	Roberts	The Speaker
Floyd, Ark.	Kinkaid, Nebr.	Rodenberg	
Foelker	Kopp	Rucker, Colo.	
Foss	Kronmiller	Rucker, Mo.	

NAYS—1.

Macon

ANSWERED "PRESENT"—15.

Burnett	Cowles	Hardwick	Rauch
Cary	Gillespie	Lever	Stephens, Tex.
Chapman	Graham, Ill.	Maynard	Taylor, Colo.
Cline	Gregg	Patterson	

NOT VOTING—213.

Alexander, N. Y.	Diekema	Hughes, W. Va.	Olcott
Allen	Dixon, Ind.	Hull, Iowa	Padgett
Ames	Dodds	Humphrey, Wash.	Palmer, H. W.
Anderson	Draper	Johnson, Ky.	Parsons
Andrus	Driscoll, D. A.	Johnson, Ohio	Perkins
Ansberry	Driscoll, M. E.	Johnson, S. C.	Peters
Anthony	Durey	Joyce	Plumley
Ashbrook	Edwards, Ky.	Kahn	Poindexter
Barchfeld	Elvins	Kendall	Pou
Barclay	Estopinal	Kennedy, Iowa	Pratt
Barnard	Fairchild	Kinkead, N. J.	Pujo
Barnhart	Fassett	Kitchin	Rainey
Bartlett, Nev.	Ferris	Knapp	Reeder
Bates	Finley	Knowland	Reid
Bell, Ga.	Fish	Korbly	Reynolds
Bennet, N. Y.	Flood, Va.	Küstermann	Rhinock
Bennett, Ky.	Focht	Lafean	Richardson
Boehne	Fordney	Lamb	Riordan
Booher	Fornes	Langham	Robinson
Borland	Foster, Ill.	Lassiter	Rothermel
Bowers	Foulkrod	Law	Sabath
Bradley	Fowler	Lawrence	Saunders
Brantley	Fuller	Lee	Shackleford
Broussard	Gallagher	Lindsay	Sharp
Brownlow	Gardner, Mass.	Lorimer	Sheffield
Burke, Pa.	Gardner, N. J.	Lovering	Sheppard
Burleigh	Garner, Pa.	Lowden	Sherley
Burleson	Gill, Md.	Lundin	Sherwood
Byrd	Gill, Mo.	McCall	Simmons
Calderhead	Gillett	McCreary	Slemp
Cantrill	Gilmore	McHenry	Small
Capron	Godwin	McKinlay, Cal.	Smith, Cal.
Carlin	Goebel	McKinley, Ill.	Smith, Iowa
Carter	Goldfogle	McKinney	Snapp
Clark, Fla.	Good	McLachlan, Cal.	Southwick
Clayton	Gordon	McLaughlin, Mich.	Stafford
Cocks, N. Y.	Goulden	McMorran	Sterling
Cole	Graham, Pa.	Madden	Stevens, Minn.
Collier	Griest	Malby	Sturgiss
Conry	Griggs	Mann	Sulzer
Cook	Gronna	Miller, Kans.	Talbott
Coudrey	Hamill	Millington	Tener
Covington	Hamlin	Mondell	Tilson
Cox, Ohio	Harrison	Moon, Pa.	Tirrell
Cravens	Haugen	Moore, Pa.	Underwood
Crow	Heald	Moore, Tex.	Washburn
Crumpacker	Heflin	Morse	Watkins
Currier	Hollingsworth	Mudd	Weisse
Davidson	Howell, N. J.	Murdock	Willett
Davis	Howell, Utah	Nelson	Wilson, Pa.
Dawson	Hubbard, Iowa	Nicholls	Young, N. Y.
Denby	Hubbard, W. Va.	Norris	
Dent	Huff	Nye	
Denver	Hughes, N. J.	O'Connell	

The SPEAKER. On this vote 177 Members are recorded; not a quorum.

Mr. OLMSTED. Mr. Speaker, I wish to emphasize the imperative necessity of having a quorum here next Monday to pass this bill. The interests of Porto Rico and of this country demand it. Anyone who read the Evening Star of night before last learned the conditions in that island, which conditions are largely the result of the delay in the passage of this bill. It must pass not only this House, but the Senate also, be approved by the President, and certified to Porto Rico before the end of this month, and there is no time to spare.

Mr. PAYNE. I will not ask the House to-day to send for absent Members, but I give notice that if a quorum does not appear on Monday I shall ask the House to send for absent Members, so as to get a quorum here. I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 12 o'clock and 45 minutes p. m.) the House, pursuant to the order heretofore made, adjourned until Monday, June 7, 1909.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, a letter from the assistant clerk of the Court of Claims, transmitting a copy of the conclusions of fact and law in the French spoliation cases relating to the schooner *Friendship*, Patrick Drummond, master (S. Doc. No. 73), was taken from the Speaker's table, referred to the Committee on Claims, and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. FOSTER of Vermont: A bill (H. R. 10373) providing for the appointment of one additional assistant clerk and a financial clerk of the municipal court of the District of Columbia—to the Committee on the District of Columbia.

By Mr. ENGLEBRIGHT: A bill (H. R. 10374) providing for the establishment of a bureau of mines in the Department of the Interior—to the Committee on Mines and Mining.

By Mr. MURPHY: A bill (H. R. 10375) requiring all printing and binding to be done by the Government of the United States and its employees, and for other purposes—to the Committee on Printing.

By Mr. CARY: A bill (H. R. 10376) authorizing the purchase of grounds for the accommodation of public buildings for the use of the Government of the United States in the District of Columbia, and for other purposes—to the Committee on Public Buildings and Grounds.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 10377) granting an increase of pension to John Garrett—to the Committee on Invalid Pensions.

By Mr. BARCHFELD: A bill (H. R. 10378) granting an increase of pension to Henry H. King—to the Committee on Invalid Pensions.

By Mr. BOUTELL: A bill (H. R. 10379) granting an increase of pension to Sarah H. Lieb—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10380) granting an increase of pension to Rosina A. Gottmanshausen—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10381) granting an increase of pension to Charles Faibisaner—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10382) granting an increase of pension to John Miller—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10383) granting a pension to Mattie P. Gilbert—to the Committee on Invalid Pensions.

By Mr. CAMERON: A bill (H. R. 10384) granting a pension to Lute A. Bowman—to the Committee on Invalid Pensions.

By Mr. CLINE: A bill (H. R. 10385) granting an increase of pension to John H. Kimmel—to the Committee on Invalid Pensions.

By Mr. COWLES: A bill (H. R. 10386) for the relief of the trustees of the Davenport Female College—to the Committee on War Claims.

By Mr. CULLOP: A bill (H. R. 10387) granting an increase of pension to Thomas R. Campbell—to the Committee on Invalid Pensions.

By Mr. EDWARDS of Georgia: A bill (H. R. 10388) for the relief of the heirs of William Parks, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10389) for the relief of the heirs of Felix B. Parks, deceased—to the Committee on War Claims.

By Mr. ENGLEBRIGHT: A bill (H. R. 10390) for the relief of W. S. Curless, of California—to the Committee on Claims.

Also, a bill (H. R. 10391) granting an increase of pension to A. W. Sefton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10392) to correct the military record of A. W. Hubbard—to the Committee on Military Affairs.

Also, a bill (H. R. 10393) to correct the military record of James M. Wiley—to the Committee on Military Affairs.

By Mr. FLOYD of Arkansas: A bill (H. R. 10394) granting an increase of pension to James L. Carpenter—to the Committee on Invalid Pensions.

By Mr. FOELKER: A bill (H. R. 10395) granting an increase of pension to Charles E. Thetford—to the Committee on Invalid Pensions.

By Mr. GALLAGHER: A bill (H. R. 10396) granting an increase of pension to John C. Smith—to the Committee on Invalid Pensions.

By Mr. HULL of Tennessee: A bill (H. R. 10397) granting an increase of pension to Julian Barger—to the Committee on Invalid Pensions.

By Mr. MACON: A bill (H. R. 10398) granting a pension to T. P. Allmond—to the Committee on Invalid Pensions.

By Mr. MORRISON: A bill (H. R. 10399) granting a pension to Christina F. Bartholomew—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10400) granting an increase of pension to William Widner—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10401) granting an increase of pension to Reuben S. Bell—to the Committee on Invalid Pensions.

By Mr. NEEDHAM: A bill (H. R. 10402) granting an increase of pension to Albert Peterson—to the Committee on Pensions.

By Mr. REEDER: A bill (H. R. 10403) granting an increase of pension to Henry O. Pixley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10404) granting an increase of pension to Alpheus Grovenburgh—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10405) granting an increase of pension to David Shively—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10406) granting an increase of pension to Joseph H. Hadley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10407) granting an increase of pension to Eugene K. Felt—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10408) granting a pension to Charlotte D. Ohm—to the Committee on Invalid Pensions.

By Mr. THISTLEWOOD: A bill (H. R. 10409) granting an increase of pension to William Boyd—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10410) granting an increase of pension to Nick Muench—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10411) granting an increase of pension to James Obatson—to the Committee on Invalid Pensions.

By Mr. THOMAS of Kentucky: A bill (H. R. 10412) granting a pension to Vesta V. Spears—to the Committee on Invalid Pensions.

By Mr. WHEELER: A bill (H. R. 10413) granting an increase of pension to Nathaniel Lawson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10414) granting an increase of pension to Edward L. Morris—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10415) granting an increase of pension to Timothy Sullivan—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10416) granting an increase of pension to Samuel Bigley—to the Committee on Invalid Pensions.

By Mr. WILEY: A bill (H. R. 10417) granting an increase of pension to Charles H. Houghton—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Petition of Hefferlin Mercantile Company, praying for a reduction of the duty on sugar—to the Committee on Ways and Means.

Also, petition of Spokane (Wash.) Chamber of Commerce, praying for an appropriation to enable the Interstate Commerce Commission to make a physical valuation of railroad property, and for legislation to enable the Interstate Commerce Commission to control freight rates more effectively—to the Committee on Interstate and Foreign Commerce.

Also, petition of Oregon and Washington Lumber Manufacturers' Association, praying for an appropriation to make possible the physical valuation of railroads—to the Committee on Interstate and Foreign Commerce.

Also, petition of peace committees of the Religious Societies of Friends, praying for such action as will accomplish a reduction of armaments among the nations of the world—to the Committee on Foreign Affairs.

Also, petition of National Florence Crittenton Mission, praying for the passage of a law for the protection of young girls after their arrival in the United States—to the Committee on Immigration and Naturalization.

Also, petition of Mill Run Council and Western Council, Order United American Mechanics, of Pennsylvania, praying for the exclusion of Asiatic immigrants—to the Committee on Immigration and Naturalization.

Also, petition of Commercial Travelers' Protective Association, praying for immediate action on the tariff bill—to the Committee on Ways and Means.

By Mr. CARY: Petition of William Demuth & Co., of New York, against a duty on laurel wood—to the Committee on Ways and Means.

Also, petition of American Forestry Association, favoring legislation for forest preservation—to the Committee on Agriculture.

Also, petition of American Federation of Art, for adoption of systematic plan for development of the city of Washington—to the Committee on the District of Columbia.

By Mr. CHAPMAN: Memorial of house of representatives of the Illinois legislature, through house resolution 54, favoring legislation for improvement of the Kankakee and Iroquois rivers—to the Committee on Rivers and Harbors.

By Mr. COOPER of Pennsylvania: Petitions of Addison Council, No. 484; Webster Council, No. 79, of Belle Vernon; and Smithfield Council, No. 527, Junior Order United American Mechanics, and A. L. Remer, all of the State of Pennsylvania, for Asiatic exclusion law, except against merchants, students, and travelers—to the Committee on Foreign Affairs.

Also, petition of citizens of Mount Pleasant, Vandergrift Heights, Waynesburg, Connellsville, Myersdale, Brownsville, Somerset, and Uniontown, all in the State of Pennsylvania, against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. ENGLEBRIGHT: Petition of counties committee of California Promotion Commission, favoring issuance of bonds for river and harbor improvements—to the Committee on Rivers and Harbors.

By Mr. FLOYD of Arkansas: Paper to accompany bill for relief of James L. Carpenter—to the Committee on Invalid Pensions.

By Mr. FULLER: Petition of committee of consumers of New York, favoring revision of the tariff downward—to the Committee on Ways and Means.

Also, petition of National Association of Hosiery and Underwear Manufacturers, for increased duties on hosiery, etc.—to the Committee on Ways and Means.

Also, petition of Merchants' Association of New York, favoring a tariff commission or tariff board—to the Committee on Ways and Means.

Also, petition of presidents and ex-presidents of the United Societies of Philadelphia for Protection of Immigrants, against raising immigrant tax to $10—to the Committee on Immigration and Naturalization.

By Mr. HANNA: Petition of citizens of North Dakota, against parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. HAYES: Petitions of A. A. Molteret, T. S. Williams, James F. Casey, R. J. Sulsberg, J. Olaf Anderson, J. T. Fitzgerald, T. R. Angove, B. J. O'Sullivan, C. Sorensen, F. J. Hurbsch, B. B. Holbert, Morris Blum, James Jordan, W. J. Garrick, Frank Anderson, J. F. G. W. Wilken, L. M. Williams, George Macklin, Tillie Garrett, and Mary L. Carson, of San Francisco, Cal., favoring an effective exclusion law against all Asiatics, excepting merchants, students, and travelers—to the Committee on Foreign Affairs.

By Mr. KNAPP: Petition of various dealers and others, of Oswego, N. Y., against duty on tea and coffee—to the Committee on Ways and Means.

By Mr. MALBY: Petition of Ticonderoga branch of International Brotherhood of Stationary Firemen, favoring retention of present duty on wood pulp and paper—to the Committee on Ways and Means.

By Mr. NEEDHAM: Petition of post-card manufacturers and Allied Trades Protective Association, favoring duty on post cards—to the Committee on Ways and Means.

Also, petition of counties committee of the California Promotion Commission, of Del Monti, for appropriation of $500,000,000 to improve waterways—to the Committee on Ways and Means.

Also, petition of various associations and chambers of the Pacific States, against railway collusion with competitive water carriers—to the Committee on Interstate and Foreign Commerce.

By Mr. O'CONNELL: Petition of citizens of Boston, favoring reduction of duty on wheat to not less than 10 cents per bushel—to the Committee on Ways and Means.

By Mr. THISTLEWOOD: Petition of Board of Trade of Cairo, Ill., commending the United States Weather Bureau Service—to the Committee on Agriculture.

By Mr. THOMAS of Kentucky: Petitions of S. E. Rice Tobacco Company, H. B. Scott, and Perkins Brothers, of Bowling Green, and Buren-Martin Company, all in the State of Kentucky, against increase of duty on tobacco and cigars—to the Committee on Ways and Means.

SENATE.

FRIDAY, *June 4, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

CIVIL-SERVICE EMPLOYEES FROM KENTUCKY.

The VICE-PRESIDENT laid before the Senate a communication from the Civil Service Commission, transmitting, in response to a resolution of the 25th ultimo, a list of the names of persons in the competitive classified service of the United States charged to the apportionment from the State of Kentucky, etc. (S. Doc. No. 76), which, with the accompanying paper, was ordered to lie on the table and be printed.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress relating to federal cooperation in the work of road improvement.

Whereas we believe that the adoption of a policy of federal aid for road construction is a most important step toward the establishment of a complete system of improved roads in all sections of the country, and that the cooperation of the National Government in his matter would be of great assistance to the various State, county, and township road authorities in placing the work of road improvement on a permanent and scientific basis; and

Whereas we would submit that the improvement of the country's highways deserves a share in the annual appropriations by Congress equally with the improvement of our waterways, and that it is only fair and reasonable that a part of the revenues derived from taxes paid by the people as a whole should be devoted to this purpose, thus aiding in the betterment of conditions affecting trade and commerce in all sections of the country:

Resolved by the assembly (the senate concurring), That we respectfully solicit the Congress of the United States, asking for the enactment of legislation creating a national highways commission, and making an appropriation for aiding in the improvement and maintenance of the public roads at the present session of Congress, so that the policy of federal cooperation in the work of road improvement can be inaugurated at the earliest possible date.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

The VICE-PRESIDENT presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress to enact a law to prohibit railroads from increasing their rates and charges except upon notice.

Resolved by the assembly (the senate concurring), That the Congress of the United States is hereby requested to enact a law providing that the rates or charges of railroads shall not be increased except upon notice of any proposed increase filed with the Interstate Commerce Commission, and published in each State affected thereby, and upon such hearing as the Interstate Commerce Commission may, upon petition or its own motion, order, and that no increase of rates or charges shall go into effect unless said commission shall so order after such hearing.

Resolved, That the secretary of state be, and he is hereby, instructed to forward a copy of this resolution to the President of the United States and to each Member of the Congress thereof.

L. H. BANCROFT,
Speaker of the Assembly.

C. G. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

The VICE-PRESIDENT presented a petition of the American Federation of Arts, praying for the creation of a bureau of fine arts, which was referred to the Committee on Education and Labor.

He also presented a petition of the American Federation of Arts, of Washington, D. C., praying for the adoption of a systematic plan for the future development of the District of Columbia, etc., which was referred to the Committee on the District of Columbia.

Mr. SCOTT. I present a telegram which I ask may be read and referred to the Committee on Finance.

There being no objection, the telegram was read and referred to the Committee on Finance, as follows:

MOUNDSVILLE, W. VA., *June 3, 1909.*

Hon. N. B. SCOTT,
United States Senate, Washington, D. C.:

Paragraph 157 should be left out, and enameled ware have the same protection as metal shapes, which is 45 per cent, and as originally reported by the Senate. Such discrimination threatens our business.

STEWART STAMPING COMPANY.

Mr. SCOTT presented a telegram, in the nature of a memorial, from the United States Stamping Company, of Moundsville, W. Va., and a telegram, in the nature of a memorial, from the Enterprise Enamel Company, of Bellaire, Ohio, relative to the duty on enameled ware, which were referred to the Committee on Finance.

Mr. GALLINGER presented petitions of sundry citizens of Wilton, N. H., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. GUGGENHEIM presented a petition of the Denver Live Stock Exchange, of Denver, Colo., praying for the retention of the duty of 15 per cent on cattle hides, which was ordered to lie on the table.

He also presented sundry letters, telegrams, and affidavits relative to the distribution of the stock of the Southwestern Sugar and Land Company, of Glendale, Ariz., which were ordered to lie on the table.

Mr. DEPEW presented resolutions of the New York State Federation of Women's Clubs, relative to the condition of affairs in Armenia, which were referred to the Committee on Foreign Relations.

He also presented petitions of sundry citizens of Yonkers, Rushville, Rochester, Mount Morris, Elmira, Auburn, Penn Yan, Phelps, Akron, Canandaigua, Brockport, Wolcott, Oakfield, Gorham, Medina, Victor, Geneva, Basom, and Bath, all in the State of New York, praying for a restoration of the duty on foreign oil production, which were ordered to lie on the table.

Mr. CURTIS presented resolutions adopted by the State Bankers' Association of Kansas, which were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Whereas a prolonged agitation on the tariff question has a tendency to unsettle business conditions; and

Whereas it is apparent that normal condition in the business world will not return until Congress takes a final action of the tariff question: Therefore be it

Resolved by the Bankers' Association of the State of Kansas, That we earnestly request our Senators and Representatives to use every effort to force a tariff bill to a vote at the earliest possible date: And be it further

Resolved, That a copy of this resolution be mailed to each of our Senators and Representatives at Washington.

Mr. SMOOT presented petitions of Hon. William Spry, governor of Utah, of Salt Lake City; of sundry citizens of Provo, Ogden City, Logan, Lewiston, Garland, Lehi, Spanish Fork, Elsinore, Murray, West Weber, Kanesville, Hooper, Smithfield, Providence, and Greenville; of the Woods Cross Canning and Pickling Company; of the Smith-Bailey Drug Company, of Salt Lake City; and of the Shupe-Williams Candy Company, of Ogden, all in the State of Utah; and of sundry farmers of Idaho Falls, Idaho, praying for a retention of the present rate of duty on all grades of sugars, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FRAZIER:

A bill (S. 2524) for the relief of the trustees of Mount Carmel Cumberland Presbyterian Church, of Williamson County, Tenn.; to the Committee on Claims.

A bill (S. 2525) granting a pension to Rebecca Whitthorne; to the Committee on Pensions.

By Mr. DILLINGHAM:

A bill (S. 2526) granting an increase of pension to Frederick M. Miller (with accompanying papers);

A bill (S. 2527) granting an increase of pension to Charles L. D. Sawyer (with accompanying papers); and

A bill (S. 2528) granting an increase of pension to Archibald H. McMurphy (with accompanying papers); to the Committee on Pensions.

By Mr. DU PONT:

A bill (S. 2529) granting a pension to Catharine Doherty; to the Committee on Pensions.

By Mr. WARNER:

A bill (S. 2530) authorizing the acceptance by the United States Government from the Woman's Relief Corps, auxiliary to the Grand Army of the Republic, of a proposed gift of land contiguous to the Andersonville National Cemetery, in the State of Georgia; to the Committee on Military Affairs.

By Mr. GUGGENHEIM:

A bill (S. 2531) granting an increase of pension to William H. H. Morris (with accompanying papers);

A bill (S. 2532) granting an increase of pension to Josephus Clark (with accompanying papers);

A bill (S. 2533) granting an increase of pension to Annie M. Behney (with accompanying papers); and

A bill (S. 2534) granting an increase of pension to Jesse M. White (with accompanying papers); to the Committee on Pensions.

AMENDMENTS TO THE TARIFF BILL.

Mr. BURTON submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

Mr. ROOT submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

WITHDRAWAL OF PAPERS—SOLON BRYAN.

On motion of Mr. FLINT, it was

Ordered, That the papers accompanying the bill (S. 5613) for the relief of Solon Bryan, first session, Fifty-ninth Congress, be withdrawn, there having been no adverse report thereon.

REPORT UPON GERMAN MANUFACTURES.

The VICE-PRESIDENT. The Chair lays before the Senate a resolution coming over from yesterday, which will be read.

The Secretary read Senate resolution 55, submitted yesterday by Mr. LA FOLLETTE, as follows:

Senate resolution 55.

Resolved, That the President of the United States, if not incompatible in his judgment with the public interest, be, and he hereby is, requested to transmit to the Senate copies of all the correspondence which passed between the Department of State and the German Government, or between any representative of the United States and officials of the German Government, having relation to the report upon German manufactures furnished by the German Government to the United States.

The VICE-PRESIDENT. The question is on agreeing to the resolution.

Mr. SMITH of Michigan. Mr. President——

Mr. ALDRICH. There is no objection to the resolution, Mr. President.

The VICE-PRESIDENT. Does the Senator from Michigan desire to speak on the resolution?

Mr. SMITH of Michigan. Yes, sir.

The VICE-PRESIDENT. The Senator will proceed.

Mr. SMITH of Michigan. Mr. President, yesterday I interrupted the Senator from Wisconsin [Mr. LA FOLLETTE] for the purpose of discussing the "German report," so called. The Senator from Wisconsin said that he did not care for any surmise as to the possible effect or purport of the report. I held in my hand at the time I addressed the Chair and interrupted the Senator from Wisconsin the following from the Augsburg (Germany) Chamber of Commerce, and I was about to read this sentence concerning the wage in the cotton industry:

> While the average wage of a weaver of ordinary efficiency runs from $3.75 to $4.50 per week, this sum is often exceeded. The probable difference in favor of the American workman is in the proportion of 2 or 2½ to 1. This, however, is practically equalized by the fact that the standard of living is nearly twice as high in America as in Germany.

What I wanted to say yesterday to the Senator from Wisconsin and what I propose to say now is this, that it is not the province of the Augsburg (Germany) Chamber of Commerce to comment on the high standard of living in America as compared with Germany as an offset to the difference in wages between workmen in the woolen industry in Germany and workmen in the woolen industry of our own country.

Mr. President, I was not guessing or surmising or speculating about it. I happened at that moment to have in my hand, through the courtesy of the chairman of the Finance Committee, the argument of the Augsburg Chamber of Commerce upon our tariff policy, and that statement in its manner and form is a voluntary impertinence upon the part of our commercial rivals.

It is said that our legislation, if we are faithful to the declarations of our party platform, must be based upon the difference between the cost of labor here and in Europe. That, perhaps, may be a fair measure, although difficult to ascertain, but, Mr. President, we are not called upon to equalize the standard of living between the woolen workers of Germany and our own. The woolen workers of our country may live as they please, with carpets on their floors and chairs and tables in their houses. This is the American standard of living, and the higher the standard the more creditable it is to us.

I deny the right of any foreign board of commerce to comment upon the high standard of American living as an argument in favor of lower duties against our competitors in Europe.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Will the Senator from Michigan yield to the Senator from Idaho?

Mr. SMITH of Michigan. Certainly.

Mr. HEYBURN. I should like to know that I understood the Senator correctly as criticising the right of a private organization that wanted to make such comment as it may choose to make upon anything connected with the American Government.

Mr. SMITH of Michigan. I criticise the right of any foreign board of commerce, representing our rivals, to suggest the measure of difference that should be prescribed in our tariff law as between the products of their country and our own.

Mr. HEYBURN. I will suggest to the Senator that we have been in the habit for a great many years, even in responsible declarations of party platforms, of referring to the pauper labor of Europe and the cheap labor of Europe and the underpaid wage-worker of Europe. The Senator would not undertake to criticise our action in that regard?

Mr. SMITH of Michigan. No; I make no complaint about that.

Mr. HEYBURN. Then, why should not a private assemblage of German citizens have the same privilege?

Mr. SMITH of Michigan. The Senator from Idaho will understand that the Chamber of Commerce of Augsburg is not content with saying that the wage of workers in the woolen industry of our country is two and a half times what it is at Augsburg, but they point out that the high standard of American living must be considered as an offset.

Mr. HEYBURN. Mr. President, we have frequently declared, both on this floor and in party platforms, that the low standard of their living should be taken into consideration. It seems to me that unless this is an official declaration of the Government that should be considered behind closed doors, we are hardly in a position to criticise a personal comment or criticism, however unjust.

Mr. SMITH of Michigan. This is a portion of the report that has caused so much discussion in this Chamber for several days. I call the attention of the Senate, and of the Senator from Idaho especially, to the fact that we are not legislating here upon the theory that we must equalize the standard of living between our country and its rival. That is what they say here.

Mr. HEYBURN. Mr. President——

Mr. SMITH of Michigan. I will quote to the Senator the exact language of the Chamber of Commerce of Augsburg again:

> While the average wage of a weaver of ordinary efficiency runs from $3.75 to $4.50 per week, this sum is often exceeded. The probable difference in favor of the American workman is in the proportion of 2 or 2½ to 1. * * *

Now, I make no complaint about that. That is the wage scale:

> This, however, is practically equalized by the fact that the standard of living is nearly twice as high in America as in Germany.

Our standard of living is what we make it. I am proud of the fact that it is high; but it has nothing to do with the cost of production; it is a tribute to the frugality of our people and the wisdom of our laws.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Michigan yield further to the Senator from Idaho?

Mr. SMITH of Michigan. That is all I care to say about it. I think it is an impertinence; we did not ask for an argument. I do not like its tone. It will not be the measure of my conduct on this bill.

Mr. HEYBURN. I should like to inquire of the Senator if his objection is directed against the private utterances of private men or against the fact that this came to us, or was sent to us, with the approval of the German Government?

Mr. SMITH of Michigan. I do not understand that it has that approval.

Mr. HEYBURN. Or any official approval at all.

Mr. SMITH of Michigan. Not at all, I understand, except the German boards of trade and organizations of exporters.

Mr. ALDRICH. It was sent by them.

Mr. HEYBURN. It was sent by them. That is what I am inquiring about. I ask the Senator from Michigan, if I may have his attention, if the Senator understands that this was sent by the German Government?

Mr. SMITH of Michigan. It may have been thus transmitted. I find no special fault with that; but I decline to subscribe to the idea that we must frame our tariff law on their theory of equalizing the difference in the standard of living here and there. Our people may live as they please, whether their income is great or small. They can be as frugal and as saving and as careful and as temperate as they please, but to have that given as a reason for equalizing the duties seems to me to be little less than impertinent.

Mr. HEYBURN. I will only say that I would not seek to gather wisdom from the ideas and sentiment which prevail in those countries, nor shall I. Still I was somewhat astonished that a criticism should be made against private individuals. I would not be astonished if criticism came here in an orderly way against the action of the Government, because that would be within our province to consider; but I have known a great many people in foreign lands say things very offensive in regard to the American people, generally at long distances.

The VICE-PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed. The Secretary will state the first bill on the calendar.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The Secretary will state the pending amendment.

The SECRETARY. Page 186, paragraph 468, the committee proposes to strike out the proviso as printed in the House text, as follows——

Mr. HALE. It has already been read.

Mr. LA FOLLETTE. Mr. President——

Mr. BACON. I supposed that we would go on with the cotton schedule this morning. I gave notice last night——

Mr. ALDRICH. This amendment was pending at the time of adjournment. I suppose, practically, the amendment is here for consideration. I am quite willing that it shall be disposed of now; but perhaps it would be better to go back at once to the cotton schedule.

Mr. BACON. I have some amendments to offer to it, and I did not expect to have it brought up this morning.

Mr. ALDRICH. Then it can go over and we will return at once to the cotton schedule.

The VICE-PRESIDENT. Without objection, that method will be followed. The pending question, then, is on paragraph 313, page 97.

Mr. LA FOLLETTE. Mr. President, with reference to the proceedings last night at the session which I did not attend, in so far as they related to me personally I do not purpose to take the time of the Senate now, except to say that after being obliged to speak from 12 o'clock to about 5.30 I did not feel able to go on for the evening, and I did not feel under any obligation to do so. I did not ask that the business of the Senate be suspended for me at the evening session. I did not say to anybody that I was ill. I was not. I was exhausted after several hours' work on the floor during the intensely oppressive heat of the afternoon, as any Senator would have been.

I supposed, Mr. President, that others would participate in the discussion last night. I thought that certainly before a vote was taken on the cotton schedule the promise of the Senator from Rhode Island [Mr. ALDRICH] to make his explanation of that schedule would be redeemed, and whether it took him ten minutes or an hour or two hours in which to do it I felt reasonably certain that whatever explanation he might make would lead to debate sufficient to enable me to come back to the session to-day refreshed with a night of rest and debate the pending schedule.

The Senator from Rhode Island has passed over the consideration of a large number of paragraphs in the bill upon less excuse than was offered last night for postponing until to-day a vote upon the cotton schedule. The Senator from Rhode Island himself has asked, and it is only by unanimous consent that he can secure, the passing over by the Senate of many paragraphs of the bill. He stands upon this floor like any other Senator. He forgets it sometimes, but under the Constitution and the rules of this body his rights are no greater than those of the Senator from Wisconsin, or any other Senator in this body; and I say that upon his request, not once, but scores of times, we have passed over paragraphs in the course of this debate to oblige the Senator from Rhode Island and to wait upon the convenience of the Finance Committee while they matured this bill, which was brought into the Senate prematurely and without proper consideration by the committee.

SHOULD HAVE YIELDED TO SENATOR GALLINGER.

The Senator from New Hampshire [Mr. GALLINGER] last night, when I was not on the floor, criticised me for not yielding to him when he asked me to do so. I glanced over the report of my speech, or at least a portion of it, and I think the Senator had a right to complain. It is a fact that I did not yield, and I think I should have yielded to him, though not perhaps at the very time that he rose, for I had not concluded what I had to say. I ought to have remembered, when I concluded, and yielded to him. I did not do so, because I was swept along by what I was saying, and forgot it. I make my amends to him here this morning.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. I do.

Mr. GALLINGER. I join with the Senator in his kindly expressions toward me personally. The Senator will recall that, looking directly in my face and stepping forward, he suggested that New England Senators were treating his discussion with smirks, or something of that kind. I was doing the Senator the honor to listen to more of his speech, I think, than almost any other Senator did, and I was interested in it.

I simply rose for the purpose of saying to the Senator that, if he had allusion to me, which I thought he had, he was entirely mistaken; that I was not treating him with discourtesy, and that I was not smirking at anything he said, but, on the contrary, was listening attentively and was enjoying his discussion. The Senator ought to have given me that privilege, and I am glad that he feels this morning he ought to have done so.

Mr. LA FOLLETTE. I concede that, Mr. President. I have a habit which perhaps is not a matter of interest and I ought not to detain the Senate to mention it—when I am speaking I see the face of every Senator and every change of expression just as in practicing law I saw the face of every juryman, and used to think that I knew what was passing in the mind of each juror. It is a fault. Let that pass.

Mr. President, I return now to say that a great subject is before the Senate. It is one that strikes deep down into the lives and the homes and will profoundly affect the prosperity and the happiness of all the people of this country. It does not affect merely manufacturers. It does not affect merely the people who work for the manufacturers and their interests. It ought to be weighed with very great care. I do not mean to say that the interests of the manufacturers and those who have invested their capital are not entitled to be weighed with as great care; but those who work for wages are entitled to have their interests carefully considered as well.

PUBLIC ENTITLED TO FAIR PRESENTATION OF TARIFF FACTS.

Mr. President, this bill will bear upon the people of this whole country—ninety millions of them—either fairly or unfairly, justly or unjustly. I tell you it is of tremendous consequence what we do here each day. We pass a paragraph or a schedule, and it is driven in on me all the while that we do not know just how our action is going to affect the people of our country. We do not know how much that is going to take out of the earnings or savings of this family or that family, and we ought to know.

The formation of public opinion is of tremendous importance in framing legislation.

Nothing ought to have a place in the debate upon this great measure except that which is germane to the bill. The issue involved should not be obscured by any personal controversy. It shall not be so obscured with my sanction.

Mr. President, it is one of the least concerns of my life how votes shall be cast in an election in so far as it affects me. I never have in my public life taken the easier pathway. I could have done so. I never have. What I am saying to-day is said from a deep conviction.

I have given fifteen years out of the best of my life to a great struggle in my State. I became deeply interested in certain things that seemed to me to go to the very foundation of this Government. That interest possessed me; it took me out of my profession; it put me into a contest in Wisconsin to establish in that Commonwealth, first of all, if possible, a government by the people and for the people.

Mr. President, I would not be provincial; I would not be boastful; but something has been accomplished in Wisconsin that draws to it the leading students of government from every State in this Union. From every great university, from the economic departments of the great universities of Europe, they have come to the capital of Wisconsin to study the legislation of that State, especially concerning the government of corporations in their relation to the life of the people.

Mr. President, at every step in that long fight I was subjected to personal attacks of the most virulent kind—misrepresenting my character, attempting to destroy it, assailing my motives, lying about everything I did and everything I did not. But, sir, I early marked out a course for myself. I said: "If I permit myself to be drawn aside to answer personal attacks, this great struggle to bring government back to the people will be degraded to a petty personal issue." I turned neither to the right hand nor to the left. When assailed and misrepresented, my answer was: The corporations in the State of Wisconsin are not paying their share of the taxes. To every personal charge I made one answer: The public service corporations shall not control in legislation. They shall serve the public impartially, and render services at reasonable rates.

WILL NOT TURN ASIDE TO ANSWER PERSONAL ATTACKS.

So in respect to every assault made upon me, Mr. President, my answer was the great issue. As an individual I was insignificant, of little consequence. If I did anything for the State, in which I was born and live, it was simply as an humble instrument for the right settlement of the great issues over which we have, sir, so little control in our day and generation. We do not, we can not, make the issues. Great ideas thrust themselves into the arena; they are antagonistic; one is right and one is wrong; and as the contest goes on the men who are drawn into that contest are but the instruments in those great ideas of evolution in the progress of the race.

Mr. President, does anybody suppose that I am to turn aside in this debate to answer some petty and contemptible attack upon me personally? No. The Senate was occupied yesterday for five hours, at least, in the discussion of the cotton schedule. Certain facts were laid before this body. I may be wrong about it, but, in my judgment, they were important facts. An evening session followed. Some sensationalism developed in that evening session, and it claimed a space in the newspapers reporting yesterday's proceedings of Congress to the exclusion of the debate upon the bill. So to-day, Mr. President, that might be repeated if personal controversy were again intruded into this discussion. It shall not occur with my consent.

As to the remarks of the Senator from Pennsylvania [Mr. PENROSE] last evening, Mr. President, the public is not greatly interested in individual Senators and how they spend their time when away from the Senate Chamber. The people of Wisconsin will take care of me if I am an unfaithful servant without prompting from any Senator upon this floor. I would suggest that he would render a more important service to the country and to the State of Pennsylvania, were he to account for the way he spends his time when absent from this body, than in any effort to make any account of mine.

I might add, Mr. President, that no man could undertake to account for the whereabouts of the Senator from Pennsylvania when absent from this body without transgressing the rules of the Senate, and that I do not purpose to do in this debate.

Mr. PENROSE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Pennsylvania?

A MISTAKE AND A PUBLIC CORRECTION.

Mr. LA FOLLETTE. I yield, but not for any speech to be injected into my remarks. I will yield for a brief statement or a question.

Mr. PENROSE. Mr. President, I want to call the attention of the Senator from Wisconsin to the fact that he has already made a statement about myself and about the State of Pennsylvania in a magazine known as "La Follette's," in which he says:

> The silent school of politics, to which Pennsylvania has been so long devoted, and of which the late M. S. Quay was the greatest exponent, and Senator Boies Penrose is the present-day exemplar, has brought the State to the point of having the hugest deficit ever known. On the 20th, Henry F. Wallace, former speaker of the Pennsylvania house, stated that the deficit is now $79,000,000; that the legislature of the State is incapable of handling the situation, and that a law should be passed throwing the State into the hands of three receivers—he called them commissioners—and named John Wanamaker, Henry C. Frick, and George W. Drexel as the right men to pull the State out of the hole. Pennsylvania has run the course of machine politics to the very end, it would seem from this.

I desire to state, for the information of the Senator from Wisconsin, because he has failed to deny this statement heretofore when it was called to his attention, that nobody exists in the State of Pennsylvania by the name of Henry F. Wallace who was formerly the speaker of the house of representatives. The State of Pennsylvania, instead of owing $79,000,000, does not owe a penny of debt, if consideration be given to the sinking fund, which provides for the bonds when they reach maturity; and the report of the state treasurer, published according to law in the papers of Pennsylvania within the last three days, shows that the treasurer of Pennsylvania has $11,000,000 balance in his hands.

Mr. LA FOLLETTE. Mr. President——

Mr. PENROSE. The statements of the Senator from Wisconsin——

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield.

Mr. PENROSE. The question of the reliability of his statements I leave to the judgment of the Senate.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield further.

Mr. LA FOLLETTE. Now, Mr. President, permit me to say that the Senator from Pennsylvania is quite right about that error having been made in the magazine which I publish. I employ a staff to assist me in my work. The associate editor, Mr. Herbert Quick, writes for each issue of the paper the column which is entitled "News worth remembering;" and in the issue to which the Senator from Pennsylvania refers, Mr. Quick, in commenting in that column upon news printed in the current press of the day, made the criticism to which the Senator has called attention. That criticism was based upon a dispatch printed in the first issue of the Chicago Record-Herald, on one of the mornings of that week, which stated the facts exactly as Mr. Quick stated them when writing up the paragraph upon that subject. Mr. Quick had seen and clipped that issue of the Record-Herald. When the criticism came from the press of Pennsylvania that an error had been committed, that paragraph was transmitted from the offices of La Follette's Magazine in Madison, Wis., to the Chicago Record-Herald. They were asked for an explanation. The managing editor stated that they did print the dispatch, supposing it to be true; that they published it in the first issue of that day's paper, and, discovering it to have been a fake, suppressed it in the subsequent issue. Mr. Quick afterwards, at my suggestion, upon the editorial page of the paper, made a full statement of the fact, and expressed regret for publishing the incorrect statement.

Mr. PENROSE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield further to the Senator from Pennsylvania?

Mr. LA FOLLETTE. I yield just for this purpose only.

Mr. PENROSE. Will the Senator refer me to the date of the editorial?

Mr. LA FOLLETTE. I will say to the Senator from Pennsylvania that I will send to my committee room and get it, and have it put on his desk, because I do not want to lumber up the RECORD with anything of that sort, but I will have the magazine containing that apology put on the Senator's desk.

Mr. PENROSE. I should be very glad to see it.

Mr. LA FOLLETTE. The Senator from Pennsylvania will be shown it.

Mr. PENROSE. When a correction was requested——

Mr. LA FOLLETTE. Mr. President, I elect to proceed with my discussion.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield further.

INSISTS ON DISCUSSION OF PROVISIONS OF THE BILL.

Mr. LA FOLLETTE. I decline to yield, Mr. President, for the very reason which I have taken some minutes of time this morning to state. I propose to keep the attention of the Senate and the country and, if possible, the press, to a consideration of the cotton schedule as it has been reported and as it is sought to be passed by the committee which has reported it to the Senate.

I now wish to revert for a few moments to the analysis of the increases in this schedule as shown by the table of the Bureau of Statistics. I shall finish that shortly, and then I shall prove, Mr. President, by the customs appraisers of the Government that these increases are made as I have been contending.

Mr. President, when I was interrupted in presenting the increases shown by the table of the Bureau of Statistics, I had reached paragraph 321, embracing cotton cloth in which other than the ordinary warp and filling threads have been introduced to form a figure, and had reached the provisions embracing cloth of that character exceeding 100 and not exceeding 150 threads to the square inch, counting the warp and filling. I had called attention to the fact that on cloth of that count and quality, not bleached, not exceeding 4 square yards to the pound and valued at more than 7 cents per square yard, the duty had been increased 185 per cent, while importations for 1907 under that description amounted to only $5. The next item, Mr. President——

Mr. BACON. Mr. President, I hope we may have order.

The VICE-PRESIDENT. The Senate will please be in order.

Mr. LA FOLLETTE. I thank the Senator. The next description is of cloth of the same count, character, and condition, exceeding 4 and not exceeding 6 square yards to the pound, and valued at more than 7 cents per square yard. On this cloth the increase is 59.38 per cent, and the value of imports only $32.

Mr. BACON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Georgia?

Mr. LA FOLLETTE. I do.

Mr. BACON. Anyone who has ever addressed the Senate especially at any length, knows the fact that conversation in the Chamber adds immeasurably to the labor of the speaker and imposes a great and grievous burden upon him. I do hope that I may be excused for again, in so short a time, asking for order in the Chamber.

The VICE-PRESIDENT. The Chair attempts to preserve order whenever any Senator is speaking.

Mr. BACON. The Chair will not understand me as making any criticism upon the Chair whatever. I simply desired, Mr. President, to call attention to the fact that the persons who converse in the Chamber add very largely to the labor of the speaker.

The VICE-PRESIDENT. The Chair agrees with the Senator.

Mr. LA FOLLETTE. I thank the Senator from Georgia and the Chair for endeavoring to preserve order.

On cloth of the same kind, count, and weight, valued at over 9 cents per square yard, the increase is 32.12 per cent, and the value of imports was $24,729.

On cloth of the same kind and count, bleached, weight over 8 square yards to the pound, and valued at over 11 cents per square yard, the increase is 10.40 per cent, and the value of imports $293,809.

On cloth of this kind and count, dyed, colored, stained, painted, or printed, weight exceeding 8 square yards to the pound, valued at more than 12½ cents per square yard, the increase is 25.86 per cent, and the value of imports in 1907, $82,117.

Coming now, Mr. President, to the next subdivision of paragraph 321, embracing cloth of this kind exceeding 150 and not exceeding 200 threads to the square inch, on cloth not bleached, valued at over 10 cents per square yard, the increase is 14.55 per cent, and value of imports $249.

On the same cloth bleached, exceeding 4½ and not exceeding 6 pounds to the square yard and valued at more than 7 cents per square yard, the increase is 20.82 per cent, and the value of imports was $642.

Mr. CRAWFORD. Mr President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Dakota?

Mr. LA FOLLETTE. I do.

NO ONE HAS OR CAN FURNISH AN EXPLANATION.

Mr. CRAWFORD. It is for a question. Does the Senator in his discussion place any particular construction upon this, which appears to be the situation, as shown by the Senator's argument—that frequently on some cloth, the importation of which is practically nothing, or $5 or $50 worth, the increase is enormous, while in other cases, where there appears to be a substantial importation, no increase at all is made? What is the purpose or the significance of increasing so largely where the importations are so small and failing to make increases at all where the importations are apparently quite substantial? I confess I do not understand it.

Mr. LA FOLLETTE. I think nobody can furnish, and I am certain that no one has furnished, an explanation for such conditions and such apparent contradictions and such phenomenal increases as those to which the Senator directs attention.

Mr. President, on bleached cloth of the description given, valued at over 12 cents per square yard, the increase is 27.01 per cent and the value imported in 1907 was $122,078.

On the same cloth, dyed, colored, stained, painted, or printed, exceeding 4½ and not exceeding 6 square yards to the pound, valued at more than 7 cents per square yard, the increase is 18.35 per cent and the value of imports in a whole year was $7.

On the same cloth, valued at over 12½ cents per square yard, the increase is 2.42 per cent and the value imported $14,203.

The next subdivision of this paragraph embraces cloth of this character exceeding 200 and not exceeding 300 threads to the square inch. On cloth of this count, bleached, valued at over 15 cents per square yard, the increase is 10.44 per cent and value of imports $3,270.

On the same cloth, dyed, colored, stained, painted, or printed, valued above 17½ cents per square yard, the increase is 8.10 per cent and the value of imports for one year was $3,372.

The next, and the last item of increase in this schedule, is in paragraph 329, the last item, cotton duck. This is a kind of cloth used in the manufacture of clothing for farmers, mechanics, and laboring men generally, and used also for awnings, tents, wagon covers, and a great variety of purposes. The increase of duty on cotton duck is 28.57 per cent. The value of the imports for the year 1907 under the existing duty was only $15,862.

Mr. SUTHERLAND. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. I do.

Mr. SUTHERLAND. I desire to inquire of the Senator to what paragraph he is now referring?

Mr. LA FOLLETTE. I am referring to paragraph 329.

Mr. SUTHERLAND. Paragraph 329 in the print which I have relates to cotton table damask.

Mr. LA FOLLETTE. Cotton duck is the last item in the same paragraph.

RECAPITULATION OF ADVANCES IN COTTON SCHEDULE.

Mr. President, the table to which I have been referring, which is compiled by the Bureau of Statistics, from the Book of Estimates, presented by the Committee on Finance, discloses this startling fact; and I offer it against the statement of the Senator from Massachusetts [Mr. LODGE]. The Senator from Massachusetts day before yesterday, speaking upon this bill, said there were only 33 increases, and, as I remember, he stated that there were three hundred and thirty odd decreases in this bill. I have already said that we can not determine whether this revision is upward or downward by counting the number of increases and the number of reductions, for the reason which I stated, that the increases may be upon items of very great importance in the commerce of the country, and the decreases may be upon items of relatively small importance.

Mr. President, the detailed analysis of this bill which this table presents shows that, instead of 33 increases, there are 288 increases of duties in this bill. In the cotton schedule alone there are 70 increases of duties as against 21 decreases in duties. The increases apply to importations amounting in 1907 to $10,382,503; the decreases, to only $44,794.

Aside from these increases, apparent in figures on its face, there are hidden increases in this bill. I do not mean that statement as implying a design upon the part of the members of the committee, but somebody in the framing of this bill manifestly knew what he was doing. There are increases here which are not disclosed by the table of figures at all, but which will result from new language in the bill, new provisos, new conditions, and new definitions. Their effect can not be measured because they have not existed before and there is no basis for mathematical comparison. But a careful study of those provisions will prove to any man of intelligence that these changes do work out considerable increases, step by step, in the bill.

The Senator from Utah [Mr. SMOOT] on Tuesday presented to the Senate a certain table showing that the average ad

valorem duty imposed under certain paragraphs in the present law is 38.66 per cent, and that the Senate bill proposed an ad valorem of 43.58 per cent for the same paragraphs, an increase of about 13 per cent over the present rate. The Senator from Utah contended that this increase was justified because, as he claimed, it imposed no greater ad valorem rate than existed in the years 1898, 1899, and 1900. Whether or not the Senator is correct in claiming that the average ad valorem duties proposed in the Senate bill are not greater than those collected ten years ago under the Dingley Act, is, in my opinion, absolutely immaterial in this discussion. The fact is that the average ad valorem rates imposed in 1907, under the existing law, are very much less than the ad valorem rates proposed in the pending bill, and the fact is that the people demanded that those rates be reduced and elected a Republican President and a Republican Congress upon a party pledge to make such a revision. The further fact is that the cotton-goods industry has been wonderfully prosperous under the rates imposed last year and the year before.

No one can gainsay or dispute that. That is a fact which confronted the Committee on Ways and Means when they made the bill as they passed it through the House. They understood that this industry is very prosperous and I would not knowingly do it the slightest injury. I believe I have just as keen sensibilities and just as keen sympathies for the laboring men employed in that industry as has the Senator from Massachusetts; but I say the testimony is simply overwhelming that this industry is not suffering at any point. I want to qualify that just in one respect. There was one defect in the Dingley law that needed correction. That defect was in paragraph 304. The writing of three lines would have corrected it, and it would have met every wrong that could be done to this industry by anybody from abroad.

OVERSIGHT IN THE DINGLEY LAW.

The only paragraph in the cotton schedule of which any just complaint can be made is paragraph 304, and the injustice there arises solely from the fact that that paragraph does not contain an ad valorem duty upon cloths coming within it exceeding a certain value. An amendment imposing an ad valorem duty in that paragraph similar to the ad valorem duties imposed in the other paragraphs of the Dingley Act relating to cotton cloths would completely remedy any injustice which now exists. That is paragraph 304 provided for cloth below a certain count; cloth so coarse that it had less than 50 threads to the square inch. Paragraph 305 of the Dingley law provided for cloth that ran from 50 threads and up to 100 threads. Each of the other paragraphs in the Dingley law making these classifications in cloth by count of the threads provided for ad valorem duties when the value of the cloth was so high that the count was not a fair measure of the duty. Paragraph 304 did not have any ad valorem provision in it. Hence importers brought in cloth which, by count of threads, would come into this low class, but which was of high value. Had there been an ad valorem provision which would have fixed a rate not only based upon the count of the threads, but based upon the value of the goods, it would have caught these higher priced goods and made them pay a proper duty based upon their value. That is what paragraph 304 needed, and that is what it did not get, and that is the only defect in it.

Mr. DOLLIVER. Mr. President—

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. I yield.

Mr. DOLLIVER. That is the exact amendment I have offered to paragraph 312 of the Senate bill.

Mr. LA FOLLETTE. I am glad the Senator has prepared such an amendment, for I believe the Senate will, if they study this schedule closely, come to the conclusion that that is what ought to be done.

Mr. BEVERIDGE. Do I understand that the amendment of the Senator from Iowa which the Senator refers to covers the whole defect in the law?

Mr. LA FOLLETTE. I will say that I have not myself read it, but I have great confidence in the ability of the Senator from Iowa.

Mr. DOLLIVER. I will say that it carries back to paragraph 312 the phraseology of the Dingley proviso of paragraph 313.

DEFECT IS EXCUSE FOR INCREASES.

Mr. LA FOLLETTE. The Finance Committee, however, have used this slight defect in paragraph 304 as an excuse for increasing the duties in practically the entire cotton schedule.

If it was necessary to readjust the duties to make them more harmonious, and if the Finance Committee had considered in any degree the rights of the consumers of this country, it would have so readjusted the schedule that the average ad valorem duties collected under it would not be less and not greater than is now being collected under the existing law.

Indeed, had the Finance Committee had under consideration the rights of consumers, the average ad valorem rates instead of being increased above those imposed under the present law would have been greatly decreased, and that, too, without any injury to any legitimate industry, or the lowering of the wage of a single worker in a single cotton factory in this country.

The Senator from Massachusetts [Mr. LODGE] stated that many of the increases of specific duties are really only apparent increases. This has been much dwelt upon, not only by the Senator from Massachusetts, but by the Senator from Rhode Island [Mr. ALDRICH] as well, and by the Senator from Utah [Mr. SMOOT].

The Senator from Massachusetts said:

As a matter of fact, they are a return to the original Dingley rates.

He pointed out that on a great many articles the prices had gone up since the law went into effect, with the consequent result that the same specific duty now amounts to a lower ad valorem than it did ten years ago, when the Dingley tariff went into effect.

What the Finance Committee has done now—

Says Senator LODGE—

has been merely to advance the specific duty to a sufficient extent to make it amount to the same ad valorem as it did ten years ago.

By this course of reasoning he could justify a perpetual increase of duties, because the higher the duty the more certain it is to result in an advance in prices and therefore amount to a lower ad valorem, since the *higher* the *price* the *lower* the *ad valorem equivalent* of the *same specific duty*. This would justify him, then, according to this reasoning, in advancing specific duties still higher, and a year or two later, when that led to a *still greater increase* of *prices*, to go on with the same kind of revision upward, all the time claiming that this is not raising the duties but keeping them up to the *same ad valorem equivalent*.

SAMPLES SHOWING INCREASES SECURED BY GOVERNMENT'S CHIEF EXAMINER.

Now, Mr. President, I desire to lay before the Senate some proof which I have here of the actuality of these increases. I think I have demonstrated that there are increases, and I think I have demonstrated what the per cent of increase is. I have the authority of the Committee on Finance, because I have their tables, and I have based upon that the calculations of the Bureau of Statistics. Now I come to apply the language of the bill to samples of the actual goods that the people buy. I observed that when the Senator from Iowa [Mr. DOLLIVER] presented to the Senate, to illustrate his argument, certain samples of cotton goods it provoked a very severe criticism from the Senator from Rhode Island, but only one answer was attempted. With a wave of the hand the Senator from Rhode Island said: "You have come in here"—I am not quoting his exact language—"you have come in here with samples furnished by importers and calculations based upon those samples. They are not reliable. They come from people who are attempting to appropriate the markets that belong to the labor and the capital of this country."

I learned on the day the Senator from Iowa was speaking that after he began his remarkable attack upon this schedule there had been summoned here from the New York custom-house, to assist the Finance Committee, a man of greater expert knowledge than those who had been in service here when the bill was framed—a man who outranked them in service and in recognized proficiency.

Mr. DOLLIVER. Mr. President——

The VICE-PRESIDENT. Will the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. Certainly.

Mr. DOLLIVER. The matter which the Senator from Wisconsin is about to discuss is of such importance that I desire to suggest that there seems to be the absence of a quorum. I would not suggest it for that reason, but I think it very important that members of the Committee on Finance should be here.

The VICE-PRESIDENT. The Senator from Iowa suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Gamble	Page
Bacon	Crane	Gore	Paynter
Bailey	Crawford	Guggenheim	Penrose
Beveridge	Cullom	Hale	Perkins
Borah	Cummins	Heyburn	Piles
Bourne	Curtis	Hughes	Rayner
Brandegee	Daniel	Johnson, N. Dak.	Simmons
Briggs	Depew	Johnston, Ala.	Smith, Md.
Bristow	Dick	Jones	Smith, Mich.
Brown	Dillingham	Kean	Smoot
Bulkeley	Dolliver	La Follette	Sutherland
Burkett	du Pont	Lodge	Tillman
Burnham	Fletcher	Martin	Warner
Burton	Flint	Money	Warren
Carter	Foster	Nelson	Wetmore
Clark, Wyo.	Frazier	Oliver	
Clarke, Ark.	Gallinger	Overman	

Mr. CLARK of Wyoming. The Senator from West Virginia [Mr. SCOTT] has been unexpectedly called from the Chamber.

The VICE-PRESIDENT. Sixty-six Senators have answered to the roll call. A quorum of the Senate is present. The Senator from Wisconsin will proceed.

Mr. LA FOLLETTE. Mr. President, I took some preliminary steps, which it is not necessary, perhaps, for me to state at this time, to have this expert authorized to give me information with respect to the cotton schedule. I had my interviews with him with the approval of the Secretary of the Treasury. The gentleman of whom I speak is Mr. Parkhill, who has been employed for about twenty years in the customs service of the Government, and is the chief examiner in the cotton division of the appraiser's office of the custom-house at New York. I asked Mr. Parkhill if he would give me samples of cloth illustrating the changes, if any, which were made in this bill.

ASKED FOR FAIR ILLUSTRATIONS OF WORKING OF NEW RATES.

I told him that, while I wanted nothing that would be unfair to the committee or to this bill, I wanted to show how the consumer is going to be affected by the changes, if any, which it makes in the tariff rates. I told him that I thought I could better show it if I had samples of cloth upon which were marked the rate of duty which cloth of that count and quality would take under the existing law and the rate of duty which it would take under the reconstructed provisions in this cotton schedule. I asked him to procure me samples of that sort, and he did so. Here they are [exhibiting].

In pursuing my inquiry in this way I felt that my results could not possibly be subjected to the imputations which had been cast upon the illustrations used by the Senator from Iowa [Mr. DOLLIVER] when the Senator from Rhode Island [Mr. ALDRICH] charged that they were the product of biased and interested people whose statements at most ought to be taken with very great allowance.

There is a sample of cloth [exhibiting] covered by paragraph 309 of the Dingley Act. It is called croquet cloth. It is a quality of cloth, I should say from appearance, and I do not assume to set up as an expert, that might be used for ladies' dress goods. The figures and statements here were on this sheet when brought to me by Mr. Parkhill, excepting a little memorandum which I made here with a pencil. I have written, for instance, "no change," because this bill makes no change in the duty upon that cloth. I am giving you the samples that Mr. Parkhill brought to me, not selected by myself out of the bunch that he brought, with a view of presenting only samples showing increases, but I will present to you all the samples that he brought.

This cloth is covered by paragraph 309 of the Dingley Act. The present rate is 40 per cent ad valorem; the value is 41 cents per square yard. The proposed duty is 40 per cent under paragraph 317 of the pending bill.

Mr. BACON. Will the Senator permit me to inquire whether those samples are samples of foreign goods or of similar articles manufactured here?

Mr. LA FOLLETTE. They are samples of foreign goods. I understood from Mr. Parkhill that these were samples which he had procured at the custom-house.

I present next, Mr. President, a sample of what is called madras shirting [exhibiting], covered by paragraph 306 of the Dingley Act. The present rate is 35 per cent. The value of that goods is 18.12 cents per square yard; that is, of course, the foreign value. The proposed new duty is 8 cents per square yard under paragraph 314 of the Senate bill. That is equivalent to 44 per cent and is an increase over the existing duty of 25⅞ per cent. Those are Mr. Parkhill's figures, excepting the per cent of increase, which I had computed, and is written in lead pencil on the sample.

Mr. BORAH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LA FOLLETTE. I do.

Mr. BORAH. I wish to ask the Senator from Wisconsin if the increases which he is now suggesting were the increases which Mr. Parkhill suggested?

Mr. LA FOLLETTE. The rates of duty are marked on the sheet of paper to which the sample is pinned. They are in Mr. Parkhill's handwriting. They were marked on that sample just as they are now, when delivered to me by Mr. Parkhill. The present rate is 35 per cent; the proposed new duty, 8 cents per square yard, is equivalent to 44 per cent, paragraph 314, Senate bill. That was on the sample in that form when delivered to me by Mr. Parkhill.

Mr. BORAH. What I wanted to get at is the fact that this expert of long experience has stated, in effect, that those raises have been made.

Mr. LA FOLLETTE. Yes, sir; unequivocally.

Now, Mr. President, I next present a sample which I have marked No. 3.

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I do.

Mr. NELSON. I wish to say to the Senator from Wisconsin and the Senator from Idaho that that tallies substantially with the figures I gave the other day.

Mr. BORAH. I should like to ask another question before the Senator from Wisconsin proceeds.

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Idaho?

Mr. LA FOLLETTE. I do.

Mr. BORAH. A man sometimes forms a more correct opinion of a man's ability by personal contact. I should like to ask the Senator, after this conversation with this gentleman, if he was thoroughly satisfied as to his ability to present the figures and substantiate himself as he purported to do? Was he an experienced, capable man in his business?

MR. PARKHILL IS AN EXPERT IN HIS BUSINESS.

Mr. LA FOLLETTE. Mr. President, I have no doubt that Mr. Parkhill is most proficient. I ought, perhaps, to say that Mr. Parkhill was exceedingly timid and reserved and would make no communication to and have no communication with me until he was authorized and directed to do so. Then he was free with me, and from talking with him I came to the conclusion—of course I would not be an expert judge myself—that he seemed to know all about this business, in which he has been engaged for twenty years.

Mr. TILLMAN. Mr. President—

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. LA FOLLETTE. I do.

Mr. TILLMAN. Will the Senator please tell us who Mr. Parkhill is, and what office he holds, if any?

Mr. LA FOLLETTE. Mr. Parkhill is employed as chief examiner in the appraiser's office in what is known as the "cotton division." I may not give the exact official designation.

Mr. TILLMAN. By the Treasury?

Mr. LA FOLLETTE. By the custom-house at New York. He is under the Secretary of the Treasury, and has been there for twenty years.

Mr. TILLMAN. I understood yesterday from the Senator from Rhode Island [Mr. ALDRICH]——

Mr. LA FOLLETTE. Allow me. I do not think the Senator from South Carolina perhaps was here when I stated that Mr. Parkhill was not here in Washington in cooperation with the Finance Committee while the bill was originally being framed, but after the cotton schedule was either being attacked, or attack upon it had been intimated, I think he was summoned over here and has been here for several weeks.

Mr. TILLMAN. Now, if the Senator from Wisconsin will pardon me, another question——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. LA FOLLETTE. Certainly.

Mr. TILLMAN. Yesterday the Senator from Rhode Island [Mr. ALDRICH] made allusion, perhaps for the second or third time in the debate, to certain duties which were intended to be imposed by Congress, but which had been fraudulently set aside by rulings by somebody. I could not exactly get at the facts, but he referred me to the speech of the Senator from Utah [Mr. SMOOT]. But I was not in the Senate when the Senator

from Utah spoke; and I want to know whether or not Mr. Parkhill belongs to that body of experts in the custom-house whose rulings upon the quality of a given piece of cloth which is imported and its requirements to pay duty are attacked in this new tariff schedule? In other words, has Mr. Parkhill or the Board of Appraisers been guilty of changing the Dingley law rates?

Mr. LA FOLLETTE. Mr. Parkhill, as I understand, is an examiner under the Board of Appraisers.

Mr. LODGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. LA FOLLETTE. Mr. Parkhill is an expert examiner in the office where they pass upon invoices, and so forth, and fix these duties.

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Massachusetts?

Mr. LA FOLLETTE. I yield.

Mr. LODGE. I merely wish to say that Mr. Parkhill is the chief examiner in charge of cotton goods in the New York custom-house, and has been an examiner there for twenty-three years, I think.

Mr. TILLMAN. He examines them with what purpose except to fix the duty on them?

Mr. LODGE. He examines them for the purpose of assessing the duty.

Mr. TILLMAN. That is what I thought; and saying what duty such and such goods shall pay under the law.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. I yield only briefly.

SAMPLES NOT SELECTED TO COVER COURT DECISIONS.

Mr. SMOOT. It will be briefly. I want to state for the information of the Senator that no member of the Finance Committee has claimed that some of these high-priced goods are not advanced in the pending Senate bill; but they have given here time and time again the reasons for such advances. I only wanted to call the Senator's attention to that.

Mr. LA FOLLETTE. Mr. President, it is true that these two samples I have referred to now are samples of a rather high value, but I shall come to some a little later that are of very moderate value.

Mr. SMOOT. And they are all affected by the decisions of the courts.

Mr. LA FOLLETTE. That is the explanation offered by the Senator from Utah.

Mr. President, I want to say generally with respect to interruptions, that I shall be very glad to yield, only I request Senators to make their interruptions as brief as possible——

Mr. DOLLIVER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. In order that I may get along and finish, if I can, to-day. I know I am trying the patience of a great many.

I now yield to the Senator from Iowa.

Mr. DOLLIVER. The Senator from Wisconsin, if he will permit me, did not hear the last observation of the Senator from Utah [Mr. SMOOT], to the effect that the goods which he was exhibiting there had been affected by certain decisions of the courts.

Mr. LA FOLLETTE. No, I did not hear that observation.

But, Mr. President, I should like to repeat again what I said a moment ago, that I did not ask Mr. Parkhill for samples to meet some one particular phase of this question or some decision or decisions, but I asked him to give me an illustration of the operation of these proposed changes as they would affect the duties, and as representative of the whole schedule.

Mr. President, I now come to sample No. 3 [exhibiting]. This is an embroidery cloth called "Aida." It is covered by paragraph 306 of the present law. The rate is 35 per cent under the Dingley law, and it takes no change; it is not increased.

Sample No. 4 [exhibiting] is waisting, such as women buy for waists. It is covered by paragraph 308 of the Dingley Act. The present rate is 40 per cent; the value is 15.56 cents per square yard; the proposed new duty is 6½ cents per square yard, equivalent to 41 per cent. It is under paragraph 316 of the Senate bill, and it takes an increase of 2½ per cent.

Sample No. 5 [exhibiting] is figured Swiss, largely imported. It is covered by paragraphs 306 and 313 of the Dingley Act. The present rate of duty under the Dingley Act is 35 per cent ad valorem and 2 cents per square yard. It is equivalent to 43.3 per cent ad valorem, an increase of 23.7 per cent.

The value of those goods [exhibiting], that little thin-body fabric with the figure on it, is 23.9 cents per square yard, according to the memorandum as delivered to me. The proposed new duty is 10 cents per square yard, plus 2 cents per square yard for the threads other than the ordinary warp and filling, equivalent to 50 per cent ad valorem. It is under paragraphs 314 and 321 of the Senate bill, an increase of 16¾ per cent in duty over the existing law.

Sample No. 6 [exhibiting] is dress goods. It is called "voile." It is covered by paragraph 305 of the Dingley Act. The present duty is 35 per cent ad valorem; the value is 21.17 cents per square yard; the proposed new duty is 10 cents per square yard, equivalent to 47¼ per cent. It is under paragraph 314 of the Senate bill. The increase——

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. In just a moment. Let me finish my statement.

The increase in duty is 25.9 per cent over the existing law. This was assessed at 60 per cent ad valorem under paragraph 339 until the Board of General Appraisers decided that these goods were not etamines, but it is now assessed at 35 per cent. Its value is 21 cents per yard. Under the new bill it will take an increased duty, I repeat, of 47¼ per cent. Figured in the ad valorem equivalent under paragraph 314, it is an increase of 25.9 per cent.

Mr. SMOOT. Mr. President, I would call——

Mr. LA FOLLETTE. Now, Mr. President, the Senator from Utah can follow me and can take these samples, if he wants them, and give all the explanation that he likes.

The VICE-PRESIDENT. The Senator from Wisconsin prefers not to yield further.

Mr. LA FOLLETTE. I do not like to be interrupted every moment; still I do want to be fair about it.

The sample that I next present, sample No. 7 [exhibiting], is called "hardanger;" it is embroidery cloth. It is covered by paragraph 305 of the Dingley Act. The present rate is 25 per cent ad valorem; it is valued at 28 cents per square yard. The proposed new duty is 8 cents per square yard, equivalent to 28.6 per cent ad valorem. It comes under paragraph 313 of the Senate bill, and is an increase of 14⅜ per cent over the present law.

The next sample [exhibiting], No. 8, is Aida. It is an embroidery cloth. It is covered by paragraph 305 of the Dingley Act. The present rate of duty is 30 per cent ad valorem; the value is 19 cents per square yard, and the proposed rate of duty is 8 cents per square yard, equivalent to 42.1 per cent. It comes under paragraph 313 of the Senate bill, and the increase is 40½ per cent.

The next sample [exhibiting] is No. 9, a satteen. It is mercerized and is used for dress goods and linings. It is covered by paragraph 308 of the Dingley Act. The present rate of duty is 40 per cent ad valorem, the value is 23.48 cents per square yard, the proposed new duty is 11¼ cents per square yard, plus 1 cent per square yard for mercerizing, which is equivalent to 52.2 per cent ad valorem under paragraphs 316 and 321 of the Senate bill, and is an increase of 30½ per cent. The increase is due both to an increase in the Dingley duty and to the new duty for mercerization.

I next present sample No. 10, shirting [exhibiting], covered by paragraph 307 of the Dingley Act. The present rate is 40 per cent ad valorem, the value is 14.3 cents per square yard, the proposed new duty is 6 cents per square yard, the equivalent ad valorem is 41.9 per cent under paragraph 315 of the Senate bill, which is an increase of 4¾ per cent over the existing rate.

SAMPLE OF INCREASE ON GINGHAMS.

Sample No. 11 [exhibiting] is shirting, Jacquard pattern, covered by paragraph 307 of the Dingley Act. The present rate is 40 per cent ad valorem, the value 12¾ cents per square yard. The proposed duty is 6 cents per square yard, which is equivalent to 47 per cent ad valorem under paragraph 315 of the Senate bill—an increase over the existing rate of 17¼ per cent.

Sample No. 12 [exhibiting] is women's gingham waisting. This cloth is valued at 16¼ cents a square yard. I suppose it is the kind of cloth bought by plain people in this country for dress goods. It is covered by paragraph 307 of the Dingley Act. The present rate is 40 per cent ad valorem, the value is 16¼ cents per square yard, the proposed new duty is 7 cents per square yard, equivalent to 43 per cent under the Senate bill—an increase of 7½ per cent over the present rate.

Here [exhibiting] is a piece of mercerized dress goods, sample No. 13, called taffeta. It is covered by paragraph 306 of the Dingley Act. The present rate is 35 per cent ad valorem. The

value of that goods is 13 cents per square yard. That does not mean the value per running yard as people would purchase it, which would be somewhat less. We all know that—because we know the customary width of these goods—so that that is not high-priced goods. It is valued at 13 cents per square yard. The proposed new duty is 5½ cents per square yard, plus 1 cent per square yard for mercerizing; and it is equivalent to 48 per cent ad valorem under paragraphs 314 and 321 of the Senate bill, and the increase is about 40 per cent over the existing rate of duty.

Sample No. 14 [exhibiting] is mercerized repp, used for women's fancy coats. That is a beautiful piece of cloth. It has a high luster or mercerization. It is covered by paragraph 306 of the Dingley Act, and it takes at the present time a rate of duty of 35 per cent ad valorem just as the law stands now. The new duty, including mercerization, is 41.6 cents, or an increase of 18⅞ per cent.

Mr. President, I will have something to say in detail as I go along, if my strength and the patience of the Senate hold out, about the cost of making goods from the cotton up, step by step; the difference in the cost in this country and in competing foreign countries; the difference in the cost of spinning the yarn; the difference in the cost of converting that spun yarn into woven cloth; the cost of mercerization in this country and in competing countries.

Let us see, Mr. President, whether we are warranted in imposing these exaggerated duties upon the people of this country.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Michigan?

Mr. LA FOLLETTE. For a brief question.

DUTIES FOR MERCERIZATION ASSESSED BY MR. PARKHILL.

Mr. SMITH of Michigan. I should like to ask the Senator whether those samples are domestic or foreign goods?

Mr. LA FOLLETTE. These samples, as I understand, Mr. President, are goods taken right out of the sample department of the custom-house at New York, and are duplicated in this country in the trade.

Mr. SMITH of Michigan. Those are imported goods?

Mr. LA FOLLETTE. I think they are.

Mr. SMITH of Michigan. Now, I should like to ask whether the sample of mercerized product that the Senator has in his hand is complete, or whether it is in a partial state?

Mr. LA FOLLETTE. That piece of goods is ready to be used just as it is.

Mr. SMITH of Michigan. It is a completed sample?

Mr. LA FOLLETTE. Yes, sir; it is a completed and finished article, ready for use.

Mr. SMITH of Michigan. Not only the product itself, but the mercerization?

Mr. LA FOLLETTE. The mercerization and all.

Mr. SMITH of Michigan. They are imported from Europe?

Mr. LA FOLLETTE. I will say to the Senator from Michigan that Mr. Parkhill would not have assessed the mercerized duty on these goods if they had not been mercerized, and he has marked just what he has assessed for the mercerization of the goods.

Mr. SMITH of Michigan. All these figures, as I understand, are figures furnished by Mr. Parkhill himself?

Mr. LA FOLLETTE. They are all figures furnished by Mr. Parkhill, except I have had computed the difference between 35 per cent and 41 per cent, so that I could state the percentage of increase.

Mr. SMITH of Michigan. Then, Mr. Parkhill, as I understand, has not furnished the Senator with the exact figures as to the difference in the ad valorems?

Mr. LA FOLLETTE. He has furnished me with everything which I have given here, except that, as I have stated—which is a matter of computation that anyone can make for himself—and I will hand these samples to anyone here to test the accuracy of my work.

Mr. SMITH of Michigan. The Senator makes his own figures?

Mr. LA FOLLETTE. Yes; I make my own figures, by which I show that the increase of duty from 35 per cent to 41.6 per cent is an increase of 18⅞ per cent.

Mr. BEVERIDGE. That is, I take it, a pure matter of figuring.

Mr. LA FOLLETTE. The only thing that I have figured myself is the percentage of increase.

Mr. NELSON. Mr. President, will the Senator yield to me for a moment?

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I do.

Mr. NELSON. I understand that the figures that are given are the ad valorem rates under the Dingley law and the ad valorem rates under the provisions of this bill. Those are Mr. Parkhill's figures, and the Senator has simply figured out the percentage of increase.

Mr. LA FOLLETTE. Yes, sir; that is all I have added.

Mr. NELSON. Which is a thing that any Senator can figure out for himself.

Mr. LA FOLLETTE. It is a simple matter. To illustrate, if one has a note on which he is getting 6 per cent interest, and he is able to reloan the money at 9 per cent, he knows that he has secured an advance of 50 per cent in interest. That is all. It is a simple calculation.

Mr. President, the next sample which I show [exhibiting] is English-made dress goods, mercerized stripes. That has a stripe running through it which is mercerized, and it gives a distinct gloss over the body of the cloth. This is covered by paragraph 306 of the Dingley Act; it does not come in at a cent and a half a yard or some trifling duty which would arouse the indignation of a protectionist, but it comes in at 35 per cent ad valorem, if it gets in at all. Its value is 14.82 cents per square yard; the proposed new duty is 5½ cents per square yard, plus 1 cent per square yard for mercerization; which is equivalent, says Mr. Parkhill, to 42 per cent under paragraphs 314 and 321; that is, the duty is increased by the proposed bill from 35 per cent to 42 per cent; and that is an increase of 20 per cent in the rate.

The next sample [exhibiting] is a mercerized plaid, such as women buy for waists, a piece of goods that is found in every dry goods store perhaps in the United States. The value of that goods is 14 cents and a fraction per square yard; it is covered by paragraph 307 of the Dingley Act, and pays under that act a rate of 35 per cent ad valorem.

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I do.

Mr. NELSON. I suggest the absence of a quorum.

The VICE-PRESIDENT. The absence of a quorum being suggested, the Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clarke, Ark.	Gallinger	Penrose
Bacon	Clay	Gamble	Perkins
Bailey	Crane	Gore	Piles
Beveridge	Crawford	Guggenheim	Rayner
Borah	Cullom	Hale	Root
Bourne	Cummins	Hughes	Shively
Bradley	Curtis	Johnson, N. Dak.	Simmons
Brandegee	Depew	Johnston, Ala.	Smith, Md.
Briggs	Dick	Jones	Smith, Mich.
Bristow	Dillingham	Kean	Smoot
Brown	Dixon	La Follette	Stephenson
Bulkeley	Dolliver	Lodge	Stone
Burkett	du Pont	Martin	Sutherland
Burnham	Fletcher	Money	Tillman
Burton	Flint	Nelson	Warner
Carter	Foster	Overman	Warren
Clark, Wyo.	Frye	Page	Wetmore

The VICE-PRESIDENT. Sixty-eight Senators have answered to the roll call. A quorum of the Senate is present. The Senator from Wisconsin.

Mr. LA FOLLETTE. Mr. President, I have here sample No. 16, mercerized plaid, used for women's waists and dresses, covered by paragraph 307 of the Dingley Act. The present rate is 35 per cent ad valorem; the goods are valued at 14¾ cents per square yard. The proposed new duty is 5½ cents per square yard, plus 1 cent per square yard for mercerizing, equivalent to 42 per cent ad valorem under paragraphs 315 and 321 of the Senate bill—an increase of 20 per cent over the present rate.

I have here sample No. 17, called a maiquesette. It is a fancy French novelty dress goods. It takes at present a rate of duty of 40 per cent under paragraph 307 of the Dingley Act. It is worth 65 cents a yard. The proposed new duty is 40 per cent ad valorem and 1 cent per square yard for mercerizing. That would make an increase of 3½ per cent over the existing duty.

Mr. President, sample No. 18 is mercerized dress goods. It is worth only 13 cents per square yard, but it is a very pretty, attractive pattern, a fine finish, produced by mercerization. It pays a duty of 40 per cent now on a value of 13 and a fraction cents per square yard under paragraph 307 of the Dingley Act. The proposed new duty is 6 cents per square yard plus 1 cent per square yard for mercerization, equivalent to 50.8 per cent

ad valorem under paragraphs 315 and 321 of the Senate bill, an increase of 27 per cent over existing duty.

INCREASES ON WOMEN'S DRESS GOODS ILLUSTRATED.

Sample No. 19 is a white brocade mercerized. The present rate is 35 per cent ad valorem; value only 13½ cents a yard. The new duty is 5½ cents per square yard plus 1 cent per square yard for mercerizing. It raises the duty to an equivalent of 46 per cent ad valorem under paragraphs 315 and 321, and is an increase of 31⅞ per cent over the existing rate.

This white brocade [indicating] is another sample popular as a women's dress goods. It is worth 15¼ cents per square yard. It is dutiable under paragraph 307 of the Dingley Act. The present rate is 35 per cent ad valorem on a valuation of 15¼ cents per square yard. The proposed new duty is 6½ cents per square yard plus 1 cent per square yard for mercerizing, equivalent to 47$\frac{6}{10}$ per cent ad valorem under paragraphs 315 and 321 of the Senate bill, which is an increase of 35⅞ per cent.

This white brocade, which is marked sample 21, is a popular-priced dress goods because its value per square yard is only 14½ cents per square yard. It pays a present rate of duty of 35 per cent ad valorem under paragraph 307 of the Dingley Act. The proposed new duty is 5½ cents per square yard plus 1 cent per square yard for mercerizing, which is equivalent to 43½ per cent ad valorem under paragraphs 315 and 321 of the Senate bill, which is an increase of 21⅞ per cent over the existing rate.

I present a sample next which is covered by paragraph 304, the defective paragraph of the Dingley Act to which I have alluded several times, the one paragraph in the cotton schedule of the Dingley Act from which was omitted the ad valorem provision, the one defect, as it seems to me, which should be repaired, or the one principal defect. This pays a rate of only 2 cents per square yard under the Dingley Act, and yet it is valued at 17¼ cents per square yard. It pays a rate of only 11$\frac{6}{10}$ per cent, and the new duty is 7 cents per square yard, equivalent to 40$\frac{6}{10}$ per cent ad valorem under paragraph 313 of the Senate bill. This was assessed at 60 per cent ad valorem under paragraph 339 until the Board of Appraisers or the courts decided that this character of goods was not etamine. Then it was thrown into paragraph 304, and took a low duty as cotton goods of 50 threads or less per square inch, but had paragraph 304 a provision in it for an ad valorem duty it would have been fully covered.

I next show you a piece of goods valued at 17 cents per square yard. It is an open weave. It is covered by paragraph 339 of the Dingley Act. The present rate of duty is 60 per cent upon that. The proposed new duty is 8 cents per square yard, equivalent to 47 per cent, and is a decrease from the Dingley Act of 21⅞ per cent.

I have here another decrease under the Senate bill. This is a sample of open weave. Its exact name I do not know. It was held to be an etamine, because such a word was used in the linen schedule of the Dingley law. The new duty equals 30 per cent ad valorem. That is covered by paragraph 339 of the Dingley Act. The present rate is 60 per cent ad valorem. The real value of that goods is only 10 cents a square yard. The proposed duty under the Senate bill is 30 per cent ad valorem, which is a decrease of 50 per cent.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER (Mr. KEAN in the chair). Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. LA FOLLETTE. I do.

COTTON SCHEDULE SHOWS 21 DECREASES AND 70 INCREASES.

Mr. BROWN. Would it disturb the Senator to state, if he has it in his mind, about how many decreases there are in this schedule?

Mr. LA FOLLETTE. In the cotton schedule there are just 21 decreases. There are 70 increases of rates in that schedule alone.

Mr. BROWN. And are the rest of the rates left as they were?

Mr. LA FOLLETTE. The rest of the rates on the face of the bill are left as they were, but much and perhaps most of the importations to which they apply will be subject to increased duties under new general provisions of the bill. The larger part of the importations of yarn and cloth is mercerized and will be subject to the new increase for mercerization. Some will be subject to increase by reason of the new provision requiring the counting of threads other than the warp and filling threads which may be introduced in the cloth to form figures and patterns. The new provision for valuation will increase the duties on all cloth subject to duties that are fixed according to value. None of these increases can be stated in figures from the bill and are not taken account of in the 70 increases which I have mentioned.

Mr. BROWN. The rest of the rates——

Mr. LA FOLLETTE. Subject to these increases resulting from these general provisions, the rest of the rates are left as fixed by the Dingley law.

Mr. DOLLIVER. If it will not disturb the Senator——

Mr. LA FOLLETTE. I yield.

Mr. DOLLIVER. I think in the hurry of statement he has omitted to state that this reduction from 60 per cent on the so-called "etamines" is effected by dropping the word "etamine" out of the paragraph in which it occurred, which had no relation to cotton cloth. But "etamine" being dropped from the paragraph in which it was erroneously placed in the Dingley law, falls back into the countable paragraph as ordinary cotton cloth.

Mr. LA FOLLETTE. Yes. I thank the Senator for the statement.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I do.

Mr. DIXON. During the Senator's speech yesterday he quoted from the yarn schedule several increases, as I recall it. I am anxious really to find out the truth about the cotton schedule. Members of the committee tell me personally that, taken as a whole, there is a decrease. I made some inquiry yesterday about the yarn schedule from which the Senator was quoting, and some Senator on the floor told me that had been stricken from the bill already by an amendment which had been offered and adopted. Does the Senator know personally as to that? I should like to know what is the real truth about it. Positive statements are made one way and equally positive statements the other.

Mr. LA FOLLETTE. The amendment referred to was passed very early in the session, one day this week. I was a few moments late in arriving at the Senate. I did not know that it had been amended, in fact, until it was stated yesterday, and I have not had an opportunity to look at that amendment. I want to do that, and I do hope the Senator will lay that amended phraseology of the bill and that of the Dingley law side by side, and then take the table which I shall print, from which I have been reading, and it will be very easy for him to determine whether the increase on that number of yarn has been affected by the amendment or not, and just how much, if at all.

Mr. DIXON. There was some such amendment adopted, was there?

Mr. LA FOLLETTE. I beg pardon.

Mr. DIXON. There was some amendment adopted decreasing the rates.

Mr. LA FOLLETTE. I understand an amendment was adopted to paragraph 310.

Mr. DIXON. I should like to know, making a sincere inquiry—the Senator spoke of 23 decreases——

Mr. LA FOLLETTE. Twenty-one decreases.

Mr. DIXON. How many increases?

Mr. LA FOLLETTE. Seventy.

Mr. DIXON. With this amendment adopted by the committee, how many of the 70 increases have been taken out by the amendment adopted some days ago?

Mr. LA FOLLETTE. As I say, I have not had an opportunity to look at that amendment since it was adopted, but it will be very easy for the Senator to examine the amendment itself, as applied to each number of yarn, and ascertain whether the amendment wipes out any, and if any, how many, of the increases noted in the table from which I read. I can not state how many of the increases in the duties on yarns that amendment affects. It would not affect these increases on cloth, which embrace the bulk of the $10,000,000 of imports on which the duties are increased in this schedule.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I do.

Mr. NELSON. The amendment to paragraph 313 is pending, and has not yet been adopted, if that is the amendment to which the Senator from Montana refers—to the first paragraph of the cloth schedule. That amendment has not yet been adopted, but is pending.

Mr. LA FOLLETTE. The Senator from Montana inquired about paragraph 310, which is the paragraph relating to threads and yarns.

Mr. BROWN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Nebraska?

Mr. LA FOLLETTE. I do.

Mr. BROWN. I understood the Senator to say that the committee had recommended 21 decreases?

Mr. LA FOLLETTE. Yes.

Mr. BROWN. How does the Senator from Wisconsin explain the fact that our Committee on Finance made any decreases at all in this schedule?

Mr. LA FOLLETTE. I prefer to have the Senator propound that inquiry to the committee, or some member of the committee. It may be they can tell.

The next sample which I wish to offer—I will be through with this shortly, I have only two more—is one which illustrates in a very striking degree the defect in the Dingley law. It is not numbered, but it is covered by paragraph 304 of the Dingley Act. The present rate is only 1¼ cents on that goods, which is a very heavy piece of material, such as is used for a table cover to protect the top of a table, over which is spread the tablecloth. The ad valorem equivalent of the duty which it now pays under paragraph 304 is only 2.55 per cent. The value of the goods is 52.65 cents per square yard. Of course that is a duty which no one who believes in affording any protection to those engaged in the manufacture of that product would defend. It should be corrected. A full measure of protection should be given.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I do.

CRITICISM IS MADE FROM STANDPOINT OF A PROTECTIONIST.

Mr. DIXON. I am glad the Senator has taken up that special phase of it. Personally, I am a protectionist. I think we ought to make in this country everything we can. With respect to anything not subject to monopolistic control, I would not care much about the specific. I think competition would take care of it. Does the Senator, in his criticism of the bill, criticize it from the standpoint of a protectionist who believes——

Mr. LA FOLLETTE. I do.

Mr. DIXON. That this country should, as a great nation, be self-supporting and self-sustaining in all its branches, and should measure a tariff by the difference between the cost of production here and abroad? Does the Senator approach it from that standpoint?

Mr. LA FOLLETTE. I certainly do. I never have wavered for one moment in my support of a protective policy that measures the difference in the cost of production, which is so largely composed of labor, between this and competing countries; and I would not under any circumstances aid in reducing a duty in this bill below that point.

I will say further, Mr. President, that I might hesitate in some cases, where there had been a very excessive duty, with conditions adjusted to that, to cut it all down at one stroke, especially in cases where those who were receiving its protection had not been guilty of betraying the principle which I consider the handmaid of protection; that is, competition. In other words, I think the duties of the present law, taken as a whole, are very excessive. I have spent some time for years in endeavoring to learn the cost of production. It is very difficult. The information is elusive. But I have been forced to the conviction that the duties, generally speaking, are very excessive. I think they should be reduced to the measure of the difference between the cost of production here and abroad, except I think care ought to be taken that a change so sweeping should not be too suddenly made without full consideration of its effects upon business.

But I would not have much consideration for those engaged in lines of business where they have destroyed competition, made combinations, captured the control of the market, and have exacted for many years extortionate prices from the people of this country and put away enormous surpluses that outweigh the capital they have put into the business.

I would not be at all backward about making a reduction along those lines where only that class of people were to be affected, clear down to the base line, where it would simply take care of the labor in the industry.

Mr. DIXON. I was sincerely glad to hear the Senator from Wisconsin make the statement he has just made. Theoretically at least we stand on the same platform. It is merely a question of ascertaining the truth about the schedules.

Mr. LA FOLLETTE. That is all there is to it.

Mr. DIXON. I was impressed with what the Senator read yesterday about the yarn schedule. My judgment is that the true yardstick of protection is the fact of heavy importation of the article or its light importation. The heavy importation of a certain article would lead me to conclude that the tariff was not sufficient on it; a light importation amounting in some cases to practically nothing would lead me to believe that the tariff schedule in that case was a little too high, prohibitory; and in the yarn schedule, concerning which the Senator spoke yesterday, I confess I was impressed in many cases, where the importations amounted to only a very few thousand dollars, that the schedules in those cases had been unwisely raised. With that feeling I asked two or three members of the committee—not in the open Senate, but in personal conversation—and they assured me that the schedules the Senator was quoting had been eliminated from the bill by the amendment adopted some days ago. For that reason I rose in all sincerity to inquire what is the truth of it. Is the Senator basing his statement on schedules which have already been eliminated or is he down to the bare form presented in the bill as it stands?

For my own part I would be mighty glad if the members of the committee who have these cotton schedules specially in charge would in this discussion now being carried on answer specifically the charges that have been made by the Senator from Wisconsin. There is no need to get into any state of insurrection over it. I think if the debate could be carried on in more of a friendly spirit on both sides we would arrive at the truth, which I think all of us really want to know.

Mr. LA FOLLETTE. Let me say to the Senator from Montana that there can be no question at all about the increases which I am now citing. The only amendment that has been adopted relates to the yarn schedule, and the illustrations of increases which I am giving relate entirely to the cloth schedule and are based upon samples furnished out of the custom-house at New York; the figures are the figures of the chief examiner of the cotton division, and the increases are the increases as stated by him.

I think every Senator will have an opportunity to ascertain the facts, and I believe it to be the duty of every Senator, for himself, to make an investigation. I think there will be ample opportunity for that if this bill be not driven through whip and spur, so that the cotton schedule is passed before Senators can investigate it for themselves. It is merely a matter of comparison and close application to ascertain these differences.

Mr. DIXON. If it will not interrupt the Senator's argument, I should like to ask one or two other questions. I think we can really get at the bottom of some of these things. If it is a matter of truth that the old Dingley schedules, which I think are not seriously complained of by anyone in the Chamber—any Republican in the Chamber——

DINGLEY RATES EXCEED THE DIFFERENCE IN COST OF PRODUCTION.

Mr. LA FOLLETTE. They were not seriously complained of, if I may interrupt the Senator from Montana, by the cotton manufacturers when they first appeared before the Committee on Ways and Means, as I suppose the Senator has often observed in reading the hearings.

Mr. DIXON. As I understand the Republican Senators on this floor who are known as tariff revisionists downward, there is no serious complaint about the Dingley rates as applied to the cotton schedule. If, as a matter of fact, it should appear undisputed that the old Dingley rates, as applied to some of these manufactures, had been, through the decisions of the appraisers and of the courts, really construed into a condition where they did not give over 25 per cent of the original intention of the Dingley rates, would the Senator from Wisconsin now criticise the Finance Committee if in cases of that kind they had increased the rates to carry out the original intent of the Dingley schedules?

Mr. LA FOLLETTE. I wish the Senator from Montana would not anticipate me. I will come to that; I will answer it. I will say now that I think it is easily possible to demonstrate that the Dingley rates are away beyond the measure of the difference in the cost of production, and I think I can do that on the floor. I would be glad to see them reduced. I think they can be reduced greatly without any injury or peril to this industry. I think the Senator from Montana will be amazed when he comes to see how small is the difference in the cost of production between this and competing foreign countries. I think I will be able to show that from such sources as will carry conviction to any open-minded man.

It may be, as suggested by the Senator from Montana, that the only practical thing for us to try to do in this Senate at this time is to endeavor to maintain the Dingley law. I do not think that is right. I do not think that is what we promised the people. I do not think they would have pressed for five or six years for tariff revision simply by a new enactment to rivet the Dingley law again into the statutes of this country. They wanted revision, and revision based upon the true principle of protection, which is the difference between the cost of production in this and in competing countries. I think we will have much to answer for if we do not give it to them. I am sure it is proposed now that we shall revise the tariff not only so as to give them back the Dingley law, but to give them a very much larger burden to bear.

I think it will be possible as we proceed step by step to follow the changes that are made in this bill, to find out, not by any legerdemain for purposes of trickery, but by employing the best experts the Government can furnish, exactly what we are doing day by day. Let us know whether we are increasing the burdens upon the people of this country unnecessarily and are giving to manufacturers protection for combination which will destroy competition. Let us so proceed with this bill that we shall know what it is. Let us take no man's word for it. Let us accept only the demonstration made by the figures. Let us have the work of the best experts. We are entitled to it. When we are handling a piece of legislation that is of enormous importance, when we know from precedent that we can not in all human probability go back to it again in another decade of time, can anybody tell us why we should drive forward here blindly and in ignorance?

Mr. DANIEL. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Virginia?

Mr. LA FOLLETTE. I do.

Mr. DANIEL. By the courtesy of the Senator from Wisconsin, I wish to occupy the attention of the Senate for only one or two minutes. I wish to read a sentence from the writings of Alexander Hamilton, in which are conveyed a doctrine than which I know none more wholesome. In that sentence he says:

> Exorbitant duties on imported articles tend to render other classes of the community tributary in an improper degree to the manufacturing class, to which they give a premature monopoly of the market.

I also present, to be printed in the RECORD, a table prepared by the two experts who are serving the Democratic members of the Committee on Finance, entitled "Articles paying over 75 per cent under the Aldrich bill." In presenting this table, I have simply to say that the figures make a very prominent comparison with the few revenue items which the Democrats have voted for in the bill, none being above the most ordinary revenue rates and each paying into the Treasury the rates they call for, which are collected and applied to public wants and needs.

The PRESIDING OFFICER. The Chair hears no objection to the request of the Senator from Virginia, and the table will be inserted in the RECORD.

The table is as follows:

Articles paying over 75 per cent under Aldrich bill.

Paragraph.		Article.	Equivalent ad valorem.	
Dingley.	Aldrich.		Dingley.	Aldrich.
			Per cent.	*Per cent.*
43	39	Morphia, sulphate of	63.90	95.85
80	81	Vanillin	320.09	100.00
101	97	Window glass:		
		Above 24 by 30 inches and not exceeding 24 by 36 inches	78.69	75.26
		Above 24 by 36 inches and not exceeding 30 by 40 inches	87.39	84.15
103	99	Plate glass, ground or obscured:		
		Above 24 by 30 inches, not above 24 by 60 inches	93.05	93.05
		Above 24 by 60 inches	134.41	86.41
104	100	Plate glass, polished and unsilvered:		
		Above 24 by 30 inches, not above 24 by 60 inches	81.73	81.73
		Above 24 by 60 inches	155.02	100.04
105, 106	101	Plate glass, polished and silvered, above 24 by 30 inches, not above 24 by 60 inches	81.78	81.78
107	102	Plate glass, ornamented or decorated:		
		Not above 16 by 24 inches	125.34	125.34
		Above 24 by 60 inches	578.38	382.22
		Cylinder, crown, and common window glass, above 30 by 40 inches, not above 40 by 60 inches	92.28	89.47

Articles paying over 75 per cent under Aldrich bill—Continued.

Paragraph.		Article.	Equivalent ad valorem.	
Dingley.	Aldrich.		Dingley.	Aldrich.
			Per cent.	*Per cent.*
108	103	Spectacles, eyeglasses, etc., and parts, valued not over 40 cents per dozen	96.81	96.81
146	144	Card clothing, of tempered steel wire	64.67	78.83
153	151	Cutlery:		
		Pen or pocket knives, etc.—		
		Valued more than 50 cents and not more than $1.25 per dozen	93.23	93.23
		Valued more than $1.25 and not more than $3 per dozen	91.00	91.00
		Valued more than $3 per dozen	84.16	84.16
		Razors and razor blades—		
		Valued less than $1.50 per dozen	56.43	99.65
		Valued over $1.50 and less than $3 per dozen	54.85	87.83
		Valued $3 per dozen or more	56.49	80.03
155	153	Knives, with handles of deer horn	93.95	80.45
178	176	Silver leaf, in pads of 500 leaves	141.29	94.22
181	179	Lead-bearing ore	78.80	78.80
Sec. 6	190	Zinc, in ore	20.00	76.35
514	190	Zinc, in ore, calamine	Free.	84.88
209	213	Sugar, not above No. 16 Dutch standard:		
		Beet—		
		Between 88° and 94°	78.26	78.26
		Between 94° and 95°	76.56	76.56
		Between 95° and 96°	87.16	87.16
		Cane—		
		Between 80° and 81°	107.49	107.49
		Between 82° and 83°	91.08	91.08
		Between 85° and 86°	82.08	82.08
		Between 87° and 88°	81.81	81.81
		Between 88° and 89°	87.73	87.73
		Between 90° and 91°	120.19	120.19
		Between 93° and 94°	75.33	75.33
		Between 95° and 96°	90.46	90.46
		Between 96° and 97°	97.64	97.64
211	215	Saccharine	216.71	103.33
		Tobacco:		
213	217	Wrapper, etc., unstemmed	186.98	186.98
		Cuba, reciprocity	98.52	98.52
		Filler, stemmed	83.92	83.92
215	219	All other unmanufactured, n. s. p. f.	203.18	203.18
		Cuba, reciprocity	164.15	164.15
216	220	Snuff, etc	78.46	78.46
		All other manufactures of, n. s. p. f.	151.24	151.24
		Cuba, reciprocity	79.80	79.80
217	221	Cigars and cheroots, all kinds	152.86	152.86
		Cuba, reciprocity	87.81	87.81
		Cigarettes and paper cigars	146.72	146.72
		Cuba, reciprocity	120.68	120.68
		Total of tobacco schedule	87.20	87.18
		(Difference due to Philippine free trade.)		
232	236	Rice, cleaned, from Philippines	59.33	79.00
263	270	Comfits, sweetmeats, and fruits, preserved in alcohol	87.53	87.53
		France, reciprocity	100.70	100.70
266	273	Limes	88.36	88.36
284	291	Salt, in bulk	90.24	90.24
288	297	Brandy	118.94	137.44
		Cuba, reciprocity	77.14	89.14
		France, reciprocity	50.54	58.46
		Germany, reciprocity	118.80	176.51
		Italy, reciprocity	143.14	212.67
		Portugal, reciprocity	319.63	474.86
		Spain, reciprocity	86.56	128.61
289	297	Alcohol	1,018.29	1,176.73
		Cuba, reciprocity	1,647.88	1,904.31
		France, reciprocity	580.12	861.95
		Germany, reciprocity	803.75	1,194.15
		Gin	239.35	276.59
		France, reciprocity	294.17	303.33
		Germany, reciprocity	172.40	256.15
289	297	Other spirits, n. s. p. f.:		
		From grain—		
		Whisky	123.18	142.38
		France, reciprocity	101.55	150.83
		Germany, reciprocity	58.33	86.67
		All other	174.53	201.68
		France, reciprocity	75.83	108.72
		Germany, reciprocity	174.72	250.67
		Italy, reciprocity	108.16	160.70
		From other materials	277.35	320.51
		Cuba, reciprocity	164.36	189.93
		France, reciprocity	111.69	165.98
		Germany, reciprocity	125.77	187.16
291	299	Compounds or preparations of which distilled spirits are a part of chief value, n. s. p. f.	118.84	137.32
		Cuba, reciprocity	248.23	286.85
		Germany, reciprocity	218.98	225.33
292	300	Cordials, liqueurs, arrack, etc., and other beverages or bitters containing spirits, n. s. p. f.	113.81	131.52
		Cuba, reciprocity	81.87	94.66
		France, reciprocity	79.43	117.83
		Germany, reciprocity	107.85	160.24
		Italy, reciprocity	92.63	137.63
		Spain, reciprocity	83.46	124.00
		Switzerland, reciprocity	84.32	125.28
		Vermuth and ginger wine, over 14 per cent alcohol, from:		
		Germany, reciprocity	52.50	78.00
		Italy, reciprocity	55.39	82.39

Articles paying over 75 per cent under Aldrich bill—Continued.

Paragraph.		Article.	Equivalent ad valorem.	
Dingley.	Aldrich.		Dingley.	Aldrich.
		Vermuth and ginger wine—Continued.	*Per cent.*	*Per cent.*
		In bottles or jugs, from Italy, reciprocity	65.17	81.03
294	302	Bay rum or bay water	331.84	387.16
296	304	Still wines, in casks, 14 per cent or less of alcohol	69.76	78.48
		France, reciprocity	64.77	83.28
		Italy, reciprocity	85.38	109.91
		From 14 per cent to 24 per cent alcohol	78.41	94.09
		France, reciprocity	54.91	94.13
		Germany, reciprocity	54.57	93.55
		Italy, reciprocity	95.17	163.15
		Switzerland, reciprocity	51.13	87.65
		In bottles between 1 pint and 1 quart, Italy, reciprocity	52.03	77.00
301	309	Mineral waters, natural or artificial, otherwise than in bottles of not more than 1 pint	123.57	123.57
		Total of Schedule H	70.09	88.89
302	310	Cotton thread, colored, bleached, or dyed, No. 106	78.53	78.53
313	321	Cotton cloth, woven to form a figure, exceeding 100 and not 150 threads to the square inch; dyed, colored, stained, or printed; valued at more than 7 cents per square yard	77.22	77.22
330	336	Threads, twines, cords of flax, etc.:		
		90 lea	101.32	105.44
		96 lea	88.41	85.14
		100 lea	77.84	75.04
		149 lea	121.00	118.00
		176 lea	188.33	184.33
332	338	Gill netting, 5 lea	118.00	91.98
		SCHEDULE K—WOOL.		
361	368	Wastes: Slubbing, rings and garnetted	118.42	118.42
362	369	Shoddy	98.21	98.21
364	372	Wool and hair advanced beyond the scoured condition:		
		Valued not more than 40 cents per pound	149.00	149.00
		Valued over 70 cents	93.70	93.70
365	373	Yarns, etc.:		
		Valued not more than 30 cents per pound	143.02	143.02
		Valued more than 30 cents per pound	87.25	87.25
366	374	Knit fabrics (not wearing apparel):		
		Valued not more than 40 cents per pound	141.00	141.00
		Valued more than 40 cents and not more than 70 cents per pound	119.06	119.06
		Valued above 70 cents per pound	95.67	95.67
		Plushes and other pile fabrics:		
		Valued not over 40 cents per pound	141.78	141.78
		Valued over 40 cents and not over 70 cents per pound	114.37	114.37
		Valued more than 70 cents per pound	95.33	95.33
		All other manufactures wholly or in part of wool:		
		Valued not more than 40 cents per pound	140.55	140.55
		Valued more than 40 cents and not more than 70 cents per pound	128.11	128.11
		Valued more than 70 cents per pound	79.47	79.47
		Cloths, woolen or worsted:		
		Valued not more than 40 cents per pound	134.97	134.97
		Valued more than 40 cents and not more than 70 cents per pound	118.80	118.80
		Valued above 70 cents per pound	94.32	94.32
367	375	Blankets:		
		Valued not more than 40 cents per pound	107.60	107.60
		Valued more than 40 cents and not more than 50 cents per pound	106.12	106.12
		More than 3 yards in length:		
		Valued not more than 40 cents per pound	165.42	165.42
		Valued more than 40 cents and not more than 70 cents per pound	120.98	120.98
		Valued more than 70 cents per pound	104.55	104.55
		Flannels for underwear:		
		Valued not more than 40 cents per pound	143.67	143.67
		Valued more than 40 cents and not more than 50 cents per pound	101.26	101.26
		Valued more than 50 cents and not more than 70 cents per pound	105.49	105.49
		Valued above 70 cents per pound	86.39	86.39
		Weighing over 4 ounces per square yard—		
		Valued more than 50 cents and not more than 70 cents per pound	125.80	125.80
		Valued more than 70 cents per pound	106.57	106.57

Articles paying over 75 per cent under Aldrich bill—Continued.

Paragraph.		Article.	Equivalent ad valorem.	
Dingley.	Aldrich.		Dingley.	Aldrich.
		SCHEDULE K—WOOL—continued.	*Per cent.*	*Per cent.*
368	376	Dress goods, women's and children's coat linings, etc.:		
		The warp consisting wholly of cotton, etc., with the remainder of the fabric consisting wholly or in part of wool—		
		Valued not over 15 cents per square yard—		
		Not above 70 cents per pound	105.92	105.92
		Above 70 cents per pound	106.37	106.37
		Valued above 15 cents per square yard—		
		Not above 70 cents per pound	96.87	96.87
		Above 70 cents per pound	94.13	94.13
		Weighing over 4 ounces per square yard—		
		Valued more than 40 cents and not more than 70 cents per pound	115.53	115.53
		Valued more than 70 cents per pound	92.61	92.61
369	377	Composed wholly or in part of wool—		
		Valued not above 70 cents per pound	104.19	104.19
		Valued above 70 cents per pound	103.53	103.53
		Weighing over 4 ounces per square yard—		
		Valued more than 40 and not more than 70 cents per pound	118.27	118.27
		Valued more than 70 cents per pound	100.56	100.56
370	378	Felts, not woven	95.98	95.98
		Wearing apparel—Clothing, ready-made cloaks, jackets, ulsters, etc	80.32	80.32
		Hats of wool	85.61	86.61
		Knitted articles	92.17	92.17
		Shawls, knitted or woven	92.70	92.70
		Other clothing, ready made, etc	76.59	76.59
371	379	Webbings, suspenders, etc	80.83	80.83
374	382	Carpets, Brussels	75.81	75.81
382	390	Mats, rugs for floors, etc	114.66	114.66
386	394	Velvets, plushes, etc.:		
		Plushes	75.12	105.23
		Velvets, ribbons, etc	60.33	75.55
		Other pile fabrics	69.70	91.17
387	395	Silk, weighing not less than 1½ ounces and not more than 8 ounces per square yard:		
		In the gum—		
		Containing not more than 20 per cent in weight of silk	78.57	100.17
		Containing more than 20 per cent and not more than 45 per cent in weight of silk	67.03	78.20
		Containing more than 45 per cent in weight of silk	78.03	78.03
		Dyed in the piece—		
		Containing not more than 20 per cent in weight of silk	55.95	79.26
		Boiled off or printed, containing more than 45 per cent in weight of silk	87.80	87.80
		Dyed in the thread or yarn—		
		Black silk, except selvedges—		
		Containing not more than 30 per cent in weight of silk	54.86	128.06
		Containing more than 30 per cent and not more than 45 per cent in weight of silk	55.13	87.71
		Other than black—		
		Containing not more than 30 per cent in weight of silk	67.10	130.56
		Containing more than 45 per cent in weight of silk, weighted to exceed original weight of the raw silk	53.47	83.18
		Other, on which specific duty does not amount to 50 per cent	50.00	75.00
		SCHEDULE M—PULP PAPER, ETC.		
406	415	Playing cards	138.98	138.98
		SCHEDULE N—SUNDRIES.		
413	421	Buckles, trousers or waistcoat, of iron or steel, valued not more than 15 cents per hundred	77.48	77.48
414	423	Buttons, trouser, steel	126.88	126.88
420	429	Firecrackers	97.02	97.02
		Fireworks	20.00	75.00
424	433	Blasting caps	90.25	76.48
440 and 445	450a to 452e and 451	Men's gloves of sheep origin, unlined	81.38	81.38

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. I do.

Mr. GALLINGER. Getting back to the last sample the Senator exhibited, high-priced goods, which is now assessed at less than 3 per cent, I assume that that is due to the defect in paragraph 304. It was assessed, I take it, at 45 or 60 per cent after the passage of the Dingley law. It was assessed for a time at 45 or 60 per cent, was it not?

Mr. LA FOLLETTE. Certain of these goods were assessed at 60 per cent.

Mr. GALLINGER. Undoubtedly it was because of the court decision taking it out of the class originally given it and putting it into a class which was assessed at a very small amount.

Mr. LA FOLLETTE. At a very low rate.

Mr. GALLINGER. The Senator, of course, concedes—in fact, he has stated—that the defect in the law ought to be cured.

Mr. LA FOLLETTE. Without any question.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I will yield.

Mr. DIXON. If the Senator will yield to me, with all due respect to many of my colleagues here, I think there has been quite a widespread disposition on both sides of the Hall in one case to find technical objections to the bill and in the other case not to give such information as may be needful. I think I will rebuke both sides, now that I see that has been the policy here. I am in good faith trying to ascertain the truth. The Senator from Utah [Mr. SMOOT], who sits in my rear and is a member of the committee, tells me positively that of the supposed increases which the Senator from Wisconsin now recites as a matter of actual fact 21 per cent of them are decreases and not increases, and only three of the samples——

Mr. LA FOLLETTE. The Senator from Utah has had the opportunity to present the views of the committee to sustain that proposition.

Mr. DIXON. Will the Senator——

Mr. LA FOLLETTE. Wait a moment.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor.

Mr. LA FOLLETTE. The Senator from Utah demanded the right to make a statement without interruption. I want to say that I am perfectly willing to submit to reasonable questioning as we go along; but there is with every man a certain limit to his physical endurance. I have been on the floor now for two hours and a half, and I have not disposed of more than a fourth of the matter which I wanted to lay before the Senate to-day, in order to conclude what I have to say. Unless there is a disposition somewhere to push the bill through without a full discussion, the Senator from Utah will have his opportunity to rise and make an explanation of every sample I present and step by step to explain and answer every argument I make.

Mr. DIXON. Now——

Mr. LA FOLLETTE. I feel that it is due to a connected and proper presentation of the facts which at very great labor I have brought together that I should be allowed to proceed in a connected way with them, and I should like to conclude to-day.

Mr. DIXON. Just one other question, and I will not interrupt the Senator further. As a matter of fact, we have arrived at a situation in which the Senator is making direct charges in regard to these specific items which are so much at variance with the statements of the Senator from Utah, I would suggest that by the Senators yielding, one to the other, we might arrive at the truth without waiting for a set speech to-day, perhaps to be followed by another set speech.

Mr. LA FOLLETTE. In making a set speech I have shown, I think, reasonable liberality in yielding.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I yield.

Mr. NELSON. I want to say that in view of the fact that those who differ with the Senator from Wisconsin about the cotton schedule had the whole evening last night to discuss it and refused to do it, I think it is not fair to interject their speeches into the speech of the Senator from Wisconsin. They could have discussed it and given us some opportunity to hear their side of the case last night.

The PRESIDING OFFICER. The Senator from Wisconsin will proceed.

Mr. LA FOLLETTE. Mr. President, I had nearly concluded presenting a sample which shows the necessity for an amendment of the Dingley law. It is a sample of goods that is woven thick and heavy and used largely as a covering for dining-room tables.

I offer now a sample which shows a decrease of 44 per cent. It is one of those etamines we have heard so much about. It is covered by paragraph 339 of the Dingley act. The present rate is 60 per cent ad valorem; the value is 30 cents per square yard. The proposed new duty is 10 cents per square yard, and the ad valorem equivalent is 33⅓ per cent under paragraph 313. It is a decrease of 44 per cent.

I have here another decrease, a woven fabric dutiable at present at 60 per cent ad valorem and made dutiable under the proposed law at 30 per cent, a decrease of 50 per cent.

Mr. President, recapitulating, there were twenty-seven samples furnished to me by the government cotton expert, and I have laid them before the Senate just as they were furnished to me. Twenty-one of those samples show increases, four show decreases, and two show no change.

I took some pains to provide myself with some further samples, and I ask Senators to give me their attention now for just a few moments while I show five samples that were not provided by Mr. Parkhill.

Mr. NELSON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I do.

Mr. NELSON. In view of the samples the Senator has on his desk and the demonstration he proposes to give us, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Guggenheim	Perkins
Bacon	Crane	Hale	Piles
Bailey	Crawford	Heyburn	Rayner
Beveridge	Cullom	Johnson, N. Dak	Scott
Borah	Cummins	Johnston, Ala	Shively
Bourne	Curtis	Jones	Simmons
Bradley	Daniel	Kean	Smith, Md
Brandegee	Depew	La Follette	Smith, Mich
Briggs	Dick	Lodge	Smoot
Bristow	Dillingham	McEnery	Stephenson
Brown	Dixon	Martin	Stone
Bulkeley	Dolliver	Money	Sutherland
Burkett	du Pont	Nelson	Tillman
Burrows	Flint	Nixon	Warner
Burton	Frye	Overman	Wetmore
Carter	Gallinger	Page	
Clark, Wyo	Gamble	Paynter	
Clarke, Ark	Gore	Penrose	

The PRESIDING OFFICER. Sixty-nine Senators have answered to their names. A quorum is present. The Senator from Wisconsin will proceed.

SAMPLES FROM ANOTHER SOURCE.

Mr. LA FOLLETTE. Mr. President, before I was made certain that I could secure some samples through Mr. Parkhill, it occurred to me that I might provide myself with some samples which could not be open to the criticism applied by the Senator from Rhode Island to the samples presented by the Senator from Iowa—that they were furnished by importers—and I communicated with Mr. Gilbert E. Roe, of 96 Broadway, New York. Mr. Roe was for many years my law partner in Madison, Wis. Some years ago he removed to New York to practice law there. He is a very dear and intimate friend of mine, and I wrote to him and asked him to furnish, with such assistance as he might procure, a limited number of samples of goods of reasonable value per yard, such as were used commonly, and to take the samples to the custom-house at New York and see if they could be appraised and the duties under the present law and under the Senate bill stated upon them, and, if so, to have the proper memorandum made upon each one of them and send them to me. I have them here [exhibiting]. I have Mr. Roe's letter, which I will read:

ROE & MCCOMBS,
ATTORNEYS AND COUNSELORS AT LAW,
96 Broadway and 6 Wall street, New York, May 8, 1909.

Hon. ROBERT M. LA FOLLETTE, *Washington, D. C.*

DEAR SENATOR: Complying with your request, as expressed to me a few days ago, I have procured and caused to be mailed to you five samples (a, b, c, d, and e) of mercerized cotton cloth obtained from M. Park Parker, of 116 Franklin street, city of New York. Each sample was submitted to the appraiser here having charge of the appraisal of such goods at the New York custom-house. On each sample you will find pasted a statement showing value (cost) of the goods, present duties, and proposed duties under the Senate bill. In each instance the appraiser here confirmed these figures, that is, the value, present duties, and duties under the proposed Senate bill.

The statement attached to each sample, I think, requires no particular explanation and you may feel sure of its correctness. I call

your attention, however, to the two statements attached to sample a. One, as you will see, is based on the present cost of those goods, 5¾d. per yard, which would result under the duties proposed in a total duty of 7⅛ cents a square yard. The other statement is based on an increase in cost from 5¾d. to 6d. per square yard, which increase, resulting in a different classification, would mean a duty of 9 cents a square yard. This would result with even so slight an advance in the market as ¼d. a yard, and would thus make the duty increase 121⅛ per cent, as against the duty increase of 92¾ per cent on the 5¾d. cost.

Trusting that the samples sent with attached statements comply with your request and furnish you the information desired, I remain, as ever,

Yours, sincerely, GILBERT E. ROE.

The first sample, Mr. President, is designated "plain cotton cloth, bleached." I want to say that these five samples each relate to or come under a different paragraph. So each one of them is an illustration of the change that this proposed bill makes in the rate of duty on cloth under each count of a paragraph. The first is cloth under 100 threads [exhibiting] to the square inch. The actual count is 84 threads. It has a 27-inch width. It cost 5¾ pence. The square-yard value reduced to our money is 15.56 cents per square yard; present duty, paragraph 305, Dingley law, is 25 per cent ad valorem. You see, this would not come in paragraph 304 of the Dingley law because that includes only cloth not exceeding 50 threads. Now, paragraphs 304 and 305 of the Dingley law have been put together into paragraph 313 of this bill, and the double classification of 50 threads and below and from 50 up to a hundred has been put into one class, not to exceed 100 threads. This comes in that class.

SLIGHT ADVANCE IN VALUE GREAT IN DUTY.

The present duty, paragraph 305, Dingley law, 25 per cent ad valorem, equals a duty of 3.89 cents per square yard. The proposed duty, paragraph 313, Senate committee amendment, specific rate based on value, is 6½ cents per square yard. Being a mercerized cloth you add an additional duty under paragraph 321 of 1 cent per square yard, and you get a total duty of 7½ cents per square yard on this cloth, the square-yard value of which is practically 15½ cents. That is a difference between the present duty and the proposed duty of 3.6 cents per square yard, or a duty increase of 92¾ per cent. There is the sample. [Exhibiting.] That sample has been to the custom-house at New York; and that is the record written upon it there.

Take that same cloth and suppose there were a slight advance in price, say, for 5¾ to 6 pence per yard. Being under a hundred threads, it still comes under paragraph 313 of the proposed bill or under paragraph 305 of the present Dingley law; it is still 27 inches wide, too; but it costs 6 pence. That makes the square yard value 16.24 cents. The present duty, paragraph 305 of the Dingley law, is 25 per cent ad valorem, which equals 4.06 cents. The proposed duty, paragraph 313 of the Senate bill, specific, based on value, is 8 cents per square yard. Then for mercerizing a cent is added. The entire duty added to this cloth by this bill, at that value, makes it 9 cents per square yard, an increase of $4\frac{5}{10}$ cents per square yard over the duty it would take at the same value under the Dingley Act, which is an increase of duty of 121½ per cent over the present rate of duty.

Mr. President, there [exhibiting] is a colored cotton cloth. It comes in the class of 100 to 150 threads to the square inch. The actual count of threads in that is 148 threads to the square inch. It is 26 inches wide, and it costs 5⅞ pence a square yard. The value is 15.1 cents per square yard, and the present duty under paragraph 306 in the Dingley Act at 35 per cent ad valorem amounts to 5.29 cents. The proposed duty under paragraph 314 of the Senate bill, specific, based on value, is 7 cents a square yard. For mercerization another cent is added, which makes the specific duty on this piece of cloth, the yard value of which is 15.1 cents, 8 cents per square yard, or an increase of 2.7 cents per square yard over the existing rate, a duty increase of 51½ per cent. This is cheap dress goods, a substitute for silk, which the masses can afford to buy. It retails at 19 cents a yard and is sold all over the United States.

I present a sample [exhibiting], which is ratable under paragraph 314 of this proposed bill. It would be ratable under paragraph 306 of the Dingley Act. This is common dress goods for the masses. It is mercerized. It has 130 threads to the square inch. It costs 6½ pence. The square-yard value is 17.43 cents. The present rate of duty under paragraph 306 of the Dingley law is 35 per cent ad valorem, which equals 6.1 cents per square yard. The proposed duty under paragraph 314 of the Senate bill, specific, based on value, is 8 cents per square yard. Being mercerized, 1 cent more is added, which makes the total duty of 9 cents per square yard, or 2.9 cents increase per square yard over the existing Dingley law, which is an increase, when reduced to a percentage, of 47½ per cent over the present rate.

The next sample [exhibiting] is from 150 to 200 threads, which carries it over into paragraph 307 of the Dingley Act and into paragraph 315 of the Senate bill. The value of this piece of goods is 6¼ pence, which makes a square yard value of 15¼ cents per yard. This is common colored cotton dress goods. It is used by the masses, and it is made in the United States in great quantities. There is hardly any of it imported into this country under the present duty. It is representative of a grade of goods of which our manufacturers have an exclusive market; and yet, Mr. President, it is subjected to the following changes of duty under this bill: Its present duty is 6.3 cents per square yard. The duty which it takes under the proposed bill, section 315, is, first, the specific duty of 7 cents, then the mercerized duty of 1 cent added to that, which makes it 8 cents, which is an increase of 1.7 cents per square yard over the existing rate, or an increase of 27 per cent.

Just one more of these samples, Mr. President, and then I have finished with them. That [exhibiting] is black satin and very common. It is valued at 20.9 cents per square yard. It has between 200 and 300 threads per square inch. The actual count is 230 threads. It costs 8¾ pence net. The present duty, under paragraph 308 of the Dingley law, is 40 per cent ad valorem, which equals 8.36 cents per square yard. The proposed duty under paragraph 316 of the bill, specific, based on value, is 11¼ cents per square yard. Being mercerized, you add a cent a yard, which gives the total duty in the proposed Senate bill 12¼ cents per square yard. That is the duty that cloth must pay under this bill. Under the Dingley law it would have to pay 8.36 cents per square yard. The changes in this bill increase the duty on each square yard of that cloth 3.89 cents, which is a duty increase of 46 per cent.

Mr. President, permit me to say I shall be able to furnish Senators with a small piece of each of these samples, mounted upon a sheet of paper, with the data which I have given printed upon it, and they can examine them at their convenience.

Mr. STONE. Mr. President, may I interrupt the Senator for a question?

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Missouri?

Mr. LA FOLLETTE. I do.

OFFERS SAMPLES TO FINANCE COMMITTEE FOR REPLY.

Mr. STONE. Mr. President, it is contended by Senators on the Finance Committee that there have been no material increases in this cotton schedule. The Senator from Wisconsin has given specific examples in a very striking statement in detail, and he now says he will furnish the data to individual Senators. I should like to know if the Senator is not entirely willing to furnish these various samples to the members of the Finance Committee that they may show, if they can, any error in his statement?

Mr. LA FOLLETTE. I have here, Mr. President, printed the data which I have submitted with respect to these five samples which——

Mr. STONE. I should like to know——

Mr. LA FOLLETTE. I have appended to it a small piece of each sample, and I have a sufficient number to furnish one to every Member of the Senate, and I shall be glad to do so.

Mr. STONE. I see that all the Finance Committee are absent.

Mr. LA FOLLETTE. If I am wrong, Mr. President, in any way, I do not want to foreclose anybody from an opportunity to set me right before the vote is taken upon this schedule.

Mr. DIXON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I yield for a question.

Mr. DIXON. I was glad to hear the suggestion of the Senator from Missouri [Mr. STONE]. We are now confronted here with diametrically opposed statements. I want to know what is the truth. The Senator from Wisconsin [Mr. LA FOLLETTE] makes the positive statement that the increases in this schedule are from 30 to 40 per cent, while the Senator from Utah [Mr. SMOOT], who sat here a moment ago, positively says they are decreases of 33⅓ per cent. I said, "Why, then, do you not interrupt the Senator from Wisconsin and make the explanation?" Would it not be possible for the Senator from Wisconsin and the Senator from Utah right now to settle this matter before the Senate? The Senator from Utah says the Senator from Wisconsin will not yield to him.

Mr. LA FOLLETTE. I think it would have been possible for the Finance Committee to furnish to this body detailed explanations of the changes which they have made in this bill, and then have given us time to have investigated the matter.

Mr. DIXON. Will the Senator from Wisconsin let the Senator from Utah interrupt him at this time?

Mr. LA FOLLETTE. I will turn over to the Senator from Utah every sample which I have presented to the Senate and allow him to explain away these increases, if he can, when I get through.

Mr. DIXON. But not at this time?

Mr. LA FOLLETTE. I think that is a reasonably fair proposition.

Mr. DIXON. Why not let it be done now as we go on with the argument?

Mr. LA FOLLETTE. Mr. President, the Senator from Montana, I think, is too persistent.

The VICE-PRESIDENT. The Senator from Wisconsin declines to yield further.

Mr. DIXON. I may be persistent, Mr. President, but I want to know what the truth is.

The VICE-PRESIDENT. The Senator from Wisconsin prefers not to yield further.

Mr. LA FOLLETTE. I observe that the Senator from Montana is a good deal more interested in this matter than are the members of the Finance Committee.

Mr. STONE. Not one of whom is present.

Mr. LA FOLLETTE. Oh, yes; there is a member of the Finance Committee present. The Senator from California [Mr. FLINT] is here.

Mr. STONE. But he has just come in.

Mr. MONEY. Mr. President, I ask——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Mississippi?

Mr. LA FOLLETTE. Certainly.

Mr. MONEY. I ask if it will inconvenience the Senator for me to have read in the line of his argument—or he can read it himself, if he chooses—a reference to this schedule which probably has escaped his notice?

Mr. LA FOLLETTE. I will ask the Senator to read it, if he will.

Mr. MONEY. I will send it to the Secretary's desk and ask to have it read.

The VICE-PRESIDENT. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

[S. Doc. No. 75.]

MEMORANDUM ON COTTON SCHEDULE.

On the first paragraph in the cotton schedule, No. 310, the "Estimates of revenues" proposed by the Finance Committee show that the duties have been increased on cotton threads, not sewing, darning, or embroidery cottons, $40,518.97. But this does not represent the full increase. A new classification with greatly increased duties has been introduced, notice of which is not taken in the above estimates.

The following shows the present and proposed rates on certain sized threads:

Threads advanced beyond the condition of singles.

Number.	Present duty (per pound).	Proposed duty [a] (per pound).
20	6 cents	6, 8, and 9 cents.
30	7½ cents	7½, 12, and 13½ cents.
40	10 cents	10, 16, and 18 cents.
60	15 cents	15, 24, and 27 cents.
80	25 cents	24, 32, and 36 cents.
100	30 cents	30, 40, and 45 cents.
200	60 cents	60, 80, and 90 cents.
270	81 cents	67 cents, $1.08, and $1.12½.

[a] Not less than 25 per cent ad valorem.

In the estimated revenues referred to above no notice is taken of the duties shown in the last two columns of the above table, although much of the imports would fall under these two heads. They cover thread used in the making of lace curtains, mixed cotton and woolen goods, automobile cloth, etc.

Mr. MONEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield further to the Senator from Mississippi?

Mr. LA FOLLETTE. Certainly.

Mr. MONEY. If the Senator wants to go on, of course he can do so; but I will ask now, if he will permit me to further interrupt him, to introduce a table, which states what the rates of wages are in different occupations in France, Germany, and Great Britain, and also in the United States—a question which has been very much in dispute here, especially in connection with the document furnished by the German Government. If the Senator desires to go on, I will not interrupt him.

Mr. LA FOLLETTE. I yield to the Senator if the Senate will permit me to yield for that purpose. I will be very glad of the interruption, as it will permit me a little breathing spell.

The VICE-PRESIDENT. Is there objection? The Chair hears none.

Mr. MONEY. I send to the desk and ask to have read a table, but before the Secretary begins the reading, I want to explain to the Senate that this is a report of the board of trade of the United Kingdom. That is not a commercial board, as its name would imply, but it is an administrative board of the Government, and the secretary is a member of the British Cabinet. It was not introduced lately, and has no reference to this debate or this discussion, because it is two or three years old. It is simply one of the reports that they make annually to their Government. I also ask consent of the Senate that these two tables be printed as a Senate document for the convenience of Senators. They will find it very useful in that form.

The VICE-PRESIDENT. Is there objection to the request? The Chair hears none. The Secretary will read as requested.

The Secretary read as follows:

Average wages, 1905, per week in the following countries.

Trade.	Occupation.	England.	Germany.	France.	United States.
Building (London)	Bricklayers, masons, carpenters, and joiners	$10.64	$9.77	$9.34	$26.10
	Plumbers and plasterers	11.35	7.82	9.34	22.10
	Painters	8.75	7.90	9.34	17.28
	Laborers	7.09	7.82	5.83	9.40
Engineering	Fitters, turners, and smiths	9.48	8.02	11.68	15.29
	Pattern makers	10.58	8.02	13.38	18.30
	Laborers	5.82	5.10	5.83	8.96
Boiler making (new work)	Platers	10.94	7.75	11.68	16.40
	Riveters and calkers	9.24	7.75	10.70	15.68
Furnishing	Cabinetmakers	10.22	8.99	10.50	15.50
	French polishers	9.57	9.73	10.50	----------
	Upholsterers	10.95	8.51	10.46	18.62
Printing	Compositors (job)	9.48	8.89	8.16	18.50
Cotton	Weavers	6.08	4.62	4.86	9.00
	Mule spinners	10.95	7.78	7.54	11.44
Wool	Weavers	6.08	4.37	4.66	11.22
	Spinners	2.44	6.56	4.96	11.00
	Combers	5.23	4.74	4.19	7.08
Silk	Weavers	5.59	5.47	4.38	11.50
Pottery	Potters	7.29	8.51	5.83	22.36
	Overmen	8.51	10.21	8.74	18.33
Wire	Drawers	10.34	7.29	10.50	----------
	Weavers	9.73	----------	5.83	----------
	Galvanizers	7.41	----------	----------	----------
	Laborers	4.74	4.62	5.24	----------

NOTES ON AVERAGE WAGES.

The wages given for England, Germany, and France are taken from the "Report of an enquiry of the board of trade into working-class rents, housing, and retail prices, together with the standard rates of wages prevailing in certain occupations in the principal industrial towns of the United Kingdom."

The wages given for the United Kingdom relate to September, 1906, except in the engineering group, where the figures relate to October, 1905.

The wages given for Germany and France relate to October, 1905.

The report says: "The general result of the comparison (of wages) is to show that in German towns the workmen engaged in these trades receive about 17 per cent less money wages in return for a week's work of about 10 per cent longer duration than the corresponding English workman," and in France "15 per cent lower than the Germans."

The wages given for the United States are taken from the Bulletin of the Bureau of Labor of July, 1905.

Mr. MONEY. I will say that the item in this statement as to the wages in the United States is not a part of the British report, but is from the United States Bureau of the Census. I am obliged to the Senator from Wisconsin.

DUTIES ON MERCERIZATION.

Mr. LA FOLLETTE. Mr. President, I desire now for a few moments to discuss the duties on mercerization. Paragraph 321 of the bill provides for imposing a new duty for mercerization of yarns and cloth. Paragraph 318 provides for cumulative duties on all cotton cloths in which other than the ordinary warp and filling threads are used to form a figure or fancy effect, of 1 cent per square yard if valued at not more than 7 cents per square yard, and 2 cents per square yard if valued at more than 7 cents per square yard. If paragraph 318, so far as it relates to the count of warp and filling threads, is adopted, there is no possible reason for the existence of paragraph 321.

I invite Senators to study these two paragraphs of this bill, particularly paragraph 318 and paragraph 321, in connection with paragraphs 313, 314, 315, 316, and 317. I think a careful reading of those paragraphs by any Senator will convince him that paragraph 321 should not be adopted. If paragraph 318 is adopted, all of the threads will be counted and the class of the cloth will be determined by the count. Under the present law only warp and filling threads are counted to determine the classification of cloth and the duty which it shall pay. The effect of this new provision is to require the counting of all threads, and thus to raise the cloth to a higher class and subject it to an increased rate of duty. In addition to that, the specific rates based upon value would apply to all of these cloths, and a duty will be paid upon the value of the figures or fancy effects under the counted-thread paragraphs of the bill.

Paragraph 321 provides that all cotton cloth mercerized, or subjected to any similar process, shall pay a cumulative duty of 1 cent per square yard. There was not one word of testimony before the Committee on Ways and Means concerning the subject of mercerization of cotton cloth. There was testimony given there upon the subject of the mercerization of cotton yarn. No one appeared there to ask for an increase of duties upon this account. The only mention made anywhere of the necessity of a duty for cloth mercerization is contained, not in any testimony, but in a letter from Mr. Lippitt, representing the Arkwright Club of Boston, Mass., dated January 15, 1909, and addressed to Mr. PAYNE, as chairman of the Committee on Ways and Means. Mr. Lippitt proposes certain amendments to paragraphs 310 and 313 of the Dingley law, which amendments have been referred to by the Senator from Iowa [Mr. DOLLIVER] and shown to have been adopted exactly as written by Mr. Lippitt.

Mr. President, I want again to press home in just one sentence upon the attention of this Senate that if the manufacturers in this country or the producers of cotton cloth, especially of mercerized cotton cloth, were suffering to any very great extent it would not have been overlooked until after the hearings had closed before the Ways and Means Committee. This subject, which has been so much discussed here, which has been so many times referred to by members of the committee as the reason for the cumulative duties which are coming in here under paragraph 321, ought to be scanned very critically by the Senate before it imposes the additional burden of this double duty.

The Senator from Massachusetts says on the subject of mercerization:

> Mr. LODGE. It seems to me very plain that if cloth comes in not mercerized, it comes in under another paragraph—as advanced in manufacture—and pays a different rate. If it comes in mercerized, it does not come in under the other paragraph too. It does not pay the other duty on being advanced for mercerization. The cent covers the whole cost of mercerization; not only the caustic bath, but all the construction of the cloth which makes it fit. The cent covers the whole thing. You can not bring it in under two paragraphs at once.

WRONG IMPRESSIONS AS TO MERCERIZATION.

The Senator from Massachusetts made that statement—a remarkable statement, at complete variance with the judgment of the chief examiner of the New York custom-house—when speaking upon the subject of mercerization. He claimed that mercerization was an expensive process, not in itself, but because of the preparation needed to fit the cloth for mercerization. He was asked whether prepared cloth, and not mercerized, would be subject to this mercerization duty of 1 cent per square yard. He replied that it would not, but said that such prepared cloth would be subject to a duty under the paragraph providing for duties upon cloth advanced in manufacture, evidently referring to paragraph 330, which carried a duty of 45 per cent ad valorem.

Whether the Senator from Massachusetts seriously makes this contention or not, he is clearly wrong in making the claim.

Paragraph 318, defining the term "cotton cloth," includes all cloths bleached, dyed, colored, stained, mercerized, painted, or printed. This being true, it certainly must be true that all cloths in any process of manufacture between the gray or unbleached and the dyed or mercerized, or printed, comes within paragraph 318, and takes a classification as countable cotton cloth. This being so, any expense there may be in preparing cloth for mercerization can not in any way be considered in determining whether the proposed duty of 1 cent per square yard for mercerization is a proper one or not. The duty proposed for mercerization is for mercerization as such, and nothing more, and does not include any preparation of cloth for any such process.

Again, the Senator states that it is necessary to use two or more single yarns in the process of mercerization. Will the Senator contend that if this necessity exists in this country that it does not also exist in England and other countries? The Senator contends that finer numbers are necessary in cloths to be mercerized than in other cloth. Will he contend that this same necessity does not exist in England?

He contends that extra quality of cloth is necessary. Is not that extra quality of cloth also necessary abroad? He contends that in the process of mercerization the yarn shrinks from 8 to 10 per cent. Does it shrink any less in England?

The fact is that any weave of cloth suitable for mercerization, so far as being dutiable is concerned, is fully covered by the counted-thread paragraphs of this schedule. And the only thing that can be properly considered in this connection is the actual cost of mercerizing, which is less in this country than in England.

Mr. President, just a moment upon the mercerization of yarns. There has been some dispute in the course of this debate as to whether or not single yarns could be mercerized. I have here two samples of mercerized yarn in singles. They were mercerized by the Rhode Island Processing Company, Coventry, R. I., for 5 cents per pound. I received this sample from Mr. S. A. Salvage, 477–481 Broome street, New York. His letter is as follows:

> MY DEAR SIR: I inclose you a copy of my letter to Senator J. P. DOLLIVER.
>
> *Single mercerized yarn.*—I am sending you, under separate cover, a small sample to show the samples I have sent to Senator DOLLIVER.

Peeler mercerized yarn, which is yarn made from American cotton, and which the Senator from Utah interrupted the speech of the Senator from Iowa [Mr. DOLLIVER] to declare could not be successfully mercerized. According to the information I have, the Senator from Utah was mistaken about that.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. I do.

Mr. SMOOT. I do not want to interrupt the Senator.

Mr. LA FOLLETTE. I will yield if I have misquoted him.

REFUTES A STATEMENT FROM THE FINANCE COMMITTEE.

Mr. SMOOT. No, he did not misquote me any further than that commercially local cottons are not used for mercerization. There is no question but that you can take a sample and mercerize it; you can mercerize a piece of yarn.

Mr. LA FOLLETTE. I thought the Senator wished to interrupt me to ask me to correct a statement or something of that sort, and not simply to deny a statement.

I have here invoices of that very kind of yarn that has been mercerized in the regular course of business, which show that peeler yarn is extensively mercerized commercially. Mr. Salvage says:

> I am also sending you a sample of 2/50 combed peeler mercerized, which is mercerized by the Rhode Island Processing Company, Coventry, R. I., for 5 cents per pound. There is a very large business done in these yarns, and this contradicts what was said during Senator J. P. DOLLIVER'S speech to the effect that peeler cotton was not mercerized.

Reverting for a moment to paragraph 310, in addition to the specific duties prescribed in the proposed bill in paragraph 310 it is provided that all of the threads and yarns therein designated when mercerized shall pay one-twentieth of 1 cent per number per pound. This provision imposes an additional duty running as high as 13½ cents per pound for the highest numbers in the schedule, namely, No. 270.

The largest imports of any single number is No. 60, the imports being 968,875 pounds. On this number the additional duty for mercerization will be 3 cents per pound, which is

an increase of 20 per cent on so much of this yarn as is imported mercerized. Yet the committee's table shows this duty as not increased.

On No. 120 the imports were 248,107 pounds, and here the additional duty will be 6 cents per pound, an increase of 16.66 per cent on the mercerized yarn, although the duty is given as unchanged in the committee's estimate.

The fact is that mercerization costs no more in this country than abroad, and in some cases it actually costs less.

PRICES OF MERCERIZATION LOWER HERE THAN ABROAD.

The Bradford Dyers' Association, of Bradford, England, are the largest mercerizers in that country. Their prices for mercerizing, as shown by their cablegram to S. A. Salvage, of New York, are on two-ply yarn numbers up to 78, 7 cents; up to 100, 9 cents; up to 120, 11 cents.

Mr. Salvage cabled for their prices on the 14th day of May, and on the 15th day of May he received the cablegram which I hold in my hand. The key to the cablegram accompanies it and I shall be very glad to submit it to any Senator. Translated, the cablegram is as follows:

BRADFORD, ENGLAND.

S. A. SALVAGE, *New York, U. S. A.:*

Mercerizing here home and shipping, up to 2/78, 3½d. (7 cents); 2/100, 4½d. (9 cents); 2/120, 5½d. (11 cents).

BRADFORD DYERS' ASSOCIATION.

The principal mercerizers of cotton yarns in this country are: American Thread Company, New York; Arlington Mills, Lawrence, Mass.; Aberfoyle Manufacturing Company, Chester, Pa.; Hampton Company, East Hampton, Mass.; Rhode Island Processing Company, Coventry, R. I.; and Wm. H. Lorimer Sons Co., Philadelphia.

The Rhode Island Processing Company make a price, in a letter to Mr. Salvage, of 6 cents per pound, with 2 per cent discount. The original letter I hold in my hand, and will print it in this connection.

The VICE-PRESIDENT. Without objection, permission is granted.

The letter is as follows:

RHODE ISLAND PROCESSING COMPANY (INCORPORATED),
Coventry, R. I., May 13, 1909.

Mr. S. A. SALVAGE, *New York City.*

DEAR SIR: In answer to your inquiry of the 12th regarding our prices for mercerizing 5,000 pounds 40.2 Egyptian yarn skeins, and if our price is anything less for warps, might state our charge is 6 cents per pound in either case, although you get very much better results in warp mercerizing, and our terms are 2 per cent 10th of following month.

Very truly, yours, RHODE ISLAND PROCESSING CO.

Mr. LA FOLLETTE. The Hampton Company, on May 13, 1909, made a price to Joseph Meyer & Co., of New York, of 10 cents per pound, subject to a discount of 30 per cent, leaving a net price of 7 cents per pound.

The Aberfoyle Company, in a letter to Mr. Salvage, dated October 26, 1908, made a price of 7 cents per pound, less 2 per cent discount.

In an invoice made by the Rhode Island Processing Company on March 16, 1900, to G. L. Lings & Co., New York, the price of mercerizing was made 5 cents per pound.

Lings & Co., in their letter of May 13, 1909, state:

We pay to mercerize in the United States from 5 cents to 7 cents per pound, whereas in England we pay 7 cents on all the yarn we get mercerized.

This invoice shows the mercerizing of peeler cotton in large quantities, although the statement has been made and repeated here by the Senator from Utah [Mr. SMOOT] that peeler cotton was not mercerized commercially.

According to "Estimated Revenues" it would appear that there would be only a slight increase in the duties on any of the items mentioned in paragraph 310. The mercerization duty is not added in the table to a single item in the paragraph, whereas the mercerization duty would apply to most of the imports actually made in 1907.

James Whiteside, of New York, writes:

I am an importer of cotton yarns from Manchester, England. My imports average about 75 per cent mercerized cotton yarns, and about 25 per cent of ordinary cotton yarns.

Ludwig Littauer writes:

We are importers of cotton yarns, and we estimate that our imports contain about 40 per cent of mercerized yarns.

Meyer & Co., of New York, write:

We are importers of cotton yarns. We import unmercerized as well as mercerized yarns, and beg to state that the proportion of mercerized yarns amounts to about 70 per cent and of the unmercerized, about 30 per cent of the plain cotton yarns.

Cotton cloth mercerized, or subject to any similar process, is, by paragraph 321, made subject to an additional duty of 1 cent per square yard.

Of the cost of mercerizing cotton cloth, Sherman & Sons' Co., of New York, write:

We are paying for 32-inch to 40-inch goods, weighing from five to ten yards (per pound) $\frac{7}{10}$ cent for the plain or bleached finish and 1¼ cents for the same goods both bleached and mercerized. You will note here, therefore, a difference of $\frac{7}{10}$ cent, showing the cost of mercerizing.

That letter is from as reputable a merchant as there is in the city of New York.

A. L. Reid & Co., of New York, seem to have some acquaintance with the subject of mercerization. They were applied to for information by the experts of the Finance Committee, although the information furnished was apparently not considered by the committee and was not presented to the Senate. I have here a letter which is a copy of a letter transmitted by A. L. Reid & Co. to Hon. Marion de Vries, care the Senate Finance Committee, Washington, D. C., Senate Office Building, etc. The letter is as follows:

In reply to your telegram requesting the general prices paid to bleachers, dyers, and finishers for mercerizing, we give you as follows: 36-inch brocades, madras, etc., similar, ¾ cent.

That is exactly the quality of goods of which I showed samples here this morning.

40-inch sheer fabrics average ¾ cent.

To show how these figures are arrived at, we have to-day compiled the following in conjunction with bleaching:

Bleacher: Cost of bleaching and mercerizing brocades and madras, 36-inch or less, 1¼ to 2 cents, depending on weight; cost, without mercerizing, ¾ to 1 cent.

Making the cost of mercerizing from ¾ to 1 cent per pound, as shown by these figures. This man was considered trustworthy enough to be communicated with by the adviser of the Finance Committee in dealing with the subject of mercerization. Again, this letter says:

Bleacher: Cost of bleaching and mercerizing sheer fabrics 40 inches wide, 1¾ to 2 cents, depending on weight. Cost of finishing without mercerizing, 1 to 1¼ cents.

Which equals ¾ to 1 cent per pound for mercerizing.

Brocades and madras in heavier weights cost a higher price, while in sheer fabric the lighter weights are the higher, owing to their liability to damage.

The bleachers require a working loss of 2½ per cent on all piece mercerized fabrics.

ANONYMOUS STATEMENTS IN THIS DEBATE.

The Senator from Massachusetts [Mr. LODGE], in discussing the subject of mercerization, presented among others the following samples [exhibiting], which he was kind enough to allow me to take and which I have had examined, and upon which I wish to make some comment.

I was much surprised to find on the back of these samples that letter [exhibiting]. I had supposed of course that this sample had been furnished the Senator from Massachusetts by some patriotic and disinterested New England manufacturer of that kind of cloth. I found a letter transmitting that sample to the Senator from Utah, and I was a good deal shocked to find that it was furnished by an importer. I had hardly supposed that these men who are seeking to force their way into the markets of this country and to destroy our industries and pauperize our laborers would be relied upon even for a sample of cloth that might support the position of the committee.

I digress at this point for a second to say that when the Senator from Massachusetts printed his speech in the CONGRESSIONAL RECORD and I came to read it over, I was astounded to find in it a statement made at considerable length with respect to the dividends paid by certain New England cotton mills, and to find that that statement, which is in the form of a letter, was printed in the RECORD without any signature attached to it, and to find that another statement, taken from some newspaper and incorporated in his address made in the Senate, is unsigned and bears no indication of its source.

There are two anonymous statements, with respect to important facts intended to influence the judgment of the Senate in determining legislation, and to find that these anonymous communications of opinions and statements of fact had been offered here, after all the criticism that has been heard on this floor of the action of the Department of State in transmitting to the Finance Committee a statement of German wage rates from which the department had erased the names of the German manufacturers, appealed to me as inconsistent, to say the least.

I have here some of the samples used by the Senator from Massachusetts [Mr. LODGE] on which I wish to make the fol-

lowing criticisms and submit them for such analysis and such answer as it will be possible for any Senator to make.

ANALYSIS OF SAMPLES SUBMITTED BY SENATOR LODGE.

Attached to some of the Senator's most striking samples, comparing a piece of finished cloth, dyed brown and mercerized, with a piece of unfinished, unbleached cloth prepared for mercerization, is the following memorandum—and I read it because it was the Senator's statement and it is still pinned to the cloth. I want it in the mind of the Senate in fairness to the Finance Committee and the Senator from Massachusetts when I read the counter statement:

Finished and unfinished samples of cloth for mercerization, 136 threads to the square inch, 34 inches wide, weighing 6.4 yards to the pound.

On May 14, 1909, a prominent merchant in New York paid a New England mill 6.5 cents per yard for this cloth unfinished. At the same time another mill offered to make cloth of the same width, weight, and count of threads to the square inch, but not of special construction fitting it for mercerization, at 3.7 cents per yard, an additional cost of cloth suitable for mercerization of 2¾ cents per yard.

Cost of mercerization, 1 cent per yard.

Total additional cost, 3¾ cents per yard.

This unbleached sample is of the same cloth as the dyed-brown sample, but is not mercerized, bleached, dyed, or printed. It can be either bleached, dyed, printed, or mercerized. Or it can be mercerized and bleached, mercerized and dyed, mercerized and printed, or mercerized, dyed, and printed; and its use is not in any sense confined to mercerization. Mercerization is only incidental to some finishes desired. The superior qualities of the cloth would render it just as suitable for calendering or plain finishes of various sorts. This cloth is largely used for French linen finishes.

The average value of this cloth bleached is 9.25 cents per yard; dyed, is 9.75 cents; mercerized and bleached, 10 cents; mercerized and dyed, 10.5 cents; printed, slightly more, varying according to the number of colors wanted.

Exactly the same preparation is necessary to produce this grade of cloth whether it is intended to be only bleached or dyed, or is intended to be mercerized and bleached, or mercerized and dyed. Its cost for any purpose is not in any sense to be compared with the cost of cheaper cloth of the same weight and count, costing only 3¾ cents per yard in the gray. This cloth has a fine warp and a much coarser weft, the latter of a very soft-spun single yarn of good quality, which renders it particularly adapted for the production of a good luster when mercerized or calendered or for any other fine dress finish and produces a better wearing cloth.

The cost in the gray is correctly given at 6⅜ cents per yard. When, however, one compares with this cloth an ordinary print cloth of the same weight and count, but which costs less than 4 cents per yard, it is like comparing a fine rug with a cheap mat. Either cloth could be mercerized at a cost of ¾ of a cent a yard, but the result would, of course, be different, as it would be in the case of the application of any fine finish. A 4-cent print cloth would not luster, while a fine, soft finish fabric, like this sample, would give a good luster. But the better cloth is not confined in its use and adaptability to mercerization finishes.

Mr. President, of course I do not state these facts on my own knowledge of this business. I want to be entirely frank with the Senate. I was instructed in so far as I could take instruction in the matter from Mr. R. K. Maclea, of New York, and I give his name freely to the Senate and to the Finance Committee for such criticism as anybody may think best to attempt to make of him. Let me say that he is not an importer. His business is the converting and finishing of cloths, bleaching, dyeing, coloring, printing, and all kinds of converting and finishing according to the demands of the market. Buying the gray cloth from the loom, he converts and finishes by thousands of pieces. These he sells to merchants all over the country.

Mr. Maclea is so competent a man in this business, a man of such high class and character, that when this Government was grappling with the etamine question, about which you have heard so much, he was called in by the officials of the Government, because the importers would not do it, and brought the suit which enabled the Government to get a review and final construction of the law.

I have also a carefully worked-out analysis of the other samples presented by the Senator from Massachusetts, and they are all subject to like criticisms, and I will not read them. I feel, and I know the Senate feels, the oppressive character of the afternoon, and I will not take the time to read the analysis.

COST OF PRODUCTION HERE AND ABROAD.

I desire now, Mr. President, to discuss for a few moments the difference in the cost of production here and abroad. I come back to the fundamental question whether this industry requires these high duties which are imposed in the bill as reported by the Finance Committee. According to Bulletin No. 77 of the Bureau of Labor, on pages 35 and 36, the average of wages paid skilled operatives in cotton manufactories in 1907 in this country was $10.12 per week. But only the skilled and highly paid operatives in the cotton mills are here given, so that one does not get the average wage scale for the industry from this bulletin.

The average rate of wages paid in the cotton mills of England for the same class of work was $6.48 per week, as shown by the report of the English Board of Trade to Parliament in 1908. The English Board of Trade is a part of the organized Government of England, on the commercial side, the commercial department. I do not recall the designation.

Mr. MONEY. It belongs to the administration.

Mr. LA FOLLETTE. It belongs to the administration. Some time ago they organized in that country through the Board of Trade for an investigation into these great economic problems. They made a thorough investigation in England in the first place of the cost of living, rent, fuel, and everything that enters into the cost of living, the wages paid in their various industries, and a detailed investigation into the whole subject of the cost of production. The results of this investigation are contained in a large volume, published in 1908. They have made a like investigation for France and have published a like volume on that country, covering the ground in the same way.

They have made a like investigation for Germany. They are at the present time conducting a similar investigation in this country. The work is being most thoroughly done. No one can examine the report which they have made without being much impressed with the thoroughness and high character of the work.

I take from that report the wages paid for exactly the same class of skilled labor, in the cotton industries of England, and place with it, side by side, the average wages paid in this country as given by Bulletin No. 77, Bureau of Labor, the average in this country being $10.12 per week for this high-class labor, and the average in England being $6.48 per week.

Mr. McCUMBER. May I ask the Senator a question here, just for information?

Mr. LA FOLLETTE. Certainly.

Mr. McCUMBER. Are those reports based upon the same number of working hours or upon a different number of hours per week?

Mr. LA FOLLETTE. The working hours in all the trades, I think, in England, are somewhat less than in this country. A very interesting document upon that subject, I will state to the Senator from North Dakota, is the report of the Moseley Commission made some three or four years ago, by a commission composed of 23 representatives of the leading industries of England who were brought over to this country by Mr. Moseley, and who visited all of the great industrial centers, each one of the commission being a master workman who had gone along up in the different stages of the trade to foreman and sometimes to the head of a factory.

Mr. McCUMBER. My question was simply whether the statement given shows the number of hours.

Mr. LA FOLLETTE. I will answer. I was going to say that it will be found, I think, that on all the trades the hours are never longer in England, and often shorter.

Mr. BEVERIDGE. That is right.

LONGER WORK HOURS IN THIS COUNTRY.

Mr. LA FOLLETTE. Running from three to four hours. In the report on England's cotton industry, by William Whittam, jr., published by the Department of Commerce and Labor in 1907, it appears that the average rate of wages in England in the cotton manufactures for all grades of operatives was $4.68 per week, taking in the lower grades of labor.

Bulletin No. 93 of the Census Office on the Earnings of Wage-Earners shows the average weekly earnings in the cotton manufacturing industry in this country by sections, States, and for the country as a whole. This is probably the most extensive compilation of classified wages ever made for this country. For the cotton manufacturing industries this tabulation shows the average weekly wages for a representative week for over 200,000 cotton-mill employees, including the men, women, and children, and represents over half of all cotton-mill employees in the United States.

The report says (p. 23):

Table 71 shows that during the representative week of the establishments selected the average earnings for all classes of operatives engaged in the production of cotton goods in the United States were $6.47. For the men the average was $7.71; for the women, $6.03; and for the children, $3.21. In the case of both men and women the greatest number earned between $6 and $7. While the proportion of women in this group was greater than the proportion of men, 17.4 per cent of the men and only 4.1 per cent of the women were reported as earning from $10 to $15. Three-fourths of the children earned less than $4, and nearly one-half (45.2 per cent) earned less than $3 per week.

The average wage per week of cotton-mill operatives in this country by the best authority to be found is, therefore, about $6.50 per week.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Will the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. Certainly.

Mr. GALLINGER. I will ask the Senator if he has examined the last bulletin of the Bureau of Labor, No. 80?

Mr. LA FOLLETTE. Of what date?

Mr. GALLINGER. January, 1909.

Mr. LA FOLLETTE. Yes, I have that. And I want to remind the Senator that the statistics of the Bureau of Labor embrace only the adult skilled operatives, and represent only about 13,000 employees, while the census figures, which I have given, embrace over 200,000 employees, or over half of all cotton-mill employees in the United States.

Mr. GALLINGER. I think the Senator will find some other valuable information in that bulletin regarding the wages of labor in England in the textile industries. He will find that it is very much below the figures he has given. As an illustration, if the Senator will permit me a moment—

The weekly wages of 206 male preparers were secured, showing a median wage of 10s. 4d. ($2.51), and a predominant wage of the same amount; and 80 male shifters received a median wage of 9s. 5d. ($2.29), while the predominant rates, paid to 16 in each case, were 9s. 5d. ($2.29), and 10s. 3d. ($2.49)—

which is very low.

Mr. LA FOLLETTE. That is a very low wage.

Mr. GALLINGER. That is, in textile industries.

Mr. LA FOLLETTE. Of course, that wage should not be compared with the higher class of work here represented by the labor bureau statistics.

Mr. GALLINGER. Certainly not; and it may be that there is a difference in that respect.

Mr. LA FOLLETTE. And it is unfair to do that. In order to get a fair comparison we must take into account all the elements in one country and all the elements in the other country.

Mr. GALLINGER. That is very true.

Mr. LA FOLLETTE. There are many other elements to come in, of which I want to speak briefly in a moment—the efficiency of labor, the higher mechanical skill, the speed of machinery, and the cost of living are all matters to be weighed. While the speed of an English loom is somewhat higher than the speed of a loom in this country, an operator attends to so many more looms in this country that the output per operative exceeds that of the English operative. All these things have to be weighed together in order to get at a fair comparison.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does he Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. I do.

Mr. GALLINGER. I assume that takes in the entire country.

Mr. LA FOLLETTE. It does take in the entire country.

Mr. GALLINGER. Wages in the Southern States are much below those in the North.

Mr. LA FOLLETTE. It is true, and I wish, without stopping to go into it in detail, to have printed in the RECORD the entire table, showing these wages classified by States and by groups, the North Atlantic and the South Atlantic States.

The VICE-PRESIDENT. Without objection, consent is granted.

The table is as follows:

Classified weekly earnings—Cotton goods industry, by States, Territories, and geographic divisions—Per cent distribution of wage-earners—Men, women, and children—By groups of earnings; total and average weekly earnings, and number of all wage-earners and of each class; with number of establishments: 1905.

COTTON GOODS.

State or Territory.	Number of establishments.	Average weekly earnings.				Total.		Men 16 years and over.	
		All wage-earners.	Men 16 years and over.	Women 16 years and over.	Children under 16 years.	Earnings.	Number.	Earnings.	Number.
United States	525	$6.47	$7.71	$6.03	$3.21	$1,307,578	202,211	$732,305	95,025
North Atlantic division	262	7.51	8.71	6.72	4.15	1,002,128	133,361	561,577	64,475
Maine	7	6.88	8.16	6.15	2.49	32,080	4,666	16,544	2,028
New Hampshire	5	7.80	8.67	7.05	4.18	78,894	10,117	43,302	4,993
Massachusetts	109	7.47	8.53	6.79	4.42	637,975	85,353	352,647	41,320
Rhode Island	42	7.19	8.42	6.44	3.61	99,572	13,854	58,778	6,978
Connecticut	20	7.36	8.26	6.71	4.02	55,201	7,499	33,233	4,023
New York	9	7.17	7.92	6.33	4.17	9,539	1,330	6,264	791
New Jersey	10	7.94	11.01	6.69	3.76	25,052	3,154	12,296	1,117
Pennsylvania	60	8.64	11.94	6.52	3.58	63,815	7,388	38,513	3,225
South Atlantic division	215	4.33	5.45	3.99	2.69	244,557	56,494	138,984	25,484
Maryland	4	5.44	7.86	5.07	2.62	15,235	2,799	6,968	886
North Carolina	106	4.19	5.33	3.82	2.64	87,220	20,830	48,087	9,023
South Carolina	62	4.21	5.15	3.83	2.80	88,048	20,933	51,685	10,038
Georgia	43	4.56	5.82	4.17	2.62	54,354	11,932	32,244	5,537
North Central division	4	5.42	7.05	4.76	3.50	5,702	1,052	2,327	330
Indiana	4	5.42	7.05	4.76	3.50	5,702	1,052	2,327	330
South Central division	30	4.69	5.62	4.58	2.82	40,147	8,559	21,787	3,680
Tennessee	6	4.99	6.17	4.89	3.03	7,772	1,557	4,081	661
Alabama	19	4.61	5.77	4.43	2.83	27,638	5,995	15,486	2,684
Mississippi	5	4.70	6.63	4.84	2.52	4,737	1,007	2,220	335
All other States	a 14	5.37	7.23	4.67	2.66	14,744	2,745	7,630	1,056

Classified weekly earnings—Cotton-goods industry, by States, Territories, and geographic divisions—Per cent distribution of wage-earners—Men, women, and children—By groups of earnings; total and average weekly earnings, and number of all wage-earners and of each class; with number of establishments: 1905—Continued.

COTTON GOODS—continued.

State or Territory.	Men 16 years and over—Per cent distribution of number by earnings.												
	Less than $3.	$3 to $4.	$4 to $5.	$5 to $6.	$6 to $7.	$7 to $8.	$8 to $9.	$9 to $10.	$10 to $12.	$12 to $15.	$15 to $20.	$20 to $25.	$25 and over.
United States	4.1	5.4	10.3	11.4	15.0	13.5	9.7	8.9	10.0	7.4	3.0	0.9	0.4
North Atlantic division	1.3	2.1	4.5	8.8	14.9	15.9	12.2	10.9	13.7	10.1	3.9	1.2	0.5
Maine	2.3	5.7	5.0	6.7	14.8	13.0	11.0	12.0	17.4	9.8	1.8	0.3	0.2
New Hampshire	1.7	1.8	3.8	6.8	14.8	17.5	13.3	11.9	16.1	8.4	2.9	0.8	0.2
Massachusetts	1.4	1.8	4.4	9.5	16.0	16.6	12.3	10.6	13.1	9.6	3.5	0.8	0.4
Rhode Island	0.5	2.4	5.8	7.6	14.4	18.2	13.2	10.9	14.5	9.6	2.1	0.4	0.4
Connecticut	1.9	2.4	4.7	11.6	14.3	13.8	12.6	12.4	14.7	8.1	3.0	0.4	0.1
New York	0.1	8.1	11.5	16.7	11.8	12.4	6.8	6.7	7.3	13.8	4.2	0.1	0.5
New Jersey	0.5	0.8	2.8	5.2	8.9	11.7	5.4	9.6	13.1	15.6	15.3	9.7	1.4
Pennsylvania	1.1	1.4	3.1	3.5	6.0	7.2	9.8	11.4	13.8	19.4	13.0	7.3	3.0
South Atlantic division	10.8	12.6	22.7	17.4	15.2	7.9	4.2	4.4	2.0	1.5	1.0	0.2	0.1
Maryland	2.4	7.9	13.7	3.6	14.2	17.1	5.2	11.9	12.0	7.2	4.6	0.2	.....
North Carolina	8.3	12.8	25.9	17.5	18.3	7.0	3.7	3.6	1.3	0.9	0.6	0.1	.....
South Carolina	12.4	14.2	22.6	18.9	13.2	7.6	4.4	3.8	1.1	0.8	0.6	0.3	0.1
Georgia	13.1	10.4	19.0	16.7	14.1	8.2	4.7	5.5	3.0	2.8	1.9	0.3	0.3
North Central division	2.4	14.6	16.7	13.0	9.1	14.2	8.5	6.1	8.2	2.4	3.9	0.9	.....
Indiana	2.4	14.6	16.7	13.0	9.1	14.2	8.5	6.1	8.2	2.4	3.9	0.9	.....
South Central division	7.2	9.9	24.3	15.6	14.9	11.3	4.9	5.4	2.8	1.9	1.1	0.4	0.3
Tennessee	4.9	8.3	26.0	16.7	15.7	12.3	3.3	4.2	4.5	2.1	1.4	0.6	.....
Alabama	8.2	10.9	24.9	15.0	14.4	10.2	5.5	5.3	2.3	1.6	0.9	0.4	0.4
Mississippi	4.2	4.8	15.8	18.2	17.0	17.9	3.3	9.5	3.3	3.9	2.1	.....	.....
All other States	4.6	12.3	13.6	9.0	15.8	9.8	5.5	8.3	9.6	6.0	3.2	0.9	1.4

State or Territory.	Women 16 years and over.												
	Earnings.	Number.	Per cent distribution of number by earnings.										
			Less than $3.	$3 to $4.	$4 to $5.	$5 to $6.	$6 to $7.	$7 to $8.	$8 to $9.	$9 to $10.	$10 to $12.	$12 to $15.	$15 and over.
United States	$494,118	81,947	6.2	10.5	14.6	16.7	18.1	13.9	9.9	6.0	3.7	0.4	(c)
North Atlantic division	404,059	60,101	1.9	4.4	9.7	17.4	22.0	17.9	13.2	8.0	4.9	0.6	(c)
Maine	15,075	2,453	2.1	7.8	13.9	20.8	17.0	16.4	11.2	6.2	4.2	0.4	.....
New Hampshire	34,818	4,939	1.4	3.9	7.7	13.6	25.7	14.7	11.8	9.8	10.1	1.3	.....
Massachusetts	260,139	38,334	2.0	4.0	9.2	17.5	21.8	18.2	13.5	8.7	4.7	0.4	(c)
Rhode Island	36,332	5,639	1.3	3.6	13.1	21.8	21.6	16.6	10.8	7.0	3.6	0.6	(c)
Connecticut	19,957	2,976	3.1	4.4	8.9	16.1	21.7	22.4	12.2	6.4	4.4	0.4	.....
New York	3,008	475	0.6	6.5	13.5	26.3	19.8	17.5	10.1	2.3	3.4	.....	.....
New Jersey	11,647	1,742	0.6	3.3	7.0	10.5	19.7	31.3	21.2	4.2	2.0	0.2	
Pennsylvania	23,083	3,543	2.4	7.5	11.9	15.5	25.2	11.7	13.4	5.2	4.9	2.1	0.2
South Atlantic division	68,765	17,236	20.6	27.3	28.9	14.4	5.9	1.9	0.7	0.2	0.1	(a)	.....
Maryland	6,733	1,328	2.2	9.2	49.1	12.8	13.5	7.0	3.5	2.0	0.7	.....	.....
North Carolina	25,791	6,747	18.3	35.2	29.3	11.6	4.2	1.0	0.2	0.1	0.1	.....	.....
South Carolina	21,851	5,712	26.6	25.4	24.7	16.3	4.9	1.5	0.6	(c)	.....	(c)	.....
Georgia	14,390	3,449	22.0	21.9	27.2	17.2	8.2	2.3	0.8	0.2	0.2	.....	.....
North Central division	3,200	672	3.1	23.1	30.5	15.6	11.6	6.4	4.9	2.4	2.2	0.2	.....
Indiana	3,200	672	3.1	23.1	30.5	15.6	11.6	6.4	4.9	2.4	2.2	0.2	.....
South Central division	11,992	2,620	10.3	30.5	24.7	17.8	11.9	4.1	0.4	0.2	0.1	.....	.....
Tennessee	2,663	524	7.3	23.7	22.3	18.5	22.3	5.5	0.4	.....	.....	.....	.....
Alabama	7,707	1,740	12.6	34.0	25.5	14.9	8.5	3.7	0.4	0.3	0.1	.....	.....
Mississippi	1,722	356	3.4	23.6	24.4	30.6	13.8	3.6	0.6	.....	.....	.....	.....
All other States	6,102	1,308	10.4	24.5	20.9	15.5	15.0	8.3	2.5	2.2	0.5	.....	0.2

Classified weekly earnings—Cotton-goods industry, by States, Territories, and geographic divisions—Per cent distribution of wage-earners—Men, women, and children—By groups of earnings; total and average weekly earnings, and number of all wage-earners and of each class; with number of establishments: 1905—Continued.

COTTON GOODS—continued.

State or Territory.	Children under 16 years.								
	Earnings.	Number.	Per cent distribution of number by earnings.						
			Less than $3.	$3 to $4.	$4 to $5.	$5 to $6.	$6 to $7.	$7 to $8.	$8 and over.
United States	$81,155	25,249	45.2	30.1	16.5	5.4	2.1	0.4	.03
North Atlantic division	36,492	8,785	15.2	33.0	31.8	12.4	5.6	1.2	.08
Maine	461	185	41.1	50.3	4.9	2.7	0.5	0.5	.....
New Hampshire	774	185	6.5	42.2	31.9	12.4	6.5	0.5	.....
Massachusetts	25,189	5,699	10.7	30.9	34.9	14.5	6.3	1.5	1.2
Rhode Island	4,462	1,237	32.2	31.0	25.4	6.7	4.7	.....	.....
Connecticut	2,011	500	17.2	30.0	26.2	17.4	7.2	1.8	0.2
New York	267	64	10.9	28.1	37.5	23.5	.....	.....	.....
New Jersey	1,109	295	9.2	30.8	49.8	4.1	5.1	0.7	0.3
Pennsylvania	2,219	620	19.0	53.5	18.9	6.0	1.6	1.0	.....
South Atlantic division	37,108	13,774	60.7	28.8	8.7	1.7	0.1	(c)	.....
Maryland	1,584	585	68.9	28.2	2.7	0 2	.....	.....	.....
North Carolina	13,342	5,060	60.5	33.7	4.7	1.0	0.1	.....	.....
South Carolina	14,512	5,183	61.7	23.9	12.0	2.3	0.1	(c)	.....
Georgia	7,720	2,946	57.7	29.0	11.0	2.0	0.2	0.1	.....
North Central division	175	50	26.0	60.0	6.0	8.0	.....	.....	.....
Indiana	175	50	26.0	60.0	6.0	8.0	.....	.....	.....
South Central division	6,368	2,259	65.7	25.1	6.5	2.2	0.5	.....	.....
Tennessee	1,128	372	54.3	35.5	5.1	4.0	1.1	.....	.....
Alabama	4,445	1,571	66.8	23.6	7.4	2.0	0.2	.....	.....
Mississippi	795	316	73.4	20.9	3.5	0.9	1.3	.....	.....
All other States	1,012	381	57.7	35.4	5.5	0.8	0.3	0.3	.....

THE RATE WHICH MEASURES DIFFERENCE IN COST OF PRODUCTION.

Mr. LA FOLLETTE. In the report of the Census of Manufactures for 1905, Part III, page 43, is a table giving the total number of wage-earners in the cotton manufacturing industry in this country and the total wages paid them. In 1904 the total average number of wage-earners in the cotton goods industries of this country was 310,458, and the total wages paid them for the year was $94,377,696. The average yearly earnings per employee was therefore about $304, or an average of about $6 per week.

According to the Finance Committee's Estimated Revenues, the total value of cotton manufactures in 1905 was $1,014,094,237. The total wages paid were $217,955,322. The wage cost, therefore, was about 21 per cent of the value of the production.

Of the designated "cotton goods" alone, in Estimated Revenues it appears that the total value of this product in 1905 was $442,451,218. The wages paid in producing it were $94,377,696. The wage cost was therefore about 22 per cent of the value of the production. The English wages would have been $33,879,175 less than American wages for the same production.

A tariff of 7½ per cent on the total value of the production of the United States amounting to $442,451,218 will more than equal the difference in wage cost.

The 7½ per cent difference, however, is based on American value. The English value would be less by the amount of the difference in wages, namely, $33,879,175. Therefore a tariff of 9 per cent based upon English value will equal the difference in wage cost between this country and England.

The Census of Manufactures for 1905, Part III, page 43, shows also that the average labor cost per spindle per year in all the cotton mills in the United States for 1890 was $4.65 per spindle; for 1900, was $4.48 per spindle; and for 1905, was $4.08 per spindle.

The labor cost per spindle therefore has been decreasing at every census for fifteen years from 1890 to 1905.

It can not be said that this is due to the increase in the industry in Southern States employing cheap, or perhaps colored, labor, for the same downward trend in labor cost is shown for the New England States as that shown above for the country as a whole.

The labor cost per spindle in the New England States is given as follows: 1890, 4.41; 1900, 4.31; 1905, 4.06.

In view of this general decline in cost, which, of course, might be due to reduction in wages as well as to improvements in manufacturing efficiency, I did not know but that the argument might be advanced, as it was advanced here a few moments ago by the Senator from New Hampshire [Mr. GALLINGER] with reference to the wage figures, that the steady decline was due to the cheap labor employed in the South.

Mr. SIMMONS. I do not think there is any negro labor employed in the manufacture of cotton in the South.

Mr. MONEY. There is none.

Mr. BACON. There is none.

Mr. SIMMONS. There is none.

Mr. BACON. I think it may be safely said that there is not a single cotton factory in the United States, certainly not in the South, in which colored labor has been employed. That was due not to any indisposition to employ them, but the experiment has been made in several instances and they have proved to be incapable of properly performing the duty. The effort has been abandoned utterly.

CONDITIONS IN THE COTTON INDUSTRY.

Mr. LA FOLLETTE. Mr. T. M. Young, an Englishman, author of the work "The American Cotton Industry," on page 129, says:

American weavers turn out nearly twice as much work a day as their English competitors and their wage per piece is absolutely a little less.

This is a book which I found in the Congressional Library. It was published in 1902 by T. M. Young, with an introduction by Elijah Helm, secretary of the Manchester Chamber of Commerce, and is the result of an investigation, I presume, for the information of the cotton manufacturers of Great Britain, into the cotton industry of this country.

From the Statistical Abstract, 1906, page 679, it appears that in cotton manufactures the percentage of wage cost to value of production in 1890 was 25 per cent; in 1900 it was 25.6 per cent; in 1904 it was 22 per cent. (According to the census figures.)

I found also, Mr. President, an interesting report from the British Tariff Commission, published in 1905, which covers a wide range. This volume is volume 2 of the Textile Trades, part 1, "The Cotton Industry."

The commission in its summary and analysis of oral and written evidence says, with respect to cotton manufacturing:

Manufacturers complain that trade with the United States is now possible only in the best class of production.

In foreign and colonial markets competition is aggressive and successful. The United States of America disposes of large quantities of piece goods in Canada. (Paragraph 136.)

To enter the Canadian market it is necessary to pay a tariff of 35 per cent and meet a British preferential of 25 per cent.

And yet we are able to enter that market quite extensively, as I understand, with piece goods.

Upon muslins this British Tariff Commission says:

FINE MUSLINS.

It is said that the United States cost of production is probably 20 per cent greater than ours at present, but that in a few years foreign countries will be able to compete with us on equal terms with all the markets of the world. (Paragraph 138.)

GRAY MUSLINS.

Both the United States and Canada were formerly good customers. The development of this trade in foreign countries now enables them to compete successfully in our home market. Competition is complained of from Germany, Switzerland, the United States, and France. (Paragraph 138.)

LININGS, DUCKS, AND DRILLS.

In linings competition is complained of from Germany, Italy, and the United States.

* * * * * * *

Markets have been lost for linen, union, and cotton drills. Foreign competition is complained of from the United States and Belgium. There is growing competition here from the United States in cotton drills for boot linings which are imported below British cost. (Paragraph 141.)

SHIRTINGS.

There is competition in the home market from France, Germany, Belgium, and the United States. (Paragraph 141.)

FLANNELETTES.

Competition in the home market is complained of from Germany, Austria, the United States, and Holland.

In one case a firm states that ten years ago 75 per cent of their total production was flannelettes and now only 25 per cent. (Paragraph 143.)

COLORED COTTONS.

The principal factor in the competition is the cheap labor in the countries concerned. (145–146.)

With respect to the position of the United States generally in cotton manufactures, the report says:

There is general agreement that there has been great and rapid progress made by the United States in all branches of the cotton industry, so that now their industry is firmly established, and will continue, whatever changes they may make in their protective system.

* * * * * * *

In regard to technical advantages, their machinery is on a level with ours, and in some respects is superior. Some witnesses attach great importance to the use of the Northrup loom, which secures a cheaper process than the methods practiced in this country. Their technical and other education is said to have produced a better type of workmen. Though United States wages are higher in some branches of the cotton trade, the labor cost is probably cheaper. (Paragraph 155.)

COTTON INDUSTRY DOES NOT REQUIRE ADVANCE IN RATES.

Mr. President, I insist that the welfare of the cotton manufacturing industry of this country does not require this advance of rates.

The fact is that the cotton industry has been wonderfully prosperous under the existing rates last year and the year before, and for years past, and there have been no facts furnished to the Senate or reasons shown why it is necessary to impose a higher average rate of duty than is at present being collected under the existing law.

The only paragraph of the cotton schedule concerning which just complaint can be made is paragraph 304, and the injustice there arises solely through the fact that that paragraph does not contain an ad valorem duty upon cloths coming within it exceeding a certain value.

Mr. President, the statistics on this subject have been given several times and at considerable length. I shall not take time to repeat them now, simply asking that I may incorporate certain tables relating to the matter and explanations connected therewith in my remarks.

The VICE-PRESIDENT. Without objection, permission is granted. The Chair hears no objection.

The tables referred to are as follows:

EARNINGS AND DIVIDENDS OF NEW ENGLAND COTTON MILLS.

(From the proceedings of National Association of Cotton Manufacturers.)

Statistics relative to cotton-mill stocks as investments.

Name of company.	Date of incorporation.	Capital.	Surplus.	Debt.	Earnings per share, 1907.	Dividends, 1907.	Total dividends for eight years.	Average dividends for eight years.	Book surplus per share.	Capitalization per spindle.	Par value.
							Per cent.	*Per cent.*			
Amoskeag	1831	$5,760,000.00	$3,720,691.00	$1,425,000.00	$21.30	$16.00	120	15.75	$64.59	$10.76	$100.00
Androscoggin	1860	1,000,000.00	1,123,864.00	16,559.00	24.91	10.00	75	9.37	112.38	13.93	100.00
Bates	1852	1,200,000.00	1,376,361.00	117,565.00	41.87	35.00	130	16.25	114.61	14.61	100.00
Border City	1880	1,000,000.00	333,598.00	500,000.00	37.50	23.50	119	14.87	33.35	12.51	100.00
Richard Borden	1871	1,000,000.00	502,174.00	541.00	32.62	20.00	[a] 101	12.62	50.21	10.37	100.00
King Philip	1871	1,500,000.00	851,765.00	150,431.00	25.65	6.00	168¾	21.25	56.78	11.10	100.00
Dartmouth	1895	600,000.00	685,105.00	470,529.00	82.50	66.00	158	19.75	114.18	5.00	100.00
Dwight	1841	1,200,000.00	1,290,219.00	735,740.00	103.94	12.00	100	12.50	106.20	5.45	500.00
Great Falls	1823	1,500,000.00	960,000.00	338,603.00	21.33	12.00	117	14.62	64.00	11.36	100.00
Laurel Lake	1881	600,000.00	184,251.00	None.	28.24	14.00	[b] 190½	23.75	37.08	10.06	100.00
Massachusetts Cotton	1839	1,800,000.00	1,431,600.00	2,160,763.00	41.30	5.00	50	6.25	79.53	14.13	100.00
Lawrence	1831	1,250,000.00	787,000.00	500,000.00	25.27	8.00	122	15.25	62.96	12.50	100.00
Pacific	1853	3,000,000.00	6,332,854.00	None.	550.00	320.00	124	15.50	2,110.95	----------	1,000.00
Pepperell	1899	2,556,000.00	1,628,487.00	117,940.00	----------	12.00	158	19.75	63.71	10.27	100.00
Sagamore	1879	900,000.00	355,698.00	607,899.00	48.53	30.00	85	10.63	39.52	9.80	100.00
Troy	1814	300,000.00	474,294.00	2,816.00	335.00	67.00	189	23.63	794.90	6.31	500.00
Union	1879	1,200,000.00	584,044.00	None.	46.00	35.50	183	22.87	48.67	10.89	100.00
Whitman	1895	1,500,000.00	945,411.00	474,245.00	29.76	8.00	58½	7.25	63.02	11.35	100.00

[a] In addition to which a 25 per cent dividend was paid.

[b] In addition to which a 100 per cent dividend was paid.

Average annual dividend for 8 years for group of 18 mills, 15.65 per cent.

EARNINGS OF FALL RIVER MILLS.

Mr. LA FOLLETTE. The Senator from Massachusetts [Mr. LODGE] discussed this subject somewhat at length. I do not recall whether he cited the advertisement issued by Edwin J. Cole, banker and broker, of Fall River, Mass., but I desire to present just a few statements, based upon the advertisement which this banker and broker publishes and sends out to customers, with respect to the securities of the cotton mills in Fall River. Mr. President, I ask leave to print the statistics which he gives of the cotton mills of Fall River.

The VICE-PRESIDENT. Without objection, permission to do so is granted. The Chair hears none.

The matter referred to follows:

Statistics of Fall River (Mass.) manufacturing corporations.

Corporation.	Par.	October, 1908.				Book value per spindle.	Dividends paid during past 14 years.													Extra dividend during past 14 years	Average annual dividend including extras.	Present market prices	Market value per spindle.
		Capital.	Debt.	Surplus.	Spindles.		1895	1896	1897	1898	1899	1900	1901	1902	1903	1904	1905	1906	1907	1908				
American Linen Co	100	$800,000		$191,792.09	91,372	$6.65	7	2½	1	1	4½	6½	5	8	7½	5½	3	6	11	6	------	5.304	125	$8.84
Ancona Co	100	300,000	$115,535.39		39,136	10.61	----	----	----	----	----	----	----	----	(a)	----	3	6	12	6	----	----	----	----
Arkwright Mills	100	450,000	153,418.01		68,432	8.82	----	----	----	----	----	4½	5½	5	6	5½	3	4½	6	6	------	------	106	9.21
Barnard Mfg. Co	100	495,000	68,622.71		72,992	7.72	7	7	1	----	3½	8	5½	6	4½	----	2	4½	7	7	------	4.48	116	8.81
Bourne Mills	100	1,000,000	218,795.80		91,258	13.35	24	12	18	8	10	14	6½	12½	9½	3½	3	4	5	4½	40	12.46	100	13.35
Border City Mfg. Co	100	1,000,000		107,286.54	119,812	7.45	17½	6½	4	4	6	8	6½	6	6	3½	3½	6½	23½	6	50	11.46	150	11.62
Chace Mills	100	1,200,000		234,837.77	116,688	8.28	6	6½	3½	----	6	6	6	6	6	3	4½	6	6½	8	53½	9.11	140	12.38
Cornell Mills	100	400,000		233,578.76	45,040	3.60	6	8	7	5	12½	13	6½	7	6½	4	4½	12½	16	11	------	8.55	180	10.79
Conanicut Mills	100	300,000	47,625.00		29,136	11.93	6½	3½	----	----	6	8	8	8	7	5	1	4½	6	5	------	4.91	100	11.93
Davis Mills	100	500,000		250,810.07	53,856	4.62	----	----	----	----	----	----	----	(a)	----	----	1½	6	6	6	----	----	132	7.50
Davol Mills	100	500,000		105,042.56	44,672	8.84	6½	8	4½	4	5½	8	6½	6	6	4	1	6	6	6	25	7.36	102	9.51
Flint Mills	100	580,000		139,804.03	50,816	8.66	8	8	6½	4	6	8	7	6	6	4	4	6½	12	8	------	6.71	108	9.57
Granite Mills	100	1,000,000		361,857.02	118,964	5.36	6½	7	2	1	6	8	8	8	8	6	4½	8½	10	8	------	6.54	150	9.56
Hargraves Mills	100	800,000	117,344.92		111,690	8.21	6½	6	6	6	6	6	6	6	5½	2	----	1	5½	6	------	4.89	105	8.57
King Philip Mills	100	1,500,000		871,083.91	135,072	4.65	6	6	6	4½	7½	6	6	16	6	6	6	6	6	6	100	13.86	175	12.98
Laurel Lake Mills	100	600,000		250,927.37	59,808	5.84	6	5½	----	----	3½	6	4½	6	8	5½	5½	11	14	13	100	13.20	165	12.35
Lincoln Mfg. Co	100	600,000	297,799.26		50,000	17.96	----	----	----	----	----	----	----	----	----	----	----	----	(a)	----	----	----	90	16.75
Luther Mfg. Co	100	350,000	84,084.77		51,616	8.41	----	----	----	----	----	----	----	----	(b)	----	----	----	----	3	----	----	125	10.10
Merchants Mfg. Co	100	1,200,000		111,305.08	121,820	8.26	7	6	2	----	1	6	2½	4	4	2	2	4	5½	6	50	7.30	118	9.89
Mechanics Mills	100	750,000		288,967.38	57,856	7.96	6½	7	3	----	5	6	5	4½	4	3	1	4	7	6½	------	4.46	116	10.04
Narragansett Mills	100	400,000		142,220.35	43,744	5.89	7	6½	5	1	5	8	5½	6	6	5	4	8	11½	8	------	6.18	135	9.00
Osborn Mills	100	750,000		218,939.32	70,332	7.55	7	7	4	----	5	8½	3½	4	4	3	2	4	5½	6	25	6.32	115	9.15
Parker Mills	100	800,000	199,284.62		111,684	8.94	----	3½	3½	5	5½	6½	8	8	7	3	----	1	5½	6	------	4.50	100	8.94
Pocasset Mfg. Co	100	1,200,000		188,716.86	125,016	8.09	6	4½	1	----	4½	6	6	6	6	4½	6	6	6	6	100	12.04	125	10.48
Richard Borden Mfg. Co	100	1,000,000		468,024.67	96,720	5.50	7	5½	3	3	7½	9	6½	6	6	5½	5½	6½	20	13	25	9.21	180	13.77
Sagamore Mfg. Co	100	900,000		348,763.57	91,552	6.02	2½	5	1	----	5½	9	5	7½	4½	4	5	20	30	12	------	9.44	180	13.38
Seaconnet Mills	100	600,000	153,252.29		68,384	11.01	6½	6½	5½	3½	6	7	5	5	5	1	----	----	1½	4½	------	4.07	95	10.57
Shove Mills	100	550,000	98,000.78		73,552	8.81	7	7	3½	----	2½	4½	1½	4	3	----	----	4	4½	6	25	5.18	97	8.58
Stafford Mills	100	1,000,000		72,186.32	100,576	9.22	8	8	6	4	14	8	3	4	4	----	1	4	5½	6	------	5.29	116	10.81
Stevens Mfg. Co	100	700,000	176,384.23		(a)	------	4	8	8	8	8	8	8	8	6	4½	5	5½	1½	----	------	6.50	93	------
Tecumseh Mills	100	750,000		249,188.02	78,512	6.38	6½	6½	4	----	5	7½	5	6	6	5½	4½	6	14½	9½	50	9.75	150	11.15
Troy Cotton and Woolen Manufactory	500	300,000		366,529.28	47,520	------	28	27	15	11	18	27	17	20	16	11	11	20	67	21	75	27.04	1,650	13.12
Union Cotton Mfg. Co	100	1,200,000		572,544.66	110,128	5.70	11	9	6½	6	8½	10	6½	6	6	4½	6	18½	35½	6	------	15.38	195	16.04
Wampanoag Mills	100	750,000	99,331.28		85,440	9.94	8	7	3	----	6	7	2½	4	3	1	----	2	4	4	------	3.61	105	10.37
Weetamoe Mills	100	500,000	1,211.93		45,504	11.02	5½	2½	----	----	4½	6	3½	4	4	2	2	4½	6½	6½	------	3.71	100	11.01
Total	------	23,225,000			2,658,380	------	----	----	----	----	----	----	----	----	----	----	----	----	----	----	------	------	------	------

(a) Organized. (b) Reorganized. (c) Specialties.

The above table is intended to show readily the comparatively low prices at which Fall River mill stocks are selling, earning power, cost per spindle, etc.

The physical condition of the mills is excellent, and it is well known that new mills can not be built at anything like selling prices of these mills.

The average dividend for all the mills for the period given is over 7 per cent, which is higher than the returns for a like period on most any other industrial investment.

Mr. LA FOLLETTE. This statement shows the amount paid in dividends by those mills for the past fourteen years. The average dividends for 30 mills for fourteen years as disclosed by this table is 8.294 per cent. This includes the Troy mill, concerning which the Senator from Massachusetts has made an explanation.

Eliminating this corporation, the average for 29 mills is 7.647 per cent. In addition these mills (not including the Troy mill) have an aggregate surplus of undivided profits amounting to $5,156,146.28, to which the Senator from Massachusetts omitted to make any reference yesterday.

The capitalization of these mills is $23,225,000. The surplus above mentioned amounted to 22.20 per cent of the capitalization, which should be added to the dividends paid in considering the financial condition of these institutions.

OTHER EVIDENCES OF PROSPERITY OF NEW ENGLAND MILLS.

As reported by Sandford & Kelley, brokers, of New Bedford, Mass., the average dividends paid by 32 Fall River mills (not including the Troy mill) for the year 1907 was 10.08 per cent. This does not include dividends paid in stock, and when these are taken into consideration the average dividends of these mills for 1907 are 20.104 per cent.

In 1895 the Wilson tariff law was in operation, and under this law the duties imposed in the cotton schedule were considerably lower than under the Dingley law, and very much lower than are proposed in the present bill; 1895 was also a period of great financial depression throughout the country. The statement of Mr. Cole above referred to shows that in 1895 the average dividends of all of the Fall River mills was 9.094 per cent, showing that under a tariff law imposing much lower duties than are contained in the Dingley law and in a time of great depression throughout the country cotton manufacturers were exceedingly prosperous.

Mr. President, I repeat that there is no fact before the Senate which will give any warrant for even maintaining the present Dingley rates, much less advancing them.

The Boston Traveler, of June 3, printed as an editorial the following, which has been handed to me, though I have not read it. I am told that the publisher is John H. Fahey, who was at the head of the Associated Press for New England for some years before he became the publisher of this paper:

WHO IS TELLING THE TRUTH?—A STOCK BROKER'S BULLETIN COMPARED WITH SENATOR LODGE'S STATEMENT AS TO EARNINGS IN THE COTTON BUSINESS.

To the Editor of The Traveler:

In to-day's Traveler you quote from a pamphlet sent out by "a reputable Boston brokerage house," which you say flatly contradicts Mr. Lodge and shows that practically all the cotton mills have been paying high dividends, many of them returning in a few years to shareholders an amount equal to the entire capital invested. In view of Mr. Lodge's speech, is not this worthy of more extended comment and verification?

E. B. H.

BROOKLINE.

Then follows the editorial.

Mr. Lodge's statement was to the effect that the average dividend of Massachusetts cotton mills does not exceed 6 or 7 per cent. A circular issued by A. B. Turner & Co., 24 Milk street, Boston, dated June, 1909, gives a list of companies, stock of which they offer subject to sale and change in price, from which we quote:

Dartmouth Manufacturing Corporation, New Bedford: Total return to investor in nine years, 489.93 per cent; average yearly return, 53.77 per cent. January 5 an extra 100 per cent cash dividend.

Sagamore Manufacturing Company, Fall River: Total return to investor in nine years, 117 per cent; average yearly return, 13 per cent.

Laurel Lake Mills, Fall River: Total return to investors in nine years, 189.97 per cent; average yearly return, 20.33 per cent.

City Manufacturing Company, New Bedford: Total returns to investors in nine years, 109 per cent; average yearly return, 10.12 per cent.

Richard Borden Manufacturing Company, Fall River: Total return to investor in nine years, 113.94 per cent; average yearly return, 12.66 per cent.

Amoskeag Manufacturing Company, Manchester, N. H.: Total returns to stockholders in nine years, 141.93 per cent; average yearly return, 15.77 per cent.

Great Falls Manufacturing Company, New Hampshire: Total return to investor for nine years, 128.96 per cent; average yearly return, 22 per cent.

King Philip Mills, Fall River: Total return to investor in nine years, 175.95 per cent; average yearly return, 19.55 per cent.

Algonquin Printing Company, Fall River: Total return to stockholders in nine years, 607.95 per cent; average yearly return, 67.55 per cent.

Powcasset Manufacturing Company, Fall River, in February, 1897, declared a stock dividend 100 per cent; total return to investor nine years, 165.96 per cent; average yearly return, 18.44 per cent.

Mr. MONEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Mississippi?

Mr. LA FOLLETTE. Certainly.

Mr. MONEY. Does the Senator understand from that report that the total return to the investor included both dividends and the surplus capital earned?

Mr. GALLINGER. I did not understand what the Senator said. Will he kindly repeat his question?

Mr. MONEY. I asked the Senator from Wisconsin if he considered that this report from the paper which he quotes here is intended to include the dividends each year and also the surplus capital earned in that year.

Mr. LA FOLLETTE. I would say in answer to the Senator from Mississippi that the statements of dividends would not include the surplus unless it was distributed to the stockholders as dividends.

Mr. MONEY. It is not, then, a report of the full profits of the enterprise, but only that part of the profits declared in dividends? Is that what I understand?

Mr. LA FOLLETTE. That would be my understanding of the facts.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. I do.

Mr. GALLINGER. I know the Senator is anxious to get through, but he referred to a couple of cotton mills in New Hampshire. The Amoskeag Corporation is the great cotton mill of New Hampshire, and I do not know but of New England. The Senator's figures represented that it paid something like 15 or 16 per cent, was it not?

Mr. LA FOLLETTE. Fifteen and seventy-seven hundredths per cent.

Mr. GALLINGER. I will say to the Senator that I can refer him to a brokerage firm that will sell him some of that stock, and if he gets more than 6 per cent on the stock at the present market price he will be more fortunate than some of my friends have been. If the Senator will permit me just a moment further; the Amoskeag Corporation started in business a long time ago in a country village. They bought up a large amount of real estate, and now there is a city of 75,000 people there. They got a great deal of profit out of the real estate, and they have extended their business out of that profit. It is simply a business enterprise. They have paid undoubtedly during their existence a very large profit to their early stockholders; but at the present time, as I said a moment ago, the stock does not net more than 6 per cent at the market price.

Mr. BACON. What is the market price? I inquire of the Senator.

Mr. GALLINGER. I can not say; but it is, I think, between two and three hundred dollars on a $100 share. That is my impression.

Mr. MONEY. If the Senator from Wisconsin will permit another interruption on that point——

Mr. LA FOLLETTE. Certainly.

Mr. MONEY. I was informed by a cotton expert a few days ago that the Amoskeag mills employed 7,700 operatives; that they are now making arrangements to employ 3,500 more, which will give them a total of 11,200, and make them, as the Senator from New Hampshire says, the largest mill in this country.

Mr. GALLINGER. Yes; the Senator is right about that.

SOME OF THE DIVIDENDS AND SURPLUSES OF THESE MILLS.

Mr. LA FOLLETTE. I will say in answer to the Senator from New Hampshire [Mr. GALLINGER] that I would not expect to buy stock paying 16 per cent dividends at par. From a table printed in the transactions of the National Association of Cotton Manufacturers, which was used in connection with an address by Mr. W. Irving Bullard, of Danielson, Conn., on cotton-mill stocks as investments, I find the Amoskeag mill cited and the following information given with respect to it: Date of incorporation, 1831; capital, $5,760,000; surplus, $3,720,691; debt, $1,425,000; earnings, per share for 1907, $21.30; dividends on each share for 1907, $16; total dividends in eight years, $126; average dividends, eight years, $15.75; book surplus per share, $64.59; capitalization per spindle, $10.76; par value, $100. The presumption may safely be indulged, I believe, that the par value fully represents the investment of the original stockholders whatever their earnings may enable them to sell their stock for to-day.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. LA FOLLETTE. I do.

Mr. TILLMAN. Mr. President, has the Senator any information as to the market value of that stock, on that date or anything near that date? I know that some of the mills in the South have a custom among them—those that are well managed——

Mr. LA FOLLETTE. It is not stated, I will say to the Senator.

Mr. TILLMAN. With the Senator's permission, I will finish the statement I started to make.

The VICE-PRESIDENT. Does the Senator from Wisconsin yield further to the Senator from South Carolina?

Mr. LA FOLLETTE. I beg the Senator's pardon.

Mr. TILLMAN. I was just trying to throw a little side light upon this phase of the subject that the Senator has been discussing. I have listened to him with a great deal of interest. I was going to say that it is the custom among the better-managed mills of the South, first, to set apart from their earnings 5 per cent for renewal, the idea being that in twenty years they will have to replace every single dollar's worth of machinery. Then they set apart something as a dividend, 6 to 8 per cent, and some of them as high as 10 per cent; and then any additional profit of the business goes to the surplus, as it would in any other organized business, and is a part of the capital which is taken into consideration by investors who want to buy a share of that stock or a hundred shares of it. They figure the surplus just as much as they do the dividend-paying value of the stock, because it will in time come to them in the shape of an additional mill. I know one mill company that has built three other mills and paid a dividend every year. From time to time they have set aside enough surplus during the thirty or forty years that this corporation has been running to construct three other additional mills, all of which, of course, went to the stockholders.

I do not think from my observation of the conditions in my part of the country—I am not undertaking to brag about the development of manufacturing in South Carolina—but we are getting along very nicely down there, and we are now second to Massachusetts in the number of spindles. The farmers grow about a million bales of cotton, and we spin about 800,000 of the million that we produce, thereby doubling its value. The average price of cotton has been about $50 a bale; so that the million bales produce $50,000,000 to the farmers; and the mills add $50,000,000 or $60,000,000 more to the value of the cotton that we grow. So we are getting along very well under the present situation, and I think we could survive without any additional tariff increasing the percentage of profit; that is, unless I am mistaken as to the facts in regard to where the profit goes.

The other day we were told here that the middleman or the retailer was the villain in this tragedy or comedy or whatever it is, and that the tariff had nothing whatever to do with prices, but from the anxiety on the part of some people to have these schedules increased, it would seem that it is merely an effort on their part to increase their profits at the expense of the American consumers; knowing that, if we have no increase in the tariff, the prices now prevailing would have to continue. The tariff only serves to enable the home manufacturer, hedged in from competition by the tariff wall, to charge in addition whatever the duty may be; and if we increase the tariff percentage here, we add that much to the profits of the home manufacturer. That is my idea, I may be entirely in error, and, if so, I hope some of those who were so strenuous the other day in contending that the retailer was the man who got all the benefit, or that some of the members of the Finance Committee, will sooner or later explain just where all this additional profit is going.

I did not want to interfere with the Senator's argument, for he is making a clear and explicit exposition of some of the phases of this tariff question.

Mr. GALLINGER. Will the Senator allow me just one moment?

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. I do.

WHEN DOCTORS DISAGREE THE PATIENT DIES.

Mr. GALLINGER. I want to say to the Senator that I can practically repeat what the Senator from South Carolina has said so far as the cotton mills in my State are concerned. I

think they are doing fairly well, and I have not heard from any source whatever that they want the Dingley rates increased. I understand that the committee will make it appear—I have been told so—that there is no increase in the schedules they have reported. I hope they will be able to show that.

Mr. TILLMAN. Mr. President, if I may be permitted by the Senator from Wisconsin——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield further to the Senator from South Carolina?

Mr. LA FOLLETTE. I do for a moment.

Mr. TILLMAN. Where two really honorable and intelligent men get up a set of facts and figures, or supposed facts and figures, which cut each other's throats, I want to know where the rest of us, who have not been able to investigate this thing at first hand, are going to?

Mr. GALLINGER. It is like the maxim, "When doctors disagree, who shall decide?"

Mr. BAILEY. The patient dies. [Laughter.]

Mr. GALLINGER. The patient dies just the same. [Laughter.]

Mr. LA FOLLETTE. I think I could relieve the patient substantially if I could fix the rates in this bill.

I wish to complete the reading of this editorial because I have only presented the facts cited from this banker's circular, upon which the editor makes the following comment:

In his speech yesterday, in reply to Mr. LODGE, Mr. GORE, the blind Senator from Oklahoma, quoted a half dozen or more Massachusetts mills which had paid dividends within the last three years of 25 per cent and upward to 66 per cent. For the purpose of our correspondent's inquiry we confine ourself to the circular mentioned in the editorial of Wednesday to which he refers. Additional verification may be had by consulting the corporation returns at the state house. These enormous dividends do not represent net earnings or the inflated salaries of the family interests which control many of these mills.

The bulletin from which we quote goes on thusly for 24 pages. The corporations referred to are from the first few pages and are taken in their order. Either A. B. Turner or Mr. LODGE are in error as to their facts, but all the evidence we can glean seems to verify the figures of Turner & Co.

TESTIMONY FROM MEETING OF NATIONAL ASSOCIATION OF COTTON MANUFACTURERS.

Mr. President, on the occasion of the meeting of this National Association of Cotton Manufacturers, in the address to which I made a passing reference a moment ago, delivered by Mr. Bullard, I find the following most interesting statements:

The cotton industry is a tremendous opportunity, and it is within our power to develop this opportunity. It is on the threshold of the greatest economic development in the history of the country, and if we put our shoulders to the wheel, within twenty-five years we will be manufacturing the greatest portion of our entire production of our raw material and be supplying the world's markets with finished products.

That agrees exactly with the statement made in this report by the British commission, to which I referred a moment ago.

Mr. Bullard says further:

We can do this because our machinery is as good as any in the textile world. We have the advantage of the cotton yield within our own boundaries, and there is reason to expect a greater efficiency of labor from our operatives by interesting them in the ownership of the industries, such as has already been accomplished very broadly in the manufacture of metals.

In short, it was stated by Mr. D. A. Tompkins at a meeting of this association many years ago: "As long as a bale of American cotton is sent across the Atlantic, so long will there be opportunities for more American cotton mills."

Mr. Bullard gives the dividends paid by leading cotton mills as follows, and he cites some that have not been mentioned here, at least to-day:

During the past eight years, which period constitutes an economic cycle of our industrial welfare, such seasoned textile stocks as Bates paid an average annual dividend of 16½ per cent; Dartmouth, 19¾ per cent; Laurel Lake, 23⅝ per cent; Pepperell, 19⅜ per cent; Troy, 23⅝ per cent, and Union, 22½ per cent, and during this period have added a great percentage to their surplus and working capital. A comparison of surplus earning over the dividend requirements of 10 cotton mill stocks with an equal number of high grade railroad bonds and industrial preferred stocks places the "textile" in an enviable position.

The tables which I have prepared prove that there is no class of investments paying as attractive dividends, earning so large a surplus, and showing so great a book value per share as cotton-mill stocks.

Henry Clews, of New York City, made an address at the same meeting of the association, in which he said:

With respect to our foreign market for cotton goods, there is plenty of room to widen it, but our exports of these in competition with England, Germany, and other countries, are more or less checked by the high price of labor here, and its comparative low price there. Hence we ought constantly to endeavor to overcome this disadvantage by keeping ahead of the rest of the world in labor-saving devices and improvements in machinery and manufactures. We should try to surpass all Europe in the quality, as well as the cheapness of our goods.

As we are the most inventive of all nations, and the quickest to adapt ourselves to new or altered conditions, we shall doubtless find this feasible if not an easy task, whereas England, our greatest competitor in manufacturing, is proverbially slow in changing machinery.

NO COTTON MANUFACTURER APPEARED TO ASK AN INCREASE.

Not a word is found in the proceedings of this meeting concerning any need for increasing protection or any injustice suffered under the Dingley Law.

I submit to the Senate that that is another fact to be weighed here and taken into account along with the fact that no manufacturer appeared before the Ways and Means Committee to ask for an increase.

Mr. Lippitt appeared before the Ways and Means Committee, and I found an interesting little colloquy in the report of the hearings which gives a New England manufacturer's idea of a fortune and of what constitutes a fortune. It was recalled to my mind by the Senator from Massachusetts when he was speaking on this subject the other day.

The Senator from Massachusetts said that New England fortunes were not large, or that large fortunes were not acquired in this industry at least; and that seems to be the view of Mr. Lippitt, to whom reference has so often been made in the course of this debate.

I desire to read from the testimony of Mr. Lippitt before the House Committee on Ways and Means.

Mr. Lippitt, a member of the Arkwright Club of Boston, which is an organization of New England cotton manufacturers, appeared before the Ways and Means Committee on December 1, 1908, to protest against any reduction in the cotton schedules of the Dingley law.

After summarizing the condition of the cotton-mill industry in New England, Mr. Lippitt said:

The result of all this is that while the best-managed mills of New England have made a living, they have shown no extraordinary profit. Great fortunes made in cotton manufacturing are very rare. No such thing exists in this country as has made possible the great fortunes derived from some other industries. The business is one of narrow margin, and success in it can only be attained by most careful management.

A NEW ENGLAND IDEA OF A GREAT FORTUNE.

Subsequently Mr. Lippitt was interrogated on the subject of large fortunes, and answered as follows:

Mr. LONGWORTH. I do not know whether I understood Mr. Lippitt correctly to say that no large fortunes have ever been made in this business in New England.

Mr. LIPPITT. I think so.

Mr. LONGWORTH. My impression is that most of the large fortunes have been made in it.

Mr. LIPPITT. We are not accustomed to large fortunes in New England.

Mr. LONGWORTH. Then may I ask you what you call a large fortune?

Mr. LIPPITT. I would regard a fortune of three-quarters of a billion as a large fortune.

Mr. HILL. That would be quite a moderate one for an Ohio man, would it not?

Mr. LONGWORTH. I only asked the question because I thought it was rather an exaggerated statement.

Mr. LIPPITT. I do not think so.

Mr. MCCALL. You mean there are no manufacturers of very great wealth in New England?

Mr. LIPPITT. Yes; I mean to say if you compare the cotton industry with others.

A little later in the course of Mr. Lippitt's testimony, in order to make certain that there should be no misunderstanding of the New England standard of fortunes, Mr. Lippitt was further interrogated, and made answer as follows:

Mr. CLARK. How much did you say you would regard as a comfortable fortune, three quarters of a million, or three quarters of a billion?

Mr. LIPPITT. The gentleman asked me what I would consider was a large fortune. I said I thought three-quarters of a billion was a large fortune.

Mr. CLARK. A billion?

Mr. LIPPITT. Yes, sir.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from South Carolina?

Mr. LA FOLLETTE. I do.

Mr. TILLMAN. I thought I had it in my desk, but I mislaid it for the time being. I saw some days ago an editorial in the Boston Traveler commenting on the speech of the Senator from Massachusetts [Mr. LODGE] and his denial of certain conditions in New England. Has the Senator had that called to his attention?

Mr. LA FOLLETTE. I have just brought to the attention of the Senate one such editorial. But perhaps the Senator from South Carolina may have another one in mind.

Mr. TILLMAN. There are two of them.

Mr. LA FOLLETTE. I saw only one of them, and the one I saw was of June 3.

Mr. TILLMAN. It was within the last day or two.

Mr. LA FOLLETTE. Yes.

ANOTHER EXAMPLE OF FORTUNE BUILDING.

Mr. William Whitman—whose brother, Mr. Clarence Whitman, is a very active spirit behind these increases in duties—

Mr. William Whitman, of Boston, president of the National Association of Wool Manufacturers, speaking also on behalf of the American Woolen and Worsted Manufacturers, and also on behalf of the Manufacturers' Club of Philadelphia, in a statement before the Ways and Means Committee December 2, 1908, corroborates Mr. Lippitt as to the poverty-stricken condition of the woolen and cotton manufacturing in New England. Upon the subject of his own struggles to make a scanty living in this business, Mr. Whitman was interrogated and answered as follows:

Mr. GRIGGS. I would like to ask you just one more question. You say you entered the company in 1867. In what capacity did you enter the company?
Mr. WHITMAN. I was made treasurer.
Mr. GRIGGS. Did you at that time own any stock?
Mr. WHITMAN. No.
Mr. GRIGGS. You were a salaried employee?
Mr. WHITMAN. I was a salaried employee.
Mr. GRIGGS. You resigned after six months, or after two years rather, and stayed away six months?
Mr. WHITMAN. Yes; that is right.
Mr. GRIGGS. And then you came back and took charge again in the same capacity?
Mr. WHITMAN. Yes.
Mr. GRIGGS. Are you still treasurer?
Mr. WHITMAN. No; I am president now.
Mr. GRIGGS. You owned none of the stock at that time?
Mr. WHITMAN. I did not.
Mr. GRIGGS. How much do you own of it now? What are your holdings in the Arlington mill?
Mr. WHITMAN. I do not remember but it is somewhere between seven and eight thousand shares.
Mr. GRIGGS. Seven hundred or eight hundred thousand dollars?
Mr. WHITMAN. Somewhere less than a million.
Mr. GRIGGS. That is at par?
Mr. WHITMAN. No.
Mr. GRIGGS. That is the sale value?
Mr. WHITMAN. You can not sell it, you know, except in small quantities.
Mr. GRIGGS. You said it was worth $100——
Mr. WHITMAN. I hate to have all this go before the public; it is my private business.
Mr. GRIGGS. I will not insist on it; I do not mind telling you my purpose.
Mr. WHITMAN. I have no objection to you gentlemen knowing anything, but it is kind of hard to have all this put in print.

And yet, Mr. President, these manufacturers were very glad to see put into the Republican platform—and some of the representatives of the greatest industrial organizations in this country were on the ground at the convention very urgently looking after it—an assurance that they should have reasonable profits. I want to remind them now that they have placed themselves under obligation to tell about their business and their profits.

I think the representatives of these organizations who urged that view upon the national convention at Chicago took a long step toward imposing upon this Government the regulation of prices in this country.

Mr. GRIGGS. Because you are afraid it is boasting? It is not boasting.
Mr. WHITMAN. No; but one does not like to have his private business paraded before the public.
Mr. GRIGGS. I shall not do it if you object to it.
Mr. WHITMAN. I do not want to make it in such a form that it would appear that I was unwilling to answer any question.
Mr. GRIGGS. I will tell you what I want to show, and you can answer it or not as you please. I want to show, if possible, that a man who went into the mill as a treasurer on a salary in 1869, practically is now at the head of the four large mills, and one of the largest merchants in the United States made out of that manufacturing under the duties imposed.
Mr. WHITMAN. I was not.
Mr. GRIGGS. You have not made your money out of the business you are engaged in?
Mr. WHITMAN. Not the manufacturing part.
Mr. GRIGGS. You are at the head of four mills, are you not?
Mr. WHITMAN. Yes.
Mr. GRIGGS. You are at the head of four stores?
Mr. WHITMAN. I am at the head of the selling house.
Mr. GRIGGS. Of the selling house?
Mr. WHITMAN. Yes.

MANUFACTURERS GET PRACTICALLY ALL THE PROFITS.

I pause to recall the excuses that have been made for high prices in this country, that they are caused by the excessive profits that are being exacted by the jobbers and the middlemen between the manufacturer and the consumer. It appears that the selling business is being taken care of by the manufacturers in some of our greatest industries.

A series of lectures has recently been delivered at Harvard by one of the greatest merchants in this country, and in dealing with this very subject—I thought I had here the extract from his lectures—he speaks of it as practically a completed and accomplished fact that the jobber has been wiped out of existence by the selling methods of the great combinations of to-day, and that the retail merchants of this country are buying direct from the manufacturers. He states in these lectures—and he is a man of such standing, Mr. Filene, of Boston, that his name is only needed, wherever he is known, to give authority to what he says—that a profit of 5 per cent is a good average retail profit, and most satisfactory to the managers of department stores in this country. But it seems here, from Mr. Whitman's testimony, that the selling business has been absorbed by the manufacturing business, and the middleman is wiped out, and all of the profits of manufacture and all the profits of selling, in at least one great industry in this country, are going into one pocket.

Mr. GRIGGS. That is one business. Do you mean to say you have made all of your business out of the store?
Mr. WHITMAN. Not all, but the greater part. It is a sort of a shop. They are offices. We have them in a great many cities in the United States.
Mr. GRIGGS. I understand that. The commercial part is where the money is. Would you mind naming the other large companies of which you are president?
Mr. WHITMAN. They are cotton mills.
Mr. GRIGGS. All cotton mills?
Mr. WHITMAN. Yes.
Mr. GRIGGS. Located in Massachusetts?
Mr. WHITMAN. Yes.
Mr. GRIGGS. What is the capital stock of the three combined?
Mr. WHITMAN. Of the three cotton mills?
Mr. GRIGGS. Yes.
Mr. WHITMAN. Five millions.
Mr. GRIGGS. What is the business worth? What is the property worth?
Mr. WHITMAN. Oh, it is worth more than that.
Mr. GRIGGS. Would you mind telling me how much more?
Mr. WHITMAN. Well, of course any valuation which I have stated here are all stated upon the basis of the business going prosperously. If it went the other way, you know, it would not be worth as much.
Mr. GRIGGS. It is going prosperously, is it not?
Mr. WHITMAN. Of course, the last year in the main, the last fiscal year, has been a very bad year, because we have lost a great deal of money.
Mr. GRIGGS. Everybody has had a bad year this year.
Mr. WHITMAN. We have to provide that out of a good year.
Mr. GRIGGS. What is the value?

Mr. GRIGGS seemed to have an awfully troublesome way of sticking to the point.

Mr. WHITMAN. Of the three mills?
Mr. GRIGGS. Yes.
Mr. WHITMAN. I think they are worth perhaps $6,000,000.
Mr. GRIGGS. The three mills?
Mr. WHITMAN. Yes.
Mr. GRIGGS. Does that include stock and everything?
Mr. WHITMAN. Yes; I mean the value of the stock.
Mr. GRIGGS. And the accretions of which you spoke this afternoon?
Mr. WHITMAN. Some.
Mr. GRIGGS. How much accretions?
Mr. WHITMAN. That is not very large. I do not think I can answer that.
Mr. GRIGGS. How much capital stock did you put in to start with in these mills?
Mr. WHITMAN. It was all paid in money.
Mr. GRIGGS. Six millions of dollars, and you say it is only worth six millions?
Mr. WHITMAN. Five millions capital stock. If it is worth six the other million has come from long years of earnings.
Mr. GRIGGS. You say you have not made any money out of these enterprises?
Mr. WHITMAN. I did not say that.
Mr. GRIGGS. How much stock do you own in these three mills.
Mr. WHITMAN. This is cotton mills. I think it is going a little beyond the scope of the inquiry.
Mr. GRIGGS. I shall not insist on it.
Mr. WHITMAN. I do not think I ought to tell my associates' business, you know. I do not own them all. It is practically asking me how much money I am worth, you know, which I do not think you yourself think is quite proper.
Mr. GRIGGS. From your statement you are pretty near a corporation yourself.
Mr. WHITMAN. Me?
Mr. GRIGGS. Yes.
Mr. WHITMAN. Oh, no.
Mr. GRIGGS. I shall not insist on it.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. I do.

Mr. GALLINGER. I think the Senator will agree with me that Mr. Lippitt, who has been quoted, a gentleman I have met (he has been governor of the State of Rhode Island, I believe), must have been joking when he suggested that a New England fortune would be three-quarters of a billion dollars—seven hundred and fifty million dollars.

Mr. President, I can safely say to the Senator from Wisconsin that we have not any very rich men in New England compared with other parts of the country. We are rather poor so far as large fortunes are concerned. Then again, the Senator knows that men like Mr. Whitman make a great deal of money in outside operations.

Mr. LA FOLLETTE. In real estate?

Mr. GALLINGER. I think likely. That class of men are in all sorts of business, and while he doubtless has done well in cotton manufacturing and perhaps woolen manufacturing, I do not know, I apprehend that his fortune, whatever it may be, has come largely from speculations in other directions. I know that is true of the average successful business man. The Senator has known of it in a great many instances himself.

NOT A SINGLE REASON OFFERED FOR ADVANCE.

Mr. LA FOLLETTE. I have no doubt that money made in manufacturing offers an opportunity for investment, either in multiplying the same mills and extending the manufacturing or investing in other lines. It would seem, however, that Mr. Whitman has looked upon the woolen and cotton industries especially as a very fruitful field for investment. He has found behind the tariff barrier which has been interposed against any outside competition in that business an opportunity to put his money very profitably and largely, I should judge, into this business.

Mr. President, we will search the public records in connection with this tariff bill in vain for any reason; we will search the libraries and the reports of labor bureaus and the records of other governments bearing upon the cost of production in vain; we will search in vain in every direction for any possible reason for increasing these duties.

I know that I have wearied the Senate, and I apologize for the length of time I have taken. I have not been able to go rapidly to-day on account of the intense heat. I submit what I have said, believing that it is unanswerable, and believing that it makes it impossible to support, at least I can not conscientiously or consistently support these rates advanced above the present tariff rates, and I firmly believe that a liberal reduction could be made from the existing rates without in the slightest degree endangering this industry in this country.

Mr. MONEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin yield to the Senator from Mississippi?

Mr. LA FOLLETTE. I do.

Mr. MONEY. Will the Senator permit me to ask him a question? He has made an extremely comprehensive and exhaustive speech upon the cotton schedule. I will ask him if he has considered what will be the effect of the maximum clause of 25 per cent ad valorem outside of the fixed rate. What effect would that have upon the duty in the cotton schedule?

Mr. LA FOLLETTE. I can not at this late hour enter upon the discussion of that momentous question. I will say to my friend from Mississippi that in every case where the maximum is added to the high rates fixed in this bill it will prove absolutely prohibitory.

Mr. President, in conclusion, I repeat that not a reason has been offered by any member of the Finance Committee or any other Senator based upon a difference in the cost of production for the increase of a single rate in the cotton schedule, outside of the correction that should be made in paragraph 304, affecting the small quantity of cloth of low count and high value that is imported under inadequate duties. That little defect in the Dingley law has been the pretext and the defense for increasing the rates directly on more than $10,000,000 of cotton imports, and indirectly on almost everything embraced in the entire schedule.

I thank Senators for the interest which they have manifested in my discussion of these important provisions of this tariff bill.

APPENDIX.

Senate Document No. 77, Sixty-first Congress, first session, comparison of the Payne tariff bill (H. R. 1438) with the present tariff law, showing the value of imports and duties collected, as reported for the year ending June 30, 1907, compared with estimated duties under the proposed bill as reported from the Finance Committee, United States Senate, grouped to show separately the value of imports on which the duties are unchanged, increased, or decreased, and the percentages of increase or decrease. Prepared by the Bureau of Statistics, Department of Commerce and Labor. Presented by Mr. La Follette June 5, 1909.

SCHEDULE A—*Chemicals, oils, and paints.*

All ad valorem percentages are based on dutiable values. n. e.—not enumerated in the tariff. (L) Classed as Luxuries, articles of voluntary use, in estimate furnished by Senate Finance Committee.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
		P. ct.	*P. ct.*										
1	Acids												
	Acetic or pyroligneous—												
	Specific gravity not exceeding 1.047	3.08	3.08		$381.00								
	Specific gravity exceeding 1.047	17.77	17.77		8,017.00								
	Acetic anhydrid				1,424.62								
	Benzoic		25.00			$149,217.00		Free.	$37,304.25				
	Boracic	140.18	56.17							$28,425.00	60.00	$39,813.05	$15,965.22
	Chromic	14.43	9.62							303.00	33.33	43.73	29.15
	Citric	18.30	18.30	57,061.00	10,444.60								
	Formic	25.00	25.00	13,768.00	3,442.00								
	Gallic	31.92	25.53							7,086.00	20.00	2,261.00	1,808.80
	Lactic	29.09	29.09	5,140.00	1,341.25								
	Lactic, containing not over 40 per cent by weight of actual lactic acid										33.33		
	Containing over 40 per cent by weight of actual lactic acid												
	Oxalic		19.36			376,860.00		Free.	72,962.46				
	Pyrogallic	25.00	25.00	39,617.00	9,904.25								
	Salicylic	38.30	19.15							2,397.00	50.00	918.10	459.05
	Sulphuric, or oil of vitrol, n. s. p. f.	16.82	16.82	1,845.00	310.39								
	Tannic or tannin	114.08	79.86							2,797.00	30.00	3,190.83	2,233.58
	Tartaric	20.90	14.93							3,876.00	28.57	810.11	578.65
	All other, not specially provided for	25.00	25.00	49,740.75	12,435.19								
2	(L) Alcoholic compounds, n. s. p. f.	99.12	79.21							1,365.30	20.00	1,354.27	1,081.20
3	*Alkaloids, distilled oils, essential oils, expressed oils, rendered oils, extracted resins, and oleo-resins, and all combinations of the foregoing, and all chemical compounds, mixtures and salts, and all greases, not specially provided for in this section, twenty-five per centum ad valorem; chemical compounds, mixtures and salts containing alcohol or in the preparation of which alcohol is used, and not specially provided for in this section, fifty-five cents per pound, but in no case shall any of the foregoing pay less than twenty-five per centum ad valorem.*												

SCHEDULE A—*Chemicals, oils, and paints*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
3	Preparations or products known as alkalies, alkaloids, and all combinations of, and all chemical compounds and salts	*P. ct.* 25.00	*P. ct.* 25.00	$1,500,922.25	$375,230.60								
	Ammonia, phosphate of	25.00	25.00	6,980.00	1,745.00								
	Antimony, salts of	25.00	25.00	105,234.00	26,308.50								
	Barium:												
	Binoxide	25.00	25.00	144,483.00	36,120.75								
	Chloride of	25.00	25.00	65,468.00	16,367.00								
	Caffeine	25.00	25.00	39,581.00	9,895.25								
	Calcium, chloride of	25.00	25.00	1,432.00	358.00								
	Cocaine	25.00	25.00	37,585.00	9,396.25								
	Lime and soda, hypophosphites of	25.00	25.00	736.00	184.00								
	Potash, bicarbonate of	25.00	25.00	6,787.00	1,696.75								
	Soda:												
	Phosphate of	25.00	25.00	855.00	213.75								
	Prussiate of	25.00	25.00	175,674.00	43,918.50								
	Sulphite of	25.00	25.00	803.00	200.75								
	Thorium, nitrate of	25.00	25.00	240,128.00	60,032.00								
	Oils:												
	All other essential and distilled oils and combinations of [b]	25.00	25.00	448,473.25	112,118.32								
	All other fixed or expressed oils, and combinations of	25.00	25.00	15,115.00	3,778.75								
35½	*Nut oil, or oil of nuts not otherwise provided for*		19.28			$1,044,016.00		Free.	$201,251.43				
3	All other rendered oils, and combinations of	25.00	25.00	26,775.90	6,693.98								
637	Mineral—												
	Crude	98.63	Free.							$2,134.00		$2,104.71	Free.
	Refined	6.73	Free.							159,721.21		10,747.05	Free.
637	Paraffin	9.53	Free.							170,803.00		16,283.37	Free.
3	*Grease, other, n. o. p. f.*	20.00	25.00			4,844.00	25.00	$968.80	1,211.00				
4	Alumina, hydrate of, or refined bauxite	12.74	12.74	1,296.00	165.07								
	Alumina, hydrate of, or refined bauxite:												
	Containing not more than sixty-four per centum of alumina										33.33		
	Containing more than sixty-four per centum of alumina												
	Alum, alum cake, patent alum, sulphate of alumina, and aluminous cake, and alum in crystals or ground	51.00	51.00	24,582.00	12,537.50								
	Alum, alum cake, patent alum, sulphate of alumina, and aluminous cake:												
	Containing less than fifteen per centum of alumina and more than three-tenths of one per centum of iron oxide										50.00		
	Containing more than fifteen per centum of alumina, or less than three-tenths of one per centum of iron oxide										25.00		
	Potash alum and ammonia alum												
5	Ammonia: [a]												
	Carbonate of	27.45	27.45	28,840.00	7,915.55								
	Muriate of, or sal ammoniac	14.41	14.41	765,580.00	110,352.19								
	Sulphate of	11.07	7.38							1,770,222.00	33.33	196,011.83	$130,674.57
	Liquid anhydrous												
6	Argols, or crude tartar, or wine lees, crude:												
	Containing not more than 40 per cent of bitartrate of potash	33.91	5.00							114.00	85.26	38.66	5.70
	Do. (from Switzerland, reciprocity)	5.00	5.00	453.00	22.65								
	Do. (from France, reciprocity)	5.00	5.00	131.00	6.55								
	Containing more than 40 per cent of bitartrate of potash	14.53	5.00							10,443.00	65.59	1,517.86	522.15
	Do. (from France, reciprocity)	5.00	5.00	1,026,958.00	51,347.93								
	Do. (from Italy, reciprocity)	5.00	5.00	1,331,889.00	66,594.45								
	Do. (from Portugal, reciprocity)	5.00	5.00	188,261.00	9,413.05								
	Argols partly refined, or tartars and lees crystals:												
	Containing not more than 90 per cent of bitartrate of potash	35.64	26.72							2,634.00	25.00	938.64	703.98
	Containing more than 90 per cent of bitartrate of potash	75.00	60.00							1.00	20.00	.75	.60
	Tartrate of soda, or potassa, or Rochelle salts	38.05	28.53							76.00	25.00	28.92	21.69
	Cream of tartar and patent tartar	26.10	21.74							614.00	16.67	160.23	133.53
7	Blacking	25.00	25.00	29,411.94	7,352.98								
	Blanco polish	20.00	25.00			24,679.25	25.00	4,935.85	6,169.81				
8	Bleaching powder, or chloride of lime	24.13	24.13	880,917.00	212,558.35								
9	Blue vitriol, or sulphate of copper	8.47	8.47	75,650.50	6,410.46								
10	Bone char, suitable for use in decolorizing sugars	20.00	20.00	6,368.00	1,273.60								
	Charcoal in any form not specially provided for												
	Blood char												
11	Borax	150.76	60.30							48,118.00	60.00	72,541.15	29,116.46
	Borates of lime or soda, or other borate material, not otherwise provided for:												
	Containing not more than 36 per cent of anhydrous boracic acid	31.47	14.10							346.00	58.33	108.87	45.36
	Containing more than 36 per cent of anhydrous boracic acid										68.75		

SCHEDULE A—*Chemicals, oils, and paints*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1907). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
		P. ct.	P. ct.										
12	Camphor, refined	7.44	7.44	$373,137.00	$27,778.62								
	Synthetic camphor												
13	(L) Chalk:												
	Not medicinal, nor prepared for toilet purposes, when ground, precipitated, or otherwise prepared, including tailors', billiard, red, or French	43.12	43.12	7,653.00	3,299.69								
	Manufactures of, not specially provided for	25.00	25.00	39,218.00	9,804.50								
14	Chloroform	46.03	23.02							$1,575.00	50.00	$724.95	$362.48
15	Coal-tar colors or dyes, not specially provided for	30.00	30.00	5,657,835.95	1,697,350.79								
	Coal tar, all preparations of, not colors or dyes, and not medicinal, not specially provided for	20.00	20.00	922,666.00	184,533.20								
16	Cobalt, oxide of	12.51	12.51	83,026.00	10,384.75								
17	Collodion, and articles of which collodion or any compound or pyroxylin is the component material of chief value:												
	Collodion, and all compounds of pyroxylin	25.79	20.62							2,195.00	20.00	566.00	452.80
	Rolled or in sheets, unpolished, and not made up into articles	79.32	59.48							205.00	25.00	162.60	121.95
	In finished or partly finished articles—												
	(L) Artificial silk	55.47	55.47	744.00	412.69								
	(L) All other	33.67	33.67	870,393.24	293,045.33								
18	(L) Coloring for brandy, wine, beer, or other liquors	50.00	50.00	560.50	280.25								
538	Copperas of sulphate of iron	5.25	Free.							89.00	100.00	4.67	Free
19	Drugs, such as barks, beans, berries, balsams, buds, bulbs, bulbous roots, excrescences, nutgalls, fruits, flowers, dried fibers, grains, gums and gum resin, herbs, leaves, lichens, mosses, nuts, roots, stems, spices, vegetables, seeds (aromatic, not garden seeds), seeds of morbid growth, weeds, woods used expressly for dyeing, and dried insects, any of the foregoing which are drugs, not edible, but which are advanced in value or condition by refining, grinding, or other process of manufacture	11.66	51.66	86,308.75	10,061.80								
20	Ethers:												
	Sulphuric	262.10	2.36							372.00	80.00	974.08	194.82
	Nitrous, spirits of										20.00		
	Fruit ethers, oils, or essences	66.43	33.22							1,439.00	50.00	956.00	478.00
	Ethyl chloride												
	Other, not specifically provided for	86.07	43.03							1,012.00	50.00	871.00	435.50
	All on which duty does not amount to 25 per cent	25.00	25.00	2,507.20	626.80								
21	Logwood and other dyewoods, extracts and decoctions of	10.78	10.78	368,704.00	39,744.74								
	Extracts of bark, used for dyeing or tanning, n. s. p. f	33.30	33.30	7,448.00	2,490.19								
	Cutch												
	Extract of nutgalls, aqueous												
	Extract of Persian berries												
	Chlorophyll												
	Extract of quebracho	17.11	17.11	2,234,386.00	382,399.24								
	Extract of mangrove bark										42.86		
	Extract of hemlock bark												
	Extract of sumac	17.25	17.25	55,701.00	9,608.86								
	Extracts of vegetable origin suitable for dyeing, coloring, staining, or tanning, not containing alcohol and not medicinal, and n. s. p. f												
22	Gelatin:												
	Valued not above 10 cents per pound	32.80	32.80	6,257.00	2,052.03								
	Valued above 10 cents and not above 35 cents per pound	25.00	28.89			$135,462.00	15.92	$33,865.50	$39,258.58				
	Valued above 35 cents per pound	44.46	44.46	304,212.00	135,249.72								
	Emulsions, or any other form, and all manufactures of gelatin or of which gelatin is the component material of chief value, n. s. p. f												
	Gelatin, manufactures of, n. s. p. f	35.00	35.00	19,564.00	6,847.40								
	Glue												
	Valued not above 10 cents per pound	35.79	35.79	330,719.50	118,349.15								
	Valued above 10 cents and not above 35 cents per pound	25.00	50.78			296,546.00	126.55	74,136.50	167,957.01				
	Valued above 35 cents per pound	34.22	34.22	2,101.00	718.97								
	Glue size, patent and vegetable	20.00	25.00			6,322.00	25.00	1,264.40	1,580.50				
	Fish glue or isinglass, and prepared fish bladders and fish sounds:												
	Valued not above 10 cents per pound	42.21	42.21	52.00	21.95								
	Valued above 10 cents and not above 35 cents per pound	25.00	24.11							39,019.00	3.53	9,754.75	9,410.63
	Valued above 35 cents per pound	29.78	29.78	17,548.00	5,225.14								

SCHEDULE A—*Chemicals, oils, and paints*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under—		Value of imports, 1907.	Per cent of decrease.	Revenue under—	
								Present law.	Senate bill.			Present law.	Senate bill.
23	Glycerin:	*P. ct.*	*P. ct.*										
	Crude, not purified	15.64	15.64	$2,366,482.00	$370,020.18								
	Refined	32.49	32.49	87,993.00	28,593.18								
24	Indigo:												
	Extracts, or pastes of	13.16	13.16	8,013.00	1,090.05								
	Carmined	15.26	15.26	14,004.00	2,137.00								
25	Ink and ink powders:												
	Printers'	25.00	25.00	1,540.00	385.00								
	All other	25.00	25.00	63,271.50	15,817.87								
26	Iodine, resublimed	8.77	8.77	561.00	49.20								
27	Iodoform	32.08	23.30							$59.00	25.00	$18.33	$13.75
	Licorice, extracts of, in paste, rolls, or other forms, n. e	39.96	20.00							77,984.00	49.77	31,173.27	15,596.80
28	(L) Chicle	29.65	29.65	1,485,165.91	440,315.45								
29	Magnesia:												
	Carbonate of, medicinal	22.88	22.88	6,813.00	1,375.71								
	Calcined, medicinal	37.99	37.99	7,301.00	2,783.83								
	Carbonate of, technical, not medicinal												
	Sulphate of, or Epsom salts	51.18	51.18	16,072.00	8,226.33								
30	Alizarin assistant, sulpho-ricinoleic acid, and ricinoleic acid:												
	Containing less than 50 per cent of castor oil	52.09	52.09	15,406.00	8,025.75								
	Containing 50 per cent or more of castor oil	50.16	50.16	7,902.00	3,963.90								
	Alizarin assistants and all soluble greases used in the processes of softening, dyeing, or finishing												
	All other n. s. p. f	30.00	30.00	7,075.00	2,122.50								
	Oils:												
31	Castor oil	35.48	35.48	4,244.20	1,505.70								
32	Cod-liver oil	24.02	24.02	136,202.00	32,714.55								
	Cotton-seed oil	11.19	25.00			$9,342.00	123.12	$1,046.06	$2,335.50				
	Croton oil	32.73	25.00							11.00	22.88	3.60	2.75
33	Flaxseed or linseed oil, raw, boiled, or oxidized	49.67	37.25							5,712.00	25.00	2,836.97	2,127.73
	Poppy-seed oil, raw, boiled, or oxidized	31.97	23.98							3,243.00	25.00	1,036.90	777.68
34	Fusel oil, or amylic alcohol	2.07	2.07	575,296.00	11,957.87								
35	Hemp-seed and rape-seed oil	19.87	19.87	405,575.00	80,603.30								
36	Olive oil—												
	In bottles, jars, tins, or similar packages	43.85	43.85	2,724,168.86	1,194,610.50								
	Other, n. s. p. f	52.34	52.34	562,926.39	294,620.60								
37	Peppermint oil	36.21	18.11							18,839.00	50.00	6,821.34	3,410.67
38	Seal oil	28.62	28.62	221.00	63.24								
	Whale oil	23.62	23.62	8,370.00	1,976.64								
	Fish oil, n. s. p. f	33.57	33.57	142,703.00	47,908.68								
39	Opium—												
	Crude or unmanufactured and not adulterated, containing 9 per cent and over of morphia	39.15	58.71			1,134,681.00	50.00	444,121.32	666,181.98				
	Advanced beyond crude or manufactured												
	Morphia or morphine, sulphate of	63.90	95.85			820.00	50.00	524.00	786.00				
	All alkaloids and salts of opium	49.80	74.70			54,141.00	50.00	26,964.00	40,446.00				
	Aqueous extract of, for medicinal uses, and tincture of, as laudanum, and all other liquid preparations of, not specially provided for	40.00	40.00	22.00	8.80								
	Prepared for smoking, and opium containing less than 9 per cent of morphia	62.41	.....	1,460,400.00	911,494.13								
	Opium containing less than 9 per cent of morphia	.....	62.41										
40	Baryta, sulphate of, or barytes, including barytes earth:												
	Unmanufactured	20.95	20.95	43,033.00	9,016.98								
	Manufactured	54.66	54.66	81,447.00	44,520.66								
41	Blues, such as Berlin, Prussian, Chinese, and all others, containing ferrocyanide of iron, in pulp, dry or ground in or mixed with oil or water	38.98	38.98	39,445.00	15,376.93								
42	Blanc-fixe, or artificial sulphate of barytes, and satin white, or artificial sulphate of lime	44.49	44.49	71,504.00	31,814.06								
43	Black, made from bone, ivory, or vegetable substance, including boneblack and lampblack, dry or ground in oil or water	25.00	25.00	29,210.00	7,302.50								
44	Chrome yellow, chrome green, and all other chromium colors in the manufacture of which lead and bichromate of potash or soda are used in pulp, dry or ground in or mixed with oil or water	29.74	29.74	19,515.00	5,803.27								
45	Ocher and ochery earths, n. s. p. f.:												
	Crude, not powdered, washed, or pulverized	9.89	9.89	903.00	89.35								
	Powdered, washed, or pulverized	41.73	41.73	107,578.25	44,885.18								
	Ground in oil or water	83.08	55.78							1,777.00	33.33	1,486.99	991.30
	Sienna and sienna earths, n. s. p. f.:												
	Crude, not powdered, washed, or pulverized	8.82	8.82	17,717.00	1,563.35								
	Powdered, washed, or pulverized	21.90	21.90	13,903.00	3,044.38								
	Ground in oil or water	24.33	16.21							405.00	33.33	98.52	65.68

SCHEDULE A—*Chemicals, oils, and paints*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Umber and umber earths, n. s. p. f.:												
	Crude, not powdered, washed, or pulverized	*P. ct.* 18.24	*P. ct.* 18.24	$12,326.00	$2,247.87								
	Powdered, washed, or pulverized	31.44	31.44	7,756.00	2,438.76								
	Ground in oil or water	19.84	13.28							$464.00	33.33	$92.08	$61.28
46	Orange mineral	58.47	58.47	42,084.00	24,605.68								
47	Red lead	56.97	56.97	45,209.00	25,754.86								
48	Ultramarine, dry, in pulp, or mixed with water	40.18	32.14							66,753.00	20.00	26,823.53	21,458.82
	Wash blue, containing ultramarine	27.49	21.99							23,623.00	20.00	6,494.65	5,195.70
49	Varnishes												
	Spirit varnishes	104.23	35.00							5,154.00	66.38	5,372.54	2,245.10
	All other, including gold size or Japan	35.00	35.00	64,145.70	22,451.00								
	Enamel paints made with varnish												
50	Vermilion red, and other colors:												
	Containing quicksilver, dry, or ground in oil or water	20.53	20.53	57,049.00	11,713.36								
	Not containing quicksilver, but made of lead, or containing lead	17.69	17.69	17,930.00	3,172.35								
51	White lead, white paint and pigment containing lead, dry or in pulp, and ground or mixed with oil	46.13	46.13	38,481.50	17,753.36								
52	Whiting and Paris white:												
	Dry	35.15	35.15	13,219.00	4,645.85								
	Ground in oil (putty)	30.77	23.08							114.35	25.00	35.19	26.39
53	Zinc, oxide of, and white pigment containing zinc, but not containing lead:												
	Dry	16.62	16.62	289,285.00	48,070.67								
	Ground in oil	15.21	15.21	35,162.00	5,346.46								
	Sulfid of, white, or white sulphide of	39.07	39.07	44,643.00	17,444.01								
	Chloride of zinc	36.60	36.60	38,236.00	13,995.17								
	Sulphate of zinc	40.53	40.53	1,288.00	522.09								
54	All other paints, colors, pigments, lakes, smalts, and frostings, crude or dry or mixed, or ground with water or oil or other solutions, and not specially provided for	30.00	30.00	656,014.75	196,804.42								
	Oxide of iron pigment, and oxide of iron polishing powder, driers for paint, all glazes, fluxes, enamels, and colors used only in the manufacture of ceramic, enameled, and glass articles												
	(L) Crayons *including charcoal crayons or fusains*	30.00	30.00	10,680.50	3,204.15								
	Brown—												
	Spanish, Indian red, and colcothar or oxide of iron	30.00	30.00	71,534.00	21,460.20								
	Vandyke, Cassel earth or Cassel brown	30.00	30.00	111.00	33.30								
	Venetian red	30.00	30.00	37,068.00	11,120.40								
	(L) All paints, colors, and pigments, commonly known as artists' paints or colors, whether in tubes, pans, cakes, or other forms	30.00	30.00	95,871.00	28,761.30								
55	Paris green and London purple	15.00	15.00	17,764.32	2,664.65								
56	Lead:												
	Acetate of—												
	White	38.52	38.52	268.00	103.24								
	Brown, gray, or yellow	40.43	40.43	940.00	380.05								
	Nitrate of	63.06	63.06	10,996.40	6,934.57								
	Litharge	57.57	57.57	3,162.00	1,820.50								
57	Phosphorus	41.09	41.09	13,268.00	5,451.66								
	Potash:												
58	Bichromate and chromate of	41.14	30.96							685.00	25.00	282.84	212.13
59	Caustic, or hydrate of, refined, in sticks or rolls	8.95	8.95	4,545.00	406.92								
	Chlorate of	34.61	27.68							1,486.00	20.00	514.27	411.40
60	Hydriodate, iodide, and iodate of	11.20	11.20	797.00	89.25								
61	Nitrate of or saltpeter, refined	9.52	Free.							15,833.12	100.00	1,506.76	Free.
62	Prussiate of—												
	Red	38.60	38.60	11,811.00	4,559.12								
	Yellow	39.13	39.13	148,580.00	58,132.80								
	Cyanide of	12.50	12.50	483,789.00	60,473.65								
	Cyanide of sodium												
63	Preparations, medicinal:												
	Containing alcohol, or in the preparation of which alcohol is used	62.27	62.27	214,642.71	133,667.55								
	On which the specific duty does not amount to 25 per cent	25.00	25.00	8,119.42	2,029.86								
	Calomel and other mercurial medicinal preparations	35.00	35.00	21,352.35	7,473.32								
	Not containing alcohol, or in the preparation of which alcohol is not used	25.00	25.00	1,321,811.02	330,452.85								
64	Plasters, healing or curative, and court-plaster	35.00	25.00							9,468.50	28.57	3,314.00	2,367.13
65	(L) Perfumery, cosmetics, and toilet preparations:												
	Alcoholic perfumery, including cologne water and other toilet waters, and toilet preparations containing alcohol, or in the preparation of which alcohol is used	77.88	82.88			$655,754.25	6.41	$510,695.57	$543,483.22				

SCHEDULE A—*Chemicals, oils, and paints*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	(L) Preparations used as applications to the hair, mouth, teeth, or skin, such as cosmetics, dentifrices, pastes, pomades, powders, and other toilet articles, and articles of perfumery, not containing alcohol, or in the manufacture of which alcohol is not used, n. s. p. f.	*P. ct.* 50.00	*P. ct.* 60.00			$576,068.64	20.00	$288,034.32	$345,641.18				
	(L) *Floral or flower waters, containing no alcohol*						25.00						
66	Santonin, and all salts of, containing 80 per cent or over of santonin	12.66	12.66	$65,032.90	$8,233.19								
67	Soap:												
	Castile	18.60	18.60	346,383.00	64,419.58								
	(L) Fancy, perfumed, and all descriptions of toilet, including medicinal or medicated	34.79	46.39			320,344.00	33.33	181,045.64	241,394.13				
	All other, n. s. p. f.	20.00	20.00										
68	Soda: Bicarbonate of, or supercarbonate of, or saleratus, and other alkalies containing 50 per cent or more of bicarbonate of soda	23.87	19.89							$4,274.00	16.67	$1,020.30	$850.23
69	Bichromate and chromate of	32.80	28.70							425.00	12.50	139.38	121.96
70	Crystal carbonate of, or concentrated soda crystals, or monohydrate, or sesquicarbonate of	18.91	15.76							2,026.00	16.67	383.21	319.33
	Chlorate of										25.00		
71	Hydrate of, or caustic	24.46	16.31							39,396.00	33.33	9,635.87	6,423.89
	Nitrite of	50.36	40.29							37,623.00	20.00	18,945.90	15,156.70
	Hyposulphite of	32.38	24.29							1,093.00	25.00	353.96	265.47
	Sulphide of	34.46	25.84							20,988.00	25.00	7,231.89	5,423.92
72	Sal, or soda crystals, not concentrated	31.87	23.03							4,771.00	16.67	1,520.09	1,100.07
73	Soda ash	34.63	23.08							73,052.00	33.33	25,294.67	16,863.10
	Arseniate of	22.63	18.11							9,306.00	20.00	2,106.40	1,685.09
74	Silicate of, or other alkaline silicate	53.91	40.43							11,461.00	25.00	6,178.55	4,633.94
75	Sulphate of:												
	Glauber salts	6.32	5.06							4,974.00	20.00	314.56	251.64
	Salt cake, or niter cake	10.10	8.08							37,679.00	20.00	3,805.95	3,044.76
76	Moss:												
	Sea moss	10.00	Free.							17,567.00	100.00	1,756.71	Free.
	Prepared moss	20.00	10.00							18,029.00	50.00	3,605.80	1,802.90
	Moss and sea grass, eel grass, and seaweeds, if manufactured or dyed												
77	Sponges, and manufactures of:												
	Sponges	20.00	20.00	220,707.31	44,141.46								
	Do. (reciprocity treaty with Cuba)	16.00	16.00	115,649.58	18,503.94								
	Manufactures of, or of which sponge is the component material of chief value, n. s. p. f.	40.00	30.00							45.00	25.00	18.00	13.50
78	Strychnia, or strychnine, and salts of	68.25	34.13							338.00	50.00	230.70	115.35
79	Sulphur:												
	Refined	32.71	24.53							18,080.00	25.00	5,913.83	4,435.38
	Sublimed, or flowers of	28.10	21.07							41,501.00	25.00	11,661.79	8,746.32
	Sulphur or brimstone advanced beyond the original condition as mined, by melting, refining, or any process whatever by means of which impurities or extraneous matter, wholly or in part, have been removed												
80	Sumac, ground	14.13	14.13	259,974.00	36,734.74								
81	Vanillin	320.00	100.00							35.60	68.75	80.00	25.00
	Total, Schedule A	26.62	27.99	34,101,012.22	9,043,971.74	4,989,097.14	51.05	1,567,601.96	2,367,963.05	2,831,645.48	41.75	550,996.54	320,978.72

SCHEDULE B—*Earths, earthenware, and glassware.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
82	Brick, fire, weighing not more than 10 pounds each:												
	Not glazed, enameled, ornamented, or decorated	*P. ct.* 28.70	*P. ct.* 28.70	$93,867.40	$26,943.34								
	Glazed, enameled, ornamented, or decorated	45.00	35.00							$20.00	22.22	$9.00	$7.00
	Brick, fire, weighing more than 10 pounds each:												
	Not glazed, enameled, etc.												
	Glazed, enameled, etc.												

SCHEDULE B—*Earths, earthenware, and glassware*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
		P. ct.	*P. ct.*										
	Brick, other than fire:												
	Not glazed, enameled, painted, vitrified, ornamented, or decorated	25.00	25.00	$49,170.52	$12,292.63								
	Glazed, enameled, painted, vitrified, ornamented, or decorated	45.00	35.00							$7,665.00	22.22	$3,449.25	$2,682.75
83	Tiles:												
	Plain, unglazed, one color, exceeding 2 square inches in size	42.97	42.97	17,866.00	7,674.04								
	(L) Glazed, encaustic, ceramic, mosaic, vitrified, semivitrified, flint, spar, embossed, enameled, ornamented, hand painted, gold decorated, and all other earthenware tiles—												
	Valued not exceeding 40 cents per square foot	46.37	46.37	34,064.00	15,794.83								
	Valued exceeding 40 cents per square foot	38.45	38.45	6,224.00	2,393.08								
	Quarries or quarry tiles												
	Mantles, friezes, and all other articles, wholly or in chief value of tiles or tiling												
84	Cement:												
	Roman, Portland, and other hydraulic, in barrels, sacks, or other packages, including the weight or barrel or package	25.25	25.25	3,621,061.17	914,282.76								
	Do. (in bulk)	20.00	20.00	109,452.08	21,890.41								
	Other cement	20.55	20.55	95,115.05	19,555.82								
85	Lime												
86	Plaster rock or gypsum:												
	Crude	42.68	17.06							457,047.00	60.00	195,032.98	78,013.19
	Ground or calcined	31.04	24.13							21,807.00	22.22	6,767.86	5,263.90
	Pearl hardening for paper makers' use	20.00	20.00	3,287.00	657.40								
	Keene's cement, or other cement of which gypsum is the component material of chief value												
87	Pumice stone:												
	Unmanufactured	15.00	15.00	54,554.00	8,183.10								
	Wholly or partially manufactured	37.91	37.91	54,555.00	20,680.79								
	Manufactures of, n. s. p. f.												
88	Clays or earths:												
	Unwrought or unmanufactured, n. s. p. f.	18.12	18.12	171,005.34	30,998.16								
	Wrought or manufactured, n. s. p. f.	6.73	6.73	56,220.00	3,785.70								
	China clay or kaolin	36.91	36.91	1,432,342.00	528,668.15								
	Bauxite, crude	25.53	25.53	64,121.00	16,372.80								
	Fuller's earth—												
	Unwrought and unmanufactured	18.94	18.94	23,960.00	4,539.00								
	Wrought or manufactured	35.82	35.82	102,416.00	36,686.50								
	Asphaltum and bitumen:												
	Crude, not dried or advanced	36.34	36.34	434,412.00	157,856.55								
	Dried or advanced	28.24	28.24	110,714.00	31,267.93								
	Limestone rock asphalt, containing not more than 15 per cent of bitumen	15.08	15.08	22,640.00	3,413.50								
	Fluor spar:												
	Crude												
	Crushed, ground, etc												
89	Mica:												
	Unmanufactured, or rough-trimmed only	36.72	33.92							1,116,320.25	7.58	409,865.81	378,765.53
	Cut or trimmed	36.25	33.54							73,364.00	7.47	26,593.01	24,606.30
	Mica plates or built-up mica, and all manufactures of mica												
90	Earthenware:												
	Common yellow, brown, or gray, plain, embossed, or salt-glazed common stoneware, and crucibles, not decorated in any manner	25.00	25.00	105,822.62	26,455.69								
	Rockingham earthenware, not decorated	40.00	40.00	21,026.00	8,410.40								
91	(L) China, porcelain, parian, bisque, earthen, stone, and crockery ware, plaques, ornaments, toys, toy tea sets, charms, vases, and statuettes:												
	Plain white; without superadded ornamentation of any kind	55.00	55.00	1,049,218.43	577,070.15								
	Painted, tinted, stained, enameled, printed, gilded, or otherwise decorated in any manner	60.00	60.00	8,913,797.56	5,348,278.51								
92	(L) Clock cases, with or without movements:												
	Composed wholly or in part of china, porcelain, parian, bisque, or earthenware	60.00	60.00	200.00	156.00								

* On the bitumen content contained therein.

SCHEDULE B—*Earths, earthenware, and glassware*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	(L) All other china, porcelain, parian, bisque, earthen, stone, and crockery ware, and manufactures thereof, or of which the same is the component materia of chief value, not specially provided for:												
	Not ornamented or decorated	*P. ct.* 55.00	*P. ct.* 55.00	$300,265.25	$165,145.89								
	(L) Painted, tinted, stained, enameled, printed, gilded, or otherwise decorated or ornamented	60.00	60.00	2,975,490.63	1,785,290.78								
93	Articles and wares composed wholly or in chief value of earthy or mineral substances, or carbon, not specially provided for:												
	Not decorated	35.00	35.00	98,241.02	34,384.00								
	(L) Decorated	45.00	45.00	15,750.25	7,087.62								
110	Agate, manufactures of, not specially provided for	50.00	50.00	24,022.04	12,011.03								
	(L) Rock crystal, manufactures of	50.00	50.00	3,177.00	1,588.50								
	(L) Spar, manufactures of	50.00	50.00	1,399.00	699.50								
94	Gas retorts	10.20	30.00			$1,619.00	194.40	$165.00	$485.70				
	Lava tips for burners	24.21	24.21	24,582.04	5,950.75								
	Carbons for electric lighting	46.79	36.39							$157,311.00	22.22	$73,613.61	$57,255.03
	Filter tubes	45.00	35.00							1,755.00	22.22	789.75	614.25
	Porous carbon pots for electric batteries, without metallic connections	20.00	20.00	9,149.00	1,829.80								
95	Bottles, vials, demijohns, carboys, and jars												
	Bottles or jugs containing brandy and other spirituous liquors—												
	Holding more than 1 pint			(a)	109,455.86								
	Holding not more than 1 pint and not less than ½ pint			(a)	12,675.51								
	Holding less than ½ pint			(a)	72.76								
	Bottles, vials, and jars, flint, lime, or lead—												
	Empty—												
	Holding more than 1 pint	59.90	59.90	6,090.80	3,648.05								
	Holding not more than 1 pint and less than ½ pint	55.56	55.56	1,014.00	563.35								
	Holding less than ½ pint	69.68	69.68	371.00	258.50								
	Other, on which specific duty would be less than 40 per cent	40.00	40.00	132,305.40	52,940.10								
	Filled—												
	Holding more than 1 pint	51.42	51.42	5,732.47	2,947.90								
	Holding not more than 1 pint and not less than ½ pint	56.37	56.37	1,870.13	1,054.18								
	Holding less than ½ pint	68.09	68.09	449.00	305.72								
	Other, on which specific duty would be less than 40 per cent	40.00	40.00	164,767.33	65,906.92								
	Bottles, vials, and jars, plain green or colored, molded or pressed—												
	Empty—												
	Holding more than 1 pint	60.52	60.52	55,906.40	33,835.71								
	Holding not more than 1 pint and not less than ½ pint	67.51	67.51	14,940.00	10,085.47								
	Holding less than ½ pint	81.44	81.44	601.00	489.48								
	Other, on which specific duty would be less than 40 per cent	40.00	40.00	190,041.66	76,016.66								
	Filled—												
	Holding more than 1 pint	49.69	49.69	18,633.55	9,259.13								
	Holding not more than 1 pint and not less than ½ pint	50.85	50.85	5,945.78	3,023.73								
	Holding less than ½ pint	57.55	57.55	1,484.00	854.03								
	Other, on which specific duty would be less than 40 per cent	40.00	40.00	384,493.98	153,797.58								
	Demijohns and carboys (covered or uncovered)												
	Empty—												
	Holding more than 1 pint	43.21	43.21	708.00	305.90								
	Other, on which specific duty would be less than 40 per cent	40.00	40.00	8,479.00	3,391.60								
	Filled—												
	Holding more than 1 pint	56.93	56.93	129.52	73.73								
	Other, on which specific duty would be less than 40 per cent	40.00	40.00	2,122.89	849.16								
96	(L) Bottles decanters, or other vessels or articles of glass, cut, engraved, painted, colored, stained, silvered, gilded, etched, frosted, printed in any manner or otherwise ornamented, decorated, or ground (except such grinding as is necessary for fitting stoppers), and any articles of which such glass is the component material of chief value	60.00	60.00	1,742,333.07	1,045,399.86								

a Value of bottles is returned with value of the contents.

SCHEDULE B—*Earths, earthenware, and glassware*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	(L) Porcelain, opal, and other blown glassware	*P. ct.* 60.00	*P. ct.* 60.00	$243,908.35	$146,345.01								
	(L) Paste, manufactures of, n.s.p.f.			(a)	(a)								
97	Cylinder, crown, and common window glass, unpolished:												
	Not exceeding 10 by 15 inches	41.08	41.08	540,282.09	221,902.75								
	Above 10 by 15 inches and not exceeding 16 by 24 inches	71.59	71.59	254,804.32	182,403.27								
	Above 16 by 24 inches and not exceeding 24 by 30 inches	74.32	74.32	111,100.10	82,568.59								
	Above 24 by 30 inches and not exceeding 24 by 36 inches	78.69	75.26							$34,273.37	4.00	$26,969.76	$25,797.15
	Above 24 by 36 inches and not exceeding 30 by 40 inches	87.39	84.15							26,346.45	3.70	23,023.51	22,170.69
	Above 30 by 40 inches and not exceeding 40 by 60 inches	71.79	69.47							11,698.00	3.23	8,398.50	8,127.56
	Above 40 by 60 inches	60.60	58.86							93.00	2.80	56.36	54.74
98	Cylinder and crown glass, polished, unsilvered:												
	Not exceeding 16 by 24 inches	20.42	20.42	57,550.00	11,753.04								
	Above 16 by 24 inches and not exceeding 24 by 30 inches	27.77	27.77	86,320.00	23,974.20								
	Above 24 by 30 inches and not exceeding 24 by 60 inches	59.92	59.92	19,835.00	11,885.85								
	Above 24 by 60 inches												
99	Plate glass, fluted, rolled, ribbed, or rough, or the same containing a wire netting within itself (excess of 1 pound per square foot dutiable at same rates):												
	Not exceeding 16 by 24 inches	29.72	29.72	2,520.00	670.07 78.75								
	Above 16 by 24 inches and not exceeding 24 by 30 inches												
	Above 24 by 30 inches	33.68	33.68	13,835.00	4,468.27 190.92								
	(L) Plate glass, fluted, rolled, ribbed, or rough, ground, smoothed or otherwise obscured (excess of 1 pound per square foot dutiable at same rates):												
	Not exceeding 16 by 24 inches	42.46	53.08			$13,981.00	25.00	$5,936.35	$7,420.44				
	Above 16 by 24 inches and not exceeding 24 by 30 inches	49.20	61.50			75,031.00	25.00	36,916.58	46,145.72				
	Above 24 by 30 inches and not exceeding 24 by 60 inches	93.05	93.05	15,601.00	14,516.10								
	Above 24 by 60 inches	134.41	86.41							1,613.00	35.71	2,168.25	1,393.87
100	(L) Plate glass, cast, polished finished or unfinished, and unsilvered:												
	Not exceeding 16 by 24 inches	43.08	53.85			224,238.00	25.00	96,606.08	120,757.58				
	Above 16 by 24 inches and not exceeding 24 by 30 inches	49.25	61.56			929,259.00	25.00	457,705.85	572,132.39				
	Above 24 by 30 inches and not exceeding 24 by 60 inches	81.73	81.73	204,263.00	166,938.25								
	Above 24 by 60 inches	155.62	100.04							40,687.00	35.71	63,319.63	40,705.48
101	(L) Plate glass, cast, polished, silvered, and looking-glass plates, exceeding in size 144 square inches:												
	Not exceeding 16 by 24 inches	43.80	43.80	179.00	78.41								
	Above 16 by 24 inches and not exceeding 24 by 30 inches	39.44	39.44	1,190.00	469.31								
	Above 24 by 30 inches and not exceeding 24 by 60 inches	81.78	81.78	4,157.00	3,400.20								
	Above 24 by 60 inches	93.62	61.59							1,944.00	34.21	1,820.01	1,197.30
	(L) Cylinder and crown glass, polished, silvered, and looking-glass plates, exceeding in size 144 square inches:												
	Not exceeding 16 by 24 inches	20.21	20.21	129.00	26.07								
	Above 16 by 24 inches and not exceeding 24 by 30 inches	19.43	19.43	275.00	53.43								
	Above 24 by 30 inches and not exceeding 24 by 60 inches	57.00	57.00	184.00	104.88								
	Above 24 by 60 inches	45.24	29.76							1,173.00	34.21	530.67	349.13
102	(L) Plate glass, cast, polished, silvered, when bent, ground, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated:												
	Not exceeding 16 by 24 inches	125.34	125.34	102.00	128.85								
	Above 16 by 24 inches and not exceeding 24 by 30 inches	44.84	44.84	287.00	128.70								
	Above 24 by 30 inches and not exceeding 24 by 60 inches	71.53	71.53	236.00	168.80								
	Above 24 by 60 inches	578.38	382.22							45.00	31.26	260.27	172.00

a With manufactures of glass, paragraph 107.

SCHEDULE B—*Earths, earthenware, and glassware*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	(L) Plate glass, cast, polished, unsilvered, when bent, ground, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated:	*P. ct.*	*P. ct.*										
	Not exceeding 16 by 24 inches	14.91	17.40			$6,935.00	25.00	$1,034.85	$1,206.88				
	Above 16 by 24 inches and not exceeding 24 by 30 inches	38.13	46.42			7,264.00	25.00	2,770.13	3,371.87				
	Above 24 by 30 inches and not exceeding 24 by 60 inches	72.10	72.10	$2,330.00	$1,681.20								
	Above 24 by 60 inches	86.72	57.54							$6,324.00	33.65	$5,484.65	$3,638.78
	Cylinder, crown, and common window glass, unpolished, when bent, ground, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated:												
	Not exceeding 10 by 15 inches	15.93	15.93	33,848.50	5,392.94								
	Above 10 by 15 inches and not exceeding 16 by 24 inches	31.97	31.97	4,592.00	1,467.94								
	Above 16 by 24 inches and not exceeding 24 by 30 inches	49.94	49.94	8,967.00	4,478.50								
	Above 24 by 30 inches and not exceeding 24 by 36 inches	70.69	67.84							1,731.00	4.04	1,223.72	1,174.29
	Above 24 by 36 inches and not exceeding 30 by 40 inches	57.22	55.28							1,668.00	3.38	954.40	922.13
	Above 30 by 40 inches and not exceeding 40 by 60 inches	92.28	89.47							15,173.00	3.05	14,002.01	13,574.76
	Above 40 by 60 inches												
	Cylinder and crown glass, polished, silvered, when ground, bent, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated:												
	Not exceeding 16 by 24 inches	27.21	27.21	233.00	63.39								
	Above 16 by 24 inches and not exceeding 24 by 30 inches	53.65	53.65	66.00	35.41								
	Above 24 by 30 inches and not exceeding 24 by 60 inches	55.00	55.00	4.00	2.20								
	Above 24 by 60 inches	51.44	35.56							18.00	30.64	9.26	6.40
	Cylinder and crown glass, polished, unsilvered, when ground, bent, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated:												
	Not exceeding 16 by 24 inches	20.01	20.01	44,707.00	8,948.07								
	Above 16 by 24 inches and not exceeding 24 by 30 inches	28.73	28.73	137,503.00	39,529.55								
	Above 24 by 30 inches and not exceeding 24 by 60 inches	54.98	44.98							208.00	18.18	114.35	93.56
103	Spectacles, eyeglasses, and goggles, and frames for the same, or parts thereof, finished or unfinished:												
	Valued not over 40 cents per dozen	96.81	96.81	3,842.00	3,719.43								
	Valued over 40 cents and not over $1.50 per dozen	68.36	68.36	3,479.00	2,378.25								
	Valued over $1.50 per dozen	50.00	50.00	70,549.75	35,274.88								
104	Lenses of glass or pebble, ground and polished to a spherical, cylindrical, or prismatic form, and ground and polished plano or coquill glasses, wholly or partly manufactured:												
	With edges unground	45.00	45.00	12,657.50	5,695.88								
	With edges ground or beveled	45.94	45.94	11,954.00	5,491.82								
105	(L) Strips of glass not more than 3 inches wide, ground or polished on one or both sides to a cylindrical or prismatic form, and glass slides for magic lanterns	45.00	45.00	10,461.96	4,707.88								
106	(L) Opera and field glasses, telescopes, microscopes, photographic and projecting lenses and optical instruments, and frames or mountings for same, not specially provided for	45.00	45.00	457,224.77	205,751.15								

SCHEDULE B—*Earths, earthenware, and glassware*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
107	(L) Glass windows, stained or painted, or parts thereof, and all mirrors not exceeding in size 144 square inches, with or without frames or cases	*P. ct.* 45.00	*P. ct.* 45.00	$232,445.89	$104,600.64								
	Do., bent, etc	50.00	50.00	15.00	7.50								
	All other manufactures of glass or paste, or of which glass or paste shall be the component material of chief value, not specially provided for	45.00	45.00	616,596.44	277,468.45								
108	Fusible enamel	25.00	25.00	20,469.00	5,117.25								
109	Marble:												
	In block, rough or squared only	42.46	42.46	1,083,188.00	459,939.01								
	Sawed or dressed, over 2 inches in thickness	48.54	44.12							$360.00	9.09	$174.72	$158.83
	Slabs or paving tiles containing not less than 4 superficial inches—												
	Not more than 1 inch in thickness—												
	Unrubbed	80.78	53.85							48,593.00	33.33	39,251.08	26,167.33
	Rubbed	77.63	51.76							16,686.00	33.33	12,953.73	8,635.82
	More than 1 inch and not more than 1½ inches thick—												
	Unrubbed	72.62	48.41							8,212.00	33.33	5,963.70	3,975.80
	Rubbed	52.09	34.72							724.00	33.33	377.10	251.40
	More than 1½ inches and not more than 2 inches thick—												
	Unrubbed	10.37	7.18							202.00	30.55	20.88	14.50
	Rubbed												
	(L) Onyx:												
	In block, rough or squared	19.06	7.62							71,437.00	56.67	13,617.00	5,446.80
	Sawed or dressed, over 2 inches in thickness												
	Slabs or paving tiles containing not less than 4 superficial inches—												
	Not more than 1 inch in thickness—												
	Unrubbed												
	Rubbed												
	More than 1 inch and not more than 1½ inches thick—												
	Unrubbed												
	Rubbed												
	More than 1½ inches and not more than 2 inches thick—												
	Unrubbed												
	Rubbed												
	Mosaic cubes of marble, onyx, or stone, not exceeding 2 inches in size:												
	Loose	93.77	38.44							49,405.00	58.59	46,326.97	18,992.49
	Attached to paper or other material												
110	Manufactures of—												
	(L) Alabaster, n. s. p. f.	50.00	50.00	11,137.50	5,568.50								
	(L) Jet, n. s. p. f.	50.00	50.00	4,756.50	2,378.25								
	(L) Malachite, n. s. p. f.												
	(L) Marble, n. s. p. f.	50.00	50.00	308,648.00	154,324.00								
	(L) Onyx, n. s. p. f.	50.00	50.00	2,633.70	1,316.86								
	(L) Clock cases with or without movements, composed of marble, onyx, alabaster, etc	50.00	50.00	5,974.37	2,987.19								
111	Burrstones, manufactured or bound up into millstones	15.00	15.00	456.00	68.40								
112	Freestone, sandstone, limestone, and other building or monumental stone, except granite, marble, and onyx, not specially provided for:												
	Hewn, dressed, or polished	50.00	50.00	25,399.14	12,699.57								
	Unmanufactured or undressed	23.51	23.51	52,206.00	12,273.53								
	Granite:												
	Hewn, dressed, or polished	50.00	50.00	166,293.00	83,146.50								
	Unmanufactured or undressed	38.37	38.37	9,040.00	3,468.67								
a 113													
114	Grindstones, finished or unfinished	10.22	10.22	114,624.00	11,717.39								
115	Slates, slate chimney pieces, mantels, slabs for tables, and all other manufactures of slate	20.00	20.00	7,688.00	1,537.60								
	Total, Schedule B	49.04	48.71	27,858,573.92	13,761,073.30	$1,258,327.00	25.01	$601,134.84	$751,520.58	2,173,903.07	25.73	983,141.80	739,228.81

a Monuments, basins, benches, statues, fountains, vases, and all other articles in stone are classified in House bill at 50 per cent ad valorem. This provision stricken out in Senate bill.

SCHEDULE C—*Metals, and manufactures of.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
115½	Iron ore, including manganiferous iron ore, and the dross or residuum from burnt pyrites	*P. ct.* 16.85	*P. ct.* 10.54							$1,212,607.00	37.50	$204,450.03	$127,781.27
	Provided, that in levying and collecting the duty on iron ore no deduction shall be made from the weight of the ore on account of moisture which may be chemically or physically combined therewith.												
576	Basic slag, *ground or unground*	11.52	Free.							8,197.00	100.00	944.29	Free.
116	Iron in pigs, kentledge, spiegeleisen:												
	Ferro-manganese	6.27	3.92							6,027,240.00	37.50	378,173.11	236,358.15
	Spiegeleisen	13.26	8.29							2,486,086.00	37.50	329,690.03	206,056.28
	All other (except ferrosilicon)	25.02	15.64							5,862,930.00	37.50	1,466,825.32	916,765.60
	Scrap iron and steel, waste or refuse, fit only to be remanufactured:												
	Iron, wrought and cast	30.05	18.78							193,973.22	37.50	58,274.02	36,421.20
	Steel	27.93	17.46							100,996.00	50.00	28,210.57	17,631.60
117	Bar iron:												
	Rolled or hammered, comprising—												
	Flats not less than 1 inch wide nor less than ⅛ of 1 inch thick	16.94	8.47							5,647.00	50.00	956.87	478.44
	Round iron not less than ⅞ of 1 inch in diameter	13.84	6.92							163,050.00	50.00	22,571.18	11,285.60
	Square iron	14.20	7.10							3,115.10	50.00	442.32	221.15
	Muck bars												
118	Bars or shapes of rolled or hammered iron, n. s. p. f., and round iron, in coils or rods, less than ⅞ of 1 inch in diameter	14.33	10.75							7,195.92	25.00	1,031.26	773.45
	Slabs, blooms, loops, or other forms less finished than iron in bars and more advanced than pig, except castings	11.43	9.15							1,090.00	20.00	124.62	99.70
	Bars, blooms, billets, *slabs, or loops*, in the manufacture of which charcoal is used as fuel	29.59	19.73							1,495,326.00	33.33	442,519.22	295,012.80
119	Beams, girders, joists, angles, channels, car-truck channels, TT columns and posts or parts or sections of columns and posts, deck and bulb beams, and building forms and all other structural shapes of iron or steel	36.75	29.40							467,466.00	20.00	171,796.34	137,437.09
	But not assembled, or manufactured, or advanced beyond hammering, rolling, or casting.												
120	Boiler or other plate iron or steel (except crucible plate steel and saw plates), not thinner than No. 10 wire gauge, sheared or unsheared, and skelp iron or steel sheared or rolled in grooves:												
	Valued 1 cent per pound or less										40.00		
	Valued above 1 cent and not above 2 cents per pound	46.49	30.99							7,667.00	33.33	3,564.34	2,376.21
	Valued above 2 cents and not above 4 cents per pound	32.55	22.78							1,307.00	30.00	425.37	297.76
	Valued over 4 cents per pound	25.00	20.00							220.00	20.00	55.00	44.00
	Cold rolled, smoothed only, not polished, valued above 2 cents and not above 4 cents per pound	32.23	24.17							2,198.00	25.00	708.36	531.27
121	Anchors, or parts of	41.87	27.91							2,308.50	33.33	966.47	644.31
	Forgings of iron or steel, or combined iron and steel, n. s. p. f	35.00	30.00							190,105.49	14.28	66,536.92	57,031.65
	But not machined, tooled, or otherwise advanced in condition by any process or operation subsequent to the forging process.												
	Forgings, antifriction ball, of iron or steel, or of combined iron and steel	45.00	45.00	$47,818.00	$21,518.10								
	Ball bearings and roller bearings of iron or steel or other metal, finished or unfinished.												
122	Hoop, band, or scroll iron or steel not otherwise provided for, valued at 3 cents per pound or less, 8 inches or less in width and less than ½ inch thick:												
	Not thinner than No. 10 wire gauge	29.85	17.91							3,479.00	40.00	1,038.88	623.32
	Thinner than No. 10 and not thinner than No. 20 wire gauge	22.28	14.85							95.90	33.33	21.37	14.24
	Thinner than No. 20 wire gauge	27.54	20.66							3,769.00	25.00	1,038.02	778.52

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Hoop or band iron, or hoop or band steel, flared, splayed, or punched, with or without buckles or fastenings, and barrel hoops of iron or steel:												
	Not thinner than No. 10 wire gauge	*P. ct.* 15.56	*P. ct.* 10.38							$390.00	33.33	$60.72	$40.48
	Thinner than No. 10 and not thinner than No. 20 wire gauge										28.57		
	Bands or strips of steel, suitable for making band saws: [a]												
	Untempered	48.00	17.73							3,602.00	63.06	1,729.03	[b] 638.80
	Tempered, or tempered and polished	62.82	22.13							11,689.00	64.77	7,280.70	[b] 2,564.17
123	Hoop or band iron, or hoop or band steel, cut to lengths, or wholly or partly manufactured into hoops or ties, coated or not coated with paint or any other preparation, with or without buckles or fastenings, for baling cotton or any other commodity	17.23	10.34							20,805.00	40.00	3,554.16	2,150.46
124	Bars or rails for railways:												
	Iron	26.14	13.06							824.00	50.00	215.43	107.64
	Steel	28.80	14.40							106,484.50	50.00	30,670.02	15,333.24
	Railway fish plates or splice bars, of iron or steel	25.72	12.80							11,938.06	50.00	3,056.40	1,528.20
125	Sheets of iron or steel, common or black, and skelp iron or steel, valued at 3 cents per pound or less:												
	Thinner than No. 10 and not thinner than No. 20 wire gauge	35.58	25.41							22,643.00	28.57	8,056.51	5,754.63
	Thinner than No. 20 and not thinner than No. 25 wire gauge	38.41	28.81							7,890.00	25.00	3,030.41	2,272.81
	Thinner than No. 25 and not thinner than No. 32 wire gauge										27.27		
	Thinner than No. 32 wire gauge										25.00		
	Sheet iron or sheet steel, corrugated or crimped	13.90	10.11							205.00	27.27	28.49	20.73
	All valued at more than 3 cents per pound (par. 125)												
126	Hoop, band, or scroll iron or steel (excepting tin plates, terne plates, and taggers tin), galvanized or coated with zinc or spelter, or other metals, or any alloy of these metals:												
	Not thinner than No. 10 wire gauge	34.84	24.86							1,429.00	28.57	497.88	355.63
	Thinner than No. 10 and not thinner than No. 20 wire gauge	22.16	16.61		[b]					1,477.00	25.00	327.18	245.38
	Thinner than No. 20 wire gauge	10.66	8.53							4,509.00	20.00	490.25	392.20
	Sheets or plates of iron or steel (excepting what are commercially known as tin plates, terne plates, and taggers tin), galvanized or coated with zinc or spelter, or other metals, or any alloy of these metals:												
	Thinner than No. 10 and not thinner than No. 20 wire gauge	33.19	25.81							342.00	22.22	113.50	88.27
	Thinner than No. 20 and not thinner than No. 25 wire gauge	8.13	6.50							917.10	20.00	74.56	59.65
	Thinner than No. 25 and not thinner than No. 32 wire gauge	47.87	36.82							5,967.00	23.08	2,856.22	2,197.09
	Thinner than No. 32 wire gauge	35.00	27.00							1.00	21.43	.35	.27
	Sheet iron or sheet steel:												
	Corrugated or crimped, galvanized or coated with zinc, spelter, or other metals, or any alloy of those metals	32.45	24.96							4,804.00	23.08	1,559.08	1,199.29
	Sheets or plates composed of iron, steel, copper, nickel, or other metal with layers of other metal or metals imposed thereon by forging, hammering, rolling, or welding										11.11		
127	Sheet iron or sheet steel, polished, planished, or glanced	31.37	23.53							8,834.00	25.00	2,771.54	2,078.65
	Sheets and plates pickled or cleaned by acid, or by any other material or process:												
	Thinner than No. 10 and not thinner than No. 20 wire gauge	33.45	26.02							305.00	22.22	102.03	79.36
	Thinner than No. 20 and not thinner than No. 25 wire gauge										20.00		
	Thinner than No. 25 and not thinner than No. 32 wire gauge	22.38	17.21							429.00	23.08	96.03	73.86
	Sheets of iron or steel, common or black, and skelp iron or steel, valued at 3 cents per pound or less, cold rolled, smoothed only, not polished:												
	Thinner than No. 10 and not thinner than No. 20 wire gauge	36.44	28.34							3,117.00	22.22	1,135.87	883.45
	Thinner than No. 20 and not thinner than No. 25 wire gauge	38.71	30.97							611.00	20.00	236.52	189.22
	Thinner than No. 25 and not thinner than No. 32 wire gauge	67.62	52.02							623.00	23.08	421.28	324.07

[a] Not enumerated in Senate bill.

[b] Estimated.

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
128	Tin plates: Sheets or plates of iron or steel, or taggers iron, or steel coated with tin or lead, or with a mixture of which these metals are a component part, by the dipping or any other process, and commercially known as tin plates, terne plates, and taggers tin—												
	Lighter than 63 pounds per 100 square feet	*P. ct.* 46.25	*P. ct.* 36.98							$4,009,312.00	20.00	$1,854,504.58	$1,482,883.63
	All other	42.63	34.11							623,409.90	20.00	265,788.07	212,630.35
129	Steel ingots, cogged ingots, blooms and slabs, by whatever process made; die blocks or blanks; billets and bars and tapered or beveled bars; mill shafting; pressed, sheared, or stamped shapes (*not advanced in value or condition by any process or operation subsequent to the process of stamping*); hammer molds or swaged steel; gun-barrel molds not in bars; alloys used as substitutes for steel in the manufacture of tools; all descriptions and shapes or dry sand, loam, or iron-molded steel castings; and steel in all forms and shapes not especially provided for:												
	Valued 1 cent per pound or less	31.28	31.28	$50.00	$15.64								
	Valued above 1 cent and not above $1\frac{6}{10}$ cents per pound	34.82	26.11							171,370.00	25.00	59,663.14	[a] 44,747.36
	Valued above $1\frac{6}{10}$ cents and not above $1\frac{8}{10}$ cents per pound	34.59	28.83							12,134.00	16.67	4,197.69	[a] 3,498.07
	Valued ¾ cent per pound or less [b]										41.66		
	Valued above ¾ cent and not above $1\frac{6}{10}$ cents per pound [b]										25.00		
	Valued above $1\frac{6}{10}$ cents and not above $1\frac{8}{10}$ cents per pound										16.67		
	Valued above $1\frac{8}{10}$ cents and not above $2\frac{6}{10}$ cents per pound	33.79	28.96							16,813.00	14.28	5,680.74	4,869.20
	Valued above $2\frac{6}{10}$ cents and not above 3 cents per pound	32.65	29.02							74,588.00	11.11	24,350.06	21,644.49
	Valued above 3 cents and not above 4 cents per pound	34.07	31.24							39,588.41	8.33	13,489.61	12,365.46
	Valued above 4 cents and not above 7 cents per pound	22.95	21.18							209,242.00	7.69	48,021.19	44,327.23
	Valued above 7 cents and not above 10 cents per pound	21.47	20.40							1,211,396.50	5.00	260,097.74	247,092.85
	Valued above 10 cents and not above 13 cents per pound	21.10	20.22							62,515.00	4.17	13,190.81	12,641.19
	Valued above 13 cents and not above 16 cents per pound	20.34	19.61							38,173.00	3.57	7,764.69	7,487.39
	Valued above 16 cents per pound	13.82	20.57			$1,202,672.00	48.94	$166,178.25	$247,499.56				
	Valued above 16 cents and not above 24 cents per pound												
	Valued above 24 cents and not above 32 cents per pound												
	Valued above 32 cents and not above 40 cents per pound												
	Valued above 40 cents per pound												
	Sheets and plates not specially provided for and saw plates of steel wholly or partially manufactured:												
	Valued 1 cent per pound or less	60.00	60.00	15.00	9.00								
	Valued ¾ cent per pound or less [b]										41.66		
	Valued above ¾ cent and not above $1\frac{6}{10}$ cents per pound [b]										25.00		
	Valued above $1\frac{6}{10}$ cents and not above $1\frac{8}{10}$ cents per pound										16.67		
	Valued above $1\frac{8}{10}$ cents and not above $2\frac{6}{10}$ cents per pound	32.48	27.83							5,088.00	14.28	1,652.35	1,416.29
	Valued above $2\frac{6}{10}$ cents and not above 3 cents per pound	34.13	30.33							541.00	11.11	184.61	164.09
	Valued above 3 cents and not above 4 cents per pound	33.88	31.05							1,366.00	8.33	462.74	424.18
	Valued above 4 cents and not above 7 cents per pound	21.40	19.75							69,154.00	7.69	14,795.61	13,657.48
	Valued above 7 cents and not above 10 cents per pound	21.32	20.25							43,488.00	5.00	9,269.66	8,806.18
	Valued above 10 cents and not above 13 cents per pound	21.40	20.51							3,995.00	4.17	855.06	819.44
	Valued above 13 cents and not above 16 cents per pound	18.57	17.91							30,905.00	3.57	5,740.32	5,535.32
	Valued above 16 cents per pound	10.95	20.00			6,121.00	82.98	669.97	[a] 1,224.20				
	Valued above 16 cents and not above 24 cents per pound												
	Valued above 24 cents and not above 32 cents per pound						27.66						
	Valued above 32 cents and not above 40 cents per pound						48.93						
	Valued above 40 cents per pound												

[a] Estimated.

[b] House classification shows $\frac{8}{10}$ instead of $\frac{3}{4}$ cent.

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Sheets and plates, n. s. p. f., and saw plates of steel, wholly or partially manufactured, cold rolled, smoothed only, not polished:												
	Valued above $1\frac{8}{10}$ cents and not above $2\frac{5}{10}$ cents per pound....	P. ct. 40.88	P. ct. 36.33							$24.00	11.11	$9.81	$8.72
	Valued above 3 cents and not above 4 cents per pound.....	44.20	41.04							695.00	7.14	307.19	285.25
	Valued above 4 cents and not above 7 cents per pound.....	24.39	22.77							31.00	6.67	7.56	7.06
	Valued above 7 cents and not above 10 cents per pound.....	22.29	21.28							2,367.00	4.54	527.69	503.71
	Valued above 10 cents and not above 13 cents per pound.....	21.38	20.56							346.00	3.85	73.99	71.15
	Valued above 13 cents and not above 16 cents per pound.....	19.73	19.07							744.00	3.33	146.76	141.87
	Valued above 16 cents per pound.	22.88	22.42							2,074.00	2.04	474.62	[a] 464.93
130	*Steel wool or steel shavings (including the weight of wrappers and coverings)*.....												
133	Wire rods: Rivet, screw, fence, and other iron or steel wire rods, whether round, oval, flat, square, or in any other shape, and nail rods in coils or otherwise, not smaller than No. 6 wire gauge:												
	Untempered or untreated—												
	Valued 4 cents or less per pound.	18.37	13.78							852,080.00	25.00	156,560.34	117,420.24
	Valued over 4 cents per pound.	10.47	8.38							33,341.00	20.00	3,490.59	2,792.45
	Tempered or treated or partly manufactured—												
	Valued 4 cents or less per pound.	21.17	18.83							6.00	11.11	1.27	1.13
	Manufactures of—												
	Valued over 4 cents per pound.....	11.09	10.42							297.00	6.00	32.93	30.96
134	Round iron or steel wire:												
	Valued 4 cents or less per pound—												
	Not smaller than No. 13 wire gauge.....	39.04	31.23							52,172.00	20.00	20,365.82	16,292.65
	Smaller than No. 13 and not smaller than No. 16 wire gauge.....	43.98	36.65							76,607.50	16.67	33,689.90	28,074.90
	Smaller than No. 16 wire gauge.	55.16	48.27							79,783.00	12.50	44,010.22	38,508.94
	All valued more than 4 cents per pound.....	40.00	40.00	$562,952.00	$225,180.80								
	Manufactures of—												
	Not smaller than No. 13 wire gauge.....	14.90	13.41							9,385.00	10.00	1,398.55	1,258.70
	Smaller than No. 13 and not smaller than No. 16 wire gauge.....	13.07	11.88							16,571.46	9.09	2,165.16	1,968.26
	Smaller than No. 16 wire gauge.	17.23	15.90							6,809.92	7.69	1,173.34	1,083.07
	All valued more than 4 cents per pound.....	43.14	43.14	158,393.76	68,338.44								
	Cold rolled, etc., blued, brightened, tempered, etc.—												
	Manufactures of—												
	Smaller than No. 13 and not smaller than No. 16 wire gauge.....	11.56	8.92							27.00	22.67	3.12	2.41
	Hat, bonnet, crinoline, corset, needle, piano, clock, and watch wire, and all wire n. s. p. f., valued more than 4 cents per pound.....	45.00	40.00							198,489.00	11.11	89,320.05	79,395.60
	Do. (reciprocity treaty with Cuba).....	36.00	32.00										
	Do. (manufactures of).....	47.27	42.26							23,318.43	10.60	11,021.95	9,855.00
	Do. (coated with zinc or tin, or any other metal).....	47.15	42.15							333.10	10.60	157.07	140.43
	Do. (coated with zinc, tin, etc.) manufactures of.....	53.51	48.51							372.00	9.34	199.07	180.47
	Brass wire, manufactures of.....	46.54	41.54							20,082.90	10.74	9,347.59	8,343.33
	Copper wire, manufactures of.....	48.36	43.36							53.00	10.34	25.63	22.98
	Corset clasps, corset steels, and dress steels and sheet steel in strips, twenty-five one-thousandths of an inch thick or thinner, whether uncovered or covered with cotton, silk, metal, or other material.....	45.00	40.00							48,740.00	11.11	21,933.00	19,496.00
	Do. (manufactures of).....	47.05	42.05							6,880.00	10.63	3,236.80	2,892.80
	Do. (cold rolled, etc., blued, brightened, tempered, etc.).....	50.09	42.04							3,343.00	16.07	1,674.63	1,405.31
	All flat wires, and steel strips, strip steel, or steel in strips, not exceeding 10 inches in width, whether in long or short lengths, in coils or otherwise, and whether drawn through dies or rolls, and all wire composed of iron, steel, or other metal, except gold or silver, covered with cotton, silk, or other material, and all wire not specially provided for.												

[a] Estimated.

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Wire of iron or steel, coated with zinc or tin or any other metal:												
	Not smaller than No. 13 wire gauge	P. ct. 58.50	P. ct. 48.41							$321.00	17.24	$187.78	$155.40
	Smaller than No. 16 wire gauge	12.89	11.42							2,581.00	11.36	332.57	294.78
	All valued more than 4 cents per pound	43.84	43.84	$6,312.00	$2,766.93								
	Manufactures of—												
	Not smaller than No. 13 wire gauge	20.13	18.14							79.00	9.26	15.81	14.33
	Smaller than No. 13 and not smaller than No. 16 wire gauge	17.56	16.00							9.00	8.47	1.58	1.44
	Smaller than No. 16 wire gauge	34.74	32.22							6,966.00	7.25	2,419.99	2,244.62
	All valued more than 4 cents per pound	49.14	49.14	6,764.00	3,324.10								
	Wire rope and wire strand (*wire cable*):												
	Made of iron or steel wire—												
	Not smaller than No. 13 wire gauge	55.71	43.33							736.00	22.22	411.17	319.80
	Smaller than No. 13 and not smaller than No. 16 wire gauge	63.41	50.73							1,980.00	20.00	1,255.68	1,004.54
	Smaller than No. 16 wire gauge	60.24	50.20							6,278.00	16.67	3,782.04	3,151.70
	All valued more than 4 cents per pound	53.08	49.81							21,726.00	6.10	11,533.64	10,822.83
	All valued more than 4 cents per pound not specially provided for	55.00	47.50							24,891.65	13.64	13,690.83	11,823.04
	Made of iron or steel wire, cold rolled, cold hammered, blued, brightened, tempered, or polished, not smaller than No. 13 wire gauge												
	Made of iron or steel wire, coated with zinc or tin or any other metal—												
	Not smaller than No. 13 wire gauge	54.74	43.50							1,654.00	20.41	905.33	720.56
	Smaller than No. 13 and not smaller than No. 16 wire gauge	56.42	45.97							1,077.00	18.52	607.50	495.07
	Smaller than No. 16 wire gauge	63.51	53.59							5,078.00	15.62	3,225.16	2,721.22
	All valued more than 4 cents per pound	53.58	50.75							7,379.00	5.28	3,953.98	3,745.14
	Telegraph, telephone, and other wires and cables composed of metal and rubber, or of metal, rubber, and other materials												
136	Steel ingots, cogged ingots, blooms, and slabs, by whatever process made; die blocks or blanks; billets and bars and tapered or beveled bars; mill shafting; pressed, sheared, or stamped shapes; hammer molds or swaged steel; gun-barrel molds not in bars; alloy used as substitutes for steel in the manufacture of tools; all descriptions and shapes of dry sand, loam, or iron molded steel castings; and steel in all forms and shapes not specially provided for: Cold rolled, cold drawn, cold hammered, or polished in any way:												
	Valued above 16 cents per pound	19.32	24.15			$10,033.00	23.74	$1,958.43	a $2,423.30				
	Cold rolled, cold hammered, blued, brightened, tempered, or polished by any process to such perfected surface finish, or polish, better than the grade of cold-rolled smoothed only—												
	Valued above 16 cents per pound	18.20	20.50			10.00	12.28	1.82	a 2.05				
	Galvanized or coated with zinc, etc.—												
	Valued above 7 cents and not above 10 cents per pound	18.07	17.26							764.00	4.54	138.03	131.78
	Sheets and plates not specially provided for and saw plates of steel, wholly or partially manufactured, cold rolled, cold hammered, blued, brightened, tempered, or polished by any process to such perfected surface finish, or polish better than the grade of cold rolled, smoothed only, hereinbefore provided for:												
	Valued above 2½ cents and not above 3 cents per pound	65.63	41.45							112.36	36.84	73.74	46.57
	Valued above 3 cents and not above 4 cents per pound	61.20	41.73							3,072.43	31.81	1,880.41	1,282.09

a Estimated.

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under—Present law.	Duty increased. Revenue under—Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under—Present law.	Duty decreased. Revenue under—Senate bill.
	Sheets and plates not specially provided for and saw plates of steel, etc.—Continued.												
	Valued above 4 cents and not above 7 cents per pound	*P. ct.* 43.16	*P. ct.* 30.01							$58.00	30.43	$25.03	$17.41
	Valued above 7 cents and not above 10 cents per pound	35.88	27.51							2,359.00	23.33	846.48	648.97
	Valued above 10 cents and not above 13 cents per pound	31.75	25.21							676.00	20.59	214.64	170.45
	Valued above 13 cents and not above 16 cents per pound	25.19	20.55							745.00	18.42	187.67	a 153.11
	Valued above 16 cents per pound	16.72	21.72			$108.00	29.82	$18.06	a $23.46				
	Steel circular saw plates—												
	Valued above 4 cents and not above 7 cents per pound	28.25	22.76							16,038.00	19.44	4,530.83	3,649.84
	Valued above 7 cents and not above 10 cents per pound	27.43	23.59							51,199.00	14.00	14,042.94	12,076.92
	Valued above 10 cents and not above 13 cents per pound	22.94	20.17							6,005.00	12.07	1,377.70	1,211.43
	Valued above 16 cents per pound	7.79	20.37			2,018.00	161.34	157.25	a 411.16				
139	Anvils	30.50	10.17							43,629.00	13.33	13,307.84	4,435.93
140	(L) Automobiles, and parts of:												
	Automobiles	45.00	45.00	$3,923,634.00	$1,765,635.30								
	Parts of	45.00	45.00	744,593.00	335,066.85								
	(L) Cycles, and parts of	45.00	45.00	30,403.00	13,681.35								
	Automobiles, bicycles, and motor cycles, and parts of any of the foregoing, including tires, axles, and ball bearings												
141	Axles, or parts of, axle bars, axle blanks, or forgings for axles, of iron or steel, without reference to the stage or state of manufacture, valued at not more than 6 cents per pound	20.00	14.96							36,825.00	25.00	7,344.54	5,508.41
142	Hammers and sledges (blacksmiths'), track tools, wedges, and crowbars, of iron or steel	17.04	15.62							4,286.05	8.33	730.48	669.58
143	Bolts, with or without threads or nuts, or bolt blanks, and finished hinges or hinged blanks, of iron or steel	28.79	21.59							14,993.95	25.00	4,316.74	3,237.54
144	Card clothing:												
	Manufactured from tempered steel wire	64.67	78.83			315,316.00	22.22	203,903.23	a 249,215.03				
	Other	18.45	41.50			12,574.00	125.00	2,319.63	a 5,219.18				
	Card clothing not actually and permanently fitted to and attached to carding machines or to parts thereof at the time of importation:												
	Manufactured with round iron or steel wire												
	Manufactured with plated wire, or other than round iron or steel wire or with felt face, wool face, or rubber face cloth containing wool												
	Castings:												
145	Cast-iron pipe of every description	31.77	19.86							23,775.50	37.50	7,554.37	4,721.43
146	Cast-iron vessels, plates, stove plates, andirons, sadirons, tailors' irons, hatters' irons, and castings of iron, not specially provided for	10.88	35.00			118,088.56	219.37	12,919.79	a 41,541.00				
	Valued at not more than 2 cents per pound										37.50		
	Valued at more than 2 cents per pound												
	All castings of iron or cast-iron plates which have been chiseled, drilled, machined, or otherwise advanced in condition by processes or operations subsequent to the casting process but not made up into articles										12.50		
147	Malleable-iron castings, not specially provided for	17.27	13.43							45,085.86	22.22	7,784.08	6,054.29
148	Hollow ware, coated, glazed, or tinned	20.06	15.06							743.00	25.00	149.06	111.80
149	Chain or chains, made of iron or steel:												
	Not less than ¾ inch in diameter	87.21	67.85							629.00	22.22	548.68	426.75
	Less than ¾ inch and not less than ⅜ inch in diameter	30.00	24.54							131.00	18.18	39.30	32.15
	Less than ⅜ inch and not less than $\frac{1}{16}$ inch in diameter	47.58	44.42							26.00	6.67	12.37	11.55
	Less than $\frac{1}{16}$ inch in diameter	59.52	59.52	18,828.00	11,205.90								
	Other, on which specific duty does not amount to 45 per cent	45.00	45.00	51,280.04	23,076.02								
150	Boiler tubes, pipes, flues, or stays, lap-welded, butt-welded, seamed, or jointed, not thinner than No. 16 wire gauge	38.32	28.74							49,740.00		19,059.78	a 14,294.84
	Not less than three-eighths inch in diameter										50.00		
	Less than three-eighths and not less than one-fourth inch										12.50		
	Less than one-fourth inch in diameter												

a Estimated.

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Cylindrical or tubular tanks or vessels, for holding gas, liquids, or other material, whether full or empty	*P. ct.*	*P. ct.*								33.33		
	Flexible metal tubing or hose, not specially provided for, whether covered with wire or other material, or otherwise, including any appliances or attachments affixed thereto										14.29		
	Welded cylindrical furnaces, made from plate metal	41.95	33.56							$4,274.00	20.00	$1,793.05	$1,434.44
	Welded cylindrical furnaces, tubes, or flues made from plate metal, and corrugated, ribbed, or otherwise reinforced against collapsing pressure.												
	Tubes and tubing, for cycles	35.00	30.00							26,640.00	14.29	9,324.00	7,992.00
	Tubes, finished, not specially provided for	35.00	30.00							63,830.00	14.29	22,340.50	19,149.00
	Cutlery:												
151	Pen or pocket knives, clasp, pruning, and budding knives, or parts of, and erasers, manicure knives, or parts of, wholly or partly manufactured—												
	Valued not more than 40 cents per dozen	40.00	40.00	$165,419.00	$66,167.60								
	Valued more than 40 cents and not exceeding 50 cents per dozen	64.95	64.95	153,766.20	99,877.91								
	Valued more than 50 cents and not exceeding $1.25 per dozen	93.23	93.23	288,924.08	269,359.98								
	Valued more than $1.25 and not exceeding $3 per dozen	91.00	91.00	242,636.47	220,799.79								
	Valued more than $3 per dozen	84.16	84.16	157,051.62	132,179.25								
	Any of the foregoing knives or erasers, if imported in the condition of assembled, but not fully finished, shall be dutiable at not less than the rate of duty herein imposed upon fully finished knives and erasers valued at more than $3 per dozen.												
	Blades, handles, and other parts of—												
	Valued not exceeding $1.25 per dozen												
	Valued more than $1.25 per dozen												
	Provided, That blades, handles, or other parts of any of the foregoing knives or erasers shall be dutiable at not less than the rate herein imposed upon knives and erasers valued at more than 50 cents per dozen and not exceeding $1.25 per dozen.												
	Razors and razor blades, finished or unfinished—												
	Valued less than $1.50 per dozen	56.43	99.65			$141,607.47	76.61	$79,904.00	$141,117.53				
	Valued at $1.50 and less than $3 per dozen	54.85	87.82			296,315.25	60.18	162,534.65	260,231.00				
	Valued $3 per dozen or more	56.49	80.03			95,981.16	41.66	54,224.55	76,813.87				
	Razors, finished—												
	Valued at less than $1 per dozen												
	Valued at $1 and less than $1.50 per dozen												
	Valued at $1.50 and less than $2 per dozen												
	Valued at $2 or more per dozen												
	Provided, That blades, handles, and unfinished razors shall pay no less duty than that imposed on finished razors valued at $3 per dozen: Provided further, That all the articles specified in this paragraph shall have the name of the maker and beneath the same the name of the country of origin die sunk conspicuously and indelibly on the shank or tang of each and every blade.												
	Scissors and shears, and blades for, finished or unfinished—												
	Valued not more than 50 cents per dozen	52.21	52.21	50,196.50	26,208.45								
	Valued more than 50 cents and not more than $1.75 per dozen	57.89	57.89	243,828.94	141,147.13								
	Valued more than $1.75 per dozen	46.00	46.00	158,226.01	86,581.21								
152	(L) Swords, sword blades, and side arms (*bayonets*)	35.00	35.00	33,358.75	11,675.56								

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Any of the foregoing knives or erasers, etc.—Continued.												
153	Table, carving, cooks', kitchen, bread, butter, vegetable, fruit, and cheese knives, forks, and steels, finished or unfinished—												
	With handles of mother-of-pearl, shell, or ivory (*silver, nickeled silver, or other metal than iron or steel*)	*P. ct.* 57.40	*P. ct.* 52.10							$4,740.00	9.30	$2,720.92	$2,469.68
	With handles of deer horn	62.73	54.78							7,863.00	12.67	4,932.69	4,307.22
	With handles of hard rubber, solid bone, celluloid, or any pyroxyline material	52.83	45.27							3,537.00	14.31	1,868.75	1,601.11
	With handles of any other material	69.43	51.28							25,283.94	26.14	17,554.00	12,966.86
	Any knives, forks, or steels, imported without handles												
	Other, on which ordinary duty would not amount to 45 per cent	45.00	45.00	$66,404.99	$29,862.25								
	Butchers', hunting, plumbers', painters', palette, artists' (*carpenters' bench, currriers', drawing, farriers', fleshing, hay, tanners'*), and shoe knives, finished or unfinished—												
	With handles of mother-of-pearl, shell, or ivory (*silver, nickeled silver, or other metal than iron or steel*)	52.10	47.46							69.00	8.91	35.95	32.75
	With handles of deer horn	93.55	80.45							11.00	14.11	10.29	8.85
	With handles of hard rubber, solid bone, celluloid, or any pyroxyline material	65.08	55.05							72.50	15.41	47.18	39.91
	With handles of any other material	61.64	46.09							322.85	25.25	199.02	148.82
	Any knives, forks, or steels, imported without handles												
	Other, on which ordinary duty would not amount to 45 per cent	45.00	45.00	66,502.16	29,925.97								
154	Files, file blanks, rasps, and floats of all cuts and kinds:												
	2½ inches in length and under	81.29	40.00							4,951.61	50.79	4,025.35	1,980.64
	Over 2½ and not over 4½ inches in length	83.90	40.00							26,484.00	52.32	22,220.21	10,593.60
	Over 4½ and under 7 inches in length	87.47	40.00							36,919.32	54.27	31,292.76	14,767.73
	7 inches in length and over	33.81	40.00			$18,298.00	2.00	$7,187.00	$7,319.20				
155	Firearms:												
	Muskets, muzzle-loading shotguns, rifles, and parts of	25.00	25.00	45,399.00	11,349.75								
156	Shotguns, double-barreled, sporting, breech-loading, and combination shotguns and rifles—												
	Valued not more than $5 each	50.75	50.75	179,548.00	91,123.20								
	Valued more than $5 and not more than $10 each	67.67	67.67	2,354.00	1,593.10								
	Valued more than $10 each	45.56	45.56	61,422.00	27,983.70								
	Shotguns, single-barreled, breech-loading, or parts of, not specially provided for	52.49	52.49	566.00	297.10								
	Double barrels for sporting, breech-loading shotguns and rifles, further advanced in manufacture than rough-bored only, *and stocks for same*	44.93	44.93	453.00	203.55								
	All other parts of guns or rifles and fittings for stocks or barrels	50.00	50.00	4,452.00	2,226.00								
	Pistols, *automatic, magazine, or* revolving, or parts of	56.75	56.75	19,749.00	11,207.25								
157	(L) Sheets, plates, wares, or articles of iron, steel, or other metal, enameled or glazed with vitreous glasses [a]	40.00	45.00			952,980.64	12.50	381,192.25	[b] 428,841.28				
	Nails, spikes, and tacks:												
158	Nails and spikes, cut, of iron or steel	20.48	13.65							1,792.00	33.33	367.01	244.68
159	Nails, horseshoe, hob, and all other wrought-iron or steel nails, not specially provided for. *Horseshoe calks, and parts thereof, finished or unfinished, of iron or steel*	25.69	17.10							63.00	33.33	21.32	14.19
160	Nails, wire, made of wrought iron or steel—												
	Not less than 1 inch in length and not lighter than No. 16 wire gauge	8.13	4.07							3,288.00	50.00	267.40	133.70

[a] This paragraph stricken out in Senate bill.

[b] Estimated.

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Nails, spikes, and tacks—Cont'd.	*P. ct.*	*P. ct.*										
161	Spikes, of wrought iron or steel	43.19	32.40							$738.30	25.00	$318.92	$239.19
	Nuts and washers, of wrought iron or steel	9.64	7.23							2,553.00	25.00	246.18	184.64
	Horse, mule, or ox shoes, of wrought iron or steel	24.82	18.62							34.00	25.00	8.44	6.33
162	Tacks, brads, or sprigs, cut—												
	Not exceeding 16 ounces to the thousand	14.26	7.13							140.00	50.00	19.96	9.98
	Exceeding 16 ounces to the thousand	3.00	1.50							2.00	50.00	.06	.03
163	Needles:												
	For knitting (*embroidery*) or sewing machines, including latch needles	41.90	46.13			$106,928.70	10.09	$44,806.74	$49,325.30				
	Crochet and tape needles, knitting, and all others not specially provided for, and bodkins of metal	25.00	25.00	$49,147.90	$12,286.99								
	No articles other than the needles which are specifically named in this section shall be dutiable as needles unless having an eye and fitted and used for carrying a thread. Needle cases or needle books furnished with assortments of needles or combinations of needles and other articles shall pay duty as entireties according to the component material of chief value therein.												
163½	*Fishhooks, fishing rods and reels, artificial flies, artificial baits, snelled hooks, and all other fishing tackle or parts thereof, not specially provided for in this section, except fishing lines, fishing nets and seines*												
164	Engraved plates of steel	25.00	25.00	2,477.00	619.25								
	Plates, electrotype and stereotype, and plates of other material than steel, engraved or lithographed for printing	25.00	25.00	45,967.09	11,491.80								
	Plates of iron or steel engraved or fashioned for use in the production of designs, patterns, or impressions on glass in the process of manufacturing plate or other glass												
165	*Rivets or studs and steel points, lathed, machined, or brightened, and rivets or studs for nonskidding automobile tires*												
	Rivets of iron or steel, n. s. p. f.	14.43	9.02							5,430.00	37.50	783.54	489.71
166	Saws:												
	Circular saws	25.00	20.00							884.00	20.00	221.00	176.80
	Cross-cut saws	18.70	15.58							2,384.00	16.67	445.76	371.46
	Hand, back, and other saws, not specially provided for	30.00	25.00							32,564.50	16.67	9,769.35	8,141.12
	Mill saws										20.00		
	Pit and drag saws	25.21	18.91							205.00	25.00	51.68	38.76
	Steel band saws, finished or further advanced than tempered and polished	37.34	28.67							1,706.00	23.22	637.10	489.15
167	Screws, commonly called wood screws:												
	Over ¼ inch and not more than 1 inch in length	37.03	34.84							62.00	5.88	22.96	21.60
	Over 1 inch and not more than 2 inches in length	33.64	28.04							107.00	16.67	36.00	30.00
	More than 2 inches in length	54.22	47.44							36.00	12.50	19.52	17.08
168	Umbrella and parasol ribs and stretchers, of iron, steel, or other metal, in frames or otherwise	50.00	50.00	17,553.00	8,776.50								
	Tubes for umbrellas, wholly or partly finished												
169	Wheels, or parts of, with axles fitted in, and steel-tired wheels, for railway purposes, and iron or steel locomotive, car, or other railway tires, or parts of, wholly or partly manufactured	52.87	44.05							153,550.00	16.67	81,175.63	67,646.33
	Ingots, cogged ingots, blooms, or blanks, for railway wheels or tires, without regard to the degree of manufacture										20.00		
170	Aluminum:												
	In crude form (*aluminum scrap*), and alloys of any kind in which aluminum is the component material of chief value	39.98	34.98							258,001.40	12.50	103,384.56	90,461.49
	Plates, sheets, bars, and rods	19.43	16.44							7,333.00	15.38	1,424.94	1,205.72
	Barium, calcium, magnesium, sodium, and potassium, and alloys of which said metals are the component material of chief value												

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
		P. ct.	P. ct.										
171	Antimony, as regulus or metal	4.70	9.40			$1,875,941.00	100.00	$88,175.01	$176,349.99				
	Antimony ore, stibnite and matte containing antimony (or antimony contents)	Free.	13.41			215,917.00		Free.	28,954.72				
	(See bill for regulations concerning entry.)												
172	(L) Argentine, albata, or German silver, unmanufactured	25.00	25.00	$6,487.00	$1,621.75								
173	(L) Bronze powder (*brocades, flitters, and metallics*)	32.38	32.38	586,464.00	189,884.73								
	Valued at not over 20 cents per pound												
	Valued at over 20 cents per pound												
	(L) Bronze, or Dutch metal, in leaf, in packs of 100 leaves	62.24	62.24	86,715.00	53,974.74								
	Aluminum, in leaf, in packs of 100 leaves	53.05	53.05	492.00	261.00								
174	Copper:												
	Plates, rolled, called braziers' copper, sheets, rods, pipes, and copper bottoms	4.99	4.99	52,476.00	2,619.73								
	Sheathing, or yellow metal, of which copper is the component material of chief value, and not composed wholly or in part of iron, ungalvanized	12.18	12.18	1,937.00	235.90								
175	(L) Gold leaf, in packs of 500 leaves	37.50	37.18	167,263.00	62,735.75								
	The foregoing rate applies to leaf not exceeding in size the equivalent of 3⅜ by 3⅜ inches; additional duties in the same proportion shall be assessed on leaf exceeding in size said equivalent.												
176	(L) Silver leaf, in packs of 500 leaves	141.29	94.22							$804.00	33.33	$1,136.25	$757.50
177	(L) Tinsel wire, lame or lahn, made wholly or in chief value of gold, silver, or other metal	10.07	20.14			162,684.23	100.00	16,378.50	32,756.96				
	(L) Bullion and metal threads made wholly or in chief value of tinsel wire, lame or lahn	40.59	41.19			95,113.00	1.44	38,608.90	39,172.60				
	(L) Laces, embroideries, braids, galloons, trimmings, or other articles made wholly or in chief value of tinsel wire, lame or lahn, bullion, or metal threads	60.00	71.76			184,634.00	19.60	110,780.40	132,502.11				
	Fabrics, ribbons, bellings, and ornaments, added to laces, etc.												
178	Hooks and eyes, metallic, whether loose, carded, or otherwise, including weight of cards, cartons, and immediate wrappings and labels	42.10	34.71							4,702.00	17.55	1,979.33	1,631.86
	Lead, and manufactures of:												
179	Lead-bearing ore of all kinds (*lead contents*)	78.80	78.80	566,057.15	446,075.79								
180	Base bullion	70.36	70.36	13,770.00	9,680.30								
	Pigs and bars (*dross*), bullion, molten and old refuse lead, run into blocks and bars, and old scrap lead fit only to be remanufactured, and dross	49.45	49.45	1,043,166.00	515,883.18								
	Sheets, pipes, shot, glaziers' lead, and lead wire	48.99	48.99	18,430.26	9,029.01								
181	Metals unwrought, and metallic mineral substances, in a crude state, not specially provided for	20.00	20.00	87,155.00	17,431.00								
	Monazite sand and thorite										33.33		
182	Ferrotungsten	20.00 .40	20.00 20.00	16,312.00	3,262.40	36,108.00	a4,900.00	145.29	7,221.60				
	Ferrochrome	20.00 1.74	20.00 20.00	14,929.00	2,985.80	31,534.00	a1,049.43	547.70	6,306.80				
	Ferrosilicon	5.54	5.54	914,328.00	50,612.48								
	Chrome or chromium metal, ferrochrome or ferrochromium, ferromolybdenum, ferrophosphorus, ferrotitanium, ferrotungsten, ferro silicon containing more than 15 per cent of silicon, ferrovanadium, molybdenum, titanium, tantalum, tungsten, or wolfram metal:												
	Valued at $300 per ton or less												
	Valued at more than $300 per ton												
	Ferrosilicon containing not more than 15 per cent of silicon												
183	Nickel, nickel oxide, alloy of any kind in which nickel is the material of chief value, in pigs, ingots, bars, *rods, plates, strips cut from sheets*, or sheets, *but not rolled or drawn*	14.67	14.67	91,907.00	13,491.11								
184	Pens, metallic, except gold pens	47.93	47.93	163,284.25	78,256.29								
	Do. with nib and barrel in one piece												

a Admitted practically free by court decisions under present law.

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under— Present law.	Duty increased. Revenue under— Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under— Present law.	Duty decreased. Revenue under— Senate bill.
185	Penholder tips, and penholders, or parts of	*P. ct.* 25.00	*P. ct.* 50.00			$25,224.00	100.00	$6,306.01	[a]$12,612.00				
	(L) Gold pens	25.00	25.00	$114.08	$28.52								
	Do. (reciprocity with Cuba)	20.00	20.00										
	Fountain pens, stylographic pens												
	Combination penholders, comprising penholder, pencil, rubber eraser, automatic stamp, or other attachment												
	Provided that pens and penholders shall be assessed for duty separately.												
186	Pins, solid heads, without ornamentation, including hair, safety, hat, bonnet, and shawl pins, composed of brass, copper, iron, steel, or other base metal, not plated, not jewelry	35.00	35.00	155,798.54	54,529.49								
	Agraffes, barettes, bars, belts, buckles, cabochons, chatelaines, clasps, combs, coulants, girdles, slides, dress, hat, and millinery ornaments, composed wholly of brass, copper, iron, steel, or other base metal:												
	Not plated nor polished nor commonly known as jewelry										11.11		
	Plated, and not jewelry										11.11		
	With any of the foregoing, having fancy metal or enameled metal heads or plain heads of glass, paste, wax, or any other material than precious or semiprecious stones												
	With heads in imitation of baroque pearls or ornamented, decorated, cut or ground												
	With imitation precious stones or imitation pearls or corals set in the heads of the pins or with the articles otherwise mounted or set with imitation precious stones or imitation pearls or corals												
	(Any of the foregoing articles, if made wholly or in part of precious metal or if set with precious or semiprecious stones, or pearls, or corals, shall be classified as jewelry.)												
187	Quicksilver	17.40	17.40	6,147.00	1,069.74								
188	Type metal:												
	Gross weight	21.86	21.86	1,325,293.00	289,697.51								
	Lead contents												
189	New types	25.00	25.00	14,730.00	3,682.50								
	Watch movements:												
	Having not more than 7 jewels	66.02	76.19			731,331.60	15.40	482,847.33	557,169.60				
	(L) Having more than 7 and not more than 11 jewels	42.04	46.04			58,782.00	9.51	24,711.01	27,041.88				
	(L) Having more than 11 and not more than 15 jewels	47.81	56.27			192,393.00	17.09	91,989.75	108,265.70				
	(L) Having more than 15 and not more than 17 jewels	43.91	43.91	122,947.00	53,986.75								
	(L) Having more than 17 jewels	34.95	34.95	184,383.00	64,434.75								
	Watch cases and parts of watches, including dials	40.00	40.00	844,006.21	337,602.49								
	Enameled dials for watches or other instruments												
	(See bill for regulations concerning dials and movements.)												
	Chronometers, box or ship, and parts of	40.00	40.00	1,640.00	656.00								
	Clocks, and parts of, not specially provided for	40.00	40.00	592,024.51	236,809.80								
	Clock movements having jewels in the escapement, and clocks containing such movements												
	All other clocks and parts thereof, not otherwise provided for, whether separately packed or otherwise, not composed wholly or in part of china, porcelain, parian, bisque, or earthen ware												
	Jewels for use in the manufacture of watches or clocks	10.00	10.00	789,042.50	78,904.25								
190	Zinc in ore	20.00	76.35			337,102.77	281.75	67,420.56	257,393.36				
		Free.	52.71			1,955.00		Free.	1,030.40				
	Calamine (zinc ore)	Free.	84.88			784,303.20		Free.	665,707.73				
	Zinc ore and calamine (zinc contents)												
191	Zinc												
	In blocks or pigs	18.39	12.26							$95,069.00	33.33	$17,478.23	$11,652.14
	In sheets	28.44	17.77							5,286.00	37.50	1,503.26	939.54
	In sheets coated or plated with nickel or other metal, or solutions												
	Old and worn out, fit only to be remanufactured	31.00	31.00	688.30	213.60								

[a] Estimated.

SCHEDULE C—*Metals, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
[a]192	*Cans, boxes, packages, containers trays, signs, and similar articles, composed wholly or in chief value of tin plate, terne plate, or iron or steel sheets, if lacquered, enameled, or printed by any process of lithography whatever, all the foregoing, filled or unfilled, and whether their contents be dutiable or free*	P. ct.	P. ct.										
	Provided, That none of the foregoing articles shall pay a less rate of duty than 55 per cent ad valorem.												
193	*Bottle caps:*												
	Not colored, waxed, lacquered, enameled, lithographed, or embossed in color												
	Colored, lacquered, enameled, lithographed, or embossed in color												
194	Machinery, not elsewhere specified	45.00	[b]45.00	$4,978,090.67	$2,240,140.80								
	Cash registers, linotype and all typesetting machines, machine tools, printing presses, sewing machines, typewriters, and all steam engines[c]										33.33		
	Embroidery machines and lace-making machines, including machines for making lace curtains, nets, or nettings												
	Lever or Goughrough lace machines, including machines for making lace curtains, nets, or netting, free of duty prior to July 1, 1911.												
	Provided, That all Lever or Goughrough lace machines imported prior to July first, nineteen hundred and eleven, shall be admitted free of duty.												
195	Articles or wares, n. s. p. f., composed wholly or in part of—												
	Aluminum, manufactures of	45.00	45.00	1,026.50	461.93								
	Rope (made from aluminum wire)	48.03	42.27							$1,913.00	11.98	$918.81	$808.67
	Brass, manufactures of	45.00	45.00	75,056.53	33,775.44								
	(L) Bronze, manufactures of	45.00	45.00	298,115.17	134,151.84								
	Copper, manufactures of	45.00	45.00	26,177.34	11,779.83								
	(L) Gold, manufactures of	45.00	45.00	19,566.80	8,805.07								
	Iron and steel, manufactures of	45.00	45.00	1,100,293.57	495,132.19								
	Do. galvanized	50.00	50.00	175.00	87.50								
	Lead, manufactures of	45.00	45.00	3,482.00	1,566.90								
	Metals and metal compositions, manufactures of	45.00	45.00	7,811,313.34	3,515,091.14								
	Nickel, manufactures of	45.00	45.00	4,103.60	1,846.62								
	Pewter, manufactures of	45.00	45.00	720.00	324.00								
	Platinum, manufactures of	45.00	45.00	1,836.00	826.20								
	Vases, retorts, etc	Free.	45.00			$152,588.00		Free.	$68,664.60				
	(L) Silver, manufactures of	45.00	45.00	145,700.72	65,565.37								
	Tin, manufactures of	45.00	45.00	26,635.04	11,985.80								
	(L) Tin foil	45.00	45.00	719.00	323.55								
	Zinc, manufactures of	45.00	45.00	4,804.00	2,161.80								
	Carriages and parts thereof, metal chief value	45.00	45.00	2,626.00	1,181.70								
	Total, Schedule C	32.83	32.50	30,004,873.59	12,867,645.66	8,165,262.58	77.54	$2,045,886.10	3,632,357.14	27,689,862.13	26.90	6,706,911.09	4,902,511.32

[a] Substitute for par. 192. House bill, which provides a duty of 20 per cent on alloys and other mixed metals in lumps, pigs, blocks, bars, cakes, sheets, or powder, n. s. p. f.

[b] Estimated.

[c] Electrical and jute manufacturing machinery included in House bill.

SCHEDULE D—*Wood, and manufactures of.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
196	Timber:												
	Round, used for spars and in building wharves	P. ct. 5.04	P. ct. 2.52							$25,902.86	50.00	$1,305.49	$652.75
	Hewn, squared, or sided, not less than 8 inches square	5.08	2.54							49,811.78	50.00	2,531.24	1,265.62
197	Lumber:												
	Boards, planks, deals, and other sawed lumber of whitewood, sycamore, and basswood—												
	Not planed or finished	5.56	2.78							211,967.74	50.00	11,777.68	5,888.84
	Planed or finished on two sides	17.03	12.76							12,302.00	25.00	2,094.58	1,570.94
	Planed on one side and tongued and grooved												
	Planed on two sides and tongued and grooved												

SCHEDULE D—*Wood, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under— Present law.	Duty increased. Revenue under— Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under— Present law.	Duty decreased. Revenue under— Senate bill.
	Lumber—Continued.												
	Sawed lumber, not specially provided for—	*P. ct.*	*P. ct.*										
	Not planed or finished	11.75	5.88							$14,623,256.02	50.00	$1,718,679.33	$859,339.61
	Planed or finished on one side	20.01	12.00							239,649.28	40.00	47,942.36	28,765.36
	Planed or finished on two sides	17.24	11.49							48,348.91	33.33	8,333.43	5,555.60
	Planed or finished on three sides	14.06	10.00							34.00	28.57	4.78	3.40
	Planed or finished on four sides	21.13	15.84							1,224.00	25.00	258.61	193.95
	Planed on one side and tongued and grooved	19.10	12.72							83,415.78	33.33	15,927.97	10,618.64
	Planed on two sides and tongued and grooved	20.29	14.49							15,482.78	28.57	3,141.13	2,243.63
[a] 198													
199	Sawed boards, planks, deals, and other forms of sawed cedar, lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all other cabinet woods not further manufactured than sawed	15.00	15.00	$33,698.44	$5,054.77								
	Veneers of wood	20.00	20.00	4,587.75	917.55								
	Wood, unmanufactured, not specially provided for	20.00	20.00	13,591.50	2,718.30								
200	Paving posts, railroad ties, and telephone, trolley, electric light, and telegraph poles	20.00	10.00							570,323.41	50.00	114,064.64	57,032.34
201	Clapboards:												
	Pine	5.99	3.98							7,391.20	33.33	442.38	294.88
	Spruce	5.74	3.83							149,609.30	33.33	8,891.70	5,727.76
202	Hubs for wheels, posts, heading bolts, stave bolts, last, wagon, oar, and heading blocks, and all like blocks or sticks, rough-hewn, sawed, or bored	20.00	20.00	18,701.09	3,740.21								
558	Fence posts	10.00	Free.							16,620.34	100.00	1,662.02	Free.
203	Laths	9.63	7.70							1,736,525.17	20.00	167,159.05	133,727.18
204	Pickets and palings	10.00	10.00	126,909.23	12,690.93								
	Staves	10.00	10.00	145,147.57	14,514.76								
205	Shingles:												
	White pine	13.77	13.77	36,445.00	5,018.12								
	All other	13.66	13.66	1,904,347.77	260,112.33								
206	Barrels, casks, and hogsheads, empty	30.00	30.00	1,144.05	343.22								
	Shooks, sugar box, and packing boxes, empty, and packing-box shooks, n. s. p. f.	30.00	30.00	11,912.30	3,573.69								
207	Barrels or boxes containing oranges, lemons, or limes, grape fruit, shaddocks, or pomelos, exclusive of contents:												
	Of foreign growth or manufacture	30.00	30.00	203,892.98	61,167.88								
	Of growth and manufacture of the United States	15.00	15.00	109,088.00	16,363.20								
208	Chair cane or reed, wrought or manufactured from rattan or reeds	10.00	10.00	567,632.75	56,763.28								
	Osier or willow:												
	Prepared for basket makers' use	20.00	25.00			$39,236.00	25.00	$7,847.20	$9,809.00				
	Manufactures of	40.00	45.00			195,968.30	12.50	78,387.32	88,185.74				
	Willow furniture												
209	Toothpicks:												
	Quill	17.92	17.92	21,327.00	3,822.58								
	Wood	44.22	44.22	25,901.00	11,453.95								
	Skewers, butchers' and packers'	25.10	25.10	10.00	2.51								
210	*Porch and window blinds, curtains, shades, or screens of bamboo, wood, straw, or compositions of wood:*												
	Natural or raw												
	Stained, dyed, painted, printed, polished, grained, or creosoted												
211	Furniture, cabinet or house, wholly or partly finished	35.00	35.00	1,136,613.78	397,814.84								
	Manufactures of wood, or of which wood is the component material of chief value, n. s. p. f.	35.00	35.00	1,755,811.27	614,534.19								
	Carriages of wood	35.00	35.00	2,470.00	864.50								
	Manufactures of bark, n. s. p. f.												
212	*Any wood or articles or forms of wood, except those provided for in paragraph 208 to 211, inclusive, shall, if subject to duty, pay five per centum ad valorem in addition to such duty, and shall, if otherwise free of duty, pay a duty of five per centum ad valorem whenever any such wood or articles or forms of wood are painted, polished, grained, stained, printed, or creosoted, or prepared or treated for fireproofing or waterproofing.*												
	Total, Schedule D	15.16	11.11	6,119,231.49	1,471,470.81	235,204.30	13.63	86,234.52	97,994.74	17,791,864.54	47.10	2,103,916.41	1,112,880.50

[a] Par. 198 in House bill placed a duty of 5 per cent on cabinet woods in the log, briar root, and sticks, joints, and rattans. Restored to free list in Senate bill.

SCHEDULE E—*Sugar, molasses, and manufactures of.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
213	Sugar, Dutch standard in color:												
	Not above No. 16, tank bottoms, sirups of cane juice, melada, concrete and concentrated melada, concrete and concentrated molasses, testing by the polariscope.												
	Beet—	*P. ct.*	*P. ct.*										
	Not above 75 degrees	36.12	36.12	$51.00	$18.42								
	Not above 88 degrees	69.39	69.39	135,474.00	93,995.74								
	Not above 94 degrees	78.26	78.26	6,323,215.00	4,948,296.46								
	Not above 95 degrees	76.56	76.56	149,885.00	114,759.07								
	Not above 96 degrees	87.16	87.16	551,424.00	480,625.63								
	Cane—												
	Not above 75 degrees	23.89	23.89	49,146.60	11,742.11								
	Not above 76 degrees	54.10	54.10	62.00	33.54								
	Not above 77 degrees	40.12	40.12	1,167.00	468.16								
	Not above 78 degrees	30.08	30.08	215.65	64.86								
	Not above 79 degrees	42.42	42.42	1,356.00	575.16								
	Not above 80 degrees	46.08	46.08	1,356.00	624.80								
	Not above 81 degrees	107.49	107.49	7,984.00	8,581.99								
	Not above 82 degrees	25.45	25.45	239.45	60.94								
	Not above 83 degrees	91.08	91.08	476,284.10	433,780.34								
	Not above 84 degrees	27.36	27.36	14.00	3.83								
	Not above 85 degrees	30.34	30.34	128.00	38.84								
	Not above 86 degrees	82.08	82.08	66,230.20	54,362.77								
	Not above 87 degrees	46.16	46.16	2,213.65	1,021.75								
	Not above 88 degrees	81.81	81.81	543,253.00	444,461.31								
	Not above 89 degrees	87.73	87.73	20,765.00	18,216.96								
	Not above 90 degrees	36.56	36.56	41.00	14.99								
	Not above 91 degrees	120.19	120.19	1,460.00	1,754.86								
	Not above 92 degrees	64.90	64.90	1,240.00	804.81								
	Not above 94 degrees	75.33	75.33	448,812.00	338,105.26								
	Not above 95 degrees	70.65	70.65	901,837.00	637,153.38								
	Not above 96 degrees	90.46	90.46	11,053,806.00	9,998,995.97								
	Not above 97 degrees	97.64	97.64	250,917.00	244,991.04								
	Not above 98 degrees	69.40	69.40	41,004.00	28,456.06								
	Refined No. 16, and all sugar that has gone through a process of refining	72.57	70.70							$116,060.70	2.56	$84,220.43	$82,060.91
	Molasses:												
	Not above 40 degrees	20.00	20.00	25,268.00	5,053.60								
	Above 40 degrees and not above 56 degrees	15.51	15.51	171,892.00	26,668.37								
	56 degrees and above	34.76	34.76	1,883.00	654.60								
214	Maple sugar and sirup	49.65	49.65	207,796.51	103,160.95								
	Glucose or grape sugar	55.39	55.39	4,465.00	2,473.78								
	Sugar cane			5,903.91	1,120.78								
215	Saccharine	216.71	103.33							391.00	52.32	847.33	404.12
216	Sugar candy and confectionery, n. s. p. f., and sugars refined when tinctured, colored, or adulterated:												
	Valued at 15 cents per pound or less	66.58	66.58	19,612.00	13,058.41								
	Do. (reciprocity treaty with Cuba)	38.58	38.58										
	Valued more than 15 cents per per pound	50.00	50.00	74,283.00	37,141.51								
	Do. (reciprocity treaty with Cuba)	40.00	40.00	130.80	52.32								
	Biscuits, wafers, and similar articles if filled with or coated with chocolate or sugar												
	Total, Schedule E	83.74	83.73	21,540,354.07	18,051,340.87					116,451.70	3.06	85,067.76	82,465.03

SCHEDULE F—*Tobacco, and manufactures of.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
217	(L) ENTIRE SCHEDULE.												
	Tobacco, and manufactures of:												
	Unmanufactured—												
	Wrapper and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco, and all leaf tobacco the product of two or more countries and dependencies, when mixed or packed together—	*P. ct.*	*P. ct.*										
	Unstemmed	186.98	186.98	$6,367,131.10	$11,905,463.07								
	Filler tobacco, not specially provided for—												
	Unstemmed	64.29	64.29	4,956,113.13	3,186,528.30								
	Stemmed	83.92	83.92	286.00	240.00								

SCHEDULE F—*Tobacco, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under—Present law.	Duty increased. Revenue under—Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under—Present law.	Duty decreased. Revenue under—Senate bill.
	Tobacco and manufactures of—Continued.												
	Unmanufactured—Continued.												
219	All other, not specially provided for	P. ct. 203.18	P. ct. 203.18	$3,441.01	$17,150.82								
	Scrap tobacco												
220	Snuff and snuff flour, manufactured of tobacco, ground dry, or damp, and pickled, scented, or otherwise	78.46	78.46	21,316.50	16,724.02								
	All other (pounds)	151.24	151.24	122,153.52	184,722.59								
221	Cigars and cheroots, all kinds	152.86	152.86	6,948.50	10,621.25								
	Cigarettes, and paper cigars, including wrappers	146.72	146.72	76,980.00	112,949.75								
	Total, Schedule F	87.20	87.20	11,559,369.76	15,434,399.80								

SCHEDULE G—*Agricultural products and provisions.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under—Present law.	Duty increased. Revenue under—Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under—Present law.	Duty decreased. Revenue under—Senate bill.
	Live animals:												
222	Cattle—	P. ct.	P. ct.										
	Less than 1 year old	17.09	17.09	$77,738.00	$13,288.00								
	One year old or over—												
	Valued not more than $14 per head	28.79	28.79	198,617.00	57,172.50								
	Valued more than $14 per head	27.50	27.50	152,782.59	42,015.48								
223	Swine	7.28	7.28	12,388.00	901.50								
224	Horses—												
	Valued at $150 each or less	30.19	30.19	169,133.50	51,060.00								
	Valued over $150 each	25.00	25.00	122,482.00	30,620.50								
	Mules—												
	Valued at $150 each or less	68.83	68.83	5,361.00	3,690.00								
	Valued over $150 each	25.00	25.00	287.50	71.88								
225	Sheep—												
	Less than 1 year old	16.67	16.67	969,308.70	161,606.25								
	One year old or over	11.43	11.43	79,924.28	9,138.00								
226	All other, n. s. p. f.	20.00	25.00			$82,361.00	25.00	$16,472.22	$20,590.25				
	Breadstuffs and farinaceous substances:												
227	Barley	53.64	53.64	6,608.00	3,544.50								
228	Barley malt	38.62	38.62	3,917.00	1,512.90								
229	Barley, pearled, patent, or hulled	16.18	16.18	60,489.00	9,784.88								
230	Buckwheat	22.12	22.12	106.60	23.59								
	Buckwheat flour	20.00	25.00			683.67	25.00	136.73	170.91				
231	Corn or maize	17.97	23.96			7,919.72	33.33	1,423.10	1,897.39				
232	Corn meal	18.34	17.61							$87.50	4.00	$16.05	$15.41
233	Macaroni, vermicelli, and all similar preparations	37.25	37.25	3,493,993.99	1,301,452.19								
234	Oats	32.26	43.00			17,265.53	33.33	5,569.47	7,425.89				
235	Oatmeal and rolled oats	17.90	17.90	15,885.00	2,853.31								
	Oat hulls	22.54	22.54	94,806.00	21,369.61								
236	Rice—												
	Cleaned	62.66	62.66	860,370.32	539,081.11								
	Uncleaned	47.31	47.31	756,916.00	357,079.84								
	Rice flour, rice meal, and broken rice which will pass through a wire sieve known commercially as No. 12	15.26	15.26	2,274,397.00	346,974.15								
	Paddy	18.69	18.69	59,706.00	11,158.71								
237	Rye	12.55	25.00			125.50	100.00	15.75	31.50				
	Rye flour	16.64	16.64	579.00	96.35								
238	Wheat	28.85	34.62			16,586.10	20.00	4,785.73	5,742.60				
239	Wheat flour	25.00	25.00	157,539.85	39,384.99								
	Semolina												
240	Bread and biscuit	20.00	20.00	252,015.17	50,403.03								
	Biscuits, bread, wafers, and similar articles, n. s. p. f., 20 per cent.												
	Dairy products:												
241	Butter, and substitutes for	22.50	22.50	116,181.38	26,138.19								
242	Cheese, and substitutes for	35.61	35.61	5,641,166.83	2,009,089.41								
243	Milk, fresh	14.29	14.29	1,359.70	194.25								
	Cream												
244	Milk, preserved or condensed, or sterilized	14.23	14.23	8,258.96	1,175.42								
	Casein	20.00	25.00			64,041.00	25.00	12,808.20	16,010.25				
	Sugar of milk	24.82	24.82	959.00	238.00								
	Farm and field products:												
245	Beans	32.45	32.45	205,661.55	66,740.09								
	Sugar beets												
246	*Beets*												
	Vegetables, prepared or preserved—												
247	Beans, pease, mushrooms, and *truffles* in tins, jars, bottles, or similar packages	25.82	25.82	957,954.58	247,362.18								
	Mushrooms, cut, sliced, or dried, in packages containing not less than five pounds, 2½ cents per pound.												
248	All other, n. s. p. f.	40.00	40.00	1,043,441.51	417,376.61								

SCHEDULE G—*Agricultural products and provisions*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Farm and field products—Cont'd.	*P. ct.*	*P. ct.*										
249	Fish paste or sauce	40.00	40.00	$15,588.55	$6,235.42								
	(L) Pickles and sauces, n. s. p. f.	40.00	40.00	873,573.30	349,429.28								
250	Cabbages	44.58	44.58	388.85	173.88								
251	Cider	5.09	5.09	7,632.00	388.44								
252	Eggs, n. s. p. f.	44.10	44.10	26,372.79	11,631.34								
253	Eggs, dried, *15 cents per pound.*—House bill, 15 cents per pound.												
	Eggs, yolk of	25.00	25.00	9,706.00	2,426.50								
	Albumen—												
	Egg	6.72	6.72	238,232.00	16,007.31								
	Blood	16.51	16.51	18,031.00	2,977.68								
	Dried blood, when soluble	2.88	2.88	58.00	1.67								
254	Hay	50.18	50.18	500,786.80	251,280.08								
255	(L) Honey	51.48	51.48	33,434.40	17,212.78								
256	Hops	37.94	47.43			$1,813,306.00	25.00	$688,006.41	$860,008.01				
	Hop extract and lupulin	50.00	50.00	15,644.00	7,822.00								
257	Onions	48.81	48.81	914,003.20	446,166.52								
	Garlic	32.15	32.15	185,501.99	59,655.88								
258	Pease—												
	Dried	16.75	16.75	221,701.90	37,132.24								
	Green, in bulk, or in barrels, sacks, or in similar packages	20.61	12.93							$2,910.03	37.50	$602.16	$376.35
	For seed	19.58	19.58	112,575.14	22,042.20								
	Split	25.88	38.52			48,029.00	12.50	12,394.83	17,497.67				
	Other, in cartons, papers, or small packages	14.04	14.04	750.00	108.67								
259	(L) Orchids, palms, dracænas, crotons, and azaleas; tulips, hyacinths, narcissi, jonquils, lilies of the valley, and all other bulbs, bulbous roots, or corms, which are cultivated for their flowers	25.00	25.00	1,493,327.49	373,331.89								
	(L) Flowers, natural, preserved, or fresh, suitable for decorative purposes	25.00	25.00	38,949.74	9,737.44								
260	Plants, trees, shrubs, and vines—												
	(L) Rose plants, budded, grafted, or grown on their own roots	49.61	49.61	84,560.39	41,948.87								
	Stocks, cuttings, or seedlings—												
	Myrobolan plum, Mahaleb or Mazzard cherry, 3 years old or less	33.28	36.55			46,873.02	9.83	15,597.65	17,133.40				
	Pear, apple, quince, and the St. Julien plum, 3 years old or less, and overgreen seedlings	32.73	32.73	56,315.55	18,434.36								
	Fruit and ornamental trees, deciduous and evergreen shrubs and vines, manetti, multiflora, and brier rose	25.00	25.00	23,778.10	5,944.53								
	Trees, shrubs, plants, and vines, commonly known as nursery or greenhouse stock, n. s. p. f.	25.00	25.00	142,631.03	35,657.79								
261	Potatoes	22.73	22.73	187,681.57	42,473.87								
262	Seeds—												
	Castor beans or seeds	18.30	18.30	667,167.00	122,114.81								
	Flaxseed or linseed	17.58	17.58	117,781.00	20,701.50								
	Other oil seeds, n. s. p. f.	12.42	12.42	6,828.00	847.89								
	Poppy	6.18	6.18	111,141.00	6,867.39								
	Canary	30.00	Free.							96,145.00	Free.	28,843.50	
	Celery	30.00	14.68							92.93	51.07	27.89	13.65
	All other, n. s. p. f.	30.00	30.00	360,513.15	108,153.96								
	Mushroom spawn, and spinach seed, 1 cent per pound; beet, except sugar beet, carrot, parsnip, radish, turnip, and rutabaga seed, 4 cents per pound; cabbage, collard, kale, and kohlrabi seed, 8 cents per pound; egg plant and pepper seed, 20 cents per pound; seeds of all kinds not especially provided for in this section, 10 cents per pound.												
263	Straw	36.97	36.97	6,141.25	2,270.32								
264	Teazels	30.00	30.00	9,756.00	2,926.80								
265	Vegetables in their natural state, n. s. p. f.	25.00	25.00	638,741.90	159,685.54								
	Yams	Free.	25.00			4,063.00			1,015.75				
266	Fish, *by whatever name known:*												
	Anchovies, sardines, sprats, brislings, sardels, or sardellen, packed in oil or otherwise—												
	In bottles, jars, tin boxes or cans—												
	Containing 7½ cubic inches or less	30.06	30.06	1,649,415.41	495,854.57								
	Containing more than 7½ and not more than 21 cubic inches	25.91	25.91	615,672.54	159,499.03								
	Containing more than 21 and not more than 33 cubic inches	35.96	35.96	12,991.00	4,671.15								

SCHEDULE G—*Agricultural products and provisions*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Fish—Continued.												
	Anchovies, sardines, etc.—Cont'd.												
	In bottles, jars, etc.—Cont'd.												
	Containing more than 33 and not more than 70 cubic inches	P. ct. 31.49	P. ct. 31.49	$6,148.00	$1,936.20					$105,452.50	25.00	$42,180.97	$31,635.75
	In other packages	40.00	30.00										
	Other fish (except shellfish), in tin packages, or in packages containing less than ¼ barrel—												
	Herring	30.00	30.00	216,789.87	65,036.97								
	Mackerel	30.00	30.00	13,928.00	4,178.40								
	Salmon	30.00	30.00	218.00	65.40								
	Other	30.00	30.00	641,739.50	192,521.84								
	Caviare—												
	In packages of 100 pounds or over	.85	30.00			$96,243.00	3,429.41	$818.16	$28,872.90				
	In packages of less than 100 pounds	30.00	30.00	60,905.60	18,271.65								
267	Fresh-water fish, n. s. p. f.	6.25	6.25	1,090,709.42	68,219.94								
268	Herring—												
	Pickled or salted	13.39	13.39	2,365,459.30	314,823.01								
	Fresh	18.38	18.38	26,948.25	4,953.64								
269	Fresh, frozen, or packed in ice—												
	Cod, haddock, hake, and pollock	14.55	14.55	74,673.89	10,862.73								
	Other, n. s. p. f.	13.95	13.95	295,107.22	41,157.98								
	Dried or smoked—												
	Cod, haddock, hake, and pollock	13.35	13.35	739,449.45	98,707.97								
	Halibut	11.44	11.44	59.00	6.75								
	Herring	10.68	10.68	7,855.80	839.02								
	Other	7.92	7.92	274,277.70	21,736.76								
	Pickled or salted—												
	Cod, haddock, hake, and pollock												
	Halibut	24.25	24.25	2,395.00	580.85								
	Mackerel	16.14	16.14	1,616,622.80	260,988.10								
	Salmon	11.10	11.10	57,839.00	6,422.40								
	Other, n. s. p. f.	9.26	9.26	107,727.50	9,971.80								
	Fish, skinned or boned	18.48	18.48	118,996.14	21,995.66								
	Mackerel, fresh	23.62	23.62	130,909.23	30,923.69								
	Halibut, fresh	24.19	24.19	85,553.22	20,696.52								
	Salmon, fresh	10.25	10.25	120,596.79	12,365.56								
	Fish, fresh, smoked, dried, salted, pickled, frozen, packed in ice, or otherwise prepared for preservation, n. s. p. f., in bulk or in undivided packages containing 100 pounds or more												
270	Fruits:												
	Apples, green or ripe	21.14	21.14	18,359.90	3,882.28								
	Peaches, quinces, cherries, plums, and pears, green or ripe	12.22	12.22	14,054.65	1,716.76								
	Berries—												
	Edible, in their natural condition	19.19	19.19	134,597.86	25,835.69								
	Dried, desiccated, evaporated, or prepared in any manner not specially provided for	39.89	39.89	1,409.10	562.10								
	Cranberries	25.00	25.00	151.00	37.75								
	Apples, dried, desiccated, evaporated or prepared in any manner not specially provided for	30.44	30.44	251.40	76.52								
	Peaches, pears, and other edible fruits, when dried, desiccated, evaporated, or prepared in any manner not specially provided for	32.86	32.86	43,350.40	14,243.51								
	(L) Fruit in brine—												
	Citron	Free.	21.16			127,432.00	100.00		26,963.22				
	All other	Free.	40.00			61,954.00	100.00		24,781.60				
	(L) Comfits, sweetmeats, and fruits, preserved in sugar, molasses, spirits, or in their own juices, n. s. p. f.—												
	Containing not over 10 per cent of alcohol	46.53	46.53	715,141.47	332,765.14								
	Containing over 10 per cent of alcohol	87.53	87.53	514.00	449.90								
	Do. (reciprocity treaty with France)	100.70	100.70	8,913.48	8,975.35								
	Do. (reciprocity treaty with Germany)	46.91	46.91	1,601.00	751.10								
	(L) Ginger, preserved or pickled	50.99	50.99	35,023.00	17,858.72								
	(L) Jellies	35.00	45.00			37,362.00	28.57	13,076.70	*16,812.90				
	Pineapples preserved in their own juice	25.00	25.00	279,792.00	69,948.00								
271	(L) Figs	41.85	52.31			1,034,385.73	25.00	432,864.52	541,080.65				
	Plums, prunes, and prunelles	16.76	16.76	47,703.05	7,996.14								
	(L) Raisins and other dried grapes	28.97	28.97	323,606.65	93,750.23								
	(L) Dates	14.32	28.64			734,614.60	100.00	105,213.66	210,427.30				
	Currants, Zante or other	52.01	52.01	1,513,545.00	787,194.52								
	Olives, green or prepared—												
	In bottles, jars, *kegs, tins,* or similar packages, *containing less than 6 gallons each*	38.51	38.51	24,807.25	9,554.07								
	In other coverings	27.51	36.68			1,412,126.92	33.33	388,488.92	517,985.16				

* By court decision admitted practically free under present law.

SCHEDULE G—*Agricultural products and provisions*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Fruits—Continued.												
272	(L) Grapes in barrels or other packages	*P. ct.* 16.57	*P. ct.* 20.72			$1,664,401.95	25.00	$275,856.26	$344,820.33				
273	Lemons	36.18	54.27			4,254,230.56	50.00	1,539,307.39	2,308,961.09				
	Oranges	59.69	59.69	$348,167.82	$207,827.53								
	(L) Limes	88.36	88.36	43,848.57	38,741.76								
	(L) Grape fruit, shaddocks, or pomelos	47.80	47.80	39,995.61	19,118.77								
274	(L) Orange and lemon peel, preserved, candied, or dried	34.88	34.88	26,949.00	9,401.04								
	(L) Cocoanut meat or copra, desiccated, shredded, cut or similarly prepared	30.49	30.49	228,054.00	69,533.96								
	(L) Citron or citron peel, preserved, candied, or dried	37.32	37.32	69,286.00	25,857.60								
275	(L) Pineapples—												
	In barrels or other packages	19.37	19.37	9,984.70	1,934.28								
	In bulk	23.44	23.44	36,218.09	8,490.75								
	Nuts:												
276	(L) Almonds—												
	Not shelled	51.81	51.81	441,141.00	228,568.28								
	Clear shelled	29.49	29.49	1,773,709.44	523,077.15								
	(L) *Apricot and peach kernels*												
277	(L) Filberts—												
	Not shelled	48.84	48.84	611,739.67	298,808.40								
	Shelled	38.15	38.15	203,572.79	77,666.60								
	(L) Walnuts—												
	Not shelled	46.37	46.37	1,490,422.91	691,099.37								
	Shelled	30.94	30.94	1,163,409.00	359,999.39								
278	(L) Peanuts or ground beans—												
	Unshelled	14.02	14.02	371,967.55	52,164.14								
	Shelled	19.53	19.53	244,709.00	47,800.54								
279	(L) All other, shelled, or unshelled, not specially provided for	23.78	23.78	445,731.04	105,981.86								
	Meat products:												
280	Bacon and hams	23.28	23.28	102,101.19	23,771.36								
281	Beef	18.19	18.19	41,609.85	7,566.43								
	Veal	16.55	16.55	7,179.00	1,188.10								
	Mutton	23.51	23.51	31,337.78	7,369.04								
	Pork	13.61	13.61	28,857.41	3,926.00								
	(L) Venison	14.37	14.37	14,242.30	2,046.20								
	(L) Game, except birds, *2 cents per pound.*												
282	Meats of all kinds, prepared or preserved, not specially provided for	25.00	25.00	408,172.39	102,043.11								
	Bologna sausage	Free.	25.00			121,124.20	100.00		30,281.05				
283	Extract of meat—												
	Fluid	21.65	21.65	13,702.00	2,965.88								
	All other, n. s. p. f.	18.71	18.71	201,869.00	37,773.46								
284	Lard	20.29	20.29	395.35	80.22								
285	Poultry—												
	Live	25.94	25.94	65,440.92	16,974.84								
	Dressed (dead)	23.14	23.14	29,104.87	6,735.30								
286	Tallow	10.63	7.08							$29,733.00	33.33	$3,159.82	$2,106.53
	Wool grease, including degras, or brown wool grease	26.29	26.29	266,749.05	70,136.21								
	Crude and not refined												
	Refined, n. s. p. f.												
287	(L) Chicory root:												
	Raw, *dried or undried*, but unground	64.25	64.25	41,690.00	26,778.23								
	Burnt or roasted, ground or granulated, or in rolls or otherwise prepared, n. s. p. f.	60.08	60.08	25,882.00	15,550.93								
288	Cocoa, prepared or manufactured, n. s. p. f.:												
	Valued not over 15 cents per pound	16.80	16.80	3,349.00	562.30								
	Valued above 15 cents and not above 24 cents per pound	24.38	24.38	13,816.70	3,369.14								
	Valued above 24 cents and not above 35 cents per pound	26.13	26.13	5,271.00	1,378.35								
	Valued above 35 cents per pound	50.00	50.00	516.50	258.25								
	Cocoa, powd red, unsweetened	16.36	16.36	349,786.78	57,223.45								
	Chocolate, prepared or manufactured, not specially provided for:												
	Valued not over 15 cents per pound	17.09	17.09	16,786.74	2,869.00								
	Valued above 15 cents and not above 24 cents per pound	21.43	21.43	473,917.52	101,541.32								
	Valued above 24 cents and not above 35 cents per pound	28.80	28.80	348,402.65	100,317.12								
	Valued above 35 cents per pound	50.00	50.00	5,744.75	2,872.39								
289	(L) Cocoa butter or cocoa butterine (*including all substitutes for cocoa butter*)	12.61	12.61	1,226,554.00	154,659.48								
290	(L) Dandelion root and acorns, prepared, and articles used as coffee or as substitutes for coffee, n. s. p. f.	37.00	37.00	22,445.00	8,305.72								
291	Salt:												
	In bags, sacks, barrels, or other packages	36.14	36.14	249,958.66	90,344.50								
	In bulk	90.24	90.24	130,070.99[a]	117,379.17								

[a] Estimated at 45 per cent.

SCHEDULE G—*Agricultural products and provisions*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
292	Starch, and all preparations fit for use as starch:	*P. ct.*	*P. ct.*										
	Potato	69.18	69.18	$104,641.00	$72,392.57								
	All other	45.95	30.65							$51,973.00	33.33	$23,882.24	$15,921.49
293	Dextrine, burnt starch, gum substitute, or British gum	67.74	50.80							142,320.00	25.00	96,404.14	72,303.11
294	Spices:												
	Capsicum, or red pepper or cayenne pepper—												
	Unground } Ground }	30.01	30.01	351,763.25	105,554.08								
	Mustard—												
	Ground or prepared	38.85	38.85	339,088.67	130,720.28								
	Sage	48.48	48.48	20,200.00	10,755.94								
	All other, n. s. p. f—												
	Ground	19.93	19.93	4,298.53	856.91								
296	Vinegar	27.93	27.93	64,609.60	18,043.60								
	Total, Schedule G	30.18	32.42	50,973,977.59	15,317,671.94	$11,645,128.50	42.29	$3,512,835.70	$4,998,509.82	428,713.98	37.28	195,116.77	122,372.29

SCHEDULE H—*Spirits, wines, and other beverages.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	(L) ENTIRE SCHEDULE.	*P. ct.*	*P. ct.*										
297	Brandy	118.94	137.44			$120,446.50	15.55	$143,259.32	$165,543.98				
	Do. (reciprocity treaty with France)	59.54	88.46			1,517,939.87	48.57	903,833.03	1,342,837.60				
	Do. (reciprocity treaty with Germany)	118.80	176.51			6,924.00	48.57	8,226.38	12,222.03				
	Do. (reciprocity treaty with Italy)	143.14	212.67			2,902.00	48.57	4,153.92	6,171.52				
	Do. (reciprocity treaty with Portugal)	319.63	474.86			72.00	48.57	230.13	341.90				
	Do. (reciprocity treaty with Spain)	86.56	128.61			653.00	48.57	565.25	839.80				
	Do. (reciprocity treaty with Switzerland)	23.33	34.67			45.00	48.57	10.50	15.60				
	Alcohol	1,018.29	1,176.73			2,214.00	15.55	22,545.75	26,052.88				
	Do. (reciprocity treaty with France)	580.12	861.95			1,318.00	48.57	7,646.45	11,360.44				
	Do. (reciprocity treaty with Germany)	803.75	1,194.15			13,564.00	48.57	109,021.00	161,974.02				
	Gin	239.35	276.58			783,331.75	15.55	1,874,901.05	2,166,552.00				
	Do. (reciprocity treaty with France)	204.17	303.23			84.00	48.57	171.50	254.80				
	Do. (reciprocity treaty with Germany)	172.40	256.15			2,533.00	48.57	4,367.13	6,488.30				
	Other spirits, not specially provided for, manufactured or distilled:												
	From grain—												
	Whisky	123.18	142.38			2,572,174.23	15.55	3,168,332.94	3,661,184.12				
	Do. (reciprocity treaty with France)	101.55	150.83			249.00	48.57	252.88	375.70				
	Do. (reciprocity treaty with Germany)	58.33	86.67			18.00	48.57	10.50	15.60				
	All other	174.53	201.68			109,849.80	15.55	191,720.46	221,543.58				
	Do. (reciprocity treaty with France)	73.83	108.72			10,749.00	48.57	7,936.26	11,687.02				
	Do. (reciprocity treaty with Germany)	174.72	259.67			451.00	48.57	788.27	1,171.12				
	Do. (reciprocity treaty with Italy)	108.16	160.70			1,173.00	48.57	1,268.75	1,885.00				
	Do. (reciprocity treaty with Spain)	43.75	65.00			8.00	48.57	3.50	5.20				
	From other materials	277.35	320.51			108,797.58	15.55	301,762.76	348,703.58				
	Do. (reciprocity treaty with France)	111.69	165.98			787.00	48.57	879.16	1,306.19				
	Do. (reciprocity treaty with Germany)	125.77	187.16			229.00	48.57	288.47	428.56				
299	Compounds or preparations of which distilled spirits are a component part of chief value, not specially provided for	118.84	137.32			45,839.65	15.55	54,474.78	62,948.60				
	Do. (reciprocity treaty with Germany)	218.98	325.33			55.00	48.57	120.44	178.93				
	Do. (reciprocity treaty with Italy)	25.44	37.84			9.00	48.57	2.29	3.41				

SCHEDULE H—*Spirits, wines, and other beverages*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
300	Cordials, liqueurs, arrack, absinthe, kirschwasser, ratafia, and other spirituous beverages or bitters containing spirits, and not specially provided for	P. ct. 113.81	P. ct. 131.52			$187,815.45	15.55	$213,758.97	$247,010.24				
	Do. (reciprocity treaty with France)	79.43	117.83			489,080.82	48.57	368,481.01	576,282.69				
	Do. (reciprocity treaty with Germany)	107.85	160.24			145,566.00	48.57	156,999.66	233,256.59				
	Do. (reciprocity treaty with Italy)	92.63	137.63			357,418.36	48.57	331,082.03	491,893.17				
	Do. (reciprocity treaty with Spain)	83.46	124.00			9,210.00	48.57	7,686.68	11,420.24				
	Do. (reciprocity treaty with Switzerland)	84.32	125.28			4,861.00	48.57	4,099.02	6,089.98				
	Vermuth, and ginger wine or ginger cordial:												
	In casks or packages other than bottles or jugs—												
	Containing 14 per cent or less of absolute alcohol												
	Do. (reciprocity treaty with France)	54.96	40.83							$1,281.00	25.71	$704.10	$523.04
	Do. (reciprocity treaty with Italy)	54.27	40.31							12,072.00	25.71	6,551.33	4,866.69
	Containing more than 14 per cent of absolute alcohol	67.90	70.62			81.00	4.00	55.00	57.20				
	Do. (reciprocity treaty with France)	48.55	72.16			3,283.00	48.57	1,594.47	2,368.91				
	Do. (reciprocity treaty with Germany)	52.50	78.00			56.00	48.57	29.40	43.68				
	Do. (reciprocity treaty with Italy)	55.39	82.30			16,074.00	48.57	8,903.84	13,228.58				
	Do. (reciprocity treaty with Portugal)	40.11	59.58			72.00	48.57	28.88	42.90				
	In bottles or jugs—												
	Containing each not more than 1 pint (reciprocity treaty with Italy)	65.17	81.03			6.00	24.79	3.91	4.86				
	Containing each more than 1 pint and not more than 1 quart	46.12	44.97			*				6,983.00	2.38	3,220.80	3,140.28
	Do. (reciprocity treaty with France)	38.49	48.04			222,123.55	24.79	85,497.40	106,698.80				
	Do. (reciprocity treaty with Germany)	30.20	37.69			952.00	24.79	287.50	358.80				
	Do. (reciprocity treaty with Italy)	42.65	53.23			311,386.20	24.79	132,814.79	165,752.86				
	Do. (reciprocity treaty with Portugal)	40.18	43.95			84.00	24.79	33.75	36.92				
	Do. (reciprocity treaty with Spain)	34.77	43.39			816.00	24.79	283.75	354.12				
	Quantity in excess of 1 quart or 1 pint per bottle						30.00	14.40	18.72				
	Do. (reciprocity treaty with France)						62.50	36.48	59.28				
	Do. (reciprocity treaty with Italy)						62.50	19.20	31.20				
302	Bay rum or bay water, whether distilled or compounded	331.84	387.16			609.00	16.67	2,020.94	2,357.78				
303	Wines, containing not more than 24 per cent of alcohol:												
	Champagne and all other sparkling, in bottles—												
	Containing ½ pint each, or less	45.25	54.30			72,233.00	20.00	32,686.67	39,223.99				
	Containing more than ½ pint each and not more than 1 pint	52.66	63.20			2,704,503.00	20.00	1,424,349.01	1,709,218.80				
	Containing more than 1 pint each and not more than 1 quart	55.71	66.85			3,343,265.37	20.00	1,862,504.77	2,235,005.57				
	Do. (reciprocity treaty with Portugal)	54.55	87.27			22.00	60.00	12.00	19.20				
	Quantity in bottles or vessels in excess of 1 quart per bottle or vessel						20.00	1,730.63	2,076.76				
304	Still wines *and rice wine or sake and similar beverages:*												
	In casks or packages other than bottles or jugs—												
	Containing 14 per cent or less of absolute alcohol	69.76	78.48			28,686.39	12.50	20,011.64	22,513.10				
	Do. (reciprocity treaty with France)	64.77	83.28			39,934.11	28.57	25,867.00	33,257.49				
	Do. (reciprocity treaty with Germany)	46.44	59.71			153,571.00	28.57	71,320.96	91,698.35				
	Do. (reciprocity treaty with Italy)	85.48	109.91			26,380.28	28.57	22,550.13	28,992.99				
	Do. (reciprocity treaty with Portugal)	30.27	38.92			8,565.71	28.57	2,593.06	3,334.01				
	Do. (reciprocity treaty with Spain)	51.14	65.75			74,903.10	28.57	38,309.76	49,255.20				
	Do. (reciprocity treaty with Switzerland)	39.20	50.40			50.00	28.57	19.60	25.20				

SCHEDULE H—*Spirits, wines, and other beverages*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under—Present law.	Duty increased. Revenue under—Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under—Present law.	Duty decreased. Revenue under—Senate bill.
	Still wines *and rice wine or sake and similar beverages*—Cont'd.												
	In casks or packages other than bottles or jugs—Cont'd.												
	Containing more than 14 per cent and not more than 24 per cent of alcohol	*P. ct.* 78.41	*P. ct.* 94.00			$484,381.37	20.00	$379,789.32	$455,747.18				
	Do. (reciprocity treaty with France)	54.91	94.13			313,509.48	71.43	172,140.71	295,098.28				
	Do. (reciprocity treaty with Germany)	54.57	93.55			493,079.18	71.43	269,074.49	461,270.53				
	Do. (reciprocity treaty with Italy)	95.17	163.15			638,700.44	71.43	607,845.98	1,042,021.42				
	Do. (reciprocity treaty with Portugal)	33.35	57.17			134,641.00	71.43	44,908.27	76,968.46				
	Do. (reciprocity treaty with Spain)	42.99	73.70			549,782.12	71.43	236,364.68	405,196.58				
	Do. (reciprocity treaty with Switzerland)	51.13	87.65			1,137.00	71.43	581.35	996.60				
	In bottles or jugs—												
	Containing each not more than 1 pint	48.00	55.50			110.00	15.62	52.80	61.05				
	Do. (reciprocity treaty with France)	23.11	34.21			2,149.00	48.00	496.67	735.07				
	Do. (reciprocity treaty with Germany)	22.06	32.65			991.00	48.00	218.65	323.58				
	Do. (reciprocity treaty with Italy)	50.50	74.74			297.00	48.00	150.00	222.00				
	Do. (reciprocity treaty with Spain)	19.66	29.10			80.00	48.00	17.50	25.90				
	Containing each more than 1 pint and not more than 1 quart	35.60	41.16			131,122.59	15.62	46,673.87	53,966.66				
	Do. (reciprocity treaty with France)	24.73	36.61			740,212.56	48.00	183,057.37	270,924.69				
	Do. (reciprocity treaty with Germany)	23.54	34.84			837,396.45	48.00	197,102.93	291,712.31				
	Do. (reciprocity treaty with Italy)	52.63	77.90			246,036.58	48.00	129,495.64	191,653.53				
	Containing each more than 1 pint and not more than 1 quart (reciprocity treaty with Spain)	29.62	43.84			70,299.40	48.00	20,821.68	30,816.23				
	Do. (reciprocity treaty with Portugal)	26.21	38.79			24,438.00	48.00	6,405.73	9,480.47				
	Do. (reciprocity treaty with Switzerland)	47.18	69.83			8,302.00	48.00	3,909.79	5,860.40				
	Quantity in excess of 1 quart or 1 pint per bottle						20.00	10.00	12.00				
	Do. (reciprocity treaty with Germany)						50.00	2.88	4.32				
	Do. (reciprocity treaty with France)						50.00	87.36	131.04				
	Do. (reciprocity treaty with Italy)						50.00	1,090.32	1,644.48				
305	Malt liquors, viz, ale, beer, and porter:												
	In bottles or jugs	42.90	48.27			1,874,848.30	12.50	804,378.52	904,925.81				
	In other coverings	68.57	78.85			1,505,270.70	15.00	1,032,105.41	1,186,920.99				
306	Malt extract:												
	Fluid—												
	In bottles or jugs	52.63	59.23			1,676.80	12.50	882.87	993.19				
	In casks	33.37	38.38			794.00	15.00	265.00	304.75				
	Solid or condensed	40.00	45.00			1,396.00	12.50	558.40	628.20				
307	Cherry juice and other fruit juice, n. s. p. f., containing not more than 18 per cent of alcohol	88.61	103.37			30,471.00	16.67	26,990.07	31,498.92				
	Containing more than 18 per cent of alcohol (reciprocity treaty with Germany)	366.60	430.74			55.00	17.50	201.63	236.91				
	Prune juice or prune wine, containing not more than 18 per cent of alcohol	100.99	117.81			27,973.00	16.67	28,248.90	32,957.00				
	Fruit sirup, n. s. p. f.	20.00	20.00	$9,753.00	$1,950.60								
308	Ginger ale and ginger beer containing no alcohol, in plain green or colored, molded or pressed glass bottles:												
	Containing each not more than ½ of a pint	24.25	24.25	342,659.00	83,100.09								
	Containing more than ½ of a pint each and not more than 1½ pints	36.92	36.92	169.90	62.72								
	Otherwise than in such bottles, or in such bottles containing more than 1½ pints each	57.58	57.58	33.00	19.00								
	Lemonade, soda water, and other similar beverages containing no alcohol, and beverages containing not more than 2 per cent of alcohol:												
	In plain green or colored, molded or pressed glass bottles—												
	Containing each not more than ½ of a pint	25.23	25.23	27,506.50	6,963.07								
	Containing more than ½ of a pint each and not more than 1½ pints	19.95	19.95	87.00	17.36								
	Otherwise than in such bottles, or in such bottles containing more than 1½ pints each	20.00	20.00	20.00	4.00								
	All other beverages, n. s. p. f.	20.00	20.00	965.00	193.00								

SCHEDULE H—*Spirits, wines, and other beverages*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
309	Mineral waters and all imitations of natural mineral waters, and all artificial mineral waters n. s. p. f.:												
	In green or colored glass bottles—	*P. ct.*	*P. ct.*										
	Containing not more than 1 pint	37.67	37.67	$432,884.64	$163,074.60								
	Containing more than 1 pint and not more than 1 quart	33.12	33.12	619,472.05	205,162.13								
	Otherwise than in such bottles, or in bottles containing more than 1 quart	123.57	123.57	2,739.50	3,384.36								
	Total, Schedule H	70.67	88.86	1,436,380.19	463,931.02	$21,623,273.69	26.53	$15,836,372.99	$20,037,418.31	$20,336.00	18.58	$10,476.23	$8,530.01

SCHEDULE I—*Cotton manufactures.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
310	Cotton thread and carded yarn, warps or warp yarn, whether on beams or in bundles, skeins, or cops, or in any other form except spool thread of cotton:												
	Not colored, bleached, dyed, or advanced beyond the condition of singles by grouping or twisting two or more single yarns together—												
	Numbers up to and including No. 15	*P. ct.* 16.07	*P. ct.* 20.00			$1,479.00	24.46	$237.69	$295.80				
	No. 18	14.09	20.00			46.00	41.95	6.48	9.20				
	No. 20	9.65	20.00			9,439.00	107.25	911.04	1,887.80				
	No. 24	25.48	21.20							$182.00	16.41	$46.37	$38.64
	No. 25	14.01	20.00			26,042.00	42.76	3,647.30	5,208.40				
	No. 26	21.92	20.00							204.00	8.76	44.72	40.80
	No. 30	17.95	20.00			7,180.14	11.42	1,288.80	1,436.03				
	No. 32	37.63	30.11							372.00	19.99	140.00	112.00
	No. 34	18.94	20.00			2,878.00	5.00	545.19	575.60				
	No. 35	28.79	23.03							3,759.00	20.01	1,082.39	865.90
	No. 38	31.04	24.83							101.00	20.01	31.35	25.08
	No. 40	23.26	20.00							12,779.00	14.02	2,973.00	2,555.80
	No. 45	29.30	23.44							768.00	20.00	225.00	180.00
	No. 50	31.86	25.48							1,962.00	16.59	625.00	500.00
	No. 55	28.01	22.41							5,007.00	19.99	1,402.51	1,122.00
	No. 60	28.50	22.80							3,257.00	20.00	928.09	742.47
	No. 75	30.16	24.12							5,492.00	20.03	1,656.19	1,324.95
	No. 80	34.29	27.43							196.00	20.01	67.20	53.76
	No. 90	17.01	20.00			923.00	17.58	157.02	184.60				
	No. 91	31.50	25.20							26.00	20.00	8.19	6.55
	No. 95	30.42	24.33							3,580.00	20.02	1,088.94	871.15
	No. 100	30.11	24.09							254.00	19.99	76.50	61.20
	No. 120	29.90	23.93							1,826.00	19.97	546.30	437.04
	No. 130	37.87	30.30							1,882.00	19.99	712.73	570.18
	No. 140	40.96	32.77							2,676.00	20.00	1,096.20	876.96
	Colored, bleached, dyed, combed, or advanced beyond the condition of singles by grouping or twisting two or more single yarns together—												
	Numbers up to and including No. 20	18.03	25.00			149,485.75	36.66	26,945.25	37,371.44				
	No. 21	12.58	25.00			9,008.00	98.72	1,133.43	2,252.00				
	No. 22	11.88	25.00			8,109.00	110.44	962.61	2,027.25				
	No. 24	15.46	25.00			73,313.25	61.71	11,337.14	18,328.31				
	No. 25	15.69	25.00			25,702.00	89.34	4,033.77	6,425.50				
	No. 26	16.28	25.00			8,865.00	53.86	1,443.03	2,216.25				
	No. 27	21.35	25.00			7,410.00	17.10	1,581.88	1,852.50				
	No. 28	17.55	25.00			14,951.00	42.45	2,624.64	3,737.75				
	No. 29	14.32	25.00			330.00	74.58	47.27	82.50				
	No. 30	18.25	25.00			94,595.00	36.99	17,261.90	23,648.75				
	No. 32	20.42	25.00			11,375.00	22.43	2,322.52	2,843.75				
	No. 33	16.61	25.00			3,192.00	50.51	530.23	798.00				
	No. 34	15.43	25.00			8,178.00	62.02	1,261.64	2,044.50				
	No. 35	19.62	25.00			13,788.00	27.42	2,705.33	3,447.00				
	No. 36	23.71	25.00			117,114.00	5.44	27,773.11	29,278.50				
	No. 37	17.28	25.00			236.00	44.68	40.79	59.00				
	No. 38	18.21	25.00			52,554.00	37.29	9,568.51	13,138.50				
	No. 40	24.32	25.00			266,123.00	2.80	64,726.40	66,530.75				
	No. 41	22.28	25.00			14,774.00	12.21	3,291.68	3,693.50				
	No. 42	18.67	25.00			4,080.00	33.90	761.62	1,020.00				
	No. 44	26.41	26.41	$0,839.00	$2,598.86								
	No. 45	22.26	25.00			17,135.00	12.31	3,814.13	4,283.75				
	No. 46	30.00	30.00	1.00	.30								
	No. 47	24.37	25.00			2,016.00	2.59	491.24	504.00				
	No. 48	30.41	30.41	24,834.00	7,550.76								
	No. 50	27.72	27.72	107,158.00	29,705.35								

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under— Present law.	Duty increased. Revenue under— Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under— Present law.	Duty decreased. Revenue under— Senate bill.
	Cotton thread and carded yarn, etc.—Continued.												
	Colored, bleached, dyed, combed, etc.—Continued.	*P. ct.*	*P. ct.*										
	No. 52	27.86	27.86	$28.00	$7.80								
	No. 53	18.56	25.00			$202.00	34.70	$37.50	$50.50				
	No. 55	28.60	28.60	55,867.00	15,980.31								
	No. 57	33.55	33.35	8,550.00	2,868.24								
	No. 58	34.40	34.40	170,157.00	58,540.15								
	No. 60	30.79	30.79	471,952.00	145,331.35								
	No. 65	30.97	30.97	12,999.00	4,025.46								
	No. 67	17.35	25.00			196.00	44.09	34.00	49.00				
	No. 68	33.81	33.81	123,807.00	41,859.10								
	No. 70	35.17	35.17	297,938.00	104,789.51								
	No. 72	29.74	29.74	138.00	41.04								
	No. 73	25.55	25.55	805.00	205.68								
	No. 75	33.78	33.78	53,574.00	18,099.52								
	No. 76	33.96	33.96	110,197.00	37,428.00								
	No. 78	33.24	33.24	279,122.00	92,790.44								
	No. 79	32.08	32.08	26,671.00	8,557.09								
	No. 80	37.00	37.00	65,248.00	24,140.00								
	No. 81	46.37	46.37	524.00	243.00								
	No. 82	29.59	29.59	138.00	40.84								
	No. 83	26.02	26.02	1,532.00	398.65								
	No. 90	37.85	37.85	24,974.00	9,452.10								
	No. 92	31.94	31.94	700.00	223.56								
	No. 93	44.32	44.32	350.00	155.12								
	No. 95	48.15	48.15	24,388.00	11,742.86								
	No. 100	37.96	37.96	199,212.00	75,625.46								
	No. 102	29.68	29.68	500.00	148.41								
	No. 105	26.74	26.74	615.00	164.43								
	No. 106	78.53	78.53	34.00	26.71								
	No. 110	36.99	36.99	39,427.00	14,582.12								
	No. 115	40.02	40.02	14,018.00	5,610.05								
	No. 118	46.30	46.30	201.00	93.46								
	No. 120	41.12	41.12	217,223.00	89,318.75								
	No. 125	45.37	45.37	2,025.00	918.76								
	No. 130	36.37	36.37	18,419.00	6,698.54								
	No. 135	46.04	46.04	2,162.00	955.40								
	No. 138	44.08	44.08	13,046.00	5,750.46								
	No. 140	36.86	36.86	54,640.00	20,138.58								
	No. 145	26.63	26.63	245.00	65.25								
	No. 150	32.88	32.88	28,599.00	− 9,402.08								
	No. 155	35.16	35.16	849.00	298.53								
	No. 160	34.18	34.18	42,919.00	14,668.44								
	No. 170	31.16	31.16	4,657.00	1,451.17								
	No. 180	29.73	29.73	10,167.00	3,022.92								
	No. 190	27.48	27.48	813.00	223.44								
	No. 200	30.96	30.96	5,073.00	1,570.80								
	No. 220	34.86	34.86	142.00	49.50								
	No. 250	18.75	25.00			104.00	33.33	19.50	26.00				
	No. 270	16.19	25.00			237.00	54.42	38.37	59.25				
	Cable-laid yarns or threads, made by grouping or twisting two or more grouped or twisted yarns or threads together, not colored, bleached, or dyed, four-tenths of 1 cent per number per pound; colored, bleached, or dyed, nine-twentieths of 1 cent per number per pound: Provided further, That said threads and yarns, colored, bleached, dyed, combed, advanced beyond the condition of singles, and cable-laid yarns or threads, as hereinbefore provided, shall not pay a less rate of duty than 35 per cent ad valorem: And provided further, That all of the foregoing threads and yarns as hereinbefore provided, when mercerized, shall pay in addition to the foregoing specific rates of duty one-twentieth of 1 cent per number per pound; cotton card laps, roping, sliver, or roving, 35 per cent ad valorem. Cotton, cotton waste, and flocks, manufactured or otherwise advanced in value, 20 per cent ad valorem.												
311	Thread, other, including crochet, darning, and embroidery cottons—												
	On spools or reels	46.45	46.45	72,117.16	33,493.13								
	Not on spools or reels	36.48	36.48	217,460.50	79,329.61								
389	Carpets and carpeting, n. s. p. f.	50.00	50.00	12,797.00	6,398.50								
a 312													
313	Cloth:												
	Not exceeding 50 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed	11.75	26.44			16,274.00	125.02	1,912.76	4,403.71				
	Bleached	7.63	42.75			5,149.00	460.29	393.09	2,201.15				
	Dyed, colored, stained, *painted*, or printed	19.97	29.96			5,450.00	50.01	1,088.44	1,632.66				

a Cotton cloth not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, was made dutiable at 1 cent per square yard; bleached, 1½ cents per square yard; dyed, colored, stained, painted, or printed, 2 cents per square yard in the House bill. Provision stricken out in Senate bill.

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Cloth—Continued.												
	Exceeding 50 and not exceeding 100 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Not exceeding 6 square yards to the pound	*P. ct.* 18.42	*P. ct.* 18.42	$1,330.00	$245.05								
	Exceeding 6 and not exceeding 9 square yards to the pound	21.80	21.80	310.00	67.59								
	Exceeding 9 square yards to the pound	32.82	32.82	1,185.00	388.87								
	Valued at over 7 and not over 9 cents per square yard, 5½ cents per square yard; valued at over 9 and not over 10 cents per square yard, 8 cents per square yard; valued at over 10 and not over 12½ cents per square yard, 4½ cents per square yard; valued at over 12½ and not over 14 cents per square yard, 5½ cents per square yard; valued at over 14 cents per square yard, 7 cents per square yard, but not less than 35 per cent ad valorem.												
	Bleached—												
	Not exceeding 6 square yards to the pound	19.73	19.73	19,060.00	3,763.88								
	Exceeding 6 and not exceeding 9 square yards to the pound	30.92	30.92	609.00	188.30								
	Exceeding 9 square yards to the pound	39.29	39.29	16,727.00	6,572.64								
	Valued at over 9 and not over 11 cents per square yard, 2¾ cents per square yard; valued at over 11 and not over 13 cents per square yard, 4½ cents per square yard; valued at over 13 and not over 15 cents per square yard, 5½ cents per square yard; valued at over 15 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 cents per square yard, 8 cents per square yard, but not less than 35 per cent ad valorem.												
	Dyed, colored, stained, painted, or printed—												
	Not exceeding 6 square yards to the pound	33.48	33.48	71,974.00	24,097.12								
	Exceeding 6 and not exceeding 9 square yards to the pound	40.96	40.96	4,935.00	2,021.63								
	Exceeding 9 square yards to the pound	42.35	42.35	61,306.00	25,964.11								
	Valued at over 12 and not over 12½ cents per square yard, 3¾ cents per square yard; valued at over 12½ and not over 15 cents per square yard, 5½ cents per square yard; valued at over 15 and not over 17½ cents per square yard, 7 cents per square yard; valued at over 17½ and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 cents per square yard, 10 cents per square yard, but not less than 30 per cent ad valorem.												
	(L) Not exceeding 100 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed, valued at over 7 cents per square yard	25.00	37.88			$17,446.00	51.52	$4,361.50	$6,606.04				
	Bleached, valued at over 9 cents per square yard	25.00	36.15			76,108.00	44.09	19,026.50	27,515.07				
	Dyed, colored, stained, painted, or printed, valued at over 12 cents per square yard	30.00	44.28			259,245.15	47.09	77,773.55	114,784.64				

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
314	Cloth—Continued.												
	Exceeding 100 and not exceeding 150 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Not exceeding 4 square yards to the pound	P. ct. 17.74	P. ct. 17.74	$11,104.00	$1,969.86								
	Exceeding 4 and not exceeding 6 square yards to the pound	26.33	26.33	9,449.00	2,487.56								
	Exceeding 6 and not exceeding 8 square yards to the pound	26.85	32.22			$5,601.00	20.00	$1,503.86	$1,804.62				
	Exceeding 8 square yards to the pound	32.04	32.04	7,471.00	2,394.02								
	Valued at over 9 cents per square yard	30.00	35.36			20,028.00	17.87	6,008.40	7,082.21				
	Valued more than 7 cents per square yard (Table No. 1054, p. 241, Imports and Duties).												
	Valued at over 9 and not over 10 cents per square yard, 3 cents per square yard; valued at over 10 but not over 12½ cents per square yard, 4½ cents per square yard; valued at over 12½ and not over 14 cents per square yard, 5½ cents per square yard; valued at over 14 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 cents per square yard, 8 cents per square yard, but not less than 50 per cent ad valorem.												
	Bleached—												
	Not exceeding 4 square yards to the pound	23.80	23.80	142,409.00	33,894.26								
	Exceeding 4 and not exceeding 6 square yards to the pound	29.48	29.48	189,776.00	55,945.80								
	Exceeding 6 and not exceeding 8 square yards to the pound	33.42	33.42	24,702.00	8,254.03								
	Exceeding 8 square yards to the pound	40.36	40.36	123,534.00	49,855.06								
	(L) Valued at over 11 cents per square yard	35.00	41.03			465,521.00	17.23	162,932.35	191,037.20				
	Valued at over 11 and not over 12 cents per square yard, 4½ cents per square yard; valued at over 12 and not over 15 cents per square yard, 5½ cents per square yard; valued at over 15 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 cents per square yard, 10 cents per square yard, but not less than 35 per cent ad valorem.												
	Dyed, colored, stained, painted, or printed—												
	Not exceeding 4 square yards to the pound	31.44	31.44	204,674.00	64,343.27								
	Exceeding 4 and not exceeding 6 square yards to the pound	36.14	36.14	70,475.00	25,471.13								
	Exceeding 6 and not exceeding 8 square yards to the pound	40.06	40.06	269,191.87	107,851.24								
	Exceeding 8 square yards to the pound	42.15	42.15	24,294.00	10,240.15								
	(L) Valued at over 12½ cents per square yard	35.00	39.58			1,536,802.46	13.09	537,880.87	608,230.61				
	Valued at over 12½ but not over 15 cents per square yard, 5½ cents per square yard; valued at over 15 and not over 17½ cents per square yard, 7 cents per square yard; valued at over 17½ but not over 20 cents per square yard, 8 cents per square yard; valued at over 20 cents per square yard, 10 cents per square yard, but not less than 35 per cent ad valorem.												

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
315	Cloth—Continued.												
	Exceeding 150 and not exceeding 200 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Not exceeding 3½ square yards to the pound	P. ct. 27.32	P. ct. 27.32	$1,516.00	$414.18								
	Exceeding 3½ and not exceeding 4½ square yards to the pound	29.66	29.66	498.00	147.70								
	Exceeding 4½ and not exceeding 6 square yards to the pound	31.48	31.48	3,161.00	995.01								
	Exceeding 6 square yards to the pound	40.60	40.60	15,798.00	6,413.80								
	Valued at over 10 cents per square yard	35.00	42.31			$6,171.50	20.89	$2,160.03	$2,611.53				
	Valued at over 10 and not over 12½ cents per square yard, 4¾ cents per square yard; valued at over 12½ and not over 14 cents per square yard, 5½ cents per square yard; valued at over 14 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 cents per square yard, 10 cents per square yard, but not less than 35 per cent ad valorem.												
	Bleached—												
	Not exceeding 3½ square yards to the pound	26.42	26.42	16,990.00	4,488.43								
	Exceeding 3½ and not exceeding 4½ square yards to the pound	33.00	33.00	14,097.00	4,651.05								
	Exceeding 4½ and not exceeding 6 square yards to the pound	35.33	35.33	84,607.00	29,888.34								
	Exceeding 6 square yards to the pound	41.34	41.34	620,561.66	256,542.91								
	(L) Valued at over 12 cents per square yard	35.00	46.49			1,242,235.77	32.83	434,782.53	577,838.12				
	Valued at over 12 and not over 15 cents per square yard, 5½ cents per square yard; valued at over 15 and not over 18 cents per square yard, 6½ cents per square yard; valued at over 18 and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 cents per square yard, 10 cents per square yard, but not less than 40 per cent ad valorem.												
	Dyed, colored, stained, painted, or printed—												
	Not exceeding 3½ square yards to the pound	40.95	40.95	96,534.00	39,528.67								
	Exceeding 3½ and not exceeding 4½ square yards to the pound	39.95	39.95	21,474.25	8,580.25								
	Exceeding 4½ and not exceeding 6 square yards to the pound	39.36	39.36	245,413.00	96,584.64								
	Exceeding 6 square yards to the pound	46.69	46.69	161,540.80	74,858.14								
	(L) Valued at over 12½ cents per square yard	40.00	44.48			2,751,271.98	11.20	1,100,508.79	1,223,844.30				
	Valued at over 12½ and not over 15 cents per square yard, 6 cents per square yard; valued at over 15 and not over 17½ cents per square yard, 7 cents per square yard; valued at over 17½ and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 cents per square yard, 10 cents per square yard, but not less than 40 per cent ad valorem.												

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
316	Cloth—Continued. Exceeding 200 and not exceeding 300 threads to the square inch, counting the warp and filling— Not bleached, dyed, colored, stained, painted, or printed—												
	Not exceeding 2½ square yards to the pound	P. ct. 36.34	P. ct. 36.34	$6,252.00	$2,272.13								
	Exceeding 2½ and not exceeding 3½ square yards to the pound	32.99	32.99	3,969.00	1,309.28								
	Exceeding 3½ and not exceeding 5 square yards to the pound	44.24	44.24	237.00	104.85								
	Exceeding 5 square yards to the pound	46.10	46.10	24,770.00	11,417.83								
	(L) Valued at over 12½ cents per square yard	40.00	40.64			$36,229.60	1.00	$14,491.84	$14,723.65				
	Valued at over 12½ and not over 14 cents per square yard, 5½ cents per square yard; valued at over 14 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 cents per square yard, 10 cents per square yard, but not less than 40 per cent ad valorem.												
	Bleached—												
	Not exceeding 2½ square yards to the pound	41.95	41.95	4,496.00	1,886.03								
	Exceeding 2½ and not exceeding 3½ square yards to the pound	44.88	44.88	42,277.00	18,975.25								
	Exceeding 3½ and not exceeding 5 square yards to the pound	42.60	42.60	5,244.00	2,234.18								
	Exceeding 5 square yards to the pound	45.56	45.56	136,410.42	62,152.70								
	(L) Valued at over 15 cents per square yard	40.00	40.01			483,961.94	00.02	193,584.78	193,630.87				
	Valued at over 15 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 and not over 25 cents per square yard, 11½ cents per square yard; over 25 cents per square yard, 12½ cents per square yard, but not less than 40 per cent ad valorem.												
	Dyed colored, stained, painted, or printed—												
	Not exceeding 3½ square yards to the pound	37.93	37.93	699,136.00	265,214.48								
	Exceeding 3½ square yards to the pound	49.35	49.35	124,684.00	61,533.80								
	(L) Valued at over 17½ cents per square yard	40.00	51.77			1,443,233.00	29.43	577,293.19	747,096.98				
	Valued at over 17½ and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 and not over 25 cents per square yard, 11½ cents per square yard; valued at over 25 cents per square yard, 12½ cents per square yard, but not less than 40 per cent ad valorem.												
317	Exceeding 300 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Not exceeding 2 square yards to the pound	28.45	46.23			358.00	62.50	101.84	165.49				
	Exceeding 3 and not exceeding 4 square yards to the pound	48.21	48.21	440.00	216.45								

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Cloth—Continued.												
	Exceeding 300 threads to the square inch, counting the warp and filling—Cont'd.												
	Not bleached, dyed, colored, stained, painted, or printed—Continued.												
	Valued at over 14 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 and not over 25 cents per square yard, 11½ cents per square yard; valued at over 25 cents per square yard, 12½ cents per square yard, but not less than 40 per cent ad valorem.												
	Bleached—												
	Not exceeding 2 square yards to the pound	*P. ct.* 61.11	*P. ct.* 61.11	$63.00	$38.50								
	Exceeding 3 and not exceeding 4 square yards to the pound	39.36	39.36	4,364.80	1,717.80								
	Exceeding 4 square yards to the pound	49.28	49.28	124.00	61.11								
	Valued at over 16 cents per square yard	40.00	48.34			$10,027.55	20.85	$4,251.02	$5,137.44				
	Valued at over 16 and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 and not over 25 cents per square yard, 11½ cents per square yard; valued at over 25 cents per square yard, 12½ cents per square yard, but not less than 40 per cent ad valorem.												
	Dyed, colored, stained, painted, or printed—												
	Not exceeding 3 square yards to the pound	38.97	38.97	2,742.00	1,068.62								
	Exceeding 3 square yards to the pound	46.92	46.92	1,523.00	714.56								
	(L) Valued at over 20 cents per square yard	40.00	46.71			118,977.58	16.78	47,591.03	55,575.84				
	Valued at over 20 and not over 25 cents per square yard, 11½ cents per square yard; valued at over 25 cents per square yard, 12½ cents per square yard, but not less than 40 per cent ad valorem.												
319	(L) Sleeve linings or other cloths: Composed of cotton or other vegetable fiber and silk, whether known as silk-stripe sleeve linings, silk stripes, or otherwise, of which cotton is the component material of chief value	58.64	58.64	22,468.00	13,176.70								
	(L) Other, on which ordinary duty does not amount to 50 per cent	50.00	50.00	3,916.50	1,958.25								
	Cotton cloth, filled or coated, *and cotton window Hollands*	38.63	38.63	528,636.58	204,235.62								
320	Handkerchiefs or mufflers composed of cotton, in the piece or otherwise, finished or unfinished:												
	Exceeding 100 and not exceeding 150 threads to the square inch, counting the warp and filling—												
	Dyed, colored, stained, painted, or printed—												
	Hemstitched, or imitation hemstitched, or revered, or with drawn threads—												
	Exceeding 6 and not exceeding 8 square yards to the pound	55.41	55.41	109.00	60.41								
	Exceeding 150 and not exceeding 200 threads to the square inch, counting the warp and filling—												
	Hemstitched, or imitation hemstitched, or revered, or with drawn threads—												
	Bleached—												
	Exceeding 6 square yards to the pound	54.85	54.85	1,029.00	564.32								
	Dyed, colored, stained, painted, or printed—												
	Exceeding 3½ and not exceeding 4½ square yards to the pound	54.95	54.95	693.00	380.84								

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Handkerchiefs or mufflers composed of cotton, etc.—Cont'd.												
	Hemstitched, or imitation hemstitched, or revered, or with drawn threads:												
	(L) Exceeding 200 and not exceeding 300 threads to the square inch, counting the warp and filling—												
	Bleached—												
	Exceeding 5 square yards to the pound	*P. ct.* 58.11	*P. ct.* 58.11	$646.00	$375.40								
	Dyed, colored, stained, painted, or printed—												
	Exceeding 3½ square yards to the pound	51.09	51.09	46.00	23.50								
	(L) Exceeding 300 threads to the square inch, counting the warp and filling—												
	Bleached—												
	Exceeding 3 and not exceeding 4 square yards to the pound	54.07	54.07	431.00	233.06								
	Dyed, colored, stained, painted, or printed—												
	Exceeding 3 square yards to the pound	64.00	64.00	12.00	7.68								
	(L) Other, on which the ordinary duty does not amount to 45 per cent, not hemmed, or hemmed only	45.00	45.00	24,894.00	11,202.30								
	(L) Other, on which the ordinary duty does not amount to 55 per cent, hemstitched, etc	55.00	55.00	30,264.75	16,645.62								
	(L) Embroidered in any manner, whether with initial letter, monogram, or otherwise, by hand or machinery, or are tamboured, appliquéed, or trimmed or made wholly or in part with lace or with tucking or insertion	60.00	60.00	225,364.80	135,218.88								
321	(L) Cotton cloth in which other than the ordinary warp and filling threads have been introduced in the process of weaving to form a figure whether known as lappets or otherwise, and whether unbleached, bleached, dyed, colored, stained, painted, or printed—												
	Not exceeding 50 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Valued at not more than 7 cents per square yard	28.48	28.48	104.00	29.62								
	Bleached—												
	Valued at more than 7 cents per square yard	40.57	40.57	260.00	105.47								
	Dyed, colored, stained, painted, or printed—												
	Valued at more than 7 cents per square yard	38.94	38.94	3,191.00	1,242.52								
	Exceeding 50 and not exceeding 100 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Not exceeding 6 square yards to the pound—												
	Valued at more than 7 cents per square yard	40.61	53.13			$18.00	30.81	$7.31	$9.56				
	Exceeding 9 square yards to the pound—												
	Valued at not more than 7 cents per square yard	40.31	40.31	173.00	69.74								
	Valued at more than 7 cents per square yard	44.31	50.22			700.00	13.34	310.20	351.56				
	Bleached—												
	Exceeding 6 and not exceeding 9 square yards to the pound—												
	Valued at more than 7 cents per square yard	50.30	50.30	10.00	5.03								
	Exceeding 9 square yards to the pound—												
	Valued at not more than 7 cents per square yard	47.56	47.56	541.00	257.31								
	Valued at more than 7 cents per square yard	50.16	50.16	4,122.00	2,067.55								

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	(L) Cotton cloth, etc.—Continued.												
	Exceeding 50 and not exceeding 100 threads to the square inch, counting the warp and filling—Continued.												
	Dyed, colored, stained, painted, or printed—												
	Not exceeding 6 square yards to the pound—												
	Valued at more than 7 cents per square yard	*P. ct.* 38.07	*P. ct.* 46.08			$75.00	21.04	$28.55	$34.56				
	Exceeding 6 and not exceeding 9 square yards to the pound—												
	Valued at more than 7 cents per square yard	68.70	68.70	$648.00	$445.16								
	Exceeding 9 square yards to the pound—												
	Valued at more than 7 cents per square yard	53.61	53.61	8,836.00	4,737.10								
	Not exceeding 100 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Valued at over 7 cents per square yard	39.59	54.71			68,505.00	38.19	27,121.42	37,481.80				
	Bleached—												
	Valued at over 9 cents per square yard	39.30	51.83			80,837.00	31.88	31,766.66	41,895.61				
	Dyed, colored, stained, painted, or printed—												
	Valued at over 12 cents per square yard	40.83	54.09			220,244.00	32.48	89,903.13	119,149.70				
	Exceeding 100 and not exceeding 150 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Not exceeding 4 square yards to the pound—												
	Valued at more than 7 cents per square yard	11.40	32.60			5.00	185.97	.57	1.63				
	Exceeding 4 and not exceeding 6 square yards to the pound—												
	Valued at more than 7 cents per square yard	33.75	53.79			32.00	50.38	10.80	17.21				
	Valued at over 9 cents per square yard	43.53	57.51			24,729.00	32.12	10,765.21	14,222.67				
	Bleached—												
	Not exceeding 4 square yards to the pound—												
	Valued at more than 7 cents per square yard	45.55	45.55	99.00	45.09								
	Exceeding 6 and not exceeding 8 square yards to the pound—												
	Valued at more than 7 cents per square yard	53.29	53.29	195.00	104.01								
	Exceeding 8 square yards to the pound—												
	Valued at more than 7 cents per square yard	59.39	59.39	12,123.00	7,199.60								
	Valued at over 11 cents per square yard	44.92	49.59			293,809.00	10.40	131,973.06	145,699.51				
	Dyed, colored, stained, painted, or printed—												
	Not exceeding 4 square yards to the pound—												
	Valued at more than 7 cents per square yard	52.20	52.20	343.00	179.04								
	Exceeding 4 and not exceeding 6 square yards to the pound—												
	Valued at more than 7 cents per square yard	57.07	57.07	175.00	99.88								
	Exceeding 6 and not exceeding 8 square yards to the pound—												
	Valued at more than 7 cents per square yard	77.22	77.22	2,017.00	1,557.57								
	Exceeding 8 square yards to the pound—												
	Valued at more than 7 cents per square yard	58.60	58.60	366.00	214.48								
	Valued at over 12½ cents per square yard	44.31	55.78			82,117.00	25.86	36,374.87	45,803.52				

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	(L) Cotton cloth, etc.—Continued.												
	Exceeding 150 and not exceeding 200 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Valued at over 10 cents per square yard	*P. ct.* 47.92	*P. ct.* 54.89			$249.00	14.55	$119.31	$136.68				
	Bleached—												
	Exceeding 4½ and not exceeding 6 square yards to the pound—												
	Valued at more than 7 cents per square yard	47.29	57.14			642.00	20.82	303.60	366.85				
	Valued at over 12 cents per square yard	44.39	56.38			122,078.00	27.01	54,198.14	68,825.04				
	Dyed, colored, stained, painted, or printed—												
	Exceeding 3½ and not exceeding 4½ square yards to the pound—												
	Valued at more than 7 cents per square yard	66.64	66.64	$361.00	$240.57								
	Exceeding 4½ and not exceeding 6 square yards to the pound—												
	Valued at more than 7 cents per square yard	52.14	61.71			7.00	18.35	3.65	4.32				
	Valued at over 12½ cents per square yard	48.23	49.40			14,203.00	2.42	6,850.54	7,016.04				
	Exceeding 200 and not exceeding 300 threads to the square inch, counting the warp and filling—												
	Not bleached, dyed, colored, stained, painted, or printed—												
	Valued at over 12½ cents per square yard	47.55	45.30							$40.00	4.73	$19.02	$18.12
	Bleached—												
	Exceeding 5 square yards to the pound—												
	Valued at more than 7 cents per square yard	65.77	65.77	95.00	62.48								
	Valued at over 15 cents per square yard	48.00	53.01			3,270.00	10.44	1,569.64	1,733.36				
	Dyed, colored, stained, painted, or printed—												
	Valued at over 17½ cents per square yard	47.01	50.82			3,372.02	8.10	1,585.17	1,713.61				
	Exceeding 300 threads to the square inch, counting the warp and filling—												
	Dyed, colored, stained, painted, or printed—												
	Valued at over 20 cents per square yard	45.55	40.25							431.00	11.63	196.33	173.49
	Cotton cloth, mercerized or subjected to any similar process												
322	Clothing, ready-made, and articles of wearing apparel of every description, including neckties or neckwear, made up or manufactured, wholly or in part, by the tailor, seamstress, or manufacturer, and not otherwise provided for	50.00	50.00	2,766,144.37	1,383,072.28								
	When india rubber is a component material, 15 cents per pound additional.												
	Corsets, not elsewhere specified	50.00	50.00	74,488.00	37,244.00								
	Outside garments having rubber as a component material	54.87	54.87	2,677.00	1,468.77								
323	(L) Plushes, velvets, velveteens, corduroys, and all other pile fabrics, composed of cotton or other vegetable fiber (except flax)—												
	Plushes, velvets, and velveteens, and other pile fabrics (except corduroys)—												
	Not bleached, dyed, colored, stained, painted, or printed	67.54	67.54	260,955.00	176,236.20								
	Bleached	53.23	53.23	51.00	27.15								
	Dyed, colored, stained, painted, or printed	58.42	58.42	440,061.00	257,088.39								
	Other, on which ordinary duty does not amount to 47½ per cent	47.50	47.50	367,318.00	174,476.20								

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	(L) Plushes, velvets, etc.—Continued.												
	Corduroys—												
	Not bleached, dyed, colored, stained, painted, or printed	P. ct. 60.85	P. ct. 60.85	$2,640.00	$1,606.35								
	Dyed, colored, stained, painted, or printed	58.10	58.10	2,933.80	1,704.83								
	Weighing 7 ounces or over per square yard	67.25	67.25	62,860.00	42,270.23								
	Other, on which ordinary duty does not amount to 47½ per cent	47.50	47.50	426.00	202.36								
	Dress facings or skirt bindings—												
	Bleached	64.13	64.13	4,740.00	3,039.75								
	Dyed, colored, stained, painted, or printed	58.96	58.96	145.00	85.49								
	Other, on which ordinary duty does not amount to 47½ per cent	47.50	47.50	175.00	83.13								
324	(L) Chenille curtains, table covers, and all articles manufactured of cotton chenille, or of which cotton chenille is the component material of chief value	50.00	50.00	2,369.00	1,184.50								
	Knit goods made on knitting machines or frames:												
	Stockings, hose, and half hose—												
325	Made on knitting machines or frames, not otherwise provided for	30.00	30.00	16,001.41	4,800.42								
326	Selvedged, fashioned, narrowed, or shaped wholly or in part by knitting machines or frames, or knit by hand, including such as are commercially known as seamless or clocked stockings, hose, or half hose, finished or unfinished—												
	Valued not more than $1 per dozen pairs	67.11	67.11	2,350,249.77	1,577,176.36								
	Valued more than $1 and not more than $1.50 per dozen pairs	58.32	58.32	1,600,634.75	933,511.51								
	(L) Valued more than $1.50 and not more than $2 per dozen pairs	51.41	51.41	2,537,341.40	1,314,759.94								
	(L) Valued more than $2 and not more than $3 per dozen pairs	59.53	59.53	354,188.55	210,848.31								
	(L) Valued more than $3 and not more than $5 per dozen pairs	64.86	64.86	114,625.56	74,349.81								
	(L) Valued more than $5 per dozen pairs	55.00	55.00	42,356.17	23,295.90								
327	Shirts and drawers, pants, vests, union suits, combination suits, tights, sweaters, corset covers, and all underwear of every description made wholly or in part on knitting machines or frames, or knit by hand, finished or unfinished, not including stockings, hose, or half hose—												
	Valued not more than $1.50 per dozen	56.90	56.90	59,609.00	33,919.20								
	Valued more than $1.50 and not more than $3 per dozen	60.16	60.16	327,214.00	196,861.47								
	Valued more than $3 and not more than $5 per dozen	61.54	61.54	244,842.90	150,666.77								
	(L) Valued more than $5 and not more than $7 per dozen	64.29	64.29	73,778.50	47,435.62								
	(L) Valued more than $7 and not more than $15 per dozen	59.65	59.65	98,890.25	58,988.71								
	(L) Valued above $15 per dozen	50.00	50.00	5,698.00	2,849.00								
328	Bandings, beltings, bindings, bone casings, cords, garters, lining for bicycle tires, ribbons, suspenders and braces, tapes, tubing, and webs or webbing, made of cotton or other vegetable fiber, whether composed in part of india rubber or otherwise, and not embroidered by hand or machinery	45.00	45.00	635,001.91	285,750.88								
	Bone casings, garters, *tire fabrics* or *fabrics suitable for use in pneumatic tires*, suspenders and braces, and tubing, *not embroidered by hand or machinery, 45 per cent*,												
	Lacings, boot, shoe, and corset	51.32	51.32	62,527.00	32,090.28								
	Labels for garments or other articles	47.48	47.48	56,027.00	26,601.48								
	Lamp, stove, or candle wicking, woven, braided, or twisted, and spindle banding	49.17	49.17	32,416.52	15,939.76								
	Loom harness, or heads, or *collets*	43.65	43.65	9,507.00	4,160.25								
	Belting for machinery, made of cotton or other vegetable fiber, *thirty per cent ad valorem*												
329	(L) Damask, table	40.00	40.00	521,272.50	208,509.00								

SCHEDULE I—*Cotton manufactures*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Manufactures of cotton table damask or of which cotton table damask is the component material of chief value, n. s. p. f.	*P. ct.*	*P. ct.*										
	Duck	35.00	45.00			$15,862.00	28.57	$5,551.70	$7,137.90				
330	All other manufactures of cotton	45.00	45.00	$997,612.18	$448,925.56								
	Total, Schedule I	44.84	47.14	21,442,266.63	10,500,281.77	10,382,503.69	19.46	3,777,670.91	4,512,890.94	$44,794.00	18.43	$12,966.03	$10,576.09

SCHEDULE J—*Flax, hemp, and jute, and manufactures of.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Flax:	*P. ct.*	*P. ct.*										
330a	Straw			$1,438,897.00	$126,580.87								
330b	Not hackled or dressed	8.80	8.80										
331	Hackled, known as "dressed line"	13.90	13.90	454,059.00	63,117.60								
332	Tow of	11.73	11.73	348,836.00	40,914.91								
333	Hemp:												
	Not hackled or dressed	10.97	10.97	1,452,428.00	159,267.83								
	Hackled, known as "line of hemp"	12.29	12.29	3,423.00	420.81								
	Tow of	17.23	17.23	64,079.00	11,042.00								
334	Yarns, jute, single:												
	Not finer than 5 lea or number	22.12	22.12	206,896.00	45,768.38								
	Finer than 5 lea or number	35.00	30.00							$68,354.50	14.29	$23,924.07	$20,506.35
	Yarns of jute not specially provided for												
335	Cables and cordage:												
	Of hemp, tarred or untarred	25.08	25.08	60,621.00	15,206.54								
	Other, composed of istle or Tampico fiber, manila, sisal grass, or sunn, or a mixture of them or any of them	10.40	7.80							8,577.50	24.62	892.47	669.35
497	Binding twine, manufactured from New Zealand hemp, istle or Tampico fiber, sisal grass, or sunn, or a mixture of any two or more of them, of single ply, and measuring not exceeding 600 feet to the pound, from countries which impose duty on like articles imported from the United States	2.50	2.50	6.00	.15								
336	Threads, twines, or cords, composed of flax, hemp, or ramie, or of which these substances, or either of them, is the component material of chief value:												
	Made from yarn not finer than—												
	5 lea or number	69.71	53.62							8,159.00	23.08	5,687.97	4,375.35
	6 lea or number	79.02	61.78							3,442.00	21.82	2,719.83	2,126.40
	7 lea or number	79.26	62.86							1,200.00	20.69	951.06	754.29
	8 lea or number	52.73	42.35							743.00	19.69	391.78	314.70
	9 lea or number	22.86	18.57							7.00	18.77	1.60	1.30
	10 lea or number	47.47	38.96							1,017.00	17.93	482.75	396.28
	11 lea or number	88.74	73.52							114.00	17.15	101.16	83.81
	12 lea or number	33.79	28.24							6,013.00	16.42	2,031.88	1,697.86
	13 lea or number	41.13	34.63							401.00	15.80	164.92	138.88
	14 lea or number	31.83	26.99							15,782.00	15.21	5,023.48	4,260.40
	15 lea or number	48.03	41.00							344.00	14.64	165.24	141.05
	16 lea or number	36.23	31.11							23,335.00	14.13	8,454.09	7,260.57
	17 lea or number	37.57	32.45							542.00	13.63	203.64	175.87
	18 lea or number	36.05	31.29							51,360.00	13.20	18,513.74	16,072.34
	19 lea or number	42.70	37.25							2,152.80	12.76	919.33	801.96
	20 lea or number	33.64	29.48							12,076.00	12.37	4,062.03	3,559.48
	21 lea or number	33.45	29.43							592.00	12.18	198.00	174.24
	22 lea or number	41.11	36.32							3,429.00	11.66	1,409.82	1,245.56
	23 lea or number	35.38	31.38							355.00	11.31	125.62	111.39
	24 lea or number	43.56	38.76							300.00	11.02	130.68	116.28
	25 lea or number	39.55	35.31							26,904.00	10.72	10,639.59	9,499.64
	26 lea or number	52.53	47.05							308.00	10.24	161.80	144.91
	27 lea or number	51.66	46.41							554.00	10.16	286.21	257.09
	28 lea or number	43.72	39.52							5,174.00	9.84	2,270.14	2,044.99
	29 lea or number	50.10	45.25							2,059.00	9.68	1,031.53	931.70
	30 lea or number	58.03	52.54							27,882.00	9.46	16,179.18	14,650.43
	31 lea or number	44.62	40.50							2,963.00	9.23	1,322.12	1,200.06
	32 lea or number	48.17	43.82							118.00	9.03	56.84	51.71
	33 lea or number	47.23	43.51							6,151.00	8.82	2,935.17	2,676.21
	34 lea or number	49.59	45.31							1,196.00	8.85	593.11	541.90
	35 lea or number	50.18	45.94							36,167.00	8.45	18,148.52	16,614.84
	36 lea or number	39.44	36.18							332.00	8.27	130.94	120.11
	37 lea or number	38.98	35.82							108.00	8.11	42.10	38.68
	38 lea or number	45.50	41.88							424.00	7.96	192.92	177.57
	39 lea or number	42.69	39.36							848.00	7.80	362.00	333.76
	40 lea or number	51.51	47.58							48,369.00	7.63	24,916.23	22,911.80

* If imported from countries which impose duty on like articles imported from the United States.

SCHEDULE J—*Flax, hemp, and jute, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Threads, twines, etc.—Continued.												
	Made from yarn not finer than—	*P. ct.*	*P. ct.*										
	41 lea or number	26.47	24.48							$304.00	7.52	$80.46	$74.43
	42 lea or number	34.31	31.78							1,218.00	7.37	417.84	387.07
	43 lea or number	52.12	48.35							5,491.00	7.23	2,861.77	2,654.89
	44 lea or number	44.20	41.05							260.00	7.13	114.92	106.74
	45 lea or number	49.86	46.38							10,474.00	6.98	5,222.57	4,858.20
	46 lea or number	47.04	43.81							961.00	6.87	452.05	421.06
	47 lea or number	39.05	36.42							530.00	6.73	206.97	193.01
	48 lea or number	42.76	39.92							248.00	6.64	106.04	99.01
	49 lea or number	42.57	39.80							94.00	6.51	40.02	37.41
	50 lea or number	54.79	51.27							18,707.00	6.42	10,249.01	9,591.31
	51 lea or number	66.52	62.31							268.00	6.33	178.27	167.00
	52 lea or number	48.82	45.77							87.00	6.25	42.47	39.82
	53 lea or number	40.22	37.76							64.00	6.12	25.74	24.17
	54 lea or number	33.57	31.55							408.00	6.02	136.97	128.72
	55 lea or number	58.95	55.45							281.00	5.94	65.65	155.80
	56 lea or number	36.75	34.60							67.00	5.85	24.62	23.18
	57 lea or number	39.55	37.27							380.00	5.76	150.28	141.61
	58 lea or number	38.14	35.97							106.00	5.69	40.43	38.13
	59 lea or number	62.66	59.15							477.00	5.60	298.91	282.14
	60 lea or number	55.70	52.66							5,317.00	5.46	2,964.08	2,800.16
	61 lea or number	36.10	34.13							138.00	5.46	49.82	47.10
	62 lea or number	41.63	39.39							268.00	5.38	111.57	105.56
	63 lea or number	36.53	34.58							369.00	5.34	134.78	127.62
	64 lea or number	53.46	50.66							123.00	5.24	65.75	62.30
	65 lea or number	35.84	33.99							573.00	5.16	205.36	194.74
	66 lea or number	73.16	69.43							180.00	5.10	131.69	124.97
	67 lea or number	12.79	12.14							14.00	5.08	1.79	1.70
	68 lea or number	65.25	62.00							109.00	4.98	71.12	67.58
	69 lea or number	53.35	50.77							17.00	4.84	9.07	8.63
	70 lea or number	50.57	48.11							396.00	4.86	200.26	190.53
	71 lea or number	32.20	30.60							5.00	4.97	1.61	1.53
	72 lea or number	35.41	33.74							54.00	4.72	19.12	18.22
	73 lea or number	44.40	42.32							373.00	4.68	165.60	157.84
	74 lea or number	38.40	36.60							5.00	4.69	1.92	1.83
	75 lea or number	55.28	52.75							32.00	4.58	17.09	16.88
	76 lea or number	76.25	72.75							16.00	4.59	12.20	11.64
	77 lea or number	30.90	29.40							10.00	4.85	3.09	2.94
	78 lea or number	34.20	32.68							65.00	4.44	22.23	21.24
	79 lea or number	58.55	55.97							33.00	4.41	19.32	18.47
	80 lea or number	60.47	57.83							307.00	4.37	185.64	177.59
	81 lea or number	31.40	30.00							5.00	4.46	1.57	1.50
	83 lea or number	77.00	73.78							7.00	4.18	5.39	5.16
	84 lea or number	51.38	49.17							8.00	4.30	4.11	3.93
	85 lea or number	37.56	36.01							115.00	4.13	43.19	41.41
	86 lea or number	35.00	33.54							5.00	4.17	1.75	1.68
	87 lea or number	37.14	35.66							35.00	3.98	13.00	12.48
	88 lea or number	48.29	46.35							494.00	4.02	238.55	229.03
	90 lea or number	105.44	101.32							107.00	3.91	112.82	108.41
	91 lea or number	36.28	34.89							18.00	3.83	6.53	6.28
	92 lea or number	26.96	25.92							9.00	3.86	24.26	23.33
	94 lea or number	39.00	37.45							5.00	3.97	1.95	1.87
	95 lea or number	51.66	49.73							123.00	3.74	63.54	61.16
	96 lea or number	88.41	85.14							143.00	3.70	126.43	121.75
	97 lea or number	34.83	33.56							52.00	3.65	18.11	17.45
	99 lea or number	51.06	49.19							18.00	3.66	9.19	8.86
	100 lea or number	77.84	75.04							61.00	3.60	47.48	45.78
	102 lea or number	38.40	37.06							507.00	3.49	194.69	187.88
	103 lea or number	33.00	31.85							7.00	3.48	2.31	2.23
	104 lea or number	40.00	38.62							373.00	3.45	149.20	144.07
	105 lea or number	50.56	48.84							197.00	3.40	99.61	96.21
	106 lea or number	39.33	38.16							6.00	2.97	2.36	2.29
	107 lea or number	70.35	67.98							63.00	3.37	44.32	42.83
	108 lea or number	47.07	45.51							215.00	3.31	101.19	97.84
	109 lea or number	40.90	39.55							115.00	3.30	47.03	45.49
	110 lea or number	64.29	62.20							34.00	3.25	21.86	21.15
	111 lea or number	40.99	39.65							79.00	3.27	32.38	31.33
	112 lea or number	46.92	45.41							48.00	3.24	22.52	21.80
	113 lea or number	52.47	50.79							43.00	3.20	22.56	21.84
	114 lea or number	31.90	30.89							69.00	3.17	22.01	21.31
	115 lea or number	39.00	38.00							1.00	2.56	.30	.38
	116 lea or number	36.11	35.02							9.00	3.02	3.25	3.15
	117 lea or number	41.26	40.02							19.00	3.01	7.84	7.60
	119 lea or number	52.31	50.73							26.00	3.02	13.60	13.19
	120 lea or number	42.06	40.80							245.00	3.04	103.09	99.97
	121 lea or number	42.31	41.04							208.00	3.00	88.00	85.36
	122 lea or number	26.30	25.52							138.00	2.97	36.30	35.22
	123 lea or number	38.47	37.31							58.00	3.02	22.31	21.64
	124 lea or number	19.95	19.37							41.00	2.91	8.18	7.94
	125 lea or number	33.25	32.25							4.00	3.01	1.33	1.29
	126 lea or number	43.19	41.91							43.00	2.96	18.57	18.02
	127 lea or number	39.00	37.89							3.00	2.85	1.17	1.14
	128 lea or number	46.57	45.28							14.00	2.77	6.52	6.34
	129 lea or number	76.42	74.20							26.00	2.90	19.87	19.29
	130 lea or number	60.25	58.55							114.00	2.82	68.68	66.74
	131 lea or number	60.78	59.07							46.00	2.81	27.96	27.17
	132 lea or number	52.70	51.32							116.00	2.78	61.23	59.53
	134 lea or number	29.58	28.57							50.00	3.41	14.79	14.28
	136 lea or number	27.75	27.06							4.00	2.40	1.11	1.08
	137 lea or number	27.00	26.16							2.00	3.11	.54	.52
	138 lea or number	36.41	35.42							51.00	3.72	18.57	18.06
	140 lea or number	31.78	30.95							45.00	2.61	14.30	13.93
	144 lea or number	20.67	19.59							14.00	2.39	2.81	2.74
	145 lea or number	24.41	23.79							29.00	2.54	7.08	6.90
	146 lea or number	21.90	21.35							38.00	2.51	8.32	8.11
	147 lea or number	48.00	46.60							5.00	2.92	2.40	2.33
	149 lea or number	121.00	118.00							2.00	2.48	2.42	2.36
	150 lea or number	35.65	34.77							49.00	2.47	17.47	17.04
	151 lea or number	30.50	28.88							2.00	2.03	.61	.60

SCHEDULE J—*Flax, hemp, and jute, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Threads, twines, etc.—Continued.												
	Made from yarn not finer than—	*P. ct.*	*P. ct.*										
	153 lea or number	62.00	60.50							$2.00	2.42	$1.24	$1.21
	154 lea or number	32.00	31.17							5.00	2.59	1.60	1.56
	155 lea or number	30.41	29.67							54.00	2.43	16.42	16.02
	161 lea or number	13.33	13.12							3.00	1.58	.40	.39
	162 lea or number	73.20	71.54							50.00	2.27	36.60	35.77
	164 lea or number	47.33	46.53							3.00	1.60	1.42	1.40
	165 lea or number	18.33	17.91							9.00	2.20	1.65	1.61
	168 lea or number	35.21	34.46							142.00	2.13	50.00	48.93
	172 lea or number	32.48	31.80							240.00	1.82	77.94	76.54
	175 lea or number	26.76	26.19							399.00	2.13	106.78	104.50
	176 lea or number	188.33	184.33							3.00	2.12	5.65	5.53
	177 lea or number	29.88	29.25							43.00	2.11	12.85	12.58
	179 lea or number	53.62	52.53							13.00	2.03	6.97	6.83
	182 lea or number	45.67	44.72							3.00	2.08	1.37	1.33
	187 lea or number	36.00	35.27							27.00	2.03	9.72	9.52
	195 lea or number	34.50	33.80							6.00	2.03	2.07	2.04
	219 lea or number	27.80	27.28							5.00	1.87	1.39	1.36
	220 lea or number	47.71	46.89							21.00	1.72	10.02	9.85
	224 lea or number	49.00	47.92							2.00	2.20	.98	.96
	233 lea or number	58.27	57.32							15.00	1.63	8.74	8.60
	234 lea or number	24.09	23.69							23.00	1.66	5.54	5.45
	242 lea or number	67.00	65.71							1.00	1.93	.67	.66
	252 lea or number	46.27	45.56							15.00	1.53	6.94	6.83
	294 lea or number	28.72	28.34							18.00	1.32	5.17	5.10
	322 lea or number	26.08	25.80							12.00	1.07	3.13	3.10
337	Yarns:												
	Flax, hemp, or ramie, or a mixture of any of them—												
	Single yarns in the gray—												
	Not finer than 8 lea or number	54.04	46.32							14,395.00	14.28	7,779.73	6,668.34
	Finer than 8 lea or number and not finer than 80 lea or number	40.00	40.00	$181,755.00	$72,702.00								
	Single yarns, finer than 80 lea or number	15.00	15.00	26,954.00	4,043.10								
	All other	45.00	45.00	153,074.00	68,883.30								
	Other than in the gray												
	Ramie, sliver or roving												
338	Gill netting, nets, webs, and seines of flax:												
	Made of thread, twine, or cord from yarn not finer than—												
	5 lea or number	118.60	91.98							3,205.75	22.44	3,801.33	2,948.77
	6 lea or number	59.50	47.00							4.00	21.01	2.38	1.88
	19 lea or number	63.23	53.13							39.00	15.97	24.56	20.72
	20 lea or number	35.85	29.48							6.75	17.77	2.42	1.99
	35 lea or number	52.78	45.43							46.00	13.93	24.28	20.90
	50 lea or number	53.10	39.50							10.00	25.61	5.31	3.95
339	Mattings for floors, plain, fancy, or figured, manufactured from straw, round or split, or other vegetable substances, not otherwise provided for, including what are commonly known as Chinese, Japanese, and Indian straw mattings—												
	Valued not exceeding 10 cents per square yard	36.37	36.37	3,617,455.45	1,315,715.67								
	Valued exceeding 10 cents per square yard	73.70	73.70	110,626.07	81,527.00								
	Mats manufactured from straw, round or split, or other vegetable substances n. o. p. f.												
340	Carpets, carpeting, mats, and rugs made of flax, hemp, jute, or other vegetable fiber (except cotton), n. o. p. f.:												
	Valued not exceeding 15 cents per square yard	77.72	64.18							359.00	17.42	279.03	230.40
	Valued above 15 cents per square yard	55.88	46.70							71,361.00	16.43	39,877.67	33,329.35
389	*Carpets and carpeting of flax and cotton or wool of which flax is the component material of chief value, n. s. p. f.*	50.00	50.00	6.50	3.25								
341	Hose, hydraulic, made in whole or in part of flax, hemp, ramie, or jute	37.76	28.32							1,758.00	25.00	663.80	497.85
342	Tapes composed wholly or in part of flax, woven with or without metal threads, on reels, spools, or otherwise, designed expressly for use in the manufacture of measuring tapes	40.00	40.00	5,283.00	2,113.20								
343	Oilcloths for floors, stamped, painted, or printed, including linoleum or corticene, figured or plain, and all other oilcloth (except silk oilcloth):												
	Under 12 feet in width	52.32	52.32	1,044,761.20	546,650.89								
	12 feet and over in width	50.11	36.67							89,396.00	34.65	50,162.19	32,779.19
	Under 9 feet in width, 8 cents per square foot and 15 per cent ad valorem; 9 feet and over in width, 12 cents per square foot and 15 per cent ad valorem.												
	Linoleum or corticene, inlaid, and cork carpets	56.64	56.64	1,164,164.00	659,350.42								

SCHEDULE J—*Flax, hemp, and jute, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Waterproof cloth, composed of—												
	Cotton, whether composed in part of india rubber or otherwise	*P. ct.* 40.76	*P. ct.* 40.76	$9,638.00	$3,928.30								
	Vegetable fiber, except cotton, whether composed in part of india rubber or otherwise	47.58	47.58	15,983.00	7,604.50								
344	Collars and cuffs entirely of cotton.	58.68	58.68	1,107.50	649.85								
	Collars and cuffs, composed in whole or in part of linen	49.60	49.60	51,992.92	25,786.88								
345	(L) Laces, lace window curtains, tidies, pillow shams, bed sets, insertings, flouncings, and other lace articles; napkins and other articles, made wholly or in part of lace, or in imitation of lace; nets or nettings, veils and veilings, etamines, vitrages, neck rufflings, ruchings, tuckings, flutings, and quillings; embroideries, and all trimmings, including braids, edgings, insertings, flouncings, galloons, gorings, and bands; and articles or fabrics embroidered in any manner by hand or machinery, whether with a letter, monogram, or otherwise; tamboured or appliquéed articles or fabrics; hemstitched or tucked flouncings or skirtings, and articles made wholly or in part of rufflings, tuckings, or ruchings; composed wholly or in chief value of cotton, and not elsewhere specially provided for, whether composed in part of india rubber or otherwise	60.00	60.00	39,737,840.88	23,842,704.53								
	(L) Wearing apparel (of cotton) made wholly or in part of lace, or in imitation of lace, embroidered by hand or machinery with a letter, monogram, or otherwise, or tamboured or appliquéed	60.00	60.00	1,358,565.62	815,139.35								
	(L) Laces, lace window curtains, tidies, pillow shams, bed sets, insertings, flouncings, and other lace articles; napkins, wearing apparel, and other articles, made wholly or in part of lace, or in imitation of lace; nets or nettings, veils and veilings, etamines, vitrages, neck rufflings, ruchings, tuckings, flutings, and quillings; embroideries and all trimmings, including braids, edgings, insertings, flouncings, galloons, gorings, and bands, and other articles or fabrics embroidered in any manner by hand or machinery, whether with a letter, monogram, or otherwise; tamboured or appliquéed articles, fabrics, or wearing apparel; hemstitched or tucked flouncings or skirtings, and articles made wholly or in part of rufflings, tuckings, or ruchings, composed wholly or in chief value of flax or other vegetable fiber (except cotton), and not elsewhere specially provided for, whether composed in part of india rubber or otherwise	60.00	60.00	2,929,466.72	1,757,680.03								
	(L) Wearing apparel made wholly or in part of lace or in imitation of lace; embroidered, by hand or machinery, with a letter, monogram, or otherwise; or tamboured or appliquéed, composed wholly or in chief value of flax or other vegetable fiber, except cotton	60.00	60.00	43,157.93	25,894.76								
	(L) Handkerchiefs, composed of flax or other vegetable fiber: Embroidered by hand or machinery, with a letter, monogram, or otherwise; tamboured or appliquéed, or made wholly or in part of lace or in imitation of lace	60.00	60.00	1,639,803.40	983,882.04								
	[NOTE.—See proposed bill for text in paragraph 345.]												
346	(L) Lace window curtains, pillow shams and bed sets, finished or unfinished, made on the Nottingham lace-curtain machine or on the Nottingham warp machine, and composed of cotton, counting between the warp threads:												
	7 points or spaces to the inch	45.26	45.26	324.00	146.64								
	8 points or spaces to the inch	46.79	46.79	8,076.00	3,778.76								

SCHEDULE J—*Flax, hemp, and jute, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	(L) Lace window curtains, pillow shams, etc.—Continued.	*P. ct.*	*P. ct.*										
	9 points or spaces to the inch	57. 30	57. 30	$2,550. 00	$1,461. 27								
	10 points or spaces to the inch	54. 08	54. 08	8,453. 00	4,571. 21								
	11 points or spaces to the inch	53. 86	53. 86	5,086. 00	2,739. 12								
	12 points or spaces to the inch	56. 68	56. 68	4,497. 00	2,548. 90								
	13 points or spaces to the inch	62. 84	62. 84	931. 00	585. 05								
	14 points or spaces to the inch	58. 14	58. 14	24,297. 00	14,127. 03								
	15 points or spaces to the inch	67. 82	67. 82	6,998. 00	4,745. 81								
	16 points or spaces to the inch	55. 90	55. 90	7,883. 00	4,406. 36								
	18 points or spaces to the inch	64. 44	64. 44	54. 00	34. 80								
	All other on which the ordinary duty does not amount to 50 per cent	50. 00	50. 00	12,559. 00	6,279. 50								
	(L) Lace window curtains, pillow shams, and bed sets, finished or unfinished, made on the Nottingham lace-curtain machine, or on the Nottingham warp machine, and composed of vegetable fiber other than cotton, counting between the warp threads, all on which ordinary duty does not amount to 50 per cent	50. 00	50. 00	1,872. 74	936. 38								
	[NOTE.—Nets and nettings are added to above paragraph 346 by proposed bill.]												
347	Burlaps, plain woven fabrics of single jute yarn: (Not exceeding 60 inches in width) weighing not less than 6 ounces per square yard, counting the warp and filling—												
	Not exceeding 30 threads to the square inch	22. 91	22. 91	25,006,101. 60	5,729,808. 48								
	Exceeding 30 and not exceeding 55 threads to the square inch	22. 17	22. 17	774,251. 00	171,637. 62								
	All other not specially provided for	45. 00	45. 00	3,042,277. 20	1,369,024. 74								
348	(L) Pile fabrics, of which flax is the component material of chief value, *and manufactures of*	60. 00	60. 00	172,337. 76	103,402. 66								
349	Bags or sacks made from plain woven fabrics, of single jute yarns, not dyed, colored, stained, painted, printed, or bleached, and not exceeding 30 threads to the square inch, counting the warp and filling	26. 98	26. 98	4,206,696. 00	1,135,135. 83								
350	Bagging for cotton, gunny cloth, and similar fabrics, suitable for covering cotton, composed of single yarns made of jute, jute butts, or hemp, not bleached, dyed, colored, stained, painted, or printed, not exceeding 16 threads to the square inch, counting the warp and filling, and weighing not less than 15 ounces per square yard	9. 78	9. 78	1,215,446. 00	118,907. 12								
351	Handkerchiefs composed of flax, hemp, or ramie, or of which these substances, or either of them, is the component material of chief value, whether in the piece or otherwise, and whether finished or unfinished:												
	Not hemmed, or hemmed only	50. 00	50. 00	83,739. 50	41,869. 76								
	(L) Hemstitched, or imitation hemstitched, or revered, or with drawn threads, but not embroidered or initialed	55. 00	55. 00	1,001,161. 74	550,639. 02								
352	Woven fabrics or articles n. s. p. f., composed of flax, hemp, or ramie, *or in part cotton*, or of which these substances, or either of them, is the component material of chief value, weighing 4½ ounces or more per square yard:												
	Containing not more than 60 threads to the square inch, counting the warp and filling	50. 44	50. 44	218,406. 00	110,164. 07								
	Containing more than 60 and not more than 120 threads to the square inch	53. 45	53. 45	1,980,445. 00	1,058,507. 69								
	Containing more than 120 and not more than 180 threads to the square inch	54. 92	54. 92	2,408,784. 05	1,372,311. 37								
	Containing more than 180 threads to the square inch	53. 89	53. 89	588,445. 00	317,124. 83								
	All on which ordinary duty does not amount to 50 per cent	50. 00	50. 00	5,774,494. 17	2,887,247. 08								

a Estimated.

SCHEDULE J—*Flax, hemp, and jute, and manufactures of*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Plain woven fabrics of flax, hemp, or ramie, or of which these substances or either of them is the component material of chief value, including such as is known as shirting cloth, weighing less than 4½ ounces per square yard (and containing more than 100 threads to the square inch, counting the warp and filling)...	P. ct. 35.00	P. ct. 35.00	$4,231,559.08	$1,481,045.67								
353	Woven fabrics n. s. p. f., composed of flax, hemp, or ramie, or of which these substances or either of them is the component material of chief value, weighing 4½ ounces or more per square yard..	35.00	45.00			a $5,000,000.00	28.57	$1,750,000.00	$2,250,000.00				
	All other manufactures of flax, hemp, ramie, or other vegetable fiber (except cotton), or of which these substances, or either of them, is the component material of chief value n. s. p. f.:												
	Flax manufactures	45.00	45.00	805,617.29	362,527.80								
	Hemp manufactures	45.00	45.00	32,234.00	14,505.30								
	Jute manufactures	45.00	45.00	665,672.36	299,552.56								
	Ramie or other vegetable fiber manufactures	45.00	45.00	15,804.40	7,111.99								
471b	Fibers, all other dressed	20.00	20.00	46,642.00	9,328.40								
	Total, Schedule J	43.71	44.10	108,564,575.08	47,862,790.92	a 5,000,000.00	27.14	1,750,000.00	2,250,000.00	$602,739.30	16.18	$285,988.84	$239,721.16

a Estimated.

SCHEDULE K—*Wool, and manufactures of wool.*

Paragraph of Senate bill.	? Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
365	Wool, hair of the camel, goat, alpaca, or other like animals, and manufactures of:												
	Unmanufactured—												
	Class 1: Merino, mestiza, metz, or metis wools, or other wools of merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including Bagdad, China lamb's wool, Castel Branco, Adrianople skin wool or butchers' wool, and such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, Egypt, Morocco, and elsewhere, and all wools not hereinafter included in classes 2 and 3—												
	Unwashed wool—	P. ct.	P. ct.										
	On the skin	47.46	47.46	$305,162.50	$144,930.35								
	Not on the skin	44.52	44.52	22,249,572.25	9,904,985.85								
	Washed wool—												
	Not on the skin	61.32	61.32	601.00	368.56								
	Scoured	37.50	37.50	7,146.00	2,679.44								
	Class 2: Leicester, Cotswold, Lincolnshire, Down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used, and also hair of the camel, Angora goat, alpaca, and other like animals—												
	Washed and unwashed wool—												
	On the skin	39.47	39.47	21,908.10	8,646.44								
	Not on the skin	41.11	41.11	2,863,081.75	1,176,887.36								
	Hair of the Angora goat, alpaca, and other like animals—												
	Washed and unwashed	35.61	35.61	738,540.00	262,965.64								

SCHEDULE K—*Wool, and manufactures of wool*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Wool, hair of the camel, goat, alpaca, etc.—Continued.												
	Unmanufactured—Continued.												
366	Class 3: Donskoi, native South American, Cordova, Valparaiso, native Smyrna, Russian camel's hair, and all such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Syria, and elsewhere—												
	Valued 12 cents or less per pound—												
	Washed and unwashed wool—	*P. ct.*	*P. ct.*										
	On the skin	26.73	26.73	$206,159.70	$55,104.14								
	Not on the skin	35.92	35.92	4,891,660.60	1,756,994.15								
	Camel's hair, Russian—												
	Washed and unwashed	37.49	37.49	67,050.00	25,136.96								
	Valued at over 12 cents per pound—												
	Washed and unwashed wool—												
	On the skin	45.68	45.68	5,208.00	2,378.82								
	Not on the skin	35.18	35.18	8,843,857.00	3,110,858.03								
	Camel's hair, Russian—												
	Washed and unwashed	42.34	42.34	261,612.00	110,779.30								
372	Wool and hair advanced in any manner, or by any process of manufacture, beyond the washed or scoured condition, not specially provided for—												
	Valued not more than 40 cents per pound	149.00	149.00	1.00	1.49								
	Valued over 70 cents per pound	93.70	93.70	962.92	902.29								
	Manufactures composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals—												
	(L) Rags, mungo, flocks, noils, shoddy, and waste—												
368	Wastes—												
	Slubbing, ring, and garnetted	118.42	118.42	19.00	22.50								
	Top and roving	62.87	62.87	5,224.00	3,284.40								
369	Wool extract, yarn, thread, and all other wastes not specially provided for	46.50	46.50	61,134.00	28,426.00								
	Noils	50.60	50.60	175,335.00	88,722.20								
	Shoddy	98.21	98.21	14.00	13.75								
370	Rags and flocks	32.57	32.57	46,454.00	15,129.05								
a371													
373	Yarns, made wholly or in part of wool—												
	Valued not more than 30 cents per pound	143.02	143.02	21.80	31.18								
	Valued more than 30 cents per pound	87.25	87.25	133,916.06	116,843.59								
374	Knit fabrics (not wearing apparel)—												
	Valued not more than 40 cents per pound	141.00	141.00	1.00	1.41								
	Valued more than 40 and not more than 70 cents per pound	119.06	119.06	539.00	641.74								
	(L) Valued above 70 cents per pound	95.67	95.67	9,676.50	9,255.23								
	(L) Plushes and other pile fabrics—												
	Valued not over 40 cents per pound	141.78	141.78	32.00	45.37								
	Valued more than 40 and not more than 70 cents per pound	114.37	114.37	1,434.00	1,642.32								
	Valued more than 70 cents per pound	95.33	95.33	18,082.50	17,237.94								
	All other manufactures wholly or in part of wool—												
	Valued not more than 40 cents per pound	140.55	140.55	11,345.00	15,946.39								
	Valued more than 40 and not more than 70 cents per pound	128.11	128.11	21,387.15	27,399.48								
	Valued more than 70 cents per pound	79.47	79.47	259,538.77	206,253.65								
	Cloths, woolen or worsted—												
	Valued not more than 40 cents per pound	134.97	134.97	27,693.25	37,378.42								
	Valued more than 40 and not more than 70 cents per pound	118.89	118.89	188,917.50	224,596.07								
	(L) Valued above 70 cents per pound	94.32	94.32	5,369,487.80	5,064,787.62								

a Tops classified at the same duty imposed upon the scoured wool of which they are made and 6 cents per pound in addition thereto. Stricken out in Senate bill.

SCHEDULE K—*Wool, and manufactures of wool*—Continued.

Paragraph of Senate bill	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Wool, hair of the camel, goat, alpaca, etc.—Continued.												
375	Blankets—												
	Valued not more than 40 cents per pound	P. ct. 107.60	P. ct. 107.60	$316.00	$340.32								
	Valued more than 40 and not more than 50 cents per pound	106.12	106.12	219.00	232.41								
	Valued at more than 50 cents per pound	71.30	71.30	29,737.95	21,204.53								
	More than 3 yards in length—												
	Valued not more than 40 cents per pound	165.42	165.42	40.60	67.16								
	Valued more than 40 and not more than 70 cents per pound	120.98	120.98	3,668.00	4,437.70								
	Valued more than 70 cents per pound	104.55	104.55	8,217.60	8,591.35								
	Flannels for underwear—												
	Valued not more than 40 cents per pound	143.67	143.67	24.00	34.48								
	Valued more than 40 and not more than 50 cents per pound	101.26	101.26	128.00	129.61								
	Valued more than 50 and not more than 70 cents per pound	105.49	105.49	111.00	117.10								
	Valued above 70 cents per pound	86.39	86.39	6,039.13	5,217.29								
	Weighing over 4 ounces per square yard—												
	Valued more than 50 and not more than 70 cents per pound	125.80	125.80	4,356.00	5,480.64								
	Valued more than 70 cents per pound	106.57	106.57	49,890.00	53,168.50								
376	Dress goods, women's and children's, coat linings, Italian cloths, and goods of similar description:												
	The warp consisting wholly of cotton or other vegetable materials, with the remainder of the fabric composed wholly or in part of wool—												
	Valued not exceeding 15 cents per square yard—												
	Not above 70 cents per pound	105.92	105.92	1,392,913.60	1,475,421.77								
	(L) Above 70 cents per pound	106.37	106.37	138,489.00	147,314.18								
	Valued above 15 cents per square yard—												
	Not above 70 cents per pound	96.87	96.87	33,131.50	32,092.63								
	(L) Above 70 cents per pound	94.13	94.13	1,373,974.45	1,293,387.28								
	Weighing over 4 ounces per square yard—												
	Valued more than 40 and not more than 70 cents per pound	115.53	115.53	255.00	294.59								
	(L) Valued more than 70 cents per pound	92.61	92.61	11,368.40	10,519.31								
377	Composed wholly or in part of wool—												
	Valued not above 70 cents per pound	104.19	104.19	6,556.50	6,831.13								
	(L) Valued above 70 cents per pound	103.52	103.52	4,109,310.49	4,253,859.77								
	Weighing over 4 ounces per square yard—												
	Valued not more than 40 cents per pound	70.50	70.50	2.00	1.41								
	(L) Valued more than 40 and not more than 70 cents per pound	118.27	118.27	162,700.00	192,498.92								
	(L) Valued more than 70 cents per pound	100.59	100.56	2,297,821.90	2,311,453.93								
378	Felts, not woven	95.98	95.98	111,405.73	106,935.26								
	Wearing apparel—Clothing, ready-made, and articles of wearing apparel, made up or manufactured, wholly or in part, not specially provided for—												
	Cloaks, dolmans, jackets, talmas, ulsters, or other outside garments for ladies' and children's apparel, and articles of similar description, or used for like purposes	80.32	80.32	141,740.60	113,860.52								
	Hats of wool	86.61	86.61	15,900.00	13,771.32								
	Knitted articles	92.17	92.17	617,267.88	568,967.47								
	Shawls, knitted or woven	92.70	92.70	61,283.75	57,812.67								
	Other clothing, ready-made, and articles of wearing apparel, made up or manufactured wholly or in part	76.59	76.59	1,016,250.38	778,384.02								

SCHEDULE K—*Wool, and manufactures of wool*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
379	(L) Webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, laces, and other trimmings and articles made wholly or in part of lace, embroideries and articles embroidered by hand or machinery, head nets, netting, buttons or barrel buttons, or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, made of wool or of which wool is a component material, whether composed in part of india rubber or otherwise	*P. ct.* 80. 83	*P. ct.* 80. 83	$12, 522. 50	$10, 122. 59								
	Carpets and carpeting:												
380	(L) Aubusson, Axminster, moquette, and chenille carpets	66. 34	66. 34	48, 146. 55	31, 939. 80								
381	(L) Saxony, Wilton, and Tournay velvet carpets	72. 67	72. 67	58, 263. 00	42, 340. 05								
382	(L) Brussels carpets	75. 81	75. 81	11, 403. 33	8, 645. 08								
383	(L) Velvet and tapestry velvet carpets, printed on the warp or otherwise	58. 86	58. 86	49, 383. 00	29, 067. 23								
384	Tapestry Brussels, printed on the warp or otherwise	60. 73	60. 73	316. 00	191. 92								
385	Treble ingrain, three-ply, and all-chain Venetian carpets	66. 72	66. 72	19, 036. 00	12, 700. 97								
386	Wool, Dutch, and two-ply ingrain carpets	58. 63	58. 63	1, 693. 00	992. 65								
387	(L) Carpets woven whole for rooms, and oriental, Berlin, Aubusson, Axminster, and other similar rugs	60. 01	60. 01	4, 172, 734. 79	2, 503, 869. 47								
388	Druggets and bockings, printed, colored, or otherwise	70. 81	70. 81	7, 321. 00	5, 183. 84								
389	Felt carpeting	50. 00	50. 00	5. 00	2. 50								
	(L) Carpets of wool, or in part of, n. s. p. f.	50. 00	50. 00	51, 690. 00	25, 845. 00								
		61. 46	61. 46	26. 00	15. 98								
390	Mats, rugs for floors, screens, covers, hassocks, bedsides, art squares, and other portions of carpets and carpeting, n. s. p. f.	114. 66	114. 66	3. 00	3. 44								
		50. 00	50. 00	124. 00	62. 00								
	Total, Schedule K	58. 19	58. 19	62, 818, 610. 81	36, 554, 707. 01								

SCHEDULE L—*Silks, and silk goods.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	(L) ENTIRE SCHEDULE.												
392	Silk, partially manufactured from cocoons, or from waste silk, and not further advanced or manufactured than carded or combed silk	*P. ct.*	*P. ct.*										
393	Spun silk in skeins, cops, warps, or on beams:												
	Valued not exceeding $1 per pound	41. 71	46. 74			$337, 579. 00	15. 42	$140, 798. 45	$157, 782. 80				
	Valued over $1 and not exceeding $1.50 per pound	37. 34	*50. 00			1, 101, 888. 00	33. 90	411, 239. 70	550, 944. 00				
	Valued over $1.50 and not exceeding $2 per pound	37. 38	*50. 00			2, 071, 862. 00	33. 76	774, 433. 20	1, 035, 931. 00				
	Valued over $2 and not exceeding $2.50 per pound	36. 29	*50. 00			272, 505. 00	37. 78	98, 893. 28	136, 252. 50				
	Valued over $2.50 per pound	36. 52	*50. 00			761. 00	36. 91	277. 95	380. 50				
	All on which ordinary duty does not amount to 35 per cent	35. 00	*50. 00			5, 250. 00	42. 86	1, 837. 50	2, 625. 00				
393	*Spun silk or schappe silk yarn, valued at not exceeding $1 per pound, whether in singles or advanced beyond the condition of singles by grouping or twisting two or more single yarns together 35 cents per pound. Spun silk, or schappe silk yarn, valued at exceeding $1 per pound, in the gray, in skeins, warps, or cops, if in singles and not advanced be-*												

* Estimated.

SCHEDULE I.—*Silks, and silk goods*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under—		Value of imports, 1907.	Per cent of decrease.	Revenue under—	
								Present law.	Senate bill.			Present law.	Senate bill.
	Spun silk in skeins, cops, warps, or on beams—Continued.												
	yond the condition of singles by grouping or twisting two or more single yarns together, on all numbers up to and including No. 205, 45 cents per pound, and in addition thereto 0.10 of a cent per number per pound; on all numbers exceeding No. 205, 45 cents per pound, and in addition thereto 0.15 of a cent per number per pound; if advanced beyond the condition of singles by grouping or twisting two or more single yarns together, on all numbers up to and including No. 205, 50 cents per pound, and in addition thereto 0.10 of a cent per number per pound; on all numbers exceeding No. 205, 50 cents per pound, and in addition thereto 0.15 of a cent per number per pound. Spun silk or schappe silk yarn, valued at exceeding $1 per pound, in the gray, on bobbins, spools, or beams, if in singles and not advanced beyond the condition of singles by grouping or twisting two or more single yarns together, on all numbers up to and including No. 205, 55 cents per pound, and in addition thereto 0.10 of a cent per number per pound; on all numbers exceeding No. 205, 55 cents per pound, and in addition thereto 0.15 of a cent per number per pound; if advanced beyond the condition of singles by grouping or twisting two or more single yarns together, on all numbers up to and including No. 205, 60 cents per pound, and in addition thereto 0.10 of a cent per number per pound; on all numbers exceeding No. 205, 60 cents per pound, and in addition thereto 0.15 of a cent per number per pound. Spun silk or schappe silk yarn, valued at exceeding $1 per pound, colored, bleached, or dyed, in skeins or warps, if in singles and not advanced beyond the condition of singles by grouping or twisting two or more single yarns together, on all numbers up to and including No. 205, 55 cents per pound, and in addition thereto 0.10 of a cent per number per pound; on all numbers exceeding No. 205, 55 cents per pound, and in addition thereto 0.15 of a cent per number per pound; if advanced beyond the condition of singles by grouping or twisting two or more single yarns together, on all numbers up to and including No. 205, 60 cents per pound, and in addition thereto 0.10 of a cent per number per pound; on all numbers exceeding No. 205, 60 cents per pound, and in addition thereto 0.15 of a cent per number per pound. Spun silk or schappe silk yarn, valued at exceeding $1 per pound, colored, bleached, or dyed, on bobbins, cops, spools, or beams, if in singles and not advanced beyond the condition of singles by grouping or twisting two or more single yarns together, on all numbers up to and including No. 205, 65 cents per pound, and in addition thereto 0.10 of a cent per number per pound; on all numbers exceeding No. 205, 65 cents per pound, and in addition thereto 0.15 of a cent per number per pound; if advanced beyond the condition of singles by grouping or twisting two or more single yarns together, on all numbers up to and including No. 205, 70 cents per pound, and in addition thereto 0.10 of a cent per number per pound; on												

SCHEDULE L—*Silks, and silk goods*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Spun silk in skeins, cops, warps, or on beams—Continued. *all numbers exceeding No. 205, 70 cents per pound, and in addition thereto 0.15 of a cent per number per pound. In assessing the duty on all spun silk or schappe silk yarn, the number shall be that indicating the size of the yarn according to the metric or French system, and shall, in all cases, refer to the size of the spun single, of which said yarn may be composed: Provided, That in no case shall the duty be assessed on a less number of yards than is marked on the skeins, bobbins, cops, spools, or beams. But in no case shall any of the goods enumerated in this paragraph pay less rate of duty than 37½ per cent ad valorem.*												
394	Thrown silk, not more advanced than singles, tram, or organzine, twist and floss	P. ct. 30.00	P. ct. a46.81			$40,696.50	56.03	$12,208.95	$19,047.66				
	Sewing silk and silk threads or yarns of every description	30.00	a58.31			659,601.00	94.73	197,880.30	384,643.30				
394	*Thrown silk in the gum, if singles, 50 cents per pound; if tram, 75 cents per pound; if organzine, $1 per pound; if ungummed, wholly or in part, or if further advanced in manufacture in any way, in addition thereto, 50 cents per pound. Sewing silk, twist, floss, and silk threads or yarns of any description made from raw silk, not specially provided for in this act, if in the gum, $1 per pound; if ungummed, wholly or in part, or if further advanced in manufacture in any way, $1.50 per pound: Provided, That in no case shall the duty be assessed on a less number of yards than is marked on the skeins, bobbins, cops, spools, or beams.*												
395	Velvets, plushes, and other pile fabrics:												
	Plushes	75.12	105.22			73,814.00	40.07	55,452.35	77,665.44				
	Plushes on which ordinary duty does not amount to 50 per cent	50.00	49.55							$11,481.00	0.90	$5,740.50	$5,688.45
	Velvets, velvet or plush ribbons, and chenilles	60.33	75.55			1,652,329.00	25.23	996,878.38	1,248,381.73				
	Velvets, velvet or plush ribbons, and chenilles on which ordinary duty does not amount to 50 per cent	50.00	55.66			940,575.00	11.32	470,287.50	523,552.43				
	Other pile fabrics	69.70	91.17			5,231.00	30.80	3,646.11	4,769.08				
	Other, on which ordinary duty does not amount to 50 per cent	50.00	29.68							453.65	40.64	226.82	134.65
395	*Velvets, chenilles, or other pile fabrics, not specially provided for in this act, cut or uncut, composed of silk, or of which silk is the component material of chief value, weighing not less than 5½ ounces per square yard, $1.50 per pound; if weighing less than 5½ ounces per square yard, but not less than 4 ounces, if having more than 130 picks per inch, or if all the filling is not of cotton, $2.20 per pound; if having 130 picks per inch or less, and if all the filling is of cotton, $2.50 per pound; if weighing less than 4 ounces to the square yard, 3½ per pound. Plushes, cut or uncut, composed of silk, or of which silk is the component material of chief value, if weighing not less than 9½ ounces per square yard, $1 per pound; if weighing less than 9½ ounces per square yard, $2.40 per pound. Measurements to ascertain widths of goods for determining weight per square yard of the foregoing articles shall not include the selvedges, but the duty shall be levied upon total weight of goods, including the selvedges. In distinguishing between "plushes" and "velvets" the length of the pile shall be considered. Such goods, in the above classification, shall be considered as "plushes" in which*												

a Estimated.

SCHEDULE L.—*Silks, and silk goods*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	Velvets, plushes, and other pile fabrics—Continued												
	the length of the pile is one-seventh of an inch or more. Such goods shall be classed as "velvets" in which the length of the pile is less than one-seventh of an inch. The distance from the bottom of the first binding pick to the extreme end of the pile shall be considered as the length of the pile. Velvet or plush ribbons, or other pile fabrics not over 12 inches in width and not less than three-quarters of an inch in width, cut or uncut, of which silk is the component material of chief value, not specially provided for in this act, if containing no silk except that in the pile and selvedges, if black $1.60 per pound; if other than black $1.75 per pound; if containing silk other than that in the pile and selvedges, if black $2 per pound; if other than black $2.25 per pound. If less than three-quarters of an inch in width in addition to above rates for each one-quarter of an inch or fraction thereof less than three-quarters of an inch in width, 40 cents per pound: Provided, That manufactures wholly or in chief value of velvets, plushes, velvet or plush ribbons, shall pay not less than the rate of duty herein imposed upon such fabrics, and in addition one-fifth of such duties.												
	Fabrics, woven in the piece:	*P. ct.*	*P. ct.*										
	Weighing not more than ½ ounce per square yard	67.81	60.27							$459,925.00	11.11	$311,852.19	$277,201.92
	Other, on which ordinary duty does not amount to 50 per cent	50.00	50.00	$6,827.98	$3,413.99								
	Weighing more than ½ ounce and less than 1½ ounces per square yard—												
	In the gum, or dyed in the thread or yarn	68.71	74.76			$90,278.00	8.80	$61,987.73	$67,442.67				
	Boiled off	54.46	58.99			1,862,070.00	8.33	1,013,995.39	1,098,495.00				
	Dyed or printed in the piece	59.55	64.13			1,338,695.00	7.70	797,237.92	858,563.90				
	Other, on which specific duty is less than 50 per cent	50.00	50.00	317,815.00	158,907.50								
	Weighing not less than 1½ ounces and not more than 8 ounces per square yard—												
	In the gum—												
	Containing not more than 20 per cent in weight of silk	78.57	100.17			42.00	27.50	33.00	42.08				
	Containing more than 20 per cent and not more than 30 per cent in weight of silk	50.44	a60.47			1,808.00	23.08	1,020.50	1,256.00				
	Containing more than 30 per cent and not more than 45 per cent in weight of silk	67.03	78.20			12,384.00	16.67	8,301.16	9,684.68				
	Containing more than 45 per cent in weight of silk	78.03	78.03	4,329.00	3,378.34								
	Dyed in the piece—												
	Containing not more than 20 per cent in weight of silk	55.95	79.26			211,084.00	41.67	118,096.80	167,303.80				
	Containing more than 20 per cent and not more than 30 per cent in weight of silk	52.89	66.17			2,282.00	25.00	1,207.90	1,509.88				
	Containing more than 30 per cent and not more than 45 per cent in weight of silk	51.86	59.01			619.00	13.64	321.42	365.25				
	Boiled off or printed, containing more than 45 per cent in weight of silk	87.80	87.80	45,899.00	40,301.54								
	Dyed in the thread or yarn—												
	Black, except selvedges—												
	Containing not more than 30 per cent in weight of silk	54.88	128.00			18,130.00	133.33	9,950.25	23,217.25				
	Containing more than 30 per cent and not more than 45 per cent in weight of silk	55.13	87.71			16,538.00	50.00	9,118.28	14,506.35				
	Containing more than 45 per cent in weight of silk—												
	Weighted to exceed original weight of the raw silk	54.47	65.36			123,314.00	20.00	67,170.00	80,604.00				
	Weight not increased beyond original weight of the raw silk	53.31	62.20			15,680.00	16.67	8,359.35	9,732.56				

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SCHEDULE I.—*Silks, and silk goods*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Fabrics, woven in the piece—Con.												
	Weighing not less than 1½ ounces and not more than 8 ounces per square yard—Continued.												
	Dyed in the thread or yarn—Continued.												
	Other—												
	Containing not more than 30 per cent in weight of silk.....lbs..	P. ct. 67.10	P. ct. a 130.56			$1,851.00	94.44	$1,242.88	$2,416.70				
	Containing more than 30 per cent and not more than 45 per cent in weight of silk.....lbs..	53.34	a 53.34	$34,834.00	$18,582.53								
	Containing more than 45 per cent in weight of silk—												
	Weighted to exceed original weight of the raw silk.....lbs..	53.47	a 83.18			358,483.00	55.55	191,094.31	298,191.15				
	Weight not increased beyond original weight of the raw silk.....lbs..	56.53	56.53	386,266.00	218,353.05								
	Other on which specific duty does not amount to 50 per cent.....lbs..	50.00	a 75.00			7,444,308.84	50.00	3,722,154.42	5,583,231.63				
	Weighing over 8 ounces per square yard.....lbs..	50.00	a 50.00	319.00	159.50								
	Jacquard figured silk goods in the piece, dyed in the yarn, and containing 2 or more colors in the filling.....lbs..	50.00	a 50.00	790,857.50	395,428.75								
	395. Woven fabrics in the piece, composed wholly or of chief value of silk, not specially provided for in this act, if weighing not more than one-third of an ounce per square yard $4 per pound; if weighing more than one-third of an ounce, but not more than two-thirds of an ounce per square yard; if in the gum, $3 per pound; if ungummed, wholly or in part, $3.25 per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $3.50 per pound; if weighing more than two-thirds of an ounce but not more than one ounce per square yard; if in the gum, $2.65 per pound; if ungummed, wholly or in part, $3 per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $3.25 per pound; if weighing more than 1 ounce but not more than 1½ ounces per square yard; if in the gum, $2.50 per pound; if ungummed, wholly or in part, $2.85 per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $3.10 per pound; if weighing more than 1½ ounces, but not more than 2 ounces, and if containing not more than 20 per cent in weight of silk, if in the gum, 70 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 85 cents per pound; if containing more than 20 per cent in weight of silk, but not more than 30 per cent, if in the gum, 85 cents per pound; if ungummed wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.10 per pound; if containing more than 30 per cent in weight of silk but not more than 40 per cent, if in the gum $1.05 per pound; if ungummed wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.25 per pound; if containing more than 40 per cent of weight in silk but not more than 50 per cent; if in the gum $1.25 per pound; if ungummed wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.50 per pound; if containing more than 50												

a Estimated.

SCHEDULE L—*Silks, and silk goods*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	395. *Woven fabrics, etc.*—Cont'd. *per cent in weight of silk or if wholly of silk, if in the gum $2.50 per pound; if ungummed wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $3 per pound; if weighing more than 2 ounces per square yard, but not more than 8 ounces, and if containing not more than 20 per cent in weight of silk, if in the gum 57½ cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 70 cents per pound; if containing more than 20 per cent in weight of silk, but not more than 30 per cent; if in the gum, 75 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 90 cents per pound; if containing more than 30 per cent in weight of silk, but not more than 40 per cent; if in the gum, 90 cents per pound; if ungummed wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.10 per pound; if containing more than 40 per cent in weight of silk, but not more than 50 per cent, if in the gum, $1.10 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.30 per pound; if containing more than 50 per cent in weight of silk, or if wholly of silk, if in the gum, $2.25 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture, or otherwise, or if dyed or printed in the piece, $2.75 per pound. Woven fabrics in the piece, composed wholly or of chief value of silk, if dyed in the thread or yarn, and if weight is not increased in dyeing beyond the original weight of raw silk, if containing not more than 45 per cent in weight of silk, $1.75 per pound; if containing more than 45 per cent in weight of silk, $3 per pound; if weight is increased in dyeing beyond the original weight of raw silk; if weighing more than one-third of an ounce, but not more than 1 ounce, per square yard, if black (except selvedges), $2.25 per pound; if other than black, $3 per pound; if weighing more than 1 ounce, but not more than 1½ ounces per square yard, if black (except selvedges), $2 per pound; if other than black, $2.75 per pound; if weighing more than 1½ ounces but not more than 1¾ ounces per square yard, if black (except selvedges), $1.80 per pound; if other than black, $2.50 per pound; if weighing more than 1¾ ounces but not more than 2 ounces per square yard, if black (except selvedges), $1.65 per pound; if other than black, $2.25 per pound; if weighing more than 2 ounces but not more than 8 ounces per square yard, and if containing not more than 20 per cent in weight of silk, if black (except selvedges), 75 cents per pound; if other than black, 90 cents per pound; if containingmore than 30 per cent in weight of silk but more than 40 per cent, if black (except selvedges), $1.10 per pound; if other than black, $1.30 per pound; if containing more than 45 per cent in weight of silk, or if composed wholly of silk, and if having not more than 220 single threads to the inch in the warp, if black (except selvedges), $1.50 per pound; if other than black, $2 per pound; if having more than 220 sin-*												

SCHEDULE I.—*Silks, and silk goods*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	395. Woven fabrics, etc.—Cont'd. *gle threads to the inch in the warp, but not more than 300, if black (except selvedges), $1.65 per pound; if other than black, $2.25 per pound; if having more than 300 single threads to the inch in the warp, but not more than 380, if black (except selvedges), $1.80 per pound; if other than black, $2.50 per pound; if having more than 380 single threads to the inch in the warp, but not more than 460, if black (except selvedges), $2 per pound; if other than black, $2.75 per pound; if having more than 460 single threads to the inch in the warp, if black (except selvedges), $2.25 per pound; if other than black, $3 per pound; if printed in the warp and if weighing not more than 1½ ounces per square yard, $3.50 per pound; if weighing more than 1½ ounces, but not more than 2 ounces per square yard, $3.25 per pound; if weighing more than 2 ounces per square yard, $2.75 per pound. But in no case shall any goods made on Jacquard looms or any goods containing more than one color in the filling, including such as have india rubber as a component material, or any of the goods enumerated in this paragraph, pay a less rate of duty than 50 per cent ad valorem.*												
396	Handkerchiefs or mufflers composed wholly or in part of silk, whether in the piece or otherwise, finished or unfinished:												
	Not hemmed or hemmed only—												
	Weighing more than ¼ ounce and less than 1½ ounces per square yard—	*P. ct.*	*P. ct.*										
	Boiled off	59.00	50.00							$8,520.00	15.25	$5,027.60	$4,260.00
	Dyed or printed in the piece	61.28	50.00							4,282.00	18.41	2,624.57	2,141.00
	Weighing not less than 1½ ounces and not more than 8 ounces per square yard—												
	Dyed in the piece, boiled off, or printed, containing more than 45 per cent in weight of silk	77.44	50.00							3,151.00	32.83	2,440.81	1,575.50
	Dyed in the thread or yarn, other, containing more than 30 per cent and not more than 45 per cent in weight of silk	56.00	50.00							9.00	10.71	5.04	4.50
	On which ordinary duty does not amount to 50 per cent	50.00	50.00	$27,961.58	$13,980.81								
	Hemstitched, or imitation hemstitched, or revered or having drawn threads, or embroidered in any manner, whether with an initial letter, monogram, or otherwise, by hand or machinery, or tamboured, appliquéed, or made or trimmed wholly or in part with lace, or with tucking or insertion—												
	Weighing more than ¼ ounce and less than 1½ ounces per square yard—												
	Boiled off	63.49	60.00							20,304.00	5.50	12,802.50	12,182.40
	Dyed or printed in the piece	53.55	60.00			$2,075.00	12.96	$1,111.15	$1,245.00				
	Other on which specific duty is less than 50 per cent												
	Weighing not less than 1½ ounces and not more than 8 ounces per square yard—												
	Dyed in the piece, boiled off, or printed, containing more than 45 per cent in weight of silk	78.21	60.00							4,133.00	23.28	3,232.79	2,479.80
	Dyed in the thread or yarn—												
	Other—												
	Containing more than 30 per cent and not more than 45 per cent in weight of silk	60.20	60.00							20.00	.33	12.04	12.00

SCHEDULE L—*Silks, and silk goods*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Handkerchiefs or mufflers, composed wholly or in part of silk, etc.—Continued.												
	Hemstitched or imitation hemstitched, etc.—Continued.												
	Weighing over 8 ounces per square yard	*P. ct.* 60.00	*P. ct.* 60.00	$430.00	$258.00								
	On which ordinary duty does not amount to 60 per cent	60.00	60.00	346,802.90	208,081.74								
398	Laces, and articles made wholly or in part of lace, edgings, insertings, galloons, chiffons or other flouncings, *ornaments*, nets or nettings and veilings, neck ruffings, ruchings, braids, fringes, trimmings, embroideries, and articles embroidered by hand or machinery, or tamboured or appliquéed	60.00	60.00	7,049,851.51	4,229,910.92								
	Bandings, including hat bands, *not exceeding 12 inches in width, and if with fast edges*	50.00	50.00	1,042,923.75	521,461.90								
	Beltings, bindings, *not exceeding 12 inches in width, and if with fast edges*, bone casings, braces, cords, cords and tassels, garters, gorings, suspenders, tubings, and webs and webbings, composed wholly or in part of silk, and whether composed in part of india rubber or otherwise, if not embroidered in any manner by hand or machinery	50.00	50.00	178,605.36	89,302.69								
	Ribbons, *not exceeding 12 inches in width, and if with fast edges*	50.00	50.00	1,841,322.90	920,661.47								
	Wearing apparel:												
	Knit goods, made up wholly or in part by the tailor, seamstress, or manufacturer	60.00	60.00	1,472,142.88	883,285.73								
	Ready-made clothing and other articles of wearing apparel	60.00	60.00	3,457,677.11	2,074,606.26								
	Silk goods, ornamented with beads or spangles	60.00	60.00	5,488.50	3,293.10								
399	All manufactures of silk not specially provided for	50.00	50.00	1,274,673.49	637,336.79								
	Buttons	50.00	50.00	29,992.00	14,996.00								
401	Sewing silk and silk threads or yarns of every description (artificial)	30.00	30.00	908,099.00	272,429.70								
	Horsehair, artificial	20.00	a50.00			$416,522.25	150.00	$83,304.45	$208,261.13				
401	*Yarns, threads, filaments, or imitation silk or imitation horsehair, by whatever name known, and by whatever process made, if in the form of singles, 45 cents per pound; if in the form of tram, 50 cents per pound; if in the form of organzine, 60 cents per pound: Provided, That in no case shall any yarns or threads of artificial silk or imitation horsehair, or any yarns or threads made from waste of such materials, pay a less rate of duty than 30 per cent ad valorem; braids, laces, embroideries, galloons, neck ruffings, ruchings, fringes, trimmings, beltings, cords, tassels, ribbons, or other articles or fabrics composed wholly or in chief value of yarns, threads, filaments, or fibers of imitation silk or imitation horsehair, by whatever name known, and by whatever process made, 45 cents per pound, and in addition thereto 60 per cent ad valorem.*												
	Total, Schedule L	52.33	60.76	19,223,118.46	10,708,130.31	19,078,195.59	35.72	9,260,140.60	12,568,064.49	$512,278.65	11.44	$344,053.860	$5,680.223

a Estimated.

SCHEDULE M—*Pulp, papers, and books.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
402	Wood pulp:	*P. ct.*	*P. ct.*										
	Mechanically ground	13.14	[a] Free.		[b] $4,792.86					$1,528,975.04	Free.	$196,177.73	Free.
	Chemical, unbleached	9.61	9.61	$2,776,748.65	[b] 3,589.71 263,295.50								
	Chemical, bleached	10.14	10.14	2,073,408.00	210,305.74								
403	Sheathing paper	10.00	10.00	84,722.05	8,472.22								
	Roofing felt	10.00	10.00	8,867.00	886.70								
404	Filter masse, or filter stock, composed wholly or in part of wood pulp, wood flour, cotton, or other vegetable fiber	30.24	30.24	33,580.00	10,155.85								
405	Printing, unsized, sized, or glued, suitable for books and newspapers—												
	Valued not above 2(1/4) cents per pound	16.82	5.58							312,772.00		[b] 219.54 52,399.88	[b] $219.52 17,406.64
	Valued above 2(1/4) and not above 2½ cents per pound	18.41	13.81							3,634.00	25.00	669.45	503.08
	Valued above 2½ and not above 3 cents per pound	18.90	13.90	3,381.00	639.07								
	Valued above 3 and not above 4 cents per pound	16.15	16.15	10,171.00	1,642.98								
	Valued above 4 and not above 5 cents per pound	17.79	17.79	15,765.00	2,805.06								
	Valued above 5 cents per pound	15.00	15.00	251,096.00	37,664.40								
406	Copying, stereotype, bibulous, tissue, pottery, and all similar papers, white, colored, or printed:												
	Weighing not over 6 pounds to the ream of 480 sheets, on the basis of 20 by 30 inches in size	39.28	39.28	177,046.00	69,549.14								
	Weighing over 6 and not over 10 pounds to the ream	46.36	46.36	52,899.00	24,525.70								
	Books, letter copying	35.37	35.37	441.00	156.00								
	Crepe and filtering paper	40.18	40.18	75,909.50	30,498.66								
407	Surface-coated papers:												
	Printed, or wholly or partly covered with metal or its solutions, or with gelatin or flock	37.89	37.89	231,569.75	87,737.41								
	Other, not specially provided for	44.99	44.99	573,728.00	258,138.44								
	Parchment	21.90	21.90	42,817.15	9,378.32								
	Photographic—												
	Plain basic for albuminizing, sensitizing, or baryta coating	19.17	19.17	726,160.00	139,170.89								
	Albuminized or sensitized, or otherwise coated	30.00	30.00	453,869.75	136,160.93								
408	(L) Lithographic prints from stone, zinc, aluminum, or other material, bound or unbound, not elsewhere specified:												
	On cardboard or other material exceeding 1/100 inch in thickness	23.22	23.22	619,300.00	143,809.39								
	On paper or other material—												
	Not exceeding 1/1000 inch in thickness	17.68	17.68	468,650.50	82,845.86								
	Exceeding 1/1000 inch and not exceeding 1/1333 inch in thickness, cutting size in dimensions—												
	Not exceeding 35 square inches	15.89	22.25			$2,034,922.10	40.00	$323,392.35	$452,749.25				
	Exceeding 35 but not exceeding 400 square inches	24.28	21.24							423,019.00	12.50	102,703.39	89,865.46
	Exceeding 400 square inches	35.00	16.74							9,764.62	52.17	3,417.61	1,634.41
	(L) Lithographic cigar labels, flaps, and bands, lettered or blank, printed from stone, zinc, aluminum, or other material:												
	Printed in less than eight colors, but not including metal-leaf printing	20.94	28.78			216,746.80	37.50	45,377.36	62,393.87				
	Printed in eight or more colors, but not including metal-leaf printing	35.42	38.37			51,180.00	8.33	18,126.23	19,636.75				
	Printed in whole or in part in metal leaf	40.48	42.50			73,689.00	5.00	29,826.24	31,317.55				
	Printed entirely in bronze printing	21.05	38.61			1,156.00	16.66	243.30	446.33				
	Books of paper or other material for children's use, containing illuminated lithographic prints, not exceeding in weight 24 ounces each, and all booklets and fashion magazines or periodicals printed in whole or in part by lithographic process or decorated by hand	22.53	22.53	22,658.00	5,105.80								

[a] When from country not imposing any export duty.

[b] Countervailing duty.

SCHEDULE M—*Pulp, papers, and books*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
409	Writing, letter, note, handmade, drawing, ledger, bond, record, tablet, and typewriter paper: Weighing not less than 10 nor more than 15 pounds to the ream—												
	Not ruled, bordered, embossed, printed, or decorated	*P. ct.* 26.03	*P. ct.* 43.06			$13,778.00	65.42	$3,586.68	$5,932.24				
	Ruled, bordered, embossed, printed, or decorated	27.23	37.79			426.50	38.78	116.48	161.19				
	(L) Weighing more than 15 pounds to the ream—												
	Not ruled, bordered, embossed, printed, or decorated	32.54	32.54	$167,910.00	$54,641.58								
	Ruled, bordered, embossed, printed, or decorated	38.51	38.51	6,022.40	2,319.12								
410	Envelopes:												
	(L) Bordered, embossed, printed, tinted, or decorated	35.00	35.00	3,041.23	1,064.44								
	Plain paper	20.00	20.00	7,679.23	1,535.85								
411	Jacquard designs of one-line paper, or parts of, and Jacquard designs and parts of, cut on Jacquard cards	35.00	35.00	1,905.50	666.94								
	Press board or press paper valued at 10 cents per pound or over												
	Paper hangings, and paper for screens or fireboards	25.00	25.00	671,904.00	167,976.00								
	Wrapping paper, n. s. p. f.												
	All other paper, n. s. p. f.	25.00	25.00	1,326,614.63	331,653.67								
412	Books, pamphlets, bound or unbound, maps, charts, music in books or sheets, and all printed matter, n. s. p. f.	25.00	25.00	2,770,061.67	692,515.54								
	Blank books	25.00	25.00	75,400.25	18,805.07								
	Slate books												
	Engravings, bound or unbound, etchings, and photographs	25.00	25.00	273,317.33	68,329.36								
413	(L) Photograph, autograph, and scrap albums, wholly or partly manufactured	35.00	35.00	315,308.83	110,358.12								
	Post cards and postage-stamp albums												
414	(L) Fancy boxes made of paper, or of which paper is the component material of chief value, or if covered with surface-coated paper	45.00	45.00	133,103.86	59,896.78								
415	(L) Playing cards	138.98	138.98	10,363.00	14,402.35								
416	Manufactures of paper, or of which paper is the component material of chief value, n. s. p. f.	35.00	35.00	868,835.24	304,092.39	—							
	Total, Schedule M	20.67	29.23	15,334,314.56	3,359,643.84	2,391,898.40	36.13	420,068.64	572,637.18	$278,164.66	69.15	$355,587.60	$109,689.11

SCHEDULE N—*Sundries.*

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
417	(L) Beads and bead ornaments:	*P. ct.*	*P. ct.*										
	Beads, not threaded or strung	35.00	35.00	$162,248.37	$56,786.94								
	Fabrics, nets, or netting, laces, embroideries, galloons, wearing apparel, ornaments, trimmings, *curtains, fringes*, and other articles not specially provided for, composed wholly or in part (*chief value*) of beads or spangles made of glass or paste, gelatin, metal or other material, but not composed in part of wool	60.00	60.00	526,065.36	315,639.22								
418	Hats, bonnets, and hoods, and materials for:												
	Materials for—												
	Braids, plaits, laces, and willow sheets or squares, composed wholly *or in chief value* of straw, chip, grass, palm leaf, willow, osier, rattan, *Cuba bark, or manila hemp*, suitable for making or ornamenting hats, bonnets, or hoods—												
	Not bleached, dyed, colored, or stained	15.00	15.00	2,984,566.00	447,684.90								
	Bleached, dyed, colored, or stained	20.00	a20.00	508,993.50	101,798.70								

a Under par. 471b.

SCHEDULE N—*Sundries*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under—Present law.	Duty increased. Revenue under—Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under—Present law.	Duty decreased. Revenue under—Senate bill.
	Hats, bonnets, and hoods, and materials for—Continued.												
	Hats, bonnets, and hoods composed *wholly or in chief value* of straw, chip, grass, palm leaf, willow, osier, rattan, *Cuba bark, or manila hemp*, whether wholly or partly manufactured—	*P. ct.*	*P. ct.*										
	Not trimmed	35.00	35.00	$2,436,214.94	$852,675.27								
	Trimmed	50.00	50.00	148,870.77	74,435.39								
419	Brooms	40.00	40.00	2,045.00	818.00								
	Brushes, feather dusters, and hair pencils	40.00	40.00	1,597,045.82	638,818.33								
420	Bristles, sorted, bunched, or prepared	8.30	8.30	3,203,692.00	265,840.48								
421	Buckles, trousers, *or waistcoat*, or parts of, made wholly or partly of iron or steel:												
	Valued not more than 15 cents per hundred	77.48	77.48	22,031	17,069.47								
	Valued more than 15 and not more than 50 cents per hundred	57.73	57.73	409.00	236.11								
	Valued more than 50 cents per hundred	26.68	26.68	71.00	18.94								
[a] 422	Button forms: Lastings, mohair, cloth, silk, or other manufactures of cloth, woven or made in patterns of such size, shape, or form, or cut in such manner as to be fit for buttons exclusively	10.00	[b]40.00			$85,225.00	300.00	$6,522.50	$34,090.00				
[c] 423	Buttons, or parts of buttons, and button molds or blanks, finished or unfinished:												
	Agate buttons	70.75	70.75	97,440.00	68,914.44								
	Bone buttons	66.45	66.45	950.00	631.23								
	Collar and cuff buttons and studs, *composed wholly of bone, mother-of-pearl, or ivory*	50.00	50.00	90,977.02	45,488.52								
	Glass buttons	33.09	33.09	29,456.00	9,746.19								
	(L) Horn and vegetable ivory buttons	71.88	71.88	68,538.50	49,269.74								
	Metal buttons, n. s. p. f.	30.03	30.03	252,495.15	75,834.29								
	Nickel bar buttons	73.79	73.79	814.00	600.67								
	(L) Pearl or shell buttons	57.40	57.40	164,154.00	94,218.95								
	Shoe buttons made of paper, board, papier-maché, pulp, or other similar material, n. s. p. f., value not exceeding 3 cents per gross	44.92	44.92	187.00	84.00								
	Trousers buttons—												
	Steel	126.88	126.88	2,169.00	2,752.11								
	Other metal	35.85	35.85	262.00	93.92								
	Other, n. s. p. f.	50.00	50.00	141,586.45	70,793.23								
424	Bituminous coal and shale	21.29	[d]21.29	3,266,424.04	695,480.10								
	Slack or culm of coal, such as will pass through a half-inch screen	11.20	[d]11.20	838,137.60	93,833.92								
	Coke	20.00	[d]20.00	562,586.92	112,517.36								
	Patent fuel	20.00	[d]20.00	522.00	104.40								
	Compositions used for fuel in which coal or coal dust is the component material of chief value, whether in briquettes or other form												
425	Cork, manufactured:												
	Bark, cut into squares or cubes	13.05	13.05	133.00	17.36								
	Corks, ¾ inch or less in diameter	42.08	42.08	54,413.00	22,897.75								
	Corks, over ¾ inch in diameter	22.02	22.02	1,489,448.00	327,913.51								
	All other manufactures	25.00	30.00			159,541.50	20.00	39,885.38	47,862.45				
426	(L) Dice, dominoes, draughts, chessmen, chess balls, and billiard, pool, and bagatelle balls, of ivory, bone, or other materials	50.00	50.00	90,067.25	45,408.63								
427	(L) Toys: Dolls, doll heads, toy marbles of whatever materials composed, and all other toys not composed of rubber, china, porcelain, parian, bisque, earthen or stone ware, and not specially provided for	35.00	35.00	6,929,837.20	2,425,443.01								
428	Emery:												
	Grains, and ground, pulverized, refined, or manufactured emery	21.41	21.41	216,254.00	46,304.04								
	Wheels and files, and manufactures of which emery *or corundum* is the component material of chief value	25.00	25.00	17,366.00	4,341.50								
429	(L) Firecrackers	97.02	97.02	439,217.00	426,187.34								
	(L) Fireworks	20.00	[b]75.00			43,273.00	275.00	8,654.60	32,454.75				
430	Fulminates, fulminating powders, and all like articles not specially provided for	30.00	[b]30.00	275,138.00	82,541.40								
	Suitable for miners' use												
	All other												
	Bombs, rockets, and roman candles												

[a] This paragraph stricken out in Senate bill.
[b] Estimated.
[c] Snap fasteners, or clasps, 50 per cent; buttons of metal, embossed, 45 per cent, provided for in this paragraph in House bill; stricken out in Senate bill.
[d] Subject to modification by the Senate.

SCHEDULE N—*Sundries*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
431	Gunpowder and all explosive substances, used for mining, blasting, artillery, or sporting purposes:	*P. ct.*	*P. ct.*										
	Valued 20 cents or less per pound.	21.47	10.74							$291.00	50.00	$62.48	$31.24
	Valued above 20 cents per pound.	7.79	5.20							212,303.00	33.33	16,545.18	11,030.12
432	Matches, friction or lucifer:												
	In boxes containing not more than 100 matches per box	31.89	23.91							197,816.00	25.00	63,077.76	47,303.32
	Otherwise than in boxes containing not more than 100 matches each	15.40	11.55							10,183.00	25.00	1,567.87	1,175.90
433	Blasting caps	90.25	76.48							15,982.00	15.25	14,422.91	12,222.80
	Cartridges	35.00	30.00							101,482.57	14.28	35,518.90	30,444.77
	Mining and blasting fuse	35.00	30.00							14,083.00	14.28	4,929.05	4,224.90
	Percussion caps	30.00	30.00	$776.00	$232.80								
	Safety fuse												
434	(L) Feathers and downs, not specially provided for, including bird skins or parts of, with the feathers on:												
	Crude or not dressed, colored, or manufactured—												
	Feathers for beds	15.00	20.00			$108,352.50	33.33	$16,252.88	$21,670.50				
	Ostrich feathers	15.00	20.00			3,601,291.25	33.33	540,193.69	720,258.25				
	All other	15.00	20.00			813,475.00	33.33	122,021.25	162,695.00				
	Dressed, colored, or manufactured, including dressed and finished birds suitable for millinery ornaments—												
	Ostrich feathers	50.00	60.00			1,146.16	20.00	573.08	687.70				
	All other	50.00	60.00			1,705,703.00	20.00	852,851.54	1,023,421.80				
	Quills and other manufactures of down	50.00	60.00			1,689.10	20.00	844.55	1,013.46				
	(L) Feathers, artificial or ornamental, fruits, grains, leaves, flowers, and stems, or parts of, of whatever material composed, n. s. p. f.	50.00	60.00			3,366,803.48	20.00	1,683,401.75	2,020,082.09				
	Boas, boutonnieres, wreaths, and all articles not specially provided for, composed wholly or in chief value of any of the feathers, flowers, leaves, or other materials or articles herein mentioned												
435	Furs dressed on the skin, but not made up into articles:												
	Seal	20.00	20.00	514,467.00	102,893.40								
	Other	20.00	20.00	6,312,125.21	1,262,425.04								
	Manufactures of, not specially provided for—												
	Seal	35.00	a35.00	610.47	213.67								
	All other	35.00	a35.00	405,496.57	141,923.78								
435	*Furs dressed on the skin, but not advanced further than dyeing and repairing, twenty per centum ad valorem; manufactures of furs, further advanced than dressing, dyeing, and repairing, when prepared for use as material, including plates, linings, and crosses, thirty-five per centum ad valorem; articles of wearing apparel of every description, partly or wholly manufactured, composed of or of which fur is the component material of chief value, but not in part of wool, fifty per centum ad valorem.*												
	Furs, not on the skin, prepared for hatters' use, including fur skins carroted	20.00	20.00	897,401.00	179,480.20								
436	Fans: All except palm leaf	50.00	50.00	517,804.00	258,902.02								
437	Gun wads	20.00	20.00	883.00	176.60								
438	Human hair:												
	Clean or drawn, but not further manufactured	20.00	20.00	39,691.00	7,938.20								
	Manufactures of, n. s. p. f.	35.00	35.00	88,464.70	30,962.65								
b 439	Hair, manufactures of, n. e. s.	20.00	20.00	7,962.30	1,592.46								
440	Hair, manufactures of:												
	Curled hair, suitable for beds or mattresses	10.00	10.00	75.00	7.50								
441	Haircloth, known as crinoline	65.68	52.54							347.00	20.00	227.90	182.32
	Haircloth, known as hair seating and hair press cloth	14.20	14.20	19,299.00	2,741.80								
442	(L) Hats, bonnets, or hoods, for men's, women's, boys', or children's wear, trimmed or untrimmed, including bodies, hoods, plateaux, forms, or shapes, for hats or bonnets, composed wholly or in chief value of fur of the rabbit, beaver, or other animals:												
	Valued not more than $5 per dozen	96.66	62.91							4,907.25	34.92	4,743.13	3,087.12
	Valued more than $5 and not more than $10 per dozen	55.13	41.35							77,155.41	25.00	42,535.05	31,901.27
	Valued more than $10 and not more than $20 per dozen	56.55	44.24							69,032.24	21.76	39,038.55	30,540.48
	Valued more than $20 per dozen	47.46	36.58							82,402.44	22.92	39,108.26	30,139.56

a Estimated. b Hair, animal, provided for at 20 per cent in House bill. Provision stricken out in Senate bill.

SCHEDULE N—*Sundries*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under—		Value of imports, 1907.	Per cent of decrease.	Revenue under—	
								Present law.	Senate bill.			Present law.	Senate bill.
443	Fiber ware indurated, and other manufactures composed of wood or other pulp	*P. ct.* 35.00	*P. ct.* 35.00	$1,603.12	$561.09								
	N. s. p. f. printed or unprinted												
444	(L) Jewelry, articles commonly known as, and parts thereof, finished or unfinished, n. s. p. f., *used to be worn upon the person or carried in the hand for purpose of adornment or utility, made in part of metal, including chain purses, and bags, of gold or silver wire or imitations thereof, portmonnaies, watch charms and guards*, including precious stones *and corals* set, pearls set or strung, and cameos in frames	60.00	60.00	1,087,961.00	652,776.60								
445	(L) Coral, manufactures of, not otherwise specified	50.00	60.00			$25,792.75	20.00	$12,896.38	$15,475.65				
	(L) Diamonds and other precious stones advanced in condition or value from their natural state by cleaving, splitting, cutting, or other process, and not set:												
	Diamonds	10.00	10.00	23,933,369.00	2,393,336.90								
	Other precious stones	10.00	10.00	4,608,210.57	460,821.08								
	(L) Imitations of, composed of glass or paste, not exceeding an inch in dimensions, not engraved, painted, or otherwise ornamented or decorated, and not mounted or set	20.00	20.00	784,401.81	156,880.38								
	(L) Pearls in their natural state, not strung or set	10.00	10.00	1,593,498.00	159,349.80								
445	*Pearls and parts thereof, drilled or undrilled, but not set or strung, ten per centum ad valorem; diamonds and bort, coral, rubies, cameos, and other precious stones and semiprecious stones, cut but not set, and suitable for use in the manufacture of jewelry, ten per centum ad valorem; imitation precious stones for use in the manufacture of jewelry, doublets, artificial, or so-called synthetic or reconstructed pearls, rubies, or other precious stones, twenty per centum ad valorem.*												
581	Hides of cattle, raw or uncured, whether dry, salted, or pickled:												
	Buffalo hides	15.00	a15.00	81,907,830.00	286,174.50								
	Other cattle hides	15.00	a15.00	18,595,333.42	2,789,300.00								
448	Leather and manufactures of—												
	Band *bend*, or belting, *rough leather*, and sole	20.00	5.00							$81,739.11	75.00	$12,347.82	$3,086.96
	Upper leather, dressed and finished	20.00	15.00							2,167,945.75	25.00	433,589.15	325,191.86
	All leather n. s. p. f	20.00	15.00							1,231,369.25	25.00	246,273.85	184,705.39
	Calfskins, tanned or tanned and dressed	20.00	15.00							206,854.00	25.00	41,370.80	31,028.10
	Skins, chamois and other; bookbinders' calfskins, kangaroo, sheep, and goatskins, including lamb and kid skins, dressed and finished, n. s. p. f	20.00	15.00							806,589.75	25.00	161,317.95	120,988.46
	Chamois skins	20.00	20.00										
	Skins for morocco—												
	Finished	20.00	15.00							41,697.53	25.00	8,339.49	6,254.64
	Tanned, but unfinished	10.00	5.00							3,112,821.73	50.00	311,282.22	155,641.09
	(L) Leather, patent, japanned, varnished, or enameled—												
	Weighing not over 10 pounds per dozen hides or skins	36.10	29.40							216,113.00	18.31	78,028.60	63,742.35
	Weighing over 10 pounds and not over 25 pounds per dozen hides or skins	32.75	28.47							92,185.00	13.07	30,189.40	26,248.61
	Weighing over 25 pounds per dozen hides or skins	28.29	28.29	59,729.00	16,900.25								
	Pianoforte and pianoforte-action leather												
	Boots and shoes	25.00	15.00							164,509.30	40.00	41,127.46	24,676.40
	Shoe laces, finished or unfinished	39.68	29.68							343.00	25.20	136.10	101.80
	Leather, cut into shoe uppers or vamps, or other forms, suitable for conversion into manufactured articles	35.00	40.00			2,964.31	14.28	1,037.50	1,185.72				
	Gauffre leather												
	Manufactures of leather, n. s. p. f	35.00	40.00			1,245,391.78	14.28	435,887.21	498,156.71				
449	*Bags, baskets, belts, satchels, cardcases, pocketbooks, jewel boxes, portfolios, and other boxes and cases, made wholly of or in chief value of leather, not jewelry, and manufactures of leather, or of which leather is the component material of chief value, not specially provided for in this section, forty per centum ad valorem.*												

a Subject to modification by the Senate.

SCHEDULE N—*Sundries*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—			Per cent of decrease.	Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Percent of increase.	Present law.	Senate bill.	Value of imports, 1907.		Present law.	Senate bill.
450 to 452	Gloves made wholly or in part of leather, whether wholly or partly manufactured	*P. ct.*	*P. ct.*										
	Ladies' or children's												
	Schmaschen, "glace" finish, of sheep origin—												
	Not over 14 inches in length—												
	Unlined	41.63	41.63	$438,940.00	$182,722.02								
	Unlined, pique or prix seam, or stitched or embroidered	53.22	53.22	24,398.00	12,983.81								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	39.86	39.86	3,666.00	1,461.15								
	Lined	36.12	36.12	45,632.00	16,480.75								
	Lined, pique or prix seam, or stitched or embroidered	53.00	53.00	1.00	.53								
	Over 14 and not over 17 inches in length—												
	Unlined	36.62	36.62	58,860.37	21,554.65								
	Unlined, pique or prix seam, or stitched or embroidered	38.21	38.21	1,706.00	651.90								
	Lined	41.29	41.29	244.00	100.75								
	Lined, pique or prix seam, or stitched or embroidered	51.83	51.83	294.00	152.68								
	Over 17 inches in length—												
	Unlined	29.13	29.13	7,421.00	2,161.98								
	Unlined, pique or prix seam, or stitched or embroidered	74.98	74.98	425.00	318.68								
	Lined	33.99	33.99	774.00	264.06								
	Lined, pique or prix seam, or stitched or embroidered	20.78	20.78	1,280.00	265.95								
	Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	37.21	37.21	599.00	222.96								
	Lamb or sheep, "glace" finish—												
	Not over 14 inches in length—												
	Unlined	49.48	49.48	1,107,980.33	548,268.43								
	Unlined, pique or prix seam, or stitched or embroidered	52.28	52.28	284,874.20	148,939.14								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	51.91	51.91	318,084.51	163,121.52								
	Lined	34.19	34.19	11,133.00	3,807.42								
	Lined, pique or prix seam, or stitched or embroidered	32.42	32.42	1,643.00	532.68								
	Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	32.28	32.28	705.00	227.54								
	(L) Over 14 and not over 17 inches in length—												
	Unlined	39.15	39.15	375,490.97	146,991.87								
	Unlined, pique or prix seam, or stitched or embroidered	37.90	37.90	13,500.00	5,117.38								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	38.67	38.67	57,032.45	22,053.66								
	Lined	38.10	38.10	23,533.00	8,966.25								
	Lined, pique or prix seam, or stitched or embroidered	53.68	53.68	356.00	191.10								
	Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	33.63	33.63	19,493.00	6,554.78								
	(L) Over 17 inches in length—												
	Unlined	37.48	37.48	1,797,588.54	673,746.04								
	Unlined, pique or prix seam, or stitched or embroidered	47.08	47.08	56,070.00	26,397.96								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	37.09	37.09	105,054.00	38,963.86								
	Lined	58.55	58.55	184.00	107.74								
	Of sheep origin, with exterior grain surface removed—												
	Not over 17 inches in length—												
	Unlined	41.64	41.64	21,710.00	9,039.93								
	Unlined, pique or prix seam, or stitched or embroidered	46.13	46.13	5,568.00	2,568.67								

SCHEDULE N—*Sundries*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under— Present law.	Duty increased. Revenue under— Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under— Present law.	Duty decreased. Revenue under— Senate bill.
	Gloves made wholly or in part of leather, etc.—Continued.												
	Ladies' or children's—Cont'd.												
	Of sheep origin, etc.—Cont'd.												
	Not over 17 inches in length—Continued.												
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords...	*P. ct.* 45.17	*P. ct.* 45.17	$2,636.00	$1,190.75								
	(L) Lined	34.96	34.96	6,294.00	2,200.62								
	(L) Lined, pique or prix seam, or stitched or embroidered	29.11	29.11	662.00	192.73								
	(L) Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords...	43.60	43.60	263.00	114.67								
	(L) Over 17 inches in length—												
	Unlined	33.07	33.07	46,868.00	15,500.64								
	Unlined, pique or prix seam, or stitched or embroidered	38.37	38.37	2,116.00	811.85								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords...	51.13	51.13	6 576.00	3,362.60								
	Lined	34.06	34.06	115,324.00	39,281.68								
	Lined, pique or prix seam, or stitched or embroidered	29.03	29.03	512.00	148.63								
	Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	29.70	29.70	284.00	84.35								
	Goat, kid, or other leather than of sheep origin, "glace" finish—												
	Not over 14 inches in length—												
	Unlined	43.34	43.34	292,033.90	126,569.75								
	Unlined, pique or prix seam, or stitched or embroidered	46.23	46.23	736,908.08	340,652.68								
	Unlined, pique or prix seam, and stitched or embroidered, with more than 3 strands or cords...	47.93	47.93	189,020.06	90,602.21								
	Lined	42.16	42.16	9,435.00	3,978.18								
	Lined, pique or prix seam, or stitched or embroidered	64.91	64.91	13,560.00	8,801.49								
	(L) Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords...	59.95	59.95	39,163.00	23,477.60								
	(L) Over 14 and not over 17 inches in length—												
	Unlined	40.96	40.96	221,227.72	90,611.36								
	Unlined, pique or prix seam, or stitched or embroidered	41.34	41.34	5,990.00	2,476.49								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords..	39.49	39.49	29,726.00	11,737.52								
	Lined	30.78	30.78	1,383,514.50	435,828.76								
	Lined, pique or prix seam, or stitched or embroidered	22.74	22.74	957.00	217.59								
	Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	34.75	34.75	4.00	1.39								
	(L) Over 17 inches in length—												
	Unlined	31.83	31.83	1,250,389.10	398,023.64								
	Unlined, pique or prix seam, or stitched or embroidered	34.97	34.97	11,554.00	4,040.21								
	Unlined, pique or prix seam, and stitched and embroidered with more than 3 strands or cords...	35.28	35.28	115,953.00	40,910.00								
	Lined	28.33	28.33	12.00	3.40								
	Goat, kid, or other leather than those of sheep origin, with exterior grain surface removed—												
	Not over 14 inches in length—												
	Unlined	41.41	41.41	13,727.10	5,684.48								
	Unlined, pique or prix seam, or stitched or embroidered	38.81	38.81	17,205.00	6,678.64								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords...	42.26	42.26	1,376.00	581.44								
	(L) Lined	40.41	40.41	319.25	129.01								

SCHEDULE N—*Sundries*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Gloves made wholly or in part of leather, etc.—Continued.												
	Ladies' or children's—Cont'd.												
	Goat, kid, or other leather than those of sheep origin, etc.—Continued.												
	Not over 14 inches in length—Continued.												
	(L) Lined, pique or prix seam, or stitched or embroidered	P. ct. 49.96	P. ct. 49.96	$153.50	$76.69								
	(L) Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	40.00	40.00	17.00	6.80								
	(L) Over 14 and not over 17 inches in length—												
	Unlined	34.97	34.97	11,815.50	4,132.22								
	Unlined, pique or prix seam, or stitched or embroidered	41.03	41.03	848.00	347.90								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	19.23	19.23	71.00	13.65								
	Lined	29.95	29.95	8,824.19	2,642.60								
	(L) Over 17 inches in length—												
	Unlined	32.61	32.61	45,152.00	14,723.26								
	Unlined, pique or prix seam, or stitched or embroidered	30.02	30.02	1,809.50	543.39								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	30.77	30.77	11,550.00	3,553.84								
	Lined	30.27	30.27	19.00	5.75								
	Lined, pique or prix seam, or stitched or embroidered	29.29	29.29	7.00	2.05								
	Men's gloves—												
	Schmaschen (sheep), "glace" finish—												
	Unlined	66.28	66.28	1,816.00	1,203.72								
	Unlined, pique or prix seam, or stitched or embroidered	66.45	66.45	2,677.00	1,779.90								
	(L) Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	44.71	44.71	51.00	22.80								
	(L) Lined	63.77	63.77	69.00	44.00								
	(L) Lined, pique or prix seam, or stitched or embroidered	14.19	14.19	31.00	4.40								
	(L) Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	55.14	55.14	229.25	126.40								
	(L) Lamb or sheep, "glace" finish—												
	Unlined	47.48	47.48	2,469.00	1,168.03								
	Unlined, pique or prix seam, or stitched or embroidered	63.09	63.09	6,730.38	4,246.05								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	52.92	52.92	20,258.00	10,720.80								
	Lined	30.39	30.39	622.75	189.21								
	Lined, pique or prix seam, or stitched or embroidered	35.08	35.08	177.00	62.10								
	Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	36.90	36.90	579.00	213.63								
	(L) Of sheep origin, with exterior surface removed—												
	Unlined	49.45	49.45	542.00	268.00								
	Unlined, pique or prix seam, or stitched or embroidered	81.38	81.38	328.00	266.93								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	68.15	68.15	935.00	637.20								
	Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	58.00	58.00	20.00	11.60								
	Goat, kid, or other leather than of sheep origin, "glace" finish—												
	Unlined	50.79	50.79	9,729.00	4,941.68								
	Unlined, pique or prix seam, or stitched or embroidered	56.08	56.08	98,601.00	55,292.24								
	Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	62.75	62.75	627,186.00	393,529.64								

SCHEDULE N—*Sundries*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems. Present law.	Equivalent ad valorems. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under—Present law.	Duty increased. Revenue under—Senate bill.	Duty decreased. Value of imports, 1907.	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under—Present law.	Duty decreased. Revenue under—Senate bill.
	Gloves made wholly or in part of leather, etc.—Continued.												
	Men's gloves—Continued.												
	Goat, kid, or other leather than of sheep origin, etc.—Continued.	*P. ct.*	*P. ct.*										
	Lined	32.29	32.29	$453.00	$146.26								
	Lined, pique or prix seam, or stitched or embroidered	41.57	41.57	7,554.00	3,140.53								
	Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	39.21	39.21	74,265.00	29,123.24								
	Unlined	44.58	44.58	395.50	176.33								
	(L) Unlined, pique or prix seam, or stitched or embroidered	53.76	53.76	2,998.00	1,611.85								
	(L) Unlined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	53.61	53.61	5,337.00	2,861.59								
	(L) Lined	51.69	51.69	216.00	111.64								
	(L) Lined, pique or prix seam, or stitched or embroidered	29.54	29.54	4,240.00	1,252.33								
	(L) Lined, pique or prix seam, and stitched or embroidered with more than 3 strands or cords	34.78	34.78	15,329.00	5,331.12								
453	Harness, saddles, and saddlery, or parts of either, in sets or in parts, finished or unfinished	45.00	35.00							$160,632.83	22.22	$72,284.78	$56,221.49
	Manufactures of:												
454	(L) Amber, n. s. p. f.	25.00	25.00	9,021.75	2,255.44								
	Asbestos, n. s. p. f.	25.00	25.00	148,920.00	37,230.00								
	Bladders, n. s. p. f.	25.00	25.00	12.00	3.00								
	Catgut, or whip gut, or worm gut, not elsewhere specified	25.00	25.00	64,513.78	16,128.47								
	Wax, n. s. p. f.	25.00	25.00	24,912.59	6,228.16								
	Candles and tapers of wax	25.00	25.00	11,704.00	2,926.00								
455	Bone and horn, n. s. p. f.	30.00	35.00			$288,533.86	16.67	$86,560.16	$100,986.85				
	Chip, n. o. p. f.	30.00	35.00			20,560.00	16.67	6,168.00	7,196.00				
	Straw and grass, n. s. p. f.	30.00	35.00			669,401.41	16.67	200,820.40	234,290.49				
	India rubber	30.00	35.00			1,851,422.62	16.67	555,426.82	647,997.92				
	Palm leaf	30.00	35.00			12,326.00	16.67	3,697.80	4,314.10				
	Weeds												
	Whalebone	30.00	35.00			33.00	16.67	9.90	11.55				
456	Gutta-percha	35.00	35.00	175,923.06	61,573.07								
	(L) Ivory and vegetable ivory, n. e. s.	35.00	35.00	68,587.24	24,005.54								
	(L) Shell and mother-of-pearl	35.00	35.00	124,888.91	43,711.13								
	Plaster rock or gypsum, manufactures of	35.00	35.00	19,890.25	6,961.59								
	(L) Papier-maché, manufactures of	35.00	35.00	40,970.75	14,339.76								
	India rubber, vulcanized, known as hard rubber	35.00	35.00	177,058.95	61,970.63								
	(L) Shells, engraved, cut, ornamented, or otherwise manufactured	35.00	35.00	17,285.00	6,049.75								
457	(L) Masks, composed of paper or pulp	35.00	35.00	805.00	281.75								
458	Matting and mats, made of cocoa fiber or rattan:												
	Matting	21.32	21.32	35,477.00	7,561.98								
	Mats	48.80	48.80	25,476.00	12,432.68								
459	(L) Musical instruments, or parts of, pianoforte actions and parts of, *strings for musical instruments*, not otherwise enumerated; cases for musical instruments, pitch pipes, tuning forks, tuning hammers, and metronomes *and strings for musical instruments, composed wholly or in part of steel or other metal*	45.00	45.00	1,458,801.61	656,460.77								
460	*Phonographs, gramophones, graphophones, and similar articles, or parts thereof*												
*461													
462	(L) Paintings, in oil or water colors, pastels, and pen-and-ink drawings	20.00	15.00							2,544,262.08	25.00	508,852.42	381,639.31
	Do. (reciprocity treaty with France)	15.00	15.00	1,192,713.41	178,907.01								
	Do. (reciprocity treaty with Germany)	15.00	15.00	164,935.75	24,740.39								
	Do. (reciprocity treaty with Italy)	15.00	15.00	123,558.00	18,533.70								
	Do. (reciprocity treaty with Spain)	15.00	15.00	1,018.00	152.70								
	Do. (reciprocity treaty with Switzerland)	15.00	15.00	1,618.00	242.70								
	Statuary (*sculptures*), wrought by hand, the professional production of a statuary or sculptor	20.00	15.00							9,138.00	25.00	1,827.60	1,370.70
	Do. (reciprocity treaty with France)	15.00	15.00	37,875.00	5,681.25								

*Violin rosin enumerated at 20 per cent ad valorem in House bill, stricken out in Senate bill.

SCHEDULE N—*Sundries*—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	Statuary (*sculptures*) wrought by hand, etc.—Continued.												
	Do. (reciprocity treaty with Germany)	*P. ct.* 15.00	*P. ct.* 15.00	$4,945.00	$741.75								
	Do. (reciprocity treaty with Italy)	15.00	15.00	231,180.00	34,677.00								
	The term "sculptures" as used in this act shall be understood to include only such as are cut, carved, or otherwise wrought by hand from a solid block or mass of marble, stone, or alabaster, or from metal, and as are the professional production of a sculptor only, and the term "painting" as used in this act shall be understood not to include such as are made wholly or in part by stenciling or other mechanical process.												
463	Peat moss	17.03	17.03	44,671.00	7,605.44								
464	Pencils:												
	Paper or wood, filled with lead or other material, and pencils of lead	40.23	40.23	497,394.00	200,096.85								
	Slate—												
	Covered with wood	35.00	35.00	674.00	235.00								
	Other	59.77	59.77	10,826.00	6,470.97								
465	Pencil leads not in wood	10.00	10.00	113,182.92	11,318.29								
	Pencil leads not in wood or other material:												
	Black												
	Colored												
	Copying												
466	Plates or films, photographic, dry	25.00	25.00	38,498.30	9,624.58								
467	(L) Pipes and smokers' articles:												
	Common tobacco pipes and pipe bowls of clay—												
	Valued not more than 40 cents per gross	53.73	53.73	37,647.00	20,231.43								
	Other	58.62	58.62	13,177.80	7,724.16								
	Pipes, pipe bowls of other material, and all smokers' articles not specially provided for, including cigarette books, cigarette-book covers, pouches for smoking or chewing tobacco, and cigarette paper in all forms	60.00	60.00	954,521.98	572,713.20								
468	Agricultural implements: Plows, tooth and disk harrows, harvesters, reapers, agricultural drills, and planters, mowers, horserakes, cultivators, thrashing machines, and cotton gins	20.00	15.00							$23,643.70	25.00	$4,728.74	$3,546.56
469	Hatters' plush, black, composed of silk, or of silk and cotton	10.00	10.00	42,400.00	4,240.00								
470	(L) Umbrellas, parasols, and sunshades, and sticks for:												
	Umbrellas, parasols, and sunshades—												
	Covered with material composed wholly or in part of silk	50.00	50.00	43,331.60	21,665.80								
	Covered with other material except paper	50.00	50.00	11,451.00	5,725.50								
	Sticks for umbrellas, parasols, or sunshades	40.00	40.00	7,443.00	2,977.20								
	(L) Sticks for walking canes	40.00	40.00	13,941.60	5,576.64								
471	Waste, n. s. p. f.	10.00	10.00	1,141,737.30	114,173.73								
	Fur, waste	10.00	10.00	231,458.88	23,145.88								
471a	(L) *Foreign-built yachts, pleasure boats or vessels, not used or intended to be used for trade*		a35.00			$3,000,000.00		Free.	$1,050,000.00				
471b	Unenumerated:												
	Unmanufactured	10.00	10.00	237,292.83	23,729.28								
	Manufactured	20.00	20.00	1,010,739.70	202,147.94								
	Total, Schedule N	22.04	23.08	106,813,112.43	23,058,401.81	17,002,925.18	44.76	$4,575,705.43	6,623,850.99	11,626,229.01	28.31	2,213,473.92	1,586,727.52

a Estimated.

RECAPITULATION.

[Of dutiable imports into the United States, exclusive of the Philippine Islands and Cuba.]

Schedules.	Equivalent ad valorems.		Duty unchanged.		Duty increased.			
	Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.
	Per cent.	*Per cent.*						
A. Chemicals, oils, and paints	26.62	27.99	$34,101,012.22	$9,043,971.74	$4,989,097.14	51.05	$1,567,601.96	$2,367,963.05
B. Earths, earthenware, and glassware	49.04	48.71	27,858,573.92	13,761,073.30	1,258,327.00	25.01	601,134.84	751,520.58
C. Metals, and manufactures of	32.83	32.50	30,004,873.59	12,867,645.66	8,165,262.58	77.54	2,045,886.10	3,632,357.14
D. Wood, and manufactures of	15.16	11.11	6,119,231.49	1,471,470.81	235,204.30	13.63	86,234.52	97,994.74
E. Sugar, molasses, and manufactures of	83.74	83.73	21,540,384.07	18,051,340.87				
F. Tobacco, and manufactures of	87.20	87.20	11,559,369.76	15,434,399.80				
G. Agricultural products and provisions	30.18	32.42	50,973,977.59	15,317,671.94	11,645,128.50	42.29	3,512,835.70	4,998,509.82
H. Spirits, wines, and other beverages	70.67	88.86	1,436,380.19	463,931.02	21,623,273.69	26.53	15,836,372.99	20,037,418.31
I. Cotton manufactures	44.84	47.14	21,442,266.63	10,500,231.77	10,382,503.69	19.46	3,777,670.91	4,512,890.94
J. Flax, hemp, and jute, and manufactures of	43.71	44.10	108,564,575.08	47,902,790.92	5,000,000.00	27.14	1,750,000.00	2,250,000.00
K. Wool, and manufactures of	58.19	58.19	62,818,610.81	36,554,707.01				
L. Silks and silk goods	52.33	60.76	19,223,118.46	10,708,130.31	19,078,195.59	35.72	9,260,140.60	12,568,064.49
M. Pulp papers and books	20.67	20.23	15,334,314.56	3,359,643.84	2,391,898.40	36.13	420,668.64	572,637.18
N. Sundries	22.04	23.08	106,813,112.43	23,058,401.81	17,002,925.18	44.76	4,575,705.43	6,623,850.99
Total from customs	40.21	41.77	517,789,800.80	218,455,460.80	101,771,816.07	36.73	43,434,251.69	58,413,207.24
Net increase or decrease in duty								14,978,955.55
Per cent of grand total			75.52	[a] 76.27	14.84			20.39

Schedules.	Duty decreased.				Grand total.				
	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Revenue under— Present law.	Revenue under— Senate bill.	Percent of increase.	Percent of decrease.
A. Chemicals, oils, and paints	$2,831,645.48	41.75	$550,996.54	$320,978.72	$41,921,754.84	$11,162,570.24	$11,732,913.51	5.11	
B. Earths, earthenware, and glassware	2,173,903.07	25.73	983,141.80	730,228.81	31,290,803.99	15,345,349.94	15,242,822.69		0.67
C. Metals, and manufactures of	27,689,862.13	26.90	6,706,911.09	4,902,511.32	65,859,998.30	21,620,442.85	21,402,514.12		1.01
D. Wood, and manufactures of	17,791,864.54	47.10	2,103,916.41	1,112,880.50	24,146,300.33	3,661,621.74	2,682,346.05		26.74
E. Sugar, molasses, and manufactures of	116,451.70	3.06	85,067.76	82,465.03	21,656,835.77	18,136,408.63	18,133,805.90		.14
F. Tobacco, and manufactures of					11,559,369.76	15,434,399.80	15,434,399.80		
G. Agricultural products and provisions	428,713.98	37.28	195,116.77	122,372.29	63,047,820.07	19,025,624.41	20,438,554.05	7.43	
H. Spirits, wines, and other beverages	20,336.00	18.58	10,476.23	8,530.01	23,079,989.88	16,310,780.24	20,509,879.34	25.74	
I. Cotton manufactures	44,794.00	18.43	12,966.03	10,576.09	31,869,564.32	14,290,918.71	15,023,748.80	5.13	
J. Flax, hemp, and jute, and manufactures of	602,739.30	16.18	285,988.84	239,721.16	114,167,314.38	49,898,779.76	50,352,512.08	.91	
K. Wool, and manufactures of					62,818,610.81	36,554,707.01	36,554,707.01		
L. Silks and silk goods	512,278.65	11.44	344,053.86	305,680.22	38,813,592.70	20,312,324.77	23,581,875.02	16.10	
M. Pulp papers and books	2,278,164.66	69.15	355,587.60	109,689.11	20,004,377.62	4,135,900.08	4,041,970.13		2.27
N. Sundries	11,626,229.01	28.31	2,213,473.92	1,586,727.52	135,442,266.62	29,847,581.16	31,268,980.32	4.76	
Total from customs	66,116,982.52	31.16	13,847,696.85	9,532,360.78	685,678,599.39	275,737,409.34	286,401,028.82	3.87	
Net increase or decrease in duty				4,315,336.07					
Per cent of grand total	9.64			3.34	100.00		100.00		

[a] Under Senate bill.

UNDER RECIPROCITY TREATY WITH CUBA.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorem rates. Present law.	Equivalent ad valorem rates. Senate bill.	Duty unchanged. Value of imports, 1907.	Duty unchanged. Revenue under present law.	Duty increased. Value of imports, 1907.	Duty increased. Per cent of increase.	Duty increased. Revenue under— Present law.	Duty increased. Revenue under— Senate bill.	Duty decreased. Value of imports,	Duty decreased. Per cent of decrease.	Duty decreased. Revenue under— Present law.	Duty decreased. Revenue under— Senate bill.
	SCHEDULE A—CHEMICALS, OILS, AND PAINTS.												
8	Preparations or products known as alkalies, alkaloids, and all combinations of, and all chemical compounds and salts	*P. ct.* 20.00	*P. ct.* 20.00	$6.00	$1.20								
15	Coal-tar colors or dyes, not specially provided for	24.00	24.00	1.00	.24								
23	Glycerin: Crude, not purified	13.02	13.02	8,282.00	1,078.36								
26	Olive oil— In bottles, jars, tins, or similar packages	32.00	32.00	10.00	3.20								
63	Preparations, medicinal: Containing alcohol, or in the preparation of which alcohol is used	58.35	58.35	336.80	196.52								
	Not containing alcohol, or in the preparation of which alcohol is not used	20.00	20.00	4,267.72	853.57								
65	(L) Perfumery, cosmetics, and toilet preparations: *Alcoholic perfumery, including cologne water and other toilet waters, and toilet preparations containing alcohol, or in the preparation of which alcohol is used*	146.69	150.68			$99.50	2.72	$145.96	$149.93				

Under reciprocity treaty with Cuba—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorem rates.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under—		Value of imports, 1907.	Per cent of decrease.	Revenue under—	
								Present law.	Senate bill.			Present law.	Senate bill.
	SCHEDULE A—CHEMICALS, OILS, AND PAINTS—continued.												
	(L) Preparations used as applications to the hair, mouth, teeth, or skin, such as cosmetics, dentifrices, pastes, pomades, powders, and other toilet articles, and articles of perfumery, not containing alcohol, or in the manufacture of which alcohol is not used, n. s. p. f.	*P. ct.* 40.00	*P. ct.* 48.00			$1,714.63	20.00	$685.86	$823.03				
67	Soap: (L) Fancy, perfumed, and all descriptions of toilet, including medicinal or medicated	34.79	46.39			255.78	33.40	40.33	53.80				
77	Sponges, and manufactures of: Sponges	16.00	16.00	$115,649.58	$18,503.94								
	Total	16.05	16.58	128,553.10	20,637.03	2,069.91	17.73	872.15	1,026.76				
	SCHEDULE B—EARTHS, EARTHENWARE, AND GLASSWARE.												
83	Tiles: (L) Glazed, encaustic, ceramic, mosaic, vitrified, semivitrified, flint, spar, embossed, enameled, ornamented, hand painted, gold decorated, and all other earthenware tiles— Valued not exceeding 40 cents per square foot	45.07	45.07	2,308.00	1,040.27								
84	Cement: Other cement	16.00	16.00	15.00	2.40								
88	Clays or earths: Unwrought or unmanufactured, n. s. p. f.	16.00	16.00	2.00	.32								
	Asphaltum and bitumen: Crude, not dried or advanced	27.61	27.61	12,098.00	3,340.32								
90	Earthenware: Common yellow, brown, or gray, plain, embossed, or salt-glazed common stoneware, and crucibles, not decorated in any manner	20.00	20.00	57.00	11.40								
91	(L) China, porcelain, parian, bisque, earthen, stone, and crockery ware, plaques, ornaments, toys, toy tea sets, charms, vases, and statuettes: Painted, tinted, stained, enameled, printed, gilded, or otherwise decorated in any manner	48.00	48.00	169.00	81.12								
93	Articles and wares composed wholly or in chief value of earthy or mineral substances, or carbon, not specially provided for: Not decorated	28.00	28.00	225.00	63.00								
	(L) Decorated	36.00	36.00	80.00	28.80								
95	Bottles, vials, demijohns, carboys, and jars: Bottles or jugs containing brandy and other spirituous liquors— Holding more than 1 pint				9.22								
	Holding not more than 1 pint and not less than ½ pint				.38								
	Bottles, vials, and jars, flint, lime, or lead— Empty— Other, on which specific duty would be less than 40 per cent	32.00	32.00	37.00	11.84								
	Bottles, vials, and jars, plain green or colored, molded or pressed— Filled— Other, on which specific duty would be less than 40 per cent	32.00	32.00	2.00	.64								
96	(L) Bottles, decanters, or other vessels or articles of glass cut, engraved, painted, colored, stained, silvered, gilded, etched, frosted, printed in any manner or otherwise ornamented, decorated, or ground (except such grinding as is necessary for fitting stoppers), and any articles of which such glass is the component material of chief value	48.00	48.00	8.18	3.93								
	(L) Porcelain, opal, and other blown glassware	48.00	48.00	12.00	5.76								
106	(L) Opera and field glasses, telescopes, microscopes, photographic and projecting lenses and optical instruments, and frames or mountings for same, not specially provided for	36.00	36.00	70.00	25.20								
	All other manufactures of glass or paste, or of which glass or paste shall be the component material of chief value, not specially provided for	36.00	36.00	62.80	22.61								
110	Manufactures— (L) Marble, n. s. p. f.	40.00	40.00	38.00	15.20								
112	Freestone, sandstone, limestone, and other building or monumental stone, except granite, marble, and onyx, not specially provided for: Hewn, dressed, or polished	40.00	40.00	6.50	2.60								
	Total	30.71	30.71	15,190.48	4,665.01								

Under reciprocity treaty with Cuba—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1433, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorem rates.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	SCHEDULE C—METALS, AND MANUFACTURES OF.												
115	Iron ore, including manganiferous iron ore, and the dross or residuum from burnt pyrites	P. ct. 8.75	P. ct. 5.47							$21,27,784.00	37.49	$187,004.40	$116,934.00
	Scrap iron and steel, waste or refuse, fit only to be remanufactured:												
	Iron, wrought and cast	20.28	12.66							3,581.00	37.50	726.40	454.00
	Hat, bonnet, crinoline, corset, needle, piano, clock, and watch wire, and all wire n. s. p. f., valued more than 4 cents per pound	36.00	32.00							1.00	11.11	.36	.32
153	Table, carving, cooks', kitchen, bread, butter, vegetable, fruit, and cheese knives, forks, and steels, finished or unfinished—												
	Other, on which ordinary duty would not amount to 45 per cent	36.00	36.00	$20.00	$7.20								
	(L) Gold pens	20.00	20.00	26.00	5.20								
	Watch movements:												
	Having not more than 7 jewels	32.25	22.75							32.00	29.77	10.32	7.28
	(L) Having more than 7 and not more than 11 jewels	28.80	24.00							9.00	16.93	2.60	2.16
	Watch cases and parts of watches, including dials	32.00	32.00	100.00	32.00								
	Chronometers, box or ship, and parts of	32.00	32.00	98.00	31.36								
191	Zinc:												
	In blocks or pigs	25.08	17.18							522.00	31.50	134.54	80.69
	Old and worn out, fit only to be remanufactured	22.59	22.59	11,610.00	2,623.21								
194	Machinery, not elsewhere specified	36.00	36.00	302.00	108.72								
195	Articles or wares, n. s. p. f., composed wholly or in part of—												
	Brass, manufactures of	36.00	36.00	50.00	18.00								
	(L) Bronze, manufactures of	36.00	36.00	302.00	108.72								
	Iron and steel, manufactures of	36.00	36.00	248.50	89.46								
	Metals and metal compositions, manufactures of	36.00	36.00	1,613.00	580.68								
	(L) Silver, manufactures of	36.00	36.00	2.00	.72								
	Tin, manufactures of	36.00	36.00	173.00	62.28								
	Total	25.21	25.21	14,544.50	3,667.55					2,141,929.00	37.50	187,968.62	117,487.45
	SCHEDULE D—WOOD, AND MANUFACTURES OF.												
199	Sawed boards, planks, deals, and other forms of sawed cedar, lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all other cabinet woods not further manufactured than sawed	12.00	12.00	330,573.00	39,668.76								
	Wood, unmanufactured, not specially provided for	16.00	16.00	11.00	1.76								
	Shooks, sugar box, and packing boxes, empty, and packing-box shooks, n. s. p. f.	24.00	24.00	1,653.00	396.72								
207	Barrels or boxes containing oranges, lemons, or limes, grape fruit, shaddocks, or pomelos, exclusive of contents:												
	Of foreign growth or manufacture	24.00	24.00	267.40	64.17								
	Osier or willow:												
	Manufactures of	32.00	36.00			$6.00	12.50	$1.92	$2.16				
211	Furniture, cabinet or house, wholly or partly finished	28.00	28.00	705.00	197.40								
	Manufactures of wood, or of which wood is the component material of chief value, n. s. p. f.	28.00	28.00	9,373.92	2,624.69								
	Total	12.54	12.54	342,583.32	42,953.50	6.00	12.50	1.92	2.16				
	SCHEDULE E—SUGAR, MOLASSES, AND MANUFACTURES OF.												
213	Sugar, Dutch standard in color:												
	Not above No. 16, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope—												
	Cane—												
	Not above 75 degrees	10.00	10.00	.50	.05								
	Not above 86 degrees	62.90	62.90	2,872,026.00	1,806,612.83								
	Not above 88 degrees	69.43	69.43	16,140.00	11,205.97								
	Not above 89 degrees	56.70	56.70	19,500.00	11,056.03								
	Not above 94 degrees	67.34	67.34	107,374.00	72,300.56								
	Not above 95 degrees	59.84	59.84	64,211,884.00	38,335,985.41								
	Not above 96 degrees	64.36	64.36	1,784,588.00	1,148,649.97								
	Molasses:												
	Not above 40 degrees	16.00	16.00	576,345.00	92,215.20								
	Above 40 degrees and not above 56 degrees	27.93	27.93	85,105.00	23,766.50								
	56 degrees and above	9.61	9.61	108.85	10.46								
	Sugar cane	16.00	16.00	3.00	.48								
216	Sugar candy and confectionery, n. s. p. f., and sugars refined when tinctured, colored, or adulterated:												
	Valued at 15 cents per pound or less	38.58	38.58	722.77	278.86								
	Valued more than 15 cents per pound	40.00	40.00	130.80	52.32								
	Total	59.57	59.57	69,673,927.92	41,502,134.64								

Under reciprocity treaty with Cuba—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorem rates.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	SCHEDULE F—TOBACCO, AND MANUFACTURES OF.												
	Tobacco, and manufactures of:												
217	Unmanufactured—												
	Wrapper and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco, and all leaf tobacco the product of two or more countries and dependencies, when mixed or packed together—												
	Unstemmed	*P. ct.* 98.52	*P. ct.* 98.52	$178,469.11	$175,832.06								
	Filler tobacco, not specially provided for—												
	Unstemmed	46.92	46.92	11,702,580.49	5,490,915.11								
	Stemmed	59.47	59.47	2,537,150.39	1,508,798.36								
219	All other, not specially provided for	164.15	164.15	13,540.35	22,226.38								
	All other (pounds)	79.80	79.80	3,981.00	3,176.89								
221	Cigars and cheroots, all kinds	87.81	87.81	3,956,880.89	3,474,380.35								
	Cigarettes, and paper cigars, including wrappers	120.68	120.68	2,864.00	3,456.34								
	Total	58.05	58.05	18,395,466.23	10,678,785.49								
	SCHEDULE G—AGRICULTURAL PRODUCTS AND PROVISIONS.												
	Live animals:												
223	Swine	44.57	44.57	35.00	15.60								
224	Horses—												
	Valued at $150 each or less	32.14	32.14	448.00	144.00								
226	All other, n. s. p. f.	16.00	20.00			$150.00	25.00	$24.00	$30.00				
	Breadstuffs and farinaceous substances:												
231	Corn or maize	9.30	9.30	30.00	2.79								
232	Corn meal	11.23	10.77							$121.93	4.10	$13.69	$13.13
240	Bread and biscuit	16.00	16.00	31.00	4.96								
	Dairy products:												
242	Cheese, and substitutes for	44.94	44.94	969.62	435.75								
	Farm and field products:												
245	Beans	17.00	17.00	4,313.34	733.09								
	Vegetables, prepared or preserved—												
247	Beans, pease, mushrooms, and *truffles* in tins, jars, bottles, or similar packages	3.80	3.80	5.00	.19								
248	All other, n. s. p. f.	32.00	32.00	36.00	11.52								
250	Cabbages	14.50	14.50	2.00	.29								
255	(L) Honey	36.20	36.20	28,367.10	10,269.65								
257	Onions	33.43	33.43	10,219.50	3,416.88								
	Garlic	33.57	33.57	565.31	189.76								
258	Pease—												
	Dried	8.48	8.48	76.40	6.48								
260	Plants, trees, shrubs, and vines—												
259	(L) Orchids, palms, dracænas, crotons, and azaleas; tulips, hyacinths, narcissi, jonquils, lilies of the valley, and all other bulbs, bulbous roots, or corms, which are cultivated for their flowers	20.00	20.00	38.00	7.60								
	Stocks, cuttings, or seedlings—												
	Fruit and ornamental trees, deciduous and evergreen shrubs and vines, manetti, multiflora, and brier rose	20.00	20.00	13.00	2.60								
	Trees, shrubs, plants, and vines, commonly known as nursery or greenhouse stock, n. s. p. f.	20.00	20.00	16.00	3.20								
261	Potatoes	24.60	24.60	4,773.57	1,150.77								
262	Seeds—												
	All other, n. s. p. f.	24.00	24.00	202.00	48.48								
265	Vegetables in their natural state, n. s. p. f.	20.00	20.00	127,704.96	25,540.99								
	Fish—												
	Other fish (except shellfish), in tin packages, or in packages containing less than ½ barrel—												
	Other	24.00	24.00	41.00	9.84								
	Dried or smoked—												
	Cod, haddock, hake, and pollock	5.45	5.45	77.00	4.20								
270	Fruits:												
	Peaches, quinces, cherries, plums, and pears, green or ripe	9.36	9.36	90.80	8.50								
	Peaches, pears, and other edible fruits, when dried, desiccated, evaporated, or prepared in any manner not specially provided for	4.85	4.85	33.00	1.60								
	(L) Comfits, sweetmeats, and fruits, preserved in sugar, molasses, spirits, or in their own juices, n. s. p. f.—												
	Containing not over 10 per cent alcohol	39.32	39.32	20,069.54	7,892.39								
	(L) Jellies	28.00	36.00			4,643.11	28.57	1,300.05	1,671.52				
	Pineapples preserved in their own juice	20.00	20.00	2,106.00	421.20								
273	Lemons	22.34	33.51			1,236.00	50.00	276.15	414.23				
	Oranges	43.09	43.09	8,001.97	3,447.96								
	(L) Limes	71.82	71.82	222.63	159.89								
	(L) Grape fruit, shaddocks, or pomelos	32.69	32.69	10,963.00	3,584.25								
275	(L) Pineapples—												
	In barrels or other packages	14.88	14.88	649,723.70	96,687.41								
	In bulk	20.79	20.79	369.00	76.72								
	Meat products:												
280	Bacon and hams	12.00	12.00	33.00	3.96								
	Pork	16.00	16.00	5.00	.80								
282	Meats of all kinds, prepared or preserved, not specially provided for	20.00	20.00	264.00	52.80								
284	Lard	16.00	16.00	1.00	.16								
286	Tallow	11.16	7.45							192.00	33.25	21.42	14.30

Under reciprocity treaty with Cuba—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorem rates.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill
	SCHEDULE G—AGRICULTURAL PRODUCTS AND PROVISIONS—continued.												
288	Cocoa, prepared or manufactured, n. s. p. f.:												
	Valued above 15 cents and not above 24 cents per pound	P. ct. 19.19	P. ct. 19.19	$147.84	$28.37								
	Chocolate, prepared or manufactured, not specially provided for:												
	Valued not over 15 cents per pound	15.38	15.38	13.00	2.00								
	Valued above 15 cents and not above 24 cents per pound	17.79	17.79	762.00	135.58								
	Valued above 35 cents per pound	40.00	40.00	12.00	4.80								
292	Starch, and all preparations fit for use as starch:												
	All other	27.71	18.46							$230.00		$66.22	$44.13
	Total	17.74	17.74	870,781.28	154,516.03	$6,029.11	32.19	$1,600.20	$2,115.75	552.93	29.38	101.33	71.53
	SCHEDULE H—SPIRITS, WINES, AND OTHER BEVERAGES.												
297	Brandy	77.14	89.14			7.00	15.56	5.40	6.24				
	Alcohol	1,647.88	1,904.31			236.00	15.56	3,889.18	4,494.17				
	Other spirits, not specially provided for, manufactured or distilled:												
	From grain—												
	All other	33.50	39.50			2.00	17.91	.67	.79				
	From other materials	164.36	189.93			492.30	15.56	809.16	935.04				
299	Compounds or preparations of which distilled spirits are a component part of chief value, not specially provided for	248.23	286.35			868.60	15.56	2,156.18	2,491.59				
300	Cordials, liqueurs, arrack, absinthe, kirschwasser, ratafia, and other spirituous beverages or bitters containing spirits, and not specially provided for	81.87	94.96			108.50	15.56	88.83	102.65				
	Vermuth, and ginger wine or ginger cordial:												
	In bottles or jugs—												
	Containing each more than 1 pint and not more than 1 quart	32.00	39.00			44.00	21.87	14.08	17.16				
303	Wines, containing not more than 24 per cent of alcohol:												
	Champagne and all other sparkling, in bottles—												
	Containing more than ½ pint each and not more than 1 pint	32.06	38.40			20.00	20.00	6.40	7.68				
	Containing more than 1 pint each and not more than 1 quart	28.63	34.36			380.00	20.00	108.80	130.56				
304	Still wines *and rice wine or sake and similar beverages:*												
	In bottles or jugs—												
	Containing each more than 1 pint and not more than 1 quart	15.16	17.53			76.00	15.63	11.52	13.32				
	Fruit sirup, n. s. p. f.	16.00	16.00	238.00	38.08								
309	Mineral waters and all imitations of natural mineral waters, and all artificial mineral waters n. s. p. f.:												
	In green or colored glass bottles—												
	Containing not more than 1 pint	8.89	8.89	75.00	6.67								
	Otherwise than in such bottles, or in bottles containing more than 1 quart	30.43	30.43	129.75	39.48								
	Total	19.02	19.02	442.75	84.23	2,234.40		7,090.22	8,199.20				
	SCHEDULE I—COTTON MANUFACTURES.												
322	Clothing, ready-made, and articles of wearing apparel of every description, including neckties or neckwear, made up or manufactured, wholly or in part, by the tailor, seamstress, or manufacturer, and not otherwise provided for	40.00	40.00	45.00	18.00								
330	All other manufactures of cotton	36.00	36.00	12.00	4.32								
	Total	39.16	39.16	57.00	22.32								
	SCHEDULE J—FLAX, HEMP, AND JUTE, AND MANUFACTURES OF.												
345	(L) Laces, lace window curtains, tidies, pillow shams, bed sets, insertings, flouncings, and other lace articles; napkins and other articles, made wholly or in part of lace, or in imitation of lace; nets or nettings, veils, and veilings, etamines, vitrages, neck ruffings, ruchings, tuckings, fluttings, and quillings; embroideries, and all trimmings, including braids, edgings, insertings, flouncings, galloons, gorings, and bands; and articles or fabrics embroidered in any manner by hand or machinery, whether with a letter, monogram, or otherwise; tamboured or appliquéed articles or fabrics; hemstitched or tucked flouncings or skirtings, and articles made wholly or in part of ruffings, tuckings, or ruchings; composed wholly or in chief value of cotton, and not elsewhere specially provided for, whether composed in part of india rubber or otherwise	48.00	48.00	619.50	297.36								

Under reciprocity treaty with Cuba—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorem rates.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under—		Value of imports, 1907.	Per cent of decrease.	Revenue under—	
								Present law.	Senate bill.			Present law.	Senate bill.
	SCHEDULE J—FLAX, HEMP, AND JUTE, AND MANUFACTURES OF—continued.												
	(L) Wearing apparel (of cotton) made wholly or in part of lace, or in imitation of lace, embroidered by hand or machinery with a letter, monogram, or otherwise, or tamboured or appliquéed	*P. ct.* 48.00	*P. ct.* 48.00	$3.00	$2.88								
	(L) Laces, lace window curtains, tidies, pillow shams, bed sets, insertings, flouncings, and other lace articles; napkins, wearing apparel, and other articles, made wholly or in part of lace, or in imitation of lace; nets or nettings, veils and vellings, etamines, vitrages, neck rufflings, ruchings, tuckings, flutings, and quillings; embroideries and all trimmings, including braids, edgings, insertings, flouncings, galloons, gorings, and bands, and other articles or fabrics embroidered in any manner by hand or machinery, whether with a letter, monogram, or otherwise; tamboured or appliquéed articles, fabrics, or wearing apparel; hemstitched or tucked flouncings or skirtings, and articles made wholly or in part of rufflings, tuckings, or ruchings, composed wholly or in chief value of flax or other vegetable fiber (except cotton), and not elsewhere specially provided for, whether composed in part of india rubber or otherwise	48.00	48.00	222.50	106.80								
	(L) Handkerchiefs, composed of flax or other vegetable fiber:												
	Embroidered by hand or machinery, with a letter, monogram, or otherwise; tamboured or appliquéed, or made wholly or in part of lace or in imitation of lace	48.00	48.00	5.50	2.64								
352	Woven fabrics or articles n. s. p. f., composed of flax, hemp, or ramie, *or in part cotton*, or of which these substances, or either of them, is the component material of chief value, weighing 4½ ounces or more per square yard:												
	All on which ordinary duty does not amount to 50 per cent	40.00	40.00	30.00	12.00								
	Plain woven fabrics of flax, hemp, or ramie, or of which these substances or either of them is the component material of chief value, including such as is known as shirting cloth, weighing less than 4½ ounces per square yard (and containing more than 100 threads to the square inch, counting the warp and filling)	28.00	28.00	5.00	1.40								
	All other manufactures of flax, hemp, ramie, or other vegetable fiber (except cotton), or of which these substances, or either of them, is the component material of chief value, n. s. p. f.:												
	Flax manufactures	36.00	36.00	92.00	33.12								
471b	Fibers, all other dressed	16.00	16.00	1,182.00	189.12								
	Total	29.89	29.89	2,162.50	645.32								
	SCHEDULE K—WOOL, AND MANUFACTURES OF WOOL.												
	Wool, hair of the camel, goat, alpaca, or other like animals, and manufactures of:												
	Unmanufactured—												
365	Class 1: Merino, mestiza, metz, or metis wools, or other wools of Merino blood, immediate or remote, Down clothing wools, and wools of like character with any of the preceding, including Bagdad, China lamb's wool, Castel Branco, Adrianople skin wool or butchers' wool, and such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, Egypt, Morocco, and elsewhere, and all wools not hereinafter included in classes 2 and 3—												
	Unwashed wool—												
	On the skin	39.52	39.52	33.00	13.04								
	Manufactures composed wholly or in part of wool, etc.:												
	All other manufactures wholly or in part of wool—												
	Valued more than 70 cents per pound	61.08	61.08	25.00	15.27								
	Cloths, woolen or worsted—												
	(L) Valued above 70 cents per pound	55.67	55.67	3.00	1.67								
	Wearing apparel—Clothing, ready-made, and articles of wearing apparel, made up or manufactured, wholly or in part, not specially provided for—												
	Knitted articles	66.00	66.00	1.00	.66								
	Other clothing, ready-made, and articles of wearing apparel, made up or manufactured wholly or in part	66.36	66.36	81.00	53.75								
	Total	59.01	59.01	143.00	84.39								

Under reciprocity treaty with Cuba—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	SCHEDULE L—SILKS, AND SILK GOODS.												
398	Laces, and articles made wholly or in part of lace, edgings, insertings, galloons, chiffons or other flouncings, *ornaments*, nets or nettings and veilings, neck rufflings, ruchings, braids, fringes, trimmings, embroideries, and articles embroidered by hand or machinery, or tamboured or appliquéed	*P. ct.* 48.00	*P. ct.* 48.00	$107.00	$51.36								
	Wearing apparel:												
	Ready-made clothing and other articles of wearing apparel	48.00	48.00	83.00	39.84								
399	All manufactures of silk not specially provided for	40.00	40.00	76.00	30.40								
	Total Schedule L	45.71	45.71	266.00	121.60								
	SCHEDULE M—PULP, PAPERS, AND BOOKS.												
408	(L) Lithographic prints from stone, zinc, aluminum, or other material, bound or unbound, not elsewhere specified:												
	On cardboard or other material exceeding $\frac{12}{100}$ inch in thickness	12.63	12.63	30.00	3.79								
	(L) Lithographic cigar labels, flaps, and bands, lettered or blank, printed from stone, zinc, aluminum, or other material:												
	Printed in less than eight colors, but not including metal-leaf printing	17.83	24.50			$51.00	37.83	$9.12	$12.57				
	Printed in whole or in part in metal leaf	46.67	49.00			12.00	5.00	5.60	5.88				
	All other paper, n. s. p. f.	20.00	20.00	12.00	2.40								
412	Books, pamphlets, bound or unbound, maps, charts, music in books or sheets, and all printed matter, n. s. p. f.	20.00	20.00	40.25	8.05								
	Blank books	20.00	20.00	9.00	1.80								
	Engravings, bound or unbound, etchings, and photographs	20.00	20.00	338.00	67.60								
416	Manufactures of paper, or of which paper is the component material of chief value, n. s. p. f.	28.00	28.00	14.00	3.92								
	Total Schedule M	19.75	19.75	443.25	87.56	63.00	25.34	14.72	18.45				
	SCHEDULE N—SUNDRIES.												
	Hats, bonnets, and hoods composed *wholly or in chief value* of straw, chip, grass, palm leaf, willow, osier, rattan, *Cuba bark, or manila hemp*, whether wholly or partly manufactured—												
	Not trimmed	28.00	28.00	2,945.00	824.71								
	Trimmed	40.00	40.00	93.00	37.20								
423	Buttons, or parts of buttons, and button molds or blanks, finished or unfinished:												
	Collar and cuff buttons and studs, *composed wholly of bone, mother-of-pearl, or ivory*	40.00	40.00	5.00	2.00								
427	(L) Toys: Dolls, doll heads, toy marbles of whatever materials composed, and all other toys not composed of rubber, china, porcelain, parian, bisque, earthen or stone ware, and not specially provided for	28.00	28.00	3.00	.84								
434	(L) Feathers and downs, not specially provided for, including bird skins or parts of, with the feathers on:												
	Crude or not dressed, colored, or manufactured—												
	All other	12.00	16.00			2,668.00	33.33	320.16	426.88				
	Dressed, colored, or manufactured, including dressed and finished birds suitable for millinery ornaments—												
	All other	40.00	48.00			57.00	20.00	22.80	27.36				
	(L) Feathers, artificial or ornamental, fruits, grains, leaves, flowers, and stems, or parts of, of whatever material composed, n. s. p. f.	40.00	48.00			10.00	20.00	4.00	4.80				
436	Fans: All except palm leaf	40.00	40.00	108.00	43.20								
438	Human hair:												
	Manufactures of, n. s. p. f.	28.00	28.00	8.00	2.24								
444	(L) Jewelry, articles commonly known as, and parts thereof, finished or unfinished, n. s. p. f., *used to be worn upon the person or carried in the hand for purpose of adornment or utility, made in part of metal, including chain purses, and bags, of gold or silver wire or imitations thereof, portmonnaies, watch charms and guards*, including precious stones *and corals* set, pearls set or strung, and cameos in frames	48.00	48.00	374.00	179.52								
581	Hides of cattle, raw or uncured, whether dry, salted, or pickled:												
	Other cattle hides	12.00	12.00	332,637.00	39,916.44								
	Leather and manufactures of:												
	All leather n. s. p. f.	16.00	16.00	16.00	2.56								
	Boots and shoes	20.00	12.00							$119.50		$23.90	$14.34
	Manufactures of leather, n. s. p. f.	28.00	32.00			96.00	14.29	26.88	30.72				
	Manufactures of—												
	Candles and tapers of wax	20.00	20.00	39.00	7.80								
	Straw and grass, n. s. p. f.	24.00	28.00			32.00	16.67	7.68	8.96				

Under reciprocity treaty with Cuba—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorem rates.		Duty unchanged.		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	SCHEDULE N—SUNDRIES—continued.	*Per ct.*	*Per ct.*										
	(L) Shell and mother-of-pearl	28.00	28.00	$43.00	$12.04								
	Plaster rock or gypsum, manufactures of	28.00	28.00	3.00	.84								
	(L) Shells, engraved, cut, ornamented, or otherwise manufactured	28.00	28.00	3.00	.84								
462	(L) Paintings, in oil or water colors, pastels, and pen-and-ink drawings	16.00	12.00							$287.50		$46.00	$34.50
466	Plates or films, photographic, dry	20.00	20.00	30.00	6.00								
467	(L) Pipes and smokers' articles: Pipes, pipe bowls of other material, and all smokers' articles not specially provided for, including cigarette books, cigarette-book covers, pouches for smoking or chewing tobacco, and cigarette paper in all forms	48.00	48.00	72.00	34.50								
470	(L) Umbrellas parasols, and sunshades, and sticks for: Sticks for umbrellas, parasols, or sunshades	32.00	32.00	3.00	.96								
	(L) Sticks for walking canes	32.00	32.00	13.50	4.32								
	Total Schedule N	12.21	12.21	336,395.50	41,076.10	$2,863.00	30.72	$381.52	$496.72	467.00	$30.10	69.90	48.84
	Total Cuba	58.42	58.42	89,780,956.83	52,449,480.77	13,265.42	19.08	9,960.73	11,861.04	2,142,888.93	37.49	188,139.85	117,607.85

FROM PHILIPPINE ISLANDS UNDER ACT OF MARCH 8, 1902.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged		Duty increased.				Duty decreased.			
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Revenue under— Present law.	Revenue under— Senate bill.	Value of imports, 1907.	Per cent of decrease.	Revenue under— Present law.	Revenue under— Senate bill.
	SCHEDULE A—CHEMICALS, OILS, AND PAINTS.												
3	Oils: All other essential and distilled oils and combinations of	*Per ct.* 18.75	*Per ct.* Free.							$15,258.00		$2,860.87	Free
17	Collodion, and articles of which collodion or any compound of pyroxylin is the component material of chief value: In finished or partly finished articles— (L) All other	22.21	Free.							14.00		3.11	Free.
	Total	18.75								15,272.00		2,863.98	
	SCHEDULE B—EARTHS, EARTHENWARE, AND GLASSWARE.												
	Bottles, vials, and jars, plain green or colored, molded or pressed— Filled— Other, on which specific duty would be less than 40 per cent	30.00	Free.							9.00		2.70	Free.
106	(L) Opera and field glasses, telescopes, microscopes, photographic and projecting lenses and optical instruments, and frames or mountings for same, not specially provided for	33.75	Free.							3.00		1.01	Free.
107	(L) Glass windows, stained or painted, or parts thereof, and all mirrors not exceeding in size 144 square inches, with or without frames or cases	33.75	Free.							3.00		1.01	
	Total	31.47								15.00		4.72	Free.
	SCHEDULE C—METALS, AND MANUFACTURES OF.												
151	Cutlery: Pen or pocket knives, clasp, pruning, and budding knives, or parts of, and erasers, manicure knives, or parts of, wholly or partly manufactured— Valued more than $1.25 and not exceeding $3 per dozen	75.00	Free.							2.00		1.50	Free.
152	(L) Swords, sword blades, and side arms (*bayonets*)	26.25	Free.							26.00		6.85	Free.
153	Table, carving, cooks', kitchen, bread, butter, vegetable, fruit, and cheese knives, forks, and steels, finished or unfinished— *Any knives, forks, or steels, imported without handles*												
	Other, on which ordinary duty would not amount to 45 per cent	33.75	Free.							9.00		3.04	Free.
155	Firearms: Muskets, muzzle-loading shotguns, rifles, and parts of	18.75	Free.							20.00		3.75	Free.
157	(L) Sheets, plates, wares, or articles of iron, steel, or other metal, enameled or glazed with vitreous glasses	30.00	Free.							9.00		2.70	Free.
	(L) Laces, embroideries, braids, galloons, trimmings, or other articles made wholly or in chief value of tinsel wire, lame or lahn, bullion, or metal threads	45.00	Free.							4.00		1.80	Free.

From Philippine Islands under act of March 8, 1902—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	SCHEDULE C—METALS, AND MANUFACTURES OF—continued.												
	Watch movements:	*Per ct.*	*Per ct.*										
	Having not more than 7 jewels	40.41	Free.							$17.00		$6.87	Free.
	Watch cases and parts of watches, including dials	30.00	Free.							36.00		10.80	Free.
195	Articles or wares, n. s. p. f., composed wholly or in part of:												
	Iron and steel, manufactures of	33.75	Free.							1.00		.34	Free.
	Metals and metal compositions, manufactures of	33.75	Free.							225.75		76.23	Free.
	(L) Silver, manufactures of	33.75	Free.							8.00		2.72	Free.
	Total	32.50								357.75		116.60	
	SCHEDULE D—WOOD, AND MANUFACTURES OF.												
197	Lumber:												
	Sawed lumber, not specially provided for—												
	Not planed or finished	1.74	Free.							2,155.00		37.50	Free.
199	Sawed boards, planks, deals, and other forms of sawed cedar, lignum-vitæ, lancewood, ebony, box, granadilla, mahogany, rosewood, satinwood, and all other cabinet woods not further manufactured than sawed	11.25	Free.							2,110.00		237.38	Free.
211	Furniture, cabinet or house, wholly or partly finished	26.25	Free.							176.00		46.20	Free.
	Manufactures of wood, or of which wood is the component material of chief value, n. s. p. f	26.25	Free.							480.25		126.10	Free.
	Total	9.09								4,921.25		447.18	
	SCHEDULE E—SUGAR, MOLASSES, AND MANUFACTURES OF.												
213	Sugar, Dutch standard in color:												
	Not above No. 16, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope—												
	Cane—												
	Not above 75 degrees	36.27	Free.							66.00		23.94	Free.
	Not above 81 degrees	27.27	Free.							4,206.00		1,146.92	Free.
	Not above 82 degrees	43.29	Free.							238,101.00		103,080.14	Free.
	Not above 83 degrees	44.88	Free.							190,290.00		80,841.89	Free.
	Not above 85 degrees	48.71	Free.							343.00		167.08	Free.
	Not above 86 degrees	46.39	Free.							135,836.00		63,013.10	Free.
	Not above 87 degrees	61.44	Free.							273,492.00		165,469.40	Free.
	Not above 88 degrees	48.60	Free.							395,280.00		192,086.58	Free.
	Not above 89 degrees	43.65	Free.							215,704.00		94,150.99	Free.
	Total	48.16								1,453,318.00		699,980.04	
	SCHEDULE F—TOBACCO, AND MANUFACTURES OF.												
	Tobacco, and manufactures of:												
217	Unmanufactured—												
	Wrapper and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco, and all leaf tobacco the product of two or more countries and dependencies, when mixed or packed together—												
	Unstemmed	668.98								65.00		434.84	Free.
	Filler tobacco, not specially provided for—												
	Unstemmed	186.53								19.00		35.44	Free.
221	Cigars and cheroots, all kinds	274.27								4,150.00		11,352.74	Free.
	Cigarettes, and paper cigars, including wrappers	246.61								11.80		29.10	Free.
	Total	279.15								4,245.80		11,852.12	
	SCHEDULE G—AGRICULTURAL PRODUCTS AND PROVISIONS.												
236	Rice—												
	Cleaned	59.33	79.00			$6.00	33.33	$3.56	$4.74				
259	Orchids, palms, dracænas, crotons, and azaleas; tulips, hyacinths, narcissi, jonquils, lilies of the valley, and all other bulbs, bulbous roots, or corms, which are cultivated for their flowers	18.75								386.00		70.43	Free.
	Total	19.64				6.00		3.56	4.74	386.00		70.43	
	SCHEDULE H—SPIRITS, WINES, AND OTHER BEVERAGES.												
309	Mineral waters and all imitations of natural mineral waters, and all artificial mineral waters n. s. p. f.:												
	In green or colored glass bottles—												
	Containing not more than 1 pint (from Philippine Islands)	22.93	Free.							471.00		108.00	Free.
	Containing more than 1 pint and not more than 1 quart	20.16	Free.							279.00		56.25	Free.
304	Still wines, in bottles or jugs:												
	Containing each more than 1 pint and not more than 1 quart	40.00	Free.							3.00		1.20	Free.
	Total	21.97								753.00		165.45	
	SCHEDULE I—COTTON MANUFACTURES.												
	Cloth:												
314	Exceeding 100 and not exceeding 150 threads to the square inch, counting the warp and filling—												
	Bleached—												
	(L) Valued at over 11 cents per square yard	26.25	Free.							8.00		2.10	Free.

From Philippine Islands under act of March 8, 1902—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased—			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	SCHEDULE I—COTTON MANUFACTURES—continued.												
322	Clothing, ready-made, and articles of wearing apparel of every description, including neckties or neckwear, made up or manufactured, wholly or in part, by the tailor, seamstress, or manufacturer, and not otherwise provided for	*Per ct.* 37.50	*Per ct.* Free.							$81.00		$30.40	Free.
330	All other manufactures of cotton	33.75	Free.							103.75		53.08	Free.
	Total	44.40								192.75		85.58	
	SCHEDULE J—FLAX, HEMP, AND JUTE, AND MANUFACTURES OF.												
345	(L) Laces, lace window curtains, tidies, pillow shams, bed sets, insertings, flouncings, and other lace articles; napkins and other articles, made wholly or in part of lace, or in imitation of lace; nets or nettings, veils and veilings, etamines, vitrages, neck rufflings, ruchings, tuckings, flutings, and quillings; embroideries, and all trimmings, including braids, edgings, insertings, flouncings, galloons, gorings, and bands; and articles or fabrics embroidered in any manner by hand or machinery, whether with a letter, monogram, or otherwise; tamboured or appliquéed articles or fabrics; hemstitched or tucked flouncings or skirtings, and articles made wholly or in part of rufflings, tuckings, or ruchings; composed wholly or in chief value of cotton, and not elsewhere specially provided for, whether composed in part of india rubber or otherwise	45.00	Free.							193.50	Free.	87.08	Free.
	(L) Wearing apparel (of cotton) made wholly or in part of lace, or in imitation of lace, embroidered by hand or machinery with a letter, monogram, or otherwise, or tamboured or appliquéed	45.00	Free.							48.86		21.99	Free
	(L) Laces, lace window curtains, tidies, pillow shams, bed sets, insertings, flouncings, and other lace articles; napkins, wearing apparel, and other articles, made wholly or in part of lace, or in imitation of lace; nets or nettings, veils and veilings, etamines, vitrages, neck rufflings, ruchings, tuckings, flutings, and quillings; embroideries and all trimmings, including braids, edgings, insertings, flouncings, galloons, gorings, and bands, and other articles or fabrics embroidered in any manner by hand or machinery, whether with a letter, monogram, or otherwise; tamboured or appliquéed articles, fabrics, or wearing apparel; hemstitched or tucked flouncings or skirtings, and articles made wholly or in part of rufflings, tuckings, or ruchings, composed wholly or in chief value of flax or other vegetable fiber (except cotton), and not elsewhere specially provided for, whether composed in part of india rubber or otherwise	45.00	Free.							970.75		436.85	Free.
	(L) Wearing apparel made wholly or in part of lace or in imitation of lace; embroidered, by hand or machinery, with a letter, monogram, or otherwise; or tamboured or appliquéed, composed wholly or in chief value of flax or other vegetable fiber, except cotton	45.00	Free.							4.00		1.82	Free.
347	Burlaps, plain woven fabrics of single jute yarn: All other not specially provided for	33.75	Free.							12.50		4.22	Free.
348	(L) Pile fabrics, of which flax is the component material of chief value, *and manufactures of*	45.00	Free.							3.00		1.35	Free.
351	Handkerchiefs composed of flax, hemp, or ramie, or of which these substances, or either of them, is the component material of chief value, whether in the piece or otherwise, and whether finished or unfinished: Not hemmed, or hemmed only	37.50	Free.							3.00		1.13	Free.
352	Woven fabrics or articles n. s. p. f., composed of flax, hemp, or ramie, *or in part cotton*, or of which these substances, or either of them, is the component material of chief value, weighing 4½ ounces or more per square yard: All on which ordinary duty does not amount to 50 per cent	37.50	Free.							34.00		12.77	Free.
	Plain woven fabrics of flax, hemp, or ramie, or of which these substances or either of them is the component material of chief value, including such as is known as shirting cloth, weighing less than 4½ ounces per square yard (and containing more than 100 threads to the square inch, counting the warp and filling)	26.25	Free.							127.00		33.35	Free.
	All other manufactures of flax, hemp, ramie, or other vegetable fiber (except cotton), or of which these substances, or either of them, is the component material of chief value, n. s. p. f.:												
	Flax manufactures	33.75	Free.							235.45		79.47	Free.
	Hemp manufactures	33.75	Free.							115.00		38.82	Free.
	Jute manufactures	33.75	Free.							3.00		1.02	Free.
	Ramie or other vegetable fiber manufactures	33.75	Free.							976.00		329.51	Free.
	Total	38.49								2,726.06		1,049.38	

From Philippine Islands under act of March 8, 1902—Continued.

Paragraph of Senate bill.	Classification of present law (Act of 1897). Italics indicate H. R. 1438, as reported by Committee on Finance to the United States Senate.	Equivalent ad valorems.		Duty unchanged.		Duty increased.				Duty decreased.			
								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	SCHEDULE K—WOOL AND MANUFACTURES OF WOOL.												
	Wool, hair of the camel, goat, alpaca, or other like animals, and manufactures of:												
372	Wool and hair advanced in any manner, or by any process of manufacture, beyond the washed or scoured condition, not specially provided for—												
	(L) Plushes and other pile fabrics—	*Per ct.*	*Per ct.*										
	Webbings (from Philippine Islands)	55.00	Free.							$4.00		$2.20	Free.
	All other manufactures wholly or in part of wool—												
	Valued more than 40 and not more than 70 cents per pound	87.00	Free.							1.00		.87	Free.
	Wearing apparel—Clothing, ready-made, and articles of wearing apparel, made up or manufactured, wholly or in part, not specially provided for—												
	Knitted articles	57.00	Free.							1.00		.87	Free.
	Other clothing, ready-made, and articles of wearing apparel, made up or manufactured wholly or in part	54.87	Free.							38.00		20.85	Free.
	Total	55.66								44.00		24.49	
	SCHEDULE L—SILKS, AND SILK GOODS.												
	Fabrics, woven in the piece:												
	Weighing more than ¼ ounce and less than 1½ ounces per square yard—												
	In the gum, or dyed in the thread or yarn	47.00	Free.							2.00		0.94	Free.
	Boiled off	112.50	Free.							6.00		6.75	Free.
	Weighing not less than 1½ ounces and not more than 8 ounces per square yard—												
	Dyed in the thread or yarn—												
	Black, except selvedges—												
	Containing more than 45 per cent in weight of silk—												
	Weight not increased beyond original weight of the raw silk	50.00	Free.							18.00		9.00	Free.
396	Handkerchiefs or mufflers composed wholly or in part of silk, whether in the piece or otherwise, finished or unfinished:												
	Not hemmed or hemmed only—												
	On which ordinary duty does not amount to 50 per cent	37.50	Free.							5.00		1.88	Free.
	Hemstitched, or imitation hemstitched, or revered or having drawn threads, or embroidered in any manner, whether with an initial letter, monogram, or otherwise, by hand or machinery, or tamboured, appliquéed, or made or trimmed wholly or in part with lace, or with tucking or insertion—												
	Weighing not less than 1½ ounces and not more than 8 ounces per square yard—												
	On which ordinary duty does not amount to 60 per cent	45.00	Free							17.00		7.65	Free.
398	Laces, and articles made wholly or in part of lace, edgings, insertings, galloons, chiffons or other flouncings, *ornaments*, nets or nettings and veilings, neck ruffings, ruchings, braids, fringes, trimmings, embroideries, and articles embroidered by hand or machinery, or tamboured or appliquéed	45.00	Free.							1,333.80		600.06	Free.
	Beltings, bindings, *not exceeding 12 inches in width, and if with fast edges*, bone casings, braces, cords, cords and tassels, garters, gorings, suspenders, tubings, and webs and webbings, composed wholly or in part of silk, and whether composed in part of india rubber or otherwise, if not embroidered in any manner by hand or machinery	37.50	Free.							3.00		1.12	Free.
	Ribbons, *not exceeding 12 inches in width, and if with fast edges*	37.50	Free.							34.00		12.76	Free.
	Wearing apparel:												
	Knit goods, made up wholly or in part by the tailor, seamstress, or manufacturer	45.00	Free.							14.00		6.30	Free.
	Ready-made clothing and other articles of wearing apparel	45.00	Free.							426.30		191.93	Free.
399	All manufactures of silk not specially provided for	37.50	Free.							1,121.50		421.61	Free.
	Total	42.28								2,980.50		1,260.02	
	SCHEDULE M—PULP, PAPERS, AND BOOKS.												
	All other paper, n. s. p. f	18.75	Free.							4.00		.75	Free.
412	Books, pamphlets, bound or unbound, maps, charts, music in books or sheets, and all printed matter, n. s. p. f	18.75	Free.							50.00		9.42	Free.
	Engravings, bound or unbound, etchings, and photographs	18.75	Free.							82.75		15.58	Free.
416	Manufactures of paper, or of which paper is the component material of chief value, n. s. p. f									5.00		1.31	Free.
	Total	19.03								141.75		27.06	
	SCHEDULE N—SUNDRIES.												
	Fabrics, nets, or nettings, laces, embroideries, galloons, wearing apparel, ornaments, trimmings, *curtains, fringes*, and other articles not specially provided for, composed wholly or in part (*chief value*) of beads or spangles made of glass or paste, gelatin, metal, or other material, but not composed in part of wool	45.00	Free.							8.00		3.60	Free.

From Philippine Islands under act of March 8, 1902—Continued.

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								Revenue under—				Revenue under—	
		Present law.	Senate bill.	Value of imports, 1907.	Revenue under present law.	Value of imports, 1907.	Per cent of increase.	Present law.	Senate bill.	Value of imports, 1907.	Per cent of decrease.	Present law.	Senate bill.
	SCHEDULE N—SUNDRIES—continued.												
418	Hats, bonnets, and hoods, and materials for:												
	Hats, bonnets, and hoods composed *wholly or in chief value* of straw, chip, grass, palm leaf, willow, osier, rattan, *Cuba bark, or manila hemp*, whether wholly or partly manufactured—	*Per ct.*	*Per ct.*										
	Not trimmed	26.25	Free.							$38,757.50		$10,099.06	Free.
	Trimmed	37.50	Free.							50.00		18.76	Free.
	Brushes, feather dusters, and hair pencils	30.00	Free.							5.00		1.50	Free.
423	Buttons, or parts of buttons, and button molds or blanks, finished or unfinished:												
	Other, n. s. p. f.	37.50	Free.							5.00		1.88	Free.
427	(L) Toys: Dolls, doll heads, toy marbles of whatever materials composed, and all other toys not composed of rubber, china, porcelain, parian, bisque, earthen or stone ware, and not specially provided for	26.25	Free.							1.00		.27	Free.
	Cartridges	26.25	Free.							3.00		.79	Free.
435	Furs dressed on the skin, but not made up into articles:												
	Manufactures of, not specially provided for—												
	All other	26.25	Free.							3.00		.79	Free.
436	Fans: All except palm leaf	37.50	Free.							117.50		44.10	Free.
444	(L) Jewelry, articles commonly known as, and parts thereof, finished or unfinished, n. s. p. f., *used to be worn upon the person or carried in the hand for purpose of adornment or utility, made in part of metal, including chain purses, and bags, of gold or silver wire or imitations thereof, portmonnaies, watch charms and guards*, including precious stones *and corals* set, pearls set or strung, and cameos in frames	45.00	Free.							273.50		123.08	Free.
	Other precious stones	7.50	Free.							360.00		27.00	Free.
	(L) Pearls in their natural state, not strung or set	7.50	Free.							8.00		.60	Free.
	Leather and manufactures of:												
	Boots and shoes	18.75	Free.							21.00		3.94	Free.
	Manufactures of leather, n. s. p. f.	26.25	Free.							16.00		4.21	Free.
455	Bone and horn, n. s. p. f.	22.50	Free.							23.00		5.19	Free.
	Straw and grass, n. s. p. f.	22.50	Free.							147.00		33.10	Free.
	(L) Ivory and vegetable ivory, n. e. s.	26.25	Free.							24.50		6.46	Free.
	(L) Shell and mother-of-pearl	26.25	Free.							11.00		2.89	Free.
	(L) Shells, engraved, cut, ornamented, or otherwise manufactured	26.25	Free.							7.00		1.84	Free.
462	(L) Paintings, in oil or water colors, pastels, and pen-and-ink drawings	15.00	Free.							49.00		7.35	Free.
	Pipes, pipe bowls of other material, and all smokers' articles not specially provided for, including cigarette books, cigarette-book covers, pouches for smoking or chewing tobacco, and cigarette paper in all forms	45.00	Free.							4.00		1.80	Free.
	(L) Sticks for walking canes	30.00	Free.							57.00		17.10	Free.
	Total	26.31	Free.							39,551.00		10,405.31	Free.
	Total Philippine Islands	48.23				$6.00		$3.56	$4.74	1,524,904.86		728,352.36	Free.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the committee to paragraph 313.

Mr. ALDRICH. I was conferring with the Senator from Iowa [Mr. DOLLIVER]. I was not sure whether the Senator from Iowa would desire to go on now or not. I expect to make a statement with reference to these amendments, but if there is no one else to speak now, I prefer to do it this evening and to have the statement made consecutively, rather than to commence now and have it broken in upon by the recess. Unless there is some other Senator ready to go on, I will suggest that we take a recess now until 8 o'clock, and at that time I will go on.

Mr. GALLINGER. If the Senator will permit me, I am only one of a large number of Senators, but I am personally very desirous that the Senator from Rhode Island shall in his own way discuss this schedule, and I hope he will do so this evening.

Mr. ALDRICH. I will do so this evening, without any doubt.

Mr. CRAWFORD. There is one matter that I want to get clearly in my mind when the Senator from Rhode Island speaks. The Senator from Wisconsin used figures from a Mr. Parkhill, showing or purporting to show increases. I want to find out whether there is an issue as to the basis for the figures given by Mr. Parkhill, and whether he used as the figures given from the Dingley law the rates intended in the Dingley law or the rates actually used in the administration of the Dingley law. I want to find out whether there is an issue on that question.

Mr. ALDRICH. I shall be glad to take up that question in connection with my statement. I know Mr. Parkhill; he is a man of intelligence and character; and I shall be glad to take up that question.

I think there is a desire for a short executive session.

Mr. BAILEY. Before that, I want to prefer a request. I ask unanimous consent that the amendment which I introduced to this bill the other day, and which was read and printed in the RECORD, may be printed in the usual form of amendments. I prefer that request, because I have had quite a number of requests for it, and it is necessary to send the entire RECORD.

The VICE-PRESIDENT. Without objection, the request will be complied with. The Chair hears no objection.

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 4 o'clock and 45 minutes p. m.), on motion of Mr. GALLINGER, the Senate took a recess until 8 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The Secretary will state the pending amendment.

Mr. GALLINGER. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Hale	Penrose
Beveridge	Crane	Heyburn	Perkins
Borah	Culberson	Hughes	Piles
Bourne	Cummins	Johnson, N. Dak.	Root
Bradley	Curtis	Johnston, Ala.	Scott
Brandegee	Dick	Jones	Shively
Briggs	Dillingham	Kean	Simmons
Bristow	Dolliver	La Follette	Smith, Mich.
Brown	du Pont	Lodge	Smoot
Bulkeley	Fletcher	McCumber	Stephenson
Burkett	Flint	Martin	Stone
Burnham	Foster	Money	Sutherland
Burrows	Frye	Nelson	Tillman
Burton	Gallinger	Overman	Warner
Carter	Gamble	Owen	Wetmore
Clark, Wyo.	Guggenheim	Page	

The VICE-PRESIDENT. Sixty-three Senators have answered to their names. A quorum of the Senate is present.

Mr. ALDRICH. Mr. President, it is my purpose this evening to state as clearly and as briefly as I may the character and the scope of the amendments which the Committee on Finance have recommended to the cotton-cloth schedule, and to correct any misapprehension which may have been created by a torrent of misinformation and misrepresentation.

The amendments which have been suggested apply to but a very small portion of the cotton schedule. One listening to this debate would have supposed that these amendments apply to almost the entire schedule, and that three-quarters of the rates which are fixed in the Dingley law have been increased by the suggested changes. As a matter of fact, these amendments apply to not more than 10 per cent of the cotton schedule. Ninety per cent of the rates which were fixed by the Dingley law and by the House are absolutely unaffected by the bill as reported from the Finance Committee; the exceptions are the rates on certain classes of cotton yarns, which are reduced below the existing law, and certain amendments which have been submitted from the committee to reduce the rates below those fixed by the House. Some of the latter are quite important in their character.

Mr. President, when I say that 90 per cent of the rates fixed in the bill as it is now before the Senate are the rates of the Dingley law I can also say that they are largely the rates fixed in the Wilson-Gorman law. With the exception of a few changes in the finer classes of manufactures and upon laces, the rates of the Dingley act are identical with the act of 1894, which passed the Senate by the unanimous vote of every Democratic Senator.

Since 1883 the rates in the cotton schedules in the various acts have been lower than those imposed in any other of the textile schedules. The rates were continuously reduced in 1883, in 1890, and in 1894. Protective rates on cotton cloths were first imposed in 1816, when the distinguished South Carolinian, John C. Calhoun, and his friends secured the passage of the first protective tariff on these manufactures; the rates were increased up to and including the act of 1842, but afterwards and down to the act of 1894 there was a continuous reduction in the rates fixed by the successive tariff acts. In 1816 the Calhoun tariff fixed the minimum rate of 6¼ cents a square yard on the common cloths of the character that are used by the great masses of the people. In the bill which is now before the Senate (and those rates are not changed by the amendments of the Committee on Finance) cotton cloths of this class are dutiable at 1 cent a square yard.

It has been stated here that the provisions of the act of 1894—that is, the Wilson-Gorman act—in regard to cotton cloth were prepared by cotton manufacturers, and I think Governor Dingley stated that as long as they were satisfied in 1894 he saw no reason why there should be any change made in 1897. As I have already said, with reference to a great majority of these rates, no change was made in 1897 and none is now contemplated.

I ask the Senate to be patient with me while I explain in detail the provisions of the existing law and in what respect the Senate Finance Committee propose to amend them. The act of 1894 to which I have alluded fixed specific rates upon the great proportion of all descriptions of the cotton cloths which were at that time imported.

The act of 1894 provided in paragraphs 252 and 253, which constitute paragraph 313 of this bill, as follows:

252. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling, 1 cent per square yard; if bleached, 1¼ cents per square yard; if dyed, colored, stained, painted, or printed, 2 cents per square yard.

253. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, exceeding 50 and not exceeding 100 threads to the square inch, counting the warp and filling, and not exceeding 6 square yards to the pound, 1½ cents per square yard; exceeding 6 and not exceeding 9 square yards to the pound, 1¾ cents per square yard; exceeding 9 square yards to the pound, 1¾ cents per square yard. * * *

With a proviso—

That on all cotton cloth * * * not exceeding 100 threads to the square inch, * * * valued at over 7 cents per square yard, 25 per centum ad valorem; bleached, valued at over 9 cents per square yard, 25 per centum ad valorem; and dyed, colored, stained, painted, or printed, valued at over 12 cents per square yard, * * * 30 per centum ad valorem.

The successive cloth paragraphs of the act of 1894 and of the act of 1897 had similar provisions as to goods counting above 100 threads to the square inch.

In the tariff acts of recent years the rates have been based upon the count of threads to the square inch and upon the fineness or weight of the cloth, thus fixing two tests of values. The act of 1816, to which I have alluded, and the acts passed subsequent to that time, fixed a minimum rate on cotton cloths. With the exception of the Walker tariff in 1846 specific rates have always been imposed upon cotton cloths. In the original act of 1816 no cloths were to be valued at less than 25 cents a square yard, and the rate fixed was 25 per centum ad valorem, thus making the lowest duty 6¼ cents per square yard. This minimum rate was increased afterwards to 7½ cents per square yard.

By the acts of 1894 and 1897 specific duties were levied according to count and weight, and these were extended to points supposed to be high enough at the time the acts were passed to afford adequate protection to all classes of goods liable to be imported in competition with domestic products.

I will read one more of the cloth paragraphs as it stands in existing law, in order that Senators may clearly understand the nature of these paragraphs. I will read paragraph 316.

316. Cotton cloth not bleached, dyed, colored, stained, painted, or printed, exceeding 200 and not exceeding 300 threads to the square inch, counting the warp and filling, and not exceeding 2½ square yards to the pound, 3½ cents per square yard; exceeding 2½ and not exceeding 3½ square yards to the pound, 4 cents per square yard; exceeding 3½ and not exceeding 5 square yards to the pound, 4½ cents per square yard; exceeding 5 square yards to the pound, 5 cents per square yard.

If bleached 4½ cents, 5, 5½ and 6; if stained, colored, painted or printed, exceeding 3½ square yards to the pound, 7 cents per square yard. The specific duties increase in each of the paragraphs numbered in this bill from 313 to 317, inclusive, and the rates were fixed in 1897 at a point where it was supposed that they would include all possible importations of cotton cloths. For instance, in paragraph 313 the specific rates apply to all goods valued at less than 7, 9, and 12 cents; in paragraph 314 to all cloths valued at less than 9, 11, and 12½ cents; in paragraph 315 to all cloths valued at less than 10, 12, and 12½ cents; in paragraph 316 to all less than 12½, 15, and 17½ cents; and in paragraph 317 to all valued at less than 14, 16, and 20 cents per square yard. So by the terms of existing law and by the bill as it now stands, and as it will stand if the committee amendments should be adopted, cloths valued at from 7 to 20 cents per square yard pay specific rates, which are not changed at all by the provisions of the amendments which we suggest. The cloths protected by these specific rates include, I should say, about 97 per cent of all the cloths that are manufactured in the United States.

Senators will see from this that the suggested changes apply to a very small proportion of the cotton cloths and cotton manufactures covered by the cotton schedule and that the cloths that are covered by the specific rates now imposed include almost all the cloths that the mass of the people of the United States are interested in or which are in common use. The cloths that are valued above the maximum specific rates established are all of them in a sense articles of luxury entitled by the understood doctrines alike of tariff reformers and protectionists to high rates of duty for revenue purposes.

If any Senator has an idea that the changes which the committee suggests affect the cost or the protection of the great mass of cotton cloths that are used and sold and imported into the United States he is mistaken, because the amendments, as I have shown, only apply to a very small portion.

I now ask the attention of the Senate to the reasons which led the committee to recommend to the Senate the substitution of specific rates for existing ad valorems on cloths valued above 7 to 20 cents per square yard; in other words, why we think it necessary to secure an extension of specific rates along the same lines of the act of 1894 to a higher point. It was necessary, in the first instance, to cover adequately new classes of goods which were not in contemplation, not even in existence, in 1894. It was necessary to cover a class of goods which perhaps were not valued at over 20 cents a yard in 1897, but by

reason of the appreciated price of cotton have advanced beyond that value in recent years.

Senators will remember that when the act of 1897 was passed the average price of cotton was approximately 6 cents a pound, while recently the price of cotton has been approximately 12 cents a pound, showing an increase in the price of material resulting in an increase in the price of the manufactured articles.

Further, the Committee on Finance believe firmly in the protective idea of always imposing specific duties when they can be applied.

Mr. BACON. Will the Senator permit me to suggest——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Georgia?

Mr. ALDRICH. I think that I ought really to ask the Senator to excuse me from answering questions at this stage.

Mr. BACON. I am not going to ask a question. I am just going to suggest that the Senator is mistaken in the price of cotton, both in 1897 and in recent years.

Mr. ALDRICH. I, of course, stated approximately.

Mr. BACON. The Senator stated the price too low in one instance and too high in the other.

Mr. ALDRICH. I am not undertaking to be exact. Of course, the figures are easily available. I suppose the Senator is willing to admit that there was a large increase in the price of cotton between those years.

Mr. BACON. Not nearly as much as the Senator suggests.

Mr. ALDRICH. What does the Senator say it was?

Mr. BACON. I say 6 cents has never been a ruling price——

Mr. ALDRICH. I am not talking about the ruling price.

Mr. BACON. For any series of years.

Mr. ALDRICH. I am not talking about the ruling price for a series of years. I am talking about the price about twelve years ago and in recent years.

Mr. BACON. I am talking about the market price when I say the ruling price, the price that has been recognized in the market except in an exceptional year.

Mr. ALDRICH. It is immaterial for the purposes of my argument. I am stating approximately. The Statistical Abstract shows that the price in 1898 was $5.94, and in 1907 $12.10. I desire to say to the Senator from Georgia it is quite important, as long as I have no prepared speech and do not wish to detain the Senate unduly, that I should proceed without interruption. At the end of the statement I shall be only too glad to answer any questions which may be asked with reference to it.

To resume as to the necessity for the changes suggested. The changes are necessary more than for any other reason to cure radical defects in existing law, defects disclosed by a series of remarkable opinions and decisions by which the intention of the Congress was clearly nullified and the provisions inserted to cover and protect large classes of goods emasculated. It is perfectly immaterial for the purposes of my argument whether the purpose of Congress was set aside on account of the use of indefinite or improper language by the Congress, or by erroneous interpretation by the Board of General Appraisers, or the courts. The results are apparent and can not be successfully contradicted.

First. A class of openwork soft fabrics and of articles of a low count and high valuation were assessed by the Dingley Act at 60 per centum ad valorem, as nets and nettings, etamines and vitrages.

By a decision these cloths and articles were reduced by successive stages from 60 per cent to 4, 5, or in some cases 6 per cent.

Second. By another decision nonhomogeneous cloths—that is, cloths that counted 50 threads to the square inch in one part and perhaps 150 threads to the square inch in another part, which had properly been held dutiable at 45 per centum ad valorem—were transferred to the countable provisions of the act of 1897, thus reducing the duty from 45 per centum ad valorem to 20 and 25 per centum ad valorem.

Third. By another decision manufactured articles of cotton cloth, which were originally and properly held to be dutiable under the 45 per cent "not otherwise provided for" clause of the cotton schedule, were also transferred to the countable paragraphs of the act and the rates reduced from 45 per centum ad valorem to 25 per centum ad valorem.

Fourth. By another decision it was held that only the warp and filling threads of the cloth were taken into consideration in order to determine whether goods were to pay the duties imposed upon gray cloths or the duties which were imposed on painted, dyed, and stained cloths. Within a few days the United States Supreme Court has refused to issue a writ of review in this case, and all moneys collected at the old rates will have to be refunded.

These four decisions changed entirely the character of the paragraphs in regard to cotton cloths and made the imposition of specific duties necessary for the present and future protection of the revenue.

We propose for this purpose to extend the range of specific rates, which were limited in the act of 1897, to a point where they would cover the goods which pay, under the provisions of the paragraphs as they now stand, ad valorem rates.

It was absolutely necessary, in the opinion of the committee, to cure the defects to which I have alluded, and they believed that this could only be done by the imposition of specific duties. Under the extraordinary decisions I have referred to goods valued at 20 cents a yard were made dutiable at 1¼ cents a yard; goods valued at 40 and 50 cents a yard were made dutiable at 25 per centum ad valorem, instead of 60 per cent, as was clearly intended by Congress. It was necessary, I repeat, in the opinion of the Committee on Finance, that decisions of that character should be provided against hereafter, and that a correction should be made of the manifest defects of the present law.

I can better illustrate than in any other way perhaps the character of these changes by exhibiting to you the goods involved in the last decision I have mentioned. That decision made this piece of cloth [exhibiting] colored, and this piece of particolored cloth [exhibiting] white. The warp and filling threads of that piece of cloth [exhibiting] are white and all this color is in superimposed threads. The court held that that cloth [exhibiting] was dutiable as gray cloth. I shall ask to have the Secretary read a communication, which I shall send to the desk, with reference to the effect of this decision. I call the particular attention of the Senate to the opening statement of this decision, where it is said that the United States will be obliged to pay within the next few months $500,000 from the Treasury for the benefit of the men who imported those goods. I will later on estimate the effect which these refunds and reductions will have on the revenue. The Government has paid out in some years as much as $5,000,000 a year on account of decisions similar to this. I ask the attention of the Senate to the communication which I desire to have read.

The VICE-PRESIDENT. In the absence of objection the Secretary will read as requested.

The Secretary read as follows:

[New York Commercial, Wednesday, May 26, 1909.]

COLORED COTTON IMPORTERS TO GET $500,000 REFUNDS—SUPREME COURT DECLINES TO REOPEN NOTED TEST CASES—EXTRA MONEY PAID IN DUTIES PRACTICALLY MEANS PROFIT, AS SELLING PRICE WAS AT HIGHER RATE—DOMESTIC MANUFACTURERS HIT BY FINAL RULING.

As a result of the refusal of the United States Supreme Court on Monday to grant the Government's request for a writ of certiorari in the so-called colored cotton cases, the Treasury Department will be called upon to pay out refunds to importers aggregating possibly $500,000. The refunds are of duties collected by the Government which now are decided by the courts to have been illegal.

The Government, backed by the domestic manufacturers of the cloth, which is brought out into competition with the foreign-made productions, has brought two distinct test cases before the Board of General Appraisers, the circuit court, and the circuit court of appeals. In nearly every instance the importers were successful in their contention for the imposition of lower duties than those alleged by the Government and the manufacturers to accrue properly.

The importers whose names appear in the test litigation include W. B. Quaintance, Titus, Blatter & Co., and Rusch & Co. The importing trade in its entirety, however, is affected vitally by the result of the Supreme Court to grant the Government's petition for a review of the decision made by Judges Lacombe, Coxe, and Ward in the federal court of appeals January 12 last. As matters stand now, the importers have been completely successful in their claims, and nothing remains to the Government but to accept the situation and reimburse the importers for the extra money paid by them as duties.

ALL IS EXTRA PROFIT.

Inasmuch as the amount of duties in dispute were added in most instances by the importers to the selling price of the goods, the large refunds are practically in the form of bonuses.

The provisions of the Dingley tariff involved are paragraphs 305 to 309, inclusive, usually referred to as the "countable cotton" paragraphs, while another paragraph, 313, contains a proviso for the imposition of additional duty in certain contingencies. All of the paragraphs are among the most complicated in the entire tariff, and have been the occasion of innumerable contests between the Government and the importing interests.

The decision of the circuit court of appeals, which the Supreme Court now declines to review, thus making it final, was written by Judge Lacombe. The judge held that the provision in paragraph 305 for "colored" cotton cloth does not apply to goods in which the only color is given by other than ordinary warp and filling threads used in the process of weaving to form a figure, as described in paragraph 313. It was further held that in the assessment on such goods of the duty described by the latter paragraph, additional to that imposed on other cotton cloth of the same description or condition, such additional duty should be added to the rate applicable to uncolored cottons.

The goods, subject of the decision, are cotton cloths in which all the ordinary warp and filling threads, whether bleached or unbleached, which form the foundation, are not colored. The foundation is embellished with designs composed entirely of colored threads interwoven with, and superimposed upon, the warp and filling threads to form colored figures of greater or less elaboration. Sometimes the figures

are few and small, but always substantial enough to modify the plain goods. At other times the figures cover the greater part of the foundation, so that the fabric appears to the eye as a colored one with ornamentation. The additional threads composing the colored design are woven in the loom at the same time as the rest of the fabric.

EXPERT DISCUSSES THE RULING.

A representative of domestic manufacturing interests, in discussing the effect of the Supreme Court's denial of a writ of certiorari to review the decision of the United States circuit court of appeals, had this to say:

"If the color of figured cotton cloth is controlled by the color of the foundation threads so that a colored cloth is practically an uncolored cloth, the value of the cloth is controlled also by the foundation threads, and not by the value of the cloth in its entirety. This is an interesting case. The Board of General Appraisers first decided that the color of the cloth was determined by the color of the foundation threads, and in another, or later, case reversed itself, holding that the cloth in its entirety controlled the color and that any substantial coloring constituted colored cotton cloth.

"The importers then carried the case into the courts. The circuit court reversed the Board of Appraisers, and the circuit court of appeals sustained the circuit court in finding in favor of the importers. The Supreme Court, in now refusing a writ at the request of the Government to review the issue, sustains the lower courts in favor of the importers.

"The effect of the court's decision will be decidedly injurious to cotton manufacturing interests in this country, as the duty heretofore collected upon figured cotton cloth has been decidedly higher than the future duty which can be imposed under the present interpretation of the law. The proposed tariff bill, as reported by the Senate Finance Committee, if enacted, will nullify the court decisions and restore the original rates contemplated by the framers of the Dingley law."

Albert H. Washburn, of the law firm of Comstock & Washburn, representing the importers, had nothing to say for publication regarding his victory.

Mr. ALDRICH. Mr. President, without intending to reflect upon anybody, I desire to make a statement in this connection suggested by the reference to the attorney in this case. Almost without exception, and this is perhaps quite natural, every person who has displayed unusual ability in the management of the government cases has sooner or later left the government service and found more profitable employment with importers in endeavoring to discover defects in our customs laws. The young man, whose name is mentioned in this article, was formerly the secretary of one of our fellow Senators. He was appointed assistant United States district attorney at Boston and afterwards the attorney for the Government before the Board of General Appraisers in New York. After serving in that capacity in the most satisfactory manner he became a member of the firm in New York which is engaged in the management of customs cases and the prosecution of claims against the Government.

I must not be understood as expressing any condemnation of Mr. Washburn, for whose industry and ability I have great respect.

Prosecuting claims against the Government is a respectable and profitable vocation; much more profitable than that of a government employee at an annual salary of a few hundreds of dollars. There have been a dozen cases of similar kind within my recent memory, where men who have had charge of the interests of the Government in customs matters have felt obliged, in their own interest, to leave the employ of the Government to accept more profitable service at the hands of importers. It is unfortunate that the Government can not retain in place the efficient men who have been educated in its service at the public expense.

The Government of the United States has been at a great disadvantage in all these cases. The same attorney who appears before the Board of General Appraisers and represents the interests of the Government does not appear before the district and circuit courts in the cases. It is within my knowledge, and the knowledge of every one who has information upon this subject, that some cases, involving hundreds of thousands and millions of dollars, have not been intelligently or properly presented to the higher court. That important errors are made either in construction or administration is shown by the different decisions I have referred to, which have practically nullified the purpose of Congress and so emasculated a portion of the present law that the revenues of the Government have been wasted and the protection, which was sought to be afforded to the domestic manufacturers, has been destroyed.

Of course this involves matters which we can not hope to regulate in this cotton schedule. One remedy, in the opinion of the committee, was available, and that was the substitution of specific duties for the ad valorems in these paragraphs, these specifics to follow the lines of those imposed by the act of 1894. It was the purpose of the committee, as I have already stated, that these specific rates should not exceed the rates originally intended to be imposed by the act of 1897.

The instruction of the committee to the expert who made the computation was that the specific duties should equal the ad valorem rates of the existing law—with the exception of the 60 per cent rate, as we have no intention and no purpose of restoring the 60 per cent rate of the old law—that is, the specific rates should range from 25 to 45 per centum ad valorem, that they should not exceed those rates, and that they should not exceed the equivalent ad valorems of the existing law. This purpose of the committee is written into these amendments, and it is not within the power of anyone to show that there is an increase in these specific rates above the average rates which were imposed or intended to be imposed by the act of 1897.

I am, of course, aware that it is claimed vehemently that these amendments do involve an increase over the act of 1897. How is this shown, and what evidence is produced, to convince the Senate of its truth? First, we have a statement, which was submitted by the Senator from Texas [Mr. CULBERSON], purporting to show the increases in the duties of House bill 1438 by the Senate Finance Committee. I want to read a paragraph from that statement to show that the expert of the minority is mistaken as to the purport of the Senate amendments. In the very first line this occurs:

Not exceeding 50 threads to the square inch, counting warp and filling not bleached, dyed, colored, stained, painted, or printed, the duty under the present law 1 cent per square yard; duty under the Senate bill 2½ cents a square yard.

The duty under the Senate bill as amended is 1 cent a square yard and not 2½ cents. All the way through the statements made as to the rates and the effect of the rates are inaccurate. I will not stop to read this statement, but I will ask to have it printed in the RECORD.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The statement referred to is as follows:

Estimates of increases in duties of H. R. 1438, etc.

Paragraph.	Articles.	Rates of duty.		Per cent of increase.	Senate bill as amended by committee (true rate).	Per cent of increase.
		Present law.	Senate bill.			
313	Cloth:					
	Not exceeding 50 threads to the square inch, counting warp and filling—					
	Not bleached, dyed, colored, stained, painted, or printed.	1 cent per square yard..	2½ cents per square yard.	125.00	1 cent per square yard	None.
	Bleached.....	1½ cents per square yard	7 cents per square yard.	460.00	1½ cents per square yard.....	None.
	Dyed, colored, stained, painted, or printed.	2 cents per square yard.	3 cents per square yard.	50.00	2 cents per square yard.....	None.
	(L) Not exceeding 100 threads to the square inch, etc.—					
	Not bleached, dyed, colored, stained, painted, or printed, valued over 7 cents per yard.	25 per cent.....	4½ cents per square yard.	51.52	2½ cents to 7 cents per square yard.	
	Bleached, valued over 9 cents per square yard.	25 per cent.....	5½ cents per square yard.	44.60	2½ cents to 8 cents per square yard.	
	Dyed, colored, stained, painted, or printed, valued over 12 cents.	30 per cent.....	8 cents per square yard.	47.60	3½ cents to 10 cents per square yard.	
314	Exceeding 100 and not exceeding 150 threads to the square inch, counting warp and fillings—					
	Not bleached, dyed, colored, stained, painted, or printed, exceeding 6 and not exceeding 8 square yards to the pound.	2½ cents per square yard.	3 cents per square yard.	20.00	2½ cents per square yard	None.

Estimates of increases in duties of H. R. 1438, etc.—Continued.

Paragraph.	Articles.	Rates of duty.		Per cent of increase.	Senate bill as amended by committee (true rate).	Per cent of increase.
		Present law.	Senate bill.			
	Cloth—Continued.					
	Exceeding 100 and not exceeding 150 threads to the square inch, counting warp and fillings—Continued.					
	Valued over 9 cents per square yard...	30 per cent	4½ cents per square yard.	17.87	3 cents to 8 cents per square yard..	
	(L) Bleached, valued over 11 cents per square yard.	35 per cent	6½ cents per square yard.	17.23	4½ cents to 10 cents per square yard.	
	(L) Dyed, etc., valued over 12½ cents per square yard.	35 per cent	7 cents per square yard.	13.09	5½ cents to 10 cents per square yard.	
315	Exceeding 150 threads and not exceeding 200 threads to the square inch, etc.—					
	Not bleached, dyed, colored, etc., valued over 10 cents per square yard.	35 per cent	5½ cents per square yard.	20.88	4½ cents to 10 cents per square yd..	
	Bleached (L), valued over 12 cents per square yard.	35 per cent	8 cents per square yard.	32.83	5½ cents to 10 cents per square yard.	
	Dyed, colored, stained, etc. (L), valued over 12½ cents per square yard.	40 per cent	8 cents per square yard.	11.20	6 cents to 10 cents per square yard..	
316	Exceeding 200 and not exceeding 300 threads to the square inch, etc.—					
	Not bleached, dyed, colored, printed, etc., (L) valued over 12½ cents per square yard.	40 per cent	6½ cents per square yard.	.02	5½ cents to 10 cents per square yard.	
	Bleached (L), valued over 15 cents per square yard.	40 per cent	8 cents per square yard.	1.60	6½ cents to 12½ cents per square yard.	
	(L) Dyed, colored, stained, etc., valued over 17½ cents per square yard.	40 per cent	11½ cents per square yard.	29.42	8 cents to 12½ cents per square yard.	
317	Exceeding 300 threads to the square inch, etc.—					
	Not bleached, dyed, colored, etc., not exceeding 2 square yards to the pound.	4 cents per square yard.	6½ cents per square yard.	62.50	4 cents per square yard.....	None.
	Not valued over 14 cents per square yard.	40 per cent	6½ cents to 12½ cents per square yard.	(8 to 25)	4 cents to 5½ cents per square yard.	None.
	Bleached, valued over 16 cents per square yard.	40 per cent	11½ cents per square yard.	20.85	8 cents to 12½ cents per square yard.	
	Dyed, colored, stained, etc., valued over 20 cents per square yard.	40 per cent	12½ cents per square yard.	16.77	1 cent to 2½ cents per square yard..	

Mr. ALDRICH. Second, it is asserted that the statement of the Estimated Revenues, submitted by the Committee on Finance, shows a large increase over the present law.

Mr. CULBERSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Texas?

Mr. ALDRICH. For a question, yes.

Mr. CULBERSON. Only for a question?

Mr. ALDRICH. Only for a question, because, as I have already stated, I prefer to go on and make my statement, which involves a number of intricate questions.

Mr. CULBERSON. I desire to state, Mr. President——

The VICE-PRESIDENT. The Senator from Rhode Island yielded only for a question.

Mr. ALDRICH. I think the Senator better wait until I get through, if it is convenient for him to do so.

Mr. CULBERSON. I wanted to correct a statement made by the Senator from Rhode Island.

Mr. ALDRICH. The Senator can do that afterwards. There will be ample time to do so.

Mr. CULBERSON. I wanted to do it now, when the statement is made.

The VICE-PRESIDENT. The Senator from Rhode Island prefers not to yield.

Mr. ALDRICH. I will yield for a correction, if the Senator desires to make a correction.

Mr. CULBERSON. I simply desire to say, Mr. President, that the paper I filed was prepared by Mr. McCoy, an employee of the Treasury Department, recommended by the Secretary of the Treasury as a competent person, an expert, to do this character of work. Of course I do not personally know whether it is or is not correct; but it is entitled to as much credence, it seems to me, as is that of the army officer whose paper was presented by the Senator from Rhode Island.

Mr. ALDRICH. Mr. President, I will only say in reference to the Senator's statement that the gentleman referred to has in some way not understood the purport of the Senate amendments. That is all I care to say about that.

Mr. President, the paper entitled "Estimated revenues" has been appealed to, to show that in quite a large number of cases there has been an increase of rates in the Senate committee amendments above the rates of the existing law. These claims of advances all grow out of so-called equivalent ad valorems on cloths valued above 7, 9, 11, and so on up to 20 cents, on which ad valorem rates are now imposed. They are based upon the average value of all importations under these ad valorem rates. For instance, in one class all of the goods above 7 cents in value are massed together to secure an average value of all the importations under the ad valorem rates. We will assume, for instance, that the "valued at 20 cents" rate was 8 cents a yard, and the duty to be assessed was assessed upon the value of 23.3 cents. Well, as a matter of fact, these goods cover a range from 20 cents up to 30 or 40 cents, and it is impossible for any man to tell what was the real value of the various goods that were imported; that is, it is impossible to tell by the statistics what rates they would pay under the provisions of the amendments. Major Lord, who prepared the statement with the aid of experts from the Bureau of Statistics, did the best that could be done with it; he was obliged to take the average value of the imports, but it would be impossible for anybody to state accurately the value of separate importations and the application of the new rates to them. The men who have supervision of the importations in New York, the examiners and the appraisers, could certainly make the best estimate of anybody; but it would be impossible for anybody here, from tables of equivalent ad valorems, to evolve an accurate statement as to the rates which would be imposed under the bill as reported by the Senate Committee on Finance.

To illustrate the fallacy of using as the basis for the computation of equivalent ad valorem rates the average value as expressed in Estimated Revenues and furnished by the Treasury Department, it is but necessary to take as an example the average value of cloth dyed, colored, stained, painted, and printed, under the provisions of paragraph 313, page 39, of "Estimated revenues," which is given as 18.1 cents per square yard. In figuring the equivalent ad valorem under the Senate bill, the rate applying to all goods valued at over 17½ and not over 20 cents per square yard, which is 8 cents, is used. The total importations coming under the ad valorem provisions of paragraph 313, which carried under the Dingley bill 30 per cent ad valorem, are computed at the rate of 8 cents, showing an equivalent ad valorem rate on the value of the importations of 44.28 per cent, and this rate has been characterized to-day upon the floor as an increase of 50 per cent.

The provisions of the Senate bill make goods valued at 12 to 12½ cents per square yard dutiable at an equivalent minimum ad valorem of 30 per cent; those from 12½ to 15 cents at an equivalent minimum of 35 per cent; those from 15 to 17½ and from 17½ to 20 cents at an equivalent minimum ad valorem of 40 per cent.

Included in the average value of 18.1 cents there must of necessity have been goods valued at from 12 to 24 cents per square yard, and therefore these goods would pay, under the Senate bill, an average equivalent ad valorem much less than that indicated in the table.

In order to show conclusively that changes in average ad valorem rates can not possibly be relied upon to show relative changes in rates upon imports at any time or from one time to another, I will insert three tables from the last edition of the

Report of Imports and Exports published by the Bureau of Statistics:

Cotton cloth in which other than the ordinary warp and filling threads have been introduced in the process of weaving to form a figure, whether known as lappets or otherwise, and whether unbleached, bleached, dyed, colored, stained, painted, or printed.

EXCEEDING 5 SQUARE YARDS TO THE POUND.—NO. 1103.—VALUED MORE THAN 7 CENTS PER SQUARE YARD.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Sq. yds.	*Dollars.*	*Dollars.*	*Dollars.*	*Per cent.*
1899....	6 cts. plus 2 cts. per sq. yd..	5,928	815.00	474.24	0.137	58.19
1900....	.....do.....	210	27.00	16.80	.129	62.22
1901....	.....do.....	1,241	177.00	99.28	.143	56.09
1902....	.....do.....	255	67.00	20.40	.263	30.45
1903....	.....do.....	3,460	294.00	276.80	.085	94.15
1904....	.....do.....	675	98.00	54.00	.146	55.10
1905....	.....do.....	1,307	296.00	104.56	.157	50.75
1907....	.....do.....	781	95.00	62.48	.122	65.77

Cylinder, crown, and common window glass, unpolished, when bent, ground, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated.

NO. 1934.—ABOVE 40 BY 60 INCHES.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Pounds.	*Dollars.*	*Dollars.*	*Dollars.*	*Per cent.*
1898....	4½ cents per lb. and 5 per ct.	400	100.00	22.50	0.25	22.50
1899....	.....do.....	1,272	147.00	63.00	.115	42.86
1902....	.....do.....	1,000	47.00	46.10	.047	98.30
1903....	.....do.....	2,335	170.00	112.84	.071	66.38
1904....	.....do.....	160	2.00	7.10	.013	355.00
1905....	.....do.....	162	8.00	7.49	.05	93.63
1906....	.....do.....	4,116	230.00	191.57	.056	83.29

Plate glass, cast, polished, silvered, when bent, ground, obscured, frosted, sanded, enameled, beveled, etched, embossed, engraved, flashed, stained, colored, painted, or otherwise ornamented or decorated.

NO. 1980.—ALL ABOVE 24 BY 60 INCHES.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Sq. ft.	*Dollars.*	*Dollars.*	*Dollars.*	*Per cent.*
1894....	60 cts. per sq. ft. and 10 p. ct.	229	189.00	156.30	0.83	82.70
1895....	35 cts. per sq. ft. and 10 p. ct.	96	84.00	44.88	.87	53.43
1897....	.....do.....	18	17.00	8.54	.94	50.24
1899....	35 cts. per sq. ft. and 5 p. ct.	269	242.00	114.32	.90	47.24
1900....	.....do.....	48	52.00	20.84	1.09	40.08
1901....	.....do.....	679	2,278.00	371.67	3.35	16.36
1902....	.....do.....	255	311.00	112.45	1.22	36.16
1903....	.....do.....	251	205.00	105.63	.817	51.53
1904....	.....do.....	3,719	2,577.00	1,542.07	.693	59.80
1905....	.....do.....	133	47.00	52.89	.353	112.53
1906....	.....do.....	101	124.00	44.58	1.23	35.95
1907....	.....do.....	679	45.00	260.27	.066	578.38

It will be observed that in 1906 the average ad valorem rate of importations of plate glass in Table 1980 was 35.95, while in the next year it was 578.38, or an apparent increase of 1,551 per cent in the equivalent ad valorem rates from one year to the other. There was no change whatever in the actual rates imposed in these two years. Similar discrepancies appear in the other tables, showing the absolute futility of attempting to ascertain rates by reason of changes in equivalent ad valorems.

I could print in the RECORD page after page of these statements which would show greater changes from one year to another, and without the slightest change in rates, than any which have been presented to the Senate as proving that there has been an increase in these rates. But I will not take up the time of the Senate further in this connection. I will call attention, however, to one of the peculiarities that have already been alluded to in the yarn schedule. It is found in the report of estimated revenues.

No. 52 cotton yarns were imported in 1907 at a value of 46.7 cents per pound, with an equivalent under the present law of 27.86 per cent, and under the Senate bill of 27.86. No. 53 were imported the same year valued at 71.4 cents, with an equivalent ad valorem of 18.56 under the present law and 20 per cent under the Senate bill. No. 55 were imported at the value of 48.1 cents per pound, with an equivalent ad valorem under the present law of 28.60 and 28.60 per cent under the Senate bill.

As illustrating the gross inconsistency which appears all through estimates of this kind, everyone knows that the value of cotton yarns is in proportion to the fineness of the number; 53 would cost a little more than 52; 55 a little more than 53. Yet the table shows that the value of No. 52 in 1907 was 46.7 cents per pound, while No. 53 was 71.4 per pound; but No. 55, again, is only 48.1 per pound. The duty on all three of these numbers, both in the present law and in the Senate bill, is assessed on exactly the same basis per number, and yet 53 apparently shows an increase, whereas the numbers both before and after show exactly the same rate of duty both under the present law and the proposed law.

It shows you can tell nothing whatever about these equivalent ad valorems. You certainly can tell nothing whatever about an equivalent ad valorem based upon an average of values ranging all the way from 7 to 30 cents where there is an average made and the rate is supposed to be assessed upon the average, when it never could be assessed upon the average. It must be assessed upon the different and individual valuations.

Several Senators have undertaken to show increases by taking the high point in the brackets of value for ad valorem equivalents. To illustrate what I mean: Of course, a specific duty applies unequally; it must necessarily be so. For instance, we assess a duty of 11 cents upon first-class wool. Sometimes that rate is 40 per cent on the foreign value of the wool, sometimes it is 60 per cent, sometimes it is 70 per cent, sometimes it might show 100 per cent. What does this mean? Not that the rate has changed. It might be 40 per cent one year and 60 per cent the next on the importations. Does that show that the rate has been increased 50 per cent? By no means. The rate remains the same. The value of the importations may fluctuate. The value per unit of quantity may change, and will change. In equivalent ad valorems you never can have precisely the same ad valorem two years in succession on goods imported.

Take iron ore. Iron ore may be worth in Cuba at the mines 50 cents per ton, and 25 cents a ton would be 50 per cent. If it came from Canada, where iron ore might be worth $2.50 a ton, it would be 10 per cent ad valorem. The table might show 50 per cent one year and 10 per cent the next. It would show nothing except that there had been a change in the value, or possibly and probably a change in the place from which the goods were imported. That same thing runs through all these schedules of specific duties. It is impossible to tell by any such computation as to the effect of a rate upon the importations of last year or the importations of next year. The conditions of last year can not be duplicated next year.

The Senator from Minnesota [Mr. NELSON] submitted a statement showing what the average ad valorems would be under the suggested specifics. The statement was very fair (that Senator always means to be) on every bracket but one. For instance, he takes goods valued above 20 cents a yard and says the rate is 10 cents, and he says that is equivalent to 46.7 per cent. It is equivalent to 46.7 if the goods were valued at 21 cents and a fraction, but it is 40 per cent if the goods are valued at 25 cents, and this range of values starts from 20 cents, and it is not fair, as the Senator will undoubtedly see at once, to say that 46.7 is the average on all importations above 20 cents.

Take another case. The specific duty fixed by existing law and by the Wilson bill on unbleached cloths valued at 7 cents a yard or less is 1¼ cents. The duty now fixed by this bill on goods worth 7⅛ cents a yard is 2¼ cents; and it is easy to show an increase in the resulting equivalent of a specific rate changed to ad valorem from 1¾ to 2¼ by a change of an eighth of a cent in the value of the goods. But does any sane man suppose that any importer will ever bring goods to this country valued at 7⅛ cents when by making them valued at 7 cents he will save a half a cent of duty? Certainly not. There are always high and low points in a specific duty, as I have already said, but the experience of our custom-house and the experience of every country in the world which imposes specific duties—and most of them impose specific duties in the cotton schedule in their own countries—show the high and low point, and show that the importations are always at the low point. Suppose a foreign manufacturer can save a half a cent or three-quarters of a cent or a cent a yard in duty by a slight variation in value. What is he going to do? Is he going to send goods here to have duties imposed at the highest rate? Certainly not. He will change his methods of production, if you please, or he will reduce the

cost of production sufficiently, either in his invoices or in his factory, to bring the goods in at the lowest point.

It is absolutely impossible to suppose, in the case I have alluded to, that any man will pay 2¼ cents on goods valued at 7¼ cents when he can bring them here for 1¾ cents at 7 cents. It is easy to show, by taking this illustration where the duty at 7 cents is 1¾ cents, or at 7¼ or 7⅛ is 2¼ cents, an increased duty. That can be done any time and anywhere; not on this schedule alone, but on every schedule in this bill which imposes specific duties.

With the valuation of importations from one year to another changing a quarter or a half or a cent, you have a very different equivalent ad valorem. You have, as I have already stated here, an increase of 300 per cent or a thousand per cent in one year after another without a change of a single mill in the duties which are imposed by law. No; it is not possible to tell what the effect of the importations next year will be upon the rates which are proposed by the proposed act. You must discard these averages, which were used because there was nothing else to use in this estimate of revenue. You have to discard these high points in the changes of rates, because the high point will not be used in practice. The low point will be used in practice, and you can not show the effect of these rates by any such jugglery of figures.

Now, let us take another illustration. The rates on the fancy goods I have referred to have been reduced by changes in the interpretation of the law, in some cases from 60 per cent to 6⅞ per cent and less. We propose to put the rates back, not to 60 per cent, but to from 25 to 40 per cent. That shows an increase in duties of 600 per cent on the face of the papers over the rate as now collected—not the Dingley rates as they were imposed, but the Dingley rates as they have been interpreted and construed—and we are charged with increasing the rates enormously, when the rates as fixed are still 20 to 25 per cent below the rates which were originally intended on these articles.

Mr. BEVERIDGE. Is it a reduction from the law as it now stands?

Mr. ALDRICH. It is not a reduction from the law as it now stands, because it stands as it has been interpreted by these various tribunals. We propose to put it at about 40 per cent instead of 60 per cent; that is, 20 per cent below the present rate.

Mr. BEVERIDGE. My question is whether there is an increase or a decrease over the law as it now stands.

Mr. ALDRICH. What do you mean?

Mr. BEVERIDGE. I mean the law as it is now, and the law as it is now is the law as the courts have interpreted it.

Mr. ALDRICH. Of course there is, then, an increase. That goes without saying, I take it. We are trying to correct these defects, and to remedy them an apparent increase is necessary. But it is an increase to a point which is lower than what was originally intended by the act itself and as it was administered for six years; and I will show that, I think, to the satisfaction of the Senator from Indiana before I am through.

Mr. McCUMBER. It covers what percentage of the goods imported?

Mr. ALDRICH. I will take that matter up later. I will show the Senator just how much, in the judgment of the men in the country best qualified to judge.

There is another point to which Senators have called attention, and that is that in many of these paragraphs the importations are very small, and that that constitutes a reason why the rates should be low rather than high—because there are no importations or the importations are a negligible quantity. Let us look at that. Under the specific rates imposed by the Wilson bill and the present law, and which we do not intend to change, on all of the lower class of goods the importations are practically nil. What then is to be done? Shall we remove all the duties? Shall we vary the rates in this bill according to the importations from year to year? If so, we might have articles on the free list to-day, with a duty of 25 per cent next year, and a duty of 50 per cent the year following. Can we adopt a sliding scale of that kind to determine what the rates of duty shall be?

The acts of 1894 and 1897 fix a consistent and symmetrical system of specific duties, applicable, as I have stated, to goods valued at from 7 to 20 cents a yard. We have extended those specific duties upon the same general plan to include the goods which are likely to be imported at present or which may be imported hereafter, in order that the schedule, from bottom to top, shall be a symmetrical and harmonious schedule without reference to the fact that to-day or this year the importations are one dollar or a million dollars. I know of no other sensible or logical process or method by which a tariff bill can be constructed.

Take the metal schedule. Take the silk schedule. Take every schedule of this bill. The intention is to have the rates progressive from the crude products, the raw materials, to the finished product; progressive as to the amount of difference between the cost of production here and in competing countries, which means that if you put one duty on iron ore you must put a higher duty on pig iron, a higher duty still on steel rails, a higher duty still on watch springs, progressive all through the scale. But if you should undertake to fix the duties on steel rails from the fact that there are no importations, and put them on the free list because there have been no importations, what would happen? Of course steel rails would all be made abroad.

We had that very experience with tin plate, and it is a very good illustration of the point I am seeking to make. For years we imposed a duty of 1 cent a pound on tin plate, while we imposed a duty of 1.2 and 1.4 and 1.6 cents on iron and steel sheets from which tin plate is made. What happened? All the tin plate used here was imported. None of it was made here, and we were told by our tariff-reform friends that none could be made here; that natural causes prevented it being made here.

Finally we had courage enough in 1890 to impose a duty which was symmetrical and harmonious on tin plate as compared with sheets of iron and steel, and the result was that that great industry was transferred to the United States.

Now, because there is only ten dollars or one dollar or one-half dollar's worth of goods imported last year, or because of some peculiar condition that such an importation shows an average ad valorem rate of only 20 per cent, we will say, are we to change the whole symmetry of this schedule, the whole structure of this bill, so that we may force increased importations at a rate that some man in the Senate, whose purpose seems to be to destroy the whole fabric of our protective system, thinks reasonable? If we are to have, as I believe we should have, and as I think a great majority of the Senators sitting upon this side will insist upon having, a carefully prepared, symmetrical, and harmonious protective schedule as to cotton and as to all the other products covered by this bill, its character will not be determined by these self-appointed censors and critics of Republican tariff policy.

It may be profitable to inquire who the people are that are demanding that these changes from ad valorem rates to specifics shall not be made; who are demanding that the doors of the Treasury shall be left open for these intrusions. In whose behalf are they acting? Have the plain people of the United States shown any interest in this matter? Has any part of any community anywhere suggested to the Senate that these rates would be too high? Have the representatives of organized or unorganized labor been heard in this Chamber in protest against the change suggested in these paragraphs? Have the great consuming people, who buy cotton cloths, appeared here with reference to this matter? There never was a time in the history of this country when the cotton clothing of the people could be purchased at so low a price as it can be to-day, notwithstanding the increase in the price of cotton. No one has appeared here to protest against any change in the rates except the importers.

My mail has been deluged with suggestions of all kinds, some valuable and some otherwise. I think I will read from one of these, for the information of the Senate, one received from the gentlemen who are here asking us to forbear from taking away from them the advantages which they have received under decisions such as that to which I have alluded, by which their profits have been duplicated. I should like to call the attention of the Senate to this statement of a publicity committee that had its headquarters in this city and to allude to the instructions issued with reference to these paragraphs. It is dated May 20, 1909. I will only read a portion:

The fate of the cotton goods schedule of the Aldrich tariff bill hangs in the balance.

To defeat this bill it is imperatively necessary that the Senate and the House immediately be made aware that the American merchant and the American public do not want and will not stand for any increase on cotton goods.

Please do your part by immediately writing to your Senators and your Representative protesting against any raise on cotton goods.

Interest your customers; start petitions in your store. It will benefit you to show your customers that you are interested in their welfare. You could not have a better advertisement. For example, see the appreciation of the women of Chicago when Marshall Field & Co. made an open fight against a raise on hosiery and gloves.

Congress heeded this protest, and it would heed it on cotton goods. But if they think American merchants are indifferent the mill influence may pass this bill.

Please do your duty by writing to Washington at once.

Mr. President, these are the people who are demanding that these rates shall not be increased and that there shall be a continuance of this bounty, which either the indifference of Congress or the decisions of the court or other tribunals have placed gratuitously in the pockets of these gentlemen. Has any man in the Senate heard from any consumer upon this subject? Has any person engaged in any useful occupation in the United States; has any man who is earning his living by the sweat of his brow, in the length and breadth of this country, suggested to any of you that this change from ad valorems to specifics should not be made? I think not. No, Senators, this is simply a part of an organized effort to place more money in the pockets of these gentlemen and to break down the barriers which have been erected to protect the American markets for the benefit of the wage-earners and producers of the country.

While it is admitted that a reduction in rates below those contemplated has been accomplished by the four decisions I have referred to, it is claimed that the importations of goods affected has been very small and that the loss to the Government has been a negligible quantity, and that it is not worth talking about. Let us see whether this is true. From the nature of things very few men can have any real knowledge upon the subject; no one, in fact, outside of the government officials who supervise the importations.

The Senator from Wisconsin [Mr. LA FOLLETTE] this afternoon paid a high and deserving tribute to Mr. W. H. Parkhill, who is the examiner of cotton goods in the custom-house in New York and has been for twenty-three years. I think the Senator from Iowa [Mr. DOLLIVER], in a recent address, paid a similar compliment to this officer. He is universally commended as a faithful and efficient officer. He is a man of great intelligence. He is the one man who knows better than anybody else as to the proportion of these goods which have been imported under these circumstances and the extent to which the Treasury has been raided for the benefit of these gentlemen. Now let us see what Mr. Parkhill says upon that question.

The following statement was made in answer to a request from the committee for information:

> The cotton goods that were returned as "etamines" or "vitrages" and were decided to be dutiable as countable cottons, include the following: Crape muslin, stamin, etamine dress goods, cable-canvas vestings, fancy scrim and curtain canvas, fancy grenadines, marquisette, voiles, madras muslin, oriental stripes, etc., which are about 10 to 12 per cent of the total importations.

Ten or 12 per cent of the total importations. That is what this man says as against the statement made here that it is an entirely negligible quantity and only a matter of a few dollars at the most. That is not all:

> The importations of nonhomogeneous goods are about 8 per cent of the total. These goods were assessed at 45 per cent ad valorem under paragraph 322, but are now returned at from 25 to 40 per cent under paragraphs 304 to 309 of the Dingley law.

There is 8 per cent more of the total importations.

> About 65 or 70 per cent of the merchandise.

Now listen to this statement—

> About 60 to 75 per cent of the merchandise originally returned under paragraph 322 at 45 per cent as completed cotton articles is now returned under paragraphs 304, 305, and 306 as countable cottons. These importations amount to about 6 per cent of the total importations.
>
> The colored cottons affected by the recent decision are best answered by the newspaper clippings herewith.
>
> W. H. PARKHILL.

I want to say in this connection that the clipping giving estimate of refunds on the colored cotton decision does not take into consideration other cases pending involving the same issue, wherein the question is whether or not in determining the value of cloth only the warp and weft threads shall be considered and not the superimposed threads. The amount involved in this case would probably be much greater than in the case already decided.

This statement is signed by Mr. Parkhill. It is not an amateur's estimate, but one made by the very highest official authority, and he shows that 26 per cent of the cotton-cloth importations in the New York custom-house are covered by the demoralizing and emasculating decisions to which I have referred, and which we are asked in this Chamber to maintain for the benefit of the gentlemen represented by this publicity committee.

The provisions of the Senate committee bill restore in part these duties to where Congress intended they should be. It does not restore them fully, because, as I said, these rates are from 25 to 45 per centum ad valorem and not from 25 to 60 per centum ad valorem, as was intended by the Dingley act.

Mr. President, these rates are not only lower than the rates imposed by Congress in 1897—that is, the rates intended to be imposed by the act of 1897—but they are not excessive in themselves or in comparison to the rates imposed in other schedules. As I have already stated, the cotton schedules of all these acts have imposed the lowest rates of any of the schedules. The rates which we propose by this bill are not only less than any other schedule in the act, except the chemical schedule, but they are less than the average of the whole act.

It costs more to make these finer articles of cotton goods from the material to the cloth than it costs to make silk goods. You saw two or three days ago the exhibit shown by the Senator from Massachusetts [Mr. LODGE] of the character of these goods. I assume there was not a man in the Senate, unless he is familiar with cotton manufacture, who had any idea that the American manufacturers were producing any such goods.

Manufactures of cotton are taking the place of silk and of wool all over the world. Is it the desire of the Senate that in these articles, these finer manufactures of cotton which are pure luxuries, the American market shall be preserved for the gentlemen whose circulars I have read from, or that the markets of the United States shall be given to the cotton manufacturers of this country? I expect before I get through to allude to where those manufacturers are located. But wherever they are located and whoever they are, they are entitled to the protection which other American manufacturers have. They are entitled to fair play in the American market. So far as I am concerned, I propose that they shall have it; and I do not propose to be persuaded by statements like that which I have read from doing what I believe to be my duty to the people who are engaged in this manufacture.

Are these rates too high, taking into consideration the cost of production of these goods in our own and in competing countries? Having stated that these rates have not been advanced and that they are not above the rates imposed originally by the act of 1897, I invite your attention to the question whether they are too high, in view of the difference in the cost of production of these goods in the United States as compared with the cost in competing countries.

In general, it may be stated that the wages of textile operatives in America are double those of England, France, and Germany. A very exhaustive inquiry has recently been made into the subject of wages by the British Board of Trade, which shows that in Germany the wages of cotton weavers run from 16s. 6d. to 19s. 6d., or from $4.12 to $4.87 per week; that in France the wages run from 16s. 10d. to 19s. 2d., or from $4.20 to $4.79 per week; that in Great Britain the wages run from 16s. to 24s. 11d., or from $4 to $6.22 per week.

For the United States the Bureau of Labor, in Bulletin No. 77, July, 1908, shows that the average wages of all cotton weavers for the year 1907 was $9.74. In addition, I may state that in many of the fine yarn mills of New England making high-priced fancy fabric the weavers earn from $11 to $13 per week.

Many of the fabrics that will be dutiable under these provisions are valued at a dollar a pound. The cost of the cotton is 20 cents a pound at the outside, leaving 80 cents a pound for cost of labor in various forms in this country. Suppose that that labor costs twice as much in the cotton-manufacturing States of the United States as it does in our competing countries abroad, it is easy to see by a mathematical calculation that 50 per centum ad valorem, to say nothing about 45 per centum, will not equalize the conditions on these various high-priced goods between our own and competing countries.

If this was an original proposition, and we were to submit to the Senate rates which were protective and adequate in view of the difference in the cost of production, we could not make them any lower than those fixed in these specific rates which we have asked the Senate to adopt.

Mr. President, I want to say a few words about the necessities of the future. The United States produces a very large part of the cotton of the world. As producers of cotton, as manufacturers of cotton, we are greatly interested in this world-wide development in the use of cotton. I predict that within the experience of many Senators who are now listening to me the United States will not only be the greatest producer, but the greatest manufacturer of cotton goods in the world—that is, if we take care of our interests and take care of our manufacturers.

Is the cotton manufacturing industry menaced from without? The cotton manufacturers of the South in the past have been quite largely engaged in the production of goods for export. They have sent their products to Manchuria and other parts of the Orient. Japan at this moment has, I am told, four large cotton manufactories in operation. They are importing from this country machinery, superintendents, overseers, men to teach the people of Japan to build machinery and to operate machinery. How long do you suppose that the manufacturers of this country can stand up against 4 or 6 cents a day labor in the future?

The people who are interested in preserving this industry in the United States might as well look that matter fairly in the face. What is to become of our exports if in the course of the next ten years that great nation of the Orient is successful in the manufacturing of cotton goods?

You may say that they will not manufacture fine goods. The skill of the Japanese in the ornamentation of fabrics and in the production of fine fabrics is well known. They will succeed first, in my judgment, in making the class of goods that may take the place of the goods which were shown to the Senate a few days ago.

But I want to say a little something to the Senate, especially to my friends sitting upon the other side of the Chamber, with reference to the stake of the South in this problem. The growth in the manufacture of cotton goods in the South has been one of the salient features of our industrial progress during the past fifteen years. The advantage which the southern mills enjoy in nearness to the sources of production has gradually enabled them to encroach not only upon the production of northern goods as a whole, but to an increasing degree upon the production of fine goods.

The Senator from Georgia [Mr. BACON] a few days ago handed me a letter from one of his constituents, whose intelligence and character he vouched for, who said to him and said to me through him that his firm had $1,000,000 invested, I think, in the Senator's own city, in the production of fine cotton yarns.

Mr. President, all through the South this increase in the value of the product, in the fineness of the manufacture of the southern mills, is wonderful. From present indications, if adequate tariff protection is continued, the southern mills will gradually cover the field of the northern mills, and will derive as great benefits, if not greater, from the rectification of errors in the Dingley law in regard to advanced goods and novelties, than the mills of the northern States. Their development and their absorption of the American market for cottons will inevitably expand the market for raw cotton and maintain its price, thereby giving the South the double benefit of enhanced income from both the raw material and the finished product.

The number of cotton mills in the United States increased from 756 in 1880 to 1,077 in 1905. The southern mills showed an increase from 161 to 550 mills. New England States showed a decrease from 439 to 308 mills—not primarily on account of shrinkage in the volume of their production, but because the earlier census figures included small mills making cotton small wares.

Perhaps a better test of the progress of the South in equipment for making cottons is afforded by the number of producing spindles. The essential figures are as follows:

Increase in producing spindles, 1880–1905.

Year.	Total in United States.	Southern States.
1880	10,653,435	542,048
1890	14,188,103	1,554,000
1900	19,008,352	4,298,188
1905	23,155,613	7,508,749
1909*	26,000,000	10,000,000

* Estimated.

The growth in number of spindles in the Southern States during the short period between 1900 and 1905 is indicated by the following table:

State.	1905.	1900.	Increase.
Virginia	193,062	126,827	66,235
North Carolina	1,880,950	1,133,432	747,518
South Carolina	2,864,092	1,431,349	1,432,743
Georgia	1,316,573	815,545	501,028
Alabama	758,087	411,328	346,759
Mississippi	125,352	75,122	50,230
Louisiana	59,052	55,600	3,452
Arkansas	13,844	9,700	4,144
Texas	68,170	48,756	19,414
Tennessee	153,375	123,896	29,479
Kentucky	76,192	66,633	9,559
Total	7,508,749	4,298,188	3,210,561

In cost of materials used and value of product, the Southern States have come to occupy second rank after New England, and in the absorption of raw cotton. The mills of South Carolina have come to occupy second place in the entire Union, led only by Massachusetts, while North Carolina comes third, with a use of cotton surpassing the combined quantity taken by Maine, Rhode Island, and Connecticut. First, Massachusetts; second, South Carolina; third, North Carolina; fourth, Georgia, in this race for supremacy in cotton manufacture.

The Southern States absorbed in 1905 more domestic cotton, exclusive of the small quantity of Sea Island cotton, by more than 250,000 bales than all the mills of New England, and nearly as much as the combined mills of New England and the Middle States. How remarkably the South has gained in recent years in the increase of cotton consumption is indicated by the following summary table:

Increase of cotton consumption.

Year.	Pounds.	Cost.	Percentage of the South.
1880:			
Total United States	750,343,981	$86,945,725	
Southern States	84,528,757	8,890,408	10.20
1890:			
Total United States	1,103,492,910	114,337,802	
Southern States	250,837,646	24,508,776	21.40
1900:			
Total United States	1,739,714,946	116,108,879	
Southern States	707,159,521	46,988,926	40.40
1905:			
Total United States	1,807,512,278	209,972,665	
Southern States	882,918,392	98,456,910	47

The distribution of the increase in consumption of cotton between 1890 and 1905 by bales in the principal manufacturing States of the South appears in the following table:

Consumption of cotton in certain Southern States, 1890–1905.

State.	1890.		1905.	
	Bales.	Cost.	Bales.	Cost.
Virginia	22,731	$1,080,773	46,296	$2,596,425
North Carolina	114,371	5,396,974	497,947	27,340,926
South Carolina	133,342	6,242,598	555,467	30,451,158
Georgia	145,859	6,663,560	402,652	20,927,464
Alabama	29,962	1,372,058	198,820	10,968,856

Equally significant are the figures of the increased amounts paid in wages in southern cotton mills. The average number of wage-earners in the United States and in different sections appears in the table below. It shows that of an increase of 138,000 workers between 1880 and 1905, nearly 104,000 have been in the South. The figures are as follows:

Increase in average wage-earners in cotton mills.

Division.	Total.			
	1905.	1900.	1890.	1880.
New England States	155,981	162,294	147,359	125,779
Middle States	31,871	34,843	31,841	28,118
Southern States	120,110	97,494	36,415	16,317
Western States	2,496	3,298	3,261	2,330
United States	310,458	297,929	218,876	172,544

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Will the Senator from Rhode Island yield to the Senator from Utah?

Mr. SMOOT. On the question of the price of cotton the chairman stated that the price was 6 cents.

Mr. ALDRICH. I hope the Senator——

Mr. SCOTT. I hope the Senator from Rhode Island will be allowed to go on. We are all very much interested in his remarks.

Mr. SMOOT. I have the quotation here. The Senator from Rhode Island is perfectly correct in his quotation.

Mr. BACON. I have the book here, too.

The VICE-PRESIDENT. The Senator from Rhode Island will proceed.

Mr. ALDRICH. Mr. President, it is not for me to say what the position of the Southern Senators shall be upon this question, which so vitally interests their constituents, but I say to those Senators that the stake of the South in this question is vastly greater than that of the North. To-day they have practically one-half of the cotton manufacturing of the United States. When the next tariff bill is constructed (and I am willing to stake my reputation as an intelligent man and as a prophet upon that statement) they will have more than three-quarters of the entire cotton manufacturing of this country. It is inevitable. What industry is there in the South that can

take the place of the manufacture of cotton? You have been an agricultural people, a great agricultural people, the greatest in the world, considering the value of your product, but you have not developed manufactures.

It is true that in northern Alabama and in eastern Tennessee and northwestern Georgia you have developed the iron industry, not very much in comparison with the North, but still an important development. What other industry, I ask you, gentlemen, is there that can so use the surplus population of the South as the manufacture of cotton?

You have in Louisiana and Texas sugar and rice and cattle; you have agricultural products; but where in all the list of the manufactured products is there one that so appeals to southern interests and to southern people as this? You have abundant water power, intelligent labor, and a grateful climate. I have already shown that it is the most important industry in South Carolina outside of the raising of cotton, outside of the agricultural products. It is the most important industry possibly, except lumber—I am not sure about that—in North Carolina outside of the raising of cotton, perhaps. It is the most important purely manufacturing industry in all those States.

Now, what is it we propose? We propose to pass a protective tariff bill, probably not by your votes; and we are tendering you fair treatment in this great industry. We are saying to you that we propose to protect it from assaults within or without against every comer. I appeal to you gentlemen to join us in the adoption of these safeguards against injury to your own great industry. You have sometimes thought that the Republican party or its representatives here or elsewhere were not friendly to the South. I hope that all of you will agree that I have never, by act or word, shown that I was not as much interested in the development of southern industries and in southern prosperity as I am in the prosperity of the section from which I come.

I make this appeal to you directly, not that you shall vote for this bill; I do not expect that; but I ask you to encourage your own people by your votes upon this schedule. The time will come, not while I am in the Senate, as the Senator from Georgia [Mr. BACON] suggested the other day, but the time will come when the South in tariff legislation will stand shoulder to shoulder with every other section of the United States in the defense and development of the industries of this great country.

Gentlemen, these are not idle words on my part. I know from my knowledge of the business that the time is almost here when this industry will be not only the most important industry of your section, but that it will be vastly more important to you than it will be to us who have been engaged for a century or more in the industry.

The first cotton mill erected in the United States was built by Samuel Slater within a few miles of where I live. It was essentially an infant industry, but I can say to you that the industry of producing the goods which were shown in this Chamber a few days ago is as essentially an infant industry as was the first cloth that was made by Slater upon the banks of the Blackstone. Ten years ago they were not known in this country. The wonderful progress of this great people can not be better shown than in the development of this industry and the articles which have been shown here. It will go on, in my judgment. Cotton is destined to take the place of silk, with improvements in methods and manufactures that are sure to come. It is a better material than silk. It is better adapted to the clothing of the great mass of the people of this country, and it will be used, and can be used, if we afford adequate protection to these finer fabrics which are articles of luxury. The protection of these articles is as much for the interest of the gentlemen who are sitting on the other side of this Chamber as it is to any of us on this side.

There are only three or four of our States in the North that are interested in the manufacture of cotton. It is a diminishing industry with us—not a dying industry, not an industry which does not appeal to the intelligence and the vigor of our people, but a diminishing industry. The intelligence of your people, the vigor of your people, can be measured by the extent to which you develop this industry in your midst.

What has happened to the South in connection with it? You are producing $100,000,000 in value of cotton manufactures, or substantially that amount. I see the Senator from Georgia [Mr. BACON] looking at his tables. I am not sure that that is the precise amount. That is not important in my argument. You have not only produced, say, $100,000,000 in cotton manufactures, but what else have you done? You have developed truck farming; you have enabled the farmers of the South to have a variety of crops instead of confining themselves to cotton. You have brought the farmer and a profitable market together. You are building up gradually a variety of industries in the South dependent upon the manufacture of cotton.

The South has sometimes suggested that the wealth of the country, the manufacturing of the country, is located in the northeastern section of the country. Why should the South decline to enter fields which they can cultivate with as much industry and with as much intelligence as we can? Do Senators think that we are selfish and want to secure prosperity for ourselves and for our manufacturers and not for you? Senators who make any such suggestion do not understand the spirit of New England. New England has from her sterile soil won prosperity and wealth in the past, but I have never seen in that section of the country the slightest jealousy of any other section. Our capital and our energy and our people are scattered from Maine to Texas, from Pennsylvania to California. If we have anything to be proud of in our own experience it is that our men and our spirit have helped to build up every section of this country.

I am here to-day representing a State which has a considerable amount of cotton manufacturing in its midst. Many of the best men in our State are engaged in conducting these enterprises. The capital involved might be wiped out in an instant without impoverishing the State, but any injury to the industry would be a serious blow to the workingmen in our community who are engaged in the occupation, and this blow I intend to use every effort at my command to prevent. I am not here pleading for the manufacturers of New England. I am pleading for the perpetuation and the preservation of an industry which should have a part in this great industrial development of the United States. It is an industry which we are impelled to protect and to defend by the interests of the whole people. I am also impelled to protect it and defend it because I believe that a section which has heretofore prospered only in certain lines can diversify her interests successfully by the imposition of protective duties upon the products of this great industry.

There is no appeal here from the cotton manufacturers of my State or of any State except for fair and decent treatment on the part of the Senate of the United States—the same treatment that is accorded to all industries and to all sections.

Mr. President, the question involved here is a simple one. I say it is not a question really of whether the rates of duty imposed by these amendments are higher than existing law. I say, and I repeat, that they are not higher, and before I conclude my remarks I will furnish the authority of the men upon that subject whose judgment can not be questioned in this Chamber. I do not say that I can tell precisely the effect of these duties, but I do know enough about the subject to know that there is no increase above the rates intended to be imposed by the existing law.

The question, however, to my mind is much broader than that. It is a question of whether, by the imposition of specific duties, we are to stop raids upon the Treasury like those which are described in the article which I sent to the desk and had read. I say "raids upon the Treasury" deliberately. I say that it is necessary and important that we should pass a law which shall impose specific duties in the place of ad valorems. We shall get rid of the question of undervaluation by specific duties.

I wish that every member of this Senate could go, as I have been, to the city of New York and investigate the methods of the men who are trying to break down our customs laws; trying to break them down by the aid of the ability and the counsel of the wisest and most intelligent men in the world. I wish all could be advised as to the methods by which goods are undervalued and the extent to which they are undervalued. Senators who would make such an investigation would never vote for any duty except a specific duty, if it were possible to impose such duties. It is easier to impose a specific duty upon cotton cloths than on almost any other article in the whole scope of the tariff. Every commercial nation in the world imposes specific duties on imports of manufactures of cotton.

Senators sometimes think that the schedule which we are now considering is complicated; at least, it looks so to a man who is not accustomed to it; but it is easy and simple compared with the cotton schedules of any of the other great nations that impose duties. The French tariff is much more complicated; it is much longer and it is much more difficult to understand than ours.

It is simply a question, Senators, in this case, of imposing specific duties instead of ad valorem duties; specific duties on this small fraction of our commerce and upon our manufactures, because, I repeat, that all the importations that are covered by these paragraphs do not amount to 10 per cent of our entire

importations, and only amount to about 3 per cent, at the outside, of our entire manufactures. The plea which I am making is for a duty which will stop this scheme, which I need not characterize again, for I think I have characterized it sufficiently; that will make a schedule which is symmetrical and harmonious from beginning to end.

I now want to call the attention of the Senate, as briefly as I may, to some of the reasons why I myself am satisfied that there is no increase in these duties imposed under the paragraphs to which I have alluded.

In 1907 the total importations of cotton cloths under paragraphs 304, 305, 306, 307, 309, 313, and 322 were $14,040,800.53. The duty collected was $5,427,870.56, or an average rate of 38.66 per cent. If the statement of Mr. Parkhill as to the extent which these changes by interpretation have upon the importations and upon the rates of duty is correct; in other words, if 30 per cent of those importations show a decreased duty to the amount of 30 per cent, the result would have been that, if the full duty had been collected in 1907 which was intended to have been assessed by Congress, the average ad valorem would then have been 47 per cent instead of 38.66 per cent, or an increase of 9 per cent. If this duty had been honestly collected, as it was originally intended by Congress, the figures show conclusively that the amount received and the resulting ad valorem would have been at least 9 per cent higher than it was under the importations of last year.

A similar result will be reached if we take the total imports for 1907 under the ad valorem divisions of paragraphs 313 to 317. The importations for 1907 were $8,467,857, and the duties collected were $3,182,676, or 37.58 per cent. If these importations had been made and the duties collected according to the original intention of the act of 1897, as just explained by me, the resulting ad valorem would have been 46.57 per cent, or a higher rate by at least 3 per cent than that imposed by the provisions of the Senate bill; in other words, these statistics based upon the statement of Mr. Parkhill as to the amount of goods which are imported at these lower rates as compared with the rates which were intended by Congress show that the provisions of the Senate bill impose rates 5 per cent less on an average, or practically from 3 to 5 per cent less on an average, than the rates now imposed by law.

I am not, however, confined in my statement of this question to my own judgment or to the judgment of the committee. I said the other day to the Senator from Minnesota [Mr. NELSON] that it was impossible for any man to state—certainly any man with no more knowledge than he or I had upon the subject—just what proportion of these importations was made at the lower values or the lower rates. There are only three or four men in the world who can form a correct estimate, or an approximately correct estimate on this question. The men who are in the custom-house in New York, who have been passing these goods for a series of years, who have an intimate knowledge of this whole subject, whose intelligence and character and judgment are guaranteed by the Senator from Iowa and the Senator from Wisconsin, are the only men of whom I know who can approach this question with a degree of knowledge that would enable them to form a judgment which should have the approval of the Senate, and which can not be questioned in this Chamber or elsewhere. I now desire to read, for the information of the Senate, the statement of these men as to the character of these changes:

WASHINGTON, D. C., *June 4, 1909.*

We all agree that the average rates imposed by paragraphs 313, 314, 315, 316, and 317 of the bill as reported from the Senate Committee on Finance are not greater than those imposed by the act of 1897 as originally construed upon the merchandise now included in these paragraphs in the Senate bill.

MARION DE VRIES,
THAD. S. SHARRETTS,
W. H. PARKHILL,
OTTO FIX.

This statement is signed first by Marion De Vries; second, by General Sharretts; third, by William H. Parkhill, who is the expert whose statements and figures have been brought to the attention of the Senate in a manner which shows that they are at least considered conclusive by both the Senator from Iowa [Mr. DOLLIVER] and the Senator from Wisconsin [Mr. LA FOLLETTE]. It is also signed by Otto Fix. Mr. President, the names of those four men are, in my judgment, an absolute guarantee of this question. They are four men who know more about this subject than any other living men.

Mr. Parkhill has been passing these importations, as I have said, for twenty-three years. General Sharretts has been in the service of the Government for I do not know how long, but I think about thirty years. Marion de Vries has been in the service of the Government for twelve years, I think. Two of these men are Democrats, whose party loyalty has never been questioned. They are the men who know about this. They are not basing their judgment and opinion upon equivalent ad valorems, which, as I have shown, have no value whatever as showing the effect of the rates either upon present or upon future importations. These are the men whom the Government of the United States trusts, and trusts implicitly, for the protection of its interests. They have no interest whatever in this subject, except to tell the truth and to give the country and the Senate the benefit of their experience and their information. To my mind, that statement is conclusive of this whole question.

It is easy enough for a Senator to claim that in a certain importation we have apparently increased the duty 100, 200, 300, or 500 per cent. This is simply a play upon figures, Senators, and nothing else. That is not what we are here for. Certainly those of us sitting on this side of the Chamber are here as protectionists to fix rates upon these various articles and in all of these schedules and paragraphs that will protect. We are here representing the people of the United States; we sitting upon this side are here as protectionists, governed by a principle which is older than the Chicago convention, which is older even than the history of the Republican party, which comes to us with the sanction of the sound judgment of the great statesmen of the world. We are here pledged to support a principle that has made great states throughout the world; that has built up German industry; that has built up French industry; that has taken communities without prosperity and made them prsoperous states. We are following the principle that was advocated as the basis of sound governmental policy by the great statesmen of this Republic in its earlier days—by Hamilton, by Washington, by Jackson, and by most of the men whose names are illustrious in our history.

The Senators sitting upon the other side of the aisle, holding, if you please, different views upon the economic policy of the Government, are also bound by the highest obligations to see that the interests of their own communities and their own constituents, we having adopted this policy as a result of a great national campaign, are not overlooked or left unprotected.

It is true that Mr. Calhoun, who started out as a protectionist, became for other reasons—reasons to which it is not necessary for me to recall to the attention of the Senate—opposed to the protective policy.

The South had in the earlier, I will not say in the better, days of the Republic great protectionists in many of her States. You had great men, both Whigs and Demo . You had Henry Clay and a galaxy of brilliant men who believed fully in the great policy to which we are committed.

If you can not join us in passing a bill which will protect all the people of the United States, I ask you, in the interest of your own people and of your own industries, to join us in protecting these against assaults of the character which I have described to-night.

Mr. President, I have said all that I care to say now upon this subject. There are other things to which I had intended to allude, and perhaps I may have occasion to take some of these points up to-morrow morning, but I do not feel quite like going on to-night. I think perhaps I had better move that the Senate adjourn, and I will complete my remarks in the morning.

The motion was agreed to, and (at 10 o'clock and 20 minutes p. m.) the Senate adjourned until to-morrow, Saturday, June 5, 1909, at 10.30 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate June 4, 1909.

REGISTERS OF THE LAND OFFICE.

W. N. Ivie, of Huntsville, Ark., to be register of the land office at Harrison, Ark., vice John I. Worthington, resigned.

Guy W. Caron, of Little Rock, Ark., to be register of the land office at Little Rock, Ark., vice Harry H. Myers, resigned.

CONSUL.

Charles L. Hoover, of Missouri, to be consul of the United States of America of class 8 at Madrid, Spain, vice Richard M. Bartleman, appointed consul-general of class 5 at Buenos Aires. The nomination of Mr. Hoover which was sent to the Senate on the 26th ultimo is hereby withdrawn.

DEPUTY COMMISSIONER OF CORPORATIONS.

Luther Conant, jr., of New York, to be Deputy Commissioner of Corporations in the Department of Commerce and Labor, vice Edward Dana Durand, nominated to be Director of the Census.

ASSISTANT ATTORNEY-GENERAL.

William R. Harr, of the District of Columbia, to be Assistant Attorney-General, vice Alford W. Cooley, resigned.

APPOINTMENTS IN THE ARMY.

JUDGE-ADVOCATE-GENERAL'S DEPARTMENT.

Capt. Beverly A. Read, Sixth Cavalry, to be judge-advocate with the rank of major from June 14, 1909, vice Maj. Frank L. Dodds, to be promoted.

Capt. Milton F. Davis, Tenth Cavalry, to be judge-advocate with the rank of major from June 14, 1909, vice Maj. Frank L. Dodds, to be promoted.

PROMOTIONS IN THE ARMY.

JUDGE-ADVOCATE-GENERAL'S DEPARTMENT.

Lieut. Col. Harvey C. Carbaugh, judge-advocate, to be judge-advocate with the rank of colonel from June 14, 1909, vice Col. Edgar S. Dudley, to be retired from active service.

Maj. Frank L. Dodds, judge-advocate, to be judge-advocate with the rank of lieutenant-colonel from June 14, 1909, vice Lieut. Col. Harvey C. Carbaugh, to be promoted.

CAVALRY ARM.

First Lieut. Samuel B. Pearson, Ninth Cavalry, to be captain from April 18, 1909, vice John C. Waterman, Seventh Cavalry, promoted.

First Lieut. Freeborn P. Holcomb, Fourteenth Cavalry, to be captain from April 26, 1909, vice Eugene P. Jervey, jr., Tenth Cavalry, who died on that date.

Second Lieut. Beauford R. Camp, Ninth Cavalry, to be first lieutenant from April 3, 1909, vice Douglas McCaskey, Fourth Cavalry, promoted.

Second Lieut. Seth W. Cook, Tenth Cavalry, to be first lieutenant from April 18, 1909, vice Samuel B. Pearson, Ninth Cavalry, promoted.

Second Lieut. Thomas B. Esty, Ninth Cavalry, to be first lieutenant from April 26, 1909, vice Freeborn P. Holcomb, Fourteenth Cavalry, promoted.

POSTMASTERS.

DELAWARE.

Charles C. Tomlinson to be postmaster at Delmar, Del., in place of Charles C. Tomlinson. Incumbent's commission expired January 27, 1908.

INDIANA.

James Nejdl to be postmaster at Whiting, Ind., in place of Charles D. Davidson. Incumbent's commission expired January 9, 1909.

KANSAS.

Olga A. Krehbiel to be postmaster at Moundridge, Kans. Office became presidential October 1, 1908.

OHIO.

John M. Shafer to be postmaster at Edon, Ohio. Office became presidential January 1, 1908.

Harry M. Wolfe to be postmaster at Germantown, Ohio, in place of Robert S. Fulton, removed.

PENNSYLVANIA.

John E. McCardle to be postmaster at Charlerol, Pa., in place of John B. Branagan. Incumbent's commission expired November 24, 1907.

John W. Miller to be postmaster at South Sharon, Pa., in place of John W. Miller. Incumbent's commission expired December 15, 1908.

George L. Thomas to be postmaster at New Bethlehem, Pa., in place of Joseph I. Latimer, removed.

TEXAS.

J. R. Davis to be postmaster at Hutto, Tex. Office became presidential January 1, 1909.

VIRGINIA.

James F. Williams to be postmaster at Amherst, Va. Office became presidential April 1, 1908.

WEST VIRGINIA.

Frederick Moore to be postmaster at Belington, W. Va., in place of George M. Right. Incumbent's commission expired January 25, 1908.

CONFIRMATION.

Executive nomination confirmed by the Senate June 4, 1909.

CONSUL.

Charles L. Hoover to be consul at Madrid, Spain.

WITHDRAWAL.

Executive nomination withdrawn from the Senate June 4, 1909.

Capt. Beverly A. Read, Sixth Cavalry, to be judge-advocate with the rank of major from June 14, 1909, vice Maj. Frank L. Dodds, to be promoted, which was submitted to the Senate on the 3d instant.

SENATE.

SATURDAY, *June 5, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

HOUSE BILL REFERRED.

H. R. 9609. An act to grant to John Rivett privilege to make commutation of his homestead entry was read twice by its title and referred to the Committee on Public Lands.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT laid before the Senate a memorial of the Fidelity and Deposit Company and 16 other surety companies of the United States, remonstrating against an appropriation of $200,000 for the creation of a bureau in the office of the Treasurer of the United States to be known as the "fidelity bond bureau," which was ordered to lie on the table.

Mr. JONES presented a resolution adopted by the Commercial Club of Wenatchee, Wash., which was referred to the Committee on Commerce and ordered to be printed in the RECORD, as follows:

Whereas this community is deeply interested in having the rivers of the Columbia system speedily improved for navigation; and

Whereas under the present policy the appropriations for rivers and harbors on the part of the National Government are too small and spasmodic to accomplish results in the near future: Therefore be it

Resolved by the Commercial Club of Wenatchee, Wash., and by the citizens here assembled, That we heartily indorse the movement inaugurated by the National Rivers and Harbors Congress to secure the regular annual expenditure of not less than $50,000,000 upon rivers and harbors throughout the Union, until our worthy rivers shall have been made serviceable for navigation and our worthy harbors deepened: Be it further

Resolved, That a copy of these resolutions be sent to each Member of the congressional delegation of Idaho, Washington, and Oregon.

Dated at Wenatchee, Wash., May 27, 1909.

R. F. HOLM,
W. S. TRIMBLE,
V. G. POGUE, *Committee.*
COMMERCIAL CLUB OF WENATCHEE, WASH.,
DENNIS W. KING, *President.*
LEM. L. MCKITTRICK, *President.*

Mr. JONES presented petitions of sundry citizens of Spokane, Wash., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. DEPEW presented petitions of sundry citizens of Rushville, Mount Morris, and Clareville, all in the State of New York, and of Chicago, Ill., praying for a restoration of the duty on foreign oil production, which were ordered to lie on the table.

He also presented a petition of Wallkill Council, No. 92, Junior Order United American Mechanics, of Middletown, N. Y., and a petition of Harvey E. Eastman Council, No. 97, Junior Order United American Mechanics, of Poughkeepsie, N. Y., praying for the passage of the so-called "Overman amendment" to the tariff bill, proposing to increase the head tax on immigrants from $4 to $10, which were ordered to lie on the table.

He also presented memorials of compositors employed by the Rochester Herald, of Rochester; of the stereotypers, compositors, pressmen, and mailers employed by the New Yorker Staats-Zeitung, of New York City, and of the stereotypers, compositors, pressmen, and mailers employed by the New York Evening Post, of New York City, all in the State of New York, remonstrating against any change in the rates on wood pulp and print paper as fixed by the Payne tariff bill, which were ordered to lie on the table.

He also presented a memorial of members of the Chasmar-Winchell Press, of New York City, N. Y., remonstrating against the inclusion in the new tariff bill of any duty on news print paper and wood pulp, which was ordered to lie on the table.

He also presented a memorial of Local Lodge No. 3, International Brotherhood of Pulp, Sulphite, and Paper Mill Workers, of Glens Falls, N. Y., and a memorial of Local Lodge No. 4, International Brotherhood of Pulp, Sulphite, and Paper Mill Workers, of Palmer, N. Y., remonstrating against any reduction of the duty on wood pulp and print paper, which were ordered to lie on the table.

He also presented a memorial from the employees of the composing room of the New York Journal of Commerce, of New York City, N. Y., remonstrating against the placing of any duty on news print paper and wood pulp, which was ordered to lie on the table.

He also presented a petition of the employees of the Buffalo Evening News, of Buffalo, N. Y., praying for a retention of the duty on print paper and wood pulp as proposed in the so-called "Payne tariff bill," which was ordered to lie on the table.

He also presented memorials of the stereotypers, pressmen, mailers, and employees of the Journal of Commerce and Com-

mercial Bulletin, of New York City; of the Syracuse Journal, of Syracuse; of the Brooklyn Daily Times, of Brooklyn; and of the Cortland Evening Standard, of Cortland, all in the State of New York, remonstrating against any change from the rates on pulp and paper as fixed by the House bill, which were ordered to lie on the table.

He also presented a memorial of Local Union No. 241, International Brotherhood of Stationary Firemen, of Piercefield, N. Y., and a memorial of Fenimore Local Union, No. 2, International Brotherhood of Pulp, Sulphite, and Paper Mill Workers, of Sandy Hill, N. Y., remonstrating against a reduction of the present duty on print paper and wood pulp, which were ordered to lie on the table.

Mr. FRYE presented a memorial of Local Union No. 12, International Brotherhood of Pulp, Sulphite, and Paper Mill Workers, of Millinocket, Me., remonstrating against a reduction of the duty on print paper and wood pulp, which was ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BRADLEY:

A bill (S. 2535) granting an increase of pension to Eli Estridge; to the Committee on Pensions.

By Mr. CRANE:

A bill (S. 2536) granting an increase of pension to Murray V. Livingston; to the Committee on Pensions.

AMENDMENTS TO THE TARIFF BILL.

Mr. CURTIS. I submit an amendment to the pending tariff bill, and ask that it be printed in the RECORD and referred to the Committee on Finance. I will state that I offered the same amendment a few days ago, but there was a mistake in it.

There being no objection, the amendment was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

200. Stocks, cuttings, or seedlings of Myrobolan plum, Mahaleb or Mazzard cherry, Manetti multiflora and brier rose, 3 years old or less, $1 per thousand plants; stocks, cutting, or seedlings of pear, apple, quince, and the St. Julien plum, and evergreen seedlings, 3 years old or less, $2 per thousand plants; rose plants, budded, grafted, or grown on their own roots, 4 cents each; stocks, cuttings, and seedlings of all fruit and ornamental trees, deciduous and evergreen, shrubs and vines, and all trees, shrubs, plants, and vines commonly known as nursery or greenhouse stock, not specially provided for in this section, 25 per cent ad valorem.

Mr. BURTON submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The Secretary will announce the pending amendment, which has already been read.

The SECRETARY. On page 97, line 24, paragraph 313, after the words "cotton cloth," the committee propose to insert certain words.

Mr. BRISTOW. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Gallinger	Overman
Bacon	Crane	Guggenheim	Page
Beveridge	Crawford	Hale	Paynter
Borah	Culberson	Heyburn	Penrose
Brandegee	Cullom	Hughes	Perkins
Briggs	Cummins	Johnson, N. Dak.	Root
Bristow	Curtis	Johnston, Ala.	Simmons
Brown	Dick	Jones	Smith, Mich.
Bulkeley	Dillingham	Kean	Smoot
Burkett	Dixon	Lodge	Sutherland
Burnham	Dolliver	McCumber	Tillman
Burrows	Fletcher	McEnery	Warner
Burton	Flint	Martin	Wetmore
Carter	Foster	Money	
Clapp	Frye	Nelson	

Mr. JONES. My colleague [Mr. PILES] is temporarily detained from the Chamber on important business.

Mr. BURTON. I desire to state that the Senator from Pennsylvania [Mr. OLIVER] is detained at the White House.

Mr. FLETCHER. I desire to say that my colleague [Mr. TALIAFERRO] is unavoidably detained from the Chamber this morning.

The VICE-PRESIDENT. Fifty-eight Senators have answered to their names. A quorum of the Senate is present. The pending question is on the amendment of the Committee on Finance to paragraph 313.

Mr. ALDRICH. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. DOLLIVER. Mr. President, I desire to say a few words, I do not know exactly how many, in reply to what has been said by members of the committee in relation to the effect of the Senate amendments upon the cotton schedule of the bill as it came to us from the House of Representatives.

I am especially anxious to avoid, so far as such a thing is now possible, any spirit of harshness in criticism of what has been said or done, but I will not be able to avoid a plain, straightforward statement, well supported by official figures, that what this committee now asks the Senate to do is not based upon the facts in this case, but in reality upon egregious errors, which will sooner or later come to light in the face of all men.

I am the last man in the world who would desire to say an unkind thing of the Senator from Rhode Island [Mr. ALDRICH] or any other member of the committee, although I must say that the facts developed in this case require somebody to speak words of truth and of soberness in respect to the representations which have been made, for the reason that we are asked to cast our votes here not upon testimony, but upon authority, and it becomes my first duty to inquire into the credentials of the authority that substitutes itself for facts and figures in connection with this case.

I regret that I am compelled to speak by the demand of the committee for an immediate vote upon this particular schedule before I can get an opportunity to see in printed form the remarks made by the Senator from Rhode Island, so that in what I shall say about them I am necessarily confined not by what I have read, as every man ought to be who undertakes to reply to a great speech, but to what I was able to hear last night.

The first thing I happened to hear that struck me as a little peculiar was that these Senate amendments affect only 10 per cent of our cotton importations. Did I hear that correctly?

Mr. ALDRICH. I think the Senator's hearing is good.

Mr. DOLLIVER. Very well. Then I confute it by the statistics put into the speech of the Senator from Utah [Mr. SMOOT], in which he showed that 70 per cent of the importations are affected by the changes in the ad valorem rate in Governor Dingley's law, and only 30 per cent are included in the specific assessments which are retained unchanged in these amendments.

If it is true that only 10 per cent of our importations of cotton cloth are affected by this conversion of the Dingley ad valorems into the Senate Finance Committee's specifics, how does it happen that we were furnished three days before with an elaborate book of statistics in which it was shown that of our total importations of cotton goods in the United States all of them were included in the Dingley ad valorem provisos except 30 per cent?

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Will the Senator from Iowa yield to the Senator from Rhode Island?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. If the Senator wants an answer, I will give it to him now.

Mr. DOLLIVER. It is a little matter of curiosity. I am here, very much younger in these things than my honored friend, seeking guidance.

Mr. ALDRICH. My statement was that less than 10 per cent of the total cotton importations, which amount in the aggregate to about $78,000,000, including laces, were affected by this provision. I did not say that 10 per cent of the cotton cloth imported was affected by these changes, but I said 10 per cent of the entire importations of cotton.

Mr. DOLLIVER. Very well.

Mr. ALDRICH. I repeat it now; the amount is about $8,000,000.

Mr. DOLLIVER. The Senator would have saved my strength and time if, when I quoted what he said, he would have corrected it.

Mr. ALDRICH. What does the Senator mean by that?

Mr. DOLLIVER. I mean to say that I understood the Senator to tell me that my memory of it was accurate.

Mr. ALDRICH. I said 10 per cent of the total importations.

Mr. DOLLIVER. That was not what I meant.

Mr. ALDRICH. That is what I understood the Senator to say.

Mr. DOLLIVER. Now, take another matter. I am as anxious to honor the Senator from Rhode Island as any man in this Chamber. Thirty years ago, in Rhode Island and everywhere, I carried in my satchel his speeches upon the tariff question and recited his statistics with a certain confidence, which, I confess, without any fault of my own, has gradually slipped away from my mind.

I hope the Senator from Rhode Island will remain here for a few minutes.

Mr. ALDRICH. I am engaged elsewhere.

Mr. DOLLIVER. I want to engage you here——

Mr. ALDRICH. All right.

Mr. DOLLIVER (continuing). Or make it understood that you propose to assault the criticisms made here by me and a few associated with me without giving me the opportunity to which I am entitled in debate. The Senator will not turn his back upon what I have to say here without taking the moral consequences which would naturally arise in the mind of a man anxious to get at the facts in this case.

I understood the Senator from Rhode Island to say that nobody in the United States had protested against this bill except a few New York importers.

Mr. ALDRICH. Against the amendments of the committee.

Mr. DOLLIVER. Against the amendments of the committee.

Mr. ALDRICH. If they have, they have failed to reach my ears.

Mr. DOLLIVER. Very well. I will say that they were introduced in the Senate and referred to your committee, though I do not pretend to say, and I do not accuse the Senator of negligence of duty, that he has read them; but he ought to hire a clerk to find out before he tells great audiences in this Chamber, before he tells the Senate, that no protests had been made against it.

I hold in my hand a memorial addressed by the dry goods trade of New York City to the Senator from New York [Mr. ROOT]. I find upon it the names of the most famous dry goods establishments in America.

Mr. FLINT. Mr. President, are they importers?

Mr. DOLLIVER. Some of them are importers; some of them are not importers. But the most of them deal in dry goods, of course dealing mainly in the domestic product, because they have $500,000,000 worth of that to deal in, there being only $14,000,000 worth imported altogether into the United States.

Mr. BEVERIDGE. May I ask also, if the Senator will pardon a question, whether they are American merchants and honorable men?

Mr. DOLLIVER. Of course. I do not intend to debate the question as to what our attitude ought to be toward American merchants.

Mr. ALDRICH. I should like to have the Senator, if it will not take too much time, read the names of those gentlemen.

Mr. DOLLIVER. I will.

Mr. FLINT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from California?

Mr. DOLLIVER. Certainly.

Mr. FLINT. I request the Senator also to designate, as he reads the names, those who are importers and those who are not importers.

Mr. DOLLIVER. I will read them and then designate those who are not importers. I will say to the Senator from Rhode Island that they not only include great merchants, but they include the greatest manufacturers of cotton in the United States.

I want first to show what this paper is. It is a protest in which the following statement is made:

> At all early open hearings of tariff matters the trend of arguments of cotton-fabric manufacturers and others was in favor of letting things stand as they were. Advances were not asked on the Dingley basis of tariff; and with no expectation of any change, mills are sold ahead many months.
>
> We appeal to you—

That is, the junior Senator from New York [Mr. ROOT]—

> We appeal to you, confident of your active interest and cooperation, which this certainly warrants. Every home in this State requires your aid in this matter.

It is signed by—

> Mills & Gibb, H. Elmer Gibb, president; Rogers & Thompson; John Darling & Co.; Chas. C. Copeland & Co.; Converse & Co.; J. Spencer Turner Co.; Faulkner, Page & Co.; Doull Miller Co.; Neuss, Hesslein & Co.; A. L. Reid & Co. (one of the gentlemen appealed to by the general appraiser, and one of his witnesses on the mercerization question); Stern Bros.; Shipley & Blauvelt; Walter Turnbull; R. B. MacLea Co., R. K. MacLea, treasurer; Albert A. White; M. Park Parker; Tootle, Broadhurst & Lee——

Mr. ALDRICH. Will the Senator allow me to interrupt him right there?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. They are an English house of importers.

Mr. DOLLIVER. Very well. The next name is not an English importing house—"The American Printing Co.," of Fall River, the largest possibly of our domestic manufacturers of cotton goods—the company with which Bliss, Fabyan & Co. are connected as selling agents in New York. The head of this firm is not a foreign importer. He is surely a good American.

Mr. ALDRICH. Exactly.

Mr. DOLLIVER. And was once president of the American Protective Tariff League.

Mr. ALDRICH. The class of manufacturers referred to manufacture one class of goods which is not involved in this controversy at all and is amply protected by other provisions of the bill.

Mr. DOLLIVER. There are a good many people in this bill amply protected. Nobody came here and said he was not amply protected, but all the manufacturers of cotton cloth claimed they were fully protected.

Mr. BEVERIDGE. Will the Senator permit me? Did I understand the Senator to say that some person named there was recently president of the American Protective League?

Mr. DOLLIVER. Yes.

Mr. BEVERIDGE. I did not catch it quite.

Mr. DOLLIVER. Yes; the selling agent of the American Print Company in the city of New York.

Mr. BEVERIDGE. He was president of the American Protective Association?

Mr. DOLLIVER. The Protective Tariff League.

Mr. GALLINGER. The president of it?

Mr. DOLLIVER. I think so. Certainly he was the treasurer of the national Republican campaign committee.

Mr. GALLINGER. That is a different business.

Mr. DOLLIVER. I will go ahead with the names:

> James B. Sievwright; George Riggs & Co.; Remy, Schmidt & Pleissner; R. A. Whytlaw Son & Co.; Sherman & Sons Company; James F. White & Co.; C. Bahnsen & Co.; William Duncan; Wright & Graham; John McCann & Co.; Henry Glass & Co.; William Anderson & Co.; Stavert, Zigomala & Co.; George W. McCutcheon & Co.; E. McKittrick & Co.; Calhoun Robbins Company; Rappolt & Co.; H. B. Claflin Company; William Alsberg & Co.; W. O. Horn & Bro.; Johnson & Faulkner; Bonnet & Smith; A. A. Vantine & Co.; Arnold, Constable & Co.; P. K. Wilson & Sons; J. H. Thorpe & Co.; Edward McConnell & Co.; H. W. A. Page; Stroheim & Romann; Titus Bletter & Co.; F. Schumacher Company; Milne, Leeming & Co.; Tefft Weller Company; James H. Dunham Company; William H. Brown Son & Co.; J. Grosse & Co.; Van Blankenstein & Hennings; H. Herrman, Sternbach & Co.

You notice in the petition the name of J. Spencer Turner, of the J. Spencer Turner Company. Are there any objections to his standing in society?

Mr. FLINT. If the Senator will pardon me once more, I will not interrupt him again. I do not mean to be placed in a position by the Senator that I am reflecting upon merchants doing business in New York.

Mr. DOLLIVER. I am not charging that. I am answering your colleague's statement that nobody but foreign importers had protested against the Senate bill.

Mr. FLINT. The point I make is that I understood some of those were foreign importers.

Mr. DOLLIVER. Let me show the Senator that I am right. No great house could be a mere importer of cottons in a city that handles nearly all our vast domestic output. Here is an instructive advertisement in the New York Journal of Commerce:

> J. Spencer Turner Company, dry goods commission merchants, 86 and 88 Worth street, New York; Chicago, St. Louis, Philadelphia, San Francisco, London, and Manchester, sole selling agents for Washington Mills, Stark Mills, Woodberry Mills, Mount Vernon Mills, Columbia Mills, Franklinville Mills, Laurel Mills, Manchester Mills, The Turner Mills, Tallassee Falls Manufacturing Company, La Grange Mills, Imperial Cotton Company, Cosmos Cotton Company, Diana Mills, Hoggansville Mills, H. B. Wiggins Sons Company, and United States Bunting Company.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Will the Senator yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I do not intend to interrupt the Senator, but I would just like to ask him a question. Is not nearly every one of these manufacturing companies a manufacturer of white duck?

Mr. DOLLIVER. No; these are the representative cotton mills of the Southern States.

Mr. BACON. I will say to the Senator that I recognize them as being from my State.

Mr. SMOOT. And they manufacture white duck?

Mr. BACON. No; most of them are yarn mills. Some of them manufacture a class of goods that people make summer clothes out of, men's clothing and things of that kind.

Mr. DOLLIVER. Yes, Mr. President, their business amounts to millions of dollars per year.

American Printing Company, the largest print works and print cloth manufacturers of Fall River. Selling agents at New York, Bliss, Fabyan & Co. Mr. Cornelius N. Bliss head of house.

Faulkner, Page & Co., one of the largest and best known houses in New York; never handles foreign goods; very large concern.

H. B. Claflin Company, well known all over the world; little foreign goods used, mostly domestics; do business of millions. Recently organized a $50,000,000 auxiliary company.

Tefft Weller Company and Jas. H. Dunham Company, the two largest distributers of cotton goods of almost entirely domestic origin in New York.

Converse & Co., one of the oldest, largest, and best known cotton goods commission houses in America; represents eastern and southern mills, and are highly respected everywhere.

Neuss, Hesslein & Co., large exporters of cotton goods to France and Germany and England.

I would not have read that petition if the Senator had not grown dramatic in demanding some evidence that somebody is taking an interest in this question, and he asks Senators to stand up and say whether they had heard from their constituents.

Mr. President, I have heard from my constituents, not alone the good people of Iowa, for whom I try to speak here, but from the people of every State in the Union, and of every city of importance, from all trades, conditions, occupations, and business enterprises of the community, letters that I would print except for the fact that many of them contain matter that might not be becoming to a man of my general timidity of character. What is the substance of the protest which I have in my hand, and the names attached to which I have read? It is very short:

We, the undersigned wholesale merchants of this city, strongly voice our protest against any increase in the tariff on cotton goods.

As we understand the matter there was no expectation on the part of the consumer or the electorate that a revision of the tariff by the party of protection would entail the radical increase which must take place if the Senate bill as reported becomes law.

Now, what were these merchants of New York talking about? They were talking about the amendments to this bill. I am now going to say a word in defense of the merchants of the United States. I have known a great many of them, and, so far as my knowledge goes, they constitute a most useful, enterprising, and worthy part of the population in each community in the United States. I confess that it made me not only mad, but sore at heart to find leaders of the Republican party reproaching the whole mercantile community with all the excesses and extravagances that have grown up in our market place. I myself have been reproached on this floor by fairly good people because I have been seen in the society of a young American merchant whose father has been for more than half a century a stalwart influence in our Republican faith.

When I was accused of talking with this young man—as bright a man in this business as there is on the Finance Committee of the Senate—I said, "MacLea, you have got to give a certificate of your character or I am ruined; not probably with the country, but in some quarters in the Senate." "Well," he said, "I have a certificate of character with me; I have it here; it is the general orders that I issued on the 27th day of October last to the dry goods divisions of the business men's parade, asking them to assemble and march under the Republican banner for William H. Taft." They marched, 19,000 in one body, and their commander is down here talking to me, and I can not utter a word on this floor without some Senator rising to say that I am representing foreign importers and trying to tear down the business and the tariff laws of the United States. I confess I am tired of it. If there are not more merchants in the United States than there are people interested in these scaly advances in this cotton schedule, I am greatly mistaken. If it is a wise leadership of the Republican party to assault and discredit and insult the mercantile community of America in the interest of these amendments of the cotton schedule, I very seriously misinterpret the duty of political leadership in the United States.

I am in a very peculiar situation, because I can not find out, to save my life, who is the author of these Senate amendments to the tariff bill. When I first took the floor here more than a month ago, and began a few cheerful comments upon the contents of this bill, for some reason that I have never been able to understand, I had the chairman of the Committee on Finance and his most honored associates on the committee up explaining to the world the responsibility for the origin of this schedule. The Senator from Rhode Island said that the whole thing was prepared in the custom-house, or by expert officials of the Government. I will read exactly what he said, in order to avoid controversy should he reappear on these scenes of action.

Mr. ALDRICH. If the Senator will permit me just there upon that point, no manufacturer has been before the Committee on Finance in regard to this schedule. Every change that was made in it was made upon the recommendation of the government experts and nobody else; and it is now defensible and will be defended by the members of that committee whenever the schedule is reached.

Well, I then thought I was all right, and I organized my investigation with a view of including in the range of the discussion some of these custom-house officials; but I had not got very far with it before I had the most famous lawyer in America up defending the appraisers in the custom-house against the "unwarranted attack" that had fallen upon them in the Senate, and on June 1 we had the Senator from Rhode Island himself on his feet, telling the Senate, in substance, that he was mistaken four weeks ago in saying that these custom-house officials had recommended these amendments, for only on Tuesday he said on this floor, speaking of the same schedule:

So far as this one schedule is concerned, and the amendments which were reported from the Committee on Finance to the cotton schedule, the changes from ad valorems to specifics, Mr. de Vries never saw them until after they were prepared under the direction of the committee. No member of that committee ever had any conversation with him in relation to it. I will go a step further and say that no manufacturer in the United States ever saw them or was ever consulted with reference to them. They are the creation of the committee itself, and no man was consulted, either on the Board of General Appraisers or anywhere else, with reference to these provisions until the committee had decided what they should be.

I confess that that confused me a little; but before I got my mind organized to that situation, and was preparing to dismiss from consideration the custom-house in New York and resume my suspended attention to the Committee on Finance in the Senate, I heard last night, in the speech of the Senator from Rhode Island, that they had talked to these custom-house people, told them exactly what they wanted, and turned the making of these paragraphs over to them. The thing they wanted was a specific equivalent for the Dingley ad valorems, and the custom-house officials were left to make the rate and fix the dividing lines according to their judgment. Now, is that correct? I say these things because, before this bill is passed, I expect to have a few very definite things to say about the relations of that custom-house to the Government of the United States.

There is another thing that is troubling me. I have never been able to keep the Finance Committee upon the issue which is raised here. This is a great question, which involves every man, woman, and child in the United States. It involves one of our greatest industries—among the first, in the industrial life of the American people.

It is a great issue; and yet here we are fiddling away our time by debating by the hour features of it that have no significance in the controversy. As I have heard the Senator from Utah [Mr. SMOOT], the Senator from Rhode Island [Mr. ALDRICH], and the Senator from New York [Mr. DEPEW], I have not been able to get out of my mind the sentence in Mr. Emerson's essay on Nature, in which he says that—

No great cause is ever tried on its merits; it is divided up into particulars to suit the size of the partisans, and the contest is ever hottest on minor matters.

The great question before the Senate is whether the Dingley cotton schedule, operating well for twelve years, ought to be disturbed. There is nobody here intending to mutilate it. Even my honored friend from Wisconsin [Mr. LA FOLLETTE], feeling, as he does, that that schedule could be improved by a scientific investigation, harbors no purpose to make any suggestion that will interfere in any way with the law that has been enforced in the United States for the last twelve years. Therefore the question is whether the Republican party here revising the tariff should let that schedule alone. It is not a question of revising it downward, but it is simply a question of complying with the request of the cotton-manufacturing industries of New England to let it stand in all important details as it now stands; and yet from the beginning of the discussion we have had the issue befogged in the most amazing way.

I was laughed at when I came into the Chamber with a childlike simplicity and a lot of samples in my hand to illustrate how these proposed amendments would operate. Everybody smiled benignly at the rusticity of my method, and the newspapers very cheerfully printed pictures of my colleague and me under the legend "No trouble to show goods."

Everybody laughed, and I felt as badly about it as a man thus subjected to mild and humorous criticism would naturally feel; but I am feeling very much better about it now, because

I have seen the most dignified characters in the Senate address themselves to this honorable body with exactly the same kind of approach to their understanding. Even the Senator from Massachusetts [Mr. LODGE], our scholar in American politics, the most eminent producer of high-class literature among us—although we are sad to reflect that he leads now a lonely life in a world in which the consumer has entirely disappeared—even he, standing at his desk, exhibits his samples.

I was told then that these exhibitions of the exact way in which this tariff bill would work were not shown by the samples that I produced. Why? Because they had not passed through the custom-house and nobody could tell whether the figures on them were right or wrong. I would not have brought them into the Senate if I had not known that they were right. The figures on them were made by people who had paid the duties on them under the existing law, and the calculations of what changes would be made were very simple to a man who understands what is proposed in this bill. I would be perfectly willing to risk this whole question on taking out of that envelope my list of samples numbered, turning them over to the Treasury Department of the United States, and postponing this vote until the Treasury Department reported upon every particular of which I gave the Senate information in respect to them, but I suppose it would not be possible to get that done now.

Our controversy, then, has descended to this—not whether the tariff ought to be raised, not whether it ought to be lowered, but what has actually been done to it in this bill. I affirm that it has been subjected to a very large variety of more or less noticeable additions to duties now provided by law; and I shall proceed to prove that, if I may have the attention especially of those who do not desire to go to their constituents with the statement that they voted to increase these duties. I want to tell you gentlemen, however, it will be a great deal better for you to go to your constituents and tell them that you voted to increase these duties than for you to go to your constituents and tell them that these duties have not been increased. A man can defend himself for increasing a duty, but he will not be able to defend himself against the charge of not knowing what he was about. If Senators, acting on mere authority and dogmatic influence of distinguished people, vote for these amendments and go into the communities in which they live and tell the people that no changes have been made, they will find themselves subjected to embarrassment of a rather complex character. There is one thing the American people do not like. They often submit with patience to being robbed, but no American community is willing to be flimflammed, and it is a good deal easier to defend a vote increasing a duty than it is to defend a proposition which claims that a rate has not been increased, when, in point of fact, it has been. Therefore I want to address myself to that question, and I intend to begin with a very fundamental kind of testimony.

There is one thing about an importer that makes him a very valuable witness in a case like this. He is the gentleman who goes down into his pocket and pays these duties, and, as the Senator from Rhode Island says, he is always a rather smart man and is usually so prosperous that he surrounds himself with very shrewd men; and therefore it looks to me as if one of these people who is likely to be called upon to pay these duties would be a fairly good witness as to the question whether the duties are going to be more or less than they are now. Does not that sound reasonable? Very well.

The Senator from Rhode Island said that there were the names of a very large number of importers on that petition which I read. What does it mean when these smart business men in New York engaged in the importation of merchandise say in a public statement:

> We, the undersigned wholesale merchants of this city, strongly voice our protest against any increase in the tariff on cotton goods.
>
> As we understand the matter, there was no expectation on the part of the consumer or the electorate that a revision of the tariff by the party of protection would entail the radical increase which must take place if the Senate bill as reported becomes law.

Is there anybody in the United States who thinks the merchants of the United States do not know as much about these tariff rates as we do here in the Senate? So the first witnesses I introduce are the merchants of the United States. The same testimony has come to me from Marshall Field & Co., of Chicago; from John V. Farwell Company, of Chicago; and from the most important merchants and business men of the State in which I have the fortune to live. If that were the only testimony I do not know that I should introduce it to the Senate; but these advertisements in the New York Journal of Commerce, from which I am now reading, were in the nature of a joint debate. As soon as that statement was put out there came to the front two other men, whose names are caught like flies in amber in the literature of the tariff discussions of the present year—J. R. MacColl and Clarence Whitman, of Rhode Island. They are manufacturers of these goods which are to be affected by these increases, and you would naturally suppose that if anybody knows whether this law proposed a raise of duties or not these two brethren of Rhode Island would be apt to know. At any rate, I feel reasonably warranted in reading what they say about it:

> The Aldrich bill—

They say in an advertisement printed on the 21st of April, 1909, in the New York Journal of Commerce:

> The Aldrich bill will not affect the price of the great bulk of cotton goods.

Nobody claims that it will; nobody claims that it affects the price of any of the cotton goods that are manufactured in the United States down in the Southern States, and that marvelous burst of eloquence, that did such credit to the heart of the distinguished Senator from Rhode Island, in which he was reaching out for the sympathy and good will of the South, was not based upon any threat made in this bill or by anybody else against the industries of the South, for it is literally true that the great bulk of the cotton goods manufactured in the United States, the ordinary cotton goods or the cheapest—I will not say "ordinary," because in this country the very best has become ordinary—will not be affected.

> It has added—

Say these two amiable gentlemen—

> a small duty of 1 cent per square yard on goods that are mercerized, and it may increase the duty slightly on the finer and more expensive fancy cotton goods.

Now, mark you. I am debating with a group of gentlemen that say no increases have been made. I bring the merchant who says that he knows the increases have been made; I bring the manufacturer who says in a published advertisement that an increase of 1 cent has been made on the mercerizing process and that slight increases have been made in the finer classes of goods. But that is not all. I intend to approach these witnesses in the order of their authority.

We have next the message sent to Massachusetts the day the bill was reported, the Senator from that State saying, with conscious pride, that changes had been made of "enormous value to our great textile industries."

The other day the Senator from Utah [Mr. SMOOT] made a very powerful speech on this floor, a speech that reminded me of an oriental rug which lies upon a floor in the house in which I live. We bought it of a trusted friend, on account of its peculiar adaptation to the size of our room. They brought it in in the dusk of the evening, and we luxuriated in its beauty that evening by the fire light. The next morning we noticed that it did not seem to be very regular in its weave, that the coloration of the yarns was peculiar, and that the figures were more or less mixed and jumbled. We telephoned our friend to come up and take it back. He came up and convinced us in about twenty minutes that we had a treasure. He said: "That is an authentic rug. In this country it is almost impossible to be sure whether you are getting a real oriental rug or not, but where you find one woven in that way, the figures all jumbled, the whole thing mixed up, the yarns of different colors, you may be 'dead sure' that it is the real thing." Said I, "How do you make that out?" He said, "You can see at a glance that the whole family has been working on it." [Laughter.]

So I made up my mind, by applying the well-known rules of higher criticism to the speech delivered here by my honorable friend from Utah, that it had at least equal credentials of authenticity. That being so, it is a little surprising that, starting out to confute the proposition that this bill makes no raises in the cotton schedule, he should unconsciously, without even knowing it himself, admit the exact thing for which I am contending. Let me illustrate what I mean.

In the first place, the Senator from Utah admits that, compared with the present state and condition of the Dingley law, upward changes have been made. So that the only pretense that the committee makes of having left these duties unchanged, or reduced them, is not by comparing them with the Dingley law, but with what they claim the Dingley law looked like ten years ago! So he says:

> The bill was reported reflecting the views of no man or men except the committee, and calculated to levy fair, uniform rates of duty, producing the most possible revenue, and levying an equivalent ad valorem less—

Not less than the Dingley law, but—

> less than that provided by the Dingley law as contemplated by the Congress.

I will come after a while to interpret that. I call your attention now to the fact that they do not pretend even to use the Dingley law which we have on the statute books now as their standard, but a Dingley law that existed in the mind of a man by the name of Edwin A. Hartshorne, who was turned out of the appraiser's office in New York for incompetency in the interpretation of the statute which he was called upon to administer.

My honored friend from Utah says that the theory upon which these changes have been made is very simple. He says that in the Dingley law many of the duties were specific, and he goes on to show that they were absurdly high. I ask you brethren of the South to catch the idea. The specific rates which the manufacturers of cotton cloth have enjoyed in the United States without anybody's question for nearly a century are absurdly high, while the duties on high-class cotton cloth are lower than the duties on the coarse cotton cloth.

The Senator led up to that argument in a most interesting way. He informed us that we produced cheap cotton goods in the United States; that our facilities are poor, our skill is deficient, and that, for some reason or other, we have not entered the higher ranges of cotton manufacture. He seemed fearful that a failure to act promptly would result in giving the market for fine goods to foreigners and keeping the market for coarse goods for our own people.

Therefore, what we are chiefly interested in in the United States is the ordinary, cheap, old-fashioned cotton cloth. That was a beautiful tribute to New England to say that we do not manufacture the finer grades of cotton goods in the United States. I deny it, and I call the attention of the Senator from Utah to what I am about to say.

The mills of New England not only manufacture the highest grades of cotton cloth that are manufactured in the world, but they invented the machinery to manufacture them and are now selling the machinery to the mills of England to bring them upon a par with us in the progress of that great industrial art, and yet the Senator from Utah, offering himself as a guide to the Senate in its deliberations on this matter, says that we have got to be very careful; we only manufacture the lower-grade stuff in this country and are importing the others, and here we put the duty absurdly high on the cheap goods that we are manufacturing and we have left it absurdly low on the others. Then he says, Gentlemen, we have not raised the rates in this bill; we have simply equalized them.

Mr. OVERMAN. Does that mean that they have lowered them?

Mr. DOLLIVER. No; they have not touched the high ones.

Mr. OVERMAN. Have they lowered the duties on the common goods?

Mr. DOLLIVER. No; not at all. They have left the ones that are "absurdly high" exactly where they are and equalized the schedule, without raising any rates.

Mr. BEVERIDGE. The term "absurdly high"——

The PRESIDING OFFICER (Mr. KEAN in the chair). Does the Senator from Iowa yield to the Senator from Indiana?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. The term "absurdly high," as I understood the Senator to say, was a quotation made from the speech of the Senator from Utah, was it not?

Mr. DOLLIVER. I will read his language. He speaks of this difference between the level of rates on the coarse goods and the rates on high goods, and then he says:

> These absurdities, so far as can be done by preserving present rates, are wiped out by the Senate bill.

The only absurdity he pointed out was the fact that the duties on the low-grade goods were greater than on the higher ones. That was the absurdity, and he has wiped it out without changing the high ones and without raising the lower ones. I do not accuse him of knowing what the exact effect of that language which he delivered so ably to the Senate was, but I undertake to say it will require some explanation before a man's constituents if he goes into an ordinary community in the United States, and says: "We found two levels of rates, one high and the other low. We have left the high ones exactly as they are, and we have equalized them without raising the lower ones." If a man can do that, he will understand the mystery of the economy often practiced by Congress, by which salaries are never raised, but always equalized. [Laughter.]

I have now the mercantile community, all experts in this business, claiming that these rates have been raised.

I have the manufacturers, experts in promoting this legislation, admitting they have been raised. I have the Senator from Utah unconsciously allowing the cat to escape from the bag by reading to the Senate language to which he has not accustomed his sight, and the Senator from Massachusetts prematurely confiding to his constituents early notice of the "enormous value" of what had happened to them in the bill reported from the Finance Committee. I have all these witnesses testifying upon this question. But if that were all, I would not address this argument to the Senate.

Mr. TILLMAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. DOLLIVER. Certainly.

Mr. TILLMAN. Applying the arguments to the facts, or the so-called "facts," produced on the other side of the Chamber, it seems to me—at least it has dawned on me—that we have two Dingley laws.

Mr. DOLLIVER. We have two Dingley laws, one existing on the statute books and one in the imagination of the Senator from Rhode Island.

If I found these four witnesses all united upon this question and still refuted by statistics, I would throw them all overboard, because while I have not much confidence in homemade figures, unless I make them myself, I have considerable confidence in the statistical tables that are prepared by the Government of the United States. The only way they mislead anybody is when they happen to be put into the hands of inexperienced persons. It requires more skill to translate statistics than it does any language or jargon ever spoken in this world.

But some of the statistics are comparatively simple. From the beginning of this Government we have had only one way of telling what the general level of the rates of a tariff law is. That is to take the total of the importations and the total duties paid, and by a little process of division determine the ad valorem rate. That has been the official method of this Nation for more than one hundred years, and the integrity of that proceeding I never heard questioned until last night, in the heat of the debate, when my honored friend the Senator from Rhode Island [Mr. ALDRICH] undertook to argue that that method of telling the rates in a tariff law are antiquated and not up-to-date. Antiquated as it is, it is the only basis which he has of predicting the prospective revenues of this Government, for, appearing on this floor with the authority of a great committee behind him, he told us within 50 cents—he made it fractional—exactly what the revenues were to be under this bill. And yet he has no figures except these ad valorems, and these statistics made by the experts of the Treasury and the Department of Commerce and Labor, in relation to the paragraphs of the measure.

If anybody will look at the statistics he will be satisfied that they show an increase in these rates. Open, for example, the speech of the Senator from Utah [Mr. SMOOT]. He is kind enough to give us the numbers of the paragraphs, the estimated duties under the Senate bill, based on the importations of 1907, the equivalent ad valorem under the present law and the Senate bill, and that statement which he makes there shows that the ad valorem equivalents of the Senate bill, compared with the present law, are a very substantial increase in the rates. And he is absolutely correct about it.

So we have now four witnesses—the importer, the manufacturer, the statesman, and the statistician—and they unite in saying that the duties have been raised. But even with those four witnesses I would not dare to approach this subject on the floor of the Senate, owing to my want of confidence in various kinds of information, without going through the mill of the custom-house and applying these rates to the actual goods and merchandise. The science of logic must have reached a very unhappy state when that is regarded as a light form of evidence as to what this bill does to cotton goods.

I call your attention to this fact, for although most of you probably heard it, some of you did not: The Senator from Wisconsin took five samples of imported merchandise, all of the ordinary character of ladies' dress goods, to the custom-house in New York and had them assessed for duty, not by Mr. Parkhill, but by the chief of the division in which Mr. Parkhill is only an assistant.

He had them assessed exactly as they would be assessed if introduced for the first time from a foreign country; had the change in duties which would be required by the application of this bill to the identical goods, calculated by the appraising officers, and he stood on this floor, with the goods in his hand, and the Finance Committee in full retreat, and asked anybody to say whether that was not conclusive evidence of what the effect of this bill was upon actual cotton goods brought into this country.

Some people laugh at that kind of an argument. They say it is the average we ought to look at. Nobody pays a duty at the

custom-house at the average ad valorem for 1907. Nobody pays a duty at the custom-house on an ad valorem that dates back to 1900. A man pays a duty under the law as applied to the importation on the day he draws his check for the duties. You can not fool anybody who pays a duty by telling him that the average in 1900 was this or that. The average has nothing to do with it. Suppose there were three of us standing upon the street corner. I have had three square meals that day. You have had nothing to eat. Some cheerful statistician connected with the Department of Commerce and Labor or the Finance Committee of the Senate comes up with a pencil and undertakes to prove that we have had an average of one meal apiece. That situation has no sense in it, and it has no sense in it when, to a man complaining about duties being raised, it is said, "Oh, no; that is the average of 1907." Yet that is the exact sort of logic with which we were presented not only the other day, but last night, with the galleries looking for light.

So, we have here five witnesses—the merchant, who studies the questions, and knows more about it than all of us; he says the duties have been raised; the promoting manufacturers—they say the duties have been raised; the Senator from Utah [Mr. SMOOT], who unconsciously admits that they have been equalized—the low rates up to the level of the high ones; the Senator from Massachusetts [Mr. LODGE]; the statistics of the Government of the United States, verified for the Senator from Wisconsin by the Department of Commerce and Labor; and the goods themselves introduced into this country through the custom-house, with our own officials applying the act of 1897 to them, and the act of 1909, as the Senator proposes to make it; and they make their memoranda on the actual merchandise.

I beg you gentlemen, especially you young men, who will have to fight the battles of the Republican party in the next twenty years, after a good many of the authorities of to-day have disappeared from our affairs, not to degrade the Senate of the United States, a great deliberative body, able to cope with practical questions, to the level of an uneasy congregation of intellectual come-ons. [Laughter.]

But my friend the Senator from Rhode Island says that all this is immaterial; that strange and marvelous things have happened to the Dingley tariff law during these twelve years; and I will tell you, Mr. President, the funny thing about that which has struck me. Nobody ever heard of that until we began to agitate about these advances in the cotton schedule. The manufacturers never heard of it, apparently, because they certainly would have mentioned it to the House committee. The honorable Senator from Rhode Island says they did not know what was going on in the custom-house. Bless his innocent soul, they know more about it than anybody else; they have their agents there at every hearing, and sometimes it has been suspected that their relations have been even more intimate.

If they had been affected by adverse decisions of the courts running over a term of years, why did they not say so when they appeared before the Ways and Means Committee of the House? They did mention the decisions of the courts, but as you are aware they referred to them only to say that they had settled important questions, given necessary definitions, fixed the law so that the people could understand it, suggesting that it would be no service to the community to change the law, because, instead of being injured by the decisions, the law had been shaped, purged of error, and made intelligible and equal in its operations. Do I not quote their testimony with substantial accuracy?

What, then, has happened to the Dingley tariff law? I undertake to say that nobody knew that anything in particular had happened to it until this debate began. The Senator from Rhode Island has Mr. Parkhill down here now. He introduces him to our attention with a word of commendation from me. I never saw him in my life. I never heard of him as a statistician. I never dreamed of him as a statesman. I referred to him as an experienced judge of the value of cotton goods. I never expected to hear the Senator from Rhode Island, famed as few living public men are in America, cast aside the cloak of his senatorial dignity and rest his case not upon his own argument or his own knowledge, but upon an ambiguous and worthless certificate of a government clerk in the custom-house of the United States. I never expected to see a thing like that in the Senate of the United States.

But I am told it is not unusual. I am told it happened in 1897, and that we had the peculiar spectacle here of the Senator from Arkansas, Mr. Jones, and the Senator from Rhode Island, if I am not mistaken, reading certificates from the same man in relation to the sugar schedule, and each of them contradictory of the other; and if I had the time and the detectives necessary, I could exhibit a very similar situation here, for Brother Parkhill has suddenly arisen out of the obscurity of an appraiser of cotton goods to the ranks of a statistician, until he has at last been put forward as a guide and an authority for statesmen in the most dignified legislative body in the world. I think I could make out that he was rather critical about this bill and did not hesitate to confess his indignation to sundry persons prior to the time that he was summoned here to help explain it to the committee. If he is such a valuable man, why was he not brought here to help frame it? He never appeared here at all until it became necessary to interpret it to its authors.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from New Hampshire?

Mr. DOLLIVER. Certainly.

Mr. GALLINGER. It seems to me the dignity that has come to Mr. Parkhill came through the exploitation made by the Senator from Wisconsin, he having been in conference with Mr. Parkhill and citing him as his authority to prove matters entirely different from what the Senator from Rhode Island insists is correct.

Mr. DOLLIVER. He did get into the society of the Senator from Wisconsin without a written order from the President of the United States requiring him to put his knowledge, not of statistics, but of cotton goods, at the service of the Senator from Wisconsin.

Mr. GALLINGER. That does not make any difference.

Mr. DOLLIVER. It was a hard struggle to secure the privilege for an ordinary Senator on this floor to talk with this appraising officer. I do not intend to go into that now, however. It was an uneasy hour for Mr. Parkhill when he was thus put forward to substitute his memory of transactions involving millions of money and years of time, the fallible guesswork of a scared subordinate, for the official statistics of the Government.

He was not here when these schedules were drawn. They did not send for him. They had appraisers here when the cotton schedule was drawn, but not cotton appraisers. They had people here, but they were not people who had any knowledge of these questions. My attention was attracted to Mr. Parkhill by the fact that he did not seem to be enjoying his isolation in New York. While members of the appraising board, engaged in appraising other lines of manufactures, were here telling the people about cotton, he was left there to meditate from day to day upon the progress of events. But I do not intend to discuss that.

I intend now to take up the question of what has happened to the Dingley tariff law, and before I do that it will be necessary for me briefly, and compactly, to state what the Dingley tariff law was. It was the Wilson tariff law plus a few amendments added by Governor Dingley in the House of Representatives. I have become disillusionized in these latter years. When I hear a law called after a man's name, I unconsciously try to see if I recollect the name of the humble worker who wrote it and made the investigation necessary to create the reputation which attaches to it, who passes, as this world goes, into obscurity, while the statesman to whom he handed his memoranda goes down into history among the celebrities of our national life. That is a tragedy, but I am not going to weep over it just now.

The cotton schedule of the Dingley tariff law was the act of 1894. Governor Dingley was a straightforward man, who did not hesitate to say that the manufacturers wrote it. He had reputation enough at the time to warrant him in saying that the manufacturers of cotton in New England had fixed the cotton schedule of the Wilson tariff law exactly as they thought it ought to be fixed; and I am not here to say they did not on the whole fix it right, because I have not had time to dig into it, but I think they got it pretty nearly right. What did Governor Dingley do? I got the impression from what the Senator from Rhode Island said that the cotton schedule of the Wilson tariff law did not have these ad valorem provisos in it. If that impression was correct, the Senator from Rhode Island was mistaken. The Dingley provisos were in the Wilson bill, and the difference between the two bills was that in the last section but one, the ad valorem in the provisos, was raised from 35 to 40 per cent, and an additional paragraph made for threads, counting more than 300 to the square inch—made dutiable in addition—and a proviso inserted for assessment of an extra duty upon figured goods produced by other than the ordinary threads. So you see there was no change worth speaking about between the Dingley tariff law and the Wilson tariff law.

Why did Governor Dingley increase the ad valorems on the higher ranges of cotton cloths? He did it because these fine new processes were already being talked about. I remember hearing mercerization talked about, although I did not know

what it meant, and it had not been made commercially available at that time. But I did hear him talking about highly wrought fancy goods and the necessity of increasing the ad valorems on those grades, so that as the manufacturing industry advanced the ad valorems would catch every increase of value and report it automatically at the custom-house. That was his scheme.

The Senator from Rhode Island talks as if—I wish he were here, because I do not like to say what I am now about to say without the presence of the Senator, whom I propose to bring to strict account as our leader on this floor. The Senator from Rhode Island says that the cotton schedule of the Dingley tariff law has been emasculated; that the provisions which Governor Dingley put into it have been nullified by decisions of the courts and other people; and that the law has been so pulled apart that it is proper for him, in stating whether this bill raises the duties, to apply his rates not to the importations that exist now, but to the importations that existed before the emasculation took place.

In the first place, Mr. President, the facts are not accurate. These decisions of which the Senator from Rhode Island complains were not made until three years or more after the Dingley tariff law had been in operation. They were not made, to be accurate, until Colonel Tichenor, chairman of the Board of General Appraisers, was dead and in his grave.

The Senator from Rhode Island owes something to me, something to his colleagues here, when he stands on the floor to state what the Dingley tariff law intended to do. He said that it intended to apply a rate of 60 per cent to a large variety of cotton cloths. I deny it. Is there any rate in the cotton schedule for cloths that takes 60 per cent in the present law, I ask the Senator from Utah?

Mr. SMOOT. I have felt that I would not interrupt the Senator.

Mr. DOLLIVER. It does not bother me at all. I am merely trying to get at the facts and what I regard as such a misrepresentation of the situation as to warrant everybody's attention.

Mr. SMOOT. The Dingley law in paragraph 339 did provide for a great many of these goods at 60 per cent.

Mr. DOLLIVER. Was that in the cotton schedule?

Mr. SMOOT. I will not say it was in the cotton schedule, but it does name cotton goods, such as etamines, vitrages, nettings, etc.

Mr. DOLLIVER. Is it in the cotton schedule?

Mr. SMOOT. It is not in the cotton schedule.

Mr. DOLLIVER. Does the Senator know what schedule it is in?

Mr. SMOOT. If the Senator did not think I knew he would not ask me.

Mr. DOLLIVER. I would not. But in what schedule is it?

Mr. SMOOT. Paragraph 339, and——

Mr. DOLLIVER. What schedule? And so it turns out that one of the chief experts of the committee, who spent more time talking about etamines and vitrages here than anyone else, is not able to state to the Senate in what schedule in the tariff act of 1897 the provision in respect to vitrages and etamines are.

I have given a good many years' attention since 1897 to these schedules, and I hope to reach a point one day in the deliberations of the Senate when I will be free from any insinuations that my information is picked up on street corners. I wish the Senator from Rhode Island were here. I should like him to stand on his feet and say whether old Governor Dingley, who entered upon the tariff legislation of 1897 with the statement that he proposed to reduce all the McKinley rates, as far as he could, and certainly not increase but reduce those cotton rates, put in a provision applicable to cotton cloth at 60 per cent. And yet the Senator from Rhode Island says that a large variety of cloths that were supposed to be dutiable at 60 per cent were declared not so dutiable and therefore the Dingley tariff law was emasculated.

Now, what are the facts? The provisions in the tariff act of 1897 for etamines and vitrages originated in the House committee of which I was a member. It originated with Colonel Tichenor. I said to the Senate the other day that I enjoyed a peculiar source of information and had found peculiar enthusiasm in my work in this session of the Senate in the possession of all the papers of Colonel Tichenor, papers of which I have the custody, with a view, if leisure ever comes to me, to pay the proper tribute to the man who knew more than all the rest of our statesmen put together about these matters, and yet went down to his grave without proper recognition and with only the loving tribute of those friends who knew him and had been familiar with the labors and sacrifices of his life.

I have not only enjoyed access to his papers, but I have had the kindly assistance of his son, H. D. Tichenor, who was his private secretary during the days of his greatest activity, a young man typical of the best intelligence in our American life, a studious man, a man who knows what a fact is when he sees it, and who can detect statistical humbug upon a moment's investigation.

He has helped me, and I pause long enough to express my grateful appreciation that he has stayed here at this Capitol, out of mere enthusiasm for the work, for I have not a dollar to pay for his services, and by day and by night has helped me in the effort I am making to serve the people of the United States. I thank him for it, and I never look at him without remembering the thirty years in which Col. George C. Tichenor, without fame or advertisement, did the hard work of tariff revision for both Houses of Congress.

I have here, exactly as Colonel Tichenor prepared it, paragraph 339 of the flax schedule. Do you suppose that Governor Dingley ever intended to put millions of dollars' worth of cotton cloth into the flax schedule? Do you suppose the Senator from Rhode Island ever gave his consent that a paragraph under which $49,000,000 worth of laces and embroideries are imported annually into the United States should include in it also millions of dollars' worth of ordinary cotton cloth at 60 per cent ad valorem and be sneaked into the schedule provided for jute and flax and linen? You can tell that to persons with a very much less experience than I have had in the world in which we live.

I will print the etamine clause of the Dingley tariff act from the manuscript of Colonel Tichenor as a part of my remarks, but I will read it to show how foolish the proposition is that Governor Dingley thought he was levying a tariff on cotton cloth of any kind. It says:

Laces, lace window curtains, tidies, pillow shams, napkins, bed sets or other lace articles, handkerchiefs, wearing apparel, and other articles made wholly or in part of lace, or in imitation of lace, by whatever name known, not elsewhere specially provided for in this act; nets or nettings and veilings, etamines, vitrages, edgings, insertings, galloons.

Will the Senator from Rhode Island in the daytime stand on this floor and say that either he or Governor Dingley intended to put a million dollars' worth of cotton cloth in the linen schedule between veilings and edgings under the name of etamines and vitrages? I do not think he would make the statement in daylight.

Mr. GALLINGER. Are etamines made of linen?

Mr. DOLLIVER. They are made of linen and of wool and of cotton. Although I never saw them made of wool, I believe, I met a dry-goods man coming up this morning who said he had.

Now, fortunately, Colonel Tichenor left on record in his notes exactly what he meant by it. As he was the only man in Washington or who has been in Washington since who knew what an etamine or a vitrage is, I hope the Senate will regard his authority as at least worth their attention. He says:

The articles—

He does not say "the cloths"—

The articles known as "etamines" and as "vitrages" are also named, for the reason that their classification for duty has been the subject of considerable dispute and some litigation.

So the Treasury Department was familiar then with what the articles were.

They assimilate more or less to embroideries, nettings, and veilings, being fancifully wrought articles with openwork and lace embroidered effects, and belong to the category of trimmings and other fancy articles.

That is what the man who wrote the bill and handed it in the original manuscript to Governor Dingley in the exact form in which it passed the House and the Senate of the United States said these words meant, and that was the exact interpretation it had until Colonel Tichenor was in his grave. Then occurred in the custom-house one of those curious things which are getting altogether too common over there. An amiable old gentleman, who was afterwards separated from the service by Secretary Shaw, as I was informed by others, because he seemed to have an interest in the linen business, contrary to the statutes applicable to the employment of appraisers, was in the cotton division of the appraisers' stores. When he got in there, he began to act a good deal the way our old friend Corporal Tanner was said to have acted when President Harrison appointed him Commissioner of Pensions. They said he put his feet upon the table and said, "God help the surplus!" So when Colonel Hartshorne became appraiser he says, "We will see what can be done to these people."

So he proceeded to explore an old dictionary that was lying around that office, where you may see it any day you may go in, somewhat battered by the flight of time; and in Cole's Textile Dictionary he got a definition of etamine, which is preserved in Mr. de Vries' decision overthrowing the appraisers' classification. He found out from that definition that there was a way in which any kind of cloth where the threads do not

touch one another—in other words, any cloth with a hole in it—is an etamine; and he proceeded to make etamines out of quite a considerable variety of goods, although very small in actual amount, as was afterwards shown. As fast as he made the decisions, Mr. de Vries overruled him. So the decision which I quoted here the other day overruled these foolish interpretations of the Dingley law.

Yet the Senator from Rhode Island stood on this floor and denounced these decisions as outrages which had emasculated the Dingley tariff law, which had turned aside the tariff law of 1897 from its benign purposes as to cotton cloth, and denounced the decisions as originating with British importing interests, and as so grave an offense as to inspire speeches from the committee by the day here. He denounced them, apparently without knowing that Judge de Vries, as he is already called by the Senator from Rhode Island—I reckon in anticipation of honors yet to come—was the man who mutilated the Dingley tariff law. Judge de Vries was the man who overruled these appraisements. Judge de Vries was the man who robbed the Treasury of the United States of these untold millions by overthrowing decisions made by Mr. Hartshorne during the period of his brief and ridiculous authority in the appraiser's office.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. This is the first time an explanation has been made of those decisions, and I wish to know whether I get the matter correctly in my mind. So it turns out that the decisions of which so much complaint has been made, and which are said to have mutilated the law, really state the meaning of the law as it was stated by Colonel Tichenor, who drew the law.

Mr. DOLLIVER. Certainly; and by every intelligent man who ever read it.

Mr. BEVERIDGE. The decisions then establish the meaning of the law as it originally was and as it was interpreted until Colonel Hartshorne made his ruling.

Mr. DOLLIVER. Exactly.

Mr. BEVERIDGE. That is a new explanation and an important one.

Mr. DOLLIVER. Mr. Hartshorne has been making speeches ever since on the etamine question. He has been making speeches on etamine at every cotton manufacturers' association he attends, and he talks about the mutilation of the law.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. DOLLIVER. Certainly.

Mr. TILLMAN. I understood the Senator to say that a new definition of etamine was "cloth with a hole in it."

Mr. DOLLIVER. I mean a hole between the threads—cloth woven so that the threads do not touch.

Mr. TILLMAN. Cloth with a hole in it?

Mr. DOLLIVER. Yes; that was the basis of the appraiser's ruling.

Mr. TILLMAN. The mutilation of the Dingley law of which the Senator from Rhode Island complains was that ruling of Mr. Hartshorne overruled by Mr. de Vries.

Mr. DOLLIVER. Yes; the ruling of Mr. Hartshorne.

Mr. TILLMAN. He kept on patching the hole as fast as the appraisers would stop it.

Mr. DOLLIVER. Exactly; and the curious thing about it is that these decisions which have robbed the Treasury of so much money and which have so mutilated this law are all acquiesced in by this committee, and the words "etamines and vitrages," if my memory is correct, disappear from the law as completely as if these delightful names had never existed among men. There is no more 60 per cent on cotton cloths, no more humbugs about this matter; the whole subject is dropped exactly as Mr. de Vries dropped it in his decision in 1904.

Mr. TILLMAN. The Senator will recall the fact, I think, that the Senator from Rhode Island was asked not only once, but three times, to give us the names of the judges, whoever they are, who had mutilated the Dingley law, and we never could get him to do it.

Mr. DOLLIVER. I am going into that question pretty fully.

Mr. TILLMAN. I am very glad to hear it.

Mr. DOLLIVER. I am going into the question of those decisions.

The decisions took cotton cloth, ordinary woven fabrics of cotton where you could count the threads, ladies' dress goods, and put them back, and the Board of General Appraisers' decision was accepted by the Government of the United States as right, and neither judge, nor lawyer, nor statesman has ever disputed the accuracy and correctness of the General Appraiser's decision until we hear these matters paraded here as outrages that had been perpetrated upon the Dingley tariff law.

Now, what was the purpose of that? Let me tell you. I am sorry to be compelled to yield to a certain kind of suspicion that has only come upon me lately. What is the purpose of dragging this old etamine decision in? When the Senator from Rhode Island first spoke here on the cotton business he said he could demonstrate to the Senate that no changes had been made. I waited four weeks. I got in a hurry. Every time people quit talking here they seem to want to vote on this question. They had a cynical idea that it was just as well to discuss it after it had been adopted as it was before, a philosophy that I trust may never become acceptable to the Senate of the United States.

What is the purpose of exaggerating these decisions? How much was involved in all of those decisions? It was necessary in order to get some standards by which it could be shown that the average rates of the Senate bill had not been increased over what the Dingley law was contemplated to be. It was necessary to show that the Dingley law had been wickedly and fearfully emasculated. Therefore, it becomes important to know just what was involved in these etamine decisions. I want to say to you Senators, especially to those of you who are uncertain in your own mind about this question, we are entitled in this Chamber to knowledge if we can get it. What knowledge did we get last night? We got a statement signed by a lot of gentlemen in the New York custom-house that these schedules proposed for our adoption were not in excess of what the schedules of the Dingley law would have been if it had been left alone by the appraisers and by the courts. In other words, it is admitted that the rates are in excess of the Dingley rates as they exist now, applied to the business of to-day.

But they are less, say these willing witnesses, than the rates the Dingley law would have had if Colonel Hartshorne had been allowed to transfer the entire cotton-cloth schedule to paragraph 399 in the linen classification of vitrages and etamines at 60 per cent. Well, that may be true. Yet it is important for us to know exactly what effect those decisions had, and it is not difficult for any man to get it. What do you think of the chairman of a great committee coming here with a statement from a government clerk that while these rates are in excess of the Dingley law as it is now written on the books they are not in excess of what the average ad valorem would have been shown in the Dingley law if it had been left alone as it was originally framed and not subjected to these emasculating decisions of Mr. de Vries.

Therefore it became somebody's business to find out what effect these decisions had on the Dingley tariff law. If the Senator from Rhode Island had made the statement which he made last night four weeks ago, as I must be excused for thinking he ought to have done, and if I had been assured then that he was asking the Senate to vote on this schedule, not upon statistics or facts, but upon a guess by a young man in a cotton division of the custom-house in New York as to what the Dingley tariff law would have been if the appraisers and the courts had not disturbed Colonel Hartshorne—if I had dreamed that he would have had the conscious sense of influence here to put a proposition like that before the Senate, I would have been able to find with absolute accuracy what the effect of these decisions would be. But by getting up early this morning I rejoice to say that I have been able to find out even now with accuracy what is involved in these matters, and I want those of you who heard the speech of the Senator from Utah [Mr. SMOOT], returning again and again to these etamines, to listen to me while I tell you exactly what influence these decisions had on the importations and upon the revenues of the United States.

I want now to take up what the Senator from Utah had to say about these decisions. I will ask you to turn to his speech where he points out exactly what happened to what he called "samples of different goods." I take it for granted that he took the most favorable samples, and I also take it for granted that he took all the samples that he could get hold of. If he did not, I call upon him when he renews his observations, if he does so, to add to that table which appears printed in his speech any other goods which he thinks were affected. He says, after talking about nothing but these decisions about etamines and drawn work and doilies and tidies and various other things:

I ask permission to insert in the RECORD at this point, without reading, a table giving sample lists of rates reduced under these decisions.

If you will turn to the CONGRESSIONAL RECORD of June 1, 1909, you will see this table, and there he puts down 14 articles that have been affected by the adverse decisions of courts. The first thing I desire to call his attention to is that of these 14 articles which were affected by adverse court decisions, 6 of them were not disturbed at all in the rates which they had at 60 per cent. They were 60 per cent when the rates were assessed. They are now assessed at 60 per cent. Why? Because they are etamines. He first puts down molleton cloth. I showed the Senate the other day a specimen of molleton cloth. Little goods of that description are imported, and the book of statistics shows that all kinds of bleached goods under 50 threads to the square inch, molleton cloth included, amounted to only about $5,000. So any decisions which may have been rendered affecting molleton cloth could hardly have entered into this situation.

Mr. TILLMAN. The Senator may be coming to it, but for fear he may not, I should like to have him explain what decision it was that the Senator from Rhode Island alluded to last night, which has been sustained by the Supreme Court, calling for a refund of $500,000, and that we are losing $5,000,000 a year owing to this mutilation of the Dingley law by a certain decision of somebody, but I have never been able to get it.

Mr. DOLLIVER. I intend to go into it with absolute minuteness and fairness; only I am sorry that I shall be compelled to say things that I would not on my life say if I did not think they were true, in the absence of the Senator from Rhode Island from this Chamber.

In regard to the table showing effect of decisions upon certain lines of cotton cloth and articles, as presented by the Senator from Utah [Mr. SMOOT], it will be noted that the rate claimed to be assessed previously in all instances but the first time is given at 60 per cent. As a matter of fact the Senator from Utah did not go far enough in explaining how this came to be assessed. In many instances the cloths referred to in the 14 different items given were only assessed at 60 per cent by the assistant appraiser at the port of New York, Mr. E. A. Hartshorne, who held that any piece of cotton goods with a hole in it should be called an etamine, because, as I have said, he dug up some definition of an etamine in the dictionary that he technically applied. Consequently he appraised a variety of many countable cotton goods as etamine, applying the duty thereon at 60 per cent. It is probably these estimates that the Senator from Utah has used as his basis in referring to subsequent decisions that reduce such duty.

I want to take these items just as the Senator from Utah gives them. I have already referred to molleton cloth. That can not enter very largely into the mutilation of the Dingley law, because, while the decision reduced the duty from 60 per cent down to nearly nothing, the importations seemed to go down even faster than the duty. The truth is we have not imported it in any appreciable quantity, and I presume it is made here cheaper than it is anywhere else in the world.

The second one was stiff foundation embroidery cloth, being an unbleached cloth under 50 threads. The total imported in 1907 was only $16,274 of this class and of all other classes of this variety. Anybody can see that it is trivial and unimportant.

Now, items 3 and 4 were etamines, and were assessed at 60 per cent, and appraisers and courts upheld this 60 per cent on them as etamines, and as it is admitted by the Senator from Utah they still pay 60 per cent, no argument, therefore, is necessary about it. The law was upheld as to them, and why he put them in that table is a matter which might occupy a few of his leisure moments in explaining to himself.

Five and six are lappets, 2-ply warp and weft. Lappets were never assessed as anything but countable cotton, according to their count and weight, except when Mr. Hartshorne chose to apply his system of "any cloth with a hole in it is an etamine," a decision that was instantly and immediately reversed by the Board of Appraisers as fast as it was rendered.

Seven is marked on the table of the Senator from Utah as an etamine on a 6-ply warp and weft, being composed of more than 3-ply warp and weft yarn, hard twisted; it had always been assessed at 60 per cent as an etamine. There is very little of this imported per year, or very little of it used, in fact.

I was told by a merchant in this town that if there were $200,000 of these goods offered on the streets of New York to be given away for nothing they could not dispose of that amount, because it is used only by a few people as a basis for embroidery. Somebody told me, a girl in a store downtown here, that it is a kind of cloth most used by persons in the remote rural districts to embroider the proposition "God Bless our Home."

The eighth item in the Senator's table is scrim, a 2-ply warp and weft.

Now, scrim is not an etamine, as it is sold and known as cotton cloth. That is all I need to say about it; and if anybody in the Treasury Department ever decided that scrim was etamine and belonged to embroidery, such a man would run not only the risk of being held incompetent, but those of us less charitable would have some other interpretation of conduct like that.

The next item is an etamine, 3-ply warp and 3-ply weft, 50 to 100 threads. That was assessed as an etamine. It is now assessed as an etamine, and nobody has emasculated or proposed to emasculate that provision of the Dingley law except the Senate committee; that drops etamine out of the list and disposes of all these articles when they are made out of cotton yarns of any sort in some of the provisions of the cotton schedule of the proposed act.

The tenth was curtain drapery, 2-ply warp and weft, belonging in paragraphs 305 and 313; in the proposed law in paragraphs 313 and 321. At present it is assessed at 30 per cent, plus 2 cents per square yard. It is proposed to assess it at 7 cents a square yard, plus 2 cents per square yard on account of the appearance upon it of extra threads appearing to be colored.

The change that was made in the Senate bill, so far as I am able to make out—I will ask the Senator from Utah if I am correct—is to take those goods which are now dutiable as bleached cotton cloths less than 100 threads per square inch and make them dutiable as colored cotton less than 100 threads, plus the 2 cents for extraordinary threads. Am I correct about that?

Mr. SMOOT. I suppose the Senator has reference to lappet goods?

Mr. DOLLIVER. I had reference to cotton draperies.

Mr. SMOOT. That comes under the countable cloths, as I stated here, and I had a sample of it.

Mr. DOLLIVER. But the decision which was rendered by the courts puts it under the countable cloths.

Mr. SMOOT. Before the decision of the court it was held at 60 per cent. The law was administered at 60 per cent until the decision of the court reduced it, as I stated.

Mr. BEVERIDGE. Administered by the appraisers?

Mr. SMOOT. Administered by the appraisers.

Mr. DOLLIVER. The Senator does not refer to those decisions which the Senator from Rhode Island spoke of last night, which determined that these goods with the color of extraordinary threads should be put into the colored bracket of 313 instead of the bleached bracket.

Mr. SMOOT. I refer to the original administration of this particular class of goods. It was held to come in at a rate of 60 per cent, and through the decision of the court it was reduced to the countable paragraphs 305 and 313.

Mr. DOLLIVER. The decision of the Board of Appraisers was rendered many years ago.

Mr. SMOOT. It was rendered about 1904.

Mr. DOLLIVER. In 1904. There has been no dispute since.

Mr. SMOOT. The whole dispute here is as to the amount of goods affected by the decision.

Mr. DOLLIVER. The decision to which the Senator from Rhode Island referred last night dealt with the question as to whether these goods with colored threads in the extraordinary attachment should be assessed under the countable clause of paragraph 313 as colored goods or as bleached goods. That was the question which was recently decided by the courts.

Mr. SMOOT. The question decided by the courts recently, Mr. President, as I understand it, was that wherever a piece of cloth with extraordinary colored threads, and the warp and filling of it are white threads, if the extraordinary threads were not clipped, then it was counted as a colored piece of cloth; but if they were clipped and a figure was shown in the piece of cloth by so clipping, then the threads were not counted, and it was counted as a piece of white cloth; and so far as the dutiable part of the cloth is concerned, only the warp and filling threads were counted, and none of the extraordinary threads were counted.

Mr. DOLLIVER. So it appears, Mr. President, that the only case in which 60 per cent can be paid upon cotton goods is where it is found to be one of the various kinds of goods covered by paragraph 339 of the flax schedule, such as laces, lace window curtains, embroideries, nettings, ruchings, tuckings, insertings, and similar articles, never intended by Congress to be embraced as countable cotton cloths.

Does the Senator from Rhode Island or the Senator from Utah contend that it was the intention of Congress to classify cotton cloths not made up into articles, nor manufactured into anything else, as "manufactures of cotton not specially provided for" in this act at 45 per cent ad valorem? Yet when the appraisers have classified cotton cloth as "manufactures of

cotton" at 45 per cent, and such classification has been overruled by the Board of General Appraisers and the United States courts, we are told that such decisions of the board and of the United States courts are fraudulent and in vicious perversion of the purpose of the framers of the Dingley law.

If there were fewer such stupid classifications made by appraising officers in the first instance; if a fair, sensible, and logical interpretation of the intent of Congress were given by the appraising officers in the first instance, we would not have occasion to be criticising the United States courts for what some claim are "fraudulent decisions that have almost completely nullified the intent of Congress regarding this schedule." It seems to me to be perfectly clear that the intent of Congress has not been nullified, but that the misinterpretations of Mr. Edwin A. Hartshorne, assistant appraiser, formerly of the cotton division of the appraiser's stores of New York, have been nullified by the decision referred to by the Senator from Rhode Island as being fraudulent. The misinterpretations of this appraiser in assessing all cotton cloths that had holes in them as etamines, vitrages, veilings, and laces, at 60 per cent ad valorem, the rate for such goods under the flax schedule, became the laughing stock of the mercantile community. This man never pretended to follow the real intent of the law in fixing rates of duty on cotton goods. He invariably picked out the highest rate he could find in the tariff and applied it, or rather misapplied it, to suit his own peculiar ideas. He was regarded as a jest by all the members of the Board of General Appraisers and by all who officially came in contact with him. It is no wonder he classified cotton cloth at a duty of 60 per cent under paragraph 339 of the flax schedule, for reasons which I have already explained to the Senate.

Now, I want to ask another question. Does the Senator from Utah or the Senator from Rhode Island believe that the refunds made during the past ten years by reason of these decisions regarding the interpretations of the paragraphs of the cotton schedule amount to more than 1 or 2 per cent of the total cotton importations of that period?

Mr. SMOOT. Mr. President, I do not particularly care about going into that now, but I will state that it does not seem to me that you can take the importations under paragraphs 303 to 313 and compare the ad valorem rates with those of 1898 and 1907, but you will see an advance in those ad valorem rates of over 306 per cent.

Mr. DOLLIVER. Does the Senator from Utah see no other reason for that?

Mr. SMOOT. Well, I was going to explain to the Senator, but if he does not wish——

Mr. DOLLIVER. I should like the Senator to explain it.

Mr. SMOOT. If the Senator does not wish I will not give it.

Mr. BEVERIDGE. I think it is due to the Senator that he should go ahead.

Mr. DOLLIVER. I should like the Senator to go ahead. I did not mean to interrupt him.

Of course, there are those variations, but they do not arise from these decisions; they arise, I think, from a variation in the value of the specific articles imported.

Mr. SMOOT. The decision of the court and of the appraisers was just what brought this about. Between the two years there was only an increase in the specific rates of 22.40 per cent, while in the same time the ad valorem rates had increased over 306 per cent, showing that these very goods which originally, as the law was administered up to 1904, carried 60 per cent were thrown into the countable clause, increasing the ad valorem rate 306 per cent.

Mr. DOLLIVER. Mr. President, I should say that that arose from an increased importation at that time. I certainly never heard of a statistician who would make such an interpretation of figures as has been made just there. There is a difference in the equivalent ad valorem between those years, because there was a constant rise in the prices of articles imported, which would show a different ad valorem, of course. There was more money collected under the fixed ad valorem, not because the decisions of some courts intervened, but because the rising prosperity of the market place invited a constantly increasing importation. I suggest that what I undertake to say would be the interpretation by any man who has the leisure to reflect upon the situation.

I will undertake to prove that the decisions of the court have nothing to do with it.

I intend to do it in a way that I think this committee owe it to the Senate to do, rather than in the way they have tried to prove their case. With the custom-houses of the country open, with the books open, it lay within the power of this committee to explain in accurate figures exactly what influences upon the revenue had been made by these correct and righteous decisions of the appraiser's office and of the courts of the United States; yet, with accurate sources of information at their hands and a solemn responsibility resting upon them to furnish the Senate with exact facts, they argue by the hour in their own poor strength in this matter, because even a horde of Treasury officials, in a hand-to-hand contest with the multiplication table, are at a great disadvantage even in the Senate of the United States. Instead of giving us facts, they present an affidavit by an employee that, judging by his recollections of what happened during the last twenty years, while he has been appraising $14,000,000 worth of stuff a year, judging by what he can recollect of it, there must have been 30, or 8, or 6 per cent of the stuff of various kinds affected by these decisions. I say that no more shabby exhibition was ever made in the Senate of the United States than when the leader of the Republican party turned aside from his own manuscript, gave up his effort even to try to explain this himself, and read us a certificate of character for this bill, signed by the official underlings who have been loafing around the headquarters of the Committee on Finance during the last sixty days.

Mr. CRAWFORD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from South Dakota?

Mr. DOLLIVER. Certainly.

Mr. CRAWFORD. I should like to ask the Senator from Iowa if, under all the investigations he has made, it appears that any cotton industry suffered or that any laboring men employed in that industry were thrown out of employment or had their wages reduced because of the construction placed upon the Dingley law, which reduced the rate?

Mr. DOLLIVER. No; Mr. President, every department of the cotton industry has flourished uninterruptedly since 1897; and I rejoice in it. Every workingman has retained his employment; every working woman and every working girl has retained her wages, which have steadily advanced. They sailed through the panic with hardly a ripple in that great industry. To-day, or within the last few months, as was shown by the Boston Advertiser the other day, they are enlarging their works in all the cities of New England, counting on the Dingley tariff law being maintained.

No voice was raised in any quarter of the cotton trade asking that these things be done. The very men who came here representing the industry not only declared that they wanted no changes in the law made, but they made no reference to these decisions of the courts except to say that those decisions had settled the law and made it plain, and they gave that as a reason for leaving it alone, which the committee has used as a reason for changing it.

I said I was fortunate in being able to state with accuracy just what amounts of money were involved in these decisions; but I will tell you, my friends, that it was rather a close call on me to get these exact figures. We came mighty near being left with our feet firmly fixed on this custom-house affidavit, asserting the nullification and emasculation of this law, signed by the very General Appraiser who, sitting in the gallery, was compelled to hear his action advertised as a raid on the revenues of the United States by evil-minded importers bent on getting all of the money out of us that was consistent with the statutes in such case made and provided.

If I had not an unusual amount of energy I would have been left with nothing except that precious certificate of character of the committee signed by its clerks. [Laughter.] But, fortunately, I got up early and made my way to the Treasury Department. I went into the office of the Acting Secretary and I said to them: "Now, gentlemen, we are spending a good deal of money to keep books here. I heard a good man say last night that a certain decision of the courts of the United States has cost the Government of the United States $500,000 on account of the refund of the tariff collections, and I heard the same good man say the same night that these etamine cases had so robbed the revenues and wronged the cotton-goods industry as to affect the ad valorems upon our annual imports and amount to a scandal and a reproach to all good men.

"I want to know if there is a corner in this building where a man, who is in an awful hurry, can find out just how much money was involved in all these etamine decisions put together?" "Well," he said, "we do not keep those books here, but we are working on them now at New York. The figures will probably be over to-morrow, and, maybe, to-day." I said, "Too late; the figures I must have to-day." "Well," he said, "maybe we can get them over the long-distance telephone." He called up the assistant collector of customs at the custom-house in New York and said to him, "Have you figured out how much money

the United States refunded to the importers on account of the etamine decisions?" You see, they collected 60 per cent on them, but the appraisers made them give it up. "How much money did you lose and how much did you refund?" These imaginary millions, wandering like ghosts through the aisles of the Capitol of the United States, filling the great statistical speeches of the Senator from Utah and the Senator from Massachusetts and even the Senator from Rhode Island; these raids on our Treasury; these perversions of our laws; these nullifications of the intent and purpose of Congress—how much was involved in all of them; how much did you have to give back? Fifty-five thousand dollars! There it is [exhibiting] in the handwriting of the man who took the report over the long-distance telephone from the custom-house in New York.

Mr. BEVERIDGE. All of it?

Mr. DOLLIVER. All of it—$55,000! Gentlemen, do you know what I think about this? I think that there is a dust raised here to conceal transactions that need the attention of every Member of the Senate of the United States. "Well," you say, "was not there a case involving more than that?" There [exhibiting] is the humble merchandise that I have made so popular as an exhibit in the Senate of the United States that even Senators with great dignity of character and a nicety of parliamentary behavior, to which I have never even aspired, have imitated my candor in exhibiting before the Senate. My honored friend from Rhode Island exhibited it last night. What is it? It is a madras curtain. Has the United States ever had any controversy with anybody about that? Oh, yes; a great controversy. What was the controversy about? "Well," Governor Dingley said, "these people are putting extra threads on this cheap cloth and those threads cost like everything when you clip them to form a figure. They want 2 cents a yard more on account of the presence of those threads there in this cheap bleached cotton. Let us give it to them; they want it; it is not much." Everybody said, "All right; let us give them 2 cents a square yard by reason of the presence of those colored threads outside of the warp and woof of that cloth." Well, time went on, and these fellows said: "That is not a white cloth," and everybody said, "No; that does not look to me like a white cloth." The fellows said, "Why ought not we have that cloth entered under the bracket for colored cloth?" "Well," the courts said, "you have got 2 cents on account of the presence of those extra threads there without regard to their color. Is that not enough?" They said, "No; we want you to take this cloth out of the bleached bracket and put it into the colored bracket of the Dingley ad valorem, under paragraph 305." The courts said, "We will not do it; you have got your 2 cents on those threads, and now you will take your ad valorems applicable to the foundation of the cloth without regard to the color of those threads." That was the controversy that stirred the heart and fired the imagination of the Senator from Rhode Island.

What would be the effect? If it was bleached, it would get the 2 cents and 25 per cent ad valorem, and if it was colored, it would get the 2 cents and 30 per cent ad valorem. Therefore, there was 5 per cent ad valorem at stake; and yet the Senator from Rhode Island, our leading statesman, the master of his party here, the undisputed oracle of our faith, sent to the Secretary of this Senate last night, without even a single word of comment, and asked him to read a clipping which created the impression upon the Senate that the Government of the United States had lost $500,000 by refunding the duties improperly collected. Is that the impression that it made on you?

Suppose you were charged with the responsibility of guiding the judgment of your fellow Senators here, would you send up to the Secretary's desk an anonymous newspaper clipping stating the complicated problem involved in the effect of such a decision as that, and then appeal with mock heroics to men who ought to be as wise as you are upon these questions to save the Treasury of the United States from an unjust raid like that? It was not becoming in the Senator from Rhode Island. If he had opened his own book of statistics, he would have found that the total importations of cloth that could possibly include this variety, the whole importations under paragraph 313, were only about $350,000, including all kinds of cloth, this kind being but an insignificant fraction of that amount.

Mr. BEVERIDGE. The total value?

Mr. DOLLIVER. The total value. If it had all been "madras curtain" cloth, the only loss the Government could have sustained would have been 5 per cent on $350,000; and it would have taken these wicked importers thirty years to have accumulated a claim of $500,000 against the Government on those terms. Yet the Senator from Rhode Island, who sneers at me because in the discharge of my duty and upon my conscience I protest against these things, standing here in the presence of thousands of people, walks out of this Chamber with the credit of making a great speech, with claptrap like that substituted at the desk of the Secretary for the easily accessible facts and truths in relation to this matter!

But I am not relying altogether upon my own interpretation of the Government's statistics. I asked the Secretary of the Treasury to tell me exactly how much of these madras cloths were involved in these decisions, supposing all of them to be in dispute. He said that the port of New York annually took in two-thirds of the cotton importations of the United States; that they usually allowed one-third for Chicago, St. Louis, San Francisco, and other cities, and that the total importations of that cloth at the port of New York in all cases that were involved in this controversy was $260,000. That was all that was involved. The only question for the Government was whether the duty was to be 30 per cent, as the Government claimed to be the intent of the Dingley law—and I think claimed rightly—or 25 per cent, as was claimed by the importers.

Mr. LA FOLLETTE. Two hundred and sixty thousand dollars being the total value of the goods.

Mr. DOLLIVER. Yes; $260,000. Yet here are these 1,400 etamine cases, all decided against the contention of the appraisers, all the money involved refunded, and the total refund is shown by the books of the Treasury Department to be $55,000.

Mr. BEVERIDGE. Instead of $500,000.

Mr. DOLLIVER. Instead of $500,000, or two or three millions, as the Senator from Rhode Island left the impression upon the Senate. Here are those "green goods"—because that is exactly what they have become in this Chamber—advertised here by the hour before applauding multitudes, and the total amount of them altogether involved in all this controversy, according to a memorandum in the handwriting of the Assistant Secretary of the Treasury, Mr. Reynolds, is $260,000 at the port of New York, plus one-third that amount to cover the customary ratio of other importations throughout the country.

Mr. SMITH of Michigan. Fifty-five thousand dollars was the undervaluation?

Mr. DOLLIVER. No; the total amount of what the Government was compelled to give back was $55,000 in 1,400 cases; and yet the Senator from Utah read an essay here hours long to show that decisions like that had so interfered with the collection of revenues as to reduce the ad valorems of that year below what they would otherwise have been, and made it reasonable for him to prepare a table here showing that there had been a decrease compared with 1900, although, of course, that was due to the fact that there was a substantial increase in the prices of the goods, as exhibited by the figures in 1907.

Mr. SMITH of Michigan. Why was $55,000 refunded?

Mr. DOLLIVER. That was the amount included. I said the amounts were negligible——

Mr. SMITH of Michigan. I understand, but I should like to ask the Senator why this $55,000 was refunded at all?

Mr. DOLLIVER. Because the Government claimed 60 per cent should be collected and the appraisers decided that that was not the rate that ought to have been collected, and, therefore, they had to pay back.

Mr. SMITH of Michigan. In other words, the goods imported were not valued at the cost put upon them by the importers?

Mr. DOLLIVER. No; the goods were assessed at 60 per cent, when, in point of fact, they ought to have been assessed at less; and the excess between what they were assessed for compared to what the law required them to be assessed for in 1,400 cases—all the cases there were—required the Government to refund $55,000 in money, and yet those transactions were paraded here last night as an evidence that the Dingley law had been emasculated, and that it became necessary for us to build up not against the law as it stands to-day, but against the law as it stood ten years ago.

I want to go a little further into the speech of the Senator from Utah.

Mr. BORAH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Idaho?

Mr. DOLLIVER. Certainly.

Mr. BORAH. I wish to ask the Senator a question for information. What is the full amount, as he understands, that the Government has lost by reason of these decisions?

Mr. DOLLIVER. That I calculate?

Mr. BORAH. The full amount which you have calculated from any information you have.

Mr. DOLLIVER. I went on the theory from the beginning that the amounts involved in it were negligible. But I was

laughed at and informed that they amounted to millions. So I inquired what the Government had to pay on account of these decisions. It does not exactly show the amounts involved, but it shows that the amounts involved could have been only a small thing, because in 1,400 cases known as the "etamine cases," which are now all settled in the Treasury Department and the money paid back, $55,000, according to the Secretary's statement, was the amount paid back.

Mr. BORAH. Does that cover what is called the "colored cotton-cloth decision?"

Mr. DOLLIVER. No; it covers etamines, not the colored cotton cloth, which had encountered, according to the Senator from Rhode Island, a decision which cost the Government $500,000. The Secretary of the Treasury shows that the total amount of goods in dispute brought into this country was only $266,000 at New York, plus one-third for all the other ports of the United States, and the only thing involved in that was whether the rate of duty should be 25 per cent or 30 per cent.

Mr. BORAH. I merely want to say it is a pretty serious thing when a man can not get the correct information from any source with reference to this matter. I have a communication from the Treasury Department this morning which estimates it at $400,000, and that comes from the Assistant Secretary of the Treasury. It was the matter which had more weight with me last evening than all other things put together, and I undertook to make some investigations of my own; and if this kind of information is going forth, regardless, we ought to know something about it here.

Mr. DOLLIVER. What does the information to which the Senator alludes refer to?

Mr. BORAH. It alludes to what is called the "colored cotton decision," which was referred to in the communication read from the desk last night.

Mr. DOLLIVER. Yes; if the Senator will permit me, it is a blessed thing to be free from any dependence even upon the Treasury Department. If he will take the Book of Estimates, made up by the Bureau of Statistics, and find out the total amount of all goods brought into the United States in the banner year 1907 of the class to which these goods belong, he will find that all the goods put together amounted to $356,000, and as only a question of 5 per cent on that amount, even if it were all that kind of goods, was involved, merely a difference between 25 and 30 per cent, he will see that if all the goods imported under 313 of Senate bill were madras curtain goods of this kind, the Government would not possibly be called upon, in any one year at least, to refund more than 5 per cent of $350,000, and that it would take nearly thirty years for an importer or all the importers put together to accumulate a claim equal to that stated as about to be refunded in the article read from the desk.

What I am complaining about is, not that the Senator did not state it correctly, but that with accurate information at his disposal and everybody's disposal to correct the exaggerations of the article, he allowed it to be read, although it did not purport even to be anonymous in its character, but the mere guesswork of an enthusiastic reporter, when the facts were not only accessible, but on the desk of every Senator here, which would refute the pretence that $500,000 was involved.

Mr. BORAH. I only wish to say in conclusion that I plead guilty to the fact that I am not an expert in tariff measures, but I have had an idea for a long time that I did know the effect of a decision of the court when I read it. And that being a matter which I could grasp, I undertook to inform myself in regard to it. I do not know to whom we should go for information which would be more reliable than to the Treasury Department of the United States, and so I undertook to get my information, and they made an estimate in February, which, based upon that time, would amount to something like $400,000. The only thing I know about it is that that information has been given out; and certainly one thing must be apparent—there must be some changes in the Treasury of the United States.

Mr. DOLLIVER. No, Mr. President; the Treasury Department undoubtedly undertook to give the Senator an aggregate of the importations under paragraph 313.

Mr. BORAH. No; the Treasury Department did not. The Treasury Department undertook to give what the Government would have to refund and lose by reason of these decisions.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from South Carolina?

Mr. DOLLIVER. Certainly.

Mr. TILLMAN. Both of these distinguished Senators are lawyers and are familiar with the methods pursued in the Supreme Court in getting the opinions of that august body. The Senator from Rhode Island, if I understood him correctly last night, said that a decision of the Supreme Court had been rendered which would make it necessary to refund $500,000. Am I correct in that?

Mr. BORAH. No; I do not understand so.

Mr. DOLLIVER. He said a decision had been rendered denying a petition for a writ of certiorari.

Mr. TILLMAN. Which would make the decision of the lower court——

Mr. DOLLIVER. He sent to the desk the clipping from a newspaper, and I do not think he made himself personally responsible for the statistics, although the impression was naturally created that those were the proper statistics.

Mr. TILLMAN. Of course we are all under a disadvantage in not being able to know what was said last night, inasmuch as it does not appear in the RECORD this morning. I can not help the fact that the Senator from Rhode Island is not here. He has been under a strain for a long time. He has been pelted and bombarded from all directions, and I do not wonder that he should sometimes get out of the range of fire. But I want to find out, if the Senator will permit me, if there has been any decision anywhere that we can get hold of which ascertains and discloses the facts. Why this bamboozling of the country? Either the Senator from Rhode Island bamboozled us last night or the Senator from Iowa bamboozled us this morning. I am getting tired of all of this—this mixing up of information and misinformation, and charges and countercharges, and all that sort of thing.

Mr. DOLLIVER. I trust the Senator will allow me to state the situation just as it is.

The VICE-PRESIDENT. The Senator from Iowa has absolute control of the floor.

Mr. DOLLIVER. Yes. The appraising officers assessed these goods at 30 per cent, claiming that they were colored goods, and while there was color in them, it was not in the cloth, but in the threads that were superimposed upon the cloth. The importers took that decision to the circuit court of the United States for the southern district of New York, when it was decided that the Dingley law gave these extraordinary threads 2 cents a square yard on account of their presence, and that the ad valorem in paragraph 313 was applicable to the cloth, which had a bleached background upon which the threads were attached; that the ad valorem should be assessed as upon bleached cloth of the density which appears here.

Thereupon they appealed to the circuit court of appeals of the United States, Judge Lacombe sitting with two other judges; and about a year ago the circuit court of appeals affirmed the decision of the circuit court for the southern district of New York. Thereupon a petition for a writ of certiorari was taken to the Supreme Court of the United States to bring up the record for the inspection of the Supreme Court. Last week the Supreme Court, by a rather peremptory order, denied the writ, which affirmed the decree and decision of the circuit courts of appeals; and from this on this cloth will be assessed, unless the law is changed, 2 cents per square yard for these green threads, as originally intended, and 25 per cent, according to value, for the white cloth upon which they are imposed; that is, 25 per cent plus 2 cents; and the change made in this bill, as I understand, is simply to transfer this cloth from the 25 per cent bracket to the bracket of colored cloth, so that in addition to the 2 cents originally provided it will get 30 per cent, the ad valorem rate provided for colored cloth.

Mr. TILLMAN. Nevertheless the $500,000 disappears.

Mr. DOLLIVER. No; there never was $500,000 involved The total importations for one year in that very book are only $350,000, if all the articles were madras curtains.

Mr. SMOOT. Paragraph 313?

Mr. DOLLIVER. Yes.

Mr. SMOOT. The Senator is certainly mistaken as to the amount of importations for 1907 under paragraph 313.

Mr. SMITH of Michigan. What is the amount?

Mr. SMOOT. Total importations were $949,022 for 1907, and the ad valorem was $913,884.02.

Mr. DOLLIVER. I am talking only about the importations under section 313 of the Senate bill.

Mr. SMOOT. I am, too. The ad valorem is $913,884.02.

Mr. DOLLIVER. I added it up patiently last night, in the night, and according to my figures all of the cotton cloths imported in 1907 under 50 threads or from 50 to 100 threads mentioned in the statement of the Senator from Utah, amounted to

a total of $396,000 under paragraph 313, Senate bill, which covers paragraphs 304 and 305, Dingley bill. I have the figures here.

Mr. HUGHES. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Colorado?

Mr. DOLLIVER. Certainly.

Mr. HUGHES. Inquiry has been made here as to what occurred in the Supreme Court, and those of us who have a high esteem for that great tribunal have listened with some surprise to the bandying about of its work as being a fraud practiced upon the revenue. Therefore I felt concerned, after hearing the address last night, to know what appeared upon the records of the Supreme Court itself, and I have obtained the petition for a certiorari filed in that court by the Solicitor-General, setting forth the things objected to in these decisions below, and also a brief which accompanied it, pointing out the importance of the decision and why in the opinion of the Government the case should be reviewed upon certiorari.

I find in that petition this as the only statement of the values involved. I read from page 8 of the presentation by the Government:

1. On March 8, 1909, the amount of duty involved in the cases then pending was approximately $260,000. Every subsequent importation increases that amount.

That is the entire claim by the Solicitor-General. When that was filed in the Supreme Court the counsel for the other side presented his objection to the claim, that the matter was one of great importance, in this language, at page 10:

(a) The alleged large amount of revenue involved.

We challenge the statement that $260,000 is involved. It will be seen by reference to the protests (Rusch, rec., fol. 21; Blatter, rec., fol. 54) that the only claim made is that the merchandise is bleached or unbleached and not colored.

It is to be noted that in only two of the provisos, to wit, 305 and 307, is there a difference in duty between bleached and colored cloths, and then only a 5 per cent difference. Turning to the tables entitled "Estimated revenues," prepared and printed under the direction of the Finance Committee of the Senate, Sixty-first Congress, first session, for use in connection with the preparation of the new tariff law, we find that the value of all the cotton cloths containing an additional threads assessed as colored cottons under paragraphs 304 to 309 imported into the United States during the year ending June 30, 1907, amounted to $336,386.02. The contest herein covers a period of approximately four years, so that the total value of importation of goods assessed as colored cottons would be $1,345,544.08. Assuming, then, that all the cotton cloth containing extra threads classified by the Government during this period as colored cotton had bleached or unbleached foundation cloth (which it did not), assuming that a difference of duty would accrue (which we have shown would not accrue) in each case where there was a bleached or unbleached foundation, and assuming, further, that protest has been duly filed on every importation, the total difference then would be only $67,277.20. We frankly believe that not more than $20,000 is involved in the entire litigation on this issue, or about $5,000 a year.

And upon that record, made up by the Government and the counsel for the contestants, the certiorari was denied.

Mr. DOLLIVER. I am exceedingly obliged to the Senator from Colorado, because it saves me from spending a further minute on these statistics, which I have had to add up myself. I have been so impressed with the fear that if I was not here a vote would be taken and my speech would be delivered afterwards that I have not had as much time as I ought to have had, and I have not had the amount of help I needed. I had to do it in one night. So I greatly appreciate the clear statement which the Senator from Colorado has put into the RECORD, showing in a way that will be lasting the real character of the statement made last night on this floor by my honored friend, the Senator from Rhode Island.

Mr. GALLINGER and Mr. SUTHERLAND addressed the Chair.

The VICE-PRESIDENT. To whom does the Senator from Iowa yield?

Mr. DOLLIVER. To the Senator from New Hampshire.

Mr. GALLINGER. Mr. President, notwithstanding what the Senator from Colorado has read, we are confronted with the fact that the Supreme Court says that $20,000 was involved. The Senator from Iowa presents a paper from the Treasury Department saying $55,000 is involved.

Mr. DOLLIVER. No, no; my friend is mistaken.

Mr. CLAPP. Fifteen thousand.

Mr. DOLLIVER. This memorandum is taken from a letter written by——

Mr. GALLINGER. Obtained over the long-distance telephone.

Mr. DOLLIVER. That refers entirely to the etamines, not to the curtain cloths. These figures are taken from a letter written to the Secretary of the Treasury by the Attorney-General of the United States, stating the amount involved in the curtain cases, as he understood it to be, at $260,000, which is obviously nearly correct. The figures given to the Senator from Idaho could not have referred to the amount refunded. Nothing has yet been refunded. The case is only just now decided.

Mr. GALLINGER. The Senator from Idaho gets information from the Treasury Department that $400,000 is involved.

Mr. DOLLIVER. I doubt very much whether it refers to the same thing. It can not be official figures as to the amount refunded. Nothing has yet been refunded. The figures refer to the amount involved, 5 per cent of which would have to be refunded.

Mr. GALLINGER. The New York Commercial Advertiser gives it at $500,000.

Mr. DOLLIVER. No; the New York Commercial Advertiser does not say that is the refund, but the whole amount involved, upon which the refund would be only 5 per cent.

Mr. GALLINGER. I am talking about the refund. I think the Treasury Department ought to be able to clear this matter up, so that we should really know the facts.

Mr. DOLLIVER. I hope they will, if we shall have time to get it; but we do not have time to get it. Nobody can know the amount of the refund till settlement is made, but it can not be more than 5 per cent of the sum involved.

Mr. SUTHERLAND. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SUTHERLAND. I understood that what the Senator from Colorado read was simply the rival claims of the counsel upon each side of this case.

Mr. DOLLIVER. From what was the Senator from Colorado reading?

Mr. HUGHES. I read from the petition for a certiorari and the brief by Solicitor-General Bowers, and the response of the other side.

Mr. SUTHERLAND. Then, as I understand what the Senator was reading was simply the claims of the counsel in the case; counsel for the Government claiming that $260,000 was involved in the case——

Mr. HUGHES. No.

Mr. SUTHERLAND. In the questions involved in the case, while counsel upon the other side insisted that not more than $20,000 would be involved. I do not understand that the Supreme Court has passed upon the question at all.

Mr. DOLLIVER. Yes; it dismissed the petition for a writ because the amount involved was trivial.

Mr. SUTHERLAND. I think the Senator is in error about that.

Mr. DOLLIVER. Am I not correct in that?

Mr. SUTHERLAND. The Supreme Court—and I think the Senator from Colorado will agree with me—does not deny a petition for a writ of certiorari simply because the amount involved may be small.

Mr. DOLLIVER. Did I understand the Senator from Colorado——

Mr. SUTHERLAND. The Supreme Court considers the matter more with reference to the character of the questions involved than it does with reference to the amount involved; and the refusal of the Supreme Court to grant the writ is not equivalent to an expression of opinion upon their part that the amount involved was as claimed by counsel for the plaintiff.

Mr. DOLLIVER. Mr. President, I now desire to advance a step further into the region of statistics, where I am beginning to feel as much at home as if I had been brought up in the midst of figures and had lived there all my life. I am in a very advantageous frame of mind in respect to them, because I have had to overcome a good many suspicions. I have reached the point where I have absolute confidence that I have gained sufficient insight into the science of statistics to prevent me from being overawed by a mere row of figures.

I want to call attention to the tables of statistics which were printed, but not read, by the Senator from Rhode Island and by the Senator from Utah, which he was kind enough to say also involved the ideas of the Senator from Massachusetts, and for that reason should be entitled to very great consideration in the Senate. He gives importations under the various paragraphs in

the Dingley Act for 1898, the importations for 1899, and the importations for 1900. He claims that the Dingley law was emasculated by these decisions, and therefore show lower ad valorem equivalents than they would have shown if the emasculation had not occurred. Yet the history of the matter is that these adverse decisions of which he is complaining were not rendered by anybody in any of those years, but that the Dingley law, from the time it went upon the statute books, was interpreted just as it is now for three full fiscal years, including the very years that he reports.

He now proposes, seeing the awful havoc that was made with the revenues of the United States by these adverse and outrageous decisions of the courts and of appraising boards in calculating the average ad valorem of the Senate bill, to apply his ad valoremes not to the importations that are going on now, but to the importations that went on over ten years ago. He finds that the ad valorem equivalents then were higher than in 1907. I think they were, and I know exactly why they were. It is because the prices of the goods have been steadily rising, and as the values per unit of quantity increased the equivalent ad valoremes decreased. Like every other variety of merchandise in all the paragraphs of our tariff law, wherever a specific duty is applicable to an article the equivalent ad valorem has been gradually decreasing because the goods themselves have been gradually appreciating in value, and there is no use in the world for a man in pursuit of the truth to go to the decisions of the courts to find why the ad valorem equivalents of 1900 are higher than the ad valorem equivalents of 1907, and the same thing is true of the tables presented in the interesting speech of the Senator from Massachusetts.

The VICE-PRESIDENT. The Chair begs to suggest that there are almost too many private debates.

Mr. STONE. I am trying to hear what the Senator from Iowa is saying, and it is very difficult to do so.

The VICE-PRESIDENT. The Chair thought the Senator could hear better if there were fewer side debates.

Mr. MONEY. Some of us inadvertently talk too loud.

Mr. DOLLIVER. It does not bother me very much. If I excite enough interest to get up a joint debate on the floor, I shall be pleased, really. Our main trouble here has been that nobody has been able to overcome the lassitude, owing to the climate that surrounds us, in order to get down to business.

The distinguished Senator from Massachusetts seems to be about as awkward as the Senator from Utah in the elaboration of statistics, for he takes out of the book of Imports and Duties for various years, 1899 and 1907, the percentages collected upon the merchandise imported during those two years, and he takes the general position that in view of the fact that such a percentage is less in 1907 than it was in 1899, therefore it would be a good idea to compare the rates of the Senate bill, not with 1907 but with those of eight years previous, but his figures are absolutely worthless unless he carries out also the value per unit of quantity in 1907 and 1899.

If he had done that he would have been saved the trouble of going to the decisions of courts and of referring to appraisers' mistakes in order to account for the declining ad valoremes in these later years, because he would have seen, acute intellect that he has, that every change in those ad valorem equivalents arises directly and obviously before the eyes of any man who had the whole tables before him, from the fact that the unit of quantity had changed in value exactly as those ad valoremes had shifted. And yet he and the Senator from Utah come into this Chamber and present these statistics to be placed in the RECORD—statistics that can not be interpreted by any scientific statistician as they interpret them, and give that as the reason for saying that these rates have not been increased.

They say they have not been increased compared to ten years ago. Look at it. They have been increased compared to what is going on now. But you look back ten years ago and you will find the ad valoremes less than they have been made in the Senate bill, and so jumbling their figures and mystifying themselves and everybody who tries to listen to them, they pour out this torrent of figures, bewildering columns taken from the Bureau of Statistics, partially taken, half taken, deluging the Senate, and ask us to raise these rates. Curious companions these—the great statesman of Massachusetts and the great theologian of the Rocky Mountains, friends and partners in this curious business, juggling the tables, manipulating the figures, and at length blowing out the gas and going to bed together. [Laughter.]

The table is as follows:

Table showing the equivalent ad valorem percentage of the specific duties on cotton goods imported under each paragraph of the Dingley tariff in 1907 as compared with 1899, when the bill was first put in operation, due to increased prices of goods.

No.—	1899.		1907.		Values per unit of quantity.	
	Value.	Per cent.	Value.	Per cent.	1899.	1907.
					Cents.	*Cents.*
928	$1,163	20.98	$5,149	7.63	0.059	0.164
929	930	27.27	5,450	19.97	.073	.100
931	1,402	22.15	1,330	18.42	.056	.068
932	831	32.28	310	21.80	.047	.069
933	61	27.11	1,185	32.82	.065	.053
935	22,395	21.09	19,080	19.73	.071	.076
936	2,532	33.30	609	30.92	.053	.057
937	29,414	43.65	16,727	39.29	.052	.057
939	55,360	34.37	71,974	33.48	.080	.082
940	5,461	51.24	4,935	40.96	.063	.076
941	11,360	43.05	61,306	42.35	.081	.083
948	3,083	20.33	11,104	17.74	.074	.084
949	2,327	38.39	9,449	26.33	.052	.076
950	1,484	28.12	5,601	26.85	.089	.093
951	17,725	42.70	7,471	32.04	.064	.080
955	32,459	27.61	142,409	23.50	.091	.105
956	10,272	47.83	189,776	29.48	.063	.102
957	10,589	44.79	24,702	33.42	.078	.105
958	202,232	45.39	123,534	40.36	.083	.093
960	55,652	35.17	204,674	31.44	.099	.111
961	87,665	37.46	70,475	36.14	.10	.104
962	18,732	46.31	289,191	40.06	.091	.106
963	54,929	48.27	24,294	42.15	.093	.107
970	677	44.35	3,161	31.48	.068	.095
971	11,788	48.83	15,708	40.60	.072	.086
975	44,492	27.60	16,990	26.42	.099	.104
976	17,414	35.71	14,097	33.00	.098	.103
977	6,957	46.24	81,607	35.33	.087	.113
978	221,924	48.17	620,561	41.34	.088	.103
982	233,747	44.97	96,534	40.95	.094	.104
983	115,602	43.15	21,474	39.95	.104	.113
984	223,107	44.84	245,413	39.36	.106	.12
985	394,501	44.38	161,540	46.03	.113	.109
1003	6,954	59.73	6,252	36.34	.065	.096
1007	7,389	53.30	3,969	32.99	.075	.121
1009	45,777	51.25	24,770	46.10	.098	.108
1011	10,387	41.00	4,496	41.95	.109	.107
1012	89,978	40.56	42,277	44.88	.123	.111
1013	21,052	45.96	5,244	42.60	.119	.129
1014	163,238	53.86	136,410	45.56	.111	.132
1016	995,368	53.49	699,136	37.93	.117	.165
1017	523,740	53.40	124,684	49.35	.131	.142
1026	450	47.55	4,364	39.36	.126	.152
1029	2,554	45.11	2,742	38.97	.133	.167
1030	5,197	50.67	1,523	46.92	.158	.171
Total	3,775,350		3,606,777			

One hundred and sixty-eight thousand five hundred and seventy-three dollars more imported in 1899, under the higher ad valorem equivalents, than in 1907, under the lower ad valorem equivalents.

But, Mr. President, the record of the increases in this bill is not exhausted by an examination of the substitution of the step-ladder specific assessments, as I have described them, for the old Dingley ad valoremes. Personally, I am opposed to that substitution. Twenty years ago I had a good many prejudices against ad valorem assessments. I had read the reports of various Secretaries of the Treasury, and they all said they were bad, because you could not keep people honest, you could not get correct values. But in that twenty years, largely owing to the statesmanship of the honored Senator from Rhode Island, we have a system of ad valorem assessments so guarded and so administered, both in Europe and America, that about the only honest imports that come into the United States come in under the ad valorem assessments. The great frauds on our revenues are not now committed by persons who are paying ad valorem duties; they are committed by people who are paying specific duties, duties by the pound upon sugar, who in the last five or six years have robbed our Treasury of from $2,000,000 to $9,000,000 in the light of day by simply having one of their men stand by the appraising or assessing officers at the scales and by slipping a corset steel into the delicate mechanism to interfere with the proper weighing of the merchandise.

We have had other cases involving millions of dollars. The silk cases in New York, where we deliberately changed from ad valoremes to specifics in the hope of avoiding fraudulent assessments; yet within the last three or four years we have had to sue importers of silk, who were paying duty by the pound, for millions upon millions of dollars for their frauds against these specific assessments. I refer to the Rosenthal silk cases. The

truth is that there are mighty few things where a specific assessment does any good. It is all right on steel rails. I am afraid it is all wrong on these textiles, and I will tell you why.

If you have general dividing lines of values you do not get rid of your ad valorem troubles at all. Here in this bill we have one cloth valued at 12 cents a yard and another valued at 12½ cents a yard. Do you suppose it will be less trouble to beat that dividing line than it ever was to beat an ordinary straight ad valorem assessment? The fact is, before we put this Government on the basis of specific assessments, we ought to do exactly as the Governments of France and Germany have done. In France they had a great commission for five years arranging their specific duties, standardizing their values, finding out by experiment the relations of weights, or sizes, or lengths, or other units of quantity to given values. After five years of experimentation they were able to formulate specific schedules of scientifically adjusted rates.

Who adjusted these specific rates? How long a time was taken? What is the reason for putting one rate upon cloth valued at 12 cents and a different rate on the same cloth valued at 12½ cents? What wisdom is there in it? I undertake to say that there is no wisdom in it at all, and I am profoundly convinced that we are making an error in going into a mess of that sort.

I was saying that these progressive ad valorem or "stepladders" of values do not cover all the increases that are made in this bill. This very green cloth [exhibiting] is coming in for another treatment. Now it has 2 cents because of the extra threads. It is to get 5 per cent more on account of being colored, and it is going to get a little more, if it can, by putting a microscope on those colored threads and counting them and adding them to the count of threads which determine the density of the cloth; that is to say, the paragraph into which that cloth comes for assessment. I do not know—I have not worked on this one with my microscope—but I think it has nearly 100 threads in it, and it is therefore dutiable under paragraph 313, but if the amendment that is proposed passes, and the other threads are counted and added to it, it will have over a hundred threads, and will pass into the next paragraph at a modestly increased rate. I do not know whether that ought to be done or not, but I am dead sure of one thing, it ought not to be done without everybody in the Senate understanding what is being done.

That is not the only proposition I have in mind. These good people propose, seeing the times are a little hard and money scarce—I believe it has been said times are always hard and money scarce—they propose to take a little extra assessment of 1 cent per square yard on mercerized cloth; that is to say, on nearly all the cloth that is imported, because I think I am right in saying that nearly 75 per cent of all imported cloths are mercerized. I thought I heard the Senator from Massachusetts [Mr. LODGE] give the exact figures, but I could not find them when I came to examine his speech when printed in the RECORD. I may have been mistaken about his giving them.

If they proposed to put only a cent a pound on cloth that has been mercerized maybe I would not say a word about it. But, they say, this is a good time to get whatever can be had without anybody knowing it, and so we will ask not only for 1 cent a pound on mercerized cloth, but exactly the same amount on cloth that has even one thread of mercerized yarn in it.

You would not believe it, but I have got so I feel I know as much about mercerized yarn and cloth as anybody. The Senator from Utah stated the other day, speaking on this floor, that it was not possible to mercerize single yarns. I told him I did not know. I know now that the Senator from Utah was mistaken, for I saw the Senator from Wisconsin [Mr. LA FOLLETTE] yesterday exhibit on this floor specimens of single yarns duly mercerized as the chemists require. The Senator from Utah said it was not possible to mercerize American cotton, but that you can mercerize only Egyptian cotton. I told him then that that violated the impression I had in looking around the dry goods stores, and that was the only statistics I had on the subject then. But I have a little book here, issued by a professor in the Textile College in Philadelphia, in which he says that it is not only possible to mercerize all kinds of yarn, but that it is a growing custom in the cotton business all over the world, and the fact is that very much of the Egyptian cotton mercerized in the world is ordinary peeler cotton, the American brand called familiarly through the world "Mississippi silk."

So I have not as much confidence as I used to have in the Senator from Utah. I have almost begun to think that the Senate committee was a little weak on this mercerizing business, and I will tell you why. Four weeks ago they spent a large sum of the government revenue—I do not know exactly how much the amount would affect the ad valorem, but a considerable sum—telegraphing all over the United States to people familiar with the mercerization of cotton to know how much it costs. Have any of you gentlemen seen those reports? Did you hear the three-hour speech of the Senator from Utah, which combined all the wisdom there was in and around the Committee on Finance? Did you see in the printed copy here one of those letters or telegrams received in reply to the simple question, "How much does it cost to mercerize a yard of cotton cloth?" Not one. I know they got answers, because two or three of them sent a copy of their answers to me. I do not know why they picked me out, but they seemed to think I was interested in the subject; and here we are at the end of this debate asked to place that assessment on 90,000,000 people in the United States, and there is not a word of information upon the cost of it, and every line of information that was got at the expense of the Government is withheld from the public records of the Senate where it belongs.

I will, however, show you a letter from A. L. Reid & Co. in New York, who were thought to be good enough men to telegraph to for information, and they replied showing that the cost of mercerizing cotton was less, very much less, than 1 cent a yard. I have here, and I intend to put into the RECORD, another letter from Littauer & Co., who answered their telegram, stating and giving the figures from his present business connections that it costs 2 cents a yard less to mercerize cotton cloth in the United States than it does in Bradford and Manchester. I make the assertion here on this floor, and if it is denied I will call on the committee to produce the letters and telegrams that came here in answer to their inquiries, if I am not correct in that statement. The Senator from Massachusetts held up some very beautiful cotton vestings which he said had been increased in value 12 cents a yard by mercerizing them. I have not had time to examine that cotton vesting. I undertake to say that that same cotton vesting made without mercerizing out of the same ply and quality of yarn would cost 11 cents of that 12 more than ordinary cloth.

I will say another thing about that beautiful cotton vesting, that it will never take the place of silk in the United States, because they are higher in price than the ordinary range of silk, and that cloth which he exhibited here is just as obsolete in the cotton trade of the United States as the highest form of silk and velvets are on the frontier. Why? Because all those vestings are mercerized in the yarn, and it costs more to mercerize in yarn than it does to make the cloth and then mercerize it. The result is that if they put that article with one not mercerized right side by side and duplicate it, they could not see the difference between the two, and it would sell for 10 cents a yard. That is the reason why it has not appeared in the cotton trade of the United States of late.

Now, I like to be accurate. I like to know what I am talking about. I like to, even when I am just walking along by myself. But when I am asking other people to follow me, to listen to my view or my suggestion, I feel upon my conscience the duty of being absolutely accurate and absolutely right.

Therefore I want to tell the Senate exactly what these good committeemen of ours have done. There is an ordinary piece of mercerized cotton shirting [exhibiting], with lines through it representing mercerized threads. It has just been woven by a prosperous factory in the State of Massachusetts, bought by an American merchant in the city of New York who does not deal in foreign cotton at all, but deals in American business by the ton. He has the bill he paid for this cotton cloth. He paid for this cotton 8 cents a yard without mercerization, with no mercerized thread in it at all. This last week he had a statement from the people who sold it to him that he can have it for 8 cents without mercerization or 8⅛ cents mercerized. Yet this committee has put a cent a pound on the process of mercerization—800 per cent, is it not? And we are expected within the next few minutes to ratify it by a vote of the Senate.

Mr. BEVERIDGE. I wish to ask the Senator merely a question, whether he thinks that statement ought to be made concerning the committee's action in view of the fact that none of the committee are present except one?

Mr. DOLLIVER. I have intimated several times my desire to have the committee here, but I was doubtful whether they would stay from luncheon, and now I will say publicly I do not give 2 cents a square yard and 5 per cent cumulative ad valorem whether the committee is here or not. I intend to tell the truth here even in their absence.

There is the proposition I have made. Here is a piece of cloth that in this market now can be bought by the ton for 8 cents without mercerization, and 8⅛ cents with mercerization. Yet the minute they get the President's signature on this bill

every human being in America will be pinched 1 cent per pound extra in the price of this cloth, or 800 per cent, on the lowly process of mercerizing, for which the present Dingley law provides amply.

Take the case that the Senator from Massachusetts gave. Suppose it were true that that cloth had added to it 12 cents a yard value by reason of being mercerized, would not that increased value be entirely covered in the duty of 35 per cent ad valorem, which equals 4.2 cents on every yard of that cloth imported into the United States? Four and one-fifth cents are therefore already on it by reason of the increased value arising from mercerization. And yet you propose to add onto that, adding 1 cent a square yard after mercerization, if a single dot or a single thread appears in the fabric indicating the process of mercerization. I say it ought not to be done.

Now, Mr. President, a few general remarks and I will not further disturb the convenience of the Senate. I read a good deal in the newspapers and every now and then I hear of somebody who thinks that I am trying to tear down the tariff laws of the United States. I do not intend to spend a great deal of time explaining what I am trying to do; but I do not mind stating it once for all. I am trying to preserve the tariff laws of the United States. I am trying to put them in such a position that the American public opinion will be friendly to them, North and South. It has grieved me more than anything in my public life that I have felt it my duty to protest against this unwarranted repeal of the Dingley cotton schedules. There is no industry in America that I have studied with the interest that I have the cotton business. It is the most ancient occupation of man after he reached the stage of industrial skill. In the museums of the world, coeval with the most ancient civilization, are fabrics of cotton woven oftentimes by the rude machinery of other ages.

There is no such crown upon the industrial life of America as the building up of the cotton and other textile industries here.

I have tried in an humble way to try to help build them up. The people whom I represent are without prejudice against them. They are full of sympathy for them. They do not even complain that they have been prosperous, that men have grown rich who have put their capital and invested their labor in these enterprises. For a hundred years the cotton schedules in American tariffs have been without an enemy in either party of the United States. No such wound has ever been inflicted upon the protective-tariff system, as to drag this schedule without an enemy in the world into the midst of this controversy and fill the CONGRESSIONAL RECORD with misleading statistics and irrelevant suggestions in respect to what has been done by the Senate committee. If it be true, as the Senator from Rhode Island says, that nothing has been done, if things are left as they are, if the rates are not raised, if no intention has been in their minds to disturb them, I appeal to Senators on both sides of the House to let them stand exactly where old Governor Dingley left them; to let them stand exactly as the courts of the United States have interpreted them. I ask my associates not to do what is the wish of the committee or the importers or the manufacturers, but to do what is suggested by every motive of reason and good sense. When you are not doing anything that amounts to anything, when you are not raising rates, when you are not disturbing them, when you spend a week showing that the changes suggested are of no importance to the public or anybody else, in the name of all that is reasonable let us let them alone; let me go to the people where I live and tell them that we left the Dingley tariff law undisturbed.

Do not send Members of Congress out to say that no changes have been made, when every schoolboy in every district will know that a statement like that can not be true, and that that man is incompetent for the discharge of the business which he seeks to do for the people of the United States. If no changes have been made, let us put away this appearance of change and leave these rates absolutely as they are. All these industries have flourished under them, great cities have been builded, great communities have been enriched. I do not envy them, from my little farm out in Iowa, any of their prosperity. I want to see all sections of the country share it, South as well as North, East as well as West. I want them all to participate in it. But I say to you gentlemen you can not do a thing so harmful to the protective system, so injurious to this industry, as to make it the storm center of an agitation which will not cease when you have incorporated these amendments in the bill notwithstanding the showing of facts that has been made on the floor of the Senate.

Now, I desire to thank the Senate for their attention.

PETROLEUM FIELDS IN MEXICO.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 79), which was read and, with the accompanying papers, referred to the Committee on Finance and ordered to be printed:

To the Senate:

The Secretary of the Interior has forwarded to me a resolution of your body in which he is requested to furnish to the Senate such information as Dr. C. W. Hayes, Chief Geologist of the Geological Survey, can furnish respecting his investigations and observations as to the character and development of petroleum fields in the Republic of Mexico, the character of the oil produced, the location of the oil regions, the ownership or interest in concessions granted by the Mexican Government, the probabilities of increase in production, and, generally, all the information with respect to petroleum and its products procured by the said Hayes upon his visit or visits to the Republic of Mexico.

The Secretary of the Interior, by letter, a copy of which I inclose, points out that the details of the information requested were obtained by the Chief Geologist of the Geological Survey, Doctor Hayes, under an obligation of secrecy entered into by him with the owners of the oil fields, from whom he obtained his information, and it would therefore not be consistent with the interests of the public service to divulge the details of the information thus obtained. Doctor Hayes has, however, submitted his conclusions from a personal visit to the oil-producing regions of Mexico, which answer, generally, the questions propounded in the resolution.

WM. H. TAFT.

THE WHITE HOUSE, *June 5, 1909.*

REPORT OF GOVERNOR OF CUBA.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 80), which was read and, with the accompanying papers, referred to the Committee on Cuban Relations and ordered to be printed:

To the Senate and House of Representatives:

I have the honor to transmit herewith a communication from the Acting Secretary of War, under date of May 8, submitting the report, with accompanying exhibits, of Hon. Charles E. Magoon, provisional governor of Cuba, for the period from December 1, 1908, to January 28, 1909, when the provisional government was terminated and the island again turned over to the Cubans. I recommend, in accordance with the suggestion of the Acting Secretary of War, that this report and the exhibits be printed.

I think it only proper to take this opportunity to say that the administration by Governor Magoon of the Government of Cuba, from 1906 to 1909, involved the disposition and settlement of many very difficult questions and required on his part the exercise of ability and tact of the highest order. It gives me much pleasure to note, in this public record, the credit due to Governor Magoon for his distinguished service.

The army of Cuban pacification, under Major-General Barry, was of the utmost assistance in the preservation of the peace of the island and the maintenance of law and order, without the slightest friction with the inhabitants of the island, although the army was widely distributed through the six Provinces and came into close contact with the people.

The administration of Governor Magoon and the laws recommended by the advisory commission, with Colonel Crowder, of the Judge-Advocate-General's Corps, at its head, and put into force by the governor, have greatly facilitated the progress of good government in Cuba. At a fair election, held under the advisory commission's new election law, General Gomez was chosen President, and he has begun his administration under good auspices. I am glad to express the hope that the new government will grow in strength and self-sustaining capacity under the provisions of the Cuban constitution.

WM. H. TAFT.

THE WHITE HOUSE, *June 5, 1909.*

STATISTICS RELATIVE TO TOBACCO.

The VICE-PRESIDENT laid before the Senate the following message from the President of the United States (S. Doc. No. 78), which was read and, with the accompanying paper and illustrations, referred to the Committee on Finance and ordered to be printed:

To the Senate:

I transmit herewith a report on the prices of tobacco and the operations of corporations and others dealing in the same, prepared by the Commissioner of Corporations of the Department

of Commerce and Labor, in accordance with the following resolution of the Senate (No. 44) adopted May 14, 1909:

Senate resolution 44.

Resolved, That the President be requested to transmit to the Senate all information collected by the Department of Commerce and Labor affecting the prices of tobacco and the operations of corporations and others dealing in the same.

WM. H. TAFT.

THE WHITE HOUSE, *June 5, 1909.*

PERSONAL EXPLANATION.

Mr. OLIVER. Mr. President, I desire to occupy the time of the Senate for a few minutes to make a personal statement.

There appeared this morning in the public press a dispatch from Goldfield, Nev., stating that certain officers and directors of a Nevada mining company—among them myself as one of the directors—had been indicted by the Esmeralda County grand jury for conspiring to defraud that State of certain taxes on bullion. The charge is that the company rendered a false statement to the bullion tax collector, and that the directors and officers sanctioned false bookkeeping in order to carry out their conspiracy.

It is due to this Senate, of which I have but recently become a Member, to state that I have no personal knowledge of the facts upon which these cases are based. I never had any intimation even that such proceedings were contemplated or impending. I knew nothing whatever about them until advised yesterday by telegraph. My understanding is that my name, with some others, is included in the list of defendants merely because we happen to be directors of the company.

Details in matters of the kind involved in this proceeding were not submitted to the general officers of the company, but were attended to by the local management in Nevada. In justice to these latter officials, however, it should be said that in rendering statements of profits and taxes due they were advised at every step by one of the most eminent law firms in that State, the senior member of which is now the Representative for Nevada in the Congress of the United States. Since learning of the indictment, I am assured that no illegal acts were committed as charged. By the merest accident I heard, incidentally, a few days ago that there was a contention between the authorities of Nevada and the company as to the amount of taxes properly due, but I assumed that it was merely such a dispute as may arise in the adjustment of an account of that nature with any company, and that if it were determined finally that the corporation in question had not met its obligations fully, this would be done in the ordinary course of business.

I desire to make my denial of any complicity in this affair, either constructively or actually, as emphatic and as sweeping as possible. I have never knowingly violated the laws of any State, and under no circumstances would I consent to, or be a party in, their violation by men with whom I might be associated in business.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. CULBERSON. Mr. President, I want to advert for a moment to a statement made last night in his speech by the Senator from Rhode Island [Mr. ALDRICH]. According to the notes of the stenographer, furnished me this morning, the Senator from Rhode Island said:

First we have a statement which was submitted by the Senator from Texas [Mr. CULBERSON], showing the effect of the increases in duties of House bill 1438 by the Senate Finance Committee. I want to read a paragraph from this to show the character of this report. In the very first line this occurs—

Referring to paragraph 313 of the bill—

"Not exceeding 50 threads to the square inch, counting warp and filling, not bleached, etc.; the present law 1 cent a square yard, Senate bill 2½ cents a square yard."

The Senate bill is 1 cent a square yard and not 2½ cents.

Mr. President, the statement of the Senator from Rhode Island is not correct. By the House bill, paragraph 312 provided for a tariff on—

Cotton cloth, not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling, 1 cent per square yard; if bleached, 1¼ cents per square yard; if dyed, colored, stained, painted, or printed, 2 cents per square yard.

By paragraph 313, according to the House bill, it was provided that—

Cotton cloth, not bleached, dyed, colored, stained, painted, or printed, exceeding 50 and not exceeding 100 threads to the square inch, counting the warp and filling, and not exceeding 6 square yards to the pound, 1¼ cents per square yard—

And so forth.

The Senate Finance Committee propose to strike out paragraph 312 altogether and to incorporate the two provisions, as it were, in paragraph 313, so that paragraph 313, or so much thereof as may be pertinent to this matter here, reads as follows:

Cotton cloth, not bleached, dyed, colored, stained, painted, or printed, not exceeding 100 threads to the square inch, counting the warp and filling, and not exceeding 6 square yards to the pound, 1¼ cents per square yard—

And so forth.

So that the paragraphs referring to 50 threads and 100 threads, or not exceeding either of those, are incorporated into one paragraph, not otherwise separated.

The Senator from Rhode Island said that this was an incorrect statement by the expert employed by the minority of the Finance Committee, Mr. J. S. McCoy, the actuary of the Treasury Department. The statement of the actuary is taken from the report made to the Senate by the Senator from Rhode Island himself and is in the very exact language of that report. Not only that, but the Senate Committee on Finance has nowhere fixed the rate at 1 cent. The very lowest rate is 1¼ cents.

At page 38 of this large book, entitled "Estimated Revenues," under paragraph 313, we have this language—this document, I repeat, was presented to the Senate by the Senator from Rhode Island—we have this language, and it is the very same language in this estimate made by Mr. McCoy, which was presented by me on the 13th of May:

313. Cloth, not exceeding 50 threads to the square inch, counting the warp and filling, not bleached, dyed, colored, stained, painted, or printed.

Running that out, Mr. President, we will see that the rate in the present law is 1 cent per square yard, the rate in the House bill is 1 cent per square yard, and the rate in the Senate bill is two and a quarter cents per square yard, amounting to an increase from 11.75 per cent ad valorem to 26.44 per cent ad valorem. That is all there is to it.

The Senator has denounced the statement made by an expert, which was copied absolutely and exactly by him from the statement made by the Senator from Rhode Island.

Mr. ALDRICH. Mr. President, the statement submitted by the Senator from Texas purported to show the present law and the bill as reported from the Finance Committee in a great variety of paragraphs. I stated last night, and I repeat now, that the provisions in the Senate bill, or the provisions that will be in the Senate bill when the vote is taken upon the pending amendment, is upon "cloths counting less than 50 threads to the square inch, 1 cent a pound, not colored, dyed," and so forth—just exactly what I said last night.

Mr. CULBERSON. Where is the provision in the bill providing for a cent a square yard?

Mr. ALDRICH. I ask that the Secretary read the pending amendment.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The Secretary will read as requested.

The SECRETARY. On page 97, line 24, after the words "cotton cloth," it is proposed to insert the following:

Valued at not over 7 cents per square yard, not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling, 1 cent per square yard.

Mr. ALDRICH. That is sufficient. That is an answer to the Senator from Texas.

Mr. CULBERSON. Now, I ask the Senator if he believes that is a fair answer to the criticism?

Mr. ALDRICH. I am not yet through with my answer.

Mr. CULBERSON. The Senator, Mr. President, criticised a statement filed here on the 13th day of May by referring to an amendment which was proposed by him long subsequent to that time.

Mr. ALDRICH. The bill as reported—I will read it myself—provided for a duty of one and one-quarter cents per square yard.

Mr. CULBERSON. Certainly; but that is not 1 cent.

Mr. ALDRICH. It will be 1 cent, I think, if the amendment be adopted. If it be not adopted, then the rate will be one and a quarter cents, and not two and a half cents, as stated by the expert.

Mr. CULBERSON. The rate reported in this statement is two and a quarter cents, the same as reported in the Estimated Revenues presented by the Senator from Rhode Island.

Mr. ALDRICH. But if the Senator from Texas had looked at the statement in Estimated Revenues he would have found that the goods there referred to were valued at more than 7 cents a square yard.

Mr. CULBERSON. Not at all, I think.

Mr. ALDRICH. Certainly the duty could not be two and a quarter cents unless the goods were of that value. That is the

trouble about the statement of the Senator from Texas. It does not state what the facts are. I put into the RECORD last night a statement of what the Senate bill provides and what the existing law is upon these matters. The statement made in the compilation called "Estimated Revenues" applies to what the duty would be if the goods were valued at above 7 cents per square yard, not what it would be according to the countable provisions of the act. If the Senator will take the statement he presented and compare it with the statement I presented to the Senate, he will find the corrections made as I have indicated.

Mr. CULBERSON. Mr. President, the Senator's explanation is not satisfactory. I submit to the Senate that the statement I have presented, taken from the Estimate of Revenues, not only covers the 50-thread articles, but also the 100-thread articles, and it also refers to value. The statement to which the Senator refers, and which he denounced last night, is copied exactly and precisely from the report of Estimated Revenues made under the authority of the Finance Committee.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Rhode Island?

Mr. CULBERSON. Yes.

Mr. ALDRICH. Then, the expert of the minority must have copied a mistake, palpable on its face, from the statement in Estimated Revenues, which does not pretend to be a precise statement of the difference in rates imposed by this bill. Under the present law, the rate is not 1 cent per pound if those goods are valued at above 7 cents, but it is 25 per cent ad valorem, which is nearly 2 cents a yard, instead of 1 cent, as the statement which the Senator has called attention to sets forth. The statement made by Mr. McCoy is absolutely incorrect in every respect. The duty on goods valued above 7 cents under the present law, I repeat, is not 1 cent a yard, but it is 25 per cent ad valorem.

Mr. CULBERSON. I do not at this time purpose to go into the general statement made by Mr. McCoy. My purpose is simply to point out that the Senator from Rhode Island has taken the statement presented here by me as to one item, which was an exact copy of one presented by himself, and denounced it as incorrect; and upon that general statement he based a condemnation of the entire statement presented by me, it having been prepared by the actuary of the Treasury.

Mr. ALDRICH. I called attention to the inaccuracies of this statement, and submitted a corrected statement of what the comparison actually was. I repeat that the statements of both of these experts are manifestly inaccurate.

Mr. CULBERSON. As I said, Mr. President, I read that portion of the Senator's remarks last night in which he denounced a specific statement of this report, from which he came to the conclusion, or, at least, upon which generally he based the conclusion, that the entire report was inaccurate. Now, it turns out that it was nothing but a literal copy of what the Senator himself had presented. He also takes the position, which, it seems to me, is not candid and fair, that this report is not true, because the committee had, subsequent to its being made here, proposed an amendment in accordance with his suggestion; in other words, the Senator denounces the statement made by an expert on the bill and report as written because it does not correspond with the bill as he proposes to amend it.

Mr. ALDRICH. Mr. President, this matter is perfectly simple. Under the existing law cotton cloths counting less than 50 threads to the square inch are dutiable at 1 cent a square yard; if counting between 50 and 100, they are dutiable at 1¼ cents per square yard; if they are valued at over 7 cents per square yard, under the present law they are dutiable at 25 per cent ad valorem. If they are dutiable under the present law at 1 cent, they are not goods that are valued above 7 cents per square yard. If they were, they would be dutiable at 25 per cent ad valorem, instead of at 1 cent. If they were below 7 cents a square yard, the duties under the present law, under the House bill, and under the bill as it will be amended, are 1 cent a square yard. If they come in under the next paragraph, the duty will be 1¼ cents a square yard if valued at less than 7 cents. So that, from any aspect, the statement submitted by the Senator from Texas was inaccurate.

The Senator talks about the statement presented by the committee called "Estimated Revenues." The Senator understands how it is——

Mr. CULBERSON. The Senator, of course, will not deny, and does not deny, that the statement made by the expert, which I presented, is an exact copy of the one he presented on page 38, and the statement I presented was taken from the third corrected report of Estimated Revenues by the committee.

Mr. ALDRICH. I suggested in my statement to the Senate that the statement submitted by that Senator was inaccurate, and the Senator will find, if he examines the tables, that the inaccuracies were corrected.

That the Senator's expert followed the erroneous statement of this table called "Estimated Revenues," does not change the case at all; it simply shows that the Senator's expert did not examine the case and did not know what the law did provide, but that he simply followed the statements contained in the volume called "Estimated Revenues."

In presenting this compilation to the Senate I have stated at least half a dozen times that it was hurriedly prepared, and that it did not in all cases state precisely the facts, not that there was any intentional misstatement of facts, but errors almost invariably creep into statements of this kind. I have been absolutely amazed that these statements, prepared, as they were, within a very few hours of the time that the instructions were given by the Senate, should contain as few inaccuracies as they do.

Mr. NEWLANDS. Mr. President, when the Senator from Iowa [Mr. DOLLIVER] gave up the floor, I claimed the attention of the Chair, with a view to asking him a question, but was interrupted by the reading of the President's message. I now wish to ask the Senator from Iowa whether the relief which he proposes regarding this schedule, relating to cotton manufactures, simply involves the retention of the Dingley schedule, as opposed to increases reported by the committee, or does he propose to move further in the line of reduction?

Mr. DOLLIVER. Mr. President, I will say to the Senator that I have no intention of moving to reduce the Dingley tariff law as to cotton in any respect. On the contrary, I have offered—and I will ask the Senator from Rhode Island to permit it to be voted on first—an amendment which will restore paragraph 312 of the Dingley law as it exists in the present statute and attach to it the Dingley provisos that are found in connection with all the countable paragraphs, so that it will correct, by raising to 25 and 30 per cent ad valorem, the duties that might now be assessed on certain comparatively unimportant cloths that have fallen by the wayside on account of one of the decisions of the court. Only a very few are involved. And I shall ask the Senator from Rhode Island, before a vote is taken on the amendment to paragraph 313, to permit a vote to be taken on paragraph 312, my amendment being to restore paragraph 312, by disagreeing to the Senate committee's amendment striking it out, and to attach to it the customary Dingley proviso, providing an ad valorem of 25 per cent.

Mr. NEWLANDS. Mr. President, I would ask the Senator from Iowa whether he does not think, from his examination of this schedule, that some of the duties are above the standard fixed by the Republican party in its platform in the last campaign? I refer to the Dingley rates themselves.

Mr. DOLLIVER. Mr. President, it may be possible that some of the specific rates on cotton cloth of apparently low value might be reduced without inconvenience to anybody, but I have not had either the time or the purpose of suggesting any such amendment, because it has always been my theory that, while the rates are somewhat high, they are not likely to operate injuriously in the market place. They have always been high. I remember that they used to be higher than the price at which the goods were sold in the United States, and it used to be a favorite recreation of mine to prove that the tariff could not be added to the cost from the fact that the price was less than the tariff. Such a rate, of course, could be reduced possibly, and on a careful revision of the tariff would be reduced, but I have not thought it important to suggest such an amendment. My object is to preserve unimpaired the Dingley law, with a single amendment, which corrects a real prejudice arising out of a decision of the court, giving the customary proviso to the first countable paragraph.

Mr. NEWLANDS. I would call the Senator's attention to the fact that the total importations of cotton products into this country amount to only about $33,000,000 in value, that value being, of course, the external value, without adding the duty.

Mr. ALDRICH. Mr. President, the Senator has not included——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Rhode Island?

Mr. NEWLANDS. Certainly.

Mr. ALDRICH. The Senator from Nevada has not included in that estimate two paragraphs which, while they are in Schedule J, are cotton goods, amounting to about $50,000,000 in round numbers—I can give the Senator the exact amount——

Mr. NEWLANDS. That would increase it, then, to $80,000,000.

Mr. ALDRICH. About $80,000,000, in round numbers.

Mr. NEWLANDS. Eighty million dollars. I will ask the Senator, then, whether the recapitulation at the end of Schedule

I, taken from the census report and representing the total cotton products of this country as amounting to $1,000,000,000 in value, is correct, or whether it would be necessary to add to it the products which are included in Schedule J, to which he has referred?

Mr. DOLLIVER. I have no way——

Mr. NEWLANDS. I would ask the Senator from Rhode Island to answer that question.

Mr. ALDRICH. Mr. President, the value of manufactured cotton, as given by the census of 1905, is about $450,000,000, in round numbers.

Mr. DOLLIVER. And, Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Iowa?

Mr. NEWLANDS. If the Senator will permit me one moment, I wish to get information from the Senator from Rhode Island. The Senator will observe that the statement from the census report in this book of Estimated Revenues, on page 44, following the schedule of cotton manufactures, sets forth that the total value of cotton products included in the tariff bill, including custom work and repairing, aggregates $1,014,000,000.

Mr. ALDRICH. That includes——

Mr. NEWLANDS. The Senator states that the total value of cotton products of this country is only $400,000,000.

Mr. ALDRICH. If the Senator will look at the summary contained in that same statement, he will find that cotton goods are put down at $442,000,000; corsets, $14,000,000; women's and children's clothing, $247,000,000; awnings, tents, and sails, $11,000,000, confirming the statement which I made that the value of the cotton products of the United States is approximately $450,000,000.

Mr. NEWLANDS. But the Senator will also observe that he has excluded the item of awnings, tents, and sails, aggregating $11,000,000, and that he has excluded a number of items.

Mr. ALDRICH. I have excluded women's clothing and corsets and awnings, which are not cotton manufactures in the ordinary sense of the word, although they are made from cotton cloth.

Mr. NEWLANDS. What items has the Senator excluded? I did not catch what he said.

Mr. ALDRICH. I have excluded awnings, tents and sails, women's clothing, and corsets.

Mr. NEWLANDS. Those three items amount to about $250,000,000; and the total of the schedule is over $1,000,000,000.

Mr. ALDRICH. If the Senator will look under the $1,000,000,000, he will find the items given as I have stated. That is a matter, I suppose, of observation and not of statistics.

Mr. NEWLANDS. Well, Mr. President, it is utterly impossible, of course, to base any deductions upon statistics that seem to be so misleading. The committee has presented us here a statement from the census of the aggregate of the manufactured cotton products of the country, which are covered by the tariff bill. That census represents the total value of all those products at $1,000,000,000. I was about to contrast with that $1,000,000,000 of products the meager importations into this country, aggregating only $33,000,000, or 3 per cent of the whole, tending to show that the Dingley rates are prohibitive of importations and are away above the standard necessarily established by the late Republican platform.

Now, the Senator from Rhode Island meets that assertion, taken from the statistics furnished by the committee, and replies that the total cotton production of the country is only $700,000,000; and when pressed by that inquiry he refers to these statistics again, and finally admits—he at least does so by his silence—that under these statistics under the items he has named the total cotton manufactures of this schedule are not $400,000,000 a year, but are about $750,000,000, excluding the three items and others to which he has referred. Taking the Senator upon his assumption that the total of cotton manufactures of this country is about $750,000,000, and taking the statistics as to imports furnished by the committee, that the imports under this schedule amount to only $33,000,000, you have an importation equal to only 5 per cent of the cotton manufactures in this country protected by this schedule, and that indicates prohibitive duties nearly as much so as the 3 per cent of importations, which I was prepared to prove by the statistics furnished by the committee.

The Senator from Iowa contents himself simply with a reestablishment, practically, of the Dingley rates, and I am contending that under the Dingley rates the importations amount to only 5 per cent—3 per cent according to my view, 5 per cent according to the view of the Senator from Rhode Island—of the total cotton manufactures of the country covered by this schedule.

The Senator from Iowa indicates his opinion, although he has not examined the matter carefully, that some of the duties in this schedule are above the standard fixed by the Republican party. As a Democrat, I can not hope, nor can any other Democrat upon this floor hope, to establish the Democratic standard of revenue. All we can do is to aid those Republicans who believe in the Republican platform and who believe in the standard established by that platform to reduce the excessive duties of the Dingley Act down to that standard; and I suggest to the progressive Republicans upon the other side, the real stalwart Republicans, who propose to stand by the platform and not simply by the Senate organization, that it is time for them to consider what reduction can be made in these duties, what of these duties are excessive, and how they should be reduced.

My judgment is there should be no duty whatever upon cotton goods in excess of 25 or 30 per cent, and that we should immediately, by our action in this body, provide for a reduction of every duty in this schedule, so that it shall not exceed 30 per cent. But I am prepared to join our tariff revisionists in any moderate action, if they should think that more advisable, in a graduated reduction extending over a period of years, providing that these duties in excess of 25 or 30 or 35 or 40 per cent—any limitation which the Republicans believe is a fair one—shall be reduced at the rate of one-tenth or one-fifth per annum for a series of years until the duties are reduced to that standard.

We have here a case where clearly the duties are prohibitive, where only $33,000,000 of imports are admitted to the country, in the face of similar manufactures in this country of $1,000,000,000, according to the committee statement, and $750,000,000, according to the admission of the Senator from Rhode Island.

Mr. President, whilst I have the floor I call attention to another thing, and that is that the wages under this schedule amount to only $339 per annum; that the average wage of the man employed in the production of cotton goods in this country is only $339—the lowest scale of wages, I believe, in any of the protected industries. And yet this schedule shows an average duty of from 46 to 47 per cent.

I ask how is it that the wage-earner in this industry realizes only $339 per annum—starvation wages? Why is it? Is it because the duty is not high enough to give fair wages and the manufacturer a profit, or is it because the manufacturer absorbs an unjust and unreasonable proportion of the profit made upon these manufactured goods?

The Republican party is engaged now in a great work of paternalism, the great work of protecting the manufacturing industries of the country, under the plea that by so doing they assume the guardianship of the workingmen of the country. The duty, then, devolves upon them, having once entered upon a policy of paternalism, to see to it that the purpose of that paternalism—the raising of the wages of the workingman—is accomplished, and not that excessive profits to corporations engaged in this production are assured.

Mr. President, the total domestic production of cotton goods, according to this statement, is $1,000,000,000, and the manufacturers are enabled to charge that $1,000,000,000 for their goods because there is a duty of 45 per cent. We will assume there is an amount of goods equal to that $1,000,000,000 worth of domestic goods on the outside seeking admission to our markets. You impose upon that equal amount a duty of 45 per cent. What does that mean? If the foreign goods equal in amount to the domestic goods are valued at $700,000,000, the addition of a duty of 45 per cent will bring up their value in our markets to the domestic value of $1,000,000,000, and thus diminish the effectiveness of foreign competition; and you claim the right to impose the additional 45 per cent as a duty on the foreign goods upon the ground that you are protecting American industry and, above all things, are protecting the American workmen. Are you aware what that addition means?

Mr. BEVERIDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Indiana?

Mr. NEWLANDS. The Senator will permit me to present my idea.

Mr. BEVERIDGE. What was the Senator's statement as to the average yearly wages of those workmen? I did not catch it.

Mr. NEWLANDS. Three hundred and thirty-nine dollars.

Mr. BEVERIDGE. The Senator knows, I suppose, that what may have some influence in making that low rate may be the fact that this industry is one of the largest employers of children of any industry in the country.

Mr. NEWLANDS. Yes.

Mr. BEVERIDGE. And that literally thousands of them, from 4 years to 16 years of age, are employed at starvation wages.

Mr. NEWLANDS. It is the largest employer of children and

the largest employer of foreign labor. While these manufacturers claim protection for their industry, they insist upon free trade in the foreign laborers who are engaged in that industry, and they employ children who ought to be at school. So the profits of the manufacturers are increased, and the Republican party, engaged in paternal legislation, engaged in legislating in the interest of a certain class and of a certain industry, upon the hypocritical pretense that it has the cause of the laboring man at heart, looks with contentment upon the employment of children and upon free trade in foreign labor in this country, so that these industries are mainly absorbed by foreign employees.

Mr. President, I was just showing how much the total subsidy given to these factories amounts to. I was showing that the billion dollars' worth of cotton production in this country as contrasted with a similar amount of production in foreign countries and demanding admission to our markets would be worth, the former a billion dollars, the latter $700,000,000; and you put a duty of 45 per cent upon it in order to bring its value up to a billion dollars and to exclude it from your markets. You do it effectively, too. For of the seven hundred millions of foreign products of a similar kind seeking admission to our doors, only thirty-three millions in value are admitted. So, clearly, you collect from the consumers of cotton products in this country the difference between $700,000,000 and $1,000,000,000, the total value of the domestic product. Three hundred million dollars are collected in tribute from the American consumers and paid over to the American manufacturers, and of the $300,000,000 the paltry sum of about $14,000,000, according to these schedules, gets into the Federal Treasury.

Are you aware that the $300,000,000 more than pays for all the wages paid by all the manufacturers of cotton goods in this country? The schedule furnished us by the committee shows that the total wages paid to all the employees by all the manufacturers of cotton goods in the country aggregate $217,000,000, nearly $100,000,000 less than the subsidy which you give the manufacturers. And yet in the face of this we find the lowest wage scale; we find child labor; we find foreign laborers employed to the exclusion of our own, who, under the protective system, should be maintained upon a proper American wage scale.

This $300,000,000 is taken in by somebody. Only $14,000,000 is taken in by the National Government. Two hundred and eighty-five million dollars is taken in by the manufacturers, and their total wages amount to only $217,000,000.

These are questions which the dominant party will have to answer before the people at the next election. I may add, I have no partisan purpose here in what I have to say or what I have to do. I wish to relieve the American people from these excessive duties, because they encourage monopoly and because they maintain exaggerated prices, because they raise the cost of living throughout the entire country; and I am willing, so far as our action here is concerned, that that action shall conform to the standard established by the Republican party in its platform and declared by its candidate for the Presidency. Apply that standard to this very schedule, and it will involve an average reduction in duties of from nearly 50 to at least 25 or 30 per cent; and it devolves upon the progressives upon the other side of the Chamber, with the addition of only five votes from those who have thus far voted against them, to carry enough weight, with the Democratic side added, to absolutely secure these reductions and to redeem the pledge of the Republican platform. I ask them to study these schedules and point out the way, and, whilst I have no authority to say so, I have no doubt the Democrats will follow.

The PRESIDING OFFICER. The question is on agreeing to the amendment, which will be stated.

Mr. OWEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Gore	Owen
Bacon	Crane	Guggenheim	Page
Bailey	Crawford	Hale	Penrose
Beveridge	Culberson	Heyburn	Perkins
Borah	Cullom	Hughes	Piles
Bradley	Cummins	Johnson, N. Dak.	Root
Brandegee	Curtis	Johnston, Ala.	Shively
Briggs	Dick	Jones	Simmons
Bristow	Dillingham	Kean	Smith, Md.
Brown	Dixon	La Follette	Smith, Mich.
Bulkeley	Dolliver	Lodge	Smoot
Burkett	du Pont	McEnery	Stephenson
Burnham	Elkins	Martin	Stone
Burrows	Fletcher	Money	Sutherland
Burton	Flint	Nelson	Tillman
Carter	Foster	Newlands	Warner
Clapp	Frazier	Nixon	
Clark, Wyo.	Frye	Oliver	
Clarke, Ark.	Gallinger	Overman	

The PRESIDING OFFICER. Seventy-three Senators have answered to their names. A quorum of the Senate is present.

Mr. OWEN. Mr. President, last night I respected the desire of the chairman of the Committee on Finance not to be interrupted with any questions, but there were questions I desired to ask with regard to this schedule, and I call attention now to paragraph 316, in which the committee amendment proposes that cotton cloth, valued at over 12½ and not over 14 cents per square yard, shall pay 5½ cents per square yard; valued at over 14 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 and not over 20 cents per square yard, 8 cents per square yard; valued at over 20 cents per square yard, 10 cents per square yard, or, approximately, 50 per cent, but not less than 40 per cent ad valorem.

Mr. President, this proposition on the part of the committee, I take it, is based upon evidence in the hands and knowledge of the committee, and I desire therefore to ask the chairman of the Committee on Finance what is the relative labor cost on these goods?

Mr. ALDRICH. Paragraph 316 is not yet before the Senate. When it is, I will be very glad to answer any questions with reference to it.

Mr. OWEN. I wish to say to the Senator from Rhode Island that his refusal to answer this question is based upon the fact that he can not answer it without stultifying the committee itself. I will say to him that the labor cost on these materials does not exceed 25 per cent in this country; that the difference in the cost of production of these goods in this country and abroad is a negligible quantity—and he is in honor bound, as the chairman of the Finance Committee and as the representative of the Republican party and its platform, to write the schedules in the light of the difference in the cost of production at home and abroad. There is imposed upon him that duty.

I have demanded in vain, at the hands of the committee and of various members of it, some information with regard to this matter.

But there is not lacking information with regard to it. I have in my hand the report of the Commissioner of Labor, Carroll D. Wright, who gives the percentage of labor in goods of this kind in this country and in Great Britain and in Belgium, and the rates approximate 35 per cent. In his table, presented at the request of the Senate and by direction of Senate resolution, I find No. 178 twills; 37 inches wide; picks per inch, 80 by 60; warp yarn, No. 12, 1.73 yards per pound; total cost of labor in transforming materials, 23.75 per cent. Twills; 39 inches wide; picks per inch, 96 by 104; warp yarn, No. 34; weft yarn, No. 45; 3.80 yards per pound; cost of labor in transforming materials, 39.06 per cent.

Four-leaf twills; 39 inches wide; picks per inch, 76 by 76; warp yarn, No. 28; weft yarn, No. 40; 4.25 yards per pound; cost of labor in transforming materials, 33.51 per cent.

Four-leaf twills; 43 inches wide; picks per inch, 68 by 68; warp yarn, average number, 28.05; weft yarn, average number, 37.78; 4.30 yards per pound; cost of labor in transforming materials, 35.64 per cent.

Five harvers Albert twills; 36 inches wide; picks per inch, 76 by 68; warp yarn, No. 30; weft yarn, No. 40; 5 yards per pound; cost of labor in transforming materials, 37.10 per cent.

Twills or drills; 29 inches wide; picks per inch, 72 by 48; warp yarn, No. 12; weft yarn, No. 18; 2.85 yards per pound; cost of labor in transforming materials, 25.50 per cent.

Twills or drills; 30 inches wide; picks per inch, 68 by 48; warp yarn, No. 14; weft yarn, No. 14; 2.85 yards per pound; cost of labor in transforming materials, 28.25 per cent.

Tables 185, 186, 187, and so on through this list, prepared by the Commissioner of Labor, show these costs, and when a comparison is made with the cost of similar cloth in Great Britain, the labor cost is found, for instance in table No. 198, 35 inches wide, to be 29.97 per cent. So the difference in the labor cost of transforming these materials in this country and abroad does not provide any justification whatever for a tariff rate of 40 per cent or 50 per cent, and the chairman of the Finance Committee does well to refuse to answer this reasonable question, because he can not answer it, because he can not justify himself by the reason which underlies this rule. The only justification of these amendments in raising the rates instead of lowering the Dingley rates is that all competition shall be cut off from abroad and a complete monopoly given to those engaged in this manufacture here.

This very schedule shows in paragraph 316, to which I called attention, that cloth exceeding 3½ and not exceeding 5 square yards to the pound brought to the United States Government the munificent revenue of $237 for 90,000,000 people; practically exclusion; practically cutting off all competition, either actual

or potential, so as to establish here beyond the peradventure of a doubt a complete monopoly of these goods. And having pointed out to the Senate and to the people of the United States that the difference in the cost of production at home and abroad is not guiding the committee or this body in drawing these proposed amendments and that the pledges of the Republican national platform is being willfully betrayed, I content myself.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee, on which amendment the yeas and nays have been ordered.

Mr. HEYBURN. Mr. President, before voting on this amendment I want to have the attention of the Senate for a minute or two. I am not going to discuss the schedule, but I wish the RECORD to show why I am going to vote for the committee amendment.

I am not going to vote for this committee amendment upon some of the grounds that have been stated by Senators on this side. I do not realize the necessity for entering into this close analysis of the cost of the articles under this schedule abroad and at home. I would always make a market for the cotton products of the South in this country in preference to making a market for their products abroad. We will take care of all the products of cotton that the South have to produce at just as good prices on this side of the water; and after the admission, as I understood it, by the Senator from Iowa [Mr. DOLLIVER] and by other Senators on this side that it will not raise the cost of the manufactured products to the consumer, it makes no difference to me, and I do not care how much money the middleman makes, because he is an American and is engaged in the business of manufacturing this cotton through the various intermediate steps of turning it over for ultimate use.

That is the reason why I shall vote for this schedule, not because of any comparison between what European nations might be forced to do in order to get into our market, but because of what people will do of their own will for the sake of building up the enterprise and furnishing the commodity here, so that we will depend upon competition among Americans rather than competition between Americans and foreigners. That is the doctrine of protection I adhere to.

The PRESIDING OFFICER. The Secretary will call the roll on agreeing to the amendment of the committee.

The Secretary proceeded to call the roll, and Mr. ALDRICH answered in the affirmative.

Mr. BACON. Mr. President, I insist upon it that Senators have a right to address the Chair without being cut off by precipitate action.

The PRESIDING OFFICER. The present occupant of the chair will suggest that no Senator was on his feet.

Mr. BACON. We are not a lot of acrobats.

The PRESIDING OFFICER. It is not the province of the Chair to invite Senators to speak.

Mr. BACON. It is not the province of the Chair to invite Senators to speak, but it is the province of the Chair, I respectfully submit, to give ear to Senators if they desire to do so.

The PRESIDING OFFICER. The Senator from Georgia is recognized and will proceed.

Mr. BACON. Mr. President, I want to raise a point of order, or, rather, I will make an inquiry. The Chair stated that the yeas and nays had been ordered. I would inquire when?

The PRESIDING OFFICER. Two or three hours ago.

Mr. BACON. This morning?

The PRESIDING OFFICER. This morning.

Mr. BACON. I do not think that is a compliance with the rule. I may be in error about it, but my opinion is that the contemplation of law is that those who are present to vote at the time the roll is called are the ones to require the vote to be entered upon the record. The language of the Constitution is as follows:

> The yeas and nays of the Members of either House on any question shall, at the desire of one-fifth of those present, be entered on the Journal.

Mr. President, I am not going to insist upon that, because at the time I made the inquiry I thought it was last night that the yeas and nays had been ordered, and I was going to make the point that that was not a legitimate call for the yeas and nays on a vote to be taken to-day. But as the yeas and nays were ordered this morning, I will not now present the point.

Mr. HALE. Let me say to the Senator that when the yeas and nays were ordered, it was expected that a vote would be taken at once.

Mr. BACON. Exactly. And believing that those present now are practically those who were present at that time, I do not wish to raise the point; but I would raise it if there had been a recess, or if the call had been ordered last night. I know that there was yesterday, if not an order for the yeas and nays, at least a partial order. I trust the Chair will understand the reason why I was somewhat earnest about the matter.

Mr. BEVERIDGE. Mr. President, I wish to suggest to the chairman of the committee, in view of what has occurred, the advisability of his not insisting that the roll call under these circumstances shall proceed. I appeal to Senators on the grounds of propriety. The Senator from Iowa, who has addressed the Senate twice, notified the Senate twice that he intended to offer an amendment to the committee's amendment. He remained here for that purpose, but he has just gone down to get something to eat. Now, all at once, at a time when I am sure several Senators now absent who have been here did not expect it, and before any Senator had arisen to his feet, the Chair very properly ordered the roll to be called. The clerk quickly began to call it, and the Senator from Rhode Island answered to his name. Under the rules the roll call must go on and not be interrupted, but under such a situation, brought about no doubt by the observance of parliamentary usage and the praiseworthy vigilance which the Senator from Rhode Island always exercises, the Senator from Iowa, who could not have anticipated that this situation would arise, went to get something to eat without offering his amendment; and any Senator who might want further to discuss the bill or to ask the Senator from Rhode Island, the chairman of the committee, any questions, as no Senator had arisen to his feet and gotten the recognition of the Chair before the Senator from Rhode Island answered to his name, is absolutely estopped. It is a form, in effect, of cloture under such circumstances which works to the denial of substantial rights of Senators who had served notice that they intended to be here to offer amendments.

Now, this can not be stopped by anything else except an appeal to the Senators in charge of the bill upon setting forth the situation and an appeal to the proprieties. I am sure it is not the intention of the Senator from Rhode Island, by the calling of the roll, to shut off anybody, and especially a Senator who had been speaking for a long time, and who then left the Chamber to get something to eat. I am sure he does not intend to proceed in this manner, the Senator not having answered any question, which he invited us last night to ask and said he would answer this morning. I suggest, under the circumstances of the case, while the right does not exist from a parliamentary point of view, the propriety and advisability of not insisting that the roll call shall proceed on this amendment.

Mr. ALDRICH. Mr. President, the Senator from Iowa gave notice of his purpose to offer an amendment to paragraph 312, which has been agreed to by the Senate. The pending amendment is an amendment of the committee to insert certain words in paragraph 313. It does not involve the question of ad valorems at all. If this question is disposed of, that question comes up immediately upon the next amendment of the committee, which is involved in this same paragraph. It is simply a matter of waiting for a few minutes before all this can transpire. There are no rights of anybody involved in it at all. The amendment of the Senator from Iowa is to paragraph 312. It is not involved in the question now before the Senate.

Mr. BEVERIDGE. Will the Senator allow me to ask him a question?

Mr. ALDRICH. Certainly.

Mr. BEVERIDGE. While that might be true, I would suggest that some Senators who are earnest about the matter may feel that their rights are involved; and would it not be a better course to withdraw the roll call and let Senators do what they think is proper about it? Would not that be the fairer and the more generous course?

The PRESIDING OFFICER. The Chair suggests to Senators that the discussion is proceeding by unanimous consent.

Mr. ALDRICH. As this vote is only one of a number of votes which must be taken upon this subject, and does not involve at all the question of ad valorems which is involved in the next amendment of the committee, I can see no reason for not proceeding now with the roll call.

Mr. DOLLIVER entered the Chamber.

Mr. ALDRICH. The Senator from Iowa then will be in a position where he can offer his amendment to the amendment of the committee and raise the whole question which he proposes to raise by his amendment. I do not think that I am taking any advantage of anybody by asking that the roll call shall proceed.

Mr. DOLLIVER. I offered an amendment or indicated that I would propose an amendment to paragraph 312. It is logical that we should dispose of paragraph 312 first. Then we could proceed to paragraph 313, voting for or against the committee's amendment, with the matters that are involved by the amendment I have to paragraph 312 out of the way. As it would re-

quire only a few minutes, I ask the Senator from Rhode Island to permit the amendment to paragraph 312 to be offered.

Mr. ALDRICH. I can not consent to that, of course. The committee amendments, under our general understanding, are first to be disposed of. The committee amendment is now pending to this paragraph. I can not consent to go back to paragraph 312, and I should not have consented if the Senator had been here. So he has lost no rights.

Mr. NELSON. Will the Senator from Rhode Island yield to me?

Mr. ALDRICH. Certainly.

Mr. NELSON. Let me ask, for my information, Were not what are now paragraphs 312 and 313 put in one paragraph in the Dingley law?

Mr. ALDRICH. Oh, no.

Mr. NELSON. Paragraph 312.

Mr. ALDRICH. They are separate paragraphs. The amendment of the committee is to insert in paragraph 313 the provisions of paragraph 312, bodily.

Mr. NELSON. I understand it is virtually a substitute for paragraph 312.

Mr. ALDRICH. And then put it into paragraph 313.

Mr. NELSON. If that is the case, I suggest that the Senator from Iowa can reach it by offering his amendment as an amendment to the committee amendment.

Mr. ALDRICH. When the pending amendment is disposed of, then the committee amendment with reference to ad valorems comes up, and the whole question which the Senator from Iowa desires to raise is then before the Senate. That is the orderly and the proper procedure of the Senate.

Mr. DOLLIVER. If the Senator will permit me, I should like to have the first amendment of the committee read.

Mr. ALDRICH. It simply puts in certain words. I do not think anybody will object to that.

Mr. BEVERIDGE. Of course the Senator is going to compel the position——

Mr. ALDRICH I have the floor. I think the Senator from Iowa will not object to voting on the pending amendment.

Mr. DOLLIVER. I believe that the particular amendment is to consolidate these paragraphs.

Mr. ALDRICH. That is all it is.

Mr. DOLLIVER. Then will come the question on the committee's amendment striking out the ad valorem proviso and substituting the specifics.

Mr. ALDRICH. That is the precise question which the Senator desires to raise.

Mr. DOLLIVER. The question, then, can be taken on agreeing or not agreeing to that amendment.

Mr. ALDRICH. That is right.

The PRESIDING OFFICER. The roll call will proceed.

The Secretary proceeded to call the roll.

Mr. CLARKE of Arkansas (when his name was called). I am paired with the junior Senator from Delaware [Mr. RICHARDSON]. If he were present, I should vote "nay."

Mr. FRAZIER (when his name was called). I am paired with the senior Senator from Oregon [Mr. BOURNE] to-day. If he were present, I should vote "nay."

Mr. MONEY (when his name was called). I am paired generally with the Senator from Wyoming [Mr. WARREN]. I transfer my pair to the Senator from Arkansas [Mr. DAVIS], and I vote "nay."

Mr. OLIVER (when his name was called). I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. If he were present, I should vote "yea."

Mr. SMITH of Maryland (when Mr. RAYNER's name was called). My colleague [Mr. RAYNER] is unavoidably absent. He is paired with the senior Senator from New York [Mr. DEPEW]. If my colleague were present, he would vote "nay."

Mr. ELKINS (when Mr. SCOTT's name was called). My colleague [Mr. SCOTT] is unavoidably detained from the Senate, and is paired with the Senator from Florida [Mr. TALIAFERRO]. If my colleague were present, he would vote "yea."

Mr. SMITH of Michigan (when his name was called). I am paired with the Senator from Mississippi [Mr. MCLAURIN]. If he were present, I should vote "yea."

Mr. TILLMAN (when the name of Mr. SMITH of South Carolina was called). My colleague [Mr. SMITH of South Carolina] is absent on account of illness in his family. I understood that he was paired with the Senator from New Hampshire [Mr. BURNHAM], but I do not know.

Mr. BURNHAM. I was paired with him for one day some time since, but I am not paired with him now.

The PRESIDING OFFICER. The Senator from New Hampshire [Mr. BURNHAM] states that no such pair exists.

Mr. SUTHERLAND (when his name was called). I am paired with the junior Senator from Tennessee [Mr. TAYLOR]. I will transfer my pair to the junior Senator from Montana [Mr. DIXON], and vote. I vote "yea."

Mr. FLETCHER (when Mr. TALIAFERRO's name was called). My colleague is unavoidably absent. He is paired with the Senator from West Virginia [Mr. SCOTT], who is also absent.

Mr. CLARK of Wyoming (when Mr. WARREN's name was called). My colleague [Mr. WARREN] for this day is absent from the Chamber and from the city. He is paired on this vote with the Senator from Arkansas [Mr. DAVIS]. If my colleague were present, he would vote "yea."

The roll call was concluded.

Mr. JOHNSTON of Alabama. My colleague [Mr. BANKHEAD] is paired with the junior Senator from Nevada [Mr. NIXON]. If my colleague were present, he would vote "nay."

Mr. FRYE (after having voted in the affirmative). I have a general pair with the Senator from Virginia [Mr. DANIEL]. Under the terms of the pair each is to exercise his own judgment as to whether to vote or not; but as he is absent from the city, I will recognize the pair in this case. I withdraw my vote.

Mr. MONEY. I desire to say that my colleague [Mr. MCLAURIN] if present would vote "nay." He is paired with the Senator from Michigan [Mr. SMITH].

Mr. FRAZIER. I transfer my pair with the Senator from Oregon [Mr. BOURNE] to the Senator from South Carolina [Mr. SMITH], and vote. I vote "nay."

Mr. MARTIN. My colleague [Mr. DANIEL] was unexpectedly and necessarily called from the city last night, and will not be able to attend the session to-day.

The result was announced—yeas 41, nays 30, as follows:

YEAS—41.

Aldrich	Crane	Guggenheim	Perkins
Borah	Cullom	Hale	Piles
Bradley	Curtis	Heyburn	Root
Brandegee	Dick	Johnson, N. Dak.	Smoot
Briggs	Dillingham	Jones	Stephenson
Bulkeley	du Pont	Kean	Sutherland
Burnham	Elkins	Lodge	Warner
Burrows	Flint	McCumber	Wetmore
Burton	Foster	McEnery	
Carter	Gallinger	Page	
Clark, Wyo.	Gamble	Penrose	

NAYS—30.

Bacon	Crawford	Johnston, Ala.	Paynter
Bailey	Culberson	La Follette	Shively
Beveridge	Cummins	Martin	Simmons
Bristow	Dolliver	Money	Smith, Md.
Brown	Fletcher	Nelson	Stone
Burkett	Frazier	Newlands	Tillman
Clapp	Gore	Overman	
Clay	Hughes	Owen	

NOT VOTING—20.

Bankhead	Davis	Nixon	Smith, Mich.
Bourne	Depew	Oliver	Smith, S. C.
Chamberlain	Dixon	Rayner	Taliaferro
Clarke, Ark.	Frye	Richardson	Taylor
Daniel	McLaurin	Scott	Warren

So the amendment of the committee was agreed to.

Mr. ALDRICH. I ask that the vote be now taken on the second amendment of the committee.

Mr. DOLLIVER. Before that is done, I want to take just a moment to make a statement.

I said that I had no particular objection to the entire elimination of paragraph 312, provided it was carried forward into paragraph 313, and I said that because the total importations under paragraph 312 in the full year 1907 of our foreign commerce were hardly noticeable. Therefore it makes little particular difference whether it is placed in the next countable paragraph or not. The amendments which the committee now propose to paragraph 313 involve the whole question of our proposed departure from the Dingley law.

Paragraph 313 is partly specific and partly ad valorem. The Dingley ad valorems are carried in the proviso which the Senate committee has struck out, and the committee's specifics are carried in the italics which they have substituted for the Dingley proviso. Therefore, those of us who desire to preserve intact the Dingley law can do so by voting against the committee amendments.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Will the Senator permit the Chair to have the amendment read? Then he will be recognized.

Mr. LA FOLLETTE. Certainly.

The PRESIDING OFFICER. The amendment of the committee will be stated.

The SECRETARY. In paragraph 313, page 98, line 6, after the word "yard" and the semicolon, insert:

Valued at over 7 and not over 9 cents per square yard, 2¼ cents per square yard; valued at over 9 and not over 10 cents per square yard, 3 cents per square yard; valued at over 10 and not over 12½ cents per square yard, 4⅜ cents per square yard; valued at over 12½ and not over 14 cents per square yard, 5½ cents per square yard; valued at over 14 cents per square yard, 7 cents per square yard, but not less than 25 per cent ad valorem—

And a semicolon.

Mr. LA FOLLETTE. Mr. President, some information bearing upon one phase of this discussion reached me to-day, which I think it well to lay before the Senate at this time.

The Senator from Rhode Island has said that the manufacturers did not know about the emasculation and evisceration of these cotton schedules by the courts and appraisers. Therefore he suggests that they are not bound by the testimony of Mr. Lippitt when he said before the House Committee on Ways and Means that the present schedules were satisfactory and should not be disturbed.

About a year and a half ago the Government procured a test case to be brought to settle this etamine question, about which we have heard so much here. This was the case in which the appraisers, once and for all, disposed of the questions raised by the absurd rulings of Mr. Hartshorne, and finally decided them as they had always before decided—that countable cotton cloths were not dutiable as etamines. The record in that case is on file in the library of the General Appraisers in New York. This was the crowning emasculation of the etamine duty. This was the most important of those decisions, which the manufacturers are supposed not to know about, and, therefore, not to complain about.

Now, who were the witnesses in this case by which the contention of Mr. Hartshorne was sought to be sustained? Why! They were the very men who were interested in having such a construction put upon the law. They were the manufacturers themselves and their agents.

I have had a wire sent to New York for the names of these witnesses and a copy of the testimony. The testimony is on the way. The names of the witnesses I have already received by wire. I will read them to the Senate:

1. George B. Duren. Who is he? Why! He is the selling end of H. L. Lippitt's mills, the Manville Company, of Providence, R. I.

2. J. R. MacColl. This is the same J. R. MacColl who was with Mr. Lippitt in Washington when this bill was before the House committee and who signed with Mr. Lippitt that famous letter, which has been referred to here, on behalf of the Arkwright Club, of Boston. He was also before the House committee after public hearings.

3. Dorman, who is the selling end at New York of the Loraine Manufacturing Company, of Providence, R. I., of which MacColl is the manager.

Will anyone say in the face of the facts that the manufacturers had no knowledge of these so-called "emasculating decisions," and that that is the reason why they did not bring them to the attention of the House committee in the public hearings? They knew all about them. They knew that the decisions of Mr. Hartshorne were ridiculous and that these decisions of the appraisers were right, and naturally they did not direct public attention in those hearings to their efforts to have these Hartshorne decisions sustained by the appraisers.

It seemed to me fitting that the Senate should have this information before passing upon the proposed increase in the rates of the cotton schedule.

The Senator from Iowa [Mr. DOLLIVER] has directed attention to the specific duties proposed to be substituted for ad valorem duties of the present law. Before the vote is taken upon any of these amendments I ask the attention of the Senate for a few minutes, while I submit unanswerable proof of increases in the rates of this cotton schedule disclosed by the very terms of paragraphs 313, 314, 315, 316, and 317.

There is not a single reduction in paragraphs 313 to 317, inclusive. There are increases upon the face of the bill without resort to importations of any year or reference to equivalent ad valorems. These increases have nothing to do with the administration of the law and have not been affected by any decisions that have been rendered. They are a positive increase over the express terms of the Dingley law as originally administered.

Now, there has been a sharp conflict in this matter. I ask the Senator from Rhode Island to go through these paragraphs item by item with me before the Senate, and I assert positively that if he will do so every Senator will be convinced that the increases are very large and that there is not one reduction.

Mr. BEVERIDGE. Mr. President, may I ask the Senator from Wisconsin a question?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. Certainly.

Mr. BEVERIDGE. My attention was diverted for a moment, and therefore I did not catch it clearly; but the impression made on my mind by the statement of the Senator was that he stated positively that there had been a large number of increases on matters not affected by the decision.

Mr. LA FOLLETTE. And not——

Mr. BEVERIDGE. Pardon me. Increases by the law as originally interpreted. Is that correct?

Mr. LA FOLLETTE. It is; and as originally administered——

Mr. BEVERIDGE. I mean as originally administered.

Mr. LA FOLLETTE. And if Senators will turn to page 98 of the bill, and to line 6 on that page, I will state the exact rates of the Dingley law and the proposed rates of the Aldrich bill. Upon the goods affected, from line 6 to line 16 of the bill, covered by the matter printed in italics, the Dingley rate is an ad valorem rate of 25 per cent. Now, follow me: "Valued at over 7 cents and not over 9 cents per square yard," the Dingley rate is 25 per cent; applied to cloth of those values the Dingley duties would be from 1¾ cents for the lowest value up to 2¼ cents for the highest value. The Aldrich rate, by specific terms, would be 2¼ cents per square yard on cloth of those values. Increase over lowest Dingley rate, 28½ per cent.

Taking the next grade, "valued at over 9 cents and not over 10 cents per square yard," the Dingley ad valorem of 25 per cent, applied to cloth of those values, gives us rates from 2¼ for the lowest value to 2½ cents per square yard for the highest value, while the rate fixed by plain terms in this bill for cloth of the same value is 3 cents per square yard. Increase over lowest Dingley rate, 33⅓ per cent.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I do.

Mr. ALDRICH. Does the Senator want that explained now?

Mr. LA FOLLETTE. Well, the Senator can elect to explain now or to explain when I get through.

Mr. ALDRICH. I will say to the Senator now, right in the beginning, that under the act of 1897, as originally interpreted, and according to the intention of Congress, the rate on articles which are now subject to duty at 25 per cent ad valorem was 60 per cent ad valorem and 45 per cent ad valorem, and not 25 per cent ad valorem.

Mr. LA FOLLETTE. If the Senator had not retreated with such precipitate haste from the Chamber this morning, he would not now make that assertion.

Mr. ALDRICH. I do make it. I make it on my own authority, on the authority of every expert in the United States, and every other person who has any knowledge upon this question.

Mr. LA FOLLETTE. The Senator's knowledge and his authority have been so overwhelmingly impeached that I do not believe Senators will be inclined to follow him. I know that an intelligent American people will not. I proceed. If the Senator has not any better answer than that, I will say that we have heard that often enough.

Take the next grade on goods valued at over 10 cents—and I am going to read these through, so that they will be of record—"valued at over 10 cents and not over 12½ cents per square yard;" the Dingley ad valorem rate applied to that value is 2½ cents per square yard for the lowest value to 3⅛ cents per square yard for the highest value. The rate fixed by the Aldrich bill is 4⅜ cents per square yard on all, the low and the high. Increase over lowest Dingley rate, 75 per cent.

Taking the next grade, "valued at over 12½ cents and not over 14 cents per square yard," the Dingley ad valorem applied to cloth of those values is from 3⅛ cents to 3½ cents, depending upon the value of each square yard of cloth, while the duty fixed by the terms of the Aldrich bill is 5½ cents per square yard on cloth of the low value as well as on cloth of the high value. Increase over lowest Dingley rate, 76 per cent.

Passing to the next grade, "valued at over 14 cents per square yard," the Dingley rate is 3½ cents per square yard, but not less than 25 per cent; while the rate fixed in the Aldrich bill is 7 cents per square yard, but not less than 25 per cent ad valorem, an increase over the lowest Dingley rate of 100 per cent. Passing now to the next grade of cloth in this paragraph, and directing the attention of the Senate to the italicized words in line 21, bleached cloth "valued at over 9 and not over 11 cents per square yard," the Dingley ad valorem rate of 25 per cent, when reduced to a specific rate, is 2¼ cents to 2¾ cents per square yard, according to the square yard value of the cloth.

The duty fixed in the Aldrich bill is 2¾ cents per square yard on all, an increase over the lowest Dingley rate of 22 per cent.

On the next higher grade, "valued at over 11 and not over 12 cents per square yard," the Dingley rate is from 2¾ cents to 3 cents per square yard, and the rate fixed by the Aldrich bill is 4¼ cents per square yard on all, the low value as well as the high value, an increase over the lowest Dingley rate of 54½ per cent.

On the next grade of cloth, "valued at over 12 and not over 15 cents per square yard," the Dingley ad valorem, reduced to a specific rate, is from 3 to 3¾ cents per square yard. The specific rate fixed in the Aldrich bill for cloth of these values is 5¼ cents per square yard, an increase over the lowest Dingley rate of 75 per cent.

On the next grade of cloth, "valued at over 15 and not over 16 cents per square yard," the Dingley rate is from 3¾ to 4 cents per square yard. The Aldrich rate for cloth of these values is 6¼ cents per square yard, an increase over the lowest Dingley rate of 60 per cent.

On the next grade, "valued at over 16 cents per square yard," the Dingley rate is 4 cents per square yard, but not less than 25 per cent. The Aldrich rate is 8 cents per square yard on all in that bracket, no matter what the value may be, but not less than 25 per cent ad valorem, an increase over the lowest Dingley rate of 100 per cent.

Passing now to the bottom of page 99, to the next italicized specific rates, in line 22—and this is goods dyed, all of the same numbers as given before, "valued at over 12 and not over 12½ cents per square yard"—the Dingley rate is 30 per cent ad valorem, or 3⅜ cents to 3¾ cents per square yard. The Aldrich rate is 3¾ cents per square yard on all, an increase over the lowest Dingley rate of 4 per cent.

The next grade, "valued at over 12½ and not over 15 cents per square yard," the Dingley rate of 30 per cent gives us a duty of 3¾ cents to 4½ cents per square yard, while the Aldrich rate is 5¼ cents, an increase over the lowest Dingley rate of 40 per cent.

On the next grade of cotton cloth, "valued at over 15 and not over 17½ cents per square yard," the Dingley rate is 4½ to 5¼ cents, while the Aldrich rate proposed is 7 cents per square yard, an increase over the lowest Dingley rate of 55½ per cent.

On the next grade, "valued at over 17½ and not over 20 cents per square yard," the Dingley rate is from 5¼ to 6 cents per square yard; and the Aldrich rate is 8 cents per square yard, an increase over the lowest Dingley rate of 52½ per cent.

On the next grade, "valued at over 20 cents per square yard," the Dingley rate is 6 cents per square yard, but not less than 30 per cent. The Aldrich rate is 10 cents per square yard, but not less than 30 per cent ad valorem, an increase over the lowest Dingley rate of 66⅔ per cent.

Mr. ALDRICH. Will the Senator permit me to interrupt him for a moment?

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. In just a moment.

Mr. ALDRICH. When the Senator says that the Dingley rate is so many cents a square yard, I wish to say that the Dingley rate is not so many cents a square yard, but that it is 25 per cent ad valorem.

Mr. LA FOLLETTE. It is 30 per cent ad valorem, and other Senators understand that I am giving the specific equivalent of the Dingley ad valorem rate. If there is any other Senator here who does not understand it, I should be glad to have him rise and say so.

Mr. ALDRICH. I want to call the attention of the Senator to the fact that the rates which he is quoting as Dingley rates are not Dingley rates at all.

Mr. LA FOLLETTE. The rates that I am quoting as Dingley rates are the Dingley rates. The Senator's dictum does not go any longer.

Mr. ALDRICH. We will see in a moment.

Mr. LA FOLLETTE. Oh, it will probably be voted through. The votes upon all Senate amendments, from the beginning of the consideration of this bill, have demonstrated that this schedule and this bill will pass. This bill was, in fact, passed, let me say to the Senate, when the Senator from Rhode Island was clothed with authority at the beginning of this session to appoint the committee on committees for the Republican membership of the Senate.

Passing now to the next amendment, in line 16, paragraph 314.

On cloth "valued at over 9 and not over 10 cents per square yard," taking a 30 per cent ad valorem duty under the Dingley law, gives us a duty of from 2.7 cents to 3 cents per square yard. The rate fixed by the Aldrich bill is 3 cents per square yard in specific terms for the low value as well as the high, an increase over the lowest Dingley rate of 11.1 per cent.

Passing to the next grade, "valued at over 10 but not over 12½ cents per square yard," the Dingley rate is 3 cents to 3¾ cents per square yard, and the rate fixed by the Aldrich bill is 4⅜ cents per square yard, an increase over the lowest Dingley rate of 45½ per cent.

Upon the next grade, "valued at over 12½ but not over 14 cents per square yard," the Dingley rate is 3¾ cents to 4⅜ cents per square yard, and the rate fixed by the Aldrich bill is 5½ cents per square yard, an increase over the lowest Dingley rate of 46⅔ per cent.

On the next grade, "valued at over 14 and not over 16 cents per square yard," the Dingley rate is 4⅜ cents to 4⅞ cents per square yard, and the Aldrich rate in specific terms is 6½ cents per square yard, an increase over the lowest Dingley rate of 54⅘ per cent.

Upon the next grade, "valued at over 16 cents per square yard," the Dingley rate is 4⅞ cents per square yard, but not less than 30 per cent ad valorem. The Aldrich rate is 8 cents per square yard, but not less than 30 per cent ad valorem, an increase over the lowest Dingley rate of 66⅔ per cent.

Passing now to bleached cloth, in paragraph 314, line 8, page 101, for cloths of this description the Dingley rate is 35 per cent ad valorem, and Senators can apply that rate to the value of the cloth as expressed; "valued at over 11 and not over 12 cents per square yard," the Dingley rate is 3 17/20 to 4⅛ cents per square yard; the rate fixed in specific terms by the Aldrich bill is 4¼ cents per square yard, an increase over the lowest Dingley rate of 10⅝ per cent.

On the next grade of bleached cloth, "valued at over 12 and not over 15 cents per square yard," the Dingley rate is 4⅓ cents per square yard to 5¼ cents per square yard; the rate fixed by the Aldrich bill in specific terms is 5¼ cents per square yard, an increase over the lowest Dingley rate of 25 per cent.

On cloth of the next grade, "valued at over 15 and not over 16 cents per square yard," the Dingley rate is 5¼ to 5⅝ cents per square yard; the Aldrich rate is 6¼ cents per square yard, an increase over the lowest Dingley rate of 23⅛ per cent.

On the next grade, "valued at over 16 and not over 20 cents per square yard," the Dingley rate is 5⅝ to 7 cents per square yard; the Aldrich rate is 8 cents per square yard, an increase over the lowest Dingley rate of 42⅞ per cent.

On the next grade, "valued at over 20 cents per square yard," the Dingley rate is 7 cents per square yard, but not less than 35 per cent ad valorem; the Aldrich rate is 10 cents per square yard, but not less than 35 per cent ad valorem, an increase over the lowest Dingley rate of 42⅞ per cent.

Passing now to the next amendment in this paragraph, which will be found on page 102, beginning in line 9—and this refers to dyed, colored, stained, painted, and printed cloth of this count—"valued at over 12½ but not over 15 cents per square yard," the Dingley rate is 4⅜ cents per square yard to 5¼ cents per square yard; the Aldrich rate is 5¼ cents per square yard for all, an increase over the lowest Dingley rate of 20 per cent.

On the next grade of this cloth, "valued at over 15 and not over 17½ cents per square yard," the Dingley rate is 5¼ cents to 6¼ cents per square yard; the Aldrich rate is 7 cents per square yard, an increase over the lowest Dingley rate of 23⅛ per cent.

On the next grade, "valued at over 17½ but not over 20 cents per square yard," the Dingley rate is 6¼ cents to 7 cents per square yard; the Aldrich rate is 8 cents per square yard, an increase over the lowest Dingley rate of 30⅞ per cent.

On the next rate, "valued at over 20 cents per square yard," the Dingley rate is 7 cents, but not less than 35 per cent ad valorem; the Aldrich rate is 10 cents per square yard, but in no case less than 35 per cent ad valorem, an increase over the lowest Dingley rate of 42⅞ per cent.

Passing now to paragraph 315, page 103, taking the amendment printed in italics, beginning at line 2, "valued at over 10 and not over 12½ cents per square yard," the Dingley rate is 35 per cent, which, reduced to a specific equivalent, is 3½ to 4⅜ cents per square yard; the Aldrich rate is 4⅜ cents per square yard on all, an increase over the lowest Dingley rate of 25 per cent.

On the next rate, "valued at over 12½ and not over 14 cents per square yard," the Dingley rate is 4⅜ to 4⁹⁄₁₀ cents; the Aldrich rate is 5½ cents per square yard, an increase over the lowest Dingley rate of 23⅝ per cent.

On the next grade, "valued at over 14 and not over 16 cents per square yard," the Dingley rate is 4⁹⁄₁₀ cents to 5⅛ cents per square yard; the Aldrich rate is 6½ cents per square yard, an increase over the lowest Dingley rate of 32⅜ per cent.

On the next grade, "valued at over 16 and not over 20 cents per square yard," the Dingley rate is 5⅛ cents to 7 cents per square yard; the Aldrich rate is 8 cents a square yard, an increase over the lowest Dingley rate of 42⅞ per cent.

On the next grade, "valued at over 20 cents per square yard," the Dingley rate is 7 cents, but not less than 35 per cent ad valorem; and the Aldrich rate is 10 cents per square yard, but not less than 35 per cent ad valorem, an increase over the lowest Dingley rate of 42⅞ per cent.

The next amendment is, in line 20, on page 103, printed in italics, "valued at over 12 and not over 15 cents per square yard." The Dingley rate for cloth of this quality is 35 per cent ad valorem, "valued at over 12 and not over 15 cents per square yard;" the specific Dingley rate is 4⅛ to 5¼ cents for each square yard; the Aldrich rate is 5¼ cents for all, an increase over the lowest Dingley rate of 25 per cent.

On the next grade, "valued at over 15 and not over 16 cents per square yard," the Dingley rate is 5¼ to 5⅝ cents per square yard; the Aldrich rate is 6¼ cents per square yard, an increase over the lowest Dingley rate of 23.8 per cent.

On the next grade, "valued at over 16 and not over 20 cents per square yard," the Dingley rate is 5⅝ cents per square yard to 7 cents per square yard; the Aldrich rate is 8 cents per square yard, an increase over the lowest Dingley rate of 42⅞ per cent.

On the next grade, "valued at over 20 cents per square yard," the Dingley rate is 7 cents per square yard, but not less than 35 per cent ad valorem, and the Aldrich rate is 10 cents per square yard, but not less than 40 per cent ad valorem, an increase over the lowest Dingley rate of 14⅞ per cent.

The next amendment is on page 104, line 19, and is for cloth, dyed, and so forth, of this count, "valued at over 12½ and not over 15 cents per square yard," the Dingley rate, which is 40 per cent ad valorem, is a specific rate of from 5 to 6 cents a square yard; the Aldrich rate, upon which the Senate must vote this afternoon, is 6 cents per square yard, an increase over the lowest Dingley rate of 20 per cent.

On the next grade of cloth, "valued at over 15 and not over 17½ cents per square yard," the Dingley rate is from 6 to 7 cents per square yard and the Aldrich rate 7 cents per square yard on all, an increase over the lowest Dingley rate of 16⅔ per cent.

On the next grade, "valued at over 17½ and not over 20 cents per square yard," the Dingley rate is 7 to 8 cents per square yard and the Aldrich rate 8 cents per square yard on all, an increase over the lowest Dingley rate of 14⅞ per cent.

On cloth of the next grade, "valued at over 20 cents per square yard," the Dingley rate is 8 cents per square yard, but not less than 40 per cent, and the Aldrich rate is 10 cents per square yard, but not less than 40 per cent ad valorem, an increase over the lowest Dingley rate of 25 per cent.

Passing to the next paragraph, 316, cotton cloth, not bleached, dyed, and so forth, exceeding two and not exceeding three hundred threads to the square inch, and taking the amendment which Senators will find on page 105, in line 13, the Dingley rate for this paragraph is 40 per cent ad valorem, reduced to a specific equivalent and applied to cloth valued at over 12½ and not over 14 cents per square yard, the Dingley rate is 5 to 5⅝ cents and the Aldrich rate is 5½ cents per square yard for all, an increase over the lowest Dingley rate of 10 per cent.

On the next grade in this paragraph on cloth "valued at over 14 and not over 16 cents per square yard," the Dingley rate is 5⅝ to 6⅜ cents per square yard; the Aldrich rate is 6¼ cents per square yard on all, an increase over the lowest Dingley rate of 16 per cent.

On the next grade, "valued at over 16 and not over 20 cents per square yard," the Dingley rate is 6⅜ to 8 cents per square yard, and the Aldrich rate is 8 cents per square yard on all, an increase over the lowest Dingley rate of 25 per cent.

On the next grade, "valued at over 20 cents per square yard," the Dingley rate is 8 cents, but not less than 40 per cent; the Aldrich rate is 10 cents per square yard, but not less than 40 per cent ad valorem, an increase over the lowest Dingley rate of 25 per cent.

Passing to the next amendment in this paragraph, which will be found on page 106, at line 2, beginning with the matter printed in italics—this refers to cloth that is bleached, "valued at over 15 and not over 16 cents per square yard"—the Dingley rate is 6 to 6⅜ cents per square yard; the Aldrich rate is 6¼ cents per square yard on all, an increase over the lowest Dingley rate of 8 per cent.

On the next grade, "valued at over 16 and not over 20 cents per square yard," the Dingley rate is 6⅜ to 8 cents per square yard; the Aldrich rate is 8 cents per square yard on all, an increase over the lowest Dingley rate of 25 per cent.

On the next grade, "valued at over 20 and not over 25 cents per square yard," the Dingley rate is 8 to 10 cents per square yard, and the Aldrich rate is 11¼ cents per square yard on all, an increase over the lowest Dingley rate of 43¾ per cent.

On the next grade, "valued at over 25 cents per square yard," the Dingley rate is 10 cents, but not less than 40 per cent; and the Aldrich rate is 12½ cents per square yard, but not less than 40 per cent ad valorem, an increase over the lowest Dingley rate of 25 per cent.

Passing to the next amendment in this paragraph, which will be found on the same page, at line 20, on cotton cloth "valued at over 17½ cents and not over 20 cents per square yard," the Dingley rate is from 7 to 8 cents per square yard, and the Aldrich rate is 8 cents per square yard on all, an increase over the lowest Dingley rate of 14⅞ per cent.

On the next grade, "valued at over 20 and not over 25 cents per square yard," the Dingley rate is 8 to 10 cents per square yard, and the Aldrich rate is 11¼ cents per square yard on all, an increase over the lowest Dingley rate of 40½ per cent.

On the next grade, "valued at over 25 cents per square yard," the Dingley rate is 10 cents, but not less than 40 per cent, and the Aldrich rate is 12½ cents per square yard, but not less than 40 per cent ad valorem, an increase over the lowest Dingley rate of 25 per cent.

Paragraph 317, being the last of these paragraphs, embraces "cotton cloth not bleached, dyed, colored, stained, printed, or painted, exceeding 300 threads to the square inch." The Dingley rate is 40 per cent ad valorem. The first amendment, printed in italics, is found on page 107, beginning in line 9. On cloth "valued at over 14 and not over 16 cents per square yard," reduced to a specific ad valorem this is a duty of 5⅝ cents to 6⅜ cents per square yard. The rate under the Aldrich amendment is 6¼ cents per square yard on all, an increase over the lowest Dingley rate of 16 per cent.

On the next grade, "valued at over 16 and not over 20 cents per square yard," the Dingley rate is 6⅜ cents to 8 cents per square yard; the Aldrich rate is 8 cents per square yard on all, an increase over the lowest Dingley rate of 25 per cent.

On the next grade, "valued at over 20 and not over 25 cents per square yard," the Dingley rate is 8 to 10 cents per square yard; and the Aldrich rate is 11¼ cents a square yard on all, an increase over the lowest Dingley rate of 40½ per cent.

On the next grade, "valued at over 25 cents per square yard," the Dingley rate is 10 cents, but not less than 40 per cent ad valorem; the Aldrich rate is 12½ cents per square yard, but not less than 40 per cent ad valorem, an increase over the lowest Dingley rate of 25 per cent.

Passing to the next amendment in this paragraph, which will be found at the bottom of page 107, line 24, and is for bleached cloth "valued at over 16 and not over 20 cents per square yard," the Dingley rate of 40 per cent is from 6⅜ cents to 8 cents per square yard; the Aldrich rate is 8 cents per square yard upon all, an increase over the lowest Dingley rate of 25 per cent.

On the next grade, "valued at over 20 and not over 25 cents per square yard," the Dingley rate is 8 to 10 cents per square yard; the Aldrich rate is 11¼ cents per square yard, an increase over the lowest Dingley rate of 40½ per cent.

On the next grade, "valued at over 25 cents per square yard," the Dingley rate is 10 cents per square yard, but not less than 40 per cent ad valorem; the Aldrich rate is 12½ cents per square yard, but not less than 40 per cent ad valorem, an increase over the lowest Dingley rate of 25 per cent.

Passing to the next proposed amendment in this paragraph, which begins in line 15, page 108, and is printed in italics, to which under the Dingley law a 40 per cent ad valorem rate would apply on cloth "valued at over 20 and not over 25 cents per square yard," the Dingley rate is from 8 cents to 10 cents per square yard. The Aldrich rate is 11¼ cents per square yard on all, an increase over the lowest Dingley rate of 40½ per cent.

"Valued at over 25 cents per square yard," the Dingley rate is 10 cents per square yard, but not less than 40 per cent ad valorem; the Aldrich rate is 12½ cents per square yard, but not less than 40 per cent ad valorem, an increase over the lowest Dingley rate of 25 per cent.

I deemed it worth while, Mr. President, before the vote was taken on this amendment, to place in the RECORD those facts shown upon the face of the bill when compared with the Dingley law. I take it that the Senate can not have any doubt as to how the rates expressed in cents per square yard are ascertained. Applying the Dingley ad valorem in each case to the stated value of the cloth, I have expressed its specific equivalent in cents. I invite contradiction or explanation of the increases shown by the expressed terms of this bill.

Mr. BAILEY. Mr. President, I shall vote against the pending amendments, because I believe they increase the existing rates; but, even if I believed that they did not actually increase the rates and left them as they now stand, I would vote against them, because I prefer, at all times and with all schedules, an ad valorem as against a specific duty.

But, while I shall vote with the Senator from Iowa, I feel that it is due at least to my own conviction to say—and I be-

lieve I voice the feeling of a large majority, if not of all, Senators on this side—that in casting that vote we are not actuated by any desire to maintain the Dingley schedules. Speaking for myself, there are few schedules in the bill that I would not be glad to reduce, and for a reduction of which I would not vote; but whenever it is impossible to make a reduction as low as I would desire to make it, reducing the duty to a revenue basis, and I am compelled to choose, as we have been frequently compelled to choose during the consideration of this bill, between high protection and moderate protection, I take moderate protection as the least of the two evils.

Mr. TILLMAN. Mr. President, I do not desire to say anything bitter or to hurt anybody's feelings, but I am very, very tired of the sham battle, or what appears to me to be one, on the other side. Last night the Senator from Rhode Island [Mr. ALDRICH] proved to his entire satisfaction, and, apparently, to the satisfaction of the Macedonian phalanx which he has organized and holds together, that there is no increase of duty in the Senate amendments. The Senator from Wisconsin [Mr. LA FOLLETTE] yesterday and the Senator from Iowa [Mr. DOLLIVER] to-day have proved, almost from the same sources of evidence—the same witnesses, and so forth, Mr. Parkhill being a star witness on both sides—that there is a material increase; and when the debate is about to close, those of us on this side who want to get what we can out of this so-called "tariff revision" in the way of relief from the burdens imposed by the Dingley schedules are told by the Senator from Iowa that he is not endeavoring, and has never had any view or purpose to do more than to keep the Dingley Act just like it is; to prevent any increase and to make certain of one thing—that if there were any forgotten provisions or paragraphs in the Dingley Act which permit of the frauds of which the Senator from Rhode Island told us last night, he will put out a dragnet of 25 per cent ad valorem to catch them all.

So far as I am concerned, I earnestly want the Senator from Rhode Island to get together his big band, his Macedonian phalanx, as I have said, soldered together by lead, stuck together by beet sugar, riveted together by steel, and hooped together by iron, and by all the other villainies that are in this bill—the combination of greed in the West and in the East and in the Middle West, holding this man and that man and the other man in line to vote as he is ordered—because we have all seen practically that the Senator from Rhode Island is the Senate on this question. [Laughter.] I want him to quit. Why does he not press things to a vote, ring down the curtain on the farce and get through, and let us go home? That is what I want to know.

We have had enough exposure of the how not to do it programme of reform. It amounts to nothing so far as the Democrats are concerned, unless it be to some of us on this side who are trying to pick up a crumb here and there for some little local interest.

The Senator from Rhode Island last night was very persuasive and eloquent in his plea to the South to take care of its own cotton, for it would undoubtedly be a great industry there. It is already a great industry there, and it will be a greater. Speaking for myself, for my own State, for instance, where the industry of manufacturing cotton is advancing by leaps and bounds, we have, say, 80,000 or maybe a few more people—men, women, and children—who are engaged in the cotton-mill industry. We have 600,000 white people and 800,000 negroes who can not get any benefit from that except by the general building up of an industry in our midst which draws from the fields some of the population that otherwise would be compelled to continue to grow cotton as a raw product.

I have as much concern in the welfare and in protecting the interests and rights of the 600,000 as I have in the 80,000 who may be spinning cotton, but no more. The Senator from Rhode Island does not care a snap for them; for, when we plead with him to give us free bagging and ties, in order to relieve us in ever so small a degree from a burden imposed by this trust or that—the steel trust on ties, the bagging trust on bagging, and so forth—he refuses. Yet he appeals to the South to help him to take care of our own country simply because New England is more deeply interested.

I believe in equal rights for all and special privileges for none. That is one of the fundamental principles of Democracy, which I sucked with my mother's milk, and I will be unfit to be called a Democrat when I depart from that doctrine.

I believe in equality of opportunity and equality of burden, and we are not getting it and there is no pretense here of trying to give it to us. We are allowed the poor privilege of voting not to have duties go up, but not the privilege of having them go down, unless we bring in an amendment of our own, with our 27, or 28, or 29, or 30, according to how many of our men you have seduced over to your doctrine to be overwhelmed by a solid Republican vote.

Therefore I say this sham battle ought to cease. The discussion has gone far enough to demonstrate that there are plenty of iniquities in this bill, plenty of iniquities in the doctrine of protection as you illustrate it. If the people of America are satisfied with it, they will continue to vote you into the House and into the Senate. If they are not satisfied with it, they will vote some of you out and send others here to take care of their interests.

You have been charged to-day by one of your leaders—a leading man; he may not be a leader in the party, but he is a leader in his own State—with being hypocrites. You are not all hypocrites. But you are the boldest band of buccaneers that I have ever seen got together. [Laughter.]

Now, if I have said anything this evening that in the slightest wounds anybody, I want to say in advance I did not intend it, but after six days of this kind of humbug, sham, pretense of an effort to relieve the consumers, I have blowed off steam, and now I want to add to the literature of this debate by having printed from a Boston paper a comment on this cotton schedule, and on a speech of their own Senator [Mr. LODGE.]

The PRESIDING OFFICER. Does the Senator from South Carolina ask that it be printed without being read?

Mr. TILLMAN. Oh, no; I want it read. It is too sweet and nice to go in without reading.

The PRESIDING OFFICER. Without objection, the Secretary will read, as requested.

The Secretary read as follows:

DEFENDING DECEPTION—SENATOR LODGE ABANDONS ALL PRETENSE OF MAKING A FAIR REVISION OF THE TARIFF.

[From the Boston Traveler, Wednesday, June 2, 1909.]

Senator LODGE made what is described as the best speech of the session yesterday on the cotton schedules. He began by saying, in effect, that while the Nation may have been fooled into the belief that the Republican party contemplated an honest revision of the tariff, in the only way it would do the consumer any good—downward—neither he nor any of the other leaders of the Chicago convention had made that direct promise, which convicts Mr. LODGE of a carefully planned attempt to deceive.

He made an impassioned plea for the mill operatives of New England, who "must not be deprived of their right to work and wages," and for the manufacturers who must be protected against "cheap labor abroad." The mill operatives, for whom the Nahant Senator's eloquence was unloosed, are practically all Greeks, Syrians, Poles, Armenians, and Italians, who have driven out every other kind of labor, because, under present wages in the cotton mills, to bring up a family under American conditions is absolutely impossible.

Senator LODGE denied that the cotton mills paid unduly large dividends, and attempted to explain away some specific cases where the dividend for one year was over 60 per cent. Apropos of this, there came to our table yesterday a pamphlet from a reputable Boston brokerage house which flatly contradicts Mr. LODGE, and shows that practically all the cotton mills have been paying high dividends, many of them in a few years returning to shareholders an amount equal to the entire capital invested.

Mr. LODGE'S defense of the cotton manufacturers, whose mills are filled with aliens on starvation wages, is paralleled in history only by the arguments made in Parliament at the time England was attempting to abolish the slave trade, that if the bringing of black people from Africa to America and elsewhere was prohibited shipowners would not find any use for their vessels, and that these slave ships furnished the only market for decayed fish and other putrid food, on which there would be a dead loss if the slave trade was outlawed.

To prove that revision was "downward" in some cases, Senator LODGE proudly called attention to the fact that on Monday the Senate made an important reduction on the duties on salt, which is fitting and proper. Salt is used to make things more palatable and not infrequently to disguise the taste of rotting food.

More than any utterance of this session, Senator LODGE'S speech puts President Taft in an awkward position, because the candidate evidently was not trusted sufficiently by the party leaders to be informed of the deception attempted by the Chicago convention, and openly, on several occasions before that convention and subsequently during the campaign, declared himself in favor of a revision "downward." Inasmuch as Mr. Taft has the final say on what the tariff shall be, the people will know eventually whether he really meant what he said, or, like LODGE and the rest, was only playing politics to get votes.

Mr. CARTER. Mr. President, I reassure the Senate at once by disclaiming any purpose to detain it for any length of time.

I feel under lasting obligations to the Senator from Iowa [Mr. DOLLIVER] for the manner in which he brought this discussion to a close this afternoon. I have been perplexed and mystified by the intricacies of the cotton schedule. I have not pretended at any time to be a master of its mysteries, nor do I now pretend so to understand it as to be able to instruct anyone. I did believe, from the length of the discussion and the vehemence with which it was prosecuted, that a great overwhelming issue was somewhere involved in the mysteries concerning which this discussion proceeded.

From the Senator from Iowa I gathered, and I hope I correctly understood him, this definite conclusion: That all of this week's discussion has been centered about a line of importations not exceeding $350,000 per year.

Mr. DOLLIVER. If the Senator will permit me, if he gathered any such impression from this discussion, it was owing to his occasional absence from the Chamber.

Mr. CARTER. The Senator stated and repeated the statement that the Senator from Rhode Island was manifestly in error in assuming, as his submission of an article from a newspaper indicated he did assume, that $500,000 of claims would be asserted against the Government in consequence of a recent refusal of the Supreme Court to grant a writ of review for a certain case. The Senator, I understood, argued that the total amount involved did not exceed $55,000, and quoted Treasury statistics in support of his statement.

But, Mr. President, the Senator made the further statement that certain articles or fabrics partially made of linen and partially of cotton were by the Dingley Act placed in the schedule relating to flax and linen—that is correct—and at 69 per cent ad valorem.

Mr. DOLLIVER. I do not desire to interrupt the Senator, but he must remember that the Senator from Rhode Island and I agree perfectly that the principle involved in this first paragraph, which does include only a small portion of the imported cotton cloths brought into the country, is exactly the same as the principle involved in all the succeeding paragraphs containing the assessments upon countable cotton. Therefore I see no reason why the Senator should undertake to minimize the importance of this discussion, in view of the fact that it covers the whole field involved in the amendments.

Mr. CARTER. It is true, no doubt, as the Senator from Iowa stated, that the paragraph upon which this 60 per cent rate was based was embraced in what is known as the "flax schedule." As the art progressed the fabrics originally constructed chiefly of linen were in due time made more and more of cotton. The Treasury officials, intending, as they understood their duty to be, to apply the duty to the article or fabric, applied the 60 per cent duty, which was made applicable to this particular fabric, whether made of linen or of cotton. In that ineffectual effort the Treasury ceased to collect certain revenue which was being collected under that construction or the application of that section; and the articles were thenceforth admitted at the lower rate of duty—for a time at 45, and finally down to 25 per cent ad valorem.

It has not been charged or asserted or claimed in any manner here that the admission of this class of goods at the lower rate of duty has cheapened a single one of these goods in the markets of the United States. I do not understand that there is any pretense that the consuming public of this country were given the benefit of the reduction of duty. Mr. President, it can not therefore be reasonably pretended or claimed that if we raise this duty to what was originally intended any increase of price will follow that rate; and then the whole matter resolves itself into this, to wit, that, according to the Senator from Iowa, the Treasury of the United States will benefit at the rate of $55,000 a year at least, if we raise the duty to where it was and where the committee thinks it ought to be. According to the Senator from Rhode Island, the increase in Government revenues will be very much larger than $55,000 a year.

Mr. DOLLIVER. If I understand the situation correctly, the committee do not even make the pretense that they are going to restore the 60 per cent in the cases where the courts or the appraisers have denied the application of that rate. They have omitted those articles altogether.

Mr. CARTER. No law can be here passed that will change the application of existing law up to the date this bill is passed. The law now on the statute books will be the law, despite any effort of Congress, until this law of Congress is made a substitute for it. So, of course, no action of Congress can impair the existing rights of parties as fixed by the law, now construed by the courts to be according to the 25 per cent rate.

These rights are fixed and can not be disturbed. That, of course, is elementary. But, from the day the bill passes, the higher rates will be collected; the price of the article to the consumer will remain the same; and the extra money will go into the Treasury of the United States instead of into the pockets of the importer. That seems to be the end and the whole substance of this controversy.

Mr. OWEN. I should like to ask the Senator from Montana whether he thinks this schedule should be written in the light of the difference in the cost of production at home and abroad? It is a novel question which I should like him, as a great expert, to answer.

Mr. CARTER. The Senator manifestly failed to hear my disclaimer of any expert knowledge.

Mr. OWEN. I now concede it.

Mr. CARTER. I believe the Senator is prepared to concede it, and was before he asked the question. I do not know that at this hour, just upon the eve of a vote, it would be either instructive or agreeable to the Senator from Oklahoma or to the Senator from Montana, or to the Senate at large, to go into a general discussion of platform pledges and the manner of their execution.

Mr. GORE. Mr. President, the Senator from Montana [Mr. CARTER] complains of the conflicting figures submitted by various Senators with reference to the amount of duty involved in the cotton schedule. That Senator submitted, a few days ago, a golden rule by which we could extract the truth from conflicting and contradictory statements of this kind.

It is true that the Senator from Rhode Island [Mr. ALDRICH] stated last night that the duties involved amounted to $500,000, and the Senator from Iowa [Mr. DOLLIVER] stated to-day that it involved only about $55,000. The Senator from Idaho [Mr. BORAH] suggested this morning that it involved $400,000 of duties. The Senator from Utah [Mr. SMOOT] made a statement which I did not fully understand; but, so far as I could gather, his contention was that it embraced about $900,000 of duties.

There ought to be no difficulty in resolving these conflicting official statements into the absolute and infallible truth by merely applying the golden rule furnished to us a few days ago by the senior Senator from Montana. He suggested to us a formula as to how we could cast these conflicting statements into the crucible and take out the pure truth. I suggest to that Senator, that if he will take the statement made by the Senator from Rhode Island last night, the statement made by the Senator from Iowa this morning, the statement made by the Senator from Idaho this afternoon, all of which were official and from the same undoubted authority, and join to these the inspired guess of the Senator from Utah, add the four together and then divide the sum by four, he will have the exact and the infallible truth.

Mr. CUMMINS. Mr. President, if I believed that the amendment upon which we are about to vote involved only a remedy for the obvious defects in the Dingley law, I would not find it necessary to say a single word or to prolong by a single moment this discussion. The Senator from Montana, evidently misapprehending the amendment upon which we are about to vote, suggests that it is hardly worth while to take up our time over so small a matter as $55,000 a year. I do not so understand this amendment, and I intend in the very few moments that I will ask your indulgence to treat it in the same admirable spirit that was manifested last night by the Senator from Rhode Island [Mr. ALDRICH].

I listened to his address with as much intentness as I ever bestowed upon any address, and I believe that I understood what he said. In so far as I am concerned personally, I believe the Dingley law, whether as originally interpreted or as recently interpreted, ought to be reduced.

I believe that upon the chief articles—not upon some of these fancy articles which have consumed so much time here, but in the main—the duties are too high, and I should like to see them reduced; and if we could find on this side of the Chamber those five patriots suggested by the Senator from Nevada [Mr. NEWLANDS], I would like very much to find them. But we have looked in vain for them, and we shall be content—at least, I shall be content—if we can hold the Dingley law as it is. It does not satisfy me, but we are in such grave peril of losing it that I am solicitous about holding on to what we have rather than attempting to secure that which we know is impossible.

Now, I address myself largely to the Senator from Rhode Island or any other member of the committee, and I desire to say to the Senate and to the members of the committee that I want to be interrupted, and I will yield for a question or an answer at any time any Senator thinks he can enlighten me or the Senate with respect to these questions. If I understood the discussion last night, the Senator from Rhode Island announced four propositions. I do not attempt, of course, to put them in his exact words, but I paraphrase them.

He first announced that it was necessary to change the Dingley paragraph 304, in order that there might be embraced within it an adequate duty upon higher-priced cloths with a count of threads of 50 or under per square inch. The Senator assents to the proposition, and I assent to the necessity for a change in paragraph 304. It has been only a question as to what duty should be placed upon those high-priced cloths that were obviously omitted from the protection of the statute in old paragraph 304, the present paragraph 312. I pass, therefore, from that, because there is no controversy there. We must not confuse this issue.

His second proposition was that it was necessary to count the threads of a superimposed figure, and thus put certain cloth into the proper paragraph, in order that it might be suitably assessed.

I think that is another of his suggestions of the obvious defects of the Dingley law. I agree with the Senator from Rhode Island with respect to it. It was not within human foresight to anticipate every form of cloth that the fancy or the genius of man might produce. I agree that the Dingley law was defective in that respect, and I am quite willing that upon such articles that could not be anticipated at that time there shall now be placed a suitable duty. The only difference there can be between myself and the Senate committee in that respect must necessarily be what duty is sufficient to protect the American market on that point.

The third proposition which he announced was that the Dingley law was manifestly defective in permitting certain colored cotton cloth of high price to enter the market at a low duty because the color was produced by superimposed thread. I agree with that proposition, and it remains only a matter of the quantity of the duty that shall be imposed.

His fourth proposition was that it was wise to substitute specific duties for the ad valorem duties of the Dingley law; that is, the ad valorem duties embracing those cloths of a value of more than 7 cents per square yard.

Mr. ALDRICH. From 7 to 20 cents. The present law provides for cloths valued at from 7 to 20 cents in various provisions.

Mr. CUMMINS. I named, however, the minimum value to which the ad valorem provision attached—7 cents per square yard—and he asserted that there had been no increase other than was necessary to remedy the obvious failures of the Dingley law to protect our market, the obvious failures of the men of 1897 to anticipate the conditions of the present hour. If that were true, I would find no difficulty, as the Senator from Iowa [Mr. DOLLIVER] has said, and as the Senator from Wisconsin [Mr. LA FOLLETTE] has said, in agreeing to a fair and reasonable imposition upon these goods.

But now my proposition is that the chief increase of the bill as reported by the Senate committee does not relate to any form of any cloth that has ever been in dispute before any board of appraisers or before any court in the land. If I am wrong about that, then I want to be corrected.

But first, before I reach that, the Senator from Rhode Island is mistaken in supposing that he has substituted specific duties for the ad valorem duties of the Dingley law. The wisdom of applying specific duties to a particular article lies in the possibility of applying the measure released or freed from any discretion or judgment or opinion; is it not? That is the only advantage that an ad valorem law has over a specific law; that is to say, if you provide in the law that the duty shall be 10 cents per hundred pounds, there can be no difference of opinion with regard to a hundred pounds; it does not involve any discretion whatsoever, and therefore it is vastly to be preferred wherever it can be applied. But the substitution of the committee in this case is not a substitution of a specific rate for an ad valorem rate, any more than it would be, if your rate was 25 per cent, to say that on a pound of goods worth $100 the duty should be $25. You still leave in the statute the element of value.

I am not criticising the committee on this account, because it is probably impossible that there shall be real specific duties applied to cotton cloth. I am only suggesting it in order to show that the reason why the committee has attempted to give for eliminating the ad valorem provision of the law of 1897 and of substituting therefor specific duties does not in fact exist, and the present provision has no advantage whatsoever, so far as the character of taxation is concerned, over the ad valorem duties of the Dingley law. For instance, it says that a certain rate shall be levied on cotton cloth worth more than 7 cents per yard. I am speaking now of the very first line of the amendment upon which we are to vote. It declares that the duty upon cotton cloth worth more than 7 cents a yard shall be 2¼ cents. That is not a specific duty, because somebody must ascertain whether that cloth is worth 7 cents a yard or more. That involves precisely the same operation that any other ad valorem statute requires; and therefore I submit to the Senate that there was no reason for changing the ad valorem duty in the old paragraph 305, now paragraph 313, unless it was intended to increase or diminish the duties that were required by the law of 1897..

Now, I am not going through this schedule. It is tiresome enough. We have been illuminated by all the colors of the rainbow. We have seen every variety of cloth that human ingenuity ever produced. We have wandered amid the mazes of appraisers' decisions and appraisers' reputations and veracity, and all that sort of thing. I want to emerge for a moment from all these surrounding circumstances and come down now right to the very point at issue.

Take the first line of this amendment. It applies to cotton cloth unbleached worth more than 7 cents a yard, does it not, and not more than 9 cents a yard? That is the cloth that will be governed by that part of the amendment. Suppose that that is a piece of cloth. There is not a figure on it. No man has worked his fancy on it. It is just a plain, unbleached piece of cotton cloth.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. That piece of cotton cloth would not be worth 7 cents a yard. That is the answer to that question.

Mr. CUMMINS. How does the Senator from Rhode Island know that?

Mr. ALDRICH. I know by knowledge as to the character and value of cotton goods.

Mr. CUMMINS. It happens, however, that when the Dingley law was passed it said that any piece of unbleached cotton cloth worth more than 7 cents a yard should be dutiable at 25 per cent ad valorem.

Mr. ALDRICH. That is the contention which we are making. The courts decided that it should be dutiable at a cent a yard. That is one of the troubles of this whole bill.

Mr. CUMMINS. I beg pardon of the Senator from Rhode Island. No court has ever so decided. No court ever could decide so.

Here is a piece of cloth with 100 threads to the square inch in the warp and filling.

Mr. ALDRICH. The Senator was talking about 50 threads to the square inch.

Mr. CUMMINS. I am talking about paragraph 313.

Mr. ALDRICH. I thought the Senator was talking about paragraph 304 of the existing law.

Mr. CUMMINS. Not at all. I passed from paragraph 304, and I am now talking about paragraph 305 in the old Dingley law, or paragraph 313 in the present measure. It describes a cloth, unbleached, with 100 threads to the square inch, and says that if it is worth more than 7 cents a yard it shall pay a duty of 25 per cent ad valorem. That is true, is it not?

Now, the Senate committee takes that Dingley law and says that for that same piece of cloth—there is no mystery about that kind of cloth—if that same piece of cloth comes in and is worth $7\frac{7}{10}$ cents per yard, it shall pay a duty of 2¼ cents. If that is not an increase of duty upon that piece of cloth, then I am unable to understand the simplest operation of addition, subtraction, multiplication, and division.

Mr. ALDRICH. But, Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. The amendment of the committee not only says that, but it says that cloths which have heretofore paid under other provisions of the act of 1897, as construed for the first six or seven years that act was in operation, at 60 per cent ad valorem and 45 per cent ad valorem, shall be admitted under the provisions of this bill at 30 per cent, or the equivalent of 30 per cent ad valorem. That is where the whole controversy is involved. If it applied only to the one single piece of cloth the Senator has, there would be no contention about it at all; but by these various decisions—I do not care who they were made by—cloths originally intended to be assessed at 60 per cent and 45 per cent are brought down into the paragraph which the Senator is now alluding to.

Mr. CUMMINS. It must be evident that the Senator from Rhode Island wanders from the real issue. I understand perfectly that there may have been some evasions, depending upon the point of view from which you look at the Dingley law, but paragraph 313 simply covers cotton cloth, in the first part of it, with less than a hundred threads to the square inch. I am thinking about the great volume of cotton cloth. I do not mean only unbleached, but bleached and mercerized, if you please, that will come in and must come in under paragraph 313, if cloth a hundred threads only to the inch.

Mr. ALDRICH. But, Mr. President, there never will be a time in the history of this country when the great mass of cloths will come under that paragraph. The great mass of cloths do not come into this country at all. They are kept out, if you please, by the specific provision of paragraph 313, which takes care of all goods at 7 cents per yard or below. The Senator mistakes the character of the cotton-goods production of the United States. As I said last night, nine-tenths of this production is not affected by these changes from ad valorems to specifics. It is the fancy goods that we intended should pay 60 and 45 per cent that are affected by these provisions, and nothing else. The great mass of the goods that are manufactured in the United States, and used by the people of the United States, are not covered by these changes at all.

Mr. CUMMINS. Mr. President, the Senator from Rhode Island knows vastly more about that than I; but if there be but 10 per cent, it is still our duty to have the rate fixed right.

Mr. ALDRICH. It is certainly our duty to have the rate fixed right, and it is our duty to have the rate so levied as to stop transactions like that to which I called the attention of the Senate last night.

Mr. CUMMINS. Mr. President, the view of it that I am taking puts aside entirely all these controverted cloths. There is no question, there never has been any question, about plain cotton cloths, unless it arose under paragraph 304. There never has been, under paragraph 305, any question about plain cotton cloth.

Mr. ALDRICH. That is where the Senator is entirely mistaken. A very large part of this controversy came up under that very provision.

Mr. CUMMINS. Mr. President, I recognize that some of the controversies arose under paragraph 305, but they did not arise upon the kind of cloth to which I now refer, and it is utterly impossible that they should arise upon that kind of cloth.

Mr. ALDRICH. Very many of the soft fabrics were counted below 50 threads, or between 50 and 100, and would have been dutiable under the very provision the Senator is now talking about.

Mr. CUMMINS. Precisely; they would have been dutiable, if worth more than 7 cents a yard, at 25 per cent ad valorem. They would not have been dutiable at that rate if under paragraph 304, because, unfortunately, that provision was not attached to paragraph 304. But no matter what their value may have been, they would have been dutiable under the Dingley law at 25 per cent ad valorem if under 100 threads to the square inch.

Mr. ALDRICH. That is, supposing they were not covered by the provisions of 60 per cent ad valorem or 45 per cent ad valorem under the Dingley Act under other paragraphs.

Mr. CUMMINS. Precisely, Mr. President; but my complaint against this amendment is that, in the effort to correct abuses, if you please, which we all recognize, the extent of which, however, we can not exactly estimate—in the effort to correct those defects in the Dingley law you have raised the duty on every pound of cotton cloth. Under paragraph 305, worth more than 7 cents a yard——

Mr. ALDRICH rose.

Mr. CUMMINS. I retract that, because when you reach 9 cents a yard you then are in harmony with the Dingley law of 25 per cent. The very moment you pass beyond that you again rise above the Dingley law, and so on, and so on. I do not think it was necessary to incur the criticism of raising the duties on cotton cloth in order to adjust the troubles that have arisen with respect to the administration of the Dingley law. While I would gladly see the duties reduced, for I think that this industry could well afford a reduction of 20 per cent upon these duties, yet I have had the hope—it is the only hope that I am now permitted to cherish—that we may retain the Dingley law.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. BACON. On that let us have the yeas and nays.

The yeas and nays were ordered.

Mr. BACON. What is the particular amendment now? There have been a half dozen to the same paragraph.

The PRESIDING OFFICER. The amendment will be stated.

Mr. BACON. I do not care to have it read, but let it be indicated.

The SECRETARY. On page 98, beginning after the word "yard" and the semicolon in line 6, insert certain words.

Mr. BRISTOW. That is the committee amendment?

The PRESIDING OFFICER. It is the committee amendment. The Secretary will call the roll on agreeing to the amendment.

The Secretary proceeded to call the roll.

Mr. BEVERIDGE (when his name was called). I am paired with the junior Senator from California [Mr. FLINT]. If he were present and voting, I should vote "nay."

Mr. DEPEW (when his name was called). I am paired with the senior Senator from Maryland [Mr. RAYNER]. If he were here, he would vote "nay" and I would vote "yea."

Mr. FRAZIER (when his name was called). I have a pair with the Senator from Oregon [Mr. BOURNE]. I transfer that pair to the Senator from South Carolina [Mr. SMITH] and vote. I vote "nay."

Mr. FRYE (when his name was called). I am paired with the senior Senator from Virginia [Mr. DANIEL].

Mr. CULBERSON (when Mr. MARTIN'S name was called). The Senator from Virginia [Mr. MARTIN] is unavoidably absent. If he were present, he would vote "nay."

Mr. MONEY (when his name was called). I am paired with the Senator from Wyoming [Mr. WARREN]. If he were present, he would vote "yea." I transfer my pair to the Senator from Arkansas [Mr. DAVIS], and I vote "nay."

Mr. CURTIS (when Mr. NIXON'S name was called). The junior Senator from Nevada [Mr. NIXON] requested me to announce that he is paired with the junior Senator from Alabama [Mr. BANKHEAD]. If the junior Senator from Nevada were here, he would vote "yea."

Mr. OLIVER (when his name was called). I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. If he were here, I should vote "yea."

Mr. ELKINS (when Mr. SCOTT'S name was called). My colleague [Mr. SCOTT] is unavoidably detained from the Senate to-day. He is paired with the Senator from Florida [Mr. TALIAFERRO]. If my colleague were present, he would vote "yea."

Mr. SMITH of Michigan (when his name was called). I again announce my pair with the Senator from Mississippi [Mr. MCLAURIN]. I desire the RECORD to show that I would vote "yea," if he were present.

Mr. SUTHERLAND (when his name was called). I again announce my pair with the junior Senator from Tennessee [Mr. TAYLOR] and the transfer of my pair to the junior Senator from Montana [Mr. DIXON]. I vote "yea."

Mr. FLETCHER (when Mr. TALIAFERRO'S name was called). The Senator from Florida [Mr. TALIAFERRO] is paired with the Senator from West Virginia [Mr. SCOTT]. If the Senator from Florida were present, he would vote "nay."

The roll call was concluded.

Mr. CLAPP (after having voted in the negative). Before the vote is announced, I notice that the Senator from North Carolina [Mr. SIMMONS], with whom I am paired, who I supposed was in the Chamber, is not here. I feel constrained, therefore, to withdraw my vote.

Mr. BACON rose.

Mr. CLAPP. If it is thought proper, I will let my vote stand.

Mr. BACON. I am quite sure that the Senator from North Carolina [Mr. SIMMONS] would vote "nay," if he were here.

Mr. CLAPP. Then, my vote will stand.

Mr. SHIVELY. The Senator from North Carolina [Mr. SIMMONS] was present and voted.

Mr. BEVERIDGE. His name was read at the desk as having voted.

Mr. LODGE. The name of the Senator from North Carolina [Mr. SIMMONS] was read by the Clerk.

The PRESIDING OFFICER. Does the Senator from Minnesota desire his name to stand?

Mr. CLAPP. Yes; under those circumstances.

The result was announced—yeas 39, nays 28, as follows:

YEAS—39.

Aldrich	Clark, Wyo.	Guggenheim	Penrose
Borah	Crane	Hale	Perkins
Bradley	Cullom	Heyburn	Piles
Brandegee	Curtis	Johnson, N. Dak.	Root
Briggs	Dick	Jones	Smoot
Bulkeley	Dillingham	Kean	Stephenson
Burnham	du Pont	Lodge	Sutherland
Burrows	Elkins	McCumber	Warner
Burton	Foster	McEnery	Wetmore
Carter	Gallinger	Page	

NAYS—28.

Bacon	Crawford	Gore	Overman
Bailey	Culberson	Hughes	Owen
Bristow	Cummins	Johnston, Ala.	Paynter
Brown	Dolliver	La Follette	Shively
Burkett	Fletcher	Money	Smith, Md.
Clapp	Frazier	Nelson	Stone
Clay	Gamble	Newlands	Tillman

NOT VOTING—24.

Bankhead	Davis	Martin	Simmons
Beveridge	Depew	Nixon	Smith, Mich.
Bourne	Dixon	Oliver	Smith, S. C.
Chamberlain	Flint	Rayner	Taliaferro
Clarke, Ark.	Frye	Richardson	Taylor
Daniel	McLaurin	Scott	Warren

So the amendment of the committee was agreed to.

The PRESIDING OFFICER. The next amendment of the committee will be stated.

The SECRETARY. In paragraph 313, page 98, line 21, after the word "yard" and the semicolon, insert:

Valued at over 9 and not over 11 cents per square yard, 2½ cents per square yard; valued at over 11 and not over 12 cents per square yard, 4½ cents per square yard; valued at over 12 and not over 15 cents per square yard, 5½ cents per square yard; valued at over 15 and not over 16 cents per square yard, 6½ cents per square yard; valued at over 16 cents per square yard, 8 cents per square yard, but not less than 25 per cent ad valorem.

The PRESIDING OFFICER. The question is upon the amendment proposed by the Committee on Finance.

Mr. BACON. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JOHNSTON of Alabama (when Mr. BANKHEAD's name was called). My colleague [Mr. BANKHEAD] is unavoidably absent. He is paired with the junior Senator from Nevada [Mr. NIXON]. If present, my colleague would vote "nay."

Mr. BEVERIDGE (when his name was called). I wish to again announce that I am paired with the junior Senator from California [Mr. FLINT]. If he were present, on this and subsequent committee amendments I should vote "nay," and he would vote "yea." I make this statement once for all, because I myself may have to go away in a moment or two, and it will not be necessary hereafter to announce this pair.

Mr. DEPEW (when his name was called). I again announce my pair with the senior Senator from Maryland [Mr. RAYNER]. If he were present, I should vote "yea."

Mr. CARTER (when Mr. DIXON's name was called). My colleague [Mr. DIXON] is unavoidably detained from the Chamber this afternoon. I desire to announce that he is paired with the junior Senator from Tennessee [Mr. TAYLOR]. If present, my colleague would vote "yea" on this and all the various amendments proposed by the committee to this schedule.

Mr. FRAZIER (when his name was called). I again announce my pair with the senior Senator from Oregon [Mr. BOURNE]. I transfer that pair to the junior Senator from South Carolina [Mr. SMITH], and vote. I vote "nay."

Mr. MONEY (when his name was called). I am paired with the Senator from Wyoming [Mr. WARREN], but I transfer that pair to the Senator from Arkansas [Mr. DAVIS], and vote. I vote "nay." The Senator from Wyoming, if present, would doubtless vote "yea."

Mr. OLIVER (when his name was called). I again announce my pair with the junior Senator from Oregon [Mr. CHAMBERLAIN].

Mr. SMITH of Maryland (when Mr. RAYNER's name was called). The senior Senator from Maryland [Mr. RAYNER] is paired with the senior Senator from New York [Mr. DEPEW]. If present, my colleague would vote "nay."

Mr. ELKINS (when Mr. SCOTT's name was called). I again announce the pair of my colleague [Mr. SCOTT], who is unavoidably absent, with the Senator from Florida [Mr. TALIAFERRO].

Mr. SMITH of Michigan (when his name was called). I again announce my pair with the Senator from Mississippi [Mr. MCLAURIN]. I should like this announcement to stand for the day. If the Senator from Mississippi were present, I should vote "yea."

Mr. SUTHERLAND (when his name was called). I again announce my pair with the Senator from Tennessee [Mr. TAYLOR]; but I transfer that pair to the junior Senator from Montana [Mr. DIXON]. I make this announcement to apply to any further votes that may be taken during the day. I vote "yea."

Mr. FLETCHER (when Mr. TALIAFERRO's name was called). My colleague [Mr. TALIAFERRO] is unavoidably absent. He is paired with the Senator from West Virginia [Mr. SCOTT].

The roll call having been concluded, the result was announced—yeas 39, nays 29, as follows:

YEAS—39.

Aldrich	Clark, Wyo.	Guggenheim	Penrose
Borah	Crane	Hale	Perkins
Bradley	Cullom	Heyburn	Piles
Brandegee	Curtis	Johnson, N. Dak.	Root
Briggs	Dick	Jones	Smoot
Bulkeley	Dillingham	Kean	Stephenson
Burnham	du Pont	Lodge	Sutherland
Burrows	Elkins	McCumber	Warner
Burton	Foster	McEnery	Wetmore
Carter	Gallinger	Page	

NAYS—29.

Bacon	Culberson	Johnston, Ala.	Shively
Bailey	Cummins	La Follette	Simmons
Bristow	Dolliver	Money	Smith, Md.
Brown	Fletcher	Nelson	Stone
Burkett	Frazier	Newlands	Tillman
Clapp	Gamble	Overman	
Clay	Gore	Owen	
Crawford	Hughes	Paynter	

NOT VOTING—23.

Bankhead	Davis	Martin	Smith, Mich.
Beveridge	Depew	Nixon	Smith, S. C.
Bourne	Dixon	Oliver	Taliaferro
Chamberlain	Flint	Rayner	Taylor
Clarke, Ark.	Frye	Richardson	Warren
Daniel	McLaurin	Scott	

So the amendment was agreed to.

Mr. BACON. I desire to suggest to the Senator in charge of the bill that possibly we might economize time by taking the vote at one time on the amendments to the several paragraphs that are proposed to be disposed of this afternoon. They are all involved in the discussion which has been had, and all of them are of the same character.

Mr. ALDRICH. I should be very glad to have that done with the amendments to paragraphs 314, 315, 316, and 317, which involve the same question precisely. I should be glad to have the committee amendments all voted on at once and together as to those paragraphs.

Mr. LA FOLLETTE. I understand that that goes no further than paragraph 317.

Mr. ALDRICH. It includes paragraph 317.

Mr. LA FOLLETTE. That is all right.

The PRESIDING OFFICER. Is there objection to that request?

Mr. BACON. I make the request, Mr. President, that the vote upon the amendments to these several paragraphs, the numbers of which have been stated by the Senator from Rhode Island, be taken at the same time.

Mr. ALDRICH. Down to paragraph 317, inclusive.

Mr. BACON. From 314 to 317, inclusive.

The PRESIDING OFFICER. Is there objection to the request made by the Senator from Georgia? The Chair hears none.

Mr. BACON. Upon that, Mr. President——

Mr. ALDRICH. Does the Senator from Georgia desire a record vote on that?

Mr. NEWLANDS. Mr. President, that does not preclude any debate upon these paragraphs?

Mr. ALDRICH. Oh, no.

Mr. OWEN. Mr. President, before the question comes to a vote, I want to remind the chairman of the Committee on Finance [Mr. ALDRICH] of his promise, at the proper moment, to explain the difference in the cost of production at home and abroad, as relates to these schedules. It is a matter of pressing interest.

Mr. ALDRICH. That promise will be kept in due time.

Mr. OWEN. The time has arrived, Mr. President, according to the promise made by the chairman of the Committee on Finance; and, no matter what his views may be upon the tariff, I have great confidence in his promises.

Mr. LA FOLLETTE. I ask for the yeas and nays.

Mr. NELSON. Mr. President, do I understand that this includes all amendments to the paragraphs, from paragraph 305 to 317, inclusive?

Mr. ALDRICH. No; from 314 to 317, inclusive.

Mr. NELSON. And no more?

Mr. ALDRICH. And no more.

Mr. NEWLANDS. Mr. President, I wish to say a few words regarding the observations of the Senator from Iowa. The Senator from Iowa [Mr. CUMMINS], in reply to my suggestion that the "progressives" upon the Republican side should point out the way in which the Democrats could follow to secure a reduction in the existing rates, declared that it would be utterly impossible to get the 5 Republican votes which I declared were necessary in order to accomplish the result. He looked around this Senate Chamber, and, after the repeated votes, was hopeless of changing those 5 votes. Now, I wish to address myself simply to the question of practical legislation, as to how the necessary 5 votes can be secured. I shall take only a few moments upon that proposition.

I suggest to the "progressive Republicans" that they have not yet exhausted all their resources. The power of recommendation regarding legislation is vested in the President of the United States. That power of recommendation, in connection with the veto, constitutes the President a part of the machinery of legislation.

I can understand how the President of the United States, with his judicial temperament, would hesitate to force upon Congress his views regarding a complicated piece of legislation, but I have not the slightest doubt that the President desires to fulfill the pledges of the Republican party made to the country, and to fulfill his own pledges to the country, and that he will hesitate to do nothing within his power to accomplish a very simple thing—the reduction of excessive duties, judged by the standard imposed upon the party by the Republican convention and advocated by the President himself.

While, therefore, the President, with his peace-loving and judicial temperament, may not be disposed to force prematurely upon Congress his views regarding this question, I have no doubt, when he realizes that his own party is in danger of repudiating party promises and of repudiating his own pledges to the people, that he will take prompt and decisive action.

That he can not do in a moment. A recommendation will involve consideration and deliberation; but I suggest that there is yet time for such consideration and deliberation before this bill is reported to the Senate for final action. I take it that at least three or four weeks will be taken up in the consideration of this tariff bill before it is reported to the Senate for final action.

Experts have been employed upon both sides. The Finance Committee has had the government experts, and various speakers have had experts at work upon different schedules and different items. The whole work is now mapped out in such a way that the President of the United States, bringing before him these experts, reviewing through his trusted officials the debates in this body, can come to some conclusion regarding this much-vexed question. Three weeks time he has for the consideration of this tariff, and during that time, with the aid of the government experts, with the aid of other experts, with the aid of trusted officials and advisers, with the aid of the debates with which this subject has been illuminated, he can prepare some recommendations, either general or special, upon this subject.

If the President of the United States delays, what will happen then? Suppose he waits until the bill is finally passed here and goes into conference? It is commonly stated that the bill will be shaped in conference. It is not so; the bill can only be fixed by either House between the upper and the lower rates, and if both the Senate and the House fail to reduce any of these excessive duties, the conferees can not act upon them; and if conference fails to accomplish the desired reforms, the only thing left is a veto, which, of course, will leave us where we began, with all the excessive duties still in force.

The suggestion comes from my friends upon both sides that they are weary—that they would like to escape a session to-night and to adjourn soon; but it seems to me that this is the appropriate time for these remarks, and that no other time so appropriate will be presented as that immediately following the remarks of the junior Senator from Iowa. Therefore, if the Senate will indulge me, I will, as briefly as possible, go on with my suggestion and conclude it. I hope to be brief. I would not willingly give inconvenience to Senators in this body; but, Mr. President, I was calling attention to the important fact that if this bill goes into conference, the action of the conferees is limited within a certain area; and if either House has failed to present a proper reduction of these duties, then the remedy is entirely without their reach.

Mr. President, the power of recommendation is one of the most valuable powers contained in our Constitution. It is the power given to the leader of a great party elected to the Presidency of the United States to indicate to the Congress what he regards as appropriate legislation. It is the only way in which the attention of Congress and the attention of the country can be focused upon needed reforms. That power was availed of by Mr. Roosevelt; and I undertake to say that if it had not been for the free exercise of that power by him not a single one of the reform measures of his administration would have been adopted.

Mr. ALDRICH. Will the Senator allow me?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Rhode Island?

Mr. NEWLANDS. Certainly.

Mr. ALDRICH. I desire to remind the Senator from Nevada that at half past 5, unless we should adjourn earlier, the Senate must take a recess for an evening session. I have suggested that, if a vote can be taken upon the particular amendments which are now pending, I then will move to adjourn until Monday. I hope the Senator will let us do that.

Mr. NEWLANDS. I will conclude my remarks in time to get a vote before half past 5.

Mr. ALDRICH. It takes about five minutes for a roll call.

Mr. KEAN. It takes seven minutes for a roll call.

Mr. NEWLANDS. I can understand why the Senator from Rhode Island should be solicitous that I should not pursue this line of suggestion. It is a practical suggestion; and I trust that the President of the United States will avail himself of it.

No one can criticise the President for not having made thus far such a recommendation. It only becomes a necessity when he finds that Congress is unwilling to act in the line of the reform to which he and his party are pledged; but if the "progressive Republicans" of this body present to the President of the United States a suggestion for a recommendation derived from their experience in this inquiry and debate, and the President of the United States recommends their suggestion to Congress, or if without the aid of the progressive Republicans of this body, upon his own initiative and inquiry, he makes a recommendation, which, if enacted into law, will lead to the reduction of excessive duties, he will bring behind it a power of public opinion that will force its passage through this body.

The Senator from Rhode Island is omnipotent now because of the power of organization. The feeling is sedulously encouraged throughout this body that the men who are identified with him are the real Republicans, and that the men who are outside of his ranks and who wish to redeem in good faith party pledges are insurgent and rebellious. An endeavor is being made to impress the entire country with the idea that the men who stand in the Republican party for a reduction of excessive duties are not Republicans. Let the President accentuate this issue; let him present it clearly and decisively either in a recommendation regarding special schedules or in a general reduction of the rate of duty or in the declaration of a formula by which excessive duties may be gradually and automatically reduced, and he will bring behind his utterance the power of public opinion, that public opinion which was behind Roosevelt, and which drove the Senator from Rhode Island and Republicans of like view finally into reluctant acquiescence as to some of his reform policies to which they were opposed. The Senator from Rhode Island belongs to that class of statesmen who believe that everything that is is right, and everything that ought to be is dangerous; but I can not believe that all the men who are associated with him are of that view. There are many of them who will follow a resolute President, insisting upon the principles his party has declared in its last platform, and appealing not only to Congress, but to the country upon the issue, and the organization which the Senator from Rhode Island has built up will melt away before a formulated public opinion directed and led by a President whom the people trust.

Mr. BACON. I wish to ask if we can not continue the session until the roll is called?

The PRESIDING OFFICER. The Chair would suggest that if the roll call is once commenced it will continue until concluded. The question is upon the several amendments which it was agreed should be voted upon in bulk. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. JOHNSTON of Alabama (when Mr. BANKHEAD'S name was called). My colleague is unavoidably absent. He is paired with the junior Senator from Nevada [Mr. NIXON].

Mr. DEPEW (when his name was called). I transfer my pair with the senior Senator from Maryland [Mr. RAYNER] to my colleague, the junior Senator from New York [Mr. ROOT], and vote. I vote "yea."

Mr. FRAZIER (when his name was called). I transfer my pair with the senior Senator from Oregon [Mr. BOURNE] to the junior Senator from South Carolina [Mr. SMITH] and vote. I vote "nay."

Mr. OLIVER (when his name was called). I again announce my pair with the junior Senator from Oregon [Mr. CHAMBERLAIN]. If he were present, I should vote "yea."

Mr. SMITH of Maryland (when Mr. RAYNER'S name was called). The senior Senator from Maryland [Mr. RAYNER] was paired with the senior Senator from New York [Mr. DEPEW], but that pair has been transferred to the junior Senator from New York [Mr. ROOT]. If my colleague were present, he would vote "nay."

Mr. FLETCHER (when Mr. TALIAFERRO'S name was called). My colleague [Mr. TALIAFERRO] is unavoidably absent. He is paired with the Senator from West Virginia [Mr. SCOTT].

The result was announced—yeas 39, nays 28, as follows:

YEAS—39.

Aldrich	Clark, Wyo.	Gallinger	Page
Borah	Crane	Guggenheim	Penrose
Bradley	Cullom	Hale	Perkins
Brandegee	Curtis	Heyburn	Piles
Briggs	Depew	Johnson, N. Dak.	Smoot
Bulkeley	Dick	Jones	Stephenson
Burnham	Dillingham	Kean	Sutherland
Burrows	du Pont	Lodge	Warner
Burton	Elkins	McCumber	Wetmore
Carter	Foster	McEnery	

NAYS—28.

Bacon	Crawford	Gore	Owen
Bailey	Culberson	Hughes	Paynter
Bristow	Cummins	Johnston, Ala.	Shively
Brown	Dolliver	La Follette	Simmons
Burkett	Fletcher	Nelson	Smith, Md.
Clapp	Frazier	Newlands	Stone
Clay	Gamble	Overman	Tillman

NOT VOTING—24.

Bankhead	Davis	Money	Scott
Beveridge	Dixon	Nixon	Smith, Mich.
Bourne	Flint	Oliver	Smith, S. C.
Chamberlain	Frye	Rayner	Taliaferro
Clarke, Ark.	McLaurin	Richardson	Taylor
Daniel	Martin	Root	Warren

So the amendments to paragraphs 314, 315, 316, and 317 were agreed to.

The PRESIDING OFFICER. The paragraphs the amendments to which have just been agreed to will, in the absence of objection, be considered as agreed to as amended. The Chair hears no objection.

Mr. ALDRICH. I move that the Senate adjourn.

The motion was agreed to, and (at 5 o'clock and 30 minutes p. m.) the Senate adjourned until Monday, June 7, 1909, at 10.30 o'clock a. m.

SENATE.

MONDAY, *June 7, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Vice-President being absent, the President pro tempore assumed the chair.

The Journal of the proceedings of Saturday last was read and approved.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented a petition of the Reno Commercial Club, of Reno, Nev., praying for the adoption of certain amendments to the interstate-commerce law giving to the Interstate Commerce Commission the power to suspend the taking effect of proposed advances in existing rates or changes in rules pending a hearing, etc., which was referred to the Committee on Interstate Commerce.

Mr. GAMBLE presented a petition of the Western South Dakota Stock Growers' Association, praying for the ratification of such reciprocal trade relations with other governments as will encourage the export of live stock, which was ordered to lie on the table.

He also presented a petition of the Western South Dakota Stock Growers' Association, praying for the retention of the present import duty on cattle, with such reasonable adjustment and maximum and minimum schedules as shall best subserve the interests of the cattle growers of the country, which was ordered to lie on the table.

Mr. NIXON presented a petition of the Reno Commercial Club, of Reno, Nev., praying that an appropriation be made to enable the Interstate Commerce Commission to obtain the valuation of all railroad property in the United States, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the Reno Commercial Club, of Reno, Nev., praying for the adoption of certain amendments to the interstate-commerce law giving to the Interstate Commerce Commission the power to suspend the taking effect of proposed advances in existing rates, etc., which was referred to the Committee on Interstate Commerce.

Mr. STONE presented a petition of the Master Bakers' Protective and Benevolent Association of St. Louis, Mo., praying for the enactment of legislation to prohibit gambling in wheat and in options upon wheat for future delivery, which was referred to the Committee on the Judiciary.

He also presented a petition of the employees of the Mound City Engraving Company, of St. Louis, Mo., praying that a duty of 35 cents per pound be placed on view cards, which was ordered to lie on the table.

He also presented a petition of the employees of the Kansas City Post, of Kansas City, Mo., praying for the repeal of the duty on print paper and wood pulp, which was ordered to lie on the table.

He also presented a memorial of the St. Louis Advertising Men's League, of St. Louis, Mo., remonstrating against the enactment of legislation providing license fees for posted display advertisements and signs, which was ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GUGGENHEIM:

A bill (S. 2537) granting an increase of pension to Niram N. Buttolph (with the accompanying paper);

A bill (S. 2538) granting an increase of pension to Samuel A. Stratton (with the accompanying paper); and

A bill (S. 2539) granting an increase of pension to Benjamin F. Noll (with the accompanying papers); to the Committee on Pensions.

By Mr. STONE:

A bill (S. 2540) granting an increase of pension to Samuel Durham; and

A bill (S. 2541) granting an increase of pension to Thomas Braswell; to the Committee on Pensions.

PRICES OF AGRICULTURAL IMPLEMENTS.

Mr. CURTIS submitted the following resolution (S. Res. 56), which was considered by unanimous consent and agreed to:

Senate resolution 56.

Resolved, That the Secretary of Commerce and Labor be requested to transmit to the Senate any information in the possession of his department relative to the prices at which agricultural implements manufactured in the United States are sold in foreign countries.

THE PHILIPPINE ISLANDS.

Mr. STONE. Mr. President, I have an article here by Mr. Erving Winslow, of Massachusetts, printed in the North American Review recently, relating to the Philippine Islands. We shall have that question up very soon on the pending bill. I ask that the article may be printed as a Senate document.

The PRESIDENT pro tempore. The Senator from Missouri asks that the article sent to the desk be printed as a document (S. Doc. No. 81).

Mr. KEAN. What is the article?

Mr. STONE. It is an article written by Mr. Winslow, of Massachusetts, dealing with our relations with the Philippine Islands.

There being no objection, the order was reduced to writing and agreed to, as follows:

Ordered, That the article, "The conditions and the future of the Philippine Islands," by Erving Winslow, be printed as a document.

PORTO RICO POWER AND LIGHT COMPANY.

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, (S. Doc. No. 83), which was read and, with the accompanying paper, referred to the Committee on Pacific Islands and Porto Rico and ordered to be printed:

To the Senate and House of Representatives:

In accordance with the provisions of section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stat., 84), I have the honor to transmit herewith for the consideration of the Congress certified copy of a franchise granted by the executive council of Porto Rico May 19, 1909, entitled "An ordinance amending an ordinance entitled 'A franchise granting to the Porto Rico Power and Light Company, its successors and assigns, the right to develop the water power known as "Comerio Falls," situated on La Plata River, for the generation of electrical energy, and to build, construct, erect, and maintain lines of wire for transmitting and distributing electrical energy for commercial and industrial purposes,'" approved by the governor May 24, 1909.

WM. H. TAFT.

THE WHITE HOUSE, *June 7, 1909.*

TELEPHONE SERVICE IN PORTO RICO.

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States (S. Doc. No. 82), which was read and, with the accompanying paper, referred to the Committee on Pacific Islands and Porto Rico and ordered to be printed:

To the Senate and House of Representatives:

In accordance with the provisions of section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stat., 84), and section 2 of a joint resolution amending said act approved May 1, 1900 (31 Stat., 716), I have the honor to transmit herewith copy of an ordinance passed by the executive council of Porto Rico May 20, 1909, entitled "An ordinance repealing an ordinance entitled 'An ordinance granting to Juan Bertran the right to construct, maintain, and operate a system of long-distance telephone lines between the playa of Yabucoa and the playa of Naguabo and their intervening towns and cities, together with local telephone systems in certain of said towns and local stations at other points.'"

WM. H. TAFT.

THE WHITE HOUSE, *June 7, 1909.*

THE TARIFF.

The PRESIDENT pro tempore. The calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The PRESIDENT pro tempore. The pending paragraph is paragraph 318, page 108.

Mr. ALDRICH. The committee modify their amendment to paragraph 318 by striking out after the word "counted," in the

fifth line, page 109, down to the end of the paragraph, and inserting the language which I send to the desk.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Rhode Island will be read.

The SECRETARY. It is proposed to amend the amendment on page 109, line 5, by striking out after the word "counted" the remainder of the paragraph and inserting:

In the ascertainment of any and all the particulars or descriptions upon which the duties, cumulative or other, imposed upon cotton cloth are made to depend, the entire fabric, and all parts thereof, and all the threads of which it is composed, shall be included.

Mr. BRISTOW. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Crane	Hale	Penrose
Bacon	Crawford	Heyburn	Perkins
Beveridge	Culberson	Hughes	Piles
Borah	Cullom	Johnson, N. Dak.	Root
Bradley	Cummins	Johnston, Ala.	Scott
Brandegee	Curtis	Jones	Simmons
Briggs	Depew	Kean	Smith, Mich.
Bristow	Dick	La Follette	Smoot
Brown	Dillingham	Lodge	Stephenson
Burkett	Dolliver	McCumber	Stone
Burnham	Fletcher	McEnery	Sutherland
Burrows	Flint	Nelson	Taliaferro
Burton	Foster	Newlands	Taylor
Carter	Frye	Oliver	Warner
Clark, Wyo.	Gallinger	Overman	Warren
Clarke, Ark.	Gamble	Page	
Clay	Guggenheim	Paynter	

The PRESIDENT pro tempore. Sixty-six Senators have responded to their names. There is a quorum present. The Secretary will again read the amendment to the amendment offerred by the Senator from Rhode Island in behalf of the Committee on Finance.

The SECRETARY. In paragraph 318, page 109, line 5, after the word "counted" and the comma, strike out the remainder of the paragraph and insert:

In the ascertainment of any and all the particulars or descriptions upon which the duties, cumulative or other, imposed upon cotton cloth are made to depend, the entire fabric, and all parts thereof, and all the threads of which it is composed, shall be included.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The PRESIDENT pro tempore. The next amendment to the paragraph will be stated.

The SECRETARY. In paragraph 318, page 108, line 23, the committee proposes to strike out the word "otherwise" and to insert "cut in lengths."

The amendment was agreed to.

Mr. ALDRICH. I ask that the paragraph as amended be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

The PRESIDENT pro tempore. The next amendment will be stated.

The SECRETARY. Paragraph 319, line 17, after the word "cotton," the committee proposes to insert "or other vegetable fiber."

The amendment was agreed to.

The SECRETARY. In line 21, after the word "coated," the committee proposes to insert the words "and cotton window hollands."

Mr. DOLLIVER. I should like to inquire what is the occasion of putting cotton window hollands in that paragraph?

Mr. ALDRICH. Because they are properly included in it as cloths that are filled. They are more expensive than most of the filled cloths and it is simply to give them the duty to which they are properly entitled.

Mr. DOLLIVER. I desire to say that the transfer of these window hollands, which are ordinary blinds, and hang over the windows of the homes of the people, including the blinds that hang over the windows in this Capitol, are very substantially increased in the amount of duty by this transfer to paragraph 319. I do not know of any reason for that. We make in the United States, practically without competition, all the ordinary varieties, and the only varieties that are imported are those varieties, I think, that are used by the United States Government, which are not made here for the reason that the market for them is very limited.

I believe it will be found upon examination that this increase of duty is not necessary for the protection of the two or three factories that are engaged in the manufacture of ordinary window hollands for the homes of our people.

Mr. ALDRICH. The cloths that are covered by this amendment are cloths which are filled and beetled and are extremely expensive to make. The suggestion of the Senator from Iowa, it seems to me, furnishes the very best argument why this change should be made, that the Government of the United States is now buying foreign window shades because they are not made in this country, and can not be made under our present tariff.

Mr. DOLLIVER. I am informed by persons who are familiar with it that the reason why they are not made is because all the mills are occupied in this country in making ordinary window hollands.

Mr. ALDRICH. That statement is not correct. I will say that the change made by this amendment is simply classifying them where the law did intend to classify them and to relieve the matter from one of those decisions by which cloths of the same character have been placed in the countable provisions because they were not particularly specified as filled cloths. They are filled cloths, and they are not only filled, but beetled in addition to being filled, and they are very expensive. This is simply putting them in here by name for the purpose of giving them the duty to which they are entitled.

Mr. DOLLIVER. Does the Senator from Rhode Island deny that putting them in this paragraph increases the duty over what has been collected heretofore?

Mr. ALDRICH. Mr. President, it is exactly one of the cases we have been discussing here for four or five days, where filled cloth, because it was not put into the schedule by name, was held to be dutiable under the countable provisions of the act. That was never the intention of Congress; it is not the intention of Congress; and we are putting them in here by name for the purpose of giving them the duties to which they are entitled.

Mr. DOLLIVER. Will the Senator be kind enough to state whether these articles are now dutiable under the ad valorem provisions of the Dingley law as countable cotton?

Mr. ALDRICH. Unquestionably.

Mr. DOLLIVER. So that putting them them in here——

Mr. ALDRICH. They are now dutiable by the decisions of the courts or the Board of General Appraisers. They are filled cloths, and were never intended to go into the countable schedules. I will not stop to characterize the decisions, but they have been put by them into paragraphs where they did not belong. This is simply an attempt to restore them where the law intended they should be, and where they ought to be.

Mr. DOLLIVER. Mr. President, these cloths are very varied in value. Some of them are very cheap and some of them are quite expensive. I call the attention of the Senate to the fact that the duty ought to be an ad valorem duty, or else there ought to be dividing lines. Otherwise cheap window hollands, now adequately protected, under these specifics will bear a rate of duty that would be astonishing to anybody really engaged in trying to moderate and reduce some of these tariff schedules.

Mr. ALDRICH. The duty under this provision can not be over 50 per cent in any case. It is another one of these attempts to deceive the Senate as to the effect of the change. It is simply a change in window shades. They are not blinds at all; they are window shades, filled shades, filled and beetled, and made in the most expensive way. Heretofore the foreign price I know of is in the neighborhood of 10 cents a yard, and at 10 cents a yard the duty now proposed would be 50 per cent ad valorem.

Mr. DOLLIVER. I think the Senator is in error in relation to those prices. I think I will be prepared in a moment to state exactly what they are. It is obvious that whether they are 50 per cent or less depends altogether upon the calculation of the equivalent upon the specific 3 cents per yard assessed upon these goods.

I do not desire now to do more than make a modest protest against the proposed transfer to the paragraph, under circumstances which can be shown substantially increases the duties on all and to very alarmingly increase duties upon those of moderate prices, which the people are accustomed to use.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

Mr. DOLLIVER called for the yeas and nays, and they were ordered.

The Secretary proceeded to call the roll.

Mr. JOHNSTON of Alabama (when Mr. BANKHEAD'S name was called). My colleague [Mr. BANKHEAD] is unavoidably absent. He is paired with the junior Senator from Nevada [Mr. NIXON]. If my colleague were present, he would vote "nay."

The PRESIDENT pro tempore (when Mr. FRYE'S name was called). The junior Senator from Maine [Mr. FRYE] is paired with the senior Senator from Virginia [Mr. DANIEL].

Mr. OLIVER (when his name was called). I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. I transfer my pair to the Senator from Connecticut [Mr. BULKELEY], and vote "yea."

Mr. SIMMONS (when his name was called). I inquire whether the junior Senator from Minnesota [Mr. CLAPP] has voted?

The PRESIDENT pro tempore. The Chair is informed that he has not voted.

Mr. SIMMONS. I am paired with that Senator.

Mr. NELSON. If the Senator from Minnesota [Mr. CLAPP] were here, he would vote "nay."

Mr. SIMMONS. I will vote. I vote "nay."

Mr. WARREN (when his name was called). I am paired with the senior Senator from Mississippi [Mr. MONEY]. I do not see him in the Chamber, and I withhold my vote.

The roll call was concluded.

Mr. DILLINGHAM. I inquire if the senior Senator from South Carolina [Mr. TILLMAN] has voted?

The PRESIDENT pro tempore. The Chair is informed he has not.

Mr. DILLINGHAM. Then I withhold my vote. Otherwise I would vote "yea."

Mr. CURTIS. I desire to announce that the Senator from Indiana [Mr. SHIVELY] is paired with the Senator from Montana [Mr. DIXON], and that the Senator from Oklahoma [Mr. OWEN] is paired with the Senator from Delaware [Mr. DU PONT].

Mr. DEPEW. I am paired with the Senator from Maryland [Mr. RAYNER]. I transfer my pair to the Senator from Oregon [Mr. BOURNE] and vote "yea."

The result was announced—yeas 41, nays 26, as follows:

YEAS—41.

Aldrich	Cullom	Johnson, N. Dak.	Root
Borah	Curtis	Jones	Scott
Bradley	Depew	Kean	Smith, Mich.
Brandegee	Dick	Lodge	Smoot
Briggs	Elkins	McCumber	Stephenson
Burnham	Flint	McEnery	Sutherland
Burrows	Foster	Oliver	Warner
Burton	Gallinger	Page	Wetmore
Carter	Guggenheim	Penrose	
Clark, Wyo.	Hale	Perkins	
Crane	Heyburn	Piles	

NAYS—26.

Bacon	Culberson	Hughes	Paynter
Bailey	Cummins	Johnston, Ala.	Simmons
Beveridge	Dolliver	La Follette	Stone
Bristow	Fletcher	McLaurin	Taliaferro
Brown	Frazier	Nelson	Taylor
Burkett	Gamble	Newlands	
Clay	Gore	Overman	

NOT VOTING—24.

Bankhead	Crawford	Frye	Richardson
Bourne	Daniel	Martin	Shively
Bulkeley	Davis	Money	Smith, Md.
Chamberlain	Dillingham	Nixon	Smith, S. C.
Clapp	Dixon	Owen	Tillman
Clarke, Ark.	du Pont	Rayner	Warren

So the amendment of the committee was agreed to.

The PRESIDENT pro tempore. Without objection, the paragraph as amended will be agreed to.

Mr. DOLLIVER. Mr. President, I desire to be heard on that question for a moment.

I dislike exceedingly to be put in the position of placing my dictum or the conclusion in my own mind against the maturer judgment and opinion of the honored Senator from Rhode Island [Mr. ALDRICH].

I called attention a moment ago to the fact that this transfer of window hollands from the paragraph in which they had comfortably reposed for a good many years, namely, from paragraph 306 of the Dingley law, where they are dutiable at 2½ cents a yard, to this paragraph, operates to unnecessarily and somewhat alarmingly increase the duties on the article of window hollands, which hang in the homes of so many of our people. I did not at the moment have at hand the exact facts which I now desire to lay before the Senate.

I am not subject to any embarrassment on account of presenting the facts after the vote has been taken, because I have had experience in a cold world sufficient to enable me to say that it is just as well to throw light on the subject after the transaction is over as before.

Now, there [exhibiting] is a sample of white or bleached window holland, and there [exhibiting] is a sample of colored—yellow window holland. These are the ordinary grades in which holland stuffs are made in the United States and used in the United States. I think the exact English selling price of the bleached ones is equal to 10.1 cents a yard, as the article is valued at our custom-house. The Dingley rate was 2½ cents a yard under paragraph 306, because it has a count of from 100 to 150 threads and weighs 4 square yards to the pound. What does the transfer of these commonly used articles to paragraph 319 actually do? It assesses a rate of 3 cents a square yard and 20 per cent ad valorem, which is equivalent to 5 cents. Besides that, under paragraphs 318 and 321, I think it would obtain an additional 1 cent as goods subjected to a process similar to mercerization; but I will not be sure about that——

Mr. ALDRICH. No; I think not.

Mr. DOLLIVER. Because that has been disputed; but there have been so many questions disputed by our Board of Appraisers that I do not understand, for the life of me, with what confidence we can say how soon the Board of Appraisers will determine that almost any process is similar to mercerization. So here we have a rate of 3 cents a square yard and 20 per cent ad valorem, equivalent to 50 per cent ad valorem, whereas the present ad valorem is only about 25 per cent. If these window hollands are colored or dyed, the English selling price of such a one as I exhibit here is 10.728 cents, and the Dingley rate under paragraph 306 is 3½ cents a yard, which equals an equivalent ad valorem of 32.62 per cent. The Senate rate proposed under paragraph 319 is 3 cents a yard and 20 per cent ad valorem, equivalent to 5.144 cents per yard. Leaving out what I think is a disputed question, whether these articles are liable under paragraphs 318 and 321 as articles subjected to a process similar to that of mercerization, the transfer of these articles from one paragraph to the other operates to make, as you will observe, a very substantial increase in these rates. I think it is unnecessary, because these grades of articles are not imported. There are only two or three factories making these window hollands in the United States. They make no effort to make the high-grade class, because the market is very limited and the profits are very small. It is proposed, however, to increase the duties on all of them. I do not even admit that it is necessary to increase the duties on those that are of the higher grade, because the higher the grade the greater the price; and as the Dingley ad valorem rate advances, if they are subject to the ad valorem rate, I believe an adequate protection would be guaranteed; but as the higher ones probably would fall under the paragraphs including the ad valorems of the act of 1897 and as they increase in price, the ad valorem would state their protection in steadily increasing duties. Therefore I do not believe that it is right—I do not think it ought to be done—to make all of these duties specific, a certain amount per square yard, whether they are cheap or moderate in price or very costly. It operates to increase the duties and to very unnecessarily stimulate the duties on the ordinary or common grades.

Mr. ALDRICH. Mr. President, I do not intend to take up much time in this post-mortem discussion. The Senator from Iowa has read directly from a statement of the importers as to the value of these articles and the rates which they paid prior to the year 1900, when the decision to which I have referred was made. The Senator follows the statement of these gentlemen in their mistakes and in their extravagant misstatements. Up to 1900 these goods were dutiable under the filled-cloth provision at the same rate which they now have. In 1900, in the case of The United States *v.* Pinney, it was held that these filled cotton cloths were not identical with the Scotch hollands and the King's hollands, which are covered by this provision. In the first place, these cloths would not be dutiable at 2½ cents per square yard. If they were valued at 10 cents as bleached cloths, under the act of 1897, before this decision was made, they had been dutiable at 30 per cent ad valorem, instead of 2½ cents per square yard. By the change which we have made in the act, the Senate has voted deliberately into the act rates which would have been almost as great as they are under this provision; but, as I stated before, this is another one of those cases where the courts misinterpreted the plain intention of Congress; and we have these importers here in their statements and briefs to protest against the rectification being made.

Mr. SMITH of Michigan. Mr. President, will the Senator from Rhode Island permit a question?

Mr. ALDRICH. Certainly.

Mr. SMITH of Michigan. I should like to ask whether this class of goods comes within the range of the statement made by Mr. Parkhill and others on Saturday.

Mr. ALDRICH. No; it is not covered in that at all. This is another case which was not covered in the statement by Mr. Parkhill. It involves the same principle, however.

Mr. DOLLIVER. Mr. President, I would not myself hesitate to present to the Senate a statement of facts about the dry goods business made by reputable merchants importing cotton goods, if I had reason to believe they were the truth. There can be no important merchant in New York connected with the dry goods business who is not vastly more interested in the domestic trade than he is in the foreign trade. The city of New York handles 80 per cent of the cotton cloths manufactured in the United States directly, and, of course, no merchant could be of very much importance there who had not more interest in the $500,000,000 worth which we produce in the United States than he has in the pitiable amount of $14,000,000 worth which

are annually imported into the United States of cotton cloths; but, curiously enough, I am not now relying on statements made by an importer. I am relying upon the statements made by Frederic B. Shipley, of 49 Leonard street, New York, who appears to be acting for a majority of the American manufacturers of window shades and dealers in shade cloths.

Mr. ALDRICH. Does the Senator from Iowa know that that man is an importer?

Mr. DOLLIVER. Does the Senator know that he is acting or not acting for a majority of American manufacturers of window shades and dealers in shade cloths?

Mr. ALDRICH. This statement itself shows that there are only two such manufacturers in the United States.

Mr. DOLLIVER. Of window hollands?

Mr. ALDRICH. Of window hollands; and he certainly is not acting for either of those, according to his own statement. Now, who are the manufacturers for whom he is acting? He says there are only two in this country.

Mr. DOLLIVER. The manufacturers of window shades and dealers in window cloths, I suppose, who are not included within the favorable provisions of the amendment which the Senator from Rhode Island has just offered.

Mr. ALDRICH. This gentleman's own statement says that there are only two such manufacturers in the United States, and yet he says he is acting for a majority.

Mr. DOLLIVER. Does he tell the truth about that?

Mr. ALDRICH. He does not in any way.

Mr. DOLLIVER. How many manufacturers of this character of goods are there?

Mr. ALDRICH. I say he does not tell the truth when he says he is acting for a majority of the American shade manufacturers.

Mr. DOLLIVER. Does he tell the truth when he says there are only two manufacturers of those window hollands in the United States?

Mr. ALDRICH. There may be three of them, I think; but whether there are three or thirty makes no difference in this discussion.

Mr. DOLLIVER. He does not purport to be acting for the manufacturers of window hollands, but he says he is acting—and this has not been disputed, although it has been sent to every Senator here for weeks—he says that he is acting for a majority of the American manufacturers of window shades and dealers in shade cloths. It may be the American manufacturers of goods competing with these hollands are disturbed in their minds when they find the window-holland people receiving this new protection, when they themselves seem to be omitted from the calculation. Nobody can tell what their motive might be.

Mr. SMITH of Michigan. Mr. President, I want to ask the Senator from Rhode Island [Mr. ALDRICH] again, whether the statements made by Mr. Parkhill and his associates in the General Appraiser's office with reference to increased rates over the Dingley law, as originally passed, were intended to apply to the paragraph which we are now discussing?

Mr. ALDRICH. They do.

Mr. SMITH of Michigan. And if they do apply, as a matter of fact they are not raising the rates?

Mr. ALDRICH. That is absolutely true.

Mr. SMITH of Michigan. I want to say one thing more. I received this circular, about which the Senator from Iowa [Mr. DOLLIVER] has spoken, from Shipley & Co., but I did not receive it until yesterday morning. I do not know what the experience of other Senators may be, but it came to me by mail yesterday morning.

Mr. DOLLIVER. I think I have had it for almost a month.

Mr. SMITH of Michigan. I did not understand that.

Mr. ALDRICH. Probably the Senator from Iowa got an advance copy.

Mr. DOLLIVER. I got the copy that was sent. There was no concealment about it, and there has been no concealment.

Mr. BEVERIDGE. Mr. President, just a word in reference to the question whether the intention of the law as originally passed has been changed or not. Until Saturday I had assumed, upon the authority of those who had studied this matter, that it was quite true that the original intent of the law had been modified, or was mutilated—to use the stronger language of the Senator from Rhode Island—by these decisions; but on Saturday the Senator from Iowa [Mr. DOLLIVER] showed by the original notes of Colonel Tichenor, which are in his possession, that the decisions which we have heard so bitterly assailed to the very limit of language used with reference to court decisions, not only did not mutilate, but actually restored the original intention; and that the original intention which those court decisions restored, instead of having been destroyed, was, in fact, destroyed by the interpretations and the administration of the law under one Hartshorne, who, as I understand—if I am wrong I will be corrected—was interested in the linen business. So that the law is now administered under these decisions of the courts of which so much complaint has been made, but which, according to the comparison of those decisions with the original notes of Colonel Tichenor, have restored the original interpretation of the law.

That, Mr. President, would seem to be borne out by the statement of Mr. Lippitt, made before the House committee, when he says, as we all remember, that this law has now run the gamut of the courts; that its terms are well defined by judicial interpretation, and, with the exception of some minor instances, they do not want it changed; that the industry has flourished under it.

My mind was called to that inquiry by the suggestion, which seems to be generally accepted—and, to be frank, which I was greatly impressed with myself until the Senator from Iowa, on Saturday, showed by original documents to the contrary—that the original intention was being restored. That remark was merely called out by the suggestion of my friend from Michigan [Mr. SMITH].

Mr. ALDRICH. I am greatly pleased and encouraged to think that at any stage in the discussion of any of these paragraphs the Senator from Indiana has been inclined to be with the committee. Of course, he never has retained that opinion up to the voting time, but the fact that he has had any question or doubt about these matters is an encouraging sign, and I think as time progresses he may, perhaps, be able occasionally to vote with the committee.

Mr. BEVERIDGE. Mr. President, I am sorry that my friend from Rhode Island, whom personally I very highly esteem, as he knows, has made that remark, because it compels me to say just one or two words. I think—I know it is true of myself—that every Republican Senator here would greatly prefer to vote with the committee. That is the usual course, and all Senators prefer to follow the committee when they can. But, Mr. President, we can not follow the committee when, upon a balance of the arguments and facts, it appears to be wrong to the judgment and conscience of any Senator. When that appears to any Senator, not even the Senator from Rhode Island, with his great ability and position, ought to make an appeal to a Senator to vote against his judgment or his conscience, much less rebuke him.

Mr. President, I will state to the Senator an instance that I now at this moment recall. Where upon the statements at first made it appeared to me, and I am sure to others, that the committee amendments were right—one of them was on raisins—the statement by one of the members of the committee seemed to make a conclusive case. I called attention to the fact that each statement of fact as it was made was unanswerable, and that all of them made a complete case. Yet the next morning that case was torn so completely to pieces that the Senator who made the principal statement, and whom I profoundly esteem for his industry, ability, and integrity, admitted that they were wrong. I wondered how upon that case thus concluded even the Senator from Rhode Island could vote for his own amendment.

Another one was carbons. I will not take time now—because this is a digression brought out by the suggestion of the Senator from Rhode Island—but it appeared that a complete case had been made, and the capsheaf was put upon that case by the statement that the rate recommended by the Senate committee amendment had been agreed to both by the producers and the consumers. If that were true, certainly no Senator would feel justified in voting against such an amendment, whether it came from the committee or the humblest Senator here; but upon fifteen minutes' investigation it was found that the vast majority of the consumers were not represented. So when questions of fact like that, as basic and as fundamental, have been overturned, then not only are Senators released from their inclination to vote with the committee, but it becomes an absolute duty not to vote with the committee. The usual course of action in this or any other legislative chamber is always controlled by the sum of the facts.

I wish the Senator had not made the remark. The Senator will recall when, in the most earnest good faith, Senators have arisen here to ask for some information about a certain committee amendment, the course was pursued almost for weeks of answering the requests, not with a full presentation of the facts, but rather with something in the nature of a sneer and a rebuke. That is not only not the way to pass a great business measure, but it is not the way to treat individual Senators. Each one of us upon this floor must concede to the others that we are equally in earnest and that we are equally determined to do our duty.

I think that that is all that I will say at this particular

moment, except to call attention again to the fact, which the Senator from Rhode Island did not refer to when I called attention to it, that, instead of these decisions mutilating the original intention of the Dingley law, the Senator from Iowa [Mr. DOLLIVER]—and most of the Finance Committee were absent when he did it, although he called for them—demonstrated from the original notes that those decisions restored the original intention, and that the original intention in fact was destroyed by the administration of one Hartshorne; that this maladministration for about six years had been under his interpretation and administration; that it was his interpretation and administration which the courts overthrew; and it was the original intention of the authors of the law which the courts restored.

Mr. LODGE. Mr. President, on that precise point Mr. de Vries reversed the ruling of Mr. Hartshorne and the court reversed Mr. de Vries in the principal case, in which it was held that that colored fabric which the Senator from Utah showed here was a countable fabric and came in under the count of white threads, although it was elaborately colored and embroidered. A review of that case has just been refused by the Supreme Court, and the decision has been made final, which entirely overthrows the rulings of Mr. de Vries, which corresponded with those of Coloner Tichenor and with the original interpretation of the law. That case alone, I was informed by counsel who appeared against the Government, involved some $500,000.

Mr. ALDRICH. Mr. President, at this point and in answer to the suggestion made by the Senator from Indiana, if he desires to have some information upon this matter——

Mr. BEVERIDGE. I do.

Mr. ALDRICH. I want to read from Colonel Tichenor's own statement of the facts. This is a decision of the Board of General Appraisers made by Colonel Tichenor himself.

Mr. BEVERIDGE. The Senator will excuse me if I call the attention of the Senator from Iowa [Mr. DOLLIVER] to that, because this statement was made by the Senator from Iowa, as the original notes show.

Mr. ALDRICH. I do not care who made it; I want to show what the facts are.

The board has uniformly held that cotton cloth, whether containing colored threads in the different forms of figures, stripes, checks, or otherwise, and whether covering much or little of the surface of the fabric, were dutiable under the tariff provisions for colored cloths, and these decisions accord with the action of the classifying officers of the customs at the several ports and the rulings of the Treasury Department covering a period of many years and under different tariff acts containing provisions for cotton cloths similar to this present act.

That is as to the precise grades of colored cloth which have been here under discussion, and it shows what the opinion of Colonel Tichenor was.

The PRESIDENT pro tempore. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 321, page 110.

The PRESIDENT pro tempore. Without objection, the paragraph as amended will be agreed to.

Mr. DOLLIVER. What paragraph is that?

The PRESIDENT pro tempore. Paragraph 321.

Mr. DOLLIVER. Mr. President, I think that is the paragraph which contains the provision for the assessment of a cent a yard on cloth mercerized, and I desire to offer an amendment striking out the last clause, beginning in line 3, page 111, the words "on all cotton cloth mercerized or subjected to any similar process, 1 cent per square yard."

Mr. ALDRICH. This paragraph has been agreed to, but I have no objection to having it reconsidered.

Mr. DOLLIVER. When was it agreed to?

Mr. ALDRICH. I understood it was agreed to just a moment ago.

The PRESIDENT pro tempore. The Chair will regard it as open.

Mr. ALDRICH. I understand that. I was not making objection at all. I was making the suggestion that, if it was necessary to reconsider, I would make the motion myself.

Mr. DOLLIVER. Mr. President, in order to understand that paragraph it will be necessary to turn back to paragraph 318, where this mercerizing process is described, and if Senators interested in the subject will look at line 11 they will find the words:

The terms bleached, dyed, colored, stained, mercerized, painted, or printed, wherever used in the paragraphs of this schedule, shall be taken to mean all cotton cloth which has been subjected to any of these processes, or which has any bleached, dyed, colored, stained, mercerized, painted, or printed thread or threads in any part of the fabric.

Now, it is proposed to assess 1 cent a yard——

Mr. ALDRICH. If the Senator will permit me, he may not have been in the Chamber when the committee offered an amendment to the paragraph which the Senator is now discussing, which I think it would be well to have read, perhaps.

Mr. DOLLIVER. I would be glad to have it read.

The PRESIDENT pro tempore. The Secretary will read as requested.

The SECRETARY. On page 109, in line 5, an amendment has already been agreed to after the word "counted" and the period, to strike out the remainder of the paragraph and insert:

In the ascertainment of any and all the particulars or descriptions under which the duties, cumulative and other, imposed upon cotton cloth are made to depend, the entire fabric, and all parts thereof, and all the threads of which it is composed, shall be included.

Mr. DOLLIVER. Well, Mr. President, I do not hesitate to say that that amendment is in the right direction, but I do not think it makes any difference in the matter to which I now desire to call the attention of the Senate. I am free to say that I would hardly claim the attention of the Senate if this additional assessment of 1 cent a yard was on mercerized cloth alone, but it is not on mercerized cloth alone. The same assessment is made on other kinds of cloth, provided they contain even a single thread of mercerized yarn.

I showed here on Saturday by reading a letter sent to the Committee on Finance by Littauer & Co., who are converters of American cotton cloth in New York City, that the cost of the mercerization of cloth in the United States is less than it is in Bradford and in Manchester. Not a word in dispute from the committee has been heard in respect to that question. I called the attention of the Senate to the fact that the committee had failed to lay before the Senate the information which they obtained at the expense of the Government by telegraphing to everybody in the United States familiar with the cost of mercerizing cloth. I ask the committee now to lay that information before the Senate for what it is worth.

One of the replies was from the firm A. L. Reid & Co., large converters of cotton cloth in the city of New York, giving exactly what the cost of mercerizing cloth was and stating that it varied from one-eighth of a cent to three-fourths of a cent per square yard; and yet upon a process upon which the entire cost is less than 1 cent it is proposed to levy an extra duty of 1 cent. I do not think it is right; I do not think it is fair to the American people. If that were all, I might be constrained to make less noise about it, but these amendments go further. They not only put a cent on every yard of mercerized cloth, but on every yard of cloth that contains a single mercerized thread in its fabric.

Mr. LODGE. The Senator does not mean to imply that that provision is an amendment reported by the Finance Committee?

Mr. DOLLIVER. It is an amendment to the Dingley law.

Mr. LODGE. But I thought the Senator was speaking about the provision levying a duty of 1 cent on all cotton cloth on page 111. That is not an amendment of the Senate committee.

Mr. DOLLIVER. I am not talking about that. I say it is an amendment to the Dingley law, and I move to strike it out for that reason.

Mr. LODGE. I beg the Senator's pardon. I thought he said it was an amendment of the Finance Committee.

Mr. DOLLIVER. No; it is simply an amendment that was found upon due consideration by the members of the Finance Committee to be well and truly made; and I am disputing not only with the Finance Committee, but I am disputing the wisdom of an amendment of the Dingley law in that particular. As the House passed it, it would have been comparatively innocuous, because it placed a duty of 1 cent a yard on cotton cloth; but the Senate Committee on Finance, in the previous paragraph, has enlarged the scope of it and made it applicable, not only to a yard of cotton cloth, but to every yard of cloth that contains one thread of mercerized yarn.

On Saturday, I am sorry to say, in the absence of my honored friend from Massachusetts, I exhibited to the Senate a piece of cotton cloth with a mercerized thread running through it giving little lines of gloss to the cloth 1 inch apart. It was a common everyday American shirting, made, as I have said, in the United States by the millions of yards, for the millions of people. They put 1 cent a yard upon that cloth, not because it was mercerized cloth, but because it contained two yarns of mercerized thread in it.

That cloth was bought in vast quantities last week of the leading manufacturer of Pawtucket, R. I., and a bill accompanied it in which it appeared that the cloth without that mercerized thread in it was worth 8 cents a yard, and with the mercerized thread 8½ cents a yard. It was not a speculative transaction.

Mr. ALDRICH. Does the Senator say a mill in Rhode Island?

Mr. DOLLIVER. I think so.

Mr. ALDRICH. I would be glad to know the name of the mill.

Mr. DOLLIVER. My honored friend the Senator from Rhode Island would have appeared glorious and beautiful on last Saturday, when I exhibited the cloth to the Senate of the United States and made myself personally responsible——

Mr. ALDRICH. Did the Senator give the name of the manufacturer?

Mr. DOLLIVER. I think I did; and if I did not, and if my secretary will produce the sample, I will present it. I am delighted to have the Senator's attention. I never felt more humiliated in my life than when the Senator, who has always been kindly and well disposed toward me, turned his back on the argument for which I had made such elaborate preparation.

Mr. ALDRICH. I am sorry to have incurred the displeasure of the Senator from Iowa.

Mr. DOLLIVER. While I am waiting, I will say that, of course, it was very embarrassing for me to exhibit it once in the Senate. It was a common, everyday, cheap kind of a thing to do. But that does not measure my distress when I am compelled to bring it in again. I am compelled to do it.

It was no transaction in air. It was a transaction made a week ago by one of the greatest merchants in New York City with one of the greatest cotton manufacturing establishments in New England, and the proposition was that these goods, with these mercerized threads, were 8¼ cents a yard. If you want the same goods without the mercerized threads, you can have them for 8 cents a yard. There is a little thread in there which, in the actual course of trade going on in the United States to-day, adds one-eighth of a cent, which, by your committee amendment, is treated with a specific assessment of 1 cent, and those of you who are familiar with the rules of arithmetic, which have suffered so much at the hands of the committee, know that is 800 per cent on this little process of mercerizing one thread.

Mr. BEVERIDGE. Does the Senator mean to say from one-eighth to 1 cent?

Mr. DOLLIVER. I mean to say in that little cotton cloth, such as is bought by the millions in the United States, those stripes are made by two-ply yarns, mercerized, and woven into that cloth by the loom that wove the cloth itself. This cloth was manufactured by the Whitman Mills. It is gray cloth coming from the Whitman Mills in the United States.

Mr. ALDRICH. Where are they located?

Mr. DOLLIVER. I think they are located in Rhode Island. Where are they located?

Mr. LODGE. New Bedford.

Mr. DOLLIVER. That is within a few miles of the residence of my honored friend. I have not been one of those who blamed the Senator or criticised him because there are cotton mills in Rhode Island——

Mr. BEVERIDGE. The point is they were made by American mills.

Mr. DOLLIVER. They were made by American mills and are sold to Americans to-day with only one-eighth of a cent a yard difference on account of the presence of these mercerized threads. And yet what is proposed by this committee—and I have no doubt the Senate will go right along with it. I have come to the conclusion that these matters may as well be left without debate, although I do not want to leave them without a statement. This piece of cloth, which has had one-eighth of a cent added to its cost by reason of the mercerized thread, is subjected to the same duty for mercerization as are those magnificent white vestings which were exhibited in this Chamber by the Senator from Massachusetts.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. In relation to mercerization, or the number of threads that may be in a square inch or a square yard of cloth, it would be absolutely impossible to administer the law if we were to count the number of threads. It is just the same as with a piece of embroidery. If even an initial is put upon cloth it must come in as embroidered cloth. So it is with mercerized threads and a piece of cloth. If it is mercerized at all, the only way to administer the law practically is not whether there are 10 threads or 100 threads. Local competition between mills will take care of a piece of cloth that is advanced in value one-eighth of a cent.

Mr. DOLLIVER. The distinguished Senator from Utah intimates there is no way of assessing these goods except specifically. I made a fight here on Saturday, a fight in which my friend, the Senator from Utah, participated in part, in which I undertook to show the folly of having specific duties upon goods varying as these goods do in value, a folly so well recognized that the committee would not suggest such a thing with reference to woolen cloths, and it never has done any such thing in the history of the Government. And yet he says it is impossible so to frame this law that an increase of value of one-eighth of a cent should be treated differently from an increase of 12 cents a yard, such as my friend, the Senator from Massachusetts, pointed out the other day.

Mr. ALDRICH. I am sure the Senator wants to be perfectly accurate.

Mr. DOLLIVER. I do. I assure the Senator that all I desire to do is to get this matter in such shape as to defend it before the community, as I have defended the protective-tariff policy in the United States for thirty years.

Mr. ALDRICH. The Senator says no such rule is applied to woolen cloth. The same rule, since 1900, has been applied to woolen cloths, by brackets, as to value, always——

Mr. SIMMONS. Mr. President, it is impossible from where we are to hear the Senators.

Mr. ALDRICH (continuing). Not as close together as these, because these are put close together to avoid undervaluation.

Mr. DOLLIVER. Does the Senator deny that all through the woolen schedules the ad valorem appears as the manufacturer's protection?

Mr. ALDRICH. I am not talking about that. We have applied different rates of specific duties as to values.

Mr. DOLLIVER. What I have been talking about is that through the woolen schedule we have 50 per cent ad valorem, 35 per cent ad valorem, always, where the variety is so great as to baffle anybody's ingenuity to fix dividing lines.

Mr. ALDRICH. We may have them in the woolen schedule, but we have never had them in the cotton schedule, and the decision of Colonel Tichenor shows——

Mr. DOLLIVER. My honored friend the Senator from Rhode Island certainly has overlooked the fact that in every paragraph of the Dingley cotton schedule there was, after a few specifics upon the lower grades of cloth, a comprehensive ad valorem upon cloths of given values.

Mr. ALDRICH. That is not the question which is now before the Senate. The question now before the Senate, upon the proposition of the Senator from Iowa, is that mercerization and colors of every kind should not apply here, except—I do not know what exception he does want to make; unless there are a great many mercerized threads or a great many colored threads in the fabric. That is precisely the question which Colonel Tichenor decided in the decision which I have read. Let me read it again, because I think the Senator failed to catch the import of that decision:

> The board has uniformly held that cotton cloth, whether containing colored threads in the different forms of figures, stripes, checks, or otherwise—

He does not say two threads or four threads or a hundred threads. The law has been uniformly enforced in this country, up to the decisions which I referred to the other day, that any colored threads in a piece of cloth made it dutiable as colored cloth, and there is no other possible way to administer these laws practically.

Mr. DOLLIVER. As I said before, the Dingley law, after a few specifics upon cheap goods, included all the rest of the cloths in ad valorems rising from 25 to over 40 per cent.

Mr. ALDRICH. But the Dingley law in some cases made specific duties on goods at 20 cents a yard, and those goods the Senator says are worth only 8 cents. They would come in under the Dingley law under specific duties as well as under the amendment which we have adopted.

Mr. DOLLIVER. So that if processes of painting or dyeing or mercerizing add anything to the value of the goods, if we had not struck those ad valorems out, that additional value would have been caught by the ad valorem and reported at the custom-house with absolute accuracy.

Mr. ALDRICH. But the specific rates did cover the piece of cloth which the Senator holds in his hands, and as demonstrated by Colonel Tichenor and everybody else, if they contain one colored thread, they would pay the rate of duty on colored cloth. The decision made the other day nullified that and permitted the importers to bring into this country articles of the kind suggested.

Mr. DOLLIVER. I am not talking about colored goods.

Mr. ALDRICH. The same rule applies to mercerization.

Mr. DOLLIVER. I do not so understand it.

Mr. ALDRICH. The same rule applies to both under this law and under this bill, and we do not seek to establish any different method by this bill. By the way, the Senator must remember that this is not a committee amendment. The pro-

visions which he proposes to change are provisions of the House bill. The provision of the House bill said 1 cent a yard on mercerized cloth, and it takes 1 cent a yard on mercerized thread by reason of the amendment.

It was 1 cent on all mercerized threads, by the similarity, under all the laws which we have had until reversed by the case stated here the other day, which allowed the importer to bring in goods that were clearly colored goods at the rate of gray goods; and that is what the Senator's rule would make possible in this case. You would have goods imported with mercerized threads all through them, with a superimposed mercerized thread; we would go back to that condition of affairs where importers might bring to this country goods with a warp and filling thread gray and all the rest of the threads mercerized. That would be the effect of the suggestion made by the Senator from Iowa.

Mr. DOLLIVER. Whenever the Senator gets into those decisions, I feel the pressure of the fog and the darkness that settles down over every man's mind who hears him. I do not intend to follow him any further. I went into those decisions Saturday, and stayed in the dust and fog that had accumulated there until I was out of breath. I do not intend to go back to it. I know exactly the effect of every one of those decisions. They do not throw any light on this situation. I am going to ask the Senator from Rhode Island to throw some. He is a fair man; he wants to help everybody to come to a right conclusion. He does not deny what I say about this sample.

Mr. ALDRICH. About this sample, if the Senator wants my opinion about it——

Mr. DOLLIVER. Yes.

Mr. ALDRICH. If it shows anything at all, it shows that the manufacturers in the United States can compete on that kind of goods with anybody in the world. But the sample does not affect another thing. If the Senator has his way, if that cloth contained 99 mercerized threads, superimposed, and only 1 thread that was not mercerized in the warp and filling, then it would be imported into the United States without any additional duty for mercerization.

Mr. DOLLIVER. If I had had my way on Saturday, every additional cent added to the value of this cloth, whether by mercerization or any other process, would have been hospitably received into the ad valorem rate provided for this grade of goods by Governor Dingley's provisions.

Mr. ALDRICH. It is rather late, I think, for the Senator from Iowa, or any other Senator who believes at all in the protective-tariff idea, to say that ad valorem rates should ever be used when specific rates can be used. The Senator from Iowa knows, if he knows anything, that ad valorem rates have been the basis of the grossest undervaluations by which——

Mr. DOLLIVER. They are not the basis of the undervaluation of sugar and silk, however.

Mr. ALDRICH. Sugar and silk are specific. Sugar is specific.

Mr. DOLLIVER. Was the Treasury ever robbed anywhere as much as it has been on those specific assessments on silk and sugar?

Mr. ALDRICH. We had an ad valorem rate on silk always.

Mr. DOLLIVER. Not always; some parts of it.

Mr. ALDRICH. Yes. Recently we have had some specifics on some. But until recently they were on all. I do not mean to say that specific rates prevent frauds of other kinds. Does the Senator think that the weighing frauds are either stopped or facilitated by either specific or ad valorem duties? I am talking about the principle which underlies every protective tariff, that duties should always be specific when they can be and never ad valorem, and in the statement which I made on Friday night I showed conclusively how the Treasury of the United States had been depleted, to use a very mild term, by this system of ad valorem rates, and I beg the Senate not to return to it.

Mr. DOLLIVER. There is no danger in the world of the Senate returning to them. The Senate is in a frame of mind in which it is not likely to turn very far away from what the Senator from Rhode Island suggests. So I do not want him to misinterpret my enthusiasm. I think I know something about the value of ad valorems in a protective-tariff law. I learned from Governor Dingley that ad valorems were very useful where the value could be ascertained, and where there was a large range of values settled with reasonable accuracy the ad valorem was an ideal way of catching all stages of value. I learned also that specifics were of no account unless you could get an equivalent ad valorem. The French Government spent five years doing for that nation what Judge de Vries has spent six weeks trying to do for the Senate of the United States. The French Government standardized these values at all the ports of France, so that when they named a specific it would represent a well-ascertained equivalent ad valorem. But I am not going to discuss that.

I am going to ask the Senator a question. It is, whether he thinks it is right, seeing the general character of that shirt goods, to assess 1 cent to protect the manufacturers of it against foreign competition, when the total difference in the price of the article mercerized and not mercerized is only one-eighth of a cent a yard? In other words, does he want us to shut our eyes and deliberately vote a protection on this process of 800 per cent?

Mr. ALDRICH. I will answer that question very frankly. If this provision as to mercerization applied only to that piece of cloth which the Senator has exhibited here, then I would answer no. I would not do it. But that is a very unusual case. Certain cases can be suggested in any class of articles which bear a specific rate of duty. I will say to the Senator that not 1 per cent, not one-tenth of 1 per cent of the goods mercerized that come into the United States would be covered by articles such as he has suggested. Of course, that could never be imported under the provisions of this act; and the provisions of every act which has been passed from 1861 down to the present time would do the same thing with regard to colored and bleached goods as we are now proposing to do as to mercerized goods. It would be simply impossible for this committee or anybody else—the French Government or anybody—to have a scale of specific duties on mercerized goods that would commence with 1 thread in the article, and then for 2 threads and then for 3 threads and up to 100 or 300 threads.

Every Member of the Senate can see, as a matter of fact and as a matter of administration, it is simply absurd and impossible that we should have such a tariff with regard to mercerized goods. It would be as long as this whole bill if we undertook to provide for one single thread, two threads, and three threads; and if we did the same thing in regard to colored goods—bleached goods—this bill would be interminable. You have to apply a rule, a rule which in its main effects and its main provisions is just and equitable. If it levies specific duties, as I said last Friday night, there will be high and low points in it. You would show a high rate of equivalent ad valorem at one point and a low rate at another. Goods are not imported at these high rates. A cloth of that kind [indicating] could not be imported, and there would be no reason for importing it.

Mr. DOLLIVER. It can not be imported now.

Mr. ALDRICH. I presume not. I presume the Senator is right about that. It is covered by sufficient duty now to keep it out; but that is not the kind of cloth for which we are legislating.

Mr. DOLLIVER. Does the Senator see anything peculiar about that cloth?

Mr. ALDRICH. It is a common piece of cloth.

Mr. DOLLIVER. Exactly.

Mr. ALDRICH. And the common cloths that are made in the United States are sufficiently covered, as I have stated over and over again, by the law as it now stands. These are not the cloths we are talking about. They are not the kind of cloth we are providing for. It is an entirely different class of fabric. The Senator can find some man in the United States on every one of these specific duties who could show enormous rates. That is a simple thing to do. As I stated the other night, it is impossible in a specific duty not to find some article or some fabric covered by it that will show a high equivalent ad valorem.

But that is not what we are here interested in. We want to take the average of these fabrics. I desire that these mercerized goods, which are as fine as silk and as valuable as silk, shall be so treated that they will be manufactured in the United States, and not only one piece, like the sample which the Senator has produced, but all these valuable and artistic cloths which are now imported. I want the manufacturers of the United States to have the American market; and I will say to the Senator from Iowa that the cost to the American consumers will not be increased one mill. If I had time to go into the matter, I would be able to show that goods imported at a valuation of 20 cents a yard are sold at from 80 cents to $1 per yard ordinarily.

No; the Senator from Iowa is mistaken with respect to what the committee is trying to do. We are not legislating for the benefit of some man who makes that class of goods, or some man who might make a little higher class of goods. We are legislating for the American workingman and for the American manufacturer, against a class of goods that are now imported

and when the American market is now in foreign hands. We desire to have that business transferred to the shores of the United States.

Mr. BEVERIDGE. May I ask the Senator a question?

Mr. ALDRICH. Certainly.

Mr. BEVERIDGE. The Senator says the goods are now imported. I understand both Senators to agree that that particular piece is made here almost exclusively.

Mr. ALDRICH. The Senator could not have heard me at all.

Mr. BEVERIDGE. Yes, I did; I paid very close attention. Are there not any of these kinds of cloth made here now?

Mr. ALDRICH. There are a few of the lower grades made here, of course. I say the specific rates, which run up to 20 cents a yard——

Mr. BEVERIDGE. Would the Senator shut out importations altogether? Does he not think they are a good thing as regulators of prices? Would he exclude them?

Mr. ALDRICH. Of course not. I am not suggesting anything of that kind.

Mr. BEVERIDGE. That is what the Senator's statement was.

Mr. ALDRICH. On goods worth 25 cents a yard, the Senator can see, by a mathematical computation, that a cent a yard is only one-fourth of a cent. Does the Senator think that duty would keep out those articles?

Mr. BEVERIDGE. The Senator's exact words, perhaps spoken inconsiderately in the heat of debate, were that he wanted to see all these goods made here which are now imported. I wondered if he meant by that that he wanted a prohibitory tariff on certain things.

Mr. ALDRICH. What I meant was that I wanted all classes of cotton goods to be made in the United States. I certainly do not desire to have a prohibitory tariff on anything. I have never advocated a prohibitory tariff.

Mr. BEVERIDGE. If that were true, keeping in mind what the Senator from Utah [Mr. SMOOT] said a moment ago, of course if it was not for the domestic competition the effect of that duty would be to raise the prices, but he said local competition would take care of it. Assuming that to be true, what would become of that local competition if the rates were so high that within thirty days from the passage of this bill there should be a great combination formed covering all these cloths we are talking about? Such a thing has happened before.

Mr. ALDRICH. It seems to me there are some Senators who are without imagination at all. I do not think the Senator from Indiana belongs to that class, because I think he has an inflated imagination.

Mr. BEVERIDGE. I am not so sure it is imagination, by any manner of means. Unless the Senator promises it, I will not go any further concerning this combination than merely the question I put. The Senator can call that imagination, and we will see in the course of a few months whether it is true or not. We have proof that it may occur from the fact that in many instances it has occurred under similar circumstances.

Mr. ALDRICH. There is no industry that is so widely diversified, in the Southern States and in the Northern States where the industry exists at all, as the manufacture of cotton goods.

Mr. BEVERIDGE. Of this variety?

Mr. ALDRICH. Of all varieties.

Mr. BEVERIDGE. I know, but I ask the Senator whether there has been very much mercerized cotton cloth made in the South.

Mr. ALDRICH. It can be made in the South as well as in the North. There are no lines of latitude or longitude and no sectional lines applying to the mercerization of cotton goods.

Mr. BEVERIDGE. I will ask the Senator this question—whether the most of the manufacturing in the South is not of the common cotton cloths and whether he has raised in any way the tariff on one of them?

Mr. ALDRICH. The Senator evidently did not pay any attention to the remarks I delivered a few nights ago.

Mr. BEVERIDGE. I did.

Mr. ALDRICH. I then stated that the Senator from Georgia, who is now giving me his attention, had brought to my attention a letter saying that in an establishment in the Senator's own city they had expended a million dollars in manufacturing the fine cotton yarns, mercerized. Nobody can make fine cotton yarns in these days without mercerization. The South is sure to manufacture this cloth; there is no question about that at all; and the reason that the South is not to-day manufacturing a great portion of these fine cotton cloths is because they have not yet developed the industry to that extent.

There is nothing in the southern condition which keeps them in the manufacture of the common goods, and I desire by this very amendment to put them in a position to compete with the cotton manufacturers of the world, not alone in common cotton, of which they now have a monopoly, but in all these finer forms. I want to see them making these very goods, and it is giving them the protection which they need for that manufacture.

Mr. BEVERIDGE. So, it turns out as the residuum of the Senator's statement that, as a matter of fact, excepting a negligible quantity, the particular goods about which we are talking are not at present made in the South, but may be in the future.

Mr. ALDRICH. I do not know what the Senator means by a "negligible quantity."

Mr. BEVERIDGE. The Senator knows particularly the case. He said "may be."

Mr. ALDRICH. I presume there are very few, if any, mills in the North valued at a million dollars that manufacture these fine cotton yarns.

Mr. BEVERIDGE. The Senator said I certainly had not listened to his words the other night. I listened with the keenest attention to his passionate appeal—and it was a passionate appeal, and one which was eloquent—but I also observed that in that appeal he said that these common cotton cloths were made in the South; that they were exported to the Orient, and that it made a market for them now, but that the Orient was itself going to come into competition with them some time or other. Therefore he appealed to the South against the coming danger. I did not want to interrupt the Senator at that moment, or I would have asked him whether in this bill there is a single provision increasing the duties on these kinds of goods because, as you have said, of that coming invasion. I listened to the Senator's statement. But he was bound, as a matter of logic, to propose an increase of duties to preserve the South from that peril, yet he makes no increase in such goods.

Mr. ALDRICH. The Senator could not have listened to me, but if he did, he heard me say that in my judgment—and I desire to reiterate the statement—the competition which this country will receive from Japan and from Japanese manufacturers will be along the lines of these very articles. Such are the artistic tastes of the Japanese in all matters pertaining to decoration and articles of decoration in the use of colors that they have exceeded all the nations of the Orient. They are now competing in crockery in China, and in various other articles along the same line of these finely decorated colored cotton cloths. I said, or I meant to say, and I think if the Senator will read my remarks he will find I did say that competition from the Orient will be exactly along the line of the amendment which the committee suggested to this House provision with regard to mercerization.

Mr. BEVERIDGE. So it all comes down to this in this particular instance. It is another example, of which there are several other instances in this bill of a tariff on futures in order to meet expectations. The Senator has not read Dickens's "Great Expectations."

Mr. ALDRICH. No man can sit in this Chamber and legislate for this great and growing country without legislating for the future. We do not apply the legislation to past conditions in legislating for this country. It is for the future that we are legislating, for the manufacturing industries of the future rather than those of a past age and past time.

Mr. BACON. Mr. President, will the Senator from Iowa pardon me for a moment?

Mr. DOLLIVER. Certainly.

Mr. BACON. The Senator from Rhode Island alluded, both to-day and in the speech made by him the other night, to the letter which I handed him on the subject of a part of the cotton schedule. It is true, as stated by the Senator from Rhode Island, that I handed him a letter written by Mr. Walter Hanson, who was then in charge of one of the largest textile industries in my State, having 8 or 10 factories. He was an able and a most estimable gentleman, enjoying the full confidence of all, and his statements are entitled to great weight. He wrote that letter and went on to New York in apparent health, and, very unexpectedly to all, died there two or three days later.

It is proper for me to say, so that I may not be misunderstood in regard to the matter, that I do not know what the letter contains, further than the subject to which it relates. The gentleman was here on other business, and I accompanied him to the White House and introduced him to the President, before whom he wished to lay a matter altogether foreign to the tariff. While he was here he endeavored to explain to me a feature in the pending bill which, in his judgment, would work injustice to the manufacturers of the higher class of cotton goods. It, however, involved some technical matters which I did not understand. I suggested to him that, on account of this technical feature, it would be better for him to appeal to headquarters, and I told him that if he would write a letter to the Sena-

tor from Rhode Island I would take pleasure in personally handing it to him, which he did.

If I may further trespass upon the time of the Senator from Iowa, who has the floor, I will say a word in regard to the interest we have in textile manufactures in the South. As I have previously stated in the progress of this debate, I am deeply interested in the cotton-manufacturing industry in Georgia. It is a great and a growing industry, and its output is very large. It is true that much the larger portion of these goods is the coarse grade, including largely yarns, and I do not understand that these classes of goods receive any special favors in this bill. There are, however, a number of textile industries in Georgia and elsewhere in the South which are engaged in higher classes of manufacture. Whether their products embrace the finer mercerized goods I am not able to state. I do know that they make cloths of superior quality that are used for summer clothing, and so forth, for men, and that they make towels and many other things of that kind.

I myself am not impressed with the suggestion of the Senator from Rhode Island as to the importance of raising any of these duties so far as concerns the interests of the cotton manufacturer. The bill as it came from the House, as it relates to the cotton schedule, is practically the same as in the Dingley law, and the Dingley law is practically the same in this particular as the Wilson law. Cotton manufacturing has largely developed and prospered under the existing law. I rose, however, only to make the statement relative to the letter written to the Senator from Rhode Island by Mr. Hanson, to which he has made allusion.

I want, nevertheless, to allude to another thing, of which I have made mention in a speech which I made in the Senate some time ago, and that is the importance and magnitude of the cotton industry and other manufacturing industries of the South and their relation to the agricultural interest. In my State manufactures are larger in money product than in any other Southern State, all mechanical industries combined being taken into the calculation. Much the larger interest in our section, however, is the agricultural interest. This agricultural industry can not receive any direct benefit from the high tariff. My opinion is that in fixing these rates regard should not only be had for manufacturing interests, but proper regard should also be had to the large agricultural interest, which has upon it the great burden of the protective tariff and which of itself can not receive any direct benefit from it.

Mr. ALDRICH. Mr. President, I should like to say just a few words, with the consent of the Senator from Iowa.

Mr. DOLLIVER. I desire to put a letter into the RECORD, and I will do it now. It will bother the Senator less if I conclude my remarks.

I may, by the want of time, although not by the want of purpose and labor, have been led astray about some of these cotton goods. There are some things that you can find out from the statistics. There are other things that you have to go to merchants if you desire to find out. If I have correctly understood the testimony of the merchants, there is no likelihood that the general use of mercerized cotton cloths—I mean cloths entirely mercerized—will take place in this world. The probability and the tendency is to ornament fabrics, made beautiful by other means, with mercerization in the form of spots or dots or lines or geometrical figures of one kind and another, so as to give an attractive appearance to the cloths that have not been subjected to the operation of mercerization. An examination of the dry goods stores in this town shows it is correct that the great bulk of the imported and homemade mercerized goods are not mercerized in whole, or, at least, the finer processes of mercerization are not applied to them, but they are mercerized in very small part, representing here a line and there a line, adding an attractive ornamentation to the surface of fabrics already sufficiently beautiful for most people.

I am glad to say that these goods of the highest artistic value are made better in New England than anywhere else in the world. I disavow this statement, made by my distinguished friend the Senator from Utah [Mr. SMOOT], that New England is behind France, Germany, or England in the manufacture of high-class cotton goods.

The mills of New Bedford and Fall River lead the world. I have had an opportunity to commune with the inventors who made the machinery that enabled them to lead the world. That machinery is now being exported to the factories of England and France and Germany to bring them up to our date.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I simply want to say to the Senator that as far as novelties are concerned in fine cotton the statement that I made was received from a number of New England manufacturers.

Mr. BRISTOW. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Kansas?

Mr. DOLLIVER. Certainly.

Mr. BRISTOW. I can not hear what is going on.

Mr. DOLLIVER. Can not my friend hear me?

Mr. BRISTOW. I can occasionally, but most of the time the questions that are passed back and forward we can not hear.

Mr. DOLLIVER. I have a very dear friend sitting near me who claims that he has to go out because he can not stand the noise. [Laughter.]

Mr. BRISTOW. I wish to say that my criticism was not directed to the Senator from Iowa, but to those who answer questions.

Mr. DOLLIVER. If my friend from Utah had only the information which he has just communicated to the Senate, it was, it seems to me, a rather small basis upon which to lay foundation for his argument in respect to this cotton schedule, for the burden of his remarks was that we had to protect more highly than heretofore these fine goods; otherwise we would consent to the permanent division of the world's cotton market between us and the European manufacturers, we occupying the lower levels and willingly consenting that they should occupy the high.

But I do not desire to allude to this phase of the matter any further. I will put into the RECORD certain documents, having first asked the Committee on Finance what has become of the answers to telegrams sent out by the chairman of the Board of Appraisers asking the men who are familiar with the costs of the process of mercerization to send in a statement of what their expenses of mercerizing cloth at this time actually are. Failing an answer to that question, I intend now to put in the RECORD copies of telegrams received by the committee, but not, so far as I know, heretofore laid before the Senate in respect to the cost of mercerization.

I desire, first, to lay before the Senate, for the purpose of printing it in the RECORD, a telegram, accompanied by a formal letter from Ludwig Littauer, of 109 Greene street, New York, in answer to a telegram sent him by Chairman de Vries, the answer being sent in care of the Finance Committee, he showing that the foreign cost of mercerization is substantially less in the chief centers of mercerization in England than it is in Rhode Island or Massachusetts.

Mr. ALDRICH. Will the Senator be kind enough to put into the RECORD, in connection with these statements, the vocation of those gentlemen?

Mr. DOLLIVER. I do not think I ought to be called upon to do that.

Mr. ALDRICH. Possibly not.

Mr. DOLLIVER. Their vocation was sufficiently respectable to warrant Mr. de Vries, under direction of the Finance Committee, to ask them for information to guide the Senate committee in this matter after they had already put the provision in the bill.

Mr. BEVERIDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. Is there anything so reprehensible about their vocation as to affect the credibility of their testimony or their veracity as men?

Mr. DOLLIVER. I do not know about that.

Mr. ALDRICH. That question has been raised in the Senate a number of times. I have never assumed that these importers were not respectable men. I have never said anything that could possibly be construed as an impeachment of their respectability, but I do say that in constructing a tariff bill that affects every person in the United States we ought to receive their testimony, when their interests are altogether on the other side of that question, with some degree of doubt.

Mr. DOLLIVER. While the Senator from Rhode Island is on his feet, I will ask him what became of the other answers? Did Mr. de Vries not telegraph to some good Americans who could be believed about these matters?

Mr. ALDRICH. I know nothing about the circumstances to which the Senator alludes. Mr. de Vries and no one else could have had this information for the committee except in a general way. The gentlemen who are here as experts are getting together for the committee all the information which they can with reference to every item in the bill.

Mr. DOLLIVER. Mr. President, of course if the witnesses are disreputable——

Mr. ALDRICH. I did not say that.

Mr. DOLLIVER. If they have lead evil lives in the community where they reside, I would hesitate to bring them here to testify. But they are not my witnesses. This Mr. Littauer says:

In reply to your telegram——

And he directs it to Hon. Marion de Vries, care of the Senate Finance Committee. If they are bad men, unfit to be believed and unfit to be brought into the association of the Senate, it is not my fault. I intend all the same to put——

Mr. BEVERIDGE. Will the Senator permit me?

Mr. LODGE. Will the Senator kindly read the reply as to what the rates are for mercerization?

Mr. BEVERIDGE. Just a moment.

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. The last statement of the Senator from Rhode Island is a very fair statement. It was much fairer than his first imputation in the question, "What is the vocation of these men," the inference being left on our minds that their vocation is something which discredited their testimony. The second one was a fair one. The first was not fair. The first one courts suspicion as taking into consideration the interest of those who have testified.

So we have it down to a fair basis. Here is a statement of facts. It is not a statement of opinion, but a statement of facts. Now, the question is whether the mere fact that a business man in the course of his business has imported some of these goods is sufficient to destroy his statement of fact. That might be determined by asking the Senator from Rhode Island himself whether that first statement of fact and that first telegram is not the truth.

Mr. ALDRICH. I have not heard it.

Mr. DOLLIVER. Mr. President——

Mr. BEVERIDGE. That mercerized goods can be made cheaper here than they can abroad.

Mr. DOLLIVER. The witness not being sent for by me, but being summoned by the committee, under the old rule of common law of evidence, with which I was at one time familiar, I think I will not allow the members of the committee to further impeach his credibility, but will content myself by reading what he says:

MAY 3, 1909.

DE VRIES, Esq.
Care Finance Committee, Washington, D. C.:

Foreign mercerizing, to 80's, 4d.—

And if you will bear in mind to multiply that by 2 it gives you the commercial approximate of our own money, 8 cents—

to 120's, 6d.; to 130's, 7d.; to 140's, 8d.; to 150's, 9½; to 180's, 11½; to 200's, 13d. a pound. Domestic, to 80's, 6 cents per pound—

As against 8—

balance proportionately.

LUDWIG LITTAUER,
109 Greene street, New York.

That is the telegram. Now, here is the letter, following shortly afterwards:

MARION DE VRIES, Esq.,
Finance Committee, Washington, D. C.

DEAR SIR: In reply to your telegram, we telegraphed to you on May 3, as follows—

Then follows the telegram which I have just read—

and beg to herewith confirm prices quoted for cost of mercerising yarns in England, as follows: All numbers up to 80's/2, 4d. per pound—

That is 8 cents.

Then follows the exact statement, except that it carries out the proportion, and adds:

The domestic mercerizing is done at 5 and 6 cents per pound up to 80's/2, and finer sizes proportionately higher. We know that the prices for mercerizing in this country are considerably lower than abroad. The great quantities of yarns used are below No. 120/2; numbers finer than 120's/2 are used in very small quantities.

There is the testimony of a man who, whatever his character is, is getting mercerization done in Rhode Island and in Bradford and Manchester, and he states with a reasonable degree of accuracy what he is paying for it. Of course he may be in some occupation that totally undermines his moral character, but if he is, the Finance Committee ought to have scented that infirmity before it brought him here as a witness; and if they desire to impeach him, I call upon them to put into the RECORD of this day's proceedings of the Senate other telegrams that they got in reply to letters for information on this question.

Mr. BEVERIDGE. They can not impeach their own witness, according to the rules of evidence.

Mr. DOLLIVER. I also desire to put into the RECORD the reply of A. L. Reid & Co., merchants of New York, sent in reply to a telegram from Hon. Marion de Vries, care of Senate Finance Committee, stating their experience in mercerizing cloths in the United States, in which they say that the cost is less than 1 cent; that it is three-fourths of a cent and five-eighths of a cent.

Mr. ALDRICH. Did the Senator give the name of that gentleman?

Mr. DOLLIVER. A. L. Reid & Co.—bad men, I have no doubt, and yet men called on by the general appraiser to furnish the committee with information on this subject.

Mr. CLAY. There is one feature of this matter which I do not exactly understand. I understand that the Dingley rate on the cotton schedule and the Wilson rate are practically the same running the two laws through; that there is very little difference in them, the cotton schedule, as a general proposition, being the lowest general schedule of our tariff legislation.

As I understand it, paragraph 321 provides a rate on all cotton cloths in which other than the ordinary warp and filling threads are used to form a figure or fancy effect, whether known as lappets or otherwise, 1 cent per square yard if valued at not more than 7 cents per square yard, and 2 cents per square yard valued at more than 7 cents per square yard. That, as I understand, is the Dingley law. Am I correct?

Mr. ALDRICH. It is.

Mr. CLAY. That is the Dingley law. Now, what was added to that paragraph and paragraph No. 313 in the Dingley law, in my recollection, are the following words:

On all cotton cloth mercerized or subjected to any similar process, 1 cent per square yard.

Mr. ALDRICH. That is right.

Mr. DOLLIVER. Yes.

Mr. CLAY. That amendment has been reported by the Finance Committee.

Mr. DOLLIVER. Yes.

Mr. CLAY. I think I understand it, but this question presents itself to my mind: I have always understood that no classes of cotton goods were mercerized made out of ordinary cotton.

Mr. DOLLIVER. That is not correct.

Mr. CLAY. I have understood that this process was simply applied to cotton goods made out of long-staple cotton.

Mr. ALDRICH. Oh, no.

Mr. CLAY. To a large extent, to say the least of it.

Mr. DOLLIVER. That is an error.

Mr. ALDRICH. To some extent.

Mr. CLAY. I have misunderstood it, then, if that is true. There is one other question. I have understood that this process was simply applied to goods of the finest character.

Mr. ALDRICH. That is right.

Mr. CLAY. And made out of the finest class of cotton, mostly Egyptian cotton and long-staple cotton. That has been my understanding.

Mr. SMOOT. That is absolutely correct.

Mr. CLAY. I should like to ask the Senator this question: I see it says on all cotton cloth mercerized or subjected to any similar process, 1 cent per square yard. That feature was not in the Dingley law. Then I want to ask the Senator how much it costs per square yard to mercerize cloth and if there are different grades of mercerization, or does it cost the same amount per square yard on all classes of goods?

Mr. DOLLIVER. I will try briefly to answer both questions. The special assessment for mercerization was not in the Dingley law, because at that time the process was not well introduced in a commercial sense. It was the opinion of the committee that a slight increase in the ad valorem on the higher classes of cotton cloths would enable a sufficient assessment to be made by reason of the improved processes, whatever they might be. So the only change made by the Dingley law in the Wilson law was to increase the ad valorems in the higher countable paragraphs and to add to the Wilson countable paragraphs another applicable to cloths containing more than 300 threads to the square inch. The result of that was and has been that whatever value is added to these threads by virtue of the process of mercerization is immediately reported equitably at the custom-house by the ad valorem rates which apply to its importation, as this mercerization is applied generally to cloths of more than ordinary and common value. So under the Dingley law the process of mercerization was caught by the Dingley ad valorem

and by the Senate committee's specifics, rising as the value of the cloth increases. For instance, the honorable Senator from Massachusetts [Mr. LODGE], in the very able and interesting speech which he made on last Friday, showed a piece of goods which he claimed had had 12 cents a yard added to its value by careful mercerization. If that is so, and I will not dispute it, that piece of goods falls in the paragraph assessing 35 per cent upon its value. Thirty-five per cent assessed upon 12 is 4 cents and two-tenths.

Therefore the Dingley tariff law gave to this mercerizing process an assessment equivalent to a specific of 4.2 cents a yard, without saying a word about anything extra; but this committee has struck out these ad valorems that thus equitably disposed of the higher processes of manufacture, and made all the duties specific, with close dividing lines based on value. So, in addition to the specific duties that they have assessed on that particular cloth, they propose to assess an additional cent if the cloth is mercerized, and an additional cent on the cloth if any part of it is mercerized, even down to a single point or dot or a single running thread. That is what I am complaining about.

Mr. McCUMBER. May I ask the Senator a question right there?

Mr. DOLLIVER. Certainly.

Mr. McCUMBER. If I understand the Senator correctly, he states that the cost on the particular article which he exhibited, by reason of the use of the few mercerized threads, added about one-eighth of a cent a yard.

Mr. DOLLIVER. That is what the manufacturer says.

Mr. McCUMBER. That, of course, would be about 800 per cent higher than under the old Dingley rates. If that is true, if the mercerization under the law as now proposed adds 12 cents a yard to the value, then it is 1,200 per cent too low if the other is 800 per cent too high.

Mr. DOLLIVER. Very well.

Mr. McCUMBER. I am just trying to see if I can get correctly the Senator's position. Would he dispense entirely with a specific and take an ad valorem on mercerized goods? The ad valorem takes up the higher values on anything that is mercerized. I do not call the charncter of goods which the Senator exhibited high-class goods, for I do not suppose they are worth more than a few cents a yard.

Mr. DOLLIVER. Eight and one-half cents.

Mr. McCUMBER. And mercerizing adds but very little; but if it would add, we will say, a cent a pound—which I do not assume that it will add in the matter of the selling price—for the usual article it would add about 3 cents on $1.50. It would not be any great amount; but that is much more than offset by the exceedingly high-priced goods, which are only given 1 cent in addition.

Mr. DOLLIVER. I called the attention of an importer——

Mr. McCUMBER. What I want to get out of the Senator is this: Would he abolish the specific entirely as relating to mercerized cloth?

Mr. DOLLIVER. If it is insisted seriously that it adds much to the cost of the cloth, so much as to require attention, I would not object to 5 per cent ad valorem in addition; but I am not prepared even now to do that. Besides, there is no use talking about it. The framework of this thing is set, and I am simply fixing the record for posterity.

Now, if the Senator from Georgia [Mr. CLAY] will give me his attention, I have spoken of the effect the Dingley ad valorems would have had on these increased costs arising from the process of mercerizing. It is now proposed to convert the Dingley ad valorems into specifics—and that has been solemnly done by the Senate—and, in addition, to add a specific assessment on each square yard of 1 cent for the mercerization, even where the mercerization extends only to a single dot, as in the case of the vest of my friend from North Dakota [Mr. MCCUMBER]—a single dot here and there upon the face of the fabric. I am objecting to that because it does not cost 1 cent a yard altogether. I am objecting to it because it costs less here than it does in the Old World, owing to our improved and scientific skill in applying the process. I am putting into the RECORD testimony which I think has a tendency to confirm the truth of what I have tried to show. I have offered for the RECORD the telegram of A. L. Reid & Co., who get mercerizing done every week in the United States in vast quantities, because they are large distributers of cotton goods. They buy them of one mill unmercerized, and then turn them over to finishing mills to be mercerized. They know exactly what they are talking about. They give the price which they have to pay now for mercerizing.

I put in also a statement by a famous New York merchant, giving exactly the cost of mercerizing goods in New York Mills Bleachery, in the State of New York, showing that the cost of mercerizing is from one-half cent to seven-tenths of a cent. I also put in a statement of his present-day dealings with the United States Finishing Company, of Pawtucket, R. I., showing that on white goods, that is, bleached goods, the cost of mercerizing at Pawtucket to-day is from three-fourths of a cent to three-eighths of a cent where the goods are simply bleached; if they are colored, it is three-eighths of a cent, and if the colors are very dark, it is 1 cent, which is the highest price.

I desire to call the attention of the Senate to the fact that at the Standard Bleaching Mill the price of mercerizing is given substantially in the same terms. I have in vain called upon the committee to bring here and read or put before the Senate the other information that guided them. Most of the information that I am now communicating to the Senate came first to the committee, and a copy of it was transmitted to me, because they knew that I was a student of these questions and desired accurate information. They knew that I did not desire to move in the fog as I undertook to approach the consideration of these matters. So, as a courtesy, they sent to me the information which I was looking for, as well as this committee. In fact, I was looking for it before the committee began to look for it.

The committee even did not seek any information upon the subject when the bill was being framed, so far as I know; and only a month ago they began telegraphing here, there, and everywhere. They said: "Somebody has arisen in the Senate and disputed the wisdom of this 1-cent assessment; therefore let us know what the cost of it is, so that we can defend it." The cost price in the United States was given not only in scores of telegrams, but in letters from everybody in the United States who had information upon the subject. The Senate now is in the dark about the answers to those letters, except in so far as I have communicated them myself to the RECORD. For that reason, I send to the desk and ask to have printed the matter to which I refer; and I shall not say another word about it.

The PRESIDENT pro tempore. In the absence of objection, permission to do so is granted.

The matter referred to is as follows:

MAY 3, 1909.

DE VRIES, Esq.,
Care Finance Committee, Washington, D. C.:

Foreign mercerizing, to 80's, 4d.; to 120's, 6d.; to 130's, 7d.; to 140's, 8d.; to 150's, 9½d.; to 180's, 11½d.; to 200's, 13d. a pound. Domestic, to 80's, 6 cents per pound. Balance proportionately.

LUDWIG LITTAUER,
109 Green street, New York.

MAY 10, 1909.

MARION DE VRIES, Esq.,
Care Finance Committee, Washington, D. C.

DEAR SIR: In reply to your telegram, we telegraphed to you on May 3 as follows:

Foreign mercerizing, to 80's, 4d.; to 120's, 6d.; to 130's, 7d.; to 140's, 8d.; to 150's, 9½d.; to 180's, 11½d.; to 200's, 13d. a pound. Domestic, to 80's, 6 cents per pound. Balance proportionately.

And beg to herewith confirm prices quoted for cost of mercerizing yarns in England as follows:

All numbers up to 80's/2, 4d. per pound; up to 100's/2, 5d.; up to 120's/2, 6d.; to 130's/2, 7d.; to 140's/2, 8d.; to 150's, 9½d.; to 180's/2, 11¼d.; to 200/s2, 13d. The domestic mercerizing is done at 5 and 6 cents per pound up to 80's/2, and finer sizes proportionately higher. We know that the prices for mercerizing in this country are considerably lower than abroad. The great quantities of yarns used are below No. 120's/2; numbers finer than 120's/2 are used in very small quantities.

We remain,

Yours, respectfully, LUDWIG LITTAUER.

A. L. REID & CO.,
6½ and 66 White Street, New York, May 3, 1909.

Hon. MARION DE VRIES,
Care Senate Finance Committee, Washington, D. C.,
Senate Building, Room 311 B.

DEAR SIR: In reply to your telegram requesting the general prices paid to bleachers, dyers, and finishers for mercerizing, we give you as follows: Thirty-six-inch brocades, madras, etc., similar, three-fourths cent; 40-inch sheer fabrics, average, five-eighths cent.

To show how these figures are arrived at, we have to-day compiled the following in conjunction with bleaching: Bleacher, cost of bleaching and mercerizing brocades and madras, 36 inches or less, 1½ to 2 cents, depending on weight; cost without mercerizing, ¾ to 1 cent. Bleacher, cost of bleaching and mercerizing sheer fabrics, 40 inches wide, 1¼ to 2 cents, depending on weight; cost of finishing without mercerizing, 1 to 1½ cents.

Brocades and madras in heavier weights cost a higher price, while in sheer fabrics the lighter weights are the higher, owing to their liability to damage.

The bleachers require a working loss of 2½ per cent on all piece mercerized fabrics.

Yours, truly, A. L. REID & CO.

Standard prices for mercerizing in United States.

NEW YORK MILLS BLEACHERY, NEW YORK MILLS, N. Y.

	If bleached or dyed only.	If mercerized, bleached, or dyed.	Ratio cost of mercerizing.
	Cents.	*Cents.*	*Cents.*
Whites (bleaching)	0.8	1½	0.7
Colors (dyeing)	1½	1½	[illegible]
Dark colors (navy, cardinal, black)	1½	1½	[illegible]

UNITED STATES FINISHING COMPANY, PAWTUCKET, R. I.

Whites (bleaching)	1	1½	[illegible]
Colors (dyeing)	1½	2	[illegible]
Dark colors (navy, cardinal, black)	1½	2½	1

NEW YORK, *May 3, 1909.*

Standard prices for mercerizing in United States for very fine goods.

STANDARD BLEACHERY COMPANY, CARLTON HILL, N. J.

[Prices include putting up, etc.]

	If bleached or dyed only.	If mercerized, bleached, or dyed.	Ratio cost of mercerizing.
	Cents.	*Cents.*	*Cents.*
Whites (bleaching)	0.8	1½	0.95
Colors (dyeing)	1.35	2½	1.15
Dark colors (navy, cardinal, black)	1.55	2¾	1.20

NEW YORK, *May 3, 1909.*

Mr. LODGE. Mr. President, I do not care to again go into the discussion of the question of mercerization. So far as the information contained in this telegram is concerned, so far as the cost of the mercerizing process goes, the figures are precisely those which I furnished to the Senate. In fact, I referred the Senator from Iowa, when he quoted the figures, to the cost of mercerizing.

Mr. President, as to the policy of specifics where they are possible, I am not going to speak. That is too large a question to now enter upon, and there is no need of entering upon it; it has been too well considered. It has been long adopted as a policy in the collection of revenues to have a specific wherever it is possible for the purpose of preventing undervaluation and fraud. There is no part of the tariff where undervaluation and fraud is so prevalent and impossible to meet as in the high grades of cotton goods. So it is not worth while wasting time upon the question whether we shall have specifics. We have got specifics throughout the cotton schedule. We have always had them. Every nation has them. If we are to have specifics, the question is whether it is proper to apply an additional specific to the mercerized cloths.

The statement that the Senator from Iowa has just sent to the desk shows that the cost of mercerizing yarns ranges from 8 to as high as 18 cents a pound. I did not carry my figures as high as that. They show a greater cost of mercerizing in the finer yarns than I attempted to show. It is quite true that you can take a comparatively cheap fabric with only one thread of mercerized yarn in it and show that the 1 cent duty is very heavy indeed; but I could show just as easily in some of the fabrics that I exhibited the other day to the Senate, fabrics that it costs 12 cents a yard additional to mercerize, where a cent was less than 10 per cent ad valorem, and it was a preposterously small duty to levy. No specific will be exact on the lowest and highest grades. You must take your specific as nearly as you can on about what is the average cost. It appeared to the House committee, I suppose—it certainly appeared to the Senate committee when they examined it—that 1 cent a pound on the average made a reasonable duty.

For instance, on this sample [exhibiting] which I showed the other day—goods with mercerized spots in them—the cost was 3.7 cents additional. Senators can figure what the rate of 1 cent additional is. This [exhibiting] with colored threads, colored yarns, and mercerized colored threads, 3.86 cents additional; and this [exhibiting], representing cloths with mercerized stripes, the additional cost of using mercerized yarn over ordinary yarn, is 4 cents a pound. The duty of 1 cent a yard would be 25 per cent ad valorem. It is impossible to base specifics on the very lowest possible sample that can be produced, just as it would be preposterous to base a specific on the most expensive article that can be produced. You have to get a specific that somewhere nearly strikes the average; and 1 cent does strike the average very fairly, so far as my investigations have gone.

It is to be remembered, Mr. President, at that point—and I hope Senators will bear it in mind—that these articles that are mercerized, including yarn, have to be good fabrics. You can not take the cheapest cotton cloths and mercerize them—it is not done—any more than you mercerize duck or sailcloth or any of the heavy fabrics. You must have a perfect fabric for it, and it usually, so far as my inquiries go and the evidence I have been able to get shows, has to be made of more expensive cotton, often of Egyptian cotton, and the cost of mercerizing resides not merely in the caustic bath, but in the construction of the cloth and in the preparation of the yarn beforehand. Taking the specific on the average range of the cost of mercerizing, it is not only not excessively high, but it is a very reasonable rate.

Mr. BEVERIDGE. Mr. President, I only want perhaps a moment concerning the rule of evidence that we discussed here this morning for a moment. Many times during this debate reflections have been made upon statements of fact because they came from importers, who have been assailed not with quite so much acrimony as the courts which made these decisions, and it seems to me a moment should be spent now in considering that well-understood rule of evidence that affects the weight of testimony on account of interest.

The only fair statement was contained in the last remarks made by the Senator from Rhode Island [Mr. ALDRICH]. In view of the fact that they were importers, their interest, I believe he said, might make us take their statements with more caution, or something like that. That, in the course of this whole debate, was the first conservative, restrained, and fair statement of that rule. I was glad to hear it. Heretofore there has been an unlimited attack upon a man merely because he was an importer. The assumption has been not only made, but the direct statement has been indulged in, that he wanted to tear down the American protective system.

Now, let us waive that, Mr. President, but the Senator will admit, of course, that this is a simple universal legal rule, not to be applied to the importers alone, but to everybody else, is it not? If that is true, it is to be applied to manufacturers as well as importers, both honorable men, both engaged in a reputable business; and yet the Senator will admit that ten manufacturers have given their opinions as to the policies and their statements as to the facts where one importer has done so. The Senator himself has said time and again in the course of this debate, with all possible vigor, that it was the opinion of the American manufacturers thus and so. Therefore if we ought to take into consideration the interests of the importer as affecting our judgment as to the weight to be given to his testimony, so ought we to take into consideration the business of the manufacturer as affecting our judgment as to the weight to be given to his testimony. Is not that fair? And yet not once during this debate has the converse of the rule been stated.

There is another rule, Mr. President, with which every man who has practiced law, yes, every man who has been in a court room, is familiar, and that is that where a man testifies against his own interest that necessarily is to be given greater credibility than any other kind of testimony. In all of this long and involved discussion—which it is difficult for a man not familiar with these schedules and terms to understand unless he earnestly applies himself—there has been one clear statement, not disputed by anybody, made against the man's own interest, as it afterwards appeared, made by the greatest representative of the entire cotton industry of the country. Curiously enough that is waived aside. I called attention to it the other day and asked the Senator from Rhode Island to reply and explain, but he did not. He waived it aside in his reply, as he will find in the RECORD, and so, again, I read from the testimony of Mr. Lippitt, who is conceded to represent the cotton industry of the country, as follows——

Mr. GALLINGER. I hope the Senator will save us from that.

Mr. BEVERIDGE. I want to put it in again.

Mr. GALLINGER. Let us have it stereotyped.

Mr. BEVERIDGE. It becomes more attractive to me the more I think of it, in view of the perfect maze of counter statements that have been made here. I sat here on Saturday and listened to the statements of the Senator from Iowa [Mr. DOLLIVER]. I wanted some Senator to get up then and explain if they were not true, but that was not done. There is a perfect Niagara of conflicting statements. Here is one that no person has denied; and so I think it would be a good idea to follow the Senator's suggestion and have it stereotyped. It is the one undenied thing in this whole debate; and it would seem, in

view of the fact that it is made against interest, as it afterwards appeared, it is the most credible and weighty thing we have before us in the whole debate. Mr. Lippitt says—and, I assume, under oath—

> The form of the present cotton tariff is the result of many efforts, and considering the wide variety of products it covers has stood the test of practical operation fairly well. It has been the object of many legal attacks, in the course of which the terms used have for the most part been given careful legal definitions, and therefore should not be disturbed. Some minor features—

That can not be these features, because we have it on the word of every member of this committee that these are important features—

> Some minor features, however, are still in controversy and may need elucidation, but the present cotton situation as a whole has resulted in establishing in this country a great industry, widely distributed, employing many people and much capital.

The Senator from Massachusetts [Mr. LODGE] at the close the other day of his impassioned and eloquent address, said "give them a chance to work," just as though the present tariff did not give them a chance to work, when here is the representative of that industry stating that they are at work. If I had not wanted not to bring that question into this controversy, I would have commented at considerable length upon the important suggestion I made the other day, that a great many thousands of them who are thus at work are little children between 4 and 14 years of age, as the sworn testimony before the Senate shows——

Mr. LODGE rose.

Mr. BEVERIDGE. That is not in Massachusetts, I will say.

Mr. ALDRICH. And the Senator could further say that it is not in New England.

Mr. BEVERIDGE. It is the sworn testimony before the Senate, and that are part of the records of the Senate, that it is in New England, too—sworn to upon affidavits, and never yet denied.

Mr. LODGE. If the Senator will allow me——

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Massachusetts?

Mr. BEVERIDGE. Certainly.

Mr. LODGE. The number of children working in the New England mills has been reduced since 1905, by better enforcement of the laws and by better laws, from 17,000 to 9,000. I can give the exact figures, if the Senator wants them.

Mr. BEVERIDGE. So the little disturbance some two years ago, then, was possibly not without its poor influence.

Mr. LODGE. The "little disturbance" had nothing to do with the laws of Massachusetts. They were already on the statute books.

Mr. BEVERIDGE. That is true; the laws of Massachusetts were on the statute books.

Mr. LODGE. If the Senator will look into the matter, he will find that the entire number of employees in the cotton industry in New England is 155,000, and only 9,000 are under 16 years of age.

Mr. BEVERIDGE. Mr. President, I am rather sorry I interjected this, because I did not intend to have attention diverted from this stereotyped statement, or testimony that ought to be stereotyped and placed in the hands of every Senator; but, as a matter of fact, concerning the employment of children, every statement made by me when I presented that question was sworn to and has not thus far been denied, and is, with some slight modification or with some diminution, the truth to-day. But let us go on with this statement of Mr. Lippitt:

> It has regulated but not prevented importations, has made moderate profits and reasonable wages possible to the capitalist and laborer, but is not a bonanza.
>
> We ask, therefore, that the present schedule shall not be materially changed and that cotton manufacturers be allowed to continue the operation and further development of this important industry under the same tariff conditions that now prevail.

That was the statement of the authorized representative of the cotton industry of this country before, I think, the Congress convened, or at least when the House was considering the testimony upon which to frame this bill.

They had not at that time expected that there could be any change in the law which would be an increase of rates or which would in anywise benefit them. That had not appeared to them possible, because, Mr. President, among those who most vigorously resisted any tariff revision at all were the cotton manufacturers of the country. So when the tariff revision came—and the other day I traced the growth of the sentiment—all the time every one of them resisted any tariff revision of any kind, because they were satisfied with the situation. It first appeared to them that it would be impossible to get any change that would raise rates or that would benefit them, but it would appear that in the course of two or three months a change came over their opinions, and they did think it was possible to get the cotton schedule changed, or, at least, that is the only way that I can interpret that remarkable testimony which, I believe, was followed by a letter to the committee.

Mr. President, these few remarks have been brought out solely by a reversion to the application of the rule that a man's interest must be taken into consideration when weighing the weight of his testimony, a statement that has been made all through this debate, though never entirely thoroughly until the Senator from Rhode Island made it this morning. So that it seemed to be pertinent that we should understand that that rule is to be applied not to the importers only, but to the manufacturers also; and that the further collateral rule of evidence should be applied, that when a man gives testimony against his interest that is the weightiest testimony possible to be given in a court of justice. Therefore, Mr. President, I present this one, single, unconfused, undenied piece of testimony in this whole debate, which, according to the rules of evidence that the Senator from Rhode Island has invoked, is the only weighty piece that we have before us.

Just one other thing, Mr. President. Throughout this debate, whether it has been on paint or whether it has been on cotton, or whether it has been on one article or another, I have heard at least a score of times—and I am trying to make my remarks emphatic by making an understatement—at least a score of times upon this floor I have heard that the increase of price to the consumer would be either nothing or negligible. For example, the other day my esteemed friend from Pennsylvania [Mr. PENROSE] proceeded by a nice mathematical demonstration to show that the increased cost for painting a small house under the present increase on white lead would only be 25 cents. My friend from North Dakota [Mr. MCCUMBER], who is a good deal of a mathematical genius—which is a part of the Scotch blood—demonstrated this morning that, taking the Senator from Iowa's own figures, the increase on one of the shirts, which the Senator from Iowa says is bought by the millions, would only be 3 cents on a dollar and a half shirt; and so we have heard these statements made.

Mr. President, it is thus sought to impress us that the increases, if at all, will be so negligible to the consumer that it is not worth while taking them into consideration in connection with the vast benefit to business that is to accrue. That is true, is it not?

But, Mr. President, that is not only where the injustice comes in—which is the chief thing—but there is where the economic error comes in, which is possibly even a more important thing, practically speaking. If 3 cents on a shirt, if 10 cents on a dress, if 5 cents on a pair shoes in a family of 7 children, and of 25 cents upon a bucket of paint; if all these little increases, which occur to us to-day as absurd, are added together, what does that mean to the consumer; not a consumer, mind you, who is able to pay, but a consumer whose average wage is what is demonstrated to be the average earnings of a common laboring man in the United States, less, I believe, than $600—between five and six hundred dollars? To that man, with a family of 4 or 5 children and a wife, a few cents on shoes, an amount that would make us here to-day sneer, when he has got to supply those children with shoes to go to school, and 10 cents on a dress, which we think negligible, and 3 cents on a shirt, and 25 cents on a bucket of paint, thus running down the whole list of life's necessities, makes to him, with his small earning power, a burden grievous to be borne.

Mr. GALLINGER. This bill reduces the duty on shoes.

Mr. BEVERIDGE. I hope that good example will be followed elsewhere. If you are going to make a man's footwear lighter, why not make the burdens that are on his back lighter also?

Mr. President, the remark of the Senator from North Dakota in showing that, after all, even if there was an increased duty, it would not affect the consumer very much, made me feel that it was necessary to point out and to bring home to each one of us or to make us conscious of it at least—for I am sure it was brought home to us the moment that it was made—that it is no argument to say that the increase is small, that it appears to us to be negligible in affecting the price to the consumer, because the sum total of it, when measured, not by our earning power, but by the earning power of the men who buy the shoes and shirts and dresses and food and paints and everything else, becomes finally a burden, the bearing of which raised the very storm for tariff revision, which wrote it into our platform, and finally voiced itself through the utterances of the man best equipped and authorized to interpret it.

Mr. ALDRICH. Mr. President, the influence and the dangers of association are well illustrated in the speech which has just been concluded. I have heard remarks of that kind before, rarely from Republicans, never from protectionists. The Sena-

tor has been voting with reference to these matters with men who believe that protective duties are added to the cost of all domestic articles produced in the United States.

Mr. BEVERIDGE. Did those same men believe that when they voted with the Senator for protective duties on certain articles?

Mr. ALDRICH. No; I think that on those particular occasions they were acting as protectionists.

Mr. BEVERIDGE. Then, are they voting with me or am I voting with them?

Mr. ALDRICH. The Senator must be voting with them. The other side furnishes all the privates, and this side furnishes the brigadiers in this movement, as near as I can understand.

Mr. BAILEY. They think they are the brigadiers.

Mr. ALDRICH. Yes; they are under the impression that they are the brigadiers.

The Senator's speech could have been made with great effect by any free trade or tariff reformer in the United States. He could express his views in the precise language that the Senator has expressed his; that all of these duties are added to the cost to the consumer in this country; and he is only finding fault with us apparently because we have increased the cost to the consumer a small amount. The application of the doctrine, to his mind, seems as clear as it does to Senators who sit upon the other side of the Chamber and who have no hesitancy in expressing their views as tariff reformers that the whole protective system ought to be pulled down and destroyed.

The Senator makes another statement which on its face appears to be fair enough. He says that in listening to the statements of importers and manufacturers we should consider that they are both interested parties and that we should give equal credence to both in considering the tariff bill. But to my mind there is a distinction as wide as the poles between the people who appear here to serve their own interest, which are against American interests, and the people who appear here and whose interests coincide with American interests. Speaking for myself I do not intend to apply any rigid rule of judicial construction in the treatment of the statement of these two classes of men. We are not bound as Senators in the construction of a tariff act to say that the statement of an importer, as to the effect of our legislation upon American interests, shall have the same weight and the same control over our acts as that of a man who has no interest at all except one along the line of American development and American prosperity.

Mr. BEVERIDGE. Mr. President, my few remarks with respect to the rule of credibility of testimony were brought out by the statement of that rule last made by the Senator from Rhode Island, as I have said, which is the first time he has stated the rule fairly or that it had been fairly stated; and I was so glad of it that I thought it necessary to point out the equal applications of that rule which ought to be applied to manufacturers as well as to importers. Both are honorable men. Both have fought for their country. It does not affect a man's honor that he is importer or manufacturer. It does affect the weight of his testimony—the interest he has in giving it. Therefore when the rule is applied to importers, it should also apply to the manufacturers.

Then there is the statement of the collateral rule—that where a man testifies against his interest it has double weight, and I pointed out Mr. Lippitt. The answer—I did not expect any—that the Senator gave to that was that those remarks showed the effect of association. That is no answer.

The only thing important about them is whether they are true or not. I stated here this morning the illustration given by the mathematical demonstration of the Senator from Pennsylvania the other day and the one given by the Senator from North Dakota just now, and various others—that the fact that the increases in price were small, even if they were really negligible, did not demonstrate anything, or, rather, did, because all of them added together—so much on shirts, so much upon shoes, so much upon food—a little negligible 3 cents on a dollar and a half shirt, a negligible 5 cents on shoes, a negligible 10 cents on dress goods, a negligible 25 cents on paint, and the negligible amount on everything else added together constituted the burden.

Mr. SUTHERLAND. Mr. President——

Mr. BEVERIDGE. Pardon me a moment. I say it is not important how my process of reasoning happened to be influenced. It was important only whether or not it was true; and I take as the basis of that summing up of conditions the statements made by my friends upon this side of the Chamber.

Mr. SUTHERLAND. Mr. President——

The PRESIDING OFFICER (Mr. BACON in the chair). Does the Senator from Indiana yield to the Senator from Utah?

Mr. BEVERIDGE. Certainly. I always do. I will be through in a moment.

Mr. SUTHERLAND. The Senator, as I understand, proposes, by a reduction of the duties, to save to the American consumer the various amounts which he has stated?

Mr. BEVERIDGE. Not at all; by preventing the increase of duties. That is the way this debate arose.

Mr. SUTHERLAND. The Senator also proposes to reduce the duties, as I understood his speech the other day.

Mr. BEVERIDGE. Wherever they are a cent beyond what is needed for safe protection—and I will go with the Senator any distance for safe protection—they ought to be reduced. They then cease to be protection and become extortion. Justice first and expediency afterwards.

Mr. SUTHERLAND. The Senator proposes to save the consumer 3 cents on a shirt and 5 cents on a pair of shoes and a few cents on some other articles.

Mr. BEVERIDGE. On all articles raised to a point of extortion.

Mr. SUTHERLAND. Does he think it would be a wise thing, if his conclusion is correct, to reduce the duties in such a way as to save the laborer $20 or $25 a year upon the price of these various commodities and lose him $50 on the scale of his wages?

Mr. BEVERIDGE. By no manner of means, and no person stated with more earnestness than I, not only on this floor, but wherever I have had the honor to be permitted to speak upon this question, that duties ought not to be reduced at all, they ought to be increased, they ought not to be reduced, they ought to be kept as they are, so as to afford proper protection, honest protection, and no more. The point is that under the guise of affording such protection as we all believe in—and no person more earnestly than the revisionists upon this side—there are instances, as it appears to some of us upon the evidence submitted, where it is more than protection. I ask the Senator this question. He is a protectionist, as I am; both equally good. Would he be in favor of a duty that gave more than necessary protection? I remember his illustration from the trout brook and rubber boots the other day.

Mr. SUTHERLAND. The Senator says he is as good a protectionist as I am. I beg leave to differ with him about that.

Mr. BEVERIDGE. Then, I will say, I am a more reasonable protectionist than the Senator.

Mr. SUTHERLAND. I think I am rather a better protectionist than the Senator has come to be in his latter days.

Mr. BAILEY. One has to be "good" before the other can be "better."

Mr. SUTHERLAND. I am very much afraid the Senator is ceasing to be a good protectionist.

Mr. BEVERIDGE. We will discuss that at some length if it comes up in this debate.

Mr. SUTHERLAND. I will say, however, in answer to the Senator from Indiana, that I do not believe in increasing duties beyond the measure of protection. But, as I said the other day, I do believe, when I am in doubt about it, in giving the American producer the benefit of the doubt; and if I am to err upon either side, I would rather have the duties a little too high than a little too low.

Mr. BEVERIDGE. I go that far with the Senator. I thought the illustration about the trout stream a good one, but because he thought the boots should be an inch higher and the water came up to his knees, would he insist upon an entire rubber suit?

I thought it was hardly worthy of the Senator from Rhode Island to talk about associations. These are honorable men on this floor, on both sides; all supposed to be trying to get toward the truth. No person has heard me put any imputation upon any man. I could have retorted to the Senator: "Did he account for his present state of mind by association—what association?" But it would not have been right. It would not have been fair.

What is protection? It has been defined by our platform. It has been defined by the man chiefly authorized to define it. It has been laid before the Senate. It is such a rate of duty as will afford a sufficient protection as to cover the difference between the cost of production here and abroad, adding also a reasonable profit to the manufacturer.

Now, can you say a man is not a good protectionist when he lives up to that, the most extreme rule we have ever had, and who, in the interest of saving the whole protective system, questions the wisdom of going beyond it? Does not the Senator see that the only danger the protective system has is in its unreasonable application beyond that? Does he not see that the attitude of mind which says that a man is not a protectionist when he differs with his friends about one-eighth of 1 per cent is the same attitude of mind of the Bourbons of

France over a hundred years ago, and that it is they who are placing the dynamite of injustice beneath the system and that it is we who are trying to take it out?

If you are building a wall and one perceives that a brick is being inserted that is not sound, because he insists upon taking that out and putting in a sound one does that prove he is not a good mason? Does it not prove precisely the contrary? When one talks about destroying the American system of protection it puts me in mind of the fact that it was not the peasants who brought on the revolution or any disturbance in France, but the dense, bigoted, and unyielding attitude of the Bourbons. I did not expect to go into that.

With reference to the other side, they can take care of themselves. They are not to be criticised nor the reverse for what they do, nor is any Senator here——

Mr. ALDRICH. Will the Senator permit me?

Mr. BEVERIDGE. Certainly.

Mr. ALDRICH. If it is true that a protective duty increases the cost to the American consumer not only of imported articles, but of all articles manufactured in the United States, then I am not a protectionist. I know of no man who is a protectionist; that is, no intelligent man who so contends; and, if I understood the Senator from Indiana correctly, he was announcing the doctrine as I have stated it; that is, that these increases of duty do increase to the consumers in this country the cost to the extent of the duty. If that is the doctrine of the Senator from Indiana, he and I have parted company.

Mr. BEVERIDGE. That simply proves this, that the Senator has got some stereotyped catchwords and labels, and that he classifies all human utterances according to those labels, and that when he finds one that does not agree with him he puts upon it that particular interpretation. He is in a state of mind where he does not listen and does not think. Now, nobody heard me say anything of the kind. I do not believe anything of the kind. This is what I believe: I believe that where competition is free and unrestrained, the effect of protection on an article which we can make in this country is ultimately to reduce it in price, and that it always has, and that that can not be interfered with except by the formation of a great combination which will regulate the prices. This is why I asked a moment ago the question which so needlessly excited the Senator from Rhode Island, and which was called forth by the remark of the Senator from Utah, that domestic competition would settle the question of prices which he otherwise admitted would be added by the tariff. I asked what if within thirty days of the passage of this bill we should find a great combination formed of all the producers of this particular class of goods. Then, I suppose, the Senator would admit in that case there would be a rise of price, or could be, by the tariff.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from New Hampshire?

Mr. BEVERIDGE. In just a moment. Again the Senator was not listening to me carefully, but in his mind he was conning over and over his familiar catchwords or he would have remembered that the illustrations which I took were taken from the Senator from Pennsylvania, who is as high a protectionist as anybody, the Senator from North Dakota, a member of the committee, in discussing this very schedule a moment ago, and several other statements which have been made on this floor.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Rhode Island?

Mr. BEVERIDGE. I do.

Mr. ALDRICH. The statements made by the Senator from Pennsylvania and the Senator from North Dakota and by several other Senators to the same effect were these—that if the cost was increased by the amount of the duty, the increased cost would only be so much.

Mr. BEVERIDGE. Very well.

Mr. ALDRICH. No Senator on this side of the Chamber, and acting as a protectionist and a Republican, has made any such statement.

Mr. BEVERIDGE. Very well; then——

Mr. PENROSE. Mr. President——

Mr. BEVERIDGE. Pardon me a moment, and then I will yield. The Senator will find my statement was substantially that if they are correct about that, then their argument was, it was negligible; that it did not amount to much, anyway—3 cents on a $1.50 shirt, and so forth. I showed it did amount to something, because it is the sum of all these things that the consumer buys and not the little negligible items, that look laughable when we examine them here separately. So I accept the Senator's "ifs" put before the statement made here, and put one before my own statement. If it does amount to little in detail, then it amounts to a vast deal in the aggregate.

Now I yield to the Senator from New Hampshire. I apologize for keeping him waiting so long.

Mr. GALLINGER. That is all right.

It occurs to me that the Senator's acute and usually accurate mind is not operating quite evenly to-day.

Mr. BEVERIDGE. It is Monday, you know.

Mr. GALLINGER. Monday. The Senator did picture this horrible burden that was to be imposed upon the people of the United States by these increases in cotton goods and boots and shoes, when we have actually decreased the rates on shoes in the bill as reported. Now the Senator says he did not mean to say that there would be an actual increase; that he accepts practically the suggestion of the Senator from Rhode Island that the duty exacted is not added to the domestic price.

Mr. BEVERIDGE. If they say "if," then I say "if," and the equation remains the same. I said that the old Republican doctrine, which we are trying to maintain, that is, protection of a reasonable amount, not an extortionate amount—I should have put that in, because then it can be added to the price—in the end, by reason of competition, reduces prices.

Mr. GALLINGER. What I wanted to call attention to was that the picture the Senator painted, which was dramatic and touching, that the poor laboring man was to have this burden placed upon him because of the increases of duties, some of which are not made, but are decreases in the bill, was hardly justified by the conclusion he reached shortly afterwards, that very likely the increases were not added at all to the domestic price, which we all know to be a fact. Those of us who have examined the matter know that in a very large proportion of instances the import duty is not added to the domestic price, but, on the contrary, as the Senator himself has suggested, by domestic competition the price is kept down and oftentimes lowered—always lowered when we take from the foreigner the absolute control of the product in our market, and, as a rule, lowered when we give the American producer an equal chance or perhaps a little more than an equal chance, which is my doctrine, with the foreigner.

Mr. BEVERIDGE. I think when the Senator comes to examine my poor remarks he will find in them a little more harmony than he thinks now.

Mr. GALLINGER. I hope so.

Mr. BEVERIDGE. If it does not exist, the Senator's remarks will supply it. I am sorry the Senator from Rhode Island is not present. He inspired all this. I am going to conclude. Does the Senator agree with this—they sometimes call the Senator from Rhode Island "the high priest of protection," but I doubt very much whether he has a right to wear those robes. I think the Senator from New Hampshire in degree and longevity is entitled to them. Does the Senator agree with this: That where protection is sufficient to cover the difference in the cost of production here and abroad and the profit of the manufacturers here, in the absence of a combination here to control and regulate the price, the result will be by competition to reduce it?

Mr. GALLINGER. I quite agree with him upon that proposition.

Mr. BEVERIDGE. Let me follow that up.

Mr. GALLINGER. Except I have not yet seen the ghost of combination in either the cotton or the boot and shoe industry, which seems to trouble the Senator.

Mr. BEVERIDGE. Let us stick to general principles for a moment. We will come to their application. We agree upon that?

Mr. GALLINGER. Yes.

Mr. BEVERIDGE. If we make the rates not only amply sufficient to cover the difference in the cost of production at home and abroad, but to afford a profit to the manufacturer—to allow for those three elements—does the Senator also agree with me, as I agreed with him on the other proposition, that the excess beyond the protective point may be added to the price?

Mr. GALLINGER. I am not so clear about that part, but I agree with the Senator that we ought not, as a rule, to make the rate so high as he has pictured.

Mr. BEVERIDGE. Very well. That is the whole question here. When Senators, whom the Senator will be the first to admit are earnest and sincere in their opinion, think upon the evidence that the rate is higher than that which the Senator himself says he would go, then they are not to be called "free traders," because they think that an eighth of 1 per cent or 2 or 3 per cent which has been added is not protection, but amounts, as we both agree it might amount, to extortion. If I wanted to be unkind I could make a dividing line, and when

men talk about our being divided into protectionists and free traders, I could say, "no, not between protectionists and free traders, but extortionists." But I am not unkind. I do not think that ever adds anything to the discussion.

Mr. GALLINGER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield further?

Mr. BEVERIDGE. Yes; I do. I am through.

Mr. GALLINGER. I have made no unkind suggestion in regard to the Senator's position.

Mr. BEVERIDGE. No; you have not.

Mr. GALLINGER. And I am not going to. I concede to the Senator, as I concede to every other Senator, whatever his political convictions may be or his views on the question of the tariff may be, the right to hold to his views as strenuously as I do to mine. If the Senator believes these rates are higher than the provisions of the Republican platform warrant, certainly the Senator has the right to resist them.

Mr. BEVERIDGE. That is good. I thank you, sir.

Mr. GALLINGER. I do not think they are, and so I vote for them.

Mr. BEVERIDGE. I do not criticise the Senator. The Senator will concede that I have not criticised him, but when it is attempted to frighten men into an attitude from which their judgments and their consciences revolt, and when men are appealed to by "regularity" and a whole lot of catch words that amount to nothing——

Mr. BAILEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Texas?

Mr. BAILEY. No. I thought the Senator from Indiana was about to resume his seat.

Mr. FLINT. I simply want to ask the Senator one question, and that is whether or not it has not been apparent from the various votes we have taken on the amendments suggested to this bill and reported by the Finance Committee that the Senator's judgment and the judgment of the free trade or tariff reform Democrats have been the same on all these amendments?

Mr. BEVERIDGE. If I was determined not to do a thing that I resolved upon from the moment I came into the Chamber, I would make a retort to the Senator, but I never thought it exactly becoming to refer to where the votes on the other side go. That is their business, because——

Mr. ELKINS. Mr. President——

Mr. BEVERIDGE. Pardon me. No; I do not yield the floor.

The PRESIDING OFFICER. The Senator from Indiana declines to yield.

Mr. BEVERIDGE. Because there are votes one way or the other. If the Senator would apply that rule I think he would not be in a very comfortable position. I do not think he ought to be. I will say this about voting with the committee. I was compelled to say it this morning. The Senator from Rhode Island compelled me to say it. I said I was sorry that on two or three votes that I could then remember and on many others that I can now remember, where the committee had apparently made a case, the case was literally torn to pieces afterwards and the member of the committee in charge of it admitted that his statements were incorrect; and still in spite of that a man is expected to vote for that particular rate. That is not fair.

Mr. FLINT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from California?

Mr. BEVERIDGE. Certainly.

Mr. FLINT. I did not make the suggestion in any harshness or with any ill feeling. I simply desired to call the attention of the Senator from Indiana to the fact that we seem to have reached the point where we are coming to a parting of the ways.

Mr. BEVERIDGE. I hope not.

Mr. FLINT. There appears to be a majority on this side in favor of the old doctrine of a protective tariff for American industries, and there seem to be others on this side who have abandoned that and have gone over with those who believe in a tariff for revenue only, or at least not for a protective tariff sufficient, as the committee believes, to protect the industries of this country.

Mr. BEVERIDGE. Oh, now, Mr. President, I am satisfied my friend will regret those remarks in a cooler moment. I do not think the Senator or anybody else or any other power is going to compel us to come to a parting of the ways when we both believe sincerely in the principle of protection. But I say this—and I think the Senator from California in his heart agrees with me—that the real safety of the policy of protection and its real defenders are those of us who will vote and work and fight to keep out of a single item what appears to us upon the face of the evidence to be 1 cent more than protection, because it has been conceded here this morning by your associates that 1 cent more than protection is just 1 cent of extortion.

Mr. ALDRICH. Mr. President——

Mr. BEVERIDGE. Pardon me.

It is by keeping the system just—it is by making the people feel and know it to be the truth that we have as nearly a just degree of protection as is possible—that you are going to keep the people's affection for the protective system.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Indiana yield to the Senator from Rhode Island?

Mr. BEVERIDGE. Yes.

Mr. ALDRICH. As I understand the attitude of the Senator from Indiana, it is that the principle of protection is to be saved by some Members of the Senate joining with the well-known and understood opponents and enemies of that system to help pull it down. My ideas of saving a principle do not follow these lines.

Mr. BEVERIDGE. Mr. President, the Senator has made that remark three times, and in it there is no argument, and it comes very nearly not being pleasant, because I have not referred, except once or twice in a jocular way, to the Members on the other side who saw fit to vote against their comrades on that side and for what the Senator from Rhode Island [Mr. ALDRICH] thought was a protective duty and what they thought was a revenue duty. Mr. President, that kind of argument is too old, and if I did not have the affection that he knows I have for the Senator I would say that it is too cheap.

Mr. ELKINS. Mr. President——

Mr. BEVERIDGE. Pardon me a moment. I say this——

Mr. ELKINS. Will the Senator allow me? I want to ask the Senator a question, in view of the fact that the Republican platform adopted at the last national convention, which I regard as the strongest protection platform ever written, declares not only for the difference between the cost of labor in this country and abroad, but it goes further and declares in addition that there shall be a reasonable profit. There never was such a platform so pronounced in favor of protection adopted by any political party in this country.

Mr. BEVERIDGE. The Senator from West Virginia does not need to take up my time, because we have gone all over that while the Senator was out at lunch.

Mr. ELKINS. I did not get any lunch yet, and I have been in the Chamber continuously.

Mr. BEVERIDGE. The Senator drops in and makes a man's few minutes' remarks a continuous performance. I want to get a little lunch.

Mr. ELKINS. The Senator from Indiana did not allow me to finish my question, which I will do now. The platform declaring in definite and positive terms that the duty shall not only cover the difference in the cost of labor here and abroad, but shall allow for a reasonable profit to the American producer, all this is in favor of protection and American industry. Now, if this should add slightly to the cost of the article to the consumer, is it not better for our people and the country generally, because in manufacturing our own products we give employment to our people, keep at home the money we would pay for the foreign product, and build up home industries.

Mr. BEVERIDGE. Does the Senator know that between the Senator from New Hampshire [Mr. GALLINGER] and myself there was a controversy on that very question? Does the Senator mean to suggest that in the presence of the Senator from New Hampshire? I will answer the Senator, however, in a very serious manner. I wish the Senator had been here.

Mr. ELKINS. I have been here all the time.

Mr. BEVERIDGE. It would be good for the Senator to confer with the Senator from New Hampshire. He and myself have gone over this matter, and I will state the conclusion in common we have reached, that the measure of protection is the difference in the cost of production abroad and here plus a reasonable profit to the manufacturer, and that such a protective tariff should be placed on any article which will not increase the price in the end, but actually because of competition reduce the price, except where there is such a combination on a particular article that they can keep the price where they please. That is where we agree.

Mr. ELKINS. Now——

Mr. BEVERIDGE. The Senator asks a question. Let me answer. Further, we agree that if there is any amount more than is necessary to meet a fair measure of protection, as thus described, that that amount, as I say and as the Senator from New Hampshire admits, may be added to the consumer, and that in any case it is unnecessary, extortionate possibly, and

always dangerous. So the Senator from New Hampshire himself said that in such a case he himself would not vote to give a cent more than is necessary protection, and only as a matter of justice and as a matter of good policy. The only difference between him and me was as to the measure of protection.

Mr. ELKINS. The Senator I do not think has answered my question.

Mr. BEVERIDGE. I agree I did not fully answer it. What was the Senator's precise question?

Mr. ELKINS. Even if it did raise the price a little to the consumer, and I am one of the consumers as well as a producer, I am willing for my part to stand this additional cost, and I believe all good protectionists would also be willing to stand the increased cost.

Whatever this country consumes must not be ruled out of the calculation. Is it not better economic policy that the grinding forces of competition should reduce the prices, and that the duty should be imposed, as in the schedule on tin plate, because the man who paid the tax got it back and did not feel it in the reduction of price?

Mr. BEVERIDGE. Yes; but——

Mr. ELKINS. Wait a moment. I again ask: Is it not better to adopt the policy set out in the Republican platform rather than to give up the manufacture and production of these articles and send our money abroad and leave our people idle and unemployed as they are in England to-day, even if it be true there is a slight addition to the cost of the article?

Mr. BEVERIDGE. There is no danger of the Senator doing one of those.

Mr. ELKINS. I ask the Senator to answer the question and I will be satisfied.

Mr. BEVERIDGE. I will answer it.

Will the Senator point out where he thinks the price is to be added to the consumer? I say this, and everyone who believes in the theory of protection says the same thing—I do not know whether it is true of the duties in tin plate or not, but it is a good illustration—if at first there might be a little addition, even for a year, and it was clear that in the end the price would be reduced and a vast amount of labor employed and industries diversified, it might be permissible, as a matter of expediency, but I say that it is poor statesmanship, and, what is more, it is suspicious statesmanship, when any man takes that risk unless it is necessary, and when a man puts on a cent of taxes when he thinks it is unnecessary. That is what I say; and the Senator will not be able to get away from it.

Mr. ALDRICH. Mr. President, I wish to say just one word.

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Rhode Island?

Mr. BEVERIDGE. I yield, of course.

Mr. ALDRICH. The Senator from Indiana has several times alluded to extortionate rates. I suppose what he means by that are prohibitory rates, does he not?

Mr. BEVERIDGE. No; I will tell you what I mean. I think I will have to refer to that conversation a few moments ago which I had with the Senator from New Hampshire, because it seems to settle this thing. The Senator went out when I wanted him to stay. The Senator from New Hampshire and I agree that protection should be the difference between the cost of production here and abroad and a profit to the manufacturer, save that when it is extortion. Does not the Senator agree to that himself?

Mr. ALDRICH. I will answer that by a concrete illustration.

Mr. BEVERIDGE. The Senator can answer it by yes or no. It is a principle, not an illustration.

Mr. ALDRICH. I will answer it by a concrete illustration. The specific rates imposed upon cotton cloths in the House bill and in the present law, the act of 1897, and the act of 1894, known as the "Wilson-Gorman tariff law," are practically prohibitory. There were few importations under them and there can be none in the nature of things.

Now, if the Senator thinks he is bound to vote against and to remove all the extortionate duties from the statute books of the United States, why does he not suggest that these rates, which have been practically prohibitory during all the time they have been on the statute books, shall be reduced? There are in the bill as it stands now before the Senate, and there has been in every tariff bill that has been enacted since 1861, many rates that are above the protective lines, which have been kept there because no man has suggested their removal. They have performed a great service by keeping out of the country the surplus of our manufacturing competitors at times when they had a surplus which they could not dispose of at home. So far as I know they had no result that was dangerous to the people of the United States.

And yet the Senator from Indiana and his associates who sympathize with his ideas in regard to this matter have not appeared here and asked to have those rates reduced. If the Senator desires to be a consistent opponent of high duties, why should he not try to reduce some of those duties and spend some of his surplus energies in that direction?

Mr. BEVERIDGE. I have heard what I little expected to hear. I knew my friend from Rhode Island was getting to be a higher protectionist as the years went on, but I never expected to hear him say, first, that he was in favor of maintaining prohibitive duties, and, second, I was startled to hear him actually say that there are on the statute books prohibitive duties, which have been kept there because nobody has paid any attention to them.

Mr. BACON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from Georgia?

Mr. BEVERIDGE. Certainly.

Mr. BACON. Will the Senator permit me a moment? I understood the Senator from Rhode Island to say that the cotton schedule is prohibitory.

Mr. ALDRICH. I said in certain respects it was. Of course there has been——

Mr. BACON. I simply want to call attention to the fact that under them the importation in 1907 was $73,704,000 of manufactured cotton goods.

Mr. ALDRICH. The Senator misunderstood me if he thinks I said anything of that kind. I said the specific rate now in force upon cotton cloths on goods valued below 7 to 20 cents a yard are practically prohibitive. They are practically prohibitive and at the same time they are of a character that nobody has ever found fault with them because there has been no reason for it. They do not affect anybody injuriously and many of the goods are worth less than the duty. There is no person in the United States who is disposed to find any fault with it. I am not suggesting, as the Senator says, any argument in favor of prohibitive duties. They are there——

Mr. BEVERIDGE. I did not have to suggest it; the Senator said it. I will give the Senator an illustration: Within the last week, where I exercised some feeble activity to reduce a prohibitive duty, and not only a prohibitive duty, but an outrageous duty, the Senator from Rhode Island [Mr ALDRICH] yielded on those universal necessities—bacon, hams, and lard. He himself brought in an amendment here which reduced his whole scale of duties 20 per cent, and he will find it in the RECORD. He then stated that even the rates existing in the Wilson law—3 cents—were prohibitive. He was not satisfied to fix a duty of 3 cents, which he said was prohibitive, yet he brought it in from his committee at 5 cents a pound on hams and lard and bacon—food necessities of the people—which he admitted in debate, and he will find it in the RECORD, was 2 cents higher than a prohibitive tariff, and he himself from his committee brought forward an amendment reducing it to 4 cents. Is not that true?

Mr. ALDRICH. The rates are fixed in this bill for protective purposes.

Mr. BEVERIDGE. What was that fixed for?

Mr. ALDRICH. For protective purposes as against possible importations under certain conditions. One is just as important as the other.

Mr. BEVERIDGE. Now will the Senator continue a colloquy with me?

Mr. ALDRICH. Of course; I can not help it.

Mr. BEVERIDGE. Yes; you can. I have the floor. The Senator originally agreed to that amendment—brought it in himself. For that purpose, was it?

Mr. ALDRICH. Which purpose?

Mr. BEVERIDGE. The purpose that you stated; for the purpose of protecting these daily provisions from competition under certain circumstances.

Mr. ALDRICH. That is right.

Mr. BEVERIDGE. Why did he wait for months after he had proposed his first rate and then bring in an amendment admitting that he was 20 per cent wrong?

Mr. ALDRICH. I stated frankly at the time I did it, I was hoping, but I hoped in vain, that the change of rate from 5 to 4 cents, which did not affect the principle at all and did not affect the result at all, would stop the discussion. It did not stop the discussion. I stated frankly at the time that it made no difference in my mind whether the rate was 4 or 5 cents. There was an attempt made to prolong the discussion upon the subject, and I said I would withdraw the amendment. That is the entire story.

Mr. BEVERIDGE. Why not apply that to this whole bill? I think the Senator can get an agreement to vote upon the bill

to-morrow by doing the same thing in proportion to other rates raised; he can with me. Why does he not do it?

Mr. ALDRICH. I am not sure whether the Senator speaks for anybody else.

Mr. BEVERIDGE. That is my opinion. I do not speak for anybody else. Will the Senator let me have an opinion?

Mr. ALDRICH. I must confess that I am a little puzzled about the question who is leading the opposition to the bill.

Mr. BEVERIDGE. There again comes an attempt to becloud the issue by personal references.

I will agree to go as far as the Senator. I concede to all Senators on either side, whether on the Democratic side or who disagree with me on this side, the fullest sincerity for the views as they have stated them. Why does not the Senator do as all his other colleagues? He is constantly saying "your associates." That is the trouble about this bill, and has been right from the start, and I am not the only Senator who thinks so. We have in good faith asked for facts and explanations, which we had a right to do, and it was their duty to answer with facts and explanations, instead of answering with sneers and retorts. That is what we have been given instead of the facts and the explanations which it was the Senator's duty, as the chairman of the committee and the servant of the Senate, to give to the humblest Senator on this floor.

Mr. ALDRICH. I intend briefly——

Mr. BEVERIDGE. I have treated the Senator very kindly.

Mr. ALDRICH. I want to say just a word, Mr. President. The Senator interrupted me in the middle of a sentence. He made a proposition that we vote on this bill immediately if we would do certain things. I was about to say——

Mr. BEVERIDGE. I was expressing an opinion.

Mr. ALDRICH. I have been greatly puzzled for a number of days to know to whom to apply for an agreement to take a vote on the bill.

Mr. BEVERIDGE. Apply to the Senate.

Mr. ALDRICH. I mean whose consent I would have to get.

Mr. BEVERIDGE. You have to get the consent of the Senate.

Mr. ALDRICH. It has been usual in matters of this kind, as to differences represented by the two different parties, to apply to the representatives of the minority party to see if some time could not be fixed for taking a vote, but I must confess that I have been greatly puzzled to know to whom to apply. As I said a few moments ago there seem to be a few privates but a large number of brigadiers leading.

The Senator from Indiana, who seems at the moment to have the floor, in that official position states that he will agree to take a vote if we will agree to certain propositions.

Mr. BEVERIDGE. The Senator will excuse me. I said I thought the Senator could probably get an agreement if he would at once follow the precedent he himself made in reducing the Senate committee's rate on hams, bacon, and lard.

Mr. ALDRICH. I think the RECORD will show that the Senator said he would agree.

Mr. BEVERIDGE. The RECORD will show.

Mr. ALDRICH. I would like to have, if possible—I do not know whether it is or not—some official declaration as to who are the representatives of the heterogeneous combination who are opposing this bill.

Mr. BEVERIDGE. Who is the official representative of that combination who are bound to go, as the Senator from South Carolina [Mr. TILLMAN] declared the other day, not upon the virtues of each individual schedule, but upon agreements to protect a certain number of schedules—lumber rates, lead rates, and so forth? Who is the representative of that combination?

Mr. ALDRICH. The Senator from Indiana has once in a while strayed into the camp himself. I think he voted for a duty on lead ore. He has been occasionally found in our midst, and I do not know to whom he refers as "this combination."

Mr. BEVERIDGE. I do not know to whom the Senator refers by "this heterogeneous mass." I admit, Mr. President——

Mr. ALDRICH. I withdraw that.

Mr. BEVERIDGE. If the Senator wants to use that term, he is tremendously for discipline himself; and I wish to say that yesterday I went to Concord and Lexington—and now that I think of it, the Senator in his successive preliminary victories reminded me of the advancing party——

Mr. ALDRICH. I think I have the floor.

Mr. BEVERIDGE. I yielded it to you, and you must not prevent this now.

His reference to the heterogenous mass and his disciplined forces put me in mind of the advance of the well-disciplined, compact British troops of Major Pitcairn at Lexington and their first little victory there; but I remind him if he is the Major Pitcairn of those advancing disciplined battalions, the end of the march is Concord and Old North Bridge. We are the minute men, if you want to put it that way; and you are the British. I do not know but that the revolutionary simile goes further—but I will not pursue it now.

Mr. BACON. I desire to say to the Senator from Rhode Island that there may be a well-founded doubt as to who is in charge and who can speak by authority on this side, but there is not a particle of doubt as to who speaks with authority on the other side. All that is necessary to get anything in this bill is to get the consent and approval of the Senator from Rhode Island, and they all vote that way.

Mr. ALDRICH. Perhaps I ought to withdraw the word "heterogenous." Perhaps that word may be offensive to some Senators who have been in opposition.

Mr. BEVERIDGE. I suggest to the Senator, why does he not simply say "Senators?"

The PRESIDENT pro tempore. Does the Senator from Rhode Island yield to the Senator from Indiana?

Mr. ALDRICH. Certainly.

Mr. BEVERIDGE. Why does he not call us "Senators" here? We are equal in rights.

Mr. ALDRICH. I do not think the term "Senators" would quite answer the case.

Mr. BEVERIDGE. The Senator is afraid he will lose some of his well-disciplined mass by their straggling over into the heterogeneous mass unless he wields the whip of rebuke.

The PRESIDENT pro tempore. The Chair has not recognized the Senator from Indiana. The Senator from Rhode Island has the floor.

Mr. ALDRICH. The Senator from Indiana is aware, I presume, as well as the Senator from Georgia, that those of us who have the responsibility of this legislation are voting together because we are loyal Republicans, because we believe in the doctrine of protection, and we believe in its application to every interest and to every section alike. I think it is a matter of great congratulation to the people of the United States that there are a majority of Republicans and protectionists in this body who will control this legislation. But that was not what I was talking about. I was trying, if I could, to analyze the opposition to our position for the purpose of finding out whom I should address for the purpose of trying to fix a time to get a vote upon the bill.

Mr. BEVERIDGE. Address the Senate.

Mr. ALDRICH. Mr. President, if I followed my own inclination, I would, perhaps, be willing to agree with the Senator from Indiana that he was the representative of this combination—I will not say "heterogeneous combination," but this combination which seems to have one common purpose.

Mr. BEVERIDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Rhode Island yield to the Senator from Indiana?

Mr. ALDRICH. I do.

Mr. BEVERIDGE. I can not permit the Senator to transfer to me that trade-mark, to which he alone is entitled—the word "combination."

Mr. ALDRICH. Mr. President, I think the Senator——

Mr. BEVERIDGE. I will ask the Senator if he thinks there is any one of the schedules over which we have fought hardest that had a chance of passing this body if it stood on its own feet and was not combined with the interest of other Senators and other schedules? What does he think about it?

The PRESIDENT pro tempore. Senators know the rule, and ought to obey it.

Mr. ALDRICH. The Senator has talked about defeat——

Mr. BEVERIDGE. Defeat? Not ours. I have talked about the British.

Mr. ALDRICH. The Senator has talked about the defeat of the will of the majority of the Senate sitting upon this side of the Senate. By whom shall that defeat be consummated? By Republican votes? No. How many are there of the Republicans who are willing to destroy or to break down this system? By whose votes does the Senator from Indiana expect to defeat the Republicans in this body if they are defeated? That is the proposition that he is discussing. If this initial engagement is to be followed by the final defeat of the Republican party, who is to defeat it? Where are the votes to come from? Who is to marshal these combined forces? What is to be the character of the new doctrine that these apostles are to preach to us? Is it to be the platform of the Democratic party, or is it to be the platform of a new party, with three presidential candidates in sight?

How does the Senator expect to consummate this union, this unholy alliance, for the purpose of breaking down the principles and policies of the party which stands for American interests?

I have respect for the Senators who sit upon the other side of the Chamber. I have respect for some of the Senators sitting upon this side of the Chamber—and I have two of them in my view at this moment—who have been in the past, and who are now consistent tariff reformers, who believe that the rates of duty are too high and have always believed it and have always said it. But we are confronted now with a new evangel, with a new doctrine that threatens to destroy us all, destroy us by Democratic votes, with an army who have no sympathy whatever with his movement or his leadership.

That is the plain story about this whole business. Here we have 29 Democratic Senators——

Mr. OVERMAN. Thirty-one.

Mr. ALDRICH. Thirty-one Democratic Senators, and a few others——

Mr. MONEY. Thirty-two.

Mr. ALDRICH. And a few others who are voting with them on every proposition involved in this bill; and yet the Senator from Indiana undertakes to lecture us and to say we are in favor of extortionate rates, and to say that he, with the aid of Democratic votes, is trying to save the Republican party.

Now, that mission will not be accomplished in that manner. The Senators who are here voting for these protective propositions represent the communities and the States that can, and have, and will elect Republican Presidents, and we are not here to be deflected from our views by suggestions that by a combination of enemies our party is to meet a Concord and a Lexington.

Now, gentlemen, there is no use trying to disguise this matter. We, as Republicans, are responsible for this legislation. I am in a responsible position as chairman of the committee having the bill in charge; and, so far as I am concerned and so far, in my judgment, as the great majority of Republican Senators are concerned, we intend to enact a tariff bill that will follow the principles of protection and a protective policy, whether it was written in the platform at Chicago or elsewhere. That is the highest mandate which was possibly given to us. That is the mission which we are here to carry out; and, whether the Senator is able to vote with 31 Democrats or any number——

Mr. STONE. Some of them vote with you.

Mr. ALDRICH. Some of them vote with us, as the Senator has stated.

Mr. BEVERIDGE. That suggestion did not come from me.

Mr. ALDRICH. No; but if the Senator thinks that by combining with the Democrats in this Chamber or out of it he is to assert and to uphold a new standard for the Republican party to follow in the future, I think he is mistaken. I do not know what the emblems upon that standard will be. I propose to find that out before I make a new departure in that direction.

No, the Senator from Indiana, I think, in his desire to have a vote and to be acknowledged as the leader of this combination-to-be—whatever I may call it—is mistaken in his premises.

Mr. BEVERIDGE. Mr. President, I make bold to say that if the Senator had begun at the beginning of this debate in discussing schedules and giving reasons and facts instead of hurling anathemas maranathas as to his questioners there would have been more reductions, as I think there will be in the end; and thus much of this difficulty would have been avoided. But the pursuit of the tactics which I have not seen with gratification for about ten days, and which is renewed here this morning, can not becloud the issue in the minds of intelligent men. The Senator says our party! Which party?

Mr. CLAPP. Will the Senator pardon me a moment?

Mr. BEVERIDGE. Certainly.

Mr. CLAPP. I wish to make a suggestion right here. The country is impatient at the delay in the passage of this bill. We have our differences on these schedules. This, thank Heaven, is one spot in this Republic where we can have debate, and we ought to have it on these schedules. But, without intending any reflections upon anyone in particular, I do not believe we are making any headway or that we are serving any public purpose in the discussion that has now ensued for the last two hours.

Mr. BEVERIDGE. Mr. President, the Senator from Minnesota has also, like the Senator from West Virginia, evidently been out of the Chamber regaling himself at lunch when the debate came up, or he would know what sprang out of the discussion, and the concrete discussion of certain items here this morning.

Mr. CLAPP. Pardon me one moment. The Senator from Minnesota has not been out of his seat here, but has seen the hands of the Senate clock pass two hours without Senators even touching upon the question of the merits of the schedules in this bill.

Mr. BEVERIDGE. Whose fault is that? The Senator from Rhode Island shakes his head—yet he has taken about as much time as anybody, and given practically all the provocation.

Now, about our party. It is just as much the party of the Senator from Iowa and the Senator from Indiana as it is of the Senator from Rhode Island, although he seems not to recognize that fact. If the Senator wants it to go out to the country as to which is the better Republican of the two, himself or myself, if he wants to draw between the Senators upon this side invidious comparisons, he can do so, and I think we will all be willing to take the country's judgment upon that question. But I know, we all know, that the purpose the Senator has advanced is merely strategical and is to consolidate the ranks that he has thus far brought together. I wonder if he has misgivings that he can much longer hold them together.

Mr. President, the same old thing has been said from the beginning. If it is a question of the rate upon razors, if we ask the facts; about carbons, if some suggestion is made that we should like to have a little information about that; about cotton or upon anything else, the Senator from Rhode Island, with great vigor, which I think is almost sincere, declares that we are trying to break down the system of protection. That is his answer. The reduction of one-eighth of a cent on lead was sufficient for the Senator to believe that we were actually becoming free traders. The intimation has been made that the Republicans would meet their defeat at the hands of the "combination." Well, Mr. President, the suggestion did not come from me; it never has; but it came from the Senator from Missouri [Mr. STONE], that there had been votes from the Democratic side with the Senator from Rhode Island that was for the "combination." I never charged it. Why, then, does the Senator, when we vote for what we believe in, charge us with a combination with men who believe more completely in what the Senator appears to believe than in what they were to believe in? I conceive that that is hardly a profitable line for the Senator to follow.

Mr. President, it is a question, not of principle, but it is a question of judgment on details, and I point out most sincerely to the Senator from Rhode Island once more, that the only danger the protective system is in is that it shall have injustice jammed into it, and that when we try to squeeze the injustice out of this bill, we are doing better service for the preservation of the system than the Senator is doing in keeping rates even 1 cent too high. The reason was explained in the speech of the Secretary of the Treasury at Chicago—I remember it very well—in which he said that we will have time for the currency law and we will have time for other things if we get the tariff settled so that the people will accept it, and we will get it settled that way only by a revision downward.

The Senator says that ours is a new doctrine. He is the only Senator upon this or any other side who has yet appeared to say that it is a new doctrine. The Senator from New Hampshire [Mr. GALLINGER], as he told the Senator, almost as earnest a protectionist as he, was able to agree with me upon what doctrine it was, but what we contend against is a perversion of that detrine. If, in the end, we have any success in getting these reductions, it will not be by the aid of our Democratic friends, who when divided much have never voted with us in large and in such numbers as they have with the Senator from Rhode Island [Mr. ALDRICH]; but more reductions will come by the efforts of Republicans on this floor and Republicans in the House and elsewhere in the usual process of legislation. That is what I hope to see, and it is a reasonable hope.

The Senator referred to two or three presidential candidates——

Mr. GALLINGER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Indiana yield to the Senator from New Hampshire?

Mr. BEVERIDGE. In just a moment I will yield.

Mr. President, I have never heard any presidential candidate suggested, except that man who is now our President, and who will carry our banner in the next campaign, and carry it to victory.

Mr. GALLINGER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Indiana now yield?

Mr. BEVERIDGE. Certainly.

Mr. GALLINGER. Mr. President, I will occupy but a moment. I have no disposition to speak at length, as I want this bill hurried along as rapidly as possible. The Senator from Indiana has several times stated the fact that he and I agree. I want to call——

Mr. BEVERIDGE. We agree on definitions.

Mr. GALLINGER. I want to call the attention of the Senator to the fact that so far as the Chicago platform is concerned, we

do agree, but the Senator has used the term "extortion" several times, which I do not agree to, for the reason that even if the duty were raised beyond adequate protection, as defined by the Chicago platform, it would not be extortion. It would keep out foreign products; and if any harm came, it would come to the foreigner; but it would not be extortion so far as we are concerned.

I have very clear views as to the protective doctrine, and I enunciated them to the best of my ability in this Chamber fifteen years ago. I have just been looking at the speech I then made. I will not stop to read my definition of protection as I then gave it, but I think it is sound protective doctrine. We certainly ought to have tariff rates sufficiently high to protect our own people against competition on unequal terms with the foreigner. That is exactly what the Chicago platform declares, and I stand with every Senator, whether he is a Republican or a Democrat or a so-called "progressive Republican," upon that ground. I do not, however, think the term "extortion" a happy word.

Mr. BEVERIDGE. The Senator will remember the provocation that brought out the term "extortion."

Mr. GALLINGER. I was about to add that even though certain rates may be prohibitive, as those of us who are protectionists know they always have been on low-grade cottons and certain other inconsequential things in our tariff laws, no extortion is practiced.

Mr. BEVERIDGE. It was happier than the words "free trader" that were applied. Now, just one word more. The Senator from Rhode Island expressed some curiosity about what emblem would be painted upon our banner. His imagination, which recently is becoming very vivid, conjures up competition from China and Japan in the cotton industry. Now his heated imagination sees a new banner and he asks for an inscription upon it.

Well, I think I will tell him. Once in a while I read a passage in literature that makes a profound impression upon me. When a boy I read this, and I have never forgotten it. It is said of Richelieu, who was one of the greatest men who ever lived or ever will live, that, when he was dying, those who wanted to know the secret of his power came to him and asked him for it. The old man, with his declining strength, said:

> Some say that it is cunning, that I am a fox; some say that it is courage, that I am a lion. My children, it is neither; it is simply justice, for I have been just.

From that time on, Mr. President, that dramatic tale sank so deeply into my soul that I have felt that justice is the sovereign word in all the world—just that one word, justice.

Mr. GALLINGER. Mr. President——

Mr. BEVERIDGE. Pardon me a minute. It is that which causes public peace, quiet, and content, and it is the absence of that which has caused every disturbance, economic and political, in the history of the world; and so the Senator can depend upon it, that the emblem that will be inscribed upon any banner under which I march—I care not by whom carried—will have blazoned on its ample folds that one word, "justice," and that is the emblem on our banner to-day—our banner, the old Republican banner, the American banner, with "justice" inscribed upon it.

Mr. GALLINGER. Mr. President, that is a beautiful sentiment, I will say to the Senator from Indiana, but he must remember that Aristides rather overworked it.

Mr. BEVERIDGE. No; I said Richelieu.

Mr. GALLINGER. True; but I referred to Aristides the Just, of whom the Senator from Indiana has read.

Mr. BAILEY. Mr. President, I certainly have no desire to interfere with the very delightful pastime of our friends on the other side, but I have not failed to observe that, even in their bitterness toward each other, they have both taken care to misrepresent the votes and the attitude of Democratic Senators. The Senator from Rhode Island [Mr. ALDRICH], replying to a statement of the Senator from Indiana [Mr. BEVERIDGE], stated that on some votes Senators on this side had shown themselves protectionists. The Senator from Rhode Island knows better than that, except possibly in one or two instances.

Mr. ALDRICH. I think that is true. If I said anything to the contrary I did not mean to say it. I think the Senator is entirely accurate in what he is now saying.

Mr. BAILEY. The Senator's statement was broad enough to include all Senators on this side.

Mr. ALDRICH. I withdraw the suggestion, then, because I know perfectly well that, with one or two exceptions, those Senators are not and could not be properly classed as protectionists.

Mr. BAILEY. Then, Mr. President, that relieves me from the necessity of making further reply to the Senator from Rhode Island. The Senator from Indiana does not happen to be present at the moment to withdraw the suggestion which he made, which I have no doubt he would do if he were present and it were called to his attention.

There can be absolutely no excuse for any man to accuse a Democratic Senator of protection sympathies when that Democratic Senator votes for a duty of 10 or 12 or 15 per cent on any commodity. The suggestion that a Democrat must always vote for every motion to put every article on the free list can be reduced to an obvious absurdity. Suppose we had a majority—and we shall have it some day if these quarrels of yours continue—suppose we should have a majority in Congress, and one Democrat after another, professing himself to be a revenue tariff reformer, should move to put this and that article on the free list, and suppose the Democratic majority supported every such motion that was made, the result of it would be that we should have a tariff bill that would raise no revenue, and we would belie the ancient and time-honored professions of our party.

The Senator from Rhode Island knows the difference between a tariff for revenue and a tariff for protection, though some of his associates do not appear to know it. I am not sure that I can quote the rule laid down by James K. Polk in his message to Congress in December, 1845, but I believe I can substantially repeat it. No man before his day, and no man since that day, has ever laid down a more perfect rule or rather has ever made a more perfect statement of the rule.

Mr. Polk's declaration was this: That as long as it was possible to raise the rates without diminishing the revenue you were within the lines of the Democratic party, and that a man only ceased to be an advocate of a tariff for revenue when he voted for a rate so high that it would diminish the revenue. Under that test—and I invite its application to all the votes we have given—it is not true that any man can fairly charge the Democratic Senators in this Chamber with advocating protection.

There may be one or two protectionists on this side; but that is not unusual. Mr. President, men forget, or else they did not have the industry to learn, that when the Democratic tariff act of 1846 passed this Chamber it passed by a majority of one vote, and that one vote was cast by a Whig, acting under the instructions of the legislature of Tennessee. Nor must it be forgotten that on the passage of that bill three Democrats voted "nay"—the two Senators from Pennsylvania and the Senator from Connecticut, as I now recall, Mr. Niles. At one time the vote on that bill was a tie. Upon the motion to engross the amendments and to pass the bill to its third reading the vote was a tie, three Democrats having voted with the Whigs, the Whigs voting with unanimity. That tie was dissolved by the casting vote of the Vice-President of the United States in an address which it would be well for Senators even in this day to read.

Not only is that true, but the Whig tariff act of 1842 passed by a small majority, receiving the votes of four Democratic Senators, and four Whig Senators casting their votes against it. One of the Democratic Senators that voted for that Whig tariff act of 1842 afterwards became the President of the United States, nominated and elected as a Democrat. James Buchanan sat here then as a Senator from Pennsylvania, and on the roll call he voted for the Whig tariff act of 1842. The Democratic party, and no other party, has ever been so proscriptive as to demand of everyone who professes its faith absolute obedience in all things. I regret that Democrats ever differ, but we do not more frequently or more widely differ than Republicans do, and you will perceive that when you call the roll. I venture my reputation for foresight, poor as it may be, that when you call the roll on the passage of the pending bill more Republicans will vote against it than Democrats will vote for it.

Mr. President, it is well enough in this time, when accusations are flying thick and fast, that we remember that our fathers were not less divided on both sides of the Chamber. But they were more tolerant. Perhaps I might relate, and it is worth while to relate, that in 1844 the Democratic banner in the pivotal State of Pennsylvania bore this legend: "Polk, Dallas, and the tariff act of 1842." It was as if in the last presidential campaign we had written "Bryan, Kern, and the Dingley law;" and yet, remarkable as it may appear, the Democratic party carried the State of Pennsylvania in that election, and, remarkable as it may also appear, Henry Clay carried the State of Tennessee, the home of Mr. Polk, by the slender majority of 133 votes.

These divisions, Mr. President, are not new; indeed, I think they are less than they formerly were on this side, and they are greater, I rejoice to say, than they formerly were on the other side. I rejoice in your divisions, because I believe out of

them will come some good to the Democratic party and more good to the people of the country. Your arguments to-day will sink into the minds of the American people and they will be understood. One Republican stands up and says, "I am not in favor of an extortionate tariff;" another stands up and says, "I am in favor of a reasonable protection," and yet both of them declare that protection does not increase prices to domestic consumers. How can they reconcile it? If protection does not increase the price to the American consumer, why does any Senator object to any rate? If protection does not increase domestic prices, then 5 per cent is no better nor worse than 500 per cent. How can one protection be a reasonable one and another protection be an extortionate one, unless all protection increases pro tanto the prices of these commodities to the American consumer?

Indeed, Mr. President, why do you want a protective tariff? You say you want it to enable manufacturers to pay American laborers more than they could pay them under a free trade or a tariff for revenue régime. How can you pay the laborers more for making the goods unless you charge the consumers more when they buy the goods? According to every rule of logic in the world, your platform commits you to the proposition that protection will increase the price to the American consumer on every commodity on which a duty is laid.

I assumed, until we passed into this debate, that that was admitted in the main. The first great argument ever made in this country on behalf of the establishment of manufactories was made by Alexander Hamilton in that elaborate report which he made to Congress in 1791. He did not attempt to disguise the fact that the duty would in a large measure be added to the price of the article. They did not then make the labor argument which you make now. Strange to say, one of the original objections to the proposal to establish manufactories was that labor was so scarce and high in the United States that factories never could be successfully operated.

It was urged then that high wages were an impediment to the establishment of manufactories, but now you say that protection is the cause of high wages. But whether cause or effect, whether an obstacle or not, it is still true, if your Republican platform means anything, that you recognize that a protective tariff will increase the price which the manufacturer receives for his goods, although you promise to distribute that increased price to his laborers and add the balance of it to his profits.

Mr. President, I, myself, am not very much surprised that Republican Senators differ about the meaning of the Republican platform. I believe it was deliberately written to possess a double meaning; I believe it was written so that protectionists could read it up and tariff reformers could read it down. I am more than justified in that belief by the utterly irreconcilable constructions which Republicans of equal intelligence, of equal sincerity, are daily placing upon it.

But, Mr. President, I did not rise for that. I only rose to utter my protest amidst these Republican altercations against having the participants in them misstate the position of the Democratic party. Whenever a Republican can point to a vote that we have cast above a reasonable revenue standard, except when we voted for a lower protective duty as against a higher protective duty, then he can accuse us of favoring protection; but until we do cast such a vote no honest man among them has a right to say that we are in favor of protection.

Mr. DOLLIVER. Mr. President, a question has been raised here as to those of us who are not always able to agree with and support what the Finance Committee presents, and such a challenge by the leader of the Republican side of this Chamber requires even that the humblest man here who is not always able to agree with him should not permit the pressure of time to excuse him from stating exactly what he represents.

I have made no combination in this tariff controversy with anybody on either side of the Chamber. I have tried to get a just combination with the facts and figures which concern these tariff schedules. I have sought by conscientious study to find out what these rates ought to be, and wherever I have found in the report of the Finance Committee a rate which appeared to be higher than it ought to be I have not hesitated to introduce an amendment to reduce it to a reasonable level. It has not hurt my feelings at all that our brethren on the other side of the Chamber have so often concurred in these amendments. My theory is that every man stands on this floor face to face with his duty as advised by his individual judgment and information upon the question. I shall seek no votes on either side of this Chamber except by public discussion here, which I have not altogether abstained from as to the details of this measure. I not only refused to go about seeking votes, but it has long since ceased to be a part of my expectation to receive enough votes to give effect to the opinions which I have felt called upon to express about some of the schedules of this bill.

Yet, Mr. President, it ought not to be said that I do not represent anybody. I am trying to represent nearly 3,000,000 people, whose commission I bear here. I am trying, also, to interpret as best I can the purpose and the promise of the great party to which I have devoted the energy and strength of my whole political life, and I desire to call the attention of those who would narrow and belittle the work I am trying to do here to the fact that I am not without countenance in high circles among those who are now responsible for the administration of the Government under the platform and the purpose of the old Republican party, for on last Saturday night the Secretary of the Treasury, speaking in his home city, used these words:

What the people expect—

He said—

What the people expect is what the protectionist Republican party promised in its last year's platform, as interpreted by its candidate for the Presidency, and while it is talking against the wind to argue that the revision expected is not a revision down, it would be equally futile to say that the revision down was promised to be a revision down and out.

Mr. BEVERIDGE. Will the Senator permit me there?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. I had heard from certain sources that the term "revision down and out" was to be applied to the revisionists. One little sentence will let the air out of the bubble and that is this: What we have contended for is against an increase of the duties fixed by the House, and not for a decrease.

Mr. DOLLIVER. I have found it very convenient and consistent with my own purpose and view to disagree with nearly every proposition to increase the House rates, although not in all cases. I have already said that I am myself governed by old-fashioned Republican doctrines; and wherever an industry appears to me to need a higher duty than the House gave it, or even a higher duty than the Dingley law gave it, I have not hesitated, after careful consideration of the question, to stand by the ancient Republican faith.

The doctrine which I represent here is that we ought to reduce these duties when it can be done without a violation of the principle of protection as interpreted by the Republican party, and especially as interpreted by the leadership of the Republican party in the administration of which we are ourselves a part.

I find the Secretary of the Treasury saying that the Republican party promised in the last platform, as interpreted by its candidate for the Presidency, that there should be a revision downward. He says distinctly—and I will print that portion of his remarks relating to the tariff which appeared in the Chicago Tribune and the Chicago Record-Herald—if that is not done, the tariff question will not be out of the way. He says the demand for tariff revision was not for a radical and not for an impracticable reduction.

He says that—

Everybody understood that the Republican platform stood for and would continue to stand for protection—

Nevertheless, he says that it was the understanding of the public and it was the profession of the leadership of the party that the schedules of the tariff should be on the whole reduced.

The following is from the report of Secretary MacVeagh's speech as it appears in the Chicago Record-Herald:

PREDICTS TARIFF REVISION.

Upon the question of the tariff Mr. MacVeagh predicted that the revision would be such that the people would accept. "The main point was to satisfy those of the Middle West. "But if they are not made satisfied," he said, "then the tariff question will unfortunately not be out of the way and we will not have rest and we will not have a clear field for currency reform." The demand for tariff revision, he insisted, was not for a radical and not for an impracticable reduction, because everybody understood that the Republican party stood for and would continue to stand for protection. "What the people expect," he contended, "is what the protectionist Republican party promised in its last year's platform as interpreted by its candidate for the Presidency, and, while it is talking against the wind to argue that the revision expected is not a revision down, it would be equally futile to say that the revision down was promised to be a revision down and out."

I will add the somewhat fuller report in the Chicago Tribune of the same date:

TARIFF TO PLEASE PEOPLE.

It seems to me that the chances are largely in favor of a revision that the people will accept.

What the people expect is what the protectionist Republican party promised in its last year's platform. And while it is talking against the wind to argue that the revision expected is not a revision down, it would be equally futile to say that the revision down was promised to be a revision down and out.

In conclusion, one word about the President. He, too, seems to be of good cheer as to this tariff question. He seems to place great reliance upon the wisdom of the Congress and upon its public spirit. Of course it is easier to be complacent when you know you have the last word, and that the last word is a combination of language and big stick.

The President is an optimist and tremendously able, with full confidence in his ability to bring things to pass. He is so strong and big and confident that he will wait a long time, however, before he will fully use his strength, but the impression he makes is that if his antagonism should be aroused nothing could stop him.

His mind is wedded to principles and ideas. He is just. He is generous. And he is the most attractive and delightful man to work with that you can possibly imagine.

Mr. SMITH of Michigan. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Michigan?

Mr. SMITH of Michigan. I simply want to observe at this point, if I have the privilege of the Senator from Iowa, that the statement attributed to the Secretary of the Treasury last Saturday night, and which he has just read, reveals that distinguished officer of our Government in a marvelously consistent light. He entertained exactly the same views in 1892.

Mr. DOLLIVER. I am prepared for the general disparagement of the Secretary of the Treasury as being wanting in republicanism——

Mr. SMITH of Michigan. I am not disparaging him.

Mr. DOLLIVER. Then for what purpose does my friend rise?

Mr. SMITH of Michigan. Simply to show that he is consistent in his views, and some of us hope to be in ours.

Mr. DOLLIVER. For nearly twenty years the Secretary of the Treasury has been consistent with the views and the interests and the candidates of the Republican party, and he stands now in the closest confidential relation possible with the President of the United States. Is he disqualified to say that the Republican platform, as interpreted by the President, led the public to expect a revision of the tariff in a downward direction?

Mr. SMITH of Michigan. No, Mr. President, I do not consider that he is competent to say it, or at least to bind the Republican party by his declaration. I have no words of criticism to offer upon the public life or the character or the intelligence of the Secretary of the Treasury, but I can not forget that while Benjamin Harrison was upholding the banner of protection as our party understood it, the present Secretary of the Treasury, if my memory is not at fault, left his party and joined the party of Mr. Cleveland for a downward revision.

Mr. BEVERIDGE. Will the Senator from Iowa permit me?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. Surely the Senator from Michigan does not object to these hundreds of thousands and millions of recruits to our party, which we have obtained from other parties, especially when they embrace such brilliant and eminent men as the Secretary of the Treasury.

Mr. SMITH of Michigan. I do not object, but I decline to hand them the banner under which I have marched from young manhood.

Mr. DOLLIVER. By the time the Senator from Michigan proves that the Secretary of the Treasury, by his political record and by his political views, is not a fit associate in public responsibility for the President of the United States, I will get ready to admit that those who sympathize with my views here are not well calculated for harmonious cooperation with the Republican party as represented in this Chamber.

Mr. SMITH of Michigan. Mr. President, I do not intend to be put in the attitude of criticising either the character or the public service of Secretary MacVeagh. He is an accomplished, able, patriotic, honorable man, and the President of the United States has exercised his usual good judgment of men in this case, and he is responsible only to the American people for his choice. I do not intend to criticise him for the selection of his official family, but I would no sooner be bound by the advice of the present Secretary of the Treasury in my course upon this bill than I would be bound by the counsel of the Secretary of War, or any other Democrat, if he were to give it upon this bill, able and honorable as he may be.

Mr. President, I had not intended to take any part in this discussion. I do not propose to do so now. The Senator from Indiana gave his illustration of the faulty brick to be taken from the great structure of protection, and says that should not be regarded as a species of political vandalism.

I do not so regard it, but I call the attention of the Senator from Indiana to the fact that the last revision of a Republican protective tariff consisted only in taking a few bricks out of the structure here and there. Unfortunately, however, those bricks were withdrawn by vandal hands from the tariff wall, and when the tide came in the whole industrial system of our country was submerged in ruin and disaster and there floated upon the sea of idleness millions of our countrymen, until the bricks were replaced and the wall perfected under the leadership of the great McKinley.

Mr. President, not very many months ago it was my pleasure to pass through the little Kingdom of Holland, a kingdom not highly favored by nature, lower than the sea. The sturdy Dutchman pushed back the sea and planted a garden where the surly Neptune had so lately set his trident. If my information is correct, the sea has not gone over the dikes of Holland for many years, and yet if the Senator from Indiana and my honored friend, the Senator from Iowa, were to approach the Queen of the Netherlands and suggest to her that, inasmuch as the tide had not gone over the dikes for so many years, perhaps they might engage themselves in boring a few holes through it just for the amusement and the delectation of the people, what think you the young queen would say?

She would say to the Senator from Indiana with all his plausibility and eloquence, "Sir, these dikes around Holland are the safety of our people. They sleep better behind them. They pursue their daily vocations with a greater sense of security because the dikes are there;" and I hardly think any eloquent man, no matter how vigorously he might plead with the Queen of the Netherlands, could get her to take down those traditional bulwarks for fear that, at some time, in the darkness or the storm, there should come a tide high enough to sweep over the barriers built by the enterprising people of Holland. The tariff is our industrial dike, behind which the activities of our people thrive and prosper, and we must not impair or destroy it.

Now, sir, I regard the commercial enterprise of our people as sacred in our hands. I would not have foreign-made goods used by the American people if we can produce our necessities at home. I do not favor tempting the American consumer to buy foreign-made goods. I am a firm believer in the use of the handiwork of our own genius. This custom has contributed more to the comfort of our people—their prosperity and happiness—than almost anything that legislation could aid. I am a firm believer in this principle.

When I came to Congress the first time the people in my State were almost a unit in favor of the repeal of the Wilson-Gorman law. Our people were then unemployed; millions of them without wages and without food. The soup houses were the permanent boarding place for many of our laborers. They sent me here to help repeal that law, and I cast my vote for the passage of the Dingley law, and received the almost unanimous approval of the people of my district for so doing.

That law had scarcely been enacted before our factories were humming with the rattle of the busy looms, our forges glowed with furnace fires, the ports of our commerce stirred with the pulses of enlarged trade, and improvements in city, town, and county added to the beauty and utility of the land. I am not here to criticise or strike down the system which has brought such prosperity to our people, either piecemeal or otherwise, but I am here to protest against its destruction. Every vote I cast from the beginning to the end of this proceeding shall be cast with the desire to preserve to the American workman the blessed American privilege which he now enjoys, and I decline to join in any wholesale raid upon it.

This system has put to the credit of our laboring people more money than they have ever saved before. Our savings banks are the repositories of their surplus wages, and millions upon millions are being stored away for their old age and the dependence of the family, and I decline——

Mr. STONE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Michigan yield to the Senator from Missouri?

Mr. SMITH of Michigan. No; I do not care to yield.

I decline to subscribe to the idea that we should begin cutting this tariff piecemeal in the interest of our rivals across the sea.

Mr. President, I rose merely for the purpose of expressing my view upon paragraph 321. When we passed the Dingley law there was no such commercial product as mercerized cotton cloth. We did not anticipate its manufacture. If, as the Senator from Iowa says, mercerized cloth was caught by the ad valorems of the Dingley law, I think he and I will agree that it was caught by accident rather than by design. But be that as it may, the mercerization of cloth is a great, growing, important industry. It is a fabric so attractive that those who have hitherto used foreign silks will prefer the mercerized goods instead. The tariff which we seek by this paragraph to supply seems to be what is required to preserve and to support the industry.

I do not desire foreign mercerized cotton to be used by the American people. I will not vote to make it easy for them to use it so long as our domestic product can be obtained reasonably, and in so doing shall be consistent with what I believe to be the best interest of our country.

Therefore, Mr. President, without going further or detaining the Senate I will simply say that those who disagree with me are certainly actuated by the same honorable and worthy motives as myself, and without in the slightest degree impugning their loyalty to our party or their patriotism or their

high sense of duty to their countrymen, I accord to them the same rights that I take to myself. I am wholly satisfied with this provision and shall cheerfully vote to make the duty specific upon this line of manufactured fabrics.

Mr. CUMMINS. Mr. President, evidently some of my Republican associates have been a little disturbed at the suggestion that they are Democrats. That has long ago ceased to disturb me. A certain kind of Republicanism has been calling me a Democrat for the last six or eight years, and I have become so accustomed to the charge that I can hear it with unruffled composure; and I hope that these friends of mine, who seem to think that the country at large will regard that as a disparagement, will take courage, because there is an intelligence abroad now that weighs the opinions of men and determines the position of men without regard to appellations and without regard to the attempt here or elsewhere to expel men from the Republican party because they are not willing to accept the Republican doctrine as it is expounded by those who are about us.

I do not challenge the Republicanism of my friend the Senator from Michigan [Mr. SMITH]. He has been entirely consistent, and I think he will be consistent to the end. He does not believe in reducing duties at any time or under any circumstances. He does not believe in the Chicago platform. He does not believe in the revision of the tariff that is now in progress. Never at any time did he lift his voice to bring about the revision through which we are now passing. I applaud his consistency. I admire the courage that he manifests in standing here and telling the American people that rather than reduce a single duty in the Dingley law he would lift up the bulwark that surrounds the American market.

His illustration, so apt, so pertinent, so accurate of the dike that keeps out the ravages of the sea from that little country abroad, shows precisely what he thinks of the tariff; and he would year by year add a little to the height of the tariff wall lest by some mischance, lest by some development, lest by some growth that we can not anticipate, in an evil moment a drop of water shall spill over this protection to a defenseless people.

I understand him, and I rather admire him because he has been so persistent and courageous in the effort to destroy the reduction of any of the duties in the Dingley law.

I understand, too, his philosophy—and there are a great many, I fancy, who hold it—namely, that no evil can come to the American people because the duties upon competitive products are too high. He minimizes the dangers that lie in the combinations, in the concentrations that are the striking characteristic of the last decade. He imagines that if the duties are higher than are necessary to measure the difference between the cost of producing here and abroad, with a fair profit to the manufacturer, the American people can not thereby be injured, that no danger can come to them, because he believes that in every field of American industry there is full and complete and substantial and effective competition. He believes that there is no such thing as a combination. He declines to open his eyes to the existence of a trust; and believing so, if I believed that there was no tendency in these modern times to interrupt the ordinary laws of business; if I believed that competition was an effective force in commercial affairs as it was in former times, I would not be insistent with respect to the reduction of duties. It is only because I believe that there is in the life of America, there is in the commerce of America, a tendency to destroy competition, that I am here to uplift my voice from time to time in favor of limiting duties to the fair difference between the cost of production abroad and at home.

These Senators who apparently repudiate the notion that any duty can be too high, are ready to assert that in the steel business there is full, complete, and perfect competition. They refuse to accept the manifest fact that there is just one concern that by the consensus of belief upon the part of those who know something about the business fixes the price of every pound of iron or steel sold in the United States. I am not asserting that there are not independent manufacturers, but they have no more influence upon the price of that product than though they were engaged in the manufacture of gossamer thread instead of steel rails or structural iron.

I believe, therefore, that with regard to these products it is of the highest importance that the duty shall be just sufficient to insure the manufacturer of iron and steel in our country a fair profit, leaving the fear and menace, whatever those forces may be, that if the prices are lifted up beyond a reasonable point they will challenge competition from abroad.

I have no hesitation in saying that while I am a profound believer in the doctrine of protection, while I will vote to place upon any product of an American mine, factory, shop, farm, a duty that will measure amply—not meagerly, but amply and fully—the difference between the cost of producing that article here and abroad, there is one right held by the American people more sacred than the right of protection. There is one thing more necessary to preserve our institutions in their full vigor and to preserve the character of our people in its full exaltation than the principle of protection. There is one thing we must have if America is to accomplish the destiny that we all fondly believe lies before her, and that is a fair and an even chance upon the part of every man, woman, and child in the battle of life. This is the most potent force in the civilization of the present age, and when we look into the commercial world we call this force "competition." That we must have. I want the competition of the United States, if possible, but I want the competition of the world, if necessary.

The consumer—that much-maligned, that much-despised, that supposed mythical man, the consumer—is better entitled to competition than the producer is to protection; and I found my political economy upon that fundamental principle.

It is idle, Senators, to say that men who believe there ought to be a limit to duties are disloyal Republicans. I was very sorry to hear the Senator from Rhode Island say that those who were voting for the report of the committee were loyal Republicans. I have no doubt they are, but I fear that he intended to have it inferred that they are the only loyal Republicans in this Chamber.

Mr. ALDRICH. Oh, no; I did not intend that.

Mr. BEVERIDGE. Just what did the Senator intend?

Mr. ALDRICH. My intention seemed to be perfectly plain. We are here charged with the responsibility of passing this tariff bill, and the men who vote for it and the men who support its provisions are certainly loyal Republicans. I did not intend to specify anybody else, nor do I now.

Mr. CUMMINS. I am sure the men who vote for it are loyal Republicans, but I was alarmed lest unthinking people would draw the inference that in the opinion of the Senator from Rhode Island those who differed from the committee were not loyal Republicans. I have myself expended as much time and as much strength for the Republican party as any man of my years in this Chamber. I love its history; I am proud of its leaders; I have sublime faith in the justice of its principles; and as I have had occasion to say more than once, there is no man, I care not how powerful he may be, how influential he may be, who can put me out of the Republican party.

Mr. ALDRICH. I hope the Senator will do me the justice to say that I alluded to him expressly, or intended to do so, when I said that there were Senators here who had always held that view—of course, inside of the Republican party. I had no idea of saying that the Senator from Iowa or any other Senator was outside of the Republican party. I have no authority to say whether a man is a Republican or not. That is a question over which I have no control and no desire to have control.

Mr. CUMMINS. Mr. President, I did not understand the Senator from Rhode Island to make the remark from which I drew the inference I stated. It has been made by others, however, and I could not allow this opportunity to pass without giving it at least the respect of a passing glance.

I have not accused the Senator from Michigan, nor shall I, because I have not heard him say anything here from which such a conclusion would naturally follow, but Senators who have heard this discussion will understand what I mean and to whom I refer in a broad and general way.

Now, let us see about this. I hold the Democratic party in the highest esteem. I hold its members in the highest regard, but I am not a Democrat. I do not believe in the economic doctrines which they announce from time to time, and which undoubtedly they believe to be sound and safe for the Republic. I do not believe in a tariff for revenue only, as I understand that maxim; and unless you, Senators, want to disintegrate the Republican party, unless you want to destroy its strength, it seems to me there ought to be an end here of either direct or indirect challenges to party faith.

I suppose that our friends upon the other side of the Chamber vote for a lower duty each time because they believe that the lower duty more nearly approaches the revenue standard. There is nothing inconsistent in Democrats so voting, nor is there anything inconsistent in the Senators who believe that the Dingley duties ought to be reduced in proposing from time to time such reductions of duty as we think are necessary to insure the welfare of the people, but which at the same time

will not allow one drop of that salty sea to pass into the farms and the gardens of the people of Holland. We are not here for the purpose of inundating Holland or any other municipality or country, but we are here to protect if we can against excessive duties our own people, our own consumers.

I have heard a great deal said here about consumers—that there are no consumers. There is a sense in which that is true, because nearly every man is a producer as well; but take the very schedule that we are now investigating. The cotton mills are the producers of cotton cloth and the whole country are the consumers of cotton cloth. When you come to measure these duties you are bound to look not only to the interest of those who manufacture cotton cloth, but those who use cotton cloth as well. The one is the producer, the others are the consumers.

As suggested by the Senator from Indiana [Mr. BEVERIDGE], when you put this duty upon mercerized cotton cloths, unnecessarily, you have given it in the power of the cotton producers by combination to lift their prices with the American people to a point that will give to them not a fair and reasonable profit but an unfair and an unreasonable profit. This is what I call excessive and inordinate protection, and it is this which, if persisted in, which if it finally becomes the established policy of our party or any other, will overthrow it just as surely as time records itself with the passage of day. It can not be otherwise.

We are remitted, then, to the investigation of this particular duty. When I rose, I rose really to speak about the duty, but there was another suggestion made by the Senator from Rhode Island which I knew perfectly and which I have observed in the campaigns I have made for years. The Senator from Rhode Island says, and he says truly, that there are in the Dingley law and in the proposed law as now reported to the Senate many duties that are prohibitory, many duties that are much higher than are necessary to accomplish the result to which, as Republicans, we are pledged.

That is just the source of my complaint. May I say to the Senator from Rhode Island, I hope, and all Republicans holding a faith like mine hoped, that the Committee on Finance, with its more extensive opportunities for knowledge and investigation, with its more technical information respecting these subjects, would eliminate before the bill was reported these duties which, according to the statement of the Senator from Rhode Island, are in conflict with the platform announced at Chicago, and to which every Republican in the land is pledged if he desires to remain a member of that organization?

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. I did not say they were in conflict with the platform adopted at Chicago, nor do I think that they are.

Mr. CUMMINS. Let us see about that. It is quite true that the Senator from Rhode Island did not say that these duties were in conflict with our platform announced at Chicago, but what did he say? He said that they were higher than measured the difference between the cost of production at home and abroad, that they were prohibitory, and that nothing could be imported into this country against them; not only that they gave to our producers a fair chance in our own markets, but that they gave to our producers the only chance in our market.

Now, let us see whether that is in harmony with a statement which declares that our duties shall measure the difference between the cost of production abroad with a fair reward upon the capital required for enterprise. I assume that the inference I have drawn must necessarily be drawn by every intelligent man, by even the casual reader who compares the platform at Chicago. Is a duty so high, as the Senator from Rhode Island has said, that it not only measures the difference between the cost of production at home and abroad but that was greater than the selling price of the commodity in our own market? If any man can attempt to reconcile such a duty with the Republican declaration at Chicago, he will have more ingenuity and mental acrobatics than I possess at the present moment.

I hoped that all these duties, unnecessary for the protection of the people and alarming and menacing to the party as a political organization, would disappear when the Finance Committee took up this bill for consideration. I want to be understood upon that point. I hope it without any combination at all, because we disavow combinations. There has never been a single suggestion of concert between those who believe in a tariff for revenue only and those who believe in a reduction of these duties to the protective point. In all this time, in all this debate, I have not heard a suspicion of collusion or combination between the men who hold these two beliefs, and they are just as radically dissociated from each other, they are just as widely separated from each other, in principle as is the plan of the Senator from Rhode Island from the plan of the Senators upon the other side of the Chamber.

We differ from the committee sometimes, not always. The Senators who have been thus characterized have not differed always; on the contrary, more than half of all the paragraphs reported by the Senate committee have been adopted without protest, without suggestion of reduction, because we believe, if you please, that reduction was unnecessary. We have proposed reduction and opposed increases only, I will not say when we knew, because that indicates a certainty that can not come to the human mind, but when we believed that the duties that you proposed were higher than were required by the platform of our party and higher than were required by the safety and the welfare of our people. Therefore, we have done what little we could as I think in an intelligent and in a discriminating way to reduce these duties.

There are Senators here, and many of them, and I say no word against them, who vote to sustain the report of the committee, and they vote for the committee simply because, I assume, they believe in the judgment of the committee, because I venture the assertion that a good many of them at least have not made any independent investigation with respect to the duties upon these various articles. They vote because they believe that the Committee on Finance has reached in all probability a wise conclusion. I honor them for that. I have no objection to that course. But that does not suit me.

Mr. HEYBURN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Idaho?

Mr. CUMMINS. I do.

Mr. HEYBURN. That does not suit the Senator from Idaho, either. It would be interesting to know the Senators who are in the mind of the Senator from Iowa when he charges them with following blindly without intelligent consideration the lead of anybody.

Mr. CUMMINS. Mr. President, that sounds to me like a motion for a bill of particulars.

Mr. HEYBURN. There are circumstances where direct charges are made, that amount to a question of the intelligent or conscientious performance of duty on the part of a Senator where a bill of particulars would seem particularly appropriate.

Mr. CUMMINS. Mr. President, the Senator from Idaho wholly misconceives what I have said if he imagines that there is in my statement a suggestion of want of fidelity upon the part of any Senator in this Chamber. I have done the same thing many times. I believe every Senator here has followed that course many times. He has accepted the work of a committee charged with a particular investigation and voted to sustain that committee without careful, full, and minute investigation. I do not conceive that I am charging any Senator with anything unworthy when I so assert. In this particular instance, however, there are some of us, possibly on account of former association, former tendencies, former campaigns, have thought it fit to look carefully into these schedules, and therefore we have ventured to differ from the committee upon certain paragraphs.

I know that the Senator from Rhode Island, I know that every member of the Finance Committee, has no belief that these Members are differing from the committee for the purpose of striking down the principle of protection. I should like to know in what vote the suggestion of a destruction of the policy of protecting American industries is found. What roll call discloses any purpose upon the part of these differing Senators? I am very sorry to have been compelled, or felt compelled, to draw a line between these Senators. Every Senator has a right to his own opinion, and I have never yet found it necessary to impute bad faith. I have never yet found it necessary to impute disloyalty to any of my associates here or elsewhere. I fight when I fight against a system, and not against men. It is no pleasure for me to disparage men. It is no joy for me to impugn motives. I know something about the organization of the world and of our country, and I know something about the forces of business. I know something about the tendencies, I know something about the environments, and I give full force to these things as they gradually mold and shape and color both individual and public opinion.

Therefore, so far as I am concerned, I intend to go right forward voting upon these paragraphs and upon every other question that arises upon the bill, just exactly as I think right. And I am going to assume that every other Senator is voting just as he thinks right, whether upon that side of the Chamber or upon this. I sincerely trust that in the days to come there

may not arise, either from one side of this line which apparently divides the Republicans here, or the other, the suggestion that there is disloyalty to the party, or the suggestion that we are endeavoring to break down and strike down the rights of American workingmen, or the suggestion that we would not rather use and wear and consume things made in our own country than those imported from across the sea. But let us work out this difference of opinion fairly, commonly, and impartially if possible.

In that spirit I now come to paragraph 321, and I want to reply for a little while, in a very few minutes, to the argument of the Senator from Massachusetts [Mr. LODGE] with respect to mercerization. The amendment upon which you are about to vote imposes a cumulative duty of 1 cent a square yard upon cloth that has been subjected to the process of mercerization.

Mr. HEYBURN. Mr. President——

The PRESIDENT pro tempore. Will the Senator from Iowa yield to the Senator from Idaho?

Mr. CUMMINS. Certainly.

Mr. HEYBURN. Before the Senator from Iowa leaves the consideration of the principle he had under consideration, I feel impelled to make a suggestion or two in his time.

It can not be possible that any part of this body or of the American people have lost confidence in the power of our Government to deal effectively with any evil that may have arisen. It can not be possible that in order to punish any people belonging to us or to settle any condition that has arisen we must call in mercenary assistance. It can not be possible that a condition has arisen in our business world at home that we can not manage.

For instance, the suggestion of the Senator from Iowa and other Senators that a condition of business, which is denominated the trust, has arisen and gained such a hold upon us that we can not manage it, and therefore we must go outside and call in the nations of the earth to overcome competition; for economic conditions here ought to be absolutely under the control of our own people. If trusts or unholy combinations have arisen, the laws of this country and the American people ought to be able to deal with them.

It seems too much like an admission of inability to say that we can not deal with you and we will go abroad and get the mercenaries of trade from other countries to come in here and settle this question of competition, because the law of competition is involved just as much in the tariff regulations of foreign goods as it is between our own people. That is the way this whole tariff question appears to me. It is a question, it appears to me, whether we settle the question among ourselves or whether you shall go outside and import some business virus with which we shall inoculate the American people and thus heal this imaginary or real disease, whichever it may be.

It does not appear to me, Mr. President, that we are justified in thus estimating the capacity of the American people to govern themselves. That is the reason why I vote for the bill reported by the committee. I do not support it with that warmth and zeal that I would had they maintained the duties that had heretofore existed and that stand between the competition of the American people and other nations.

That is the kind of a protectionist I am. Upon articles that we can not produce and articles that the people only use at their own convenience or choice I would impose a duty that would make a revenue that would meet the requirements of this country. Upon anything that the American people either do produce or can be taught to produce I would see to it that they had competition to themselves. There are 95,000,000 consumers, and pretty nearly that many producers, in this country. I would give them an opportunity in the field of competition at home to manufacture and sell and consume among themselves, and if any stranger wanted to come in with his wares, I would say, "There is a charge of so much admission before you can come in to do business with the American people." They are great enough and strong enough and have resources enough to constitute a world were every other country swept into oblivion. That is the kind of a protective tariff I am for.

Mr. CUMMINS. Mr. President, the Senator from Idaho is a formidable and an accurate sharpshooter, but he did not shoot at me. I suppose his victim will be found somewhere, suffering from the wound that he has inflicted, but he misunderstood me if his shot was intended to meet my argument.

I agree, Mr. President, that the duty upon all competitive articles should be high enough to enable our own producers to supply our market. I agree to that. That does not destroy competition, because there may be, and there ought to be, competition among the American producers. But if you make the duty higher than necessary to enable our producers to supply our own market, paying American wages and giving American capital a fair reward, then if the combination or monopoly which I know the Senator from Idaho thinks is imaginary, but which I know to be real, comes into existence, it is able to lift the American price above the American level without inviting competition from anywhere in the world.

Mr. HEYBURN. Mr. President——

The PRESIDING OFFICER (Mr. KEAN in the chair). Does the Senator from Iowa yield to the Senator from Idaho?

Mr. CUMMINS. I do.

Mr. HEYBURN. I merely rose to correct any impression which may lie in the mind of the Senator from Iowa that I believe there is no such thing as a monopoly, because we have antimonopoly legislation, and if we enforce it, it will doubtless be effective to control monopolies. I would have no competition in a foreign country, because I would only deal with them in relation to those things which we can not produce ourselves.

Mr. CUMMINS. I would have no competition with a foreign country—that is, assuming we are dealing in competitive products—unless our home producers lift up the price, as they have been doing and as they are doing now, above a fair American level.

Mr. HEYBURN. May I ask the Senator if that is the point at which he would call in the foreign mercenaries to regulate our home affairs?

Mr. CUMMINS. I hardly know what the Senator from Idaho means with regard to "mercenaries." I remember that in the war of the Revolution there were certain Hessian troops who were called "mercenaries." I suppose in a general way that means troops that fight not for patriotism, but for pay. If that be true, then all the troops of commerce are mercenary, and they are fighting here for pay as vigorously and valiantly as I ever saw troops fight anywhere.

Mr. HEYBURN. I should like to have the understanding of the Senator from Iowa a little clearer as to mercenaries. A mercenary is a man who takes the part of somebody else for a consideration, and when a foreign country comes into our market for a consideration to settle the question of competition among our own people, it is a mercenary.

Mr. CUMMINS. I do not think there is a difference of opinion between the Senator from Idaho and myself. I may differ a little from him in just one respect; and in that his opinion seems to be shared by a great many others here. He treats the American market as though it were the birthright of the American producer.

Mr. HEYBURN. That is right.

Mr. CUMMINS. He does not contemplate that there ever will be a purchaser in the American market who has any right whatsoever. I believe in a market that is made up of producers and sellers and purchasers and consumers. I say that the consumer has some rights in that market just as sacred as have the producer and the seller. I would fill the market with American-made goods if I could, but I would not fill it with American-made goods if to do so involved the infliction upon the consumer or the user of an extortionate price for the things they are compelled to buy.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. I do.

Mr. ALDRICH. I dislike to use the word "vocation," because it is——

Mr. CUMMINS. I do not object to it.

Mr. ALDRICH. What would be the vocation of this particular consumer which the Senator from Iowa has in mind?

Mr. CUMMINS. I will tell you the vocation of the consumer. Mr. President, I am a consumer of cotton goods, and there are 95,000,000 other consumers.

Mr. ALDRICH rose.

Mr. CUMMINS. Now, wait just a minute. I know very well the distinction the Senator has in his mind and upon his lips. He is going to say that these other 95,000,000 outside of the cotton producers and cotton laborers produce something else.

That is true; they do produce something else; and so far as this particular thing is concerned, these mills in New Bedford, in Fall River, in the South, and scattered over New England and Pennsylvania are the producers, and the other 95,000,000 of people are, so far as this product is concerned, the consumers. They have a right to take the product of these mills at a fair and a reasonable price, all things considered. I want the New England mills to make these goods; I want the southern mills to make these goods, and the western mills, if there be any. The ideal condition with me as an American would be to buy nothing, to eat nothing, to use nothing that is not made

within the limits of the Republic, if I could buy those things and eat those things and use those things without contributing unduly to the avarice and greed and extortion of some manufacturer or producer.

Now, I yield to the Senator from Rhode Island.

Mr. ALDRICH. Mr. President, I ask the Senator from Iowa what would be the vocation of this ideal consumer that he had in his mind?

Mr. CUMMINS. I answered——

Mr. ALDRICH. Wait a minute. The Senator designated himself. Well, of course, he is a consumer, and so am I; but if the United States depended upon consumers like him and me, who do not produce anything except speeches, perhaps, for the edification of our fellow-citizens, we should soon be in a bad condition.

Mr. CUMMINS. I wonder, Mr. President, if the Finance Committee has it in view to put an ad valorem duty on speeches.

Mr. ALDRICH. I think it ought to be a specific duty.

Mr. CUMMINS. I think, Mr. President, that, in order to affect the business at all, it would have to be specific.

Mr. GALLINGER. And very high.

Mr. CUMMINS. And very high.

But now I return to the question of the Senator from Rhode Island, which is a very interesting one, and which involves one of those little fallacies which creep into nearly every political debate, namely, that this country can not be divided into consumers and producers. They can not if the whole vocation or business of the world is considered; but the producer of the particular article stands over against the consumer of that article, and the relations between those two must be properly adjusted. It seems to me, if it were otherwise, we are spending a very large amount of talk in vain. If I am not right in this contention, why not just pass a general law that there shall be a duty of $100 a pound on everything that can be weighed, and $100 a yard on everything that can be measured, and go home? That would certainly protect our markets sufficiently. The fact that you do not do that, the fact that there is not a Senator here who would advocate so extraordinary and so foolish a proposition, is the conclusive proof that there is a point at which the duty ought to rest; and that point is the point announced and so well defined in the Chicago platform; namely, the difference between the cost of production here and abroad, with a fair profit added to the American producer.

I again recur to the paragraph under consideration, to the duty of 1 cent per square yard to be placed as a cumulative duty on mercerized cotton cloth. From now on, Mr. President, I want, if I can get it, as I am now receiving it, the attention of the Senator from Massachusetts [Mr. LODGE]. He stated, and I rather think he stated properly, that a cent a yard was a very high protective duty upon the process of mercerization. I do not know whether it is or not; but I want to take him on his own ground. He believes in a specific duty of a cent a yard, instead of the old ad valorem duty provided for in the Dingley law. I, too, favor specific duties whenever they can be imposed without too conspicuous inequality; but I want to ask the Senator from Massachusetts if he believes not only in imposing one specific duty upon a mercerized yard of cotton cloth, but two specific duties, because this bill which is now before the Senate, and this paragraph which we are now considering, imposes two specific duties upon mercerized cotton cloth.

I have not got his samples here, but you will remember that he presented one beautiful specimen of cloth, concerning which he stated that it cost 12½ cents a yard to prepare it for mercerization and to put it through the process of mercerization. Am I right about that?

Mr. LODGE nodded in the affirmative.

Mr. CUMMINS. Well, I want to ask the Senator from Massachusetts to take a piece of cloth like that to be presented at our custom-house for admission to our shores, and I ask under what paragraph would that particular piece of cloth be assessed?

Mr. LODGE. I understand the Senator to mean cloth prepared for mercerization.

Mr. CUMMINS. The high-priced cotton cloth prepared for mercerization and mercerized.

Mr. LODGE. It would come in under one of the countable clauses, with the additional duty of 3.21 which is put on all fancy articles to which mercerization has been added.

Mr. CUMMINS. Precisely. That is exactly the answer which I would have expected from a candid student of the subject. The particular cloth that I can now see in my mind's eye, because it was so beautiful, would probably be worth 30 cents a yard or 40 cents a yard or somewhere along there. It would come in under one of the countable paragraphs, because it would be worth 12½ cents a yard more if prepared for mercerization and mercerized. It would pay under that countable paragraph more than 40 per cent of the 12½ cents which had been expended upon it for preparation and for mercerization, and if it were under the 40 per cent paragraph, possibly 35 per cent, possibly 45. But all I want the Senate to understand is that that piece of cloth had already paid one specific duty, because its value had been advanced by preparation for mercerization and by mercerization, and a very high specific duty, a duty that I can not now show the precise amount of, because it would require me to find the paragraph under which it would be admitted. I venture, however, the assertion that that particular cloth would come in under a high specific duty, 20 per cent higher than was allotted to it by the Dingley law. Still it would have to await the imposition of 1 cent per yard for the exact process of mercerization.

Mr. LODGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Massachusetts?

Mr. CUMMINS. I do.

Mr. LODGE. I agree to the first statement which the Senator has made, but not to his last statement. When these mercerized or colored cloths come in, the duty that they get under the preceding paragraphs, the countable paragraphs, is the duty on white cotton. They do not get any additional duty if they form a figure or fancy effect. These are cumulative duties, put on in order to meet the additional expenditure on the cloth.

Mr. CUMMINS. Precisely. Mr. President, I know the Senator from Massachusetts is absolutely sincere about that, but that is just the fault that has obscured the path to a right conclusion of this matter from the beginning. I know that the Senator is not right with respect to that; I know that he thinks he is; and it will be for the Senate to determine. Now, take a piece of cloth, mercerized, that has not a figure on it, that has not a single fig leaf, if you please, to conceal its nakedness.

Mr. LODGE. You mean fully mercerized?

Mr. CUMMINS. Fully mercerized cloth.

Mr. LODGE. Those are the most expensive.

Mr. CUMMINS. Precisely; and they bear the highest specific duty. They bear a duty graduated according to the value of the cloth, and the value of the cloth is determined by what has been expended upon it to prepare it for mercerization and for mercerizing it. It is idle to contend in this presence that this cloth, to which the Senator from Massachusetts has referred, has not borne one specific duty that was regarded as ample and adequate to protect our markets against the intrusion of similar cloth from abroad. Notwithstanding that, you add, as it seems to me, unnecessarily and contrary to the highest dictates of patriotism and political sagacity, as well as of truth and justice, another cent per yard because it has been mercerized.

Take the very cloth that is open here [exhibiting]. I do not know how much it is worth per yard, but it is worth a good deal per yard. If that cloth were presented to our custom-house, and if it cost 40 cents a yard to mercerize it or to prepare it for mercerization, it would pay either 45 or 50 per cent—I have forgotten which—or more under a specific duty because that value had been added to it. Now you put upon it this additional duty of 1 cent as a specific burden. Senators, that 1 cent, although it may never be felt by a woman who wears a mercerized dress or a man who wears a mercerized shirt, will be a great burden when you enter the next political campaign.

The PRESIDENT pro tempore. The question is on the amendment of the Senator from Iowa [Mr. DOLLIVER], which the Secretary will state.

The SECRETARY. On page 111, line 3, after the word "yard," it is proposed to strike out the semicolon and the remainder of the paragraph, as follows, "on all cotton cloth mercerized or subjected to any similar process, 1 cent per square yard."

Mr. DOLLIVER. Mr. President, on that amendment I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DU PONT (when his name was called). I am paired with the junior Senator from South Carolina [Mr. SMITH] and therefore withhold my vote. If he were present, I should vote "nay."

Mr. NIXON (when his name was called). I am paired with the junior Senator from Alabama [Mr. BANKHEAD]. If he were here, I would vote "nay."

Mr. SMITH of Maryland (when Mr. RAYNER's name was called). My colleague, the senior Senator from Maryland [Mr. RAYNER], is absent unavoidably. He is paired with the Senator from Oregon [Mr. BOURNE]. If my colleague were present, he would vote "yea."

Mr. SUTHERLAND (when his name was called). I am paired with the junior Senator from Tennessee [Mr. TAYLOR]. If he were present, I should vote "nay."

The roll call was concluded.

Mr. DILLINGHAM (after having voted in the negative). Owing to the absence of the senior Senator from South Carolina [Mr. TILLMAN], with whom I have a general pair, I withdraw my vote.

Mr. OLIVER. I inquire if the Senator from Connecticut [Mr. BULKELEY] has voted?

The PRESIDENT pro tempore. The Chair is informed that he has not.

Mr. OLIVER. I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]; but I transfer that pair to the senior Senator from Connecticut Mr. [BULKELEY], and vote. I vote "nay."

The result was announced—yeas 32, nays 38, as follows:

YEAS—32.

Bacon	Culberson	Johnston, Ala.	Overman
Bailey	Cummins	Jones	Owen
Beveridge	Dolliver	La Follette	Paynter
Bristow	Fletcher	McLaurin	Shively
Brown	Frazier	Martin	Simmons
Burkett	Gamble	Money	Smith, Md.
Clapp	Gore	Nelson	Stone
Clay	Hughes	Newlands	Taliaferro

NAYS—38.

Aldrich	Cullom	Johnson, N. Dak.	Root
Bradley	Curtis	Kean	Scott
Brandegee	Depew	Lodge	Smith, Mich.
Briggs	Dixon	McCumber	Smoot
Burnham	Elkins	McEnery	Stephenson
Burrows	Flint	Oliver	Warner
Burton	Gallinger	Page	Warren
Carter	Guggenheim	Penrose	Wetmore
Clark, Wyo.	Hale	Perkins	
Crane	Heyburn	Piles	

NOT VOTING—21.

Bankhead	Crawford	Foster	Sutherland
Borah	Daniel	Frye	Taylor
Bourne	Davis	Nixon	Tillman
Bulkeley	Dick	Rayner	
Chamberlain	Dillingham	Richardson	
Clarke, Ark.	du Pont	Smith, S. C.	

So Mr. DOLLIVER's amendment was rejected.

The PRESIDENT pro tempore. The question is on the paragraph as amended.

The paragraph as amended was agreed to.

Mr. DOLLIVER. Mr. President, in paragraph 322 I desire to submit the following amendment: In line 11 to place a period after the words "ad valorem" and strike out the remainder of the paragraph.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. On page 111, paragraph 322, in line 11, after the words "ad valorem," it is proposed to strike out the colon, insert a period, and strike out the remainder of the paragraph, as follows:

Provided, That any of the foregoing having india rubber as a component material shall pay a duty of 15 cents per pound in addition to the duty herein imposed, irrespective of the relative value of the india rubber.

Mr. DOLLIVER. Mr. President, I should like to state very briefly what the effect of that proviso is. The paragraph specifies—

Clothing, ready-made, and articles of wearing apparel of every description, composed of cotton or other vegetable fiber, or of which cotton or other vegetable fiber is the component material of chief value, made up or manufactured, wholly or in part—

And so forth.

The proviso carries into the cotton schedule, at 15 cents a pound and 50 per cent ad valorem, an astonishingly large list of clothing and wearing apparel which ought, in my judgment, to be included in the paragraph providing for manufactures of rubber, or of which rubber is the material of chief value, at 30 per cent ad valorem, as the present law provides, or 35 per cent, as the Senate bill provides.

Mr. ALDRICH. Mr. President, I have no objection to the amendment of the Senator from Iowa.

Mr. DOLLIVER. I was just going to suggest that in view of the fact that it carries gum coats, as well as gum boots and gum shoes, cotton-lined, into a wrong classification, I intended to appeal to the Senator from Rhode Island to strike it out, as the new percentage would amount to 75 per cent, as I calculate it, and more in many cases. Let this paragraph go into conference, and let very careful investigation be given to see if it is not possible to separate these rubber goods from cotton and woolen goods. This is one of the gravest abuses in the tariff law.

Mr. ALDRICH. I am willing to adopt the suggestion, Mr. President.

Mr. DOLLIVER. I desire to say further that this is an error in the Dingley law, which is preserved in an aggravated form in the House bill, and I felt no doubt that it found its way into this schedule because the committee in the hurry of controverted matters overlooked that which, I think, is a bad classification of merchandise.

Mr. STONE. Mr. President, a little while ago, when a somewhat interesting debate was on between Senators on the other side and compliments were being exchanged, I sought three times to get the floor, but was not successful. Other Senators addressed the Chair at the same time and, in the exercise of that high privilege that belongs to the Chair, in each instance some other Senator was recognized. I sought when the Senator from Michigan [Mr. SMITH] was delivering his florid oration on the dikes of Holland, to ask him a question, but he declined to yield. In the course of that oration, "still harping on my daughter," he referred to the soup houses and the millions of idle men who were tramping the country while the Gorman-Wilson law was in force. He said that he had been elected to Congress and commissioned to aid in correcting the evils that had grown up under that law. I wanted to ask him if he was not also elected and commissioned to prevent the recurrence of such evils in future by such corrective legislation as would prevent such a recurrence. He helped to make the Dingley law to take the place of the Gorman-Wilson law, and yet under that statute, which is still in full force, we have had as many soup houses and as many, if not more, men out of employment, wandering about seeking work, as we had during the Gorman-Wilson law.

Mr. SMITH of Michigan. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Missouri yield to the Senator from Michigan?

Mr. STONE. I will be more courteous than the Senator from Michigan; I will yield.

Mr. SMITH of Michigan. It is very embarrassing.

Mr. STONE. I do not wish to embarrass, but I wish to be courteous.

Mr. SMITH of Michigan. I did not mean to be discourteous to the Senator, but I was going to suggest that America did not have any monopoly of those hard times.

Mr. STONE. No; America did not have any monopoly of those hard times from 1893 to 1897, and had less monopoly of them then than we had in the recent panic. That is all I desire to call the attention of the Senator to, and to ask him to make some explanation as to why he did not enact some law to guard against a recurrence of the very evil he was sent here to correct.

Mr. SMITH of Michigan. Perhaps I was a little shorter in my response than I ought to have been. I did not intend that as a discourtesy.

Mr. STONE. If the Senator is going to make another oration on the dikes of Holland——

Mr. SMITH of Michigan. I am not; but I do not want you to make one on that subject, because you might make a great deal better one.

I was just going to suggest that while we did not have any monopoly of the hard times which existed year before last, there never was a time in the history of England, France, or Germany when times were better than they were while we had the Wilson-Gorman bill upon the statute books.

Mr. STONE. Oh, that rests in mere assertion, and it is an assertion of fact upon which I shall join issue. But I will leave that where it is on the pleading.

Mr. President, when I sought recognition two or three times, it was for another purpose than this. What I have said so far is merely in passing.

While the Senator from Rhode Island [Mr. ALDRICH] had the floor during the debate referred to, he arraigned with much severity his Republican colleagues who have not agreed with him about the rates reported in the bill now before the Senate, and charged that there was a combination between those Republicans, called "progressives" or "insurgents," and Senators upon this side of the Chamber. The Senator from Indiana suggests from his seat in an undertone "sometimes." I understood the Senator to be charging that there was a distinct combination between the "progressives" upon the one hand and Democratic Senators upon the other, and charged that they were voting in unison.

In answer to that, from my seat and without rising, I said "not always; sometimes some have voted as you did;" or words to that effect. I did not expect or intend that this suggestion, made from my seat, should go into the RECORD, although I had no objection to having it in the RECORD.

But the Senator from Rhode Island, and a little later the Senator from Indiana, saw proper to refer to what I said in a way that puts it into the RECORD. And now, I want to say just what I meant by the remark.

Mr. President, as a rule, with only two or three exceptions, Democratic Senators have voted together. There has been

scarcely an appreciable defection on this side in our voting. I did not like what the Senator from Rhode Island was saying about a combination, because I did not think it was founded in fact. I know there is no collusion, understanding, or combination of any kind between Senators upon that side who have been opposing the exorbitant rates proposed in this bill and Senators upon this side. It is true that one Senator upon this side has voted uniformly with the chairman of the Finance Committee in all these schedules. I refer to the senior Senator from Louisiana [Mr. McENERY], and on this floor that Senator within the last few days made a speech in which he declares himself to be a pronounced protectionist all along the line.

Mr. President, I have not myself always voted with the so-called "progressives." We have had votes here, as every Senator knows, when some Senators upon this side have voted with the progressives and there have been other votes where they have been opposed, as the RECORD shows. Sometimes it has happened that the so-called "progressives" have voted with the Committee on Finance, and Democratic Senators have recorded themselves solidly—or practically so—on the other side. So when the Senator from Rhode Island declared that there was some sort of combination between the so-called "progressive" element of the Republicans and Democratic Senators, I made the remark I did in the way of contradiction. I was not seeking to impeach or criticise or censure what Democrats upon this side may have done, whatever I may have thought about it, but I did not think the facts warranted the declaration made by the Senator from Rhode Island. That is all I care to say in explanation of that remark.

But while I am on my feet and before I leave the floor I think it an opportune time to say that, so far as I am concerned, whatever other Senators on either side may think about it, I believe that the solemn declarations of a party convention, assembled with delegates from every State in the Union—intelligent and representative men, met to declare the principles and public policy of a great party—should have some binding force on party men.

Platforms are made by representative men sent from every State in the Union, and they meet in one great national convocation. I have attended several of these party conventions. I have been upon platform committees. I have never known, in my experience, a platform that did not have in it some things I thought it would have been better to have left out, and other things left out which I thought should have been put in. But when, by a consensus of the judgment and opinion of all the delegates, a platform is agreed upon and promulgated, it has a binding force upon me as a party man.

In like manner, when a Republican national convention assembles and promulgates a platform of policies and purposes, it ought to have some binding force upon Senators of that faith; at least upon all who care for party discipline and party obligation. If this be not true, then party organization is a myth. It amounts to nothing if Senators or Members of the House of Representatives upon either side of the Chamber can come here and say they are indifferent to the solemn avowals of a national convention, which is the supreme party tribunal, and that they will assert their own views and judgment upon questions without regard to party declarations. They have a right to do it, of course, and when they do I do not consider it within my province to arraign them. Every Senator acts on his own conscience and judgment, and is responsible to his own constituents. But I want to say for myself, and let it go into the RECORD, that I am a party man; I am a Democrat; and on current questions of party policy I look first and immediately to my party platform to see what my party stands for.

Mr. McLAURIN. Mr. President, before the debate closes I wish to call attention to one thing that has been uttered time and again by the Republican members of the Senate and has been again repeated to-day. I have nothing to do with the quarrels between the members of the Republican party in the Senate. If some of them desire to repudiate the party platform as it was understood by the American people in the last election, and revise the tariff up, and others desire to execute the will of the majority of the American people as they expressed themselves at the polls, adopting the policy laid down by the Republican platform, it is no concern of mine.

I will say, however, that while the Senator from Michigan insists upon his simile or analogy of the dikes that protect the Netherlands against the floods, thereby proclaiming himself by implication in favor of an entirely prohibitive tariff—because it can mean nothing else—if he will recall the history of that country, he will remember that there came a time when the people of that country cut the dikes and let the floods in, in order that they might be protected.

So, now, if the Senator from Michigan and those who uphold him are correct in the doctrine that there shall be no trade between this country and any other country, that the tariff shall be so high as entirely to prohibit importations to this country and thereby prohibit commercial relations between this country and any other country, there may come a time, as it is supposed by the American people that there has come a time, when the enemy to this country—extortion—will need the letting in of the floods of importation in order to destroy that enemy, as in the time of cutting the dikes the floods were turned into the Netherlands in order to destroy the enemies to that country.

But, Mr. President, it has been asserted time and again that the trouble which came in 1893 and 1894 was because of the Wilson tariff bill. For more than a third of a century no tariff law had been enacted by the Democratic party. No tariff law had been enacted where any material number of the Democratic party had had any efficient participation in its enactment.

Yet there came the panic of 1873 and there came the panic of 1893, the latter of these panics when the McKinley Act was in full force, a bill that had permitted every man who wanted protection, or at least wanted an opportunity for extortion under the name and guise of protection, to come in and take just exactly what he wanted, as he is permitted now. So the panic of 1893, which destroyed business in the country at that time, which caused tramps to flock all over this country and to come in armies—the Coxey army—to the city of Washington for the purpose of righting themselves, occurred under the highest protective tariff probably that there had been up to that time, and was not caused by any tariff legislation of the Democratic party. I hope this assertion, which has been made time and again against the Democratic party, will always be answered by some Democratic Senator or Representative in the Congress of the United States.

The panic of 1893 threw its shadow through the next four years, and it took four years to recover from the panic that had been produced under the McKinley tariff act. I do not know whether the McKinley tariff act was the cause of the panic or not, but if any tariff legislation produced a panic and produced the trouble that existed in 1893, 1894, 1895, and 1896 it was the tariff act of 1890, known as the "McKinley Act."

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Iowa.

The amendment was agreed to.

The PRESIDENT pro tempore. Without objection, the paragraph as amended is agreed to.

Mr. BACON. Mr. President, I simply desire to say that in the interest of the expedition of business we will not ask that these paragraphs be put to a vote, but in consenting to that form of announcement we do not wish to be understood as agreeing to the paragraphs. With that statement I am perfectly willing that the Chair shall continue to make the announcement in the way it has been made.

The PRESIDENT pro tempore. The Chair would hold it open if any objection was made, even subsequent to the announcement.

Mr. BACON. The Chair did not understand me correctly. I said that in the interest of the expedition of business we would not object to the announcement being thus made by the Chair—that there was no objection—but we did not desire that, by that form of announcement, it should be considered that we did in fact have no objection.

Mr. ALDRICH. In paragraph 323 the committee have an amendment. I offer an amendment, to insert the words "except flax" after the word "fiber," in line 19, on page 111.

The SECRETARY. In paragraph 323, line 19, after the word "fiber" and the comma, insert the words "except flax" and a comma.

Mr. MONEY. It was impossible for me to hear what the Senator from Rhode Island said. There is so little order in the Senate that it is almost impossible, at least for me, to know what is going on. I am not trying very hard to understand it all, but I would like to get some. I ask the Senator if he will not repeat what he said.

Mr. ALDRICH. I said the amendment which I send to the desk provides for inserting the words "except flax" in the provision in regard to pile fabrics. It is provided for in another paragraph in Schedule J.

Mr. DOLLIVER. I desire to offer an observation in regard to paragraph 323, which relates to plushes, velvets, velveteens, corduroys, and all pile fabrics, and so forth. I observe the committee has left the House rates undisturbed, and that the House left the Dingley rates undisturbed, and I desire to submit an inquiry whether it would not be a wise thing somewhat to re-

duce that inclusive duty contained in the last proviso of the paragraph:

That none of the articles or fabrics provided for in this paragraph shall pay a less rate of duty than 47½ per cent ad valorem.

That seems to have been calculated to a very great nicety in 1897, but I can not find any reason for maintaining a higher ad valorem duty on those goods in the present state of the manufacture, which is now very highly advanced, than is provided for the highest classes of manufactured cotton cloths.

Mr. ALDRICH. It is much more expensive to make these plushes, velvets, velveteens, and so forth, than the ordinary cotton cloths. They have always had a higher rate in all the tariff bills, and the rate is only 2½ per cent higher than that on the ordinary common cloth. I think the rates can not be reduced without affecting seriously the manufacture in this country.

Mr. DOLLIVER. But the highest rate provided for the highest style of cotton cloth, cloths exceeding 300 threads to the square inch, is limited by a minimum of 40 per cent ad valorem, while twelve years ago the manufacture of many of these cloths, plushes, and so forth, was a comparatively new industry. The price of these cloths has not been in excess of the price of highly wrought cotton cloths. For instance, corduroy is a very common article of clothing, and, I think, not so expensive as the high grades of cotton cloths. The manufacture is very well advanced in this country, and I would be very much pleased if the twelve years of progress in the art of weaving this cloth under ample protection could be followed by a slight reduction of the Dingley schedules, although I do not propose to offer an amendment to that effect.

Mr. ALDRICH. I will say to the Senator from Iowa if I did not feel that the rates suggested are necessary for protection I would not resist his suggestion. I am perfectly sure, because I am quite as familiar with this industry as any article of the cotton schedule, that these rates are not high. They are articles of luxury. Some of these velvets are high priced and I should be very sorry to see any reduction of the rates.

The PRESIDENT pro tempore. The question is on agreeing to the amendment reported by the Committee on Finance.

The amendment was agreed to.

Mr. OWEN. Mr. President, before the paragraph is disposed of, it seems to me that this is an opportune time in which to request the chairman of the Committee on Finance to explain "the difference in the cost of the production of these articles in this country and abroad." I have waited in vain for an explanation on paragraph 316, which was kindly promised by the chairman of the Committee on Finance. I hope it will not be regarded as intrusive if I should suggest that the platform of the Republican party pledged the leaders in the Senate to write this paragraph among others in the light of "the difference in the cost of production in this country and abroad."

Cotton goods as a general rule do not exceed in labor cost, counting the labor as compared with the gross value, approximately 30 per cent for the entire amount of labor. Indeed, the textile schedule, as shown by our census, does not exceed 19.5 per cent of the value of the product for the labor cost. But here the difference between the cost of production in this country and abroad is put at 47½ per cent. I should like to inquire of the Senator from Rhode Island what is the difference by percentage in the cost of the production of these articles in the United States and abroad.

Mr. ALDRICH. Does the Senator wish an answer to his question?

Mr. OWEN. I have addressed an inquiry to the most learned expert on the question of the difference in the cost of production in this country and abroad that can be found on the floor of the Senate, and wish a plain answer.

Mr. ALDRICH. Mr. President, I appreciate fully the recurring and I was almost going to say spasmodic thirst for knowledge of the Senator from Oklahoma. It is shared more or less by other Senators sitting upon the other side of the Chamber. I have no doubt that if we had a combination in this respect in which this thirst could be pooled it would be extremely valuable and it would answer in the new State of Oklahoma.

But the Senator from Oklahoma could not have listened to my speech the other night, to be serious about this matter, because I explained the difference between the cost of production here and in competing countries abroad upon these articles in the cotton schedule. That speech I have not had a chance to read yet, but it will be published in to-morrow morning's RECORD, and I will suggest that the Senator should devote his spare time to a perusal of it.

Mr. OWEN. Mr. President, I shall defer this matter with great pleasure until to-morrow morning, but I wish to advise the Senator if his printed remarks are no more satisfactory than his explanation of paragraph 316, which took place after the passage of that paragraph, and in such an indiscernible and invisible manner that it never reached my ears nor appeared in the RECORD, that I shall again make the inquiry of the Senator from Rhode Island as to the difference in the cost of production.

If it would not greatly inconvenience the Senator at this time, I should like to know the percentage of labor cost in these articles in the United States.

Mr. ALDRICH. I stated in a general way that the cost of labor in the United States was about twice what it is in competing countries, that is, about 50 per cent difference. The difference in this paragraph is 47½ per cent.

Mr. OWEN. Mr. President, in determining any mathematical equation where x is the unknown quantity, to double the value of x is not very elucidating.

Mr. LODGE rose.

Mr. OWEN. I should like to have the Senator from Massachusetts inform me with regard to the difference of the labor cost of these articles.

Mr. LODGE. The statement read by the Senator from Rhode Island the other night gave the figures of the British Board of Trade collected in the various countries of Europe and in the United States. I suppose the Senator from Rhode Island thought that the British Board of Trade would be considered a disinterested witness. Those figures represent the difference of cost very accurately. I can not repeat them from memory, but I can get the report of the board of trade and submit it here.

I know what an investigation showed made by Carroll D. Wright, who was a statistician, I think, whose reputation is unquestioned. It was made when he was chief of the bureau of labor statistics in my State. The inquiry extended over a number of years, and the result was that in 90 industries of Massachusetts and England the wages per hour were 77 per cent higher in Massachusetts than in Great Britain. He gave all the details involved, making up five volumes.

Mr. OWEN. After the side remarks of the Senator from Massachusetts I would now like an answer to my question, I have access to those statistics.

Mr. LODGE. I have given the Senator an answer. I can not make him understand it, of course.

Mr. OWEN. The Senator from Oklahoma is entirely capable of comprehending anything that will emanate in the English language from the Senator from Massachusetts. But when the Senator from Massachusetts talks about the difference in the amounts paid to the labor of Great Britain as shown by the reports referred to which are in my possession, and from which I have made a compilation, he does not answer the question as to the percentage of labor cost in the materials mentioned in this paragraph.

Mr. LODGE. I beg the Senator's pardon; I did not understand that that was his question. I thought he was asking what the difference in labor cost is.

Mr. OWEN. The question was that which I have last stated.

Mr. LODGE. Now I understand that what the Senator wants is the amount of labor cost of the material.

Mr. OWEN. The percentage of labor cost.

Mr. LODGE. The percentage of the labor cost, as distinguished from the material used, I can not, in this particular paragraph, give without an opportunity of inquiry. I can get it by inquiry. I can not answer it offhand.

Mr. OWEN. Then I move that this paragraph be passed over until that information be furnished.

Mr. GALLINGER. I object, Mr. President.

Mr. OWEN. I have sought in vain to obtain from any member of the Finance Committee the percentage of labor cost in any of these items. Not in a single instance has an answer been made, and I venture to say that no answer will be made while this debate is pending.

Mr. ALDRICH. I said the other night that in a fabric costing $1 a pound—and the same rule applies to all these articles—not over 20 per cent was the cost of the material and 80 per cent was the cost of labor. Of course I would be glad to accommodate the Senator from Oklahoma, but if we wait until every Senator is satisfied about something which he may have in his mind with reference to these matters it will take a long time, especially if we get to a point where he is sure that he understands it.

Mr. OWEN. Mr. President, I call the attention of the Senator from Rhode Island to the report of Mr. Carroll D. Wright, published in Senate Document No. 20, Fifty-fifth Congress, third session, a gentleman whose ability in the matter of making such inquiries has been complimented by the Senator from Massachusetts.

190. Cloth manufactured in the United States. Cotton cloth, 38½ inches wide; picks, per inch, 64 by 64; warp yarn, No. 30; weft yarn, No. 36, 5.15 yards per pound. The cost of labor in transforming these materials is not 80 per cent, but 33 per cent, and the cost of the material not 20 per cent, but 66 per cent.

In case No. 181, four-leaf twills, 43 inches wide; picks, per inch, 68 by 68; warp yarn, average number 2805; weft yarn, average number 3778; 4.30 yards per pound. The labor cost is 35 per cent, and 64 per cent of the whole value is the cost of the material. So it goes with numerous other particular cases enumerated by him. I think, therefore, it is very much in point to know what is the percentage of labor cost in these articles, and also what is the percentage of labor cost of these or similar articles in Great Britain.

Mr. ALDRICH. Mr. President, I do not know whether the Senator is interested on account of the Chicago platform in these propositions or for some other reason. I will give the Senator from Oklahoma one answer which applies to practically every schedule and every paragraph in the bill. The total cost of production in the United States is a labor cost; practically entirely so.

Mr. OWEN. Upon what evidence is that based?

Mr. ALDRICH. Common sense.

Mr. OWEN. That is not sufficiently accurate as an answer to my question, statistically.

Mr. ALDRICH. That may not be good authority to the Senator from Oklahoma.

Mr. OWEN. It depends by whom the announcement is made.

Mr. ALDRICH. The Senator, and every Senator, must know that the cost of production of every article produced in the United States is in its last analysis a cost of the labor that goes into it. The only exception to that must be, of course, ore in the earth undisturbed and lumber in the primeval forest undisturbed. Every other element of cost is a cost of labor in one form or another. So if a piece of cotton cloth costs a dollar, it practically represents a dollar labor cost.

Now, as a general thing, wages in Great Britain are about one-half what they are in the United States, and the cost of production of an article in Great Britain is about half what it costs in the United States. I mean the total cost from one end to the other and the long line of development and manufacture.

Mr. BACON. If the Senator will pardon me——

Mr. ALDRICH. The cost in Germany is 40 per cent. I will not stop to question small refinements of difference, but in the main it is about 40 per cent what it is in the United States.

Mr. BACON. I ask the Senator a question for information, with his permission. When the Senator says all the labor cost, does the Senator mean that the capital is but the result of labor, the previous labor accumulating?

Mr. ALDRICH. Undoubtedly.

Mr. BACON. He does not, then, separate the labor immediately employed from capital?

Mr. ALDRICH. Not at all. I do not think it is fair to make a comparison of that kind. It is never fair to make comparisons of the cost at a single stage of this long process of manufacture.

Mr. BACON. I am speaking about the capital employed.

Mr. ALDRICH. You can not say, for instance, that if it costs 10 per cent to transfer yarn into the next step that the total cost is 10 per cent. That is absolutely plain, I think, to everybody.

I repeat for the benefit of the Senator from Oklahoma that the labor cost of all articles produced in the United States will be at least 90 per cent of the total, and he can figure the difference himself, whatever it may be.

Mr. OWEN. I have figured it from our own census, and I find that the statement of the Senator from Rhode Island, in its application to the point at issue, is not true, and it is not approximately true. I will state what I find with regard to the textiles, for instance. I do not wish to say anything which is discourteous; I do not mean what I say in that way, because I am not now dealing with the Senator from Rhode Island personally, but I am dealing with a public question upon which it is my duty to speak, and to speak as plainly as I understand it.

I have examined the census reports. I have taken the gross amount of the products of American manufacturers by the census of 1900, and I have taken the gross amount of wages paid. The gross amounts of those products when estimated by the wages, show that the total amount paid to labor out of some $13,000,149,159 in value in products (Ab. Census 1900, Table 156) of manufactures is $2,320,938,168, and the general average of actual labor cost is 17.8 per cent of the gross value of the product, and no more. So the percentages do not comport with the view of the Senator from Rhode Island that 90 per cent of the product is the wages of labor. While it is true that a large part of the gross value of the products, to wit, $7,343,627,875, are materials and enter into the calculation, and while it is relatively true that those materials are also originally sprung from the hand of labor, and a large part of them may be classsed in this confused way as the result of labor, still as far as these manufacturers are concerned that material, which is raw material for the factory, must be considered as material alone, and the labor cost of putting those materials so manufactured into their merchantable form does not exceed 17.8 per cent, and in the group of textile industries only 19.5 per cent, the gross product being $1,637,484,484 and the total wages $341,734,390. I call attention to this fact, because I think it is very important.

Mr. ALDRICH. The Senator from Oklahoma is new, reasonably new, anyhow——

Mr. OWEN. Very new, Mr. President.

Mr. ALDRICH. In these tariff discussions. It is a matter that has been gone over a thousand times, I take it. I suggest to the Senator that if he takes this proposition over night and will study it, he will find that the cost of production in the United States of any article that he may choose is 90 per cent of it at least labor, and he will find if he reads the statistics and digests them carefully that the cost of that labor in the United States is vastly in excess of what it is in any other country.

Now, he can figure for himself, he being a bright mathematician, what the various problems are with reference to any particular item, and there can be no other answer given to the Senator from Oklahoma. He may have a judgment about it which is entirely different from mine, but that is a matter of theory, and I presume, if I should take the next six weeks in discussing it with him, he probably would not agree to my judgment in regard to it.

Mr. GALLINGER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from New Hampshire?

Mr. OWEN. I will in just one moment. If the Senator from Rhode Island would show me the authority upon which the difference in the cost of production is based in these paragraphs, and if the rates proposed really represented the difference in the cost of production at home and abroad, I should agree with him and vote for the schedule. But I can demonstrate the contrary and have done so in the Carroll D. Wright report in 446 instances, as well as by the census table 156 (Ab. Cen., 1900).

Mr. BACON. Will the Senator permit me to ask the Senator from Rhode Island a question?

Mr. OWEN. I will yield for a moment to the Senator from New Hampshire.

Mr. GALLINGER. Just a moment. I will ask the Senator from Oklahoma if he thinks the rates named in the bill are too high?

Mr. OWEN. I do.

Mr. GALLINGER. If they are lowered, it will increase the importations, will it not?

Mr. OWEN. I should think so, Mr. President.

Mr. GALLINGER. Now, Mr. President, we imported between three and four million yards of the articles in this paragraph last year at a cost of between one and two million dollars. Does the Senator from Oklahoma want to import some millions more of those goods and deny the privilege to the American manufacturer and the American workingman to produce them in this country?

Mr. OWEN. No; Mr. President, I do not feel willing to deny the American manufacturer any just provision which would put him upon a perfect equality with other manufacturers of the world.

Mr. GALLINGER. Yes; but if the Senator will permit me, we imported between three and four million yards. If we reduce the rates we will, perhaps, import as much more, possibly even a larger amount than that; and that, of course, will displace to that extent employment to American workingmen and the opportunity of American manufacturers to do business in this country. Now, if the Senator wants to accomplish that result, of course these duties ought to be reduced.

Mr. OWEN. In response to the Senator from New Hampshire, I will say that the importations of the goods to which he has referred is due to the fact that they fill a matter of want and a matter of taste of the American consumer, and therefore are brought into this country. I believe that the goods which are produced in America will find an equal foreign field, due to the same question of taste or same question of foreign desire to have that which is made in our country. I do not believe that the Americans are peculiar in that respect, but that they, like all other purchasers, follow the line of their taste in such matters. I do not believe that if we were to absolutely close

our ports to all foreign importations we would thereby benefit our own manufacturers. I believe we would do them a harm, because just as soon as they had supplied this market they would then close their factories; they would no longer need to employ labor; they would no longer have occasion for any other market than that which would be afforded here.

I do not think that is a wise policy. The United States exports and imports are less per capita than any other civilized nation in the world, and it is because of the narrow policy which excludes foreign imports and compels foreign people to avoid purchases from our country.

The only question in this matter which I am constrained to insist upon is that the pledge which was made to the American people shall be faithfully complied with, and that is why I have called attention time and time again to the percentage of labor cost in these articles, in order to elicit the fact that "the difference in cost of production at home and abroad" is not the basis upon which these schedules are being written. It can not be emphasized too strongly before the Senate and before the people of the United States as to the pledge made to them in the past, even if it is explained on the floor here, that it was not intended to write this tariff down; the people of the United States ought to understand that the pledge made to them is not being carried out; and when I call for "the difference in the cost of production" the Senator from New Hampshire rises in his place and says that the inquiry is absurd.

Mr. GALLINGER. Oh, no; I did not say that.

Mr. OWEN. I so understood the Senator.

Mr. GALLINGER. I beg the Senator's pardon, I did not make any criticism of that at all. I simply interrogated the Senator as to whether if the rates were reduced the importations would not be increased. I find no fault with the Senator's effort to get the information that he is seeking, but I am at a loss to understand why the Senator can not get that on his own account quite as well as to demand that any other Senator shall get it for him.

Mr. OWEN. I am abundantly supplied, and I shall furnish the Senator with that information in my early convenience. What I am pointing out is not my lack of information. I am pointing out that when I call on you gentlemen who are representing the party in power to give the percentage of labor cost in these articles you make no answer, but on the contrary you indulge in general discussion and talk about the labor cost of Europe and the labor cost here, and do not come down to the real issue. That is what I am calling attention to.

I will furnish the Senate with the percentage of labor cost. I have already pointed out to the Senator from Rhode Island that the total labor cost, as shown by our own census, is 19.5 per cent of the value of the gross product in the textile industries of the United States and 17.8 per cent of the gross value of all products of all the industries. That is a fact of vital importance recorded in our census reports, and it is not to be set aside by informing me in a high-handed way that common sense will tell me that 80 per cent of any product is labor. The census is to the contrary, and the inquiry is not to be dealt with in that manner. I have a right to ask these questions, and I have a right to a frank answer showing what the percentage of labor cost is in these articles, and showing what the percentage of labor cost is abroad; and then we can calculate the difference in the percentage of labor cost in this country and abroad and thereby determine the tariff rate. Without that data you can not do it. I have a right to demand the tariff be so written as the Republican party is pledged. I do demand the requisite data, even if I receive no answer.

The PRESIDENT pro tempore. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

The PRESIDENT pro tempore. The next paragraph passed over will be reported.

The SECRETARY. Paragraph 324. "Curtains, table covers, and all articles manufactured of cotton chenille," etc.

Mr. ALDRICH. For the committee I offer an amendment which I send to the desk. The effect of this amendment is to quite largely reduce the rates of the paragraph, and make it more consistent, and make it apply surely to the articles which it was intended the paragraph as originally drawn should apply to.

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. In line 15, page 112, paragraph 324, after the words "chief value," strike out the remainder of the paragraph and insert:

Tapestries, and other Jacquard figured upholstery goods, weighing over 6 ounces per square yard, composed wholly or in chief value of cotton or other vegetable fiber; any of the foregoing, in the piece or otherwise, 50 per cent ad valorem.

Mr. DOLLIVER. I should be very glad to have an opportunity to look at the amendment for a moment.

Mr. BEVERIDGE. We might pass on to the next paragraph, I suggest.

Mr. ALDRICH. We might take up the next provision I think.

Mr. LA FOLLETTE. Is it the Senator's purpose to have the amendment printed and go over until to-morrow?

Mr. ALDRICH. I do not object to having it go over if it is the desire of Senators.

Mr. DOLLIVER. I should be very greatly obliged if that course is pursued.

Mr. LA FOLLETTE. I ask that that be done.

Mr. ALDRICH. We can take it up this evening possibly. It was offered by me several days ago.

Mr. LA FOLLETTE. I had not seen it.

Mr. ALDRICH. The Senator will find it already printed. I will have it taken up this evening at the evening session.

Mr. BAILEY. Mr. President, the Senator from Missouri [Mr. STONE] a few moments ago took occasion to make an inferential criticism against those of us on this side who could not see our way clear to place lumber on the free list, and delivered his opinion to the effect that a Democrat is bound by the declaration of the Democratic party in national convention. To that statement, so far as it relates to a principle, I thoroughly and cordially subscribe, but I have said on another occasion that I do not believe that a convention of delegates selected wholly without reference to these matters of legislative detail have any power to bind the judgment and the conscience of legislators with respect to them. The convention goes to the full extent of its authority when it names a candidate and adopts a platform declaring the principles of the party. That rule has been generally accepted by men of all parties, but this acceptance has found a very distinguished exception in the person of the gentleman who now criticises the Democrats and whose criticism the Senator from Missouri has echoed.

In 1892 the Democratic national convention expressly and emphatically declared without reserve or qualification in favor of a law to repeal the tax of 10 per cent on the issues of state banks, or rather, the tax of 10 per cent on institutions which paid out the notes of state banks, which was in effect exactly the same thing. At that time there sat in the House of Representatives the Hon. William J. Bryan, representing a Nebraska district, and, when the Democratic party in the House of Representatives attempted to fulfill that pledge of the national convention, he refused to be bound by it, and voted against that specific, direct, and positive pledge which the Democratic party had made to the people of the United States and on which it had won a great triumph. I have no criticism to make of him further than to repeat against him and his friends the criticisms against us in which they now indulge. You will find upon an examination of the RECORD that Mr. Bryan not only refused to be bound by that declaration, but asserted the doctrine that a congressional district had the power to bind its representative against the authority of the party in national convention assembled; and though Mr. Bryan voted and spoke against the redemption of that pledge, he has been three times nominated by the Democratic party since then for the Presidency of the United States.

More than that, Mr. President, the question of whether or not that law, which imposed a tax of 10 per cent upon the issues of state banks, should be repealed, involved, at least in the opinion of many of us who then sat in the House of Representatives, a question of principle and not of policy. Two of the distinguished judges who heard and decided that case in the Supreme Court of the United States held the law which we sought to repeal invalid upon the ground that it invaded the power of the State to organize corporations and to endow them with such faculties as, in the judgment of the legislature, might be proper.

Speaking for myself, that was the principle upon which I voted. I have never believed in bank money, whether issued by the banks created by the General Government or issued by a corporation created by a State. I have always believed that the power to issue money is a sovereign power and can not be properly delegated to individuals or to corporations; but I also believe that the States of this Union have the right and have the power under the Constitution of the United States, if they see fit, to create a corporation and authorize it to issue its promissory notes. Those notes can not be made by any law of any State a legal tender.

No man can be compelled to receive them in the transaction of his business, and if he does accept them, he accepts them simply as he would accept my note or the note of another individual or the note of a corporation. He takes them voluntarily, and at their value, under no compulsion of any law. I have

never seen the time that, as a member of the legislature of Texas, I would have voted to create a bank corporation and authorize it to issue its promissory notes; but, as a Member of Congress, feeling that the Federal Government had no just constitutional power to destroy a corporation which the State has the power to create, I voted to repeal that tax of 10 per cent. It seemed to me to involve a principle. Yet, at other gentlemen who thought otherwise I have not deemed it necessary to level my criticisms. But when I, and when the majority of Democrats are arraigned by implication because we do not choose to surrender our conscience and our judgment on a detail that was in violation of a principle of the Democratic party, I do not think anybody here or elsewhere can fairly be heard to assail us.

Mr. President, to illustrate—and I did not say it the other day because I did not care to say it—to illustrate the folly of allowing a convention to instruct legislators as to details, I only need to call attention to the fact that that platform pledged us to put logs on the free list when logs were already on the free list. Obviously they did not know what it is necessary to do, and I do not think they knew what ought to be done.

Mr. MONEY. Mr. President, I want first to indorse what has been said by the Senator from Texas [Mr. BAILEY] as to the freedom of a Senator obeying his own conscience and his own interpretation of the Constitution in matters of legislation. I happened to be a Member of the Congress to which he referred and voted as did the Senator from Texas for the reasons which he has so clearly and strongly expressed. I recollect very well that Mr. Bryan not only voted against that bill, but I remember the reasons which he gave for doing so. I am not stating this in criticism of Mr. Bryan, but to continue what has been so well said by the Senator from Texas. I recollect that in his speech Mr. Bryan stated that the platforms of parties bound only the candidates who were running upon them and did not bind any Representative in Congress. I think I am correct about that.

Mr. BAILEY. The Senator from Mississippi is exactly correct. That was his statement.

Mr. MONEY. Will the Senator from Texas please find the passage and read it in my time?

Mr. BAILEY. Yes, sir; I will. It is as follows:

> It has been stated that every Democrat is in duty bound to vote for the repeal of the state-bank tax, because of the plank relating to that subject adopted by the last Democratic national convention. A platform can only bind those who run upon it.
>
> President Cleveland is, of course, pledged to the repeal of the tax, because he accepted a nomination and an election upon the national Democratic platform of 1892. Those also are pledged to repeal whose nominating conventions indorsed the national platform, and those are perhaps bound also who ran as Democrats without expressly repudiating that part of the national platform. In my own case I was not only nominated before the adoption of the national platform by the Chicago convention, but I expressly repudiated in my canvass the plank which declared in favor of repealing the state-bank tax.

Mr. MONEY. Mr. President, that is about as I recollect it. It was not worth while on my part to call it to the attention of the Senate, but since the subject has been introduced, I want to supplement what the Senator from Texas has said.

I want to say further to the Senate that I have no criticism to make of any member on this side or on the other side of the Chamber. I shall certainly exercise the right for myself to construe the Constitution and the platform and everything else by my light, and not by the light of any other man here or elsewhere; and I freely accord to others the privilege which I shall always exercise.

I want to say further, Mr. President, that there is hardly any man here or elsewhere who does not like approbation. The sweetest plaudit that can meet the public servant is the declaration "Well done" from his own constituency; but above all is the approval of his own conscience, the maintenance of his self-respect and of his intellectual integrity. If he has these, he can defy criticism and censure from any quarter whatever. It is to be noted—and I did not intend to enter into any such discussion or to bring it before the Senate, but I will say it, now that I am up—that the criticism which has been severest upon the Democratic part of the Senate for voting a small duty of 25 cents per ton on iron ore and $1 a thousand feet on rough lumber, and so on, came from Democratic papers that never did indorse or support the candidacy of Mr. Bryan at any time and never approved a thing in his platforms except this part of this one.

I want to say further—it is not necessary to say it, because I am committing myself probably to a position which will elicit more criticism, to which I am indifferent—but I will say that there are other things in that platform which, if embodied in a bill brought before the Senate, I would never vote for. Not only would I not vote for them, but I would not vote for them if they had been proclaimed in every convention from the time of Thomas Jefferson to Jeff Davis, because they are not what I believe to be necessary in a platform. In my opinion, a party platform should be a plain, clear, explicit declaration of principles and great policies, and should never enter into details of legislation, and not have any arguments or illustrations. It is not necessary. The fewer holes the fewer pegs you will have to put in them of doubt, misgiving, and misconstruction.

So long as I shall be the servant of the people of Mississippi, I shall obey but one command, and that is of the legislature of my State. When that legislature sends me a message, a command which I can not obey, I will tender them my commission and let them put a man here who will do so; but until that time I declare now my absolute independence of everybody and everything. I am always glad, however, to go with those who agree with me, never conceding it to be possible at any time that I can forsake the Democratic party, for there is nowhere else on earth for me or anybody like me to go.

Mr. STONE. Mr. President, I disclaim any purpose in what I said to-day to criticise, inferentially or otherwise, anything done by any Senator here. The Senator from Texas [Mr. BAILEY] says that he denies the right of any convention by a declaration of party policy to bind the judgment or conscience of a Senator.

Mr. BAILEY. Will the Senator permit me——

The PRESIDING OFFICER (Mr. MCCUMBER in the chair). Does the Senator from Missouri yield to the Senator from Texas?

Mr. STONE. I do.

Mr. BAILEY. Of course the Senator desires to state me accurately.

Mr. STONE. Certainly.

Mr. BAILEY. I said to bind the conscience or judgment of a Senator upon the details of legislation, not upon the policy of the party.

Mr. STONE. Mr. President, undoubtedly, whether stated in one form or another, that is a question which addresses itself to every Senator. If a declaration should be made in a party platform that a Senator's judgment and conscience could not approve, and he should refuse to subscribe to it, I do not consider it within my province here to call him to account. I have not attempted, nor shall I now attempt, to censure or criticise what other Senators may say or do. I shall do as I think right, and I assume that others will do the same.

Mr. President, I have no commission to speak in defense of Mr. Bryan or in eulogy of him. I have the honor of being his friend, but not any more than I have the honor of being the friend of Senators upon this floor.

I agree to what the Senator from Texas said about the repeal of the state bank tax. If I had been in the House of Representatives at that time I would have acted in concert with that Senator, and for the same reasons he has given.

Mr. Bryan was not in my thought when I had the floor a little while ago. Mr. President, although I am Mr. Bryan's friend and greatly admire him, I do not think that his record as a party man—and I am going to state this deliberatively—gives him license to read lectures to Democrats who on this floor or in the House of Representatives may act on their own judgment and their own consciences, even though they may not strictly observe the declarations of a party platform. He has not been overcareful in that respect himself. But sir, I am not controlled in my judgment or utterances by Mr. Bryan or by any other man, and I do not quite fancy an intimation that I am. I think, speak, and vote on my own responsibility.

Mr. President, I was on the committee that made the Denver platform last year. When the platform was in process of formulation I opposed putting into it a declaration about a mere detail of legislation.

I thought it was unwise and impolitic, and I have not changed my opinion about that; but the platform was made and promulgated by the supreme tribunal of the Democratic party, and, while I do not criticise what others may do, and had not that in mind when I was speaking this afternoon, I can not retreat now from the position I then took—that, in my opinion, the declaration of a national convention as to party policy and principle is entitled to and should receive the support of Senators and Members of the House who have been elected by that party. But what I had in mind when I was talking at that time was not the thing to which the Senator from Texas [Mr. BAILEY] or the Senator from Mississippi [Mr. MONEY] referred; but I had reference particularly to the controversy that was raging on the other side about the Chicago platform.

The Republican party had declared in its platform adopted at Chicago in favor of constructing a new tariff law on the basis of the difference in the cost of production in America and

in foreign countries. Senators on that side had been discussing that, and I thought it an opportune time to press upon them the obligation they were under to carry out not only the letter, but the spirit of that platform declaration. Senators upon the other side, numbers of them, were attempting to show, and, I think, with marked success, showing it even by the admissions of the Senator from Rhode Island [Mr. ALDRICH] himself, that there were paragraphs in this bill levying duties far beyond the difference in the cost of production here and abroad, far beyond any requirement of the Chicago platform; and I wanted to insist then, as I do now, that the Senator from Rhode Island and every Senator gathered about him was under obligation to the people of the country, who had commissioned them to come here and make this tariff law, to observe the declaration in their party platform, and to keep the pledge they had made.

Mr. ALDRICH. Will the Senator yield to me for a second?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Rhode Island?

Mr. STONE. Certainly.

Mr. ALDRICH. The rates to which I referred were the precise rates that were fixed upon cotton cloth by the Democratic Senate in 1894.

Mr. STONE. Well, Mr. President, the Senator stated, nevertheless, that there were such duties levied, and he was immediately called to account about it by the Senator from Indiana. Moreover, the Senators from Iowa and the Senator from Wisconsin [Mr. LA FOLLETTE] and others have demonstrated that the very thing I refer to is true, and this whether the Senator from Rhode Island admits it or not.

It was not my purpose to involve myself or involve anyone on this side of the Chamber in a discussion about the Democratic platform, but I wanted to say——

Mr. BAILEY. Will the Senator permit me?

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Texas?

Mr. STONE. I do.

Mr. BAILEY. In order that I may excuse myself for having misunderstood the Senator from Missouri, I will say to him very frankly and to the Senate that I heard this morning that he was going to attack the majority of Democrats here for having voted against the motion to put lumber on the free list, and I supposed that it was intended so at that time. I regret that I misunderstood it, but that is the reason I did so.

Mr. STONE. I did not know, of course, what the Senator heard or from whom he heard it.

Mr. BAILEY. I guess the Senator from Missouri knows from whom I heard it.

Mr. STONE. I do not.

Mr. BAILEY. Sitting right here the Senator from Arkansas [Mr. CLARKE], the Senator from Missouri, and I talked about it, and I asked the Senator from Missouri not to do it.

Mr. STONE. That is true. The Senator from Texas said he had heard that and asked me not to do it. That the Senator did, but I asked the Senator from Texas at the moment from whom he got that information, and I have not been informed yet.

Mr. BAILEY. The Senator asked me?

Mr. STONE. I did.

Mr. BAILEY. The Senator from Arkansas [Mr. CLARKE] told me that the Senator from Missouri stated that he was going to do it, but that he would not.

Mr. STONE. Then it seems that the Senator got his information from the Senator from Arkansas that I was going to attack Senators here.

Mr. BAILEY. Mr. President, let us not have any misunderstanding. I got the information which I received from the Senator from Arkansas in the presence of the Senator from Missouri, and there were one or two other Senators that sat here and heard the whole conversation. The Senator from Missouri heard everything said by the Senator from Arkansas that I heard.

Mr. STONE. I did not hear that——

Mr. BAILEY. Well, that happened.

Mr. STONE. From the Senator from Arkansas? With all due respect to the Senator from Texas, I think he is mistaken about the Senator from Arkansas having said anything like that.

But that is wholly immaterial and unimportant. I stated that I did not know from whom the Senator had obtained his information, and I did not. If I cared to go into a private conversation, much said in a half-jocular way, that I had in my own room last night with the Senator from Arkansas—but, Mr. President, I will not do that. I made no attack upon Senators on this side. I have said nothing offensive, or intended to be offensive, to them; and that ought to be the one thing to be considered here—that is, what I did on the floor. If I had had any purpose, which I disclaim, of attacking the Senator from Texas or any other Senator for his vote on the lumber schedule, it is sufficient to say that I did not do it. I said nothing upon the subject and, therefore, I do not think that the Senator from Texas should have dragged a private conversation before the Senate. If I had wished to attack, there would have been no doubt about my purpose.

Mr. BAILEY. The Senator from Missouri asked me where I got my information. I am not in the habit of making a statement and then having an inquiry made of where I got my information without answering, and the Senator from Missouri is the one who dragged out the private conversation.

Mr. STONE. I said, Mr. President, that I did not know where the Senator got his information. That was what I said. Now, Mr. President, I desire to say, not only to the Democratic Senators, but to Republican Senators as well, that I stand by the proposition I announced this afternoon. I believe that the declarations of a party platform are obligatory and should have some binding force on party men.

Mr. GALLINGER. I ask for the regular order, Mr. President.

The PRESIDING OFFICER. The hour of 5 o'clock and 30 minutes having arrived, in obedience to the order of the Senate, the Senate will take a recess until 8 o'clock this evening.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. STONE. I make the point of no quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Cullom	Hale	Perkins
Beveridge	Cummins	Hughes	Piles
Brandegee	Curtis	Johnson, N. Dak.	Rayner
Briggs	Depew	Johnston, Ala.	Root
Bristow	Dick	Kean	Scott
Brown	Dillingham	Lodge	Simmons
Burnham	Dixon	McCumber	Smith, Md.
Burrows	Dolliver	Martin	Smith, Mich.
Burton	Elkins	Money	Smoot
Carter	Fletcher	Nelson	Stone
Clapp	Flint	Newlands	Sutherland
Clark, Wyo.	Foster	Oliver	Warner
Clarke, Ark.	Frye	Overman	Warren
Clay	Gallinger	Page	Wetmore
Crane	Gamble	Paynter	
Crawford	Guggenheim	Penrose	

Mr. WARNER. The Senator from Nebraska [Mr. BURKETT] is necessarily detained from the Senate.

Mr. PILES. I wish to announce that my colleague [Mr. JONES] is unavoidably detained, and can not attend the session of the Senate this evening.

The PRESIDENT pro tempore. Sixty-two Senators have answered to their names. There is a quorum present. The pending amendment is that offered by the Senator from Rhode Island for the committee.

Mr. STONE. Mr. President, when the Senate took a recess I had the floor. I resume it now to complete what I was saying. A disagreeable situation occurred just before the recess. The junior Senator from Texas [Mr. BAILEY] stated that I had declared a purpose to attack some Democratic Senators for some votes they had cast during the consideration of this bill. The RECORD will show, without going over it again, all that was said.

Mr. President, I confess that the statement made by my distinguished friend, the Senator from Texas, was annoying and somewhat embarrassing to me. I did not think that a conversation had in the cloakroom, where conversation is carried on with great freedom and abandon, should be repeated on the floor. But, under the circumstances, I now feel that I ought, in justice to myself, and in the presence of the Senator from Arkansas and the Senator from Texas, say just what there is about this whole matter.

On Friday last there came to me a gentleman who is associated with important mercantile interests in New York and he talked to me about some features of the cotton schedule. He had talked to me about that schedule before on several occasions. He said to me that if I would write to a certain firm in New York, one of the leading mercantile firms of that metropolis, and ask them certain questions, they would probably give me some interesting information.

On that day, Friday last, I addressed a letter to that firm, making some inquiries. Yesterday morning I received their answer. They sent me a number of samples of cotton goods—mercerized brocades and other things—and attached to each sample was a statement showing the cost of the article, the duty imposed under the present law, the duty that would be imposed under the Senate bill, and showing also the increase of duty under the proposed bill over the existing law. There were 14 or 15 of these samples and statements, and they were very striking. They were very interesting and very important, if true. While somewhat on the line of the things presented to the Senate by the Senator from Iowa [Mr. DOLLIVER] and the Senator from Wisconsin [Mr. LA FOLLETTE], these were especially clear-cut and distinct.

I had it in mind to rise here this morning and exhibit those samples and read the statements, and then to call a page and direct him to take them across the aisle here and deliver them to the Senator from Rhode Island [Mr. ALDRICH] and ask him to say whether the statements made were true or false, and if he declined to answer them to call upon the Senator from Utah [Mr. SMOOT] to answer. That was the purpose I had in mind.

Yesterday afternoon my friend the Senator from Arkansas [Mr. CLARKE] and I were together in my room, and I told him about this, and I went further and said—in substance, as I recall it—that it would be a good time to go a little further and ask how any Democrat could vote for such an increase in taxation, and so on. In the course of this conversation I went on further to say to my friend from Arkansas, "I do not know but that I will go a little deeper into it, and comment on some things in which you are concerned also." This talk, really not altogether serious, went on at some length. Of course, I would not attack the Senator from Arkansas, for there is no man here closer to me than he; and if I thought he was in error in his judgment about anything I would not assail him on the Senate floor, nor he me if he thought I was in error.

It seems that this morning in the cloakroom, in that free and easy sort of conversation which occurs in these cloakrooms, he made some half-jocular remark about this conversation which we had had.

To-day the Senator from Texas, while I was standing near him waiting for my name to be called on some vote, said to me, as I thought, in perfect good humor, "I understand you are going to jump onto some of us here," or something of that kind. I said, "Who told you so?" Now, he and I differ in our remembrance of that conversation, although the difference is not important. The Senator from Texas states it as his remembrance that the Senator from Arkansas said at that time that he had reported that I was going to do this awful thing. As I remember it, the Senator from Arkansas said to me, in a laughing way, while the Senator from Texas and I were having our little talk, which was entirely pleasant, "Well, you are going to let them bulldoze you," or something of that kind.

That is all there is to this great affair. I regret that a circumstance so trivial should be brought into the Senate, and that I should be compelled to detail a matter of this sort in self-justification.

Mr. CLARKE of Arkansas. Mr. President, I think this little incident has been distorted out of all relation to its real importance. I had a conversation with my distinguished friend, the Senator from Missouri, yesterday, in which he indicated that he was prepared to engage somewhat extensively in the debate on the bill now pending here, especially with reference to the cotton schedule; that he had equipped himself with the usual experts and samples, and thought he would make a display which would attract attention. And in further manifestation of the exuberance incident to the discovery he had made, and the equipment with which he had supplied himself, he said he would comment somewhat on the action of Democrats who were voting for schedules that involved increases beyond the Dingley rates. He said "when I get well started, I shall likewise include such pertinent comments upon certain votes which have been cast by Democratic Senators, not in accordance with the demands of the Denver platform." I said "when you do that you will get on my toes, in which event you will find you have accumulated an engagement somewhat greater in magnitude than the one you think you have taken in hand." [Laughter.]

When I reached the cloakroom this morning I found my worthy and distinguished friends—and they are friends—from North Carolina in a state of active perturbation about the comments being made upon their entirely commendable and wise votes against free lumber; and I said to them, "Your troubles have just begun. When the Senator from Missouri gets through with you you will have more to account for than that." It was a sore subject to them, because the comments and criticisms in their State are altogether out of line with the Democracy, wisdom, and patriotism of the vote they cast against free lumber.

I heard no more of the matter until the Senator from Missouri and the Senator from Texas had a little conversation in relation to it in my presence. I felt all the time that the Senator from Missouri did not intend to make any such speech; that he had more courage at home than he would have up here, because he would find difficulties to cope with here which were not present there.

I did not suppose that any private conversation I had had in reference to the incident was being made the basis of any serious statement of fact, and I have not fixed in my mind just what I said. Nor have I fixed in my own recollection all the occasions when I made statements concerning it, and therefore I am not prepared to contradict anything that anybody says about it.

The Senator from Missouri, I assume, although I was not here this afternoon, has not unjustly attacked anybody, and I hope that this incident will not be made the occasion, in the slightest degree, to disturb the cordial and harmonious relationship which exists between Senators on both sides of the Chamber. I probably am the innocent cause of the entire controversy.

Mr. STONE. Mr. President, I wish to make one further observation before surrendering the floor. I did not make the speech I intended to make about the cotton schedule, based on these samples and calculations to which I referred, because it occurred to me that before I did so I had better get some expert to look them over and see whether I could absolutely rely upon them. And so last evening, after I parted from my friend the Senator from Arkansas, I saw an expert familiar with the law and with cotton fabrics and consulted him. He took my data under advisement and this morning he came to my offices and convinced me that there were errors in the statements; in some of them at least. So I postponed my assault on the Senators from Rhode Island and Utah.

I postponed it because I do not wish to make any statement; I would not want to read into the RECORD any statement of fact unless I was first convinced that it was absolutely accurate, and so I took precaution to discover whether the statements furnished me were accurate, and when I was told by a gentleman in every way capable of determining that question that some of the statements were not accurate, I did not and could not use them.

If the Senator from New York desires to interrupt me, I will yield.

Mr. DEPEW. Will the Senator from Missouri allow me?

Mr. BAILEY. Before the Senator does that——

Mr. DEPEW. I simply wanted to ask why in the interest of truth and enlightenment of the Senate the Senator had not sent that expert to some of our insurgent friends.

Mr. STONE. I yield to the Senator from Texas.

Mr. BAILEY. I simply want to say that I accept, and probably I ought to have accepted earlier in the day, the statement of the Senator from Missouri, that what he said and what I took exception to his saying was not intended as any criticism of those of us who voted against the motion to put lumber on the free list. I had not before supposed that it was so much of a jocular matter, and I say that if I had known it had been treated as a matter of joke I probably would never have particularly observed the concluding sentence or two of the speech which the Senator from Missouri made in the afternoon. But having heard that, and since I was here this afternoon I recalled that the first word came to me while seated here, that a Senator suggested it to me, and then the conversation as I recalled it this afternoon occurred between the Senator from Arkansas, the Senator from Missouri, and myself. I want, however, to say that when I remonstrated with the Senator from Missouri about introducing a question of that kind he did not say whether or not he intended to do it, and as to whether or not I am supposed to know when he is joking he frequently changes his visage, and even when he smiles I am not always sure that he is joking.

Mr. STONE. Mr. President, I do not joke very often.

Mr. CLARKE of Arkansas. It will not do to leave now the impression that the Senator from Missouri was not justified when he made the announcement to me I had referred to. I was teasing my friend from North Carolina and this took place at that time.

Mr. STONE. I think it is well enough to end this. It is not of sufficient importance to continue. I want, in conclusion, to say a word or two about platforms. I want it understood, so far as I am concerned, that I regard a platform promulgated by a national convention as the deliberate expression of party judgment upon the policies and principles of that party.

From this position I can not recede. If what I say be not true then a platform is an idle and meaningless thing. If that be not true then there is no need of national conventions giving utterance to party convictions. If that be not true then I can understand why the Senator from Rhode Island and his colleagues on the Finance Committee can treat the declarations of the Chicago platform with indifference.

That is all I care to say.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Rhode Island, on the part of the committee, to paragraph 324. It will be stated.

The SECRETARY. On page 112, line 15, it is proposed to strike out all after the words "chief value," and insert in lieu thereof the words:

Tapestries, and other Jacquard figured upholstery goods, weighing over 6 ounces per square yard, composed wholly or in chief value of cotton or other vegetable fiber; any of the foregoing, in the piece or otherwise, 50 per cent ad valorem.

Mr. DOLLIVER. Mr. President, I desire to say, first, that this amendment makes paragraph 324 very much more palatable than it originally was to me. I objected to it for two reasons. In the first place it made obscure the provisions of the Dingley law, because it proposed to deal not with curtains and draperies and coverings as the Dingley law did, but with articles suitable for draperies, coverings, and tapestry, and it was my judgment that such a phrase embodied in a paragraph would be very likely to provoke more litigation to wring the hearts of statesmen in the next generation or otherwise arising out of adverse decisions of the courts. I also objected to it because it was so awkwardly worded that it dragged into a paragraph that was to be devoted to curtains, draperies, and coverings so large a variety of ordinary women's dress goods as to be astonishing, to say the least.

I am very much gratified that the committee has simplified the language by confining the section to the goods which are intended to be included in it. The only objection I have to the paragraph as it is proposed to amend it is that it makes what looks to me like an unreasonable addition to the duties provided by the Dingley tariff law. I have here a very excellent specimen of this upholstery goods [exhibiting]. These goods are manufactured in the city of Philadelphia. I think they are manufactured there cheaper than they are made anywhere in the world. At any rate, the greatest merchant in the city of Washington tells me that it is his custom not to import these goods, but to import an advance sample of the patterns and coloring that are to be in vogue in Germany, France, and other countries engaged in making them, and when he gets the pattern here to send it to Philadelphia to be duplicated at a rate very much less than he could possibly import it.

I got this sample from a merchant in this city who is accustomed to handle these goods in that way. Being a Jacquard weave of upholstery cotton cloth, it is now assessed as countable cotton containing between 100 to 150 threads to the square inch at 35 per cent ad valorem. It is worth 80 cents a yard. While this amendment greatly improves the original phraseology of the paragraph, inadvertently I think it increases the duty to 50 per cent, and I hope that that will not be done.

Mr. BEVERIDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. I did not quite understand the Senator, and I rise only for information. Do I understand the Senator to say that this prominent merchant of Washington, from whom he gets his sample, tells him that under the present law he can get these very goods in America cheaper than he can get them abroad?

Mr. DOLLIVER. I made a memorandum of his statement exactly.

Mr. BEVERIDGE. That is what I understood, but I was not quite sure, and I wanted to get it clearly in my mind.

Mr. DOLLIVER. The foreign article can not be sold by the dealer, or rather importer, at less than $1.25 a yard to the retail merchant. Its valuation at the custom-house being 80 cents a yard, it is retailed at $1.60. The domestic article, made by a Philadelphia mill, costs the wholesale handlers 90 cents, and the consumer obtains it for $1.25.

Mr. BEVERIDGE. Under the present tariff?

Mr. DOLLIVER. Yes. So while I would not object to a reasonable protection for these goods, I very much doubt whether they need 50 per cent. I would suggest to the committee that as small as possible a rise over the 35 per cent now provided by law would be very much more reasonable.

Mr. SMOOT. Will the Senator allow me?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I have no doubt that the sample the Senator from Iowa has shown is correct, but he must remember, and I also call the attention of the Senate to the fact, that that is one of the very cheapest kind of tapestries woven upon a Jacquard loom. It is perhaps true that it falls in the countable paragraph at 35 per cent.

Mr. DOLLIVER. That is exactly what it does.

Mr. SMOOT. But I can bring here samples that to-day, under the countable paragraph, have been worth from $4 to $5 a yard. This is not a fair sample of tapestry work. I believe that the Senator from Pennsylvania [Mr. PENROSE] has samples of this kind of work [exhibiting]. This is the kind of work, and a great deal of it, that the Committee on Finance is trying to take care of. This is a cotton figure showing scenery.

Mr. DOLLIVER. Will the Senator from Utah kindly state what is the origin, history, and general moral character of that cloth?

Mr. SMOOT. This is a cotton tapestry cloth that comes now under paragraph 324.

Mr. DOLLIVER. Where does it come from?

Mr. SMOOT. It is woven in Philadelphia, and it is woven on a Jacquard loom, as no other loom can produce that class of work. It takes the very highest skilled labor in the cotton industry to finish such work. We are proposing a duty of 50 per cent, and we think that is small enough for this particular class of work.

Mr. DOLLIVER. Does the Senator know what countable paragraph that cloth would fall in?

Mr. SMOOT. I will see if I can turn to it.

Mr. ALDRICH. It occurs to me that it ought not to be included in any countable paragraph. The idea of assessing a duty upon that class under the countable provisions of cotton cloth is, I think, as good a statement in favor of the amendment as could possibly be made.

Mr. SMOOT. I will state that the size is 58 by 79, and the cost $8.70 a yard.

Mr. DOLLIVER. Then I suggest to my friend from Rhode Island it might be a good idea to separate those works of art from this tapestry, which is worth less than $1 a yard, and put upon one of them a moderate duty, which now it seems to enjoy, and put upon the other whatever duty you please.

Mr. ALDRICH. The Senator of course knows that in the preparation of countable cloths it is impossible to refer to all the particular items of manufacture in the United States. As I stated this morning, you would have a tariff bill hundreds of pages long if you undertook to put different rates on every one of these manufactures. The rate is only 50 per cent, which is certainly not a high rate for this kind of goods.

Mr. DOLLIVER. It is true, as the Senator from Rhode Island says, that it is a little difficult where there is a large number of articles, but I flashed upon the attention of the Senate a modest little poor man's tapestry, worth 80 cents a yard, made in Philadelphia, and when I suggest that the duty on it ought not to be raised I am confronted by the statement of magnificent works of art that belong in the palaces of kings and queens, also originating in Philadelphia, worth $8 or $10 a yard. As the bill makes dividing lines between cotton cloths, some 12 and the next 12½ cents a yard, for the purpose of making the thing equal and fair all around, I suggest that there ought to be some scheme by which a line of demarkation could be drawn against the trappings of royalty which the Senator from Utah exhibits and the modest tapestry of the poor which I hold in my hand.

Mr. BEVERIDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. I merely wish to ask a question, not being familiar with these various tapestries. The articles exhibited by the Senator from Iowa are more generally sold and used than the exquisite things exhibited by the Senator from Utah?

Mr. DOLLIVER. Rather, in a world like this.

Mr. BEVERIDGE. That being true, I understood the Senator from Iowa to say a moment ago that a great retail store in Washington had informed him that these that are generally used, even under 35 per cent ad valorem, could be made cheaper here than they could import them.

Mr. DOLLIVER. Yes.

Mr. BEVERIDGE. Would 50 per cent ad valorem, as far as the Senator has studied it, be prohibitive for those things?

Mr. DOLLIVER. I reckon. I would suggest, and I hope the committee will entertain the suggestion favorably, that the rate be fixed less than $1 a yard at 35 per cent and more than $1 a yard at 50 per cent.

Mr. BEVERIDGE. How would that strike the committee?

Mr. ALDRICH. Make it 40 per cent.

Mr. DOLLIVER. Well, let it be forty. Let us make some little difference between the king and the poor man.

Mr. BEVERIDGE. I suggest that that might be a happy solution.

Mr. PENROSE. Mr. President, I think it will be generally admitted, notwithstanding the reference to a king, that these are all articles of luxury, not of necessity. The framing of this amendment so as to segregate these upholstery goods from dress goods was attended with very great difficulty. Anyone conversant with the technicalities of their manufacture and the character of the different fabrics will recognize the importance of the amendment submitted by the chairman of the Committee on Finance, that is carefully thought out and accomplishes the purpose had in view, to classify these upholstery goods. They are articles of luxury, not of necessity.

Mr. ALDRICH. I would suggest to the Senator from Pennsylvania that we might make a dividing line.

Mr. PENROSE. I have no objection to a dividing line.

Mr. ALDRICH. I am anxious to get through this bill.

Mr. PENROSE. I think I ought to state, though, Mr. President, that with the exception of pile fabrics, chenille curtains, table covers, and goods made of chenille, all of which are provided for in the Dingley law, all these beautiful tapestries, all high works of art, came in at a rate of 30, 35, or 45 per cent ad valorem under the Dingley law, and the purpose of this amendment is to classify them as upholstery goods and have them bear a uniform duty.

Mr. DOLLIVER. If the Senator will permit me to interrupt him for a minute, does he know how many of them arrived under the Dingley law?

Mr. PENROSE. I know this Jacquard art and these new designs are comparatively recent. I do not suppose that the importations are very large just now, but I say the industry has languished, and it will become extinguished altogether unless it is provided for.

Mr. DOLLIVER. I think that is on account of the high colors of the goods.

Mr. SMOOT. It would be impossible to tell the amount of importations, because they are coming in under the countable clause. It would be impossible for us to say how many of them have been imported.

Mr. PENROSE. I simply want to add that this Jacquard finished work is quite high in the artistic line. I quote a part of the rather lengthy definition given by the Century Dictionary:

> The Jacquard attachment is a device for forming sheds or openings for the passage of the sbuttle between the warp threads, invented by Joseph Marie Jacquard, of Lyons * * *. It consists essentially of a series of perforated paper on metal cards, of which there may be an indefinite number, joined together by flexible connections, which like an endless chain are carried upon a perforated revolving prism * * *. There is no limit to variety of form and color of the figures that may be woven.
>
> * * * The introduction of the method of weaving at once advanced the art of figured weaving beyond the limit of mere geometrical patterns into the realm of fine art industry, as even the finest tapestries may be successfully imitated by it.

The preparation for weaving Jacquard figured goods is very expensive, especially for upholstery, where the patterns are of important size. First the design is painted on plain paper by an artist, in the exact size and coloring to be produced in cloth. It is then repainted by a mechanical draftsman on paper ruled in small squares. The process is often more costly than the original painting or sketch. Then from the point or ruled paper a card stamper punches the cards, each hole separately, reading from the point paper as a piano player would from a sheet of music. As in most cards used it is possible to cut as many as 1,200 holes, you can judge how slow the process is. There is a set now in use in Philadelphia that contains 20,000 separate cards laced together. The cost of that set was $1,000. Each pattern requires different cards and each loom a different set. The manufacturer of cotton cloth has no such expense. He can use one weaver for a number of looms, where an upholstery manufacturer requires a weaver to each loom.

I think if there is one thing in the cotton schedule which should be encouraged it is these beautiful and artistic tapestries which are exhibited here to-night.

Mr. ALDRICH. I modify the amendment so as to read after the word "otherwise," in the sixth line of the amendment, "valued at $1 or less per yard, 40 per cent ad valorem; if valued at over $1 per yard, 50 per cent ad valorem."

That reduces the common goods 10 per cent.

The PRESIDENT pro tempore. The Senator from Rhode Island modifies his amendment, which the Secretary will read.

The SECRETARY. In the sixth line of the proposed amendment, after the word "otherwise," insert "valued at $1 or less per yard, 40 per cent ad valorem; valued at over $1 per yard, 50 per cent ad valorem."

The PRESIDENT pro tempore. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The paragraph as amended was agreed to.

The PRESIDENT pro tempore. The next paragraph passed over will be read.

The Secretary read as follows:

> 325. Stockings, hose and half-hose, made on knitting machines or frames, composed of cotton or other vegetable fiber, and not otherwise specially provided for in this section, 30 per cent ad valorem.

Mr. ALDRICH. I ask that that paragraph be agreed to.

The PRESIDENT pro tempore. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. CLAY. I should like to ask the Senator from Rhode Island a question. It is my recollection that the House increased all the items named in this paragraph.

Mr. ALDRICH. No; not in this paragraph; in the next paragraph.

Mr. CLAY. Paragraph 326?

Mr. ALDRICH. Paragraph 326.

Mr. CLAY. I see now.

Mr. BACON. Several Senators in addressing themselves to the cotton schedule have stated that the cotton schedule in the Dingley Act is practically the same as the cotton schedule in the Wilson Act. I find that that is only true up to about the paragraph just passed, because it is not true of paragraph 322 or paragraph 323. It is certainly not true of both those paragraphs; in other words, the rates are to be raised 25 per cent.

Mr. SCOTT. Do I understand now that the next paragraph is 326?

Mr. ALDRICH. Paragraph 325 has just been agreed to. I understand that we are now going to take up paragraph 326. It has not been reached yet; that is, the amendment has not been stated.

The PRESIDENT pro tempore. Paragraph 326 will be read.

The SECRETARY. On page 112 the committee proposes to strike out all of paragraph 326 as printed in the House text and insert a new paragraph, as follows:

> 326. Stockings, hose and half hose, selvedged, fashioned, narrowed, or shaped wholly or in part by knitting machines or frames, or knit by hand, including such as are commercially known as seamless stockings, hose and half hose, and clocked stockings, hose or half hose, all of the above composed of cotton or other vegetable fiber, finished or unfinished, valued at not more than $1 per dozen pairs, 50 cents per dozen pairs; valued at more than $1 per dozen pairs, and not more than $1.50 per dozen pairs, 60 cents per dozen pairs; valued at more than $1.50 per dozen pairs, and not more than $2 per dozen pairs, 70 cents per dozen pairs; valued at more than $2 per dozen pairs, and not more than $3 per dozen pairs, $1.20 per dozen pairs; valued at more than $3 per dozen pairs, and not more than $5 per dozen pairs, $2 per dozen pairs; and in addition thereto, upon all the foregoing, 15 per cent ad valorem; valued at more than $5 per dozen pairs, 55 per cent ad valorem.

Mr. SCOTT. In connection with that paragraph I send to the desk a petition from a large manufacturing establishment in cotton hosiery in my State.

The PRESIDENT pro tempore. What is the request of the Senator from West Virginia?

Mr. SCOTT. I ask to have a petition read from the workmen employed in a large industry in my State making this class of goods.

The PRESIDENT pro tempore. Without objection, the petition will be read.

The Secretary read as follows:

MARTINSBURG, W. VA., *April 1, 1909.*

Hon. NELSON W. ALDRICH,
Chairman of the Finance Committee, Washington, D. C.:

We, the employees of the hosiery mills of the Kilbourn Knitting Machine Company, at Martinsburg, W. Va., realizing the important bearing of the tariff on hosiery to our means of livelihood, and the loss of production in this mill in the past, which has several times occurred, due to severe foreign competition, and wishing to signify our faith in the justice of an advance in the present rates of tariff on hosiery, which will enable us to secure steady employment without endangering our present rate of pay, do respectfully petition your honorable committee to vigorously support the proposed new tariff on hosiery.

Our conviction is that the manufacturers are not a body clamoring for additional profits, but they are asking for protection because they are threatened with annihilation, and that their many thousands of employees are threatened with a reduction of wages or entire loss of work.

The grades of hosiery in which we are most interested are those which retail to the consumer at 25 cents, 35 cents, and 50 cents per pair.

Mr. SCOTT. I ask that the petition be referred to the Committee on Finance, and also the additional petition which I have

here that I will not ask to have read, but I shall be glad to have it go in the RECORD and then referred to the Committee on Finance.

The PRESIDENT pro tempore. The Chair hears no objection, and it is so ordered.

The petition was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

THE KILBOURN KNITTING MACHINE COMPANY,
Martinsburg, W. Va., April 5, 1909.

Hon. N. B. SCOTT,
United States Senate, Washington, D. C.

DEAR SIR: In the last ten years there has been a large increase, both in the domestic output and the importations of hosiery into this country, but it happens to be a fact that the increase in domestic output has been almost entirely confined to that class of goods best protected by the tariff. This class was formerly imported into this country at $1.75 per dozen and sold to the consumer at 25 cents per pair. Now, under the protective tariff, by domestic competition and rapid improvement in machinery, this same stocking, made from the same yarns, on the same gauge of machines, has been reduced until the price to-day is 57½ cents to 62½ cents per dozen, and the stocking is retailed at 2 pairs for a quarter instead of 25 cents per pair, as formerly; whereas the hosiery that retails at 25 cents and 50 cents per pair has been largely in the hands of foreign manufacturers, and they are to-day in this market to such an extent that they are the price-controlling factor which has stopped many of the hosiery mills of this country during the past year and a half which operate on this higher grade.

There has been no speedy nor average advance in price; the goods already referred to have been reduced from $1.75 to 57½ cents per dozen; from 25 cents per pair to 2 pairs for a quarter. Fancy half hose, made in Germany, formerly retailed at 75 cents per pair, have been made by domestic manufacturers and sold at 25 cents per pair, and they have more intrinsic value than the German goods which sold at 75 cents per pair. Since the so-called "German tariff agreement" came into operation the German manufacturers have made such a reduction in the prices of fancy goods that it is impossible for the domestic manufacturer to make them at a profit, with the consequence that two-thirds of the machinery which makes fancy hosiery in the country at the present time is idle.

In 1908 the domestic mills making goods coming in contact with foreign competition—which goods were sold at 25 cents per pair—were obliged to reduce the price not only to cost, but in some instances below cost, in order to maintain their organization and hold their help together; and yet the importations of this class of foreign goods for that year fell off only about 10 per cent, showing that the foreigner could make and sell the 25-cent goods in this country when we could not make them at a profit.

The domestic hosiery manufacturers have not only not made any tremendous profits in the past fifteen years, but it has been impossible but for a few to pay any dividends at all, on account of increased price in raw material, increased price paid for labor, and reduction in price of goods, brought about not only by domestic competition, but by reduction in prices in Germany and consequent lowering of prices by the German manufacturer, but also from the fact that improvements in hosiery machinery in this country have been so rapid during the past fifteen years that, in order to keep pace with the times and competition, it has been necessary for the manufacturer to replace his machinery at least every five years. The hosiery business for the manufacture of a good quality of goods being a comparatively new one in this country, tremendous outlays of money have been necessary not only for the constant purchase of new machinery, but for the teaching and training of labor to a business entirely new in the United States.

The cost of labor in the past fifteen years has more than doubled, and it will, therefore, be seen by all of the above that the chief benefit that has accrued through protective tariff has been in the reduction of price to the consumer and increased price paid to labor.

The hosiery business in this country is now in a transition period; machine builders are constantly developing new and improved machinery; many mills are reaching for the 25-cent, 35-cent, and 50-cent goods trade; and if these grades of goods are given the protection incorporated in the present House bill there will be no raise in the price of the goods to the consumer, but the same result with this grade of goods is bound to follow as it did with the goods that are now sold two for a quarter instead of 25 cents per pair. In the next ten years this country will have the complete possession of the manufacturing of this grade of hosiery, and the consumer will get better quality, better value, and lower prices, and ever-increasing amount of labor will be given employment at good wages in this line of business.

Very truly, yours,

CHAS. W. KILBOURN, *President*,
THE KILBOURN KNITTING MACHINE CO.

Mr. SCOTT. I hope it will be the pleasure of the Committee on Finance to restore the Payne rates in this paragraph. If the committee does not see proper to agree to it at this time, I shall try to put it in when we get into the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Committee on Finance.

Mr. DOLLIVER. It is a little difficult to those of us who do not see distinctly in the night to discover what was the occasion of striking out the House provisions and what changes are made in the italics reported by the Senate committee modifying in any way the meaning of the House provision and the provision of the present law.

Mr. SCOTT. If the Senator will allow me, I am very sorry to say the Senate committee amendment reduces the proposed tariff that was in the Payne bill, and that is the point I am objecting to. These people in my State have built up this industry and have made it one of the greatest manufacturing concerns that we have in our State. I went through it last fall. It employs a great many women and girls, and they earn fair wages, anywhere from three and one-half to seven dollars a week, by working five and one-half days. Since they have gone into the business the reduction has been nearly 50 per cent on the class of goods they are making, coming into competition with the foreign materials. They are only asking to have the rate that was originally in the bill when it came to the Senate restored.

Mr. DOLLIVER. What part of paragraph 326 was it which the House had and the Senate amendment omits?

Mr. ALDRICH. I assume the Senator from Iowa is as familiar with this paragraph as any Member of the Senate. I have no doubt he is. He has mentioned the paragraph several times with interest. I have no doubt in his studies in the last two weeks he has found out precisely what is in the paragraph. The House increased the duties on hosiery about 20 cents a dozen on all the classes, as I remember.

Mr. SCOTT. About 20 cents?

Mr. ALDRICH. About 20 cents a dozen; and the Senate committee recommend the original Dingley rate, which is 20 cents a dozen less than is provided in the House bill.

Mr. DOLLIVER. Mr. President, the thing that interested me more than anything else was to find out, if I could, with what strength of conviction and with what force of earnest enthusiasm the Senate would present itself in conflict with the House as to this disagreeing vote. It would surprise a great many good ladies all over the United States, who are dreaming of a great victory over the House of Representatives, if, in the inevitable conflict that must ensue between the two Houses, the House of Representatives should be victorious. It will present almost as great a disappointment as if my honored friend from Kentucky [Mr. BRADLEY], who the other night carried with great enthusiasm here, and apparently without a dissenting voice, a proposition to take jute butts from the free list, thereby disturbing the entire jute-manufacturing industry in the United States, should wake up some beautiful morning in June or July, and find that jute butts had fallen, almost without anybody seeing it, back to the free list, where they have enjoyed themselves for a great many years. [Laughter.]

I do not want those good women put in the same position which I am afraid will be occupied along about the Fourth of July by my honored friend from Delaware [Mr. DU PONT], who the other day, after a speech which we all listened to with interest and applause, found himself able, without a dissenting voice in this Chamber, either on the committee or off of it, to stimulate the duty on potatoes from 20 cents up to 45 cents. [Laughter.]

I am sorry to disturb a dream so comfortable as that in which the women of Chicago and the Senator from Kentucky and my honored friend from Delaware are now luxuriating—the dream that what the Senate has done to them, or for them, is to remain undisturbed amid the vicissitudes of time and events that are likely to happen between now and their celebration of the Fourth of July. It is because I desire some definite information about this hosiery schedule and some definite expression from the Senate upon it that I have suggested to the Senator from Pennsylvania [Mr. PENROSE] that if that effort is to be made to confute the action taken by the House to stand firmly against the invasion of the rights of these good women, at least the preliminary skirmish of that fight ought to be made here in the peaceable discussions which are now going on in respect to the tariff schedules. [Laughter.]

Mr. GALLINGER. Mr. President, I venture to express the hope that the proposed amendment by the Committee on Finance will not be agreed to, or if agreed to, that the House provision will be retained in conference. I have in mind at the present time several hosiery mills in New Hampshire that have been trying to compete with Germany during the past three years. To-day one of them is entirely idle, and the others are working on short time. The present duty is not adequate; it is not protective, and ought to be substantially increased.

Mr. President, at the port of New York alone during the months of January, February, and March 12,874,244 pairs of hose came into this country; and the deluge continues. It is an absolute impossibility under the rates of the Dingley law for our hosiery mills to compete with the mills of Germany. I have in my hands Senate Document No. 16, and turning to page 53 I find from our consul at Chemnitz these words:

> Chemnitz hosiery manufacturers sell nearly one-half of their total product in normal years to the United States, and the amount is about four times greater than what is required for consumption in Germany itself. In certain cases American firms contract for the entire annual product of various Chemnitz hosiery mills; in others, one or two American customers may contract for the chief bulk of wares produced by single mills.

Mr. President, that is the situation. The hosiery manufacturers of Chemnitz, in Germany, are selling their products in the United States because our manufacturers are utterly unable to compete with them under the rates of duty imposed by the existing law. The House of Representatives, recognizing that

fact, increased the duties to what they thought was a reasonable protective point, which I think ought to be continued beyond peradventure.

The Senator from Iowa [Mr. DOLLIVER] talks about the good ladies of Chicago. It is true, Mr. President, that a great concern in Chicago did succeed in getting up quite a movement on the part of the women of Chicago, who demanded that the rates should be reduced from those fixed by the House bill; but it is equally true that the women employed in the hosiery mills of this country, thousands and thousands strong, have entered a protest against reducing the rates fixed by the House. For my part, I prefer to legislate for the poor women who are earning their living in these hosiery mills rather than for the women of Chicago, who can afford to buy hose at a price such as the mills of the United States can afford to manufacture them for.

Mr. President, as I have said on several occasions heretofore, I have no disposition to enter into a lengthy controversy over this matter, because I want the bill to go along as speedily as possible; but I will ask to have read from the desk a letter from a gentleman recently a citizen of my State, and who is now connected with the American Thread Company in New York, which discusses this matter very intelligently, and, I think, very conclusively. I ask that the letter may be read.

The PRESIDENT pro tempore. If there be no objection, the letter will be read.

Mr. SMITH of Maryland. May I ask the Senator a question?

The PRESIDENT pro tempore. Does the Senator from New Hampshire yield to the Senator from Maryland?

Mr. GALLINGER. Certainly.

Mr. SMITH of Maryland. The Senator from New Hampshire states that the hosiery manufactories in his State are not working full time. I should like to ask the Senator if he knows of any manufacturing industry in this country that is working full time?

Mr. GALLINGER. Oh, a great many.

Mr. SMITH of Maryland. I do not know many.

Mr. GALLINGER. A great many.

Mr. SMITH of Maryland. There may be such, but they are exceptional. I want to say to the Senator from New Hampshire that there is no more reason why this industry should be protected in order that the mills may work on full time than that other manufactures in this country should be protected.

Mr. GALLINGER. Well, Mr. President, there is every reason why it should be protected to the point where it would prevent the importation in three months into the port of New York of over 12,000,000 pairs of hose. That is only one port of our country which shows that we are being literally deluged with German hose.

Mr. SMITH of Maryland. I know of no other article that is protected much better than hosiery.

Mr. GALLINGER. It simply is not adequately protected. That is the difficulty.

Mr. SMITH of Maryland. And there is no reason why the people of the whole country should be subjected to an unreasonable duty in order to protect a few manufacturing interests in the State of New Hampshire or in any other State.

Mr. GALLINGER. Mr. President, the Senator from Maryland is getting rather narrow in his discussion when he alludes to the State of New Hampshire in this connection. This industry is carried on in a great many States.

Mr. SMITH of Maryland. I say or any other State.

Mr. GALLINGER. Yes; or any other State. I say to the Senator from Maryland that this industry to-day is absolutely languishing, and has been languishing for several years. It is utterly impossible—and I speak from knowledge—to carry it on successfully in competition with the underpaid labor of Germany, where our merchants go into the great city of Chemnitz, buy the product there and bring it into this country and undersell the manufacturers of the United States.

I want, Mr. President, to have the letter which I have sent to the desk read, and I will rest the case there.

The PRESIDENT pro tempore. The Secretary will read the letter, if there be no objection. The Chair hears none.

The Secretary read as follows:

RE COTTON HOSIERY SCHEDULE.

THE AMERICAN THREAD COMPANY,
366 West Broadway, New York, April 27, 1909.

Hon. JACOB H. GALLINGER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I am writing you in reference to the above matter, hoping that you will use your good offices in favor of the hosiery manufacturers of this country, whose interests the present bill before the Senate to some extent ignores. This, I am convinced, is due to the fact that the hosiery manufacturers did not have an opportunity to present their case before the Finance Committee of the Senate in the same manner as they did before the Ways and Means Committee. I therefore inclose you a copy of the brief submitted by the hosiery people to the latter.

The competition which the hosiery manufacturer has to meet in this country is mostly from Chemnitz, Germany. Chemnitz is a city of 300,000 inhabitants, and almost the exclusive industry in this place is hosiery, 60 per cent of the product being exported to the United States. When the Dingley bill became law twelve years ago, the rates were then sufficient to equalize the difference in the rate of wages paid to the operatives in Chemnitz and those paid in the United States. Since that period, however, reductions have taken place in the wages paid in Chemnitz amounting to, I am informed, 25 per cent. In this country, on the other hand, wages have steadily increased until the rate paid to-day is almost 50 per cent higher than was paid in 1897. It was in order to partially offset this difference in labor cost that the hosiery manufacturers of this country requested the Ways and Means Committee to grant them an increase in the rates of duty. They had an opportunity to present their case to the Ways and Means Committee in such a way that they convinced these gentlemen their claims were just.

The amount of opposition raised to the new rates of duty and the mass meetings held by women throughout the country was all cleverly engineered on the part of the jobbers and retailers, who, at the present prices at which they can import the finer grades of hosiery, divide between them a profit of 100 per cent. The goods retail at 25 cents, and, as a result of the low wages paid in Chemnitz, they can be imported under the present rate of duty at $1.50 per dozen by the jobber, who in turn sells them to the retailer at $2 and the retailer to the consumer at $3 per dozen, or 25 cents per pair. The advance which the hosiery manufacturers have asked would not affect the retail price of the goods, but would give the American manufacturer an opportunity to make the goods here, employing many thousands of hands in their manufacture, and there would still be a very large profit left to divide between the jobber and the retailer.

We are particularly interested in the hosiery schedule, for the reason that the fine yarns used by the hosiery manufacturers are made largely by spinners such as ourselves, and, should the prevailing Dingley rates remain in force, without the advance being granted to the hosiery manufacturers which the House bill conceded to them, no part of these goods can, I understand, be made in this country, and many thousands of people who would otherwise be employed not only in the making of the hosiery goods, but also in the spinning of the yarns for same, will perforce remain idle.

I would not trouble you in this matter at all had I not been fully convinced of the absolute fairness of the increase asked for by the hosiery manufacturers.

With kind regards, I am
Sincerely, yours,
F. E. KIRBY.

Mr. SCOTT. Mr. President, I think the Senator from New Hampshire neglected to state that where contracts are made on the other side for the output of a factory by American importers, it necessarily leaves that article in the home country without any fixed price; consequently the importer can have it billed at a rate greatly below what the actual value of the article is, and by that means he gets the hosiery into this country not only at the already low rate, but at a further reduction, because there is no home market for the goods contracted for.

Mr. PENROSE. Mr. President, I do not intend to detain the Senate at this time by any lengthy discussion of the hosiery paragraphs. I am content to follow the chairman of the Finance Committee in his amendment of the bill and trust to ultimately working out an adequate and merited protection for this class of fabrics, than which I do not think there are any more meritorious contained in the numerous paragraphs of the tariff bill.

There are some 600 hosiery mills located in the country, in over 32 States. These hosiery mills employ about 50,000 people, on whom are dependent for a living some 500,000 persons. They are scattered all over the North, the South, and the West.

The German wages are about 25 cents, where we pay $1. The hosiery concerns are not open to any charge of being in a trust or ever having been in a trust or likely to be in a trust, so far as that statement may be a consolation to those who become apprehensive with a suspicion of such an occurrence.

I am told that the importations for last April are 63 per cent greater than they were for April, 1908. The importations for the last few years are most striking. In 1903 they were $8,000,000; in 1906 they rose to considerably over $9,700,000; in 1907 to $11,000,000, and in 1908 to nearly $11,000,000.

The rates of the Payne bill will have to be adopted by the Senate in this connection or the manufacturers of hosiery will have to reduce the wages of their employees 20 or 25 per cent or close their mills, as it is impossible for them to proceed longer under the Dingley law.

An effort has been made to show that they have been in full operation——

Mr. DOLLIVER. If it will not disturb the Senator——

The PRESIDENT pro tempore. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. PENROSE. Certainly.

Mr. DOLLIVER. What class of cotton hosiery does the Senator refer to as being threatened with this dangerous foreign invasion?

Mr. PENROSE. All hosiery, as I understand.

Mr. DOLLIVER. Does it affect what is called clock hosiery?

Mr. PENROSE. What hosiery?

Mr. DOLLIVER. Clock hosiery.

Mr. GALLINGER. It very seriously affects the higher price hosiery of that character.

Mr. PENROSE. As I understand, it affects all the hosiery that is made by American producers.

Mr. President, there are individual concerns now protesting against the proposed hosiery schedule who have more money than all the hosiery manufacturers in the country combined. The middleman's profit, which runs from 60 to 100 per cent, should convince any fair-minded man who has the prosperity of the country at heart that this small advance in duty can not affect the consumer.

The contention of the National Association of Hosiery and Underwear Manufacturers for an increase in the tariff on cotton hosiery is based entirely on the cost of manufacturing abroad and in this country.

The tariff of 1897 does not measure this differential in cost. In July, 1908, the manufacturers in Chemnitz, Germany, forced a lockout of their employees, which ended by the help returning to work at a reduction of about 25 per cent in wages.

Investigation shows that the following is about the comparative difference in wages at the present time. German wages can be substantiated by the government's official reports.

Chemnitz.

Males (knitters)	per week	$5.00 to	$6.50
Males (finishers)	do	3.00 to	4.00
Females	do	1.50 to	3.50

United States.

Males (knitters)	per week	$22.00 to	$33.00
Males (finishers)	do	11.00 to	16.00
Females	do	5.00 to	13.00

Wages are according to class and grade of work and skill required; deftness and ability largely enter in the matter of wages, the scale of wage being based on piecework.

I ask to have inserted a memorandum giving these figures more in detail.

The PRESIDENT pro tempore. In the absence of objection, permission is granted.

The memorandum referred to is as follows:

Imports of cotton hosiery.

	Dozens.	Value.	Duties.	Total value.
1903	3,814,055	$4,948,390	$3,149,387	$8,008,247
1904	4,119,579	5,430,905	3,264,040	8,694,945
1905	4,232,028	5,424,060	3,287,518	8,711,638
1906	4,690,870	6,119,195	3,675,829	9,795,024
1907	5,128,726	7,019,394	4,138,741	11,158,135
1908	4,829,123	6,855,075	3,994,824	10,849,899

Mr. PENROSE. In 1908, when American hosiery mills were being operated on half and three-quarter time, the importations fell off $300,000 only, owing to revised costs of manufacturing in Germany and reductions in the price of hosiery.

Mr. President, there is another menace to this industry which we must not lose sight of, and that is the increasing competition from Japan. A pure silk hose is retailed in Tokyo and Yokohama at $1 Mexican or 50 cents in American money per pair.

Investigation has disclosed the fact that the manufacturer sells the same articles at about $4 United States currency. At this price it would cost to import, all duties and charges paid to New York City, about $6.55 per dozen pairs for the Japanese silk article.

This hose, from the standpoint of a hosiery manufacturer, is absolutely the most perfect article known to the craft, combining, as it does, all the best features of both foreign and American made hosiery.

The frame on which this hose is made does not, to the best knowledge of anyone in the business here, exist outside of Japan. The product is absolutely perfect in every respect and can not be criticised in any way.

A German silk-lace hose of similar quality, while possessing only part of the best features of the exhibit, costs in Germany at wholesale about 40 marks, which would make the cost in the United States, duties and expenses paid, about $16 per dozen pairs.

Japanese hosiery workers, according to last reports, receive wages as follows: Males, 25 cents; females, 9 cents to 15 cents per day. The day's work is from twelve to fourteen hours, according to the season of the year.

Up to the present time the Japanese have not attempted to export their hosiery to this country, preferring first to gain the markets of the Orient; but the day is not far distant when they will be in a position to force the American market.

In Osaka alone there are about 1,300 manufacturers of and dealers in knit goods. Of the total imports of knitted goods to India, about 60 per cent is from Japan. This is said to have greatly alarmed Indian merchants interested in this line, and several plans have been laid to prevent the Japanese article entering the markets.

The popularity achieved by Japanese knitted goods is attributed to the excellent machines used and to the skill of the Japanese workmen.

In Japan a special machine has been invented by manufacturers. At the price of one German machine five or six Japanese machines can be purchased, while the Japanese machine turns out about twice the quantity of work produced by the German machines.

As to knitting, a Japanese can produce about three times the quantity produced by an Indian. The only drawback of the Japanese work is that it is inferior in quality when compared with that produced by German machines.

The value of hosiery sold by Japan to India increased from $36,460 in 1902–3 to $1,279,743 in 1907–8. One Japanese mill, engaged in manufacturing a class of goods largely shipped to India, employed 290 hands, nearly all girls, who work for very small wages. It should be noted, however, that the wages of girls in Japanese mills are fully as much as those paid the girls in Indian mills.

Mr. President, this industry, as I have said, is scattered all over the country. It gives employment to men, women, and children, and is a benefaction in every community where it exists. I join with what I assume to be the attitude of the Senator from Iowa, that something can be done later on to alleviate their condition.

An effort was made to create the impression that these mills had all been working on full time, or very nearly full time, and were in a prosperous condition. I have here a very large number of statements from mills all over the country, setting forth that while it is true some of these mills have been running during the winter at a reduced rate in order to keep their employees at work and to keep their machinery going, yet that condition is rapidly passing away, and few of them are working at more than 60 or 70 per cent of their capacity; that many of them are closed altogether, and that, in the opinion of everyone engaged in the industry, there is no future for it unless the Payne rates are restored to the tariff bill.

Mr. GALLINGER. Mr. President, just one word more. In this official communication from our consul at Chemnitz not only is the startling fact stated that almost the entire output of that great city is sent to the United States, but it is also stated that they are selling to the American importers at a less price than they sell to the domestic market. So that these goods are not only being sold lower here than they are sold to the people of Germany, but they are being practically dumped upon the American market to the extent of the output of those immense mills.

Mr. President, the Senator from Pennsylvania [Mr. PENROSE], who is himself a member of the Committee on Finance, suggested, as I understood him, that it might be well to allow this amendment to remain in the bill and have the matter further investigated both by the Finance Committee of the Senate and by the conference committee.

I have personally no particular objection to that procedure. What I wanted to do was to emphasize in the Senate the fact that this is an industry that needs more protection than it is receiving under the existing law; that unless it does receive it, the beginning of the end of the hosiery industry of the United States has already commenced; and that that great industry, employing a large number of people and struggling, as it is, against intense foreign competition and cheaper labor, is entitled to a very careful consideration on the part of the committee of the Senate and on the part of the Congress of the United States.

Mr. DOLLIVER. Mr. President, if the Senator will permit me——

Mr. GALLINGER. Certainly.

Mr. DOLLIVER. Does not the Senator from New Hampshire think it would be better for the Senate to consider this matter in view of the facts and circumstances concerning this case and take action upon it?

Mr. GALLINGER. I assume that the Senate will do that. I have no disposition, of course, to foreclose the discussion of this question at all. I have taken, as I have been in the habit of doing during the discussion of this bill, as little time as possible in stating my views on these various schedules, and I have no disposition to debate the matter at length, but there is no reason, of course, why every other Senator should not have the same privilege which I have taken in this matter.

Mr. DOLLIVER. I am sure everybody thinks the Senator from New Hampshire has taken altogether too little part in this discussion.

Mr. GALLINGER. I thank the Senator.

Mr. DOLLIVER. The thing that bothers me is that thousands of good women descended upon the Finance Committee, having first interviewed the Speaker of the House, with a view of defeating certain actions that were taken in the House of Representatives.

Mr. GALLINGER. And a very considerable proportion of them undoubtedly wore silk hose.

Mr. DOLLIVER. I have not examined that question. [Laughter.]

Mr. GALLINGER. But the Senator remembers the fact that a very large delegation of working women descended upon Washington protesting against the contemplated change in this bill.

Mr. DOLLIVER. When these good women came here at their own expense——

Mr. GALLINGER. Do not be too sure of that.

Mr. DOLLIVER. Claiming to represent thousands of people, and approached our marble palace yonder, the Finance Committee saw them coming——

Mr. GALLINGER. And surrendered.

Mr. DOLLIVER. And surrendered, and they went home at their own expense and are now resting peacefully in the belief that they have won a victory. Does the Senator from New Hampshire and the Senator from Pennsylvania, both noted for gallantry, believe it is the square deal to now remit the question to the darkness and secrecy of a conference committee and have these patriotic women wake up on the Fourth of July with this duty restored, when they had every reason to trust the wisdom and judgment of the Finance Committee in omitting it from this paragraph?

Mr. GALLINGER. I will say to the Senator that that is where it must inevitably go—to the dark recesses of the conference committee—whatever we do, unless we restore the rate of the House bill.

Mr. DOLLIVER. Why does not the honorable Senator from Pennsylvania make a motion to restore the House provision?

Mr. PENROSE. I am in hopes that the members of the Finance Committee, including the chairman, gradually, by thinking and reflecting upon this proposition, will become as earnest for the Payne rates as the Senator from New Hampshire and I are.

Mr. DOLLIVER. I have no particular occasion to cultivate my enthusiasm——

Mr. PENROSE. I do not want to force them. I know they have a great many things on their mind.

Mr. DOLLIVER. But the Senator expressed such confidence in the committee as almost led me to believe that it was perfectly safe to allow this great issue to lapse into silence and indifference here in the Senate——

Mr. PENROSE. Oh, no, Mr. President.

Mr. DOLLIVER. And to reappear with new strength and vitality when the Finance Committee in conference had finished the work of finally preparing this bill.

Mr. PENROSE. My thought would be that if the Finance Committee did not show a marked mental improvement on this paragraph by the time the bill is reported to the Senate, I would confer with the Senator from Iowa and arrange for an assault all along the line. [Laughter.]

Mr. DOLLIVER. I doubt whether I could fight successfully under such a hesitating and timid leader as the Senator from Pennsylvania. [Laughter.]

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. LODGE. At the end of the paragraph just adopted I offer an amendment on behalf of the committee.

The SECRETARY. Insert at the end of paragraph 326 the following:

> Cotton gloves, knitted or woven, valued at more than $1.20 and not more than $6 per dozen pairs, 50 cents per dozen pairs and 45 per cent ad valorem; valued at more than $6 per dozen pairs, 55 per cent ad valorem.

Mr. BACON. It is very difficult for us, the amendment not having been printed, as I understand, to gather the import of it, or what the effect is to be.

Mr. LODGE. I can tell the Senator. It is a very simple amendment. Cotton gloves, which are as difficult of manufacture as stockings and hose, have come in under the clause of "manufactures of cotton not otherwise provided for." The result has been that the industry has hardly been able to live. In fact, it is practically dead. I believe there is only one maker left. These gloves are used chiefly for the army and the militia. Only the other day the Government of the United States bought 300,000 of these foreign-made cotton gloves for the army, something, I venture to say, no other government in the world would do. They buy their gloves from their own people.

This gives them simply the same rate of duty that is imposed upon hosiery, the rate of the Dingley Act, not an increase, but on the same basis as that, a compound rate, a somewhat lower specific than hosiery has, a somewhat higher ad valorem in the first clause, and in the last clause precisely the same.

Mr. BACON. I understood the Senator from Massachusetts to say that the class of gloves covered by this amendment are the gloves used particularly by military men; and what other class of men?

Mr. LODGE. That is all. I said the principal use was in the army and in the militia.

Mr. BACON. As I have said, we have not the opportunity to have this amendment before us for examination. Therefore the Senator will excuse me for making a further inquiry.

Mr. LODGE. Certainly.

Mr. BACON. So far as we could gather from the reading, it would include all classes of knit gloves?

Mr. LODGE. No; only cotton gloves.

Mr. BACON. I mean all classes of knit cotton gloves.

Mr. LODGE. Certainly; all along. It is a mere question of fineness.

Mr. BACON. If it covers all classes of knit cotton gloves——

Mr. LODGE. They are of precisely the same manufacture. It is only a question of fineness.

Mr. BACON. The Senator will permit me to finish the sentence?

Mr. LODGE. I thought the Senator had finished. I never can tell.

Mr. BACON. Oh, no; I had not.

What I desire to suggest, and to see whether or not I am correct in it, is this: That if it covers all classes of knit cotton gloves it must cover the class of cotton gloves that the poor people wear, and I can not understand how, unless it is guarded in some way, it should relate only to military gloves.

Mr. LODGE. Of course it can not be limited to military gloves. They are the ordinary cotton gloves.

Mr. BACON. I understand that, but I should suppose that——

Mr. LODGE. The foreign glove costs about 14 cents, and the gloves made here cost something over 20 cents a pair—the cheapest.

Mr. BACON. The point I am after is this: I want to find out from the Senator whether he is confident in the statement that the class of gloves covered by this amendment will be almost exclusively simply the military glove. Is it not true that it will cover all the cheap class of cotton gloves that the poorest people wear?

Mr. LODGE. It covers all classes of gloves which are arranged under the two brackets; it covers all cotton gloves——

Mr. BACON. Very well.

Mr. LODGE. Arranged under the two brackets. Military gloves are among the cheapest, I think.

Mr. BACON. That may be true, and I am not particularly concerned about the military gloves——

Mr. LODGE. The principal consumption is there. That is the only reason why I mentioned it.

Mr. BACON. I think the Senator must be mistaken about that.

Mr. LODGE. I dare say I am, as I got the information from the people who make the gloves. They say the principal consumption is in the military.

Mr. BACON. That may be. I am not disputing the fact that the Senator sought his information from——

Mr. LODGE. I dare say they do not know anything about it.

Mr. BACON. From the best source; but we all of us every day of our lives see the poorer classes wearing these gloves, and as there are several hundred thousand of them to each soldier, it seems to me it must necessarily be the case that the consumption by the people in the other walks of life is very much greater than it possibly can be as to military gloves. I think we ought to be very much more concerned about that than we would be about increasing the cost of the very highest class of gloves. The gloves that are worn by people who can less afford to pay for them ought to be the gloves as to which we ought most carefully to guard against any raise in prices. If the Senator can frame his amendment so as to limit it to military gloves, as seems to be his intention——

Mr. LODGE. I can not frame it so as to cover merely military gloves, and I have no desire to. Either we want to keep this industry alive or give it to the foreigners. It is almost dead now. If we do not give it this additional rate the in-

dustry will die. There seems to me no reason in the world why in a country raising cotton we should not make our own cotton gloves and why they should not have the same duty as is placed upon hosiery.

Mr. BACON. What would be the ad valorem rate?

Mr. LODGE. The ad valorem rate is 55 per cent, as stated on the last bracket; that is, over $6 a dozen, 55 per cent; valued under $6, 45 per cent, and 50 cents a dozen.

Mr. BACON. In other words, it will add 50 per cent to the cost of the common glove?

Mr. LODGE. It adds 50 cents a dozen to the rate they now carry, and 10 per cent ad valorem for the expensive class—over $6 a dozen.

Mr. BACON. I do not care about the expensive ones.

Mr. LODGE. That is, 50 cents a dozen. That is the exact amount of the addition—50 cents specific to the existing rate. That is exactly what the addition is.

Mr. CULBERSON. I ask that the amendment may again be reported.

Mr. LODGE. I do not mean to say that it adds that to the domestic price. I say to the duty.

Mr. BACON. I understand.

The PRESIDENT pro tempore. The amendment will again be stated, at the request of the Senator from Texas.

The Secretary read the amendment.

Mr. BACON. I shall not detain the Senate in discussing it. I am impressed by the fact that it ought not to be done, and I ask that we may have the yeas and nays.

Mr. DOLLIVER. If the Chair will permit me to inquire, is this amendment offered by the committee?

The PRESIDENT pro tempore. Offered by the committee. Is there a second to the demand for the yeas and nays?

Mr. ALDRICH. I hope we will not have a yea-and-nay vote, because it takes time, and it is my purpose, if we get through the cotton schedule, to move to adjourn before we take up the woolen schedule.

Mr. BACON. It will not take long to have the yeas and nays.

Mr. ALDRICH. Well.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). I desire to announce my pair with the senior Senator from Tennessee [Mr. FRAZIER].

Mr. DILLINGHAM (when his name was called). Owing to the absence of the senior Senator from South Carolina [Mr. TILLMAN], with whom I have a pair, I withhold my vote.

Mr. DU PONT (when his name was called). I am paired with the junior Senator from South Carolina [Mr. SMITH]. I transfer the pair to the junior Senator from Washington [Mr. JONES], and I will vote. I vote "yea."

Mr. FRYE (when his name was called). I am paired with the senior Senator from Virginia [Mr. DANIEL].

Mr. PILES (when the name of Mr. JONES was called). My colleague is paired with the junior Senator from South Carolina [Mr. SMITH].

Mr. McCUMBER (when his name was called). I have a pair with the junior Senator from Louisiana [Mr. FOSTER]. He being absent, I withhold my vote.

Mr. OLIVER (when his name was called). I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. I transfer the pair to the Senator from Connecticut [Mr. BULKELEY] and will vote. I vote "yea."

Mr. GORE (when Mr. OWEN's name was called). I desire to announce that my colleague is absent. If he were present, he would vote "nay."

Mr. RAYNER (when his name was called). I have a pair with the senior Senator from Oregon [Mr. BOURNE]. If he were present, I should vote "nay."

Mr. CURTIS (when Mr. SCOTT's name was called). I have been requested to announce that the Senator from West Virginia [Mr. SCOTT] is paired with the Senator from Florida [Mr. TALIAFERRO].

Mr. SUTHERLAND (when his name was called). I have a pair with the junior Senator from Tennessee [Mr. TAYLOR]. If he were present, I should vote "yea."

The roll call having been concluded, the result was announced—yeas 41, nays 24, as follows:

YEAS—41.

Aldrich	Clark, Wyo.	Guggenheim	Piles
Borah	Crane	Hale	Root
Bradley	Crawford	Heyburn	Smith, Mich.
Brandegee	Depew	Johnson, N. Dak.	Smoot
Briggs	Dick	Kean	Stephenson
Brown	Dixon	Lodge	Warner
Burkett	du Pont	McEnery	Warren
Burnham	Elkins	Oliver	Wetmore
Burrows	Flint	Page	
Burton	Gallinger	Penrose	
Carter	Gamble	Perkins	

NAYS—24.

Bacon	Cummins	La Follette	Overman
Bailey	Dolliver	McLaurin	Paynter
Bristow	Fletcher	Martin	Shively
Clapp	Gore	Money	Simmons
Clay	Hughes	Nelson	Smith, Md.
Culberson	Johnston, Ala.	Newlands	Stone

NOT VOTING—26.

Bankhead	Curtis	Jones	Smith, S. C.
Beveridge	Daniel	McCumber	Sutherland
Bourne	Davis	Nixon	Taliaferro
Bulkeley	Dillingham	Owen	Taylor
Chamberlain	Foster	Rayner	Tillman
Clarke, Ark.	Frazier	Richardson	
Cullom	Frye	Scott	

So the amendment of the committee was agreed to.

Mr. ALDRICH. I ask that the paragraph as amended be agreed to.

The paragraph as amended was agreed to.

The SECRETARY. Paragraph 327, shirts and drawers, pants, vests, union suits, and so forth.

Mr. ALDRICH. The paragraph has been read.

The PRESIDENT pro tempore. The question is on agreeing to the paragraph.

The paragraph was agreed to.

The SECRETARY. Paragraph 329, cotton table damask.

Mr. ALDRICH. The committee have some amendments to paragraph 328.

The PRESIDENT pro tempore. The Senator from Rhode Island for the committee offers an amendment, which will be stated.

The SECRETARY. It is proposed to amend paragraph 328 as follows: First by inserting at the beginning of the paragraph the words "Bandings, beltings, bindings, tapes, webs, or webbings not made on a braiding or other similar machine," and in line 11 strike out the word "articles," and strike out all of the Senate amendments in italics and restore the language of the House.

The amendment was agreed to.

Mr. DOLLIVER. I should like to inquire of the chairman of the committee whether the amendment he has just offered puts cotton duck back into the paragraph?

Mr. ALDRICH. It does.

Mr. DOLLIVER. It also puts in webbing and webs?

Mr. ALDRICH. Yes.

The PRESIDENT pro tempore. The paragraph as amended is agreed to.

Mr. BACON. Do I understand the Senator to withdraw the Senate Committee amendment to that paragraph?

Mr. ALDRICH. The other Senate amendment.

Mr. BACON. Which one?

Mr. ALDRICH. The one in lines 13 and 14, and all the Senate amendments that appear printed in the bill I withdraw.

Mr. BACON. That is the question I asked.

Mr. ALDRICH. Yes.

Mr. BACON. All those printed in the bill?

Mr. ALDRICH. Are withdrawn.

Mr. BACON. Oh.

Mr. ALDRICH. The others are inserted.

The PRESIDENT pro tempore. The Secretary will read the next paragraph.

The SECRETARY. Paragraph 329, cotton table damask.

Mr. DOLLIVER. What is the paragraph?

Mr. HALE. Paragraph 329.

Mr. DOLLIVER. I desire to make some remarks on the Senate amendment in paragraph 329, if that is now before the Senate.

The PRESIDENT pro tempore. It is an open question.

Mr. DOLLIVER. I desire to ask for the yeas and nays on the Senate amendment. Before I do that, I should like to ask the chairman of the committee, cotton duck being dutiable under existing law at 35 per cent in this paragraph, the Senate amendment appears to strike it out—it goes out and down or up—and I should like to know exactly where it reappears.

Mr. ALDRICH. It will go to the countable paragraphs of the schedule.

Mr. DOLLIVER. But I notice in the Book of Estimates it is put down at 45 per cent, which would seem to indicate that it does not go into the countable paragraphs.

Mr. ALDRICH. That is a mistake of whoever put it there, because it does not go there. It goes into the countable paragraph of the schedule, at whatever rate may be imposed upon the count and the weight.

Mr. DOLLIVER. I imagined from the fact that it is set down in the Book of Estimates as bearing the rate of 45 per cent under the Senate amendment, it found its way to the basket clause of the cotton schedule as a sort of manufacture of cotton.

Mr. ALDRICH. That is the mistake on the part of Major Lord as to what rate should be imposed.

Mr. DOLLIVER. Is the Senator able to say into what countable paragraph it will go?

Mr. ALDRICH. The denomination which cotton duck had formerly had a stated meaning, but it has been so varied in various cases—some very valuable, some otherwise than valuable—that in the opinion of the committee it was absolutely necessary that this description of cloth should have a rate that would be the rate of duty established by the various countable provisions of the schedule. If a fine cloth, it would be dutiable as a fine cloth. If a coarse cloth, it would be dutiable as a coarse cloth.

Mr. DOLLIVER. If it will not trouble the Senator, has investigation been made to show what effect on this rate, which is now a flat rate, 35 per cent, according to value, this transfer to the countable paragraph will have upon the average?

Mr. ALDRICH. It will reduce some of them. I think it reduces them largely and increases some of the higher grades.

Mr. DOLLIVER. So that it will be below 35 per cent?

Mr. ALDRICH. I think the average will be.

Mr. DOLLIVER. If it shall fall below 35 per cent, it will be a very agreeable surprise to me.

Mr. ALDRICH. I suppose the Senator will agree that cotton duck, according to the count, should pay the duty that other cotton cloths do. I can see no reason why it should be picked out for a particular rate of duty.

Mr. DOLLIVER. But it always has been picked out.

Mr. ALDRICH. Because cotton duck heretofore has been a particular article; but in recent years, whenever it was desirable on the part of the man who was importing cotton duck to call it something else, or to call something else cotton duck for the purpose of getting it in at a lower rate, he did so, and therefore the phraseology has been changed.

Mr. DOLLIVER. I will say this——

Mr. GORE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Oklahoma?

Mr. DOLLIVER. I hope the Senator will let me finish this sentence.

Mr. GORE. I merely desire to say that if the Senators can, without violating any confidence, I hope they will talk louder. We on this side can not hear them.

Mr. DOLLIVER. I agree with the Senator from Rhode Island, that if this cotton duck can be carried into the general classification of cotton cloths, it is an improvement on the old law. The only thing I feared was that in the process of transporting it to the countable paragraphs it might partake of the general tendency of this bill to increase the rates somewhat; and unless that can be shown to be necessary I think it would be undesirable.

Mr. LA FOLLETTE. We were unable to hear what the Senator from Rhode Island said with respect to the effect of this change in line 12, paragraph 329, striking out those words. Does it operate to increase the duty?

Mr. ALDRICH. It throws all these articles of cotton duck into the countable paragraphs of the schedule. On the low grades it would probably reduce the duty somewhat and on the high grades increase it somewhat. The trouble is that various fine articles of cotton cloth have been imported as cotton duck for the purpose of getting them in at a lower rate. For instance, the linings of bicycle tires, which are about the most expensive manufacture that I know of in cotton cloth, have been imported and passed in some cases, anyhow, as cotton duck, and this is simply to give to cotton duck the rates which it would have under the countable paragraphs of the act. The arguments in favor of it, it seems to me, are unanswerable.

Mr. LA FOLLETTE. I notice in the table of estimates it was marked up as an increase in the duty of from 35 to 45 per cent.

Mr. ALDRICH. That is an error on the part of Major Lord, who prepared those figures.

Mr. LA FOLLETTE. In order to make certain in the case of cotton ducks, such as is not suitable for the lining of bicycle tires, would there be any objection to specifying that common duck should not have a higher duty than 35 per cent? I notice that those who appeared before the Ways and Means Committee asked for a change in this duty on account of the large percentage of the imports being brought in of the finer goods and brought into competition with that manufacture in this country. For linings for bicycle tires, it is stated—

that about nine-tenths of all the so-called "cotton duck" now imported into New York, the main port of entry for this material, is in reality tire fabric, which accounts for the relatively high per square yard valuation gained from the statistics given above.

The manufacturer who made this statement said further:

Fabrics used in the manufacture of tires cost far more to produce than ordinary cotton duck. Such fabrics must necessarily be very strong, and with the strength of every part equal to the strength of every other part. The manufacturer of this cloth requires especial care and skill, and very much more labor, therefore, enters into its production than that of ordinary cotton duck. It is, in the main, this very element of extra labor that calls for the differentiation of tire fabrics from ordinary cotton ducks in the tariff schedule.

Since cotton duck is so largely used for clothing for mechanics and laborers, it seems to me it ought not to be left in any possible doubt, and a different provision might be made for the tire linings, leaving the line just stricken out here in that paragraph, so that there can not by any possibility be any increase in that duty, because there are no importations calling for it. There does not appear to have been any manufacturers before the Ways and Means Committee of the House who suggested that any increase was necessary. If nine-tenths of the total of $15,000 of importations given in the imports and duties, as well as in the table of estimates, is of the cloth suitable for tire linings, there certainly ought not to be any possible increase made in the duty on this cheaper quality of duck.

I merely submit for the consideration of the chairman of the committee whether there might not be a provision made for tire linings in paragraph 330 where it would take 45 per cent duty and allow line 12 in paragraph 329 to stand.

Mr. ALDRICH. Cotton duck, as it was originally provided for in all the acts which were prior to this time heavy cotton cloth used for sail making.

Mr. LA FOLLETTE. That is true.

Mr. ALDRICH. It was a peculiar cloth, which was woven for that purpose. In recent years, more especially in the last year, they have been importing fine fabrics for women's dresses, for instance, a fabric which was never intended to be covered at all by the description of cotton duck originally. They have been importing, as I said before, casings for lining of bicycle tires and automobile tires. They have been importing both these classes of goods, and it is to cover these finer fabrics which are imported as duck for the purpose of evading the duty that the committee struck this out and proposed to put it in the countable paragraph.

Mr. LA FOLLETTE. If the Senator will permit me a moment, there could not have been very much fine duck for ladies' dresses imported, because the importations, as shown by the table of imports, have not overrun about $15,000.

Mr. ALDRICH. That is where the Senator from Wisconsin is very much mistaken. In 1908 the imports were 462,000 square yards, valued at $173,000, while the year before they were only 88,000 square yards, valued at $15,000. The importations, in other words, went in the last year from $15,000 to $173,000, showing that——

Mr. LA FOLLETTE. May I inquire of the Senator from what he reads?

Mr. ALDRICH. I am reading from the report of imports for the year 1908.

Mr. LA FOLLETTE. What paragraph?

Mr. ALDRICH. On this paragraph.

Mr. LA FOLLETTE. What page of imports and duties?

Mr. ALDRICH. I think it is not printed in all of the documents. These figures have been collected by me from the importations for the year 1908, which have not yet been published.

Mr. LA FOLLETTE. But, Mr. President——

Mr. ALDRICH. They are published in separate form.

Mr. LA FOLLETTE. On page 255 of "Imports and Duties," under Table No. 1121, entitled "Duck (acts of 1894 and 1897)," the total imports are given for the years from 1895 clear down to 1907. The imports for 1908, of course, are not given here.

Mr. ALDRICH. They were not available when that was prepared.

Mr. LA FOLLETTE. I presume not; but for a series of years they ran from twelve thousand to fifteen thousand dollars. The importations coming in under that paragraph were never of great value in all that period of time, nearly eleven or twelve years.

Mr. ALDRICH. That is perfectly true; but, as I said recently, the last year a new class of articles entirely has begun to be imported under the name of duck which never ought to have been classified as duck. Therefore it became necessary, in the opinion of the committee, to strike out this provision of law so that this cloth would be imported as it ought to be, according to its fineness and weight.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. I do.

Mr. SMOOT. I assure the Senator from Wisconsin that common ordinary duck will now come in under paragraph 314, under the countable clause, and it will not exceed 35 per cent ad valorem.

Mr. LA FOLLETTE. You say it now comes under paragraph 314?

Mr. SMOOT. No; it will when this bill becomes a law.

Mr. LA FOLLETTE. I know the Senator from Utah has a good deal of familiarity with the trade and with the mercantile business. Can he tell me what the count of common duck is per square inch?

Mr. SMOOT. The ordinary count is 100 to 150. Under the paragraph that will not carry more than 35 per cent ad valorem. It is the common, ordinary duck which the Senator speaks of?

Mr. LA FOLLETTE. Yes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The PRESIDENT pro tempore. The next paragraph passed over will be read.

The SECRETARY. The next paragraph passed over is paragraph 330, which, amended, is as follows:

330. All articles of cotton cloth, whether finished or unfinished, and all manufactures of cotton, or of which cotton is the component material of chief value, not specially provided for in this section, except such as are composed in part of flax, hemp, or ramie, 45 per cent ad valorem.

The PRESIDENT pro tempore. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

Mr. ALDRICH. In accordance with the notice given by me, I now move that the Senate adjourn; but before the motion is put, I will say that we will take up Schedule K to-morrow morning.

The PRESIDENT pro tempore. The Senator from Rhode Island moves that the Senate adjourn.

The motion was agreed to; and (at 10 o'clock and 7 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, June 8, 1909, at 10.30 o'clock a. m.

HOUSE OF REPRESENTATIVES.

MONDAY, *June 7, 1909.*

The House met at 12 o'clock noon.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D.

THE JOURNAL.

The SPEAKER. The Clerk will cause the Journal to be read.

Mr. MACON. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. MACON. To make a point of order that there is not a quorum present.

The SPEAKER. The Chair will count. [After counting.] There are 202 Members present, a quorum, and the Clerk will proceed.

Mr. MACON. Mr. Speaker, I do not know whether the House will sustain me or not in a call for tellers, but I would like to know whether there is really a quorum present; the Speaker may have unintentionally counted some of the officers of the House who are standing around.

The SPEAKER. Two more Members have come in, and the Speaker did not count himself, and that makes three more.

Mr. MACON. Mr. Speaker, if the Chair insists that a quorum is present, I will withdraw the request for tellers.

The Clerk read the Journal of the proceedings of last Thursday.

The Journal was approved.

CALL OF COMMITTEES.

Mr. PAYNE. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from New York demands the regular order. The Clerk will call the committees.

The committees were called.

LEAVE OF ABSENCE.

Leave of absence was granted as follows:

To Mr. HAWLEY, for one week, on account of important business.

To Mr. THOMAS of North Carolina, indefinitely, on account of sickness in family.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Vice-President had appointed Mr. SIMMONS and Mr. GALLINGER members of the joint select committee on the part of the Senate, as provided for in the act of February 16, 1889, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Department of Commerce and Labor.

PORTO RICO.

Mr. PAYNE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the Porto Rican bill (H. R. 9541); and, pending that, I want to say that on Thursday last it was agreed by unanimous consent that general debate might proceed for the day and also that the gentleman from Missouri [Mr. BORLAND] might have thirty minutes and the gentleman from Texas [Mr. SLAYDEN] fifteen minutes of debate upon amendments. Of course, the House adjourning without going into Committee of the Whole on Thursday, that order as to general debate is off, and gentlemen who desire to address the committee on the subject of the bill can not do so unless we give them unanimous consent now. Therefore, in order to accommodate gentlemen, I ask that the time for general debate be extended for an hour and a half, and the same time be allowed to the gentleman from Missouri [Mr. BORLAND] and the gentleman from Texas [Mr. SLAYDEN] as was allowed on Thursday.

Mr. CLARK of Missouri. Mr. Speaker, I will say that the gentleman from Missouri [Mr. BORLAND] is not here now. If it should turn out that some other gentleman wanted Mr. BORLAND's thirty minutes, I would like to have an arrangement to that effect. I do not know that anybody will want it. I will take forty-five minutes of the time and the gentleman from New York forty-five minutes of the time.

Mr. PAYNE. Suppose we take two hours, which, I think, will cover it all.

Mr. CLARK of Missouri. Very well.

The SPEAKER. The gentleman from New York asks unanimous consent that general debate be confined to the bill and be extended for two hours, one half to be controlled by the gentleman from Pennsylvania [Mr. OLMSTED], and the other half by the gentleman from Missouri [Mr. CLARK].

Mr. COOPER of Wisconsin. Mr. Speaker, I have notified the gentleman from New York that I should desire a few minutes upon the bill.

Mr. PAYNE. How much time does the gentleman want?

Mr. COOPER of Wisconsin. Not to exceed ten minutes. Perhaps I will not take that.

Mr. PAYNE. Then, Mr. Speaker, I modify the request so as to allow ten minutes to the gentleman from Wisconsin [Mr. COOPER].

Mr. GARRETT. Mr. Speaker, will that cut off the regular five-minute debate?

The SPEAKER. It will not.

Mr. CLARK of Missouri. I want it understood that the speeches are to be confined to this bill.

The SPEAKER. That was the request.

Mr. PAYNE. I will modify the request, so that the remarks shall be confined to the bill.

The SPEAKER. Is there objection to the request, as modified, of the gentleman from New York?

There was no objection.

The motion of Mr. PAYNE was then agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. TOWNSEND in the chair.

Mr. OLMSTED. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. PAYNE].

Mr. PAYNE. Mr. Chairman, I want to speak directly on this bill and urge the Members of the House to remain here to-day, as notice has been given that we must have a quorum in order to pass the bill. It is quite necessary that every Member should remain here so as to sustain the quorum. We already have agreed to a debate of two hours and ten minutes, but it may not go through that time, and we may be voting on amendments. I hope that gentlemen will forego any pleasure they may have outside, and that all gentlemen, including the gentleman from Pennsylvania, will stay here until the bill is finally disposed of.

Mr. OLMSTED. Mr. Chairman, the immediate difficulty which confronts us arises from the fact that the legislature of Porto Rico, at not only the regular session but also at an extra session called for the purpose, has adjourned without making the necessary appropriations to meet the current expenses of running the government and meeting its legal obligations for the fiscal year which will begin July 1, 1909. It is the object of the pending bill to remove that difficulty by providing that the appropriations upon which both houses of the insular legislature did agree for the current fiscal year shall be considered as reappro-

priated and used for the payment of the necessary expenses until such time as the legislature shall act in the matter of appropriations, whereupon this bill will, by its terms, cease to operate.

But back of this particular difficulty, and in a measure accounting for it, lie other difficulties which in the near future Congress will undoubtedly find it desirable to consider. Those difficulties and the legislation necessary to remove them it is not my purpose to discuss at this time. But some statements have been made upon this floor and elsewhere to which I may be pardoned for referring briefly.

The so-called "Foraker Act," passed by Congress in 1900, provides a legislature for Porto Rico. If the two houses were to meet in joint session, there would be found 40 natives and 6 Americans. Of all the public officials in Porto Rico, about 85 per cent are natives and only about 15 per cent Americans, and yet the gentleman from Colorado [Mr. MARTIN] and the gentleman from Arkansas [Mr. MACON] are pleased to say that we have furnished to that island a carpetbag government. The 6 American members of the executive council, or Porto Rican senate, were nearly all, and, I think, all of them, selected by President Roosevelt after a conference with Mr. Taft, then a member of his Cabinet and now President of the United States. They were selected with great care. They are men of learning, wisdom, experience, and patriotism. They are men of affairs, and had been for some time familiar with Porto Rican matters. They have all been there long enough to acquire the ability to read, write, and speak the Spanish language. Of course they look after the interests of the United States. It is their duty to do so. It is equally true that they have the best interests of Porto Rico at heart. They could have no earthly reason for wishing to oppress those people or to deny to them anything which might be for their real benefit. They have never been accused of lack of ability or of unfairness, or even of arbitrary action until the present controversy arose. The only charge now is that the executive council, or senate, will not pass certain bills which the lower house desires to have passed. The bills in dispute are not appropriation bills. They do not form part of any appropriation bill. There is no serious dispute about the appropriation bills. If we are correctly advised, the lower house will not pass any appropriation bills at all because the upper house will not pass certain other desired bills.

The house of delegates desires an agricultural-bank bill. The senate opposes, because, it says, it would require $2,000,000 of capital, and they have not the money. The house desires 66 judges or justices made elective. The senate is willing to compromise on 47, but will not stand for 66. There are other and more serious matters, to which I shall presently refer.

Each party to the controversy has set forth its side of the case to the Federal Government. The house of delegates sent three commissioners to Washington to take up the matter with the President and Congress. They have addressed to us a pamphlet, of which I hold a copy in my hand. Upon the outside cover I find this:

SIR: The undersigned, as representatives of a people in servitude, beg of you, their representatives of a free people, that before casting your vote in Congress on the question of Porto Rico you read these short pages and be convinced that we are simply asking for our rights and appealing to your sense of justice.

L. MUNOZ RIVERA,
C. COLL CUCHI,
EUGENIO BENITEZ.
Commissioners of the House of Delegates of Porto Rico.

Upon the fly leaf there is a single paragraph, giving us to understand—

One million souls are living in Porto Rico in an unbearable state of tyranny under the folds of the American flag.

I hold also in my hand a copy of Revista de Puerto Rico (the Porto Rico Review) of April 10, 1909. The motto of this paper, as stated upon its first page, is "El ideal de Puerto Rico es ser estado" (ultimate statehood for Porto Rico). This paper, in its leading editorial, says:

Why misrepresent? If some reported expressions made by the commissioners of the lower house to the newspapers in New York are true—and they probably are—we are afraid that our representatives are fast becoming fit candidates to take high places in the Ancient Order of the Sons of Ananias Society.

This editorial then proceeds to say some very personal and uncomplimentary things about the members of the commission, and to quote some still more uncomplimentary things which, it says, the members of the commission have written, printed, or spoken concerning the people of the United States. I shall not repeat them.

In their pamphlet they say that England, Russia, and France all own and oppress slaves, and that we, in supplanting the Spanish Government and giving them the Foraker Act, have reduced them—the Porto Ricans—"to the sad condition of a people in servitude."

Then, under the caption "Self-government," they endeavor to convince us that the system in force in Porto Rico when General Miles landed there in 1898 was vastly more liberal in its terms than the Foraker Act. But they do not seem to understand exactly what form of government was in force there at that time. They say, on page 7 of their brief, that they had "an insular senate composed of 15 members, of which 8 were elected by the people and 7 appointed by the King of Spain;" and on page 24, regarding the council of administration (the senate), they pretend to quote article 5 of the royal decree of November 25, 1897, as follows:

ART. 5. The council shall be composed of 15 members, of whom 8 shall be elected in the manner directed by the electoral law and 7 shall be appointed by the governor-general, acting for the Crown, from among such persons as have the qualifications specified in the following articles.

The decree, however, does not read that way. According to the translation it reads quite differently.

Mr. EDWARDS of Georgia. Will the gentleman yield there for a question?

Mr. OLMSTED. Yes.

Mr. EDWARDS of Georgia. Whose pamphlet is this from which the gentleman is reading?

Mr. OLMSTED. The pamphlet is signed by the three commissioners, whose names are L. Munoz Rivera, C. Coll Cuchi, and Eugenio Benitez, commissioners of the house of delegates. As I stated, they have erred in quoting the royal decree of 1897. According to the translation on file in the Division of Customs and Insular Affairs here in Washington, it reads this way:

ART. 5. The council shall be composed of 35 members, of whom 18 shall be elected in the manner directed by the electoral law and 17 shall be appointed by the governor-general, acting for the Crown, from among such persons as have the qualifications specified in the following articles.

It would thus seem that these commissioners were mistaken just 20 in the number of senators.

As to the lower house, the royal decree did not fix 32, as they state, but did provide 1 for each 25,000 inhabitants. One might be led to suppose from the reading of this pamphlet that the Porto Ricans had lived under that form of government for a long time and found it very delightful; but everybody knows that the royal decree of 1897, which applied to Cuba as well as Porto Rico, was intended as a mere temporary makeshift until the Government of Spain could accomplish their pacification.

As matter of fact, the decree of 1897 was hardly in operation at all. In his report of December 30, 1898, Mr. Henry K. Carrol, special commissioner to Porto Rico, said of the constitution or decree of 1897:

This constitution was promulgated in Porto Rico on February 11, 1898, but was never fully installed. The war intervened, and the provincial legislature, which was its most important feature, was dissolved when Sampson's fleet appeared, and the governor-general conducted the government practically on the old plan.

I should like to hear from these commissioners how the people of Porto Rico liked the "old plan," and how much of liberty and how much of self-government they enjoyed under it.

The form of government in Porto Rico was changed every few years pretty much according to the whim or caprice of the Spanish Crown; as, for instance, by the royal decree of September 12, 1870, and the decree of January 4, 1883. A provincial law for the island was passed by the Spanish Cortes and approved March 15, 1895, and as of the same date several royal decrees were issued in pursuance thereof, changing the form of government in the island. The Spanish Cortes passed another law for the government of the island, approved by Her Majesty December 31, 1896, declaring all former provisions and laws relative to the provincial government repealed. The laws or constitutions of 1895 and 1896 both provided a very meager and ineffective sort of legislature for the island in the form of a so-called "provincial deputation," composed of 12 members. The governor-general, however, was not very much bound by any legislation that they might adopt, and had power to suspend not only their orders, but also to suspend the deputation itself, after allowing a hearing to the board of authorities, which was composed of certain officers, or without that requisite he might order, of his own accord, a suspension of individual members of the provincial deputation, "provided there remains a sufficient number of them to deliberate," and a deputy so removed by him could not be reelected until after six years. When a deputy had been so suspended, the governor-general was empowered to temporarily fill the vacancy with any person who had previously held the office by election.

The provincial deputation had very little power over the purse. They were authorized and required to prepare a budget and forward the same to the governor-general three months before the commencement of the fiscal year, but the governor-general was not bound by their action, and decided matters for

himself, the provincial deputation having the right of appeal from his decisions in matters pertaining to the budget. They were permitted to present to the governor himself an appeal from his decision, but he was to forward it to the colonial secretary at Madrid, whose decision was final.

There was, in article 78 of the Spanish law of 1896, a distinct provision that—

If the budget should not be approved at the beginning of the fiscal year, the previous budget shall remain in force in its necessary parts.

I find as far back as the constitution of September 12, 1870, in article 27, a provision that—

If, for any reason whatsoever, the Cortes failed to authorize any year the budget law for the colonies, the immediate previous law shall obtain.

Under Spanish rule the provincial legislature might prepare budgets, but its action amounted to little more than a recommendation. The Spanish Cortes or the Spanish authorities had the ultimate power over the purse. Even under the decree or constitution of 1897 there was reserved to the Spanish Cortes the right and duty of declaring what expenses should be obligatory and of fixing the amount every three years.

We have given to the provincial legislature, constituted under the Foraker Act, the absolute right to make their own budgets and their own appropriations—in short, have given them absolute power over the purse. We do not take that away at all by this bill. We provide merely that if they do not legislate for any fiscal year the budget for the preceding year shall remain in force. Before our occupancy of the island the budget of the preceding year always remained in force in the event of failure to approve a new one. We have inserted similar provisions in the constitutions of the Philippines and of Hawaii. There is not the slightest danger that applying the same principle to Porto Rico will reduce the people of that island to a condition of servitude. If it does, they can escape from that servitude at any time by getting together and passing the necessary appropriation bills.

Under the old plan of government in force in Porto Rico prior to American occupation, the governor-general appointed by the King of Spain was pretty much the whole shooting match.

Mr. GARRETT. Will the gentleman permit?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Tennessee?

Mr. OLMSTED. Assuredly.

Mr. GARRETT. I desire to ask the gentleman if it is not true that under the Foraker Act power is reserved here in Congress to repeal and suspend acts of the present legislature in Porto Rico?

Mr. OLMSTED. I have no doubt that under the language of the act Congress has the supreme power, but it has never exercised it and it has never placed any such arbitrary power in the governor of Porto Rico.

Mr. GARRETT. I am not controverting much what the gentleman says, but, as a matter of fact, the Foraker Act reserved the power in Congress.

Mr. OLMSTED. It is true.

Mr. GARRETT. So, while under the Spanish Crown power was vested in the governor, under the act here the power was vested in the legislative body of this country.

Mr. OLMSTED. That is true; but there the governor could suspend at once. It may be that——

Mr. GARRETT. It was never exercised under their authority.

Mr. OLMSTED. I think it was. There was very little power and very little governmental authority in the Porto Ricans themselves. Now, let us see what we have done for them since the American occupation. We have given them a congress, or legislature, of their own, of which 6 members are Americans and 40 are natives. We have turned into their treasury about $3,000,000 in cash, the amount of duties collected in the United States on Porto Rican products after the Spanish evacuation. We have given up about $15,000,000 annually of our own revenues so as to allow the free admission of their products into the United States. We gave them $200,000 to relieve the cyclone sufferers. The United States pays out of its own Treasury the whole cost of the Porto Rican regiment, which constitutes the local army, and also of the revenue vessels, the light-house service, the coast surveys, the harbor improvements, the marine-hospital service, post-office deficit, weather bureau, and the maintenance of the agricultural experiment stations.

Mr. HUMPHREYS of Mississippi. Will the gentleman yield?

Mr. OLMSTED. I will.

Mr. HUMPHREYS of Mississippi. Just for information. The gentleman says we paid a part of their postal expenses.

Mr. OLMSTED. To make up the deficit.

Mr. HUMPHREYS of Mississippi. And they paid the rest out of their treasury?

Mr. OLMSTED. We made up the deficit.

Mr. HUMPHREYS of Mississippi. They paid the rest out of their own treasury?

Mr. OLMSTED. No. Whoever uses the mails pays it. All this is done at no expense to Porto Rico. The good roads in the island have been quadrupled. The value of real estate has been trebled. The cause of education has prospered as never before. Before we landed there they expended about $35,000 a year for education; under the present government, about a million dollars a year. All these added expenses and valuable improvements we made possible without running them in debt. The revenues of the island still exceed its expenses. We have doubled their commerce—particularly their over-seas commerce.

The Porto Rican legislature now has substantially all the powers of a state legislature in America. The laws under which those people are living have been made by their own legislature, under a constitution guaranteed to them by the act of Congress. We have never attempted to annul or revoke a legislative act of their making. Never before in the history of the island did those people live under laws of their own making. We have improved their condition in every way from the standpoint of education, of finances, and in the direction of self-government.

As the President has well said in his message—

Porto Rico has been the favored daughter of the United States.

We have, in fact, been giving her a "joy ride" for the past nine years or more, and believe that the people generally appreciate their blessings. But these three commissioners of the house of delegates, for reasons of their own, style them "a people in servitude," and "living in Porto Rico in an unbearable state of tyranny under the folds of the American flag." There never was a charge more unjust or more baseless. The people of Porto Rico never in their lives were so far from servitude as they have been since the American occupation and are to-day.

Mr. KEIFER. I want to ask the gentleman a question with reference to the bill, if he will allow me.

Mr. OLMSTED. Certainly.

Mr. KEIFER. I do not wish to take any particular time. I notice in the proviso that is proposed to be added to the act now in force it reads:

If at the termination of any session the appropriations necessary for the support of the government shall not have been made, an amount equal to the sums appropriated in the last appropriation bill for such purposes shall be deemed to be appropriated.

Now, suppose that the time should arrive when it is necessary to have appropriations, and that there is a session of this body going on, and no adjournment has taken place; this would not provide for that?

Mr. OLMSTED. I will state to the gentleman from Ohio that his suggestion has been covered by an amendment, already agreed to, so that it reads:

If at the end of any fiscal year the appropriation is not made.

Mr. BUTLER. Will my colleague yield?

Mr. OLMSTED. Certainly.

Mr. BUTLER. I understand that it is not proposed by this bill to settle the dispute between the executive council and the legislative body in Porto Rico.

Mr. OLMSTED. Not at all.

Mr. BUTLER. The present measure has no purpose in it except to maintain the government of Porto Rico?

Mr. OLMSTED. That is all.

Mr. BUTLER. And we do not, by passing this law, commit ourselves in any way upon the grievances existing now between the executive council and the legislative body in Porto Rico?

Mr. OLMSTED. We express no opinion upon that.

Mr. BUTLER. And these grievances, such as they are, will be the subject of consideration, probably, by Congress hereafter?

Mr. OLMSTED. In regular session.

Mr. BUTLER. We do nothing more by this bill than to reappropriate sufficient money to maintain the government of Porto Rico?

Mr. OLMSTED. Reappropriate for the ensuing year the sums which both houses of the Porto Rican legislature had already agreed upon for the current fiscal year.

Mr. BUTLER. I am obliged to my friend. Not being well informed, I would not be willing at this time to attempt to settle these disputes, for fear I might be a party to injustice.

Mr. FITZGERALD. Would not there be more likelihood of Congress taking these matters up at the next session if this bill were limited to one year only?

Mr. OLMSTED. I think not.

Mr. FITZGERALD. From my knowledge of the way Republican Congresses act, I think it would.

Mr. OLMSTED. We may gather from the pamphlet submitted by these commissioners that the withholding of the appro-

priations by the house of delegates was not alone for the purpose of forcing the upper body to consent to certain bills which would put greater political power in the hands of the dominant party in the island, but also that it was for the purpose of holding up Congress—of forcing the hand of the United States; for, after discussing the situation, they say:

> Therefore, a single aspect of the system is not at stake; it is the whole system; that is, the colonial policy of the United States, which you may decide in the spirit of liberty or in a reactionary spirit. The house of delegates of Porto Rico begs of you to decide it in the spirit of liberty, and that the Foraker Act be amended, because the present conflicts are due to its essential and organic defects. * * *
>
> It is not for us to suggest any specific solution to the Congress, where the wisest and most learned men of the country assemble, but it is for us to affirm in the most absolute and categorical way that Porto Rico would be satisfied with an elective council, either direct from the people or by primaries, according to your judgment and ideas, and that the chiefs of the executive departments would be appointed by the governor, with the advice and consent of the council, reserving to the latter the power of granting franchises and concessions.
>
> Such law will have the effect of consolidating forever in the island the love for America; would revive the almost lost hopes, and give rise to a spontaneous outburst of sympathies toward the Republic, promised to them as "the redeemer, the liberator." It would destroy not only the present difficulties, but even the germs of all others in the future.

So you see, Mr. Chairman, that this sad condition of servitude, to which they claim the Foraker Act has reduced them, may be entirely overcome by giving some more offices to these gentlemen.

Now, it may be that conditions over there may be improved by some modification of the existing constitution. The executive council suggests some changes, the house of delegates suggests some changes, and the President suggests some changes. Probably some ought to be made. That is a matter for Congress to determine at the proper time, but not in this extra session, and certainly not under duress. If this action of the house of delegates and of these commissioners was taken in the hope of forcing the hand of Congress, that hope must be disappointed. We can not, for one moment, agree that, by paralyzing the arm of the existing government in the island, they may force us to hasty or ill-considered action. All that we propose to do at this time is to make suitable provision for the payment of the absolute expenses of the government.

The appropriations for the current fiscal year ending June 30, 1909, were agreed upon by both branches of the Porto Rican legislature. The effect of the pending bill will be to continue those appropriations in force—to treat the money as reappropriated—after the 30th of June, 1909, until such time as the legislature shall choose to make new appropriations. The present appropriations, having been agreed upon by both houses, can not be very far wrong, but if they are not satisfied with them they may drop their other controversies and pass new appropriation bills. This bill will not take that right from them. It merely prevents chaos from reigning in that island pending the agreement of the two houses.

This bill leaves the act of 1900 without change, except in the single particular of continuing existing appropriations where the legislature fails to act for the ensuing year. Aside from that it merely adds in the second section authority for the President to indicate one department to which all reports from Porto Rico shall be made. At present the law requires various reports to be made to various departments and great confusion exists.

The gentleman from Missouri [Mr. BORLAND] declared himself as unequivocally opposed to this bill. I asked him whether he proposed to allow the present unhappy condition to continue, or whether he had some other remedy, and if so, what. He said that he had another remedy which he would propose in due time. He has now proposed it in the form of an amendment, which concedes the necessity of the pending bill, but limits its operation to one year. If it is a good provision for one year, why not for another?

The recommendation of the President in his message is that we provide that "whenever the legislative assembly adjourns without making appropriations" the existing appropriating acts shall be continued in force. That is just what we do in this bill. The amendment should be voted down. [Applause.]

Mr. CLARK of Missouri. Mr. Chairman, I yield thirty minutes to the gentleman from Texas [Mr. SLAYDEN].

Mr. SLAYDEN. Mr. Chairman, it was with extreme difficulty that I could persuade myself to entertain even for a brief instant the idea of voting for such a measure as this—to amend the fundamental law of an island separated from us by several hundred miles, and in such a revolutionary way.

If it be true that the refusal to vote this appropriation will starve out the only government in Porto Rico and compel its dissolution, I suppose it is our duty to pass the bill. While I do not like to vote taxes on any people who have no voice in the matter, and then appropriate their money, such tyranny for a year, or even five years, is to be preferred to anarchy for the briefest period, and that seems to be the alternative. I think, however, we ought to make our action as little offensive as possible to the Porto Ricans, and for that reason I shall vote for the amendment offered by the gentleman from Missouri to limit its operation to one year.

We are evidently facing a crisis in the affairs of Porto Rico, and it behooves us, being charged with responsibility, to look carefully into the matter and make an effort, at least, to permanently relieve the situation. To that end I shall, if I find the opportunity, offer an amendment to this measure directing a joint committee to inquire into the situation and to report back a bill recommending such changes in the government of Porto Rico as will preserve order, make the people content, and develop the resources of the island. If such a report is ever made, I hope it will embody the American doctrine of the right of the governed to a full share in the government. I do not, under any circumstances, like to be engaged in this sort of legislation, but in this case it appears to be necessary whether we like it or not. We find ourselves in this undesirable situation because of mistakes made ten years ago and now, I fear, beyond recall.

A MONUMENTAL BLUNDER.

I do not now remember who said that in politics a blunder is worse than a crime.

Mr. GARRETT. Talleyrand.

Mr. SLAYDEN. Yes, it sounds like Talleyrand; but he was a wise man, anyhow, who observed that in politics a blunder is worse than a crime. A monumental blunder was committed when we gave way to hysteria in 1898 and interfered in the affairs of Spain and her colonies, and from that meddling a train of evil consequences, that are still at the flood, began to flow at once.

It was with reluctance that I played my humble part in that drama, and I have regretted it every day since. I distinctly then pointed out what I conceived to be the danger of meddling in Spanish-American affairs. Subsequent events have shown that I was right when I thought I saw trouble ahead. But it took no unusual sagacity to look beyond a war that could only have one ending. I apprehended that it would lead to the acquisition of a few million citizens whose society I did not want any more than they wanted mine, and my worst fears have been realized.

But, like others on that occasion, I was swept off my feet by the disaster to the *Maine*, and, for the time being, my reasoning faculties were paralyzed. We were all seized by the frenzy of war. We had the war, and now we have Porto Rico and the Philippines, and occasionally we have Cuba. And a nice kettle of fish it all is, too.

No good has come of it so far; in my opinion, none will ever come, for the union was not a natural or proper one. Up to this time, as I view the situation, we have merely increased our naval and military expenses, lengthened our pension roll, abandoned American principles, and given unsatisfactory government to the Philippine and Porto Rican people. Not a record to inspire pride, I should say.

CUBA.

Now, the question is, Are we to benefit by the lesson of the Philippines and Porto Rico, or shall we be driven into other blunders of this sort? In violation of solemn pledges and at the certain sacrifice of blood and treasure we are being urged to the permanent occupation of another island. From time to time the newspapers report trouble from Cuba and urge that course. Our type of civilization does not seem to attract the inhabitants of that island, and the effort to apply a Puritan code to the people of Cuba has not been entirely successful; indeed, it is clearly a misfit, disappointing to our own people and irritating to the Cubans. It merely serves to illustrate a fact that ought to be better known—that a government that suits one people is not always agreeable to another, and particularly when they are of different races. Our institutions meet our needs, but I should be slow to assert that they would suit other people.

Mr. SCOTT. Will the gentleman permit an interruption?

Mr. SLAYDEN. Certainly.

Mr. SCOTT. The gentleman has just stated that he believes our institutions are best for us, but that he would hesitate to say that the same institutions would be best for Porto Rico or Cuba. He realizes, of course, that the friction between the islanders and ourselves grows out of the fact that they desire substantially the kind of government they formerly had, with the present Porto Rican leaders in the place of the officials who were appointed by the Crown previous to the American occupancy. Does the gentleman believe that we ought to restore Spanish institutions in the island of Porto Rico, or establish

there the kind of government they had before coming under our flag?

Mr. SLAYDEN. No, Mr. Chairman, I do not.

Mr. SCOTT. Does the gentleman believe that the establishment of any other kind of governmental institutions will be satisfactory to the people for a generation or two until they have been educated up to it?

Mr. SLAYDEN. I will say that I have an amendment which I propose to offer to this bill. As an answer to the gentleman's question I will read that amendment now. But the gentleman from Kansas will understand that because I offer this amendment, and when I undertake to cure this trouble in the way I do, that I confess that I do not know just what is best to be done politically for these islanders. I hope to have the amendment adopted so that I may know. I do not agree with him that the difference between the islanders and ourselves is due to the cause he ascribes. I stated my reason a while ago, and it is more deeply rooted than any form of government.

Mr. SCOTT. I meant to express entire concurrence in the opinion just so ably presented by the gentleman from Texas. I believe, with him, that the differences are fundamental, and it is because of that that the system of government which they desire will never be such as this country will be willing that they shall have.

Mr. SLAYDEN. Now, Mr. Chairman, I will read the amendment:

That a special committee of 11, 7 of whom shall be Members of the House of Representatives, to be selected by the Speaker, and 4 of whom shall be Members of the Senate, to be chosen by the President of the Senate, be authorized and directed to investigate in the island, by public hearings or otherwise, the political and economic conditions in the island of Porto Rico, and report to the Sixty-first Congress not later than February 1, 1910, what, if any, change should be made in the act of April 12, 1900, and amendments thereto.

That is to say, the Foraker Act. I would like to say that I have submitted this amendment to the representative of the people of Porto Rico, the only voice here which may be truly taken as the voice of Porto Rico itself, and he assured me this morning that if this amendment was incorporated in the bill he should vote for it if he could, and that he would support it by his voice. I do not know whether the date I have taken is the proper one or not, but that is a minor detail that can be easily corrected. The gentleman from Kansas is much better informed as to that than I am. The purpose of the amendment is to learn what is necessary to restore order and develop the island. I recognize the embarrassing situation that we are in, and I want to do what is best for my own country primarily, and then what is best for Porto Rico.

Mr. GARRETT. I want to suggest to the gentleman that I am heartily for his amendment, but I believe the amendment ought to go far enough to say that the commission shall have the power to send for persons and force them to attend the hearings. I think that should be inserted, if it is not implied, in the gentleman's amendment.

Mr. SLAYDEN. I assume that it was implied, but I would be glad to accept a modification if necessary so as to cover the suggestion of the gentleman from Tennessee.

Mr. Chairman, I was trying to discuss the fundamental differences between those islanders and ourselves, and I was speaking with particular reference to the island of Cuba and the fact that we are urged to go back there. We are told every day that the new administration in Cuba is a failure, that it does not appreciate its responsibilities, that it is recklessly extravagant, that it wastes money in bribing bandits to be good, that it gives more attention to cock fighting than to commerce, and so on through a long list of national misdemeanors.

Mr. Chairman, I am suspicious of the origin of this propaganda, for propaganda it clearly is. It sounds very much like the talk I heard in Cuba years ago from American and other foreign land owners who wanted the free markets of the United States for the produce of their plantations and the increased value to their lands that they thought a transfer of sovereignty would bring them.

Certain sugar and tobacco growers down there, regardless of the interests of the people of this country, and inspired only by the basest selfishness, looking only to personal profits, persistently declare the incapacity of the Cubans to conduct their own affairs, and predict with a regularity that indicates concerted action the return of the soldiers of the United States. They want it done, so they say it will be done, and I believe that they would not scruple to bring it about by any method that offered, even though it involved treason to the Cuban Republic. All patriotic Americans should pray that never again will the blue uniform of our soldiers be seen on the island, for a permanent political association will be bad for both people.

RACE DIFFERENCES.

Mr. Chairman, these chronic troubles in Porto Rico, the Philippines, and Cuba transcend in importance the irritation that comes from the pressure of an unpopular statute. They come from a fact that is deeper and more abiding than any mere form of government. They remind us, or they should, that they and we are of different races and that in the very nature of things we can never view such affairs as government and society in the same way.

MIXED ISLANDERS.

We are mainly Anglo-Saxon, while they are of a composite structure, with liberal contributions to their blood from Europe, Asia, and Africa. They are largely mongrels now, as we will surely become in time if we do not shut out the undesirable immigration from Europe and Asia that threatens to overwhelm us. They do not want our guidance, and I doubt if we can guide them successfully. Nothing has ever happened to encourage the belief, and I do not see how we can hope to succeed where others have failed. Nothing in our history suggests that we are especially gifted in the solution of such problems. History tells us that distinct, radically different races have rarely if ever dwelt together in political harmony. We have our view of government and they have theirs. I know that ours suits us best, but I should hesitate to say that it would suit them best. Indeed I do not believe that it would, and that is one of the many reasons why I regret that we ever left the continent of North America for the purpose of acquiring territory or political control over other and a different sort of people. Great Britain is the nearest parallel the world offers us, and England has trouble in the East Indies all the time. Then her West Indian colonies have for years fluctuated between distress and disaster. Her African colonies, despite the gold mines, have produced more discord than wealth. Enough good English blood has moistened the burning sands of Africa to fertilize with energy every acre of her great Northwest Territory, and build up a mighty commonwealth of white Anglo-Saxon people in a climate and environment that suit them. And all because men of one race have tried to impose government on another and without the consent of the other. The sacrifice has been out of all reasonable ratio to the gain.

How can we hope to escape the penalties that have been imposed upon other branches of our race when we commit the same political blunders?

HOME TROUBLES.

Every day here at home we have troubles enough of this kind to occupy our attention. They are important enough to tax the resources of the wisest statesmen. The recent railway strike in Georgia was not a question of wages or of hours. It was a race issue. Not especially important in itself, it was of vast importance as a symptom. It indicated a deep-seated malady, and one that should be carefully considered by the doctors of state, not impatiently, not in a partisan way, but thoughtfully and in a statesmanlike way. Nor is this trouble confined to Georgia, or Texas, or Louisiana, as some gentlemen think. It manifested itself recently in Pittsburg, when the chauffeurs who were driving the machines that were to take President Taft and his friends on a holiday excursion struck because the machine in which the President sat was being driven by a negro. That was the only reason assigned. It was a clear, sharp race issue made in the very presence of the President. The demands of the white race were yielded to in that case in Pittsburg, as, in the main, they always will be everywhere.

Such incidents as these ought to teach us the folly of engaging in further political enterprises that will bring us into relations with alien races. They show us how important it is to handle this Porto Rican question just right, and also how difficult it is.

If it is to be the fate of this Government, as it has been that of others, to rise, prosper, decay, and disappear—which I pray God may never occur—I think that the calamity will be traceable to our abandonment of the noninterference policy of George Washington.

I firmly believe that the historian of the future who will hunt for the causes of the destruction of the great North American Republic, if that disaster does overtake us, will unavoidably reach the conclusion that the downfall began with the Spanish-American war. I believe that he will find that we introduced the seed of fatal disease when we annexed the Philippine Islands and Porto Rico, when we abandoned homogeneity and harmony for race complexity and discord.

Are we wise enough to confess our blunders, to retrace our steps, and, by confining our energies to the continental territory

we now possess, develop this great Republic to a glorious destiny along the lines laid down by the fathers, who saw more clearly because they were less tempted by greed or glory?

These are small troubles that we are having with our colonies now. I do not doubt that they are forerunners of greater to come. This Porto Rican question is a sort of test of our ability to handle such problems. By wise and considerate action we may minimize the trouble, but we can hardly efface it, because it comes from fundamental differences between the Porto Ricans and ourselves. We put on them a government without consultation, and we should not be surprised that it does not work smoothly nor to the entire satisfaction of those who are its subjects.

The Foraker law has not stood the test of a real crisis. I suggest by the amendment that I offer that we go into the whole question profoundly, and with the cooperation of the Porto Ricans themselves we may indulge the hope that we can evolve a system of government for the island that will be fairly satisfactory.

Mr. Chairman, I have already read this amendment and I want to say in closing that the gentleman from Porto Rico [Mr. LARRINAGA] has assured me that he hopes to see such an amendment put upon this bill. He believes that if we send a commission down there to investigate the conditions in the island, that commission will become convinced that radical changes should be made, and that it will submit recommendations of a useful nature that may bring order and harmony out of chaos and discord.

Mr. OLMSTED. Mr. Chairman, I yield twenty minutes to the gentleman from Colorado [Mr. RUCKER].

Mr. RUCKER of Colorado. Mr. Chairman, my distinguished colleague and friend from Kansas [Mr. SCOTT] has told you of our trip to the "Pearl of the Antilles," and has ably described to you what we saw, the pleasures of the trip, the information received, and the impressions formed. I take great pleasure in heartily concurring in and approving all he has so delightfully said, and I would not prolong the discussion upon such a simple proposition as the one now before the House but for some things that have been said by other Members of this body, intentionally or otherwise, looking toward reducing this question to a political phase. I never supposed for a moment when I became a Member of this great body that every question that might come before the House should necessarily be classed as a political one. I never voted the Republican ticket in my life, yet I was compelled the other day to cast the only Democratic vote on this side of the aisle, not only once but thrice, for the purpose of having this bill disposed of in an orderly manner under the rules of the House.

If my friend from Kansas [Mr. SCOTT] and I had been as fortunate in gathering information concerning the conditions of the island of Porto Rico upon our visit as some of these gentlemen were unfortunate in getting misinformation, and preparing their remarks upon this question with a view of giving it a political cast, and, by innuendo, at least, if not directly, besmirching the character of the able representatives of this Government down there, then indeed, though we believe our intrenchment strong, veritably we would be ensconced behind a Gibraltar rock.

This is not a political question, and no ingenuity coming from the ablest upon this side can make it such in the sense sought by some of the gentlemen who have spoken to the amendment. The American-Spanish war was not fought for the purpose of conquest. It was wholly humanitarian in its object. A butcher of human beings was fast exterminating a race of people 90 miles away from our shore. We would soon have had a parallel to what that same nation did to the peaceful and unoffending natives of the island of Porto Rico some four hundred years ago. When Ponce de Leon landed in 1508 in that island there were 600,000 docile, intelligent, and happy people. In 1544 all had perished from the face of the earth through the brutality and butchery of that foreign foe until there were, at the latter date, but 60 living, counting men, women, and children. Think of it! In thirty-six years 599,940 people had been exterminated by this cruel foreign nation. A Christian, enlightened, and patriotic people did not propose that history should repeat itself in Cuba, and it did not. I am proud of the fact that I belong to a political party which responded with alacrity to the tocsin of war. When the tension became so great that delay in action meant cowardice and desertion of Christian principles we sent to the front from the South such men as "Fighting" Joe Wheeler, Gen. Fitzhugh Lee, and other ex-confederate soldiers, and from the younger Democracy, such as the son of a confederate officer, and whose intrepid undertaking in the harbor of Santiago won for him the laurels of a hero as enduring as the annals of American history [applause]—RICHMOND PEARSON HOBSON, our able and distinguished colleague from Alabama, whose seat is to my right; and from our party of the North such patriots as our gallant leader in three of the greatest political battles our country has ever known—Col. William Jennings Bryan, of Nebraska. [Applause on the Democratic side.]

Now, Mr. Chairman, I have no special interest in this question. It is solely based upon my obligation as a Member of this Congress. The State which I have the honor in part to represent has possibly less interest in the products of the soil of Porto Rico than any of her sister States, and I am not unmindful of the fact that each Member of this Congress, regardless of special interest, has at heart with me the enactment of laws that will best serve every country where our flag kisses the breezes, whether it be in the frozen zone of the North or in the Antilles, the land of perfume and sweet-throated nightingales and the home of the Southern Cross. I say the State from which I come has but little commercial common interest with that island. Our cigars and tobacco come from a shorter distance and cost us less. Their pineapples and cocoanuts must come via New York, and that distance makes their use prohibitive. Their coffee is equally a foreign product. Their sugar can not come for the same reason, and besides, as between our woman's suffrage on the one side, and our constant increment of Kentucky and Missouri citizens on the other, sugar, as formerly used as a necessary ingredient in the favorite concoction of our newly acquired residents, has long since become nearly obsolete [applause], but if it were in much greater demand it could be abundantly supplied from the output of beet sugar in our own glorious and fertile State. It is true that there are large irrigation enterprises projected in Porto Rico, but we find a compensation in the fact that if our recently affiliated citizens from those splendid Commonwealths named should ever have the unusual desire to assimilate water, it goes without saying that they could be more than supplied from the never-ceasing flow of Colorado's own incomparable irrigation system. [Laughter and applause.]

No, Mr. Chairman; the whirlpool occasioned by the sinking of the *Maine* in front of Habana had not yet lost its bubbles when the mind of every American citizen was directed to the inquiry, "Why was the *Maine* there?" Those brutalities had gone on for years and years in Cuba, and the conscience of the American people had not up to then been sufficiently aroused to do what it should have done long before. The smoke of the guns of Dewey at Manila, of Sampson and Schley before Santiago, and of Sampson in front of Morro Castle in San Juan had not disappeared when every American citizen, regardless of politics, and, in fact, every foreign nation, realized that, as of right, the rule of Spain on this continent had come to an end. [Applause.] The possession of the island of Porto Rico by this Government was a mere incident to this great international tragedy. Spain had practically deserted her. The island was at the mercy of any or all national cormorants, and the Porto Ricans had the choice of declaring under what flag they would cast their lot. They chose ours with entire unanimity. Spain yielded without a murmur, and all the nations of the world acquiesced willingly, so that Porto Rico is ours incontestably. Concerning that question there never has been a division of opinion between the Republican party and the Democratic party, nor is there now. Hence, if a political question arises between the Democratic party and the Republican party, it is of necessity on account of the form of government which this country has provided for Porto Rico; and it is perfectly apparent from the remarks that have already been made upon this amendment that this is the crucial question to be hereafter dealt with, and for its intelligent solution we should know the history of this people—their environment for hundreds of years, their disposition, idiosyncrasies, and temperaments, and all other things—in contrast with a non-Latin people.

I shall not undertake to deceive my fellow-members concerning the possible import of the question raised by this amendment, as it appears to my mind, nor do I want them to deceive themselves. It has been truly said on this floor that the Foraker Act is the constitution of the island. Under its provisions 35 delegates are elected to what is known as the "house of delegates," corresponding to our National House of Representatives. The President is required to appoint 5 members to what is known as the "executive council," who, under the provisions of the above law, must be citizens of Porto Rico, and these 5, together with the attorney-general, the secretary, the treasurer, the auditor, the commissioner of the interior, and the commissioner of public education, ex officio, who are the legally constituted official representatives of the United States Govern-

ment, appointed by the President, comprise the executive council, which council occupies a relation to the Porto Rican government similar to that of our Senate, under our Constitution, to our Government. A majority of the house of delegates, from time to time, has been elected by one or the other of the political parties peculiar to the island, and at the election of 1908 what is known as the "Union party" elected all of the 35 delegates. Subsequently a deadlock occurred between the house of delegates and the executive council over certain legislation sought to be enacted, and the house of delegates, because the executive council would not yield, endeavored to disrupt the government by refusing to pass the annual budget. A special session was immediately called by the governor upon the adjournment of the regular session. This extraordinary session continued for three days, but resulted in no agreement, and the matter is now submitted to this Congress for the purpose of solution.

The question in its acute form is whether this Congress will allow the government we have established and maintained there, and by which so many Americans with their capital have found permanent footing, to be subverted. It is an all-important question from many view points. To my mind, the passage of this proposed amendment to the Foraker law, whereby the government there will be allowed to continue, is but an entering wedge to the exercise of a greater power that should be vested in the executive council, to the end that it may be a more stable government, and do not any of you doubt for an instant that the action of the house of delegates, in its refusal to concur with the executive council in passing this appropriation bill, was premeditated and fully intended to be another entering wedge to not only prevent added powers being conferred upon the executive council, but to deprive this, the parent country, of any effective voice or authority in the administration of the laws of the island. In 1904 nearly the same state of affairs occurred concerning the passage of the bill known as the "agricultural loan bill." The Republican party at that time had control of the lower house, but, having a disagreement with the executive council, refused, up to the very hour of adjournment fixed by law, to correct a clerical error in the matter of the tax upon cigars. In the bill as copied an extra cipher had been added, through a typographical error of the clerk, changing the fixed tax upon cigars so that it read "1,000 cigars" instead of "100 cigars," and it was perfectly apparent that if the house of delegates should have its way in this particular instance, nine-tenths of the revenue received from the cigar industry would be lost to the insular government. They sulked in their tents until nearly the last minute of the session before they would yield to the correction of this obvious error, and then the bill only passed in its modified form by 1 majority.

Many other illustrations of the peculiar make-up of the delegates elected by these people could be given to demonstrate their utter lack of appreciation of their duties as legislators and the requirements and responsibilities of self-government. Every time one of these political upheavals occurs stagnation in business follows, due to a lack of confidence on the part of those who have money invested as to the stability of the government; money, the biggest coward in the world, ceases to seek investment, all of which is natural enough to any thinking mind, and, but for this being an extra session of Congress, called for a special purpose, and summer being upon us, and a hot one at that, the issue is so plainly outlined and the urgency for decisive action so great that we should here and now, without waiting for the December session, thrash the whole matter out. By reason of our occupation of the island and the establishment of the government, we are under solemn obligations to our American citizens, as well as to all the nations of the earth, whose citizens have either gone there with investments or who are doing business with the island, to maintain the government in all its integrity and effectiveness. As for myself, as long as an American citizen, or a dollar of his investment, remain in the island, my mind is made up to support any suggestion for greater and continued security to that citizen and his interests, whether that suggestion originates from a Republican or a Democratic source. [Applause.] I am not unlike the old justice of the peace down in CHAMP CLARK'S county, who, after some days had been consumed in the introduction of testimony and arguments of counsel in a certain case and the time had arrived for a decision, straightened himself back in his chair and said: "Gentlemen, there are many complicated facts in this case, and as many more knotty propositions of law, and, in obedience to my conscience and oath of office, I must take this case under advisement until next Tuesday morning at 10 o'clock, at which time you may appear; but, in the meantime, I want to say to the plaintiff and to the defendant and to their respective counsel that I will on that day and hour render my decision in favor of the plaintiff." [Laughter.]

So, however long you keep me waiting, studying, and laboring with the questions of fact and law involved, I will exercise my characteristic patience, but you are served with notice that when the hour comes I am going to vote for the committee amendment [applause], and I will now, as briefly as I may, give some additional reasons for that vote.

When Ponce de Leon entered upon his career of pillage, plunder, and murder of the early inhabitants of the island his companions were men who were the riffraff, adventurers, and pirates of Spain. The galley slaves were allowed to lay down their oars and the prison doors were thrown open for recruits. Then followed promiscuous cohabitation between these undesirable banished citizens and felons with the native women. After a while women, the wives and friends of that delectable crew, came over and another cross in the human family was the result. In 1515 negro men slaves were introduced, and another cross ensued. Then the negro slave woman was brought in, and another admixture and cross followed. The French and English and Santo Dominicans and Venezuelans furnished their quota in turn, first their men and afterwards their women, and thus admixture after admixture, cross after cross, far beyond the multiplication table, is the unreadable genealogical tree of the island. Only thirty-six years ago the negro slaves in the island were emancipated.

Whether or not they were the most ignorant of the mixture, they unquestionably were the hardiest and the most robust, and better adapted to the climate—more prolific in the raising of children, for their prepotency is shown in the indelible impress made upon the race of people found there on July 25, 1898, when it became our possession. That, remember, was not quite eleven years ago. At that time the English language was scarcely known in the island, and, as the President said in his message advising Congress to pass this amendment, 87 per cent of the million people could neither read nor write their own language, and it is perfectly safe to say that to-day not as many of the native voting population can either read or write either their own language or ours; and it can be furthermore fairly said that more than 60 per cent of these native voters are colored people. Marriage among the natives is still a luxury indulged in by very few, but race suicide is not seriously threatened. On the contrary, the production of children, especially of the dark color, is largely on the increase. It costs nothing to raise them, either as respects food or clothing. The country ones are naked until they reach the age of 10 or 12 years, and thereafter they are but little better clad. Their food consists mainly of the windfalls of fruit and refuse, if they can beat the dog or the hog to it. [Laughter.]

In 1896 it was estimated by the shoe manufacturers and merchants that 700,000 of the population out of its 1,000,000 wore no shoes and never had a shoe, and the till of the shoe merchant in the last four years has not been bursting its sides from the pressure of the contents within. An immediate clash of arms over the duty on shoes is not anticipated. [Laughter.] I heard no complaints from the señoritas concerning the threatened rise in the price of hosiery. [Laughter.] Apparently they had neglected to read my speech made recently in this Chamber upon that matter, or else they deemed it too immodest to refer to such a delicate question to one of my sex. [Laughter.]

Judging from the great number of children going to school, and from what I was told, they are quick to learn. I objected to Mr. Dexter, the able and conscientious commissioner of education, who is an old acquaintance of mine in Colorado, that I thought it a great mistake to instruct the children in Spanish, because they would naturally use their mother language whenever they could, and as little English as they possibly could. I recited to him the fact that I had been most diligent in my efforts to get any of them to say a word in English when I tried to converse with them, but had utterly failed. By way of parenthesis, while on this subject of schools, I am reminded that what the President stated in his message to Congress in this respect was, in my judgment, absolutely correct, both as to facts stated and conclusions drawn, except as I will hereafter state.

The importance of the subject dealt with by him justifies the length of the document, notwithstanding the caustic criticism of my friend and colleague [Mr. MARTIN of Colorado]. I should be open to severe criticism by my friend did I not voluntarily supply him with the ammunition he is so energetically seeking, and of which he was so sorely in need when he essayed to attack the President and the government officials of the island. I have discovered that the President made one grievous mistake of fact as regards the public-school buildings turned over by

the Spanish Government; he stated in effect that there was not a single public-school building received, and, in contrast with the conditions of the island in this respect as it was then and is now, he says we have constructed 160 school buildings. The President was mistaken. When we took possession of the island, the Spanish authorities left standing erect the tremendous number—represented by the basic numeral—of one school building. [Laughter.] And to give due credit to the goodness of women, whose especial advocate I am, this one building was even donated to the Spanish Government by a benevolent lady of San German. So it would seem a pity that my friend should not, before unmasking his batteries, have sought to find out how little information I had obtained from my visit to Porto Rico. I sincerely beg his pardon for my failure to voluntarily enlighten him on my return, but which I now, though tardily, cheerfully do in order that he may be prepared with one fact at least when he next takes the floor to discuss this amendment, begging him, however, as a testimonial of his appreciation of this favor I now extend to him, that when we go upon the hustings in the next campaign in our State he will give me due credit for this exposure of the President. [Applause.]

But to proceed seriously, these people are the most law-abiding of any of the Latin races. Their indolence is doubtless due largely to climatic conditions, their illiteracy to that and Spanish dominion and slavedom, and their lack of inventive genius because of simple needs. They are inventive in nothing. "Manana" is their creed—the oldest way the best way at whatever cost of time or labor. They will walk 20 miles to sell 10 cents' worth of produce. Time counts as nothing. When night overtakes them, that place is their happy home. Their transportation is with oxen, and they are going all the time, but where and for what we do not know. Their time of starting depends upon how the oxen look and when in the course of the day they get them yoked up and their horns properly decorated with red cloth. I watched for an hour the yoking and hitching up of a pair of oxen by five men. One-third of the time was taken up by dressing their horns with red cloth. After they got them attached to the cart it was found that they would not pull because they were yoked on the wrong side. Then all had to be done over again. I did not await the result for fear that Congress might adjourn some time this autumn [applause], and I wanted to get my pay so as to get home.

On one occasion I was stopping at a hotel in Ponce and wanted a drink—of water. I called a waiter, and after five or ten minutes I made him understand what I wanted. He called another servant, and after consulting a while, the second one went after another, and after consulting with him a while, the third one went up two flights of stairs and from the balcony called down to the street and aroused another servant, who was asleep, just where I was standing all the time trying to get that drink; but in all fairness I admit I was finally accommodated. They have a ludicrous caste of distinction. It is beneath the dignity of one to do what another will willingly do, although you can observe no difference in the occupation of each. I was in company with the wife of the Hon. Charles Hartzel, a Coloradoan, the first secretary of the island after our occupation, doing some shopping. She called a boy to carry a small bundle containing one of her purchases. This boy called another boy who took the bundle from her hand; the first one took the tip for the service. Then she explained to me her great mistake. She said she had chosen in the first instance a boy of the upper class, and who was supposed to do no menial work. Both boys, however, were hatless and shoeless, and begging alike on the street, and both as black as the ace of spades. [Laughter.]

I mention these little things to convey a faint idea of the customs of our children down there, and when I say children I do not confine it to age. There is one way in which they can be made to work, and that is by holding back a part of their wages. Doctor Stephens, living at Cambridge, Mass., and who has a pineapple plantation, came up on the same boat with us. He told us of an experience he had had a few days before our departure. He had hired 25 adults to gather a certain number of pineapples. The work was getting slack and he decided that it was necessary to let 5 of them go. The other 20 immediately announced their intention to go, too. Contrary to his custom, he did not insist upon his contract by keeping part of the money back, and paid them all off. The next day but one they all returned, having walked 50 miles, in the meanwhile spending all their money, and asked for reemployment.

My attention is called by some of my Democratic brethren to our last national platform concerning Porto Rico. It reads as follows:

> We demand for the people of Alaska and Porto Rico the full enjoyment of the rights and privileges of a territorial form of government, and the officials appointed to administer the government of all our Territories and the District of Columbia should be thoroughly qualified by previous bona fide residence.

You will observe that no time is fixed for such a government, and certainly it was not the intention to do so until a stable government should be established, such a one, at least, as is provided in another plank of the platform in reference to the Philippine Islands. What I insist upon is that we would be recreant to our trust to turn this island over to the control of a confessedly illiterate class. The time may come in Porto Rico, as in the Philippines, when self-government should be given. The resolution now before the Senate of the United States, introduced by Senator STONE, of Missouri, recognizes that in the Philippines it may be fifteen years hence before the time has arrived for a change in our attitude there, and then, as the resolution provides, only when the constituted authorities of that government as then existing shall petition therefor.

So we can not get up a substantive controversy upon the construction of that plank in the platform. I do not wish to be understood as being committed for all time to the views I now present, but only as they apply to existing conditions. And, another thing, I do not wish to be understood as favoring the one or the other of the political parties in the island. In fact, my investigation and observation is that if any party is given unlimited power, whatever its complexion may be, it could at any time subvert the government, and all the evils would follow that I have undertaken to point out. With perfect accord our representatives and our American citizens there, from the date of our occupation, agree that success wholly depends upon the literate class holding the balance of power.

I rely very much upon the testimony received from the able, competent, and conscientious official representatives now in Porto Rico. They should not be referred to as adventurers, politicians, or "carpetbaggers." I have known many of them for years, and my acquaintance with their work upon the ground convinces me that they are paying attention to their work and the upbuilding of the interests of the islands and none to politics. Many of them are only too willing to pack their "carpetbags" and return to this country at the expiration of their commissions. If they have committed any error, it is my firm conviction that it was of the head and not of the heart. I fully appreciate their endeavor to stay with the hounds and run with the hare, exhibiting always a conscientious attempt to minimize differences of opinion and compromise situations for the sake of peace. If anyone will take the time to read their annual reports, it will be discovered that no suspicion can live for a moment that anything has been done by them to bring the blush of shame to any of our cheeks or to lessen them in public esteem. [Applause.]

Now, my fellow-Democrats and southern friends, you have met the ancient enemy, and now your banner may, if you will, hang on the outer wall. I have shown you who the people are in whose hands you are asked to place the control and destinies of that island. It is shown to you that they are unlike any other people on the earth as respects forebears.

It is shown to you that they have always been slaves or its equivalent, abjectly subservient to a foreign taskmaster, and hence necessarily illiterate and deficient in their own language and in ours, and doubly, hence, incapable of self-government, much less to govern others. American and other capital has been invested because our flag is unfurled to the breeze; our citizens have gone there; their children have been born there; they pray to God as we do, in edifices erected to the glory of the same Almighty, and are as much of us, and should be as much to us, as though a sea did not separate us. [Applause.] Now, will you "Do unto others as you would have others do unto you?" Will you say that these fellow-citizens shall be dominated by a race of people whose illiteracy and incompetency is as midnight to noonday's sun, compared with that class of people whom you have been for years undertaking by constitutional means to deprive of the power to politically control you? The President of the United States and this Congress stand ready to give the same character of relief by legislation to your fellow-citizens of Porto Rico that you have by law been enacting for yourselves. In this there is a plain political principle recognized that you should appreciate—"agree with thine adversary quickly." [Applause.]

In conclusion, I wish to say that I fully indorse all the President has said to you, but wish to emphasize, if possible, his utterances regarding the ingratitude of the anti-American people in the island and their utter failure to appreciate what we have done for them. The history of recent events conclusively shows that if all the atoms of gratitude they have in their souls were poured into a humming bird's quill, and with a blast furnace blown into the eye of a mosquito, it is my unqualified judgment that eye would not bat. [Loud applause.]

The CHAIRMAN. The gentleman from Wisconsin [Mr. COOPER] is recognized for ten minutes.

Mr. COOPER of Wisconsin. Mr. Chairman, I have no speech to make, but take this time merely to state a few facts which I deem pertinent. I shall vote for this bill. It consists of two sections. The first section is an exact copy of a proviso in the bill to establish civil government in the Philippine Islands, which I had the honor, on behalf of the Committee on Insular Affairs, to report to the House in April, 1902, and which, with certain amendments, was enacted into law and became the so-called "Philippine organic act" of July 1, 1902. Here is the proviso as it appears in the Philippine act:

Provided further, That if at the termination of any session the appropriations necessary for the support of the government shall not have been made, an amount equal to the sums appropriated in the last appropriation bills for such purposes shall be deemed to be appropriated, and until the legislature shall act in such behalf the treasurer may, with the advice of the governor, make the payments necessary for the purposes aforesaid.

This language of the Philippine law is identical with that of the first section of the pending bill for Porto Rico.

The second section of the bill requires that—

All reports made by law or in accordance with law by the governor or members of the executive council of Porto Rico to any official of the United States shall hereafter be made to an executive department of the Government of the United States to be designated by the President, and the President is hereby authorized to place all matters pertaining to the government of Porto Rico in the jurisdiction of such department.

Mr. GARRETT. Mr. Chairman——

Mr. COOPER of Wisconsin. I have only ten minutes, but I will yield for a question.

Mr. GARRETT. There is not any objection to that last section. But I want to suggest to my friend from Wisconsin that that last section means this: That if it passes in connection with the other part of it, there is not going to be any change in the organic law of Porto Rico within your lifetime or mine.

Mr. COOPER of Wisconsin. I will help the gentleman from Tennessee [Mr. GARRETT] to amend the Foraker law in a proper way, if we ever have an opportunity on this floor.

I have only this to say concerning the second section of the bill: On February 27, 1907, the gentleman from New York [Mr. PARSONS], a member of the Committee on Insular Affairs, of which I then had the honor to be chairman, presented from that committee a unanimous report recommending the passage of H. R. 23568, a bill which was in effect identical with the second section of the pending bill.

The gentleman from New York has given me the reason why the bill which he reported was not taken from the calendar and passed, and if he were here I should call upon him now to give it to the committee.

I have here his report made on H. R. 23568 in the Fifty-ninth Congress, which, as I said, embodies this second section. In the next—the Sixtieth—Congress the gentleman from New York reintroduced the bill, but did not press it for consideration before the Committee on Insular Affairs for the reason which he gave to me, namely, opposition, I believe, on the part of a member of the Cabinet.

I shall vote for the bill, because I think it ought to be enacted into law; but I should like it very much better if its provisions had been a part of the original Foraker Act. It looks now a little like taking sides with one or the other of these two hostile parties.

Mr. SCOTT. Can the gentleman suggest which side?

Mr. COOPER of Wisconsin. It will be so interpreted in the island. Yes; I can tell which side very easily. It will be interpreted, and I think the gentleman from Kansas can not consistently deny it, as being in support of the executive council.

Mr. SCOTT. If the entire fault of the present situation there were due absolutely to the action of the executive council, would not this measure be necessary just the same?

Mr. COOPER of Wisconsin. No, not quite as necessary; but as a matter of good policy I would very much prefer that it had been in the original Foraker Act. And I wish to say right here that the Foraker bill which became the Foraker Act was never submitted to the consideration of the Committee on Insular Affairs. It never would have been reported in that form from that committee.

The law limiting the holding of land by corporations in Porto Rico, which has been spoken about during this debate, was originally reported by the Committee on Insular Affairs as an amendment to a joint resolution to extend the time for the going into effect of the Foraker Act. It is only fair, I think, to say that I insisted that that amendment should go on, and that I appointed a subcommittee consisting of Mr. Moody—now Mr. Justice Moody of the Supreme Court—the gentleman from Indiana [Mr. CRUMPACKER], and myself, to consider that proposition. After considerable effort we succeeded in getting it reported and into the law, and there it now is for the benefit of the Porto Rican people.

I have said all that I intended to say, desiring merely to call the attention of the committee to my attitude upon the pending measure.

Mr. GRAHAM of Illinois. Mr. Chairman——

The CHAIRMAN. Will the gentleman from Wisconsin [Mr. COOPER] yield to the gentleman from Illinois?

Mr. COOPER of Wisconsin. I will.

Mr. GRAHAM of Illinois. Will the gentleman state how he construes the last three lines of section 2? What do you think is the meaning of the words?—

The President is hereby authorized to place all matters pertaining to the government of Porto Rico in the jurisdiction of such department.

That is, the executive department of the Government of the United States. What does "jurisdiction" mean there? What is the extent of control indicated by jurisdiction? Does that suspend the ordinary law in Porto Rico altogether or does it not? Does it include section 1 and that portion of section 2 preceding it?

Mr. COOPER of Wisconsin. No; I think not.

Mr. GRAHAM of Illinois. What is the meaning of it?

Mr. COOPER of Wisconsin. This being an amendment of the Foraker Act, the ordinary rule of statutory construction would require that the whole act and this amendment be interpreted together as one law, and therefore it can not be held that these last three lines would nullify the plain intent of Congress as revealed by the entire law. The intent of the Foraker Act can not be nullified by three lines saying no more than these three lines say.

Mr. Chairman, in addition to what I have already said I desire to say a word in reply to the gentleman from Texas [Mr. SLAYDEN].

The gentleman from Texas declared, or at least quite plainly intimated, that we ought to surrender the possession of Porto Rico. He discussed Porto Rico and the Philippine Islands together, a method of discussion that in many ways leads to great injustice to the people of Porto Rico. The interests of these people are not bound up with the interests of the people of the Philippine Archipelago, on the other side of the world. The Philippine Archipelago consists of hundreds of islands, whose inhabitants speak 50 or more different dialects, many of which are understood only by the particular tribes speaking them. There is no homogeneity there.

But Porto Rico is not on the other side of the world; it is at our door. The people are homogeneous. They speak one language. They are on a little territory 95 to 100 miles in length by 40 miles in width; and there is no analogy between the physical nor the political conditions of the Philippine Islands and those of Porto Rico.

There is another reason greater than the one I have indicated against the logic of the gentleman from Texas. It is found in the fact that we are always to retain Porto Rico, just as we are to retain Hawaii. Many a time and oft I have heard men say that the Hawaiian Islands are a great burden to the people of the United States and that we ought to give them up. But rightly looked at the Hawaiian Archipelago is not a burden to the people of the United States. Take your maps and see how Hawaii, with our great naval base at Pearl Harbor, will help us to defend one end of the Panama Canal, as Porto Rico and our naval bases in Cuba will help us to defend the other.

There are other unanswerable reasons why we are to retain Hawaii and Porto Rico.

Suppose we were to have a war. God forbid that we ever have another war. The United States wants peace, and only peace. But it is the duty of statesmanship to be provident of the future. Suppose that we should be driven into war with Japan or China, and that they send their *Dreadnoughts* to bombard our Pacific coast cities. We are making them impregnable to assault. Suppose these battle ships come here, and in attacking us exhaust their fuel or need repairs. Where will they secure fuel or repairs if we retain the Hawaiian Islands? They will have to go back thousands of miles across the Pacific if we hold Hawaii.

The CHAIRMAN. The time of the gentleman has expired.

Mr. OLMSTED. I yield the gentleman five minutes more.

Mr. COOPER of Wisconsin. But they will not have to go back unless we do hold Hawaii. Looked at with the eye of statesmanship, the Hawaiian Islands are not a burden to the United States, but an asset of incalculable value, and the United States will never let them go.

Mr. CLARK of Missouri. Mr. Chairman——

Mr. COOPER of Wisconsin. Now, will the gentleman let me finish along that line?

Mr. CLARK of Missouri. I will give you five minutes of my time, if you will let me ask you a question.

Mr. COOPER of Wisconsin. Yes.

Mr. CLARK of Missouri. This is strictly for information. When they annexed the Sandwich Islands, one of the chief arguments by which they overcame the opposition was that for a comparatively small consideration Pearl Harbor could be made as impregnable as Gibraltar. Now, I want to ask the gentleman if we are really taking any steps toward fixing that harbor so that we can use it; and if so, how long before we can use it?

Mr. COOPER of Wisconsin. The last two Congresses made specific appropriations for the improvement and fortification of Pearl Harbor, aggregating upward of $5,000,000.

Mr. Chairman, the permanent retention of the Hawaiian Islands by the United States is an assured fact. Nothing but force will ever compel this Republic to give them up. Build the Panama Canal, and do you want Porto Rico an independent power? We can not let it go to any European country. The Monroe doctrine will not permit that. Do you want Porto Rico to be an independent hostile power? With the completion of the Panama Canal, Porto Rico will become of such strategic importance as to preclude all doubt of its permanent retention by this Government.

Mr. GRAHAM of Illinois. Will the gentleman yield to a question there, which is apropos of that point?

Mr. COOPER of Wisconsin. Yes.

Mr. GRAHAM of Illinois. The gentleman spoke of Gibraltar.

Mr. COOPER of Wisconsin. The gentleman from Missouri [Mr. CLARK] spoke of Gibraltar.

Mr. GRAHAM of Illinois. Why not retain a Gibraltar in Porto Rico and let the rest of the island go? Would not that suffice for a coaling station?

Mr. COOPER of Wisconsin. It is only 95 miles by 40, and I would rather have the whole island. It is not too large for a naval base anyway, the whole island. [Applause.] I would rather have control of that little territory than to have a million people there under another government.

We want Porto Rico to help us to make the Gulf of Mexico an American lake. We want it for purposes of self-defense, and we want it for the benefit also of the people of Porto Rico. I think this controversy is exceedingly unfortunate. I think it was exceedingly unfortunate for the gentleman from Colorado [Mr. RUCKER] to speak so bitterly about the "ingratitude" of the people of Porto Rico.

Mr. RUCKER of Colorado. The anti-American sentiment of the island.

Mr. COOPER of Wisconsin. I know of no more unwise method of attempting to awaken the gratitude of a people than to speak bitterly of their ingratitude.

Mr. RUCKER of Colorado. Will the gentleman yield for a moment?

Mr. COOPER of Wisconsin. Yes.

Mr. RUCKER of Colorado. The gentleman does not want to be unfair or to misquote me, I am sure.

Mr. COOPER of Wisconsin. Oh, not at all.

Mr. RUCKER of Colorado. I said "the anti-American sentiment of the island." If you take exception to what I said, then certainly I have no objection.

Mr. COOPER of Wisconsin. Those words "the anti-American sentiment of the island," in connection with the rest of the gentleman's remarks, conveyed the impression that the sentiment of the island was anti-American. Does the gentleman mean that there is only a small proportion of the sentiment of the island that is anti-American?"

Mr. RUCKER of Colorado. I do not mean to say that there is only a very small proportion of it anti-American.

Mr. COOPER of Wisconsin. Substantially all anti-American.

Mr. RUCKER of Colorado. No; I should say not. At least the intelligent portion of it is not anti-American.

Mr. COOPER of Wisconsin. If the intelligent portion is not anti-American, then the controlling portion is not anti-American, for intelligence will control there as elsewhere. They do not like some of the things which are in the Foraker Act. They do not like some of the omissions of the Foraker Act. For example, the Philippine organic act contains a complete bill of rights. It guarantees to the people in the Philippine Islands practically every right which we enjoy in any of our States except only the right of trial by jury and the right to bear arms.

But the Foraker Act contains no bill of rights for the people of Porto Rico. If the Foraker bill had gone from the Committee on Insular Affairs, it would have included a bill of rights. Such a bill for Porto Rico ought to be in the law now by act of Congress.

Mr. CLARK of Missouri. Mr. Chairman, I would like to ask the gentleman a question.

Mr. COOPER of Wisconsin. I will yield to the gentleman.

Mr. CLARK of Missouri. Does not the gentleman think this act ought to be confined to one year, as is proposed here, and then at the regular session of Congress overhaul the Foraker Act and do what the gentleman is talking about now?

Mr. COOPER of Wisconsin. There is something in the suggestion of the gentleman from Missouri, and yet, on the whole, I think that we should promptly pass the bill as it is now before us, at the same time doing our utmost to assure the Porto Ricans that we do not enact it in a hostile spirit. I do not feel like condemning the people of Porto Rico. I sympathize with them.

Mr. ESCH. Will the gentleman allow me an interruption? What effect would the granting of citizenship to the island have on the relation of the natives to the United States?

Mr. COOPER of Wisconsin. It is our duty to grant citizenship to the inhabitants of the island. There is no doubt that it would have a most happy effect. We gave American citizenship to the 200,000 people in Hawaii at the request of William McKinley. Why are not the people of Porto Rico equally entitled to enjoy this high privilege?

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. CLARK of Missouri. I will yield the gentleman five minutes more, as I promised to.

Mr. COOPER of Wisconsin. William McKinley in a message to the Congress of the United States advised the extension of American citizenship to the people of Hawaii. Do you think it is right for us permanently to retain Porto Rico because of its strategic importance and forever deny any sort of nationality to those people? They are not citizens of Spain; they are not citizens of the United States; they are citizens of Porto Rico, and Porto Rico is not a nation, and they have no nationality.

There sits a man [Mr. LARRINAGA] educated in this country. I never met a higher minded gentleman. There are thousands like him in Porto Rico. Their bitterness may come, in part, at least, from a feeling of humiliation in being made political nonentities. What harm can come, if we make them American citizens? The children of our country are American citizens. The women of the Republic are American citizens. The people of Hawaii are American citizens, and the principles upon which our Government is founded will not permit us to announce our intention forever to retain Porto Rico and at the same time deny its 1,000,000 of civilized inhabitants the rights of American citizenship.

The platform on which William H. Taft was elected President of the United States demands that all the people of Porto Rico be made citizens of the United States. The national Democratic platform demands it. Theodore Roosevelt three times in his messages to Congress urged that they be given it.

But it is said that this involves statehood. This assertion need not frighten us from doing our duty. Arizona and other Territories came to us under an act which practically pledged that they should be made States, and we have kept them out of statehood upward of sixty years. Statehood for Porto Rico is not a pressing problem to-day. The statesmen of the future will know what to do if it shall ever confront them. Possible—remotely possible—statehood for Hawaii did not deter McKinley from doing what he thought his duty toward the Hawaiians, nor should we be frightened from doing our duty toward the people of Porto Rico.

To give the Porto Ricans American citizenship would not promise them the right to vote for laws to govern us here any more than it promises the women of the United States the right to vote for such laws in this Republic. There has been a confusion of ideas on this proposition, but no man can arise here and say, as a Republican or as a Democrat, that when the opportunity is presented the platform pledges to give American citizenship to the people of Porto Rico, a land forever to be retained by this Republic, ought not to be redeemed. [Applause.]

Mr. STEPHENS of Texas. Mr. Chairman, I would like to inquire of the gentleman why his party has not redeemed those pledges made to Arizona and New Mexico in two or three different national conventions, when they guaranteed they would give them statehood? Is it not a fact that the attitude of your party is the reason why statehood has not been given to New Mexico and Arizona, and have we not on this side voted solidly for it?

Mr. COOPER of Wisconsin. Mr. Chairman, one failure to do right does not justify another.

Mr. STEPHENS of Texas. We only asked you to join us on this side.

The CHAIRMAN. The time of the gentleman from Wisconsin has again expired.

Mr. OLMSTED. I yield one minute more to the gentleman.

Mr. COOPER of Wisconsin. Mr. Chairman, the Committee on Insular Affairs has twice reported, without a dissenting voice, a bill to give American citizenship to the people of Porto Rico, and each time the gentleman from Pennsylvania, Mr. OLMSTED, has joined in that report.

Mr. LARRINAGA. Mr. Chairman, while I was listening to the remarks of the gentleman from Wisconsin [Mr. COOPER], I felt that I had a few ideas to present to this House on the subject he was treating, of Porto Rico being taken in as a permanent part of the Nation, for the convenience to America of holding that island in the Atlantic, as she is holding Hawaii in the Pacific—in self-defense, so to speak, as the gentleman from Wisconsin seemed to view the case. I think this will take me a little further from the main point that I wanted to make just now, inside of the time allotted to me.

Mr. COOPER of Wisconsin. Will the gentleman permit me to interrupt him?

Mr. LARRINAGA. Certainly.

Mr. COOPER of Wisconsin. I wish to say one thing that I overlooked saying, and that is that the only amendment I will be in favor of would be the amendment offered by the gentleman from Texas [Mr. SLAYDEN], to have a commission go down there. I shall not at this time vote for any amendment to extend American citizenship or to limit this for one year or anything else. I shall vote for this bill, in the hope that at the next session of Congress right will be done.

Mr. LARRINAGA. Mr. Chairman, in connection with holding Porto Rico as a permanent part of the Nation, I want to say, first, that the President is right in his message when he says that Porto Rico was taken with the consent of her people. That is true. Every Porto Rican accepted that. The gentleman from Kansas [Mr. SCOTT] the other day said he had not found a man there who spoke of not being willing to have Porto Rico a part of the United States. In that he also was right. I am standing here elected at large by over 100,000 votes, and my opinion and sentiments were known forty years before the Americans landed there. That shows, Mr. Chairman, that the people of Porto Rico are willing to form a part of this great Nation. But that people also say as a unit that the Foraker Act is an injustice to them, and that they deserve a larger measure of self government. Mr. Chairman, every time a gentleman rises here to support this bill now before the House he is supporting a bill brought about by the executive council, a bill they had in their minds from the inception of the civil government, viz, to get by law that which they have been getting heretofore by threats. They made the house pass their bills; did not accept the house bills; made the house pass their appropriation bills, threatening that Congress would do away with the rights the house had to concur in the appropriations. That, Mr. Chairman, they have done.

The willingness of the Porto Rican lower house to show the American people that they were law-abiding, that they were good citizens, has been made an argument against us. Just because we stood it for nine years, in order not to have the American people get the impression that we were unruly, that we did not deserve self-government, the argument is presented to-day that we have gone now into the hands of politicians, and that we want to pull the government down; that we are proceeding in a revolutionary way, and that our attitude is anarchistic.

There is no such thing, Mr. Chairman. In connection with that Foraker Act, so repugnant to our people, I will tell the gentleman from Wisconsin [Mr. COOPER] that the American people do not know, and I think few Members in this House know, how far the Foraker Act has gone to neutralize the usefulness of Porto Rico as a means of defense on the Atlantic coast and to impair the safety of this Nation. Let me tell you that if St. Thomas is not flying the American flag over that port it is due to the Foraker Act. That great statesman, President McKinley, and Secretary Root saw it. They saw that Porto Rico was worthless in the hands of the American people if a weak nation held St. Thomas. St. Thomas is the foremost point in the West Indian Archipelago, and is the true key to the Caribbean Sea and the Mexican Gulf and the Panama Canal.

There you have a small island, Mr. Chairman, with a beautiful harbor, dry docks, a nice population, strong fortifications, a pro-American people, and an English-speaking people, for they speak Danish and English equally as well. At all times they have been the most pro-American people in the West Indies. Their great dream was to form, one day, part of this great Nation; but when the proper moment came they refused to give their consent to the deal proposed by President McKinley. Denmark knew of the friendly disposition of her distant subject toward the American Nation and readily accepted the bargain, but the people of the island, having represented to the King against the sale of the island, the King ordered a plebiscite of the inhabitants, that they might decide the case. The result was that the people of St. Thomas refused to become a part of the United States.

The bargain was already closed between President McKinley and the King of Denmark, and St. Thomas was to be a possession of the United States through a consideration of $4,000,000. But what had happened? It had happened, Mr. Chairman, that the St. Thomasans, who had been very ardent pro-Americans, had seen the workings of the first two years of the Foraker Act in Porto Rico. They had seen everything that had come to pass in our island. I do not want to bring up that subject; I do not wish to recall all outrages perpetrated on our people with the acquiescence of the local authorities; but I wish only to tell this House that the greatest injury that the American Nation has received since the Spanish-American war was the failure to acquire possession of the island of St. Thomas, and having it in the hands of a weak nation, which, at a given moment, might not be able to hold it, and then Porto Rico will be powerless and useless before the occupation of St. Thomas by a strong power.

I could go further on and speak of the condition of the Hawaiian Islands in the Pacific. I am sorry to see that every time somebody rises to back the bill presented by the gentleman from Pennsylvania he brings out this little book, the constitution of Porto Rico, to try to prove that it is no good, that there was no such a thing as self-government in its provisions. I do not wish to go back to the old time of Spain. I am willing to let that pass, but in justice to my people I am bound to take up the argument, always offered, that the governor of the island was everything, that the King could annul that constitution, called the "Porto Rican autonomic constitution." I appeal to every Member of this House to ask at the War Department for a copy of this book, and study it thoroughly. I will read only three articles in connection with this constitution that I marked this morning as the gentleman from Pennsylvania was reading from it, and which will show that the gentleman is not entirely correct. Now, take page 12, in regard to the formation of the legislature. According to the Foraker Act, out of 11 members, all appointed, 6 are at the same time the heads of departments.

They are all appointed, having the power to make the laws, so that the whole legislative and executive power is in the hands of only 6 men. Now, in regard——

Mr. SCOTT. Will the gentleman permit me to ask him a question?

Mr. LARRINAGA. Certainly, with the greatest pleasure.

Mr. SCOTT. I think it might be inferred from what the gentleman has said that on all important questions there is a racial division in the upper house——

Mr. LARRINAGA. Not at all.

Mr. SCOTT. I would like to ask the gentleman if it is not true, on the contrary, that there has been few, if any, such divisions.

Mr. LARRINAGA. Not at all. The Porto Ricans many times vote with the Americans. There is no such thing as a racial division, but the fact of the matter is that the Porto Ricans, as a rule, in political questions want more liberal laws than the 6 Americans, who, in such cases, vote on one side; but in general they do not divide on that line. Many times bills of the lower house have been defeated in the upper house by the vote of the Porto Ricans, and at times some Americans voted with the minority of the Porto Ricans. That is the fact. Now, comparing the upper house appointed by the Foraker Act with the upper house under the autonomic constitution, article 5, title 3, of the Porto Rican constitution reads:

> The council shall be composed of 15 members, of whom 8 shall be elected in the manner directed by the electoral law, and 7 appointed by the governor-general.

Mr. OLMSTED. Where does the gentleman find that?

Mr. LARRINAGA. On page 12.

Mr. OLMSTED. On page 12 of the pamphlet I have it says that the council shall be composed of 35 members.

Mr. LARRINAGA. That is the Cuban constitution. The Cuban and Porto Rican differ in the number of members only.

Mr. OLMSTED. But this applies to the islands of Cuba and Porto Rico.

Mr. LARRINAGA. Yes, sir; and of course Porto Rico being smaller, they reduce the number of members. That is the only difference between the two constitutions. This, Mr. Chairman, puts the whole legislative power in the hands of the Porto Ricans.

Now, as to the powers of the governor, I call the attention of the gentleman from Pennsylvania [Mr. OLMSTED] to page 19, article 44, as follows:

No executive order of the governor-general, acting as representative and chief of the colony, shall take effect unless countersigned by a secretary of the cabinet, who by this act alone shall make himself responsible for the same.

I believe, Mr. Chairman, if we had anything like a shadow of that to control the governor——

Mr. OLMSTED. Who appointed his cabinet? The governor appointed his cabinet?

Mr. LARRINAGA. Under the representation of the leader of the party who had won the elections.

Mr. SLAYDEN. Will the gentleman yield for a question?

Mr. LARRINAGA. Certainly.

Mr. SLAYDEN. The gentleman says the appointment was made on the representation of the leader of the party who had won in the election?

Mr. LARRINAGA. Yes, sir. Presented some candidates——

Mr. SLAYDEN. They had a cabinet, then, that responded to the election, and went out if they were defeated?

Mr. LARRINAGA. Yes, sir. It was a parliament.

Now, I believe that in connection with another suggestion that has been made in the press and in different other papers——

The CHAIRMAN. The time of the gentleman from Porto Rico has expired.

Mr. CLARK of Missouri. Mr. Chairman, I will yield the remaining six minutes of my time to the gentleman from Porto Rico, if he wants it.

Mr. LARRINAGA. Thank you. This is a very important point, Mr. Chairman, namely, that the King could annul the organic act at any time, as it has been repeated. The King of Spain, since the constitution of Cadiz, 1812, can not do any such thing. The king is compelled to carry out and promulgate the decisions of the congress, called there the Cortes.

On page 23 the gentleman from Pennsylvania [Mr. OLMSTED] will find this statement regarding the guaranty that we had to have a permanent government of that kind. Article II of the adición reads:

When the present constitution shall be once approved by the Cortes of the Kingdom for the islands of Cuba and Porto Rico, it shall not be amended except by virtue of special law and upon the petition of the insular parliament.

So that, according to that constitution, this bill of yours could not have been taken into consideration by the Congress of the United States except upon petition of our legislature.

Mr. Chairman, I am sorry that I have not sufficient time. I have drifted into this discussion in order to answer the points touched by the other gentlemen speaking before me; but the point I want to make is that the statement that the agricultural bank was refused by the executive council on the ground that the island could not afford to establish it is erroneous; I suppose it was said in good faith.

Our people expected that the Congress of the United States would have taken up the bills, studied them, passed upon them, recognizing both sides, and if we Porto Ricans were wrong, and their bills did not deserve consideration at the hands of the upper house, that they should have been turned down; but if one or all of those bills were good, fair, just, and reasonable, it would have done justice to us and approved it. I propose only to take up one of the bills—the bill, as I have said, to establish an agricultural bank—a bill that was introduced by the legislative assembly of Porto Rico in 1901, and as the gentleman from Colorado [Mr. RUCKER] said, "It was then a Republican house." I do not wish to bring in here these local bickerings, but we hold that the Republican party was put in power by the executive council. This would be a very long story to tell, but the fact of the matter is that that house of delegates was a Republican house, friendly to the council and under obligations to the council.

Mr. Chairman, the only bill which has ever been vetoed by the governor of Porto Rico was a bill passed by that Republican house to give more power to municipalities. That house of delegates, although it was wholly Republican, wished also to stretch out the powers of the municipalities. Whether they had won the control of the house by good means or otherwise, they wanted, all the same, to do justice to the people and to strengthen themselves in their opinion; but the executive council would not let them do it; and if they have been swept out of existence at the last three elections, so that they can not elect one single man, it is partly owing to the obstinacy of the executive council wanting to rule the island arbitrarily, whether the house be Republican, Unionist, or anything else. That is the whole truth about it. [Applause.]

Mr. Chairman, I am going to prove by the statements of a member of the executive council, the treasurer of Porto Rico, that the agricultural bill was a good bill, and that the reason given by the executive council, that the island could not afford to guarantee the loan, was not acceptable. I will also prove that they could not believe it to be so. In the first place, the economic conditions of the island are sound and solid. Read, on page 47 of the last report of the governor of Porto Rico, what the treasurer says in the last paragraph:

The happenings of the past year but serve to emphasize the strong financial position of the island.

In page 48, line 10 from the top, referring to the panic in the United States, he says:

The financial depression caused no such stoppage of business in Porto Rico as it did in the United States.

Here again we had built well.

In page 52, at the middle of the page, they confess the necessity of the bank. The treasurer says:

All industrially new countries are greatly in need of capital. This is especially true of the Tropics.

They pretend, I believe, that as the island made a loan of $1,000,000 for improvements two years ago and is about to make a loan of $3,000,000 for an irrigation scheme in the southern part of the island, that the country has reached the limit of its borrowing power. Let us examine this argument. In the first place, the $3,000,000 loan to be made is destined to build the works necessary for irrigating some land in the southern part of the island. The planters are going to pay this loan with the tax paid for the water they are going to use. The insular treasury is only going to furnish the moral guaranty. This is a money-making proposition. Those sugar lands are amongst the most fertile in the world. One crop out of four or five is lost for lack of proper irrigation. When once the crops are assured, there is not the remotest probability of the planters not being able to pay their taxes for the capital and interest of the money loaned. But even admitting that the $4,000,000 constitutes a load on the treasury of the island, is $4,000,000 the limit of the borrowing power of the country?

If you read in page 54, sixth line from the bottom of the same report, you will see that the assessed property of the island is over one hundred millions; and, therefore, that 7 per cent of that sum will be the limit authorized by law. If to this is added, as we have proved before, the solid financial conditions of the island, as confessed by the treasurer, and the necessity of such institution, as also declared by the same gentleman, we must surely come to the conclusion that what they really wish is that the small farmer shall not be able to find money at long terms for the payment of the capital and at a cheap rate of interest and thereby escape from the claws of usury.

If from the bill of the agricultural bank we pass to the other bills of the house rejected by the council, we shall find that they were reasonable, and in no way against the fundamental law of the country; and any fair-minded person, after having duly studied the different points of the controversy, will surely come to the conclusion that the only aim of the members of the executive council was to bring about the present difficulty, sure, as they have been all the time, that you would pass that bill, putting in their hands the last remnant of the rights of the people of Porto Rico. But, as I have already said, it is far better that they should do it by a law, however unjust, than to have them accomplish the same object every year by threat. "Lex dura, sed lex." The American people will no longer be deceived as to the kind of colonial government we are having in Porto Rico. [Applause.]

Mr. OLMSTED. I yield fifteen minutes to the gentleman from Ohio [Mr. KENNEDY], and that is all I have to yield.

Mr. KENNEDY of Ohio. Mr. Chairman, when we accepted sovereignty over the island of Porto Rico (I do not know whether we did any good for ourselves or not), we took upon ourselves a great responsibility, and of course became responsible for whatever laws were enacted for the control of the island. Such authority as we have delegated to the legislature in Porto Rico is a delegated power. It was our duty, unless we had absolute confidence that no mistakes would be made by the framers of law in Porto Rico, to withhold from them such power as would enable us to control the legislation there. I think the Foraker Act is an admirable piece of legislation. I believe it was a great mistake to pass it when we passed it. But the mistake was not in the law. The law was admirably thought out and considered, concisely expressed in the most statesmanlike manner. The great mistake we made was in assuming that the Porto Ricans had any capacity for self-government whatever. We might have known better. Had we considered history, we would have learned that the Spaniard, of all civilized races, had the least capacity for self-government. His pride of knowledge, we should have learned, was in inverse

ratio to his achievement and to his intellectual capacity. What has he contributed to the discoveries in science?

What great philosophy has he given to the world? What useful inventions? He has made some inventions. He invented the thumb-screw, bastinado, and other ingenious tools which Spanish courts have invariably used to elicit the truth from witnesses. What has the Spanish race done to further the advancement of civil liberty in the world? The history of the genesis of liberty will record that its triumphs have been made in spite of the Spanish people. When we took possession of the island they welcomed us with great enthusiasm. Then we made another mistake. We supposed that they could remember—and be grateful. These two mistakes led us to enact the Foraker bill, which was a blunder only because we were mistaken when we were led to believe they had the capacity to legislate for themselves.

I have grown out of patience with those who speak of this revolt of the people of Porto Rico as a struggle for liberty. The criticism of our government of the island of Porto Rico by the Porto Ricans grows out of the fact that no Spaniard has ever yet seemed to know what liberty was. His conception of liberty may be defined as liberty to tyrannize over somebody else. Every communication that has come to this country from this island either clearly asserts or by direct implication proclaims that under our flag tyranny exists in Porto Rico. They do not set forth the specific tyranny, nor can they. Who is it that does not now in Porto Rico enjoy complete liberty?

Will somebody rise in his place on this floor and tell me what Porto Rican is not now free under our rule there? If our flag is fostering any species of oppression or tyranny in Porto Rico this Congress should find it out. It is a confusion of what civil liberty means that these men are babbling about here before this Congress. I hold in my hand a paper showing the relative number of offices they had under the Spanish Government, and showing that they had more offices under Spanish rule than they have now, therefore their contention is they were freer then than now. Why, the Spanish tyrant exercised the most cruel tyranny over the island. That is a fact of history. He chose the instruments of his oppression from among the residents of Porto Rico. Were they any freer under the Spanish tyrant if he chose Porto Ricans to kill them or imprison them than if the instruments of his oppression had been sent from Europe? I resent this imputation as to there being any tyranny in Porto Rico now. When we took sovereignty over this island we did just what we ought to have done—retained such control there as would prevent foolish and improper legislation.

Now, I want to call attention to the legislation which they peremptorily demanded before they would pass the appropriation bill. This bill provides for the abolition of the courts of the justices of the peace (Anglo-Saxon courts which we had established there), and substituting in their place a system of Spanish courts, the judges of which were to be appointed from the dominant political party in Porto Rico. We could not assent to this. This would have been a mere franchise to a political committee to have erected a tyranny in the island of Porto Rico upon the foundation of these Spanish courts. The idea among the Spanish people of a court is not that it is a place where justice is dispensed, but where favors are granted and old political scores are settled. It has been through all the history of Spain and her colonies, nothing higher, nothing better, nor anything different than simply an instrumentality for the enforcement and the carrying out of the processes of tyranny.

This bill, providing for the separation of the territory into counties, is also one the passage of which they demanded before they would do their duty in the passage of the legislative appropriation bill. The American officials in the island could not consent to its provisions. Why, my friends, it provides for imprisonment for debt. I read from page 18, section 54:

Section 54. A marshal who suffers the escape of a person arrested in a civil action, without the consent or connivance of the party in whose behalf the arrest or imprisonment was made, is liable as follows:

1. When the arrest is upon an order to hold to bail or upon surrender in exoneration of bail before judgment, he is liable to the plaintiff as bail.

2. When the arrest is on an execution or commitment to enforce the payment of money he is liable for the amount expressed in the execution or commitment.

3. When the arrest is on an executive or commitment other than to enforce the payment of money he is liable for the actual damages sustained.

The executive council should have refused to sanction any such law. We are in duty bound to see that every citizen of Porto Rico has his civil rights under our jurisdiction protected. When these men come here clamoring and talking about liberty, they simply wanted a larger share of the offices. They can not make a specification of any encroachment upon their liberty. They are free, and I agree with the gentleman from Wisconsin [Mr. COOPER] that we should repeal the Foraker Act, make them citizens of the United States, and give them a territorial government, just such a government as we gave every other Territory that we ever held, and let them wait for statehood until they become acquainted with our institutions and know what liberty is. And if it takes them a thousand years, we would not begrudge them the time.

When the Union party in Porto Rico succeeded in carrying the election, it became apparent at once to them what a tremendous opportunity they would have to exploit the minority and settle up old scores, if they only had control of the courts; hence their persistency in demanding this legislation.

Have any of the Members of the House stopped to reflect what has been going on around us in every Spanish civilization that has attempted to plant itself on the surface of this big round earth? Their initial steps toward a government maintaining order under law have been attended by insurrection and revolution every time the parties changed. Even if those countries be called republics, they are in every essential tyrannies. The party in power immediately controls all the courts. Then, with the Spanish devices and cruelties, their rule becomes absolutely intolerable, and there follows an insurrection or revolution. It is an insurrection if it does not succeed; a revolution if it does. There is a cause for these continual, everlasting revolutions in the Spanish civilizations that have found a foothold upon this Western Hemisphere. What is that cause? It is in the cruelty and rapacity which is exercised through their courts.

This bill was also demanded as a condition precedent to the passage of an appropriation bill. It was the most vicious of the lot. It was a demand that the schools we established in Porto Rico, with their American teachers, and the school funds, should be placed under the control of a native Porto Rican. It is the dream of every patriotic citizen of this country of an ultimate America which shall be homogeneous, speaking a common language, having like institutions, and where the rights and privileges are guaranteed everywhere under the flag. We are going to keep Porto Rico forever, and if it is not to be a plague spot upon our civilization they must adopt our ideas and accept our institutions and our laws. And it would be manifestly out of place to turn out the cultured and enlightened commissioner of education and put in his place some Porto Rican who should teach in the schools that the highest triumph of fiscal statesmanship was the adoption of a national lottery to replenish the public treasury and who would adjourn the schools that all might attend a bull fight.

The disaffected ones in Porto Rico are not here asking some guaranty of private rights. They are here complaining that we have more offices than they have, and they want us to turn out such Anglo-Saxon courts as we have and establish the old-style Spanish courts, every judge of which shall be a member of the Union party. What opportunities for revenge and extortion! This it was that started all the trouble. They began to talk about it, quickly lashing themselves into a hysterical fury, until they now seem to think that they no longer have liberty.

In accepting their guardianship we have taken a great responsibility, and we must treat these wards of ours as though they were children, protecting them even against themselves.

Mr. GARRETT. Will the gentleman yield?

Mr. KENNEDY of Ohio. Yes.

Mr. GARRETT. It is only fair to state that the only courts that they sought to elect were the justices of the peace—the lower courts.

Mr. KENNEDY of Ohio. Of course they have not attempted to establish a supreme court; but it is the magistrate who seizes and imprisons, and those courts are always summary ones. The judges are restrained by no regulation that prevents them from doing as they please. There is no guaranty of rights to the Porto Rican that one under arrest shall not be compelled to testify under the persuasion of the thumbscrew and bastinado. They are not asking for that sort of liberty. It is not that kind of people who come here with this protest against our Government. I get out of patience with them. After we fed them through a famine and sent our doctors down there and got the hook worms out of them, then they rebelled against the only liberty they ever had, the only chance they had a right ever to expect. I think we should stand by our own country and not discredit it by any doubtful action in this great House. [Applause.]

Mr. SLAYDEN. Mr. Chairman, I would like to occupy the time of the House for a minute. I was not in the House when the gentleman from Wisconsin made his speech.

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Texas?

Mr. OLMSTED. If I have any further time, I will yield.

The CHAIRMAN. The gentleman has three minutes.

Mr. OLMSTED. Then I yield to the gentleman from Texas.

Mr. SLAYDEN. I was about to say that I was not in the House when the gentleman from Wisconsin [Mr. COOPER] made his speech. Therefore I had not the privilege of hearing it. I am told, however, that from something he said it is to be inferred that he was under the impression that I had said that I wanted to turn the island of Porto Rico loose and get rid of it entirely. The gentleman from Wisconsin is mistaken; I did not say that.

Mr. COOPER of Wisconsin. The gentleman was talking about Porto Rico and the Philippines, and I know that he wants to get rid of the Philippines.

Mr. SLAYDEN. I do, but they stand on a different plane. The political tie that brought Porto Rico to us was voluntarily assumed, but the political tie that brought the Philippines to us was involuntarily assumed, thrust upon them by force of arms, and not for a moment since have they consented to it. The cases are not parallel at all.

Mr. OLMSTED. Mr. Chairman, there is an amendment pending which has been discussed by one argument upon one side and one upon the other. I should like a vote on it.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out, after the word "further," in line 6, and insert in lieu thereof the following:

"That for the fiscal year beginning June 30, 1909, for the expenses, support, and legal obligations of the government in all its departments an amount equal to the sums appropriated in the last appropriation bills for such purposes shall be deemed to be appropriated, which shall be paid in the usual course by warrant drawn by the auditor upon the treasurer, countersigned by the governor."

Mr. GARRETT. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. GARRETT. To address myself to the amendment.

The CHAIRMAN. The Chair understands that all the time for the discussion granted has expired.

Mr. CLARK of Missouri. General debate has expired, but not discussion upon the amendment.

The CHAIRMAN. The present occupant of the chair was not in the chair at the time; but the Chair was informed that the amendment was discussed at the time it was offered.

Mr. GARRETT. When the gentleman from New York moved this morning to go into Committee of the Whole House on the state of the Union, and, pending that, asked unanimous consent for general debate to be extended for two hours, I made a parliamentary inquiry of the Speaker as to whether that would prevent the usual five-minute debate on the bill, and the Speaker answered that it would not; and therefore I did not object to unanimous consent.

The CHAIRMAN. The gentleman will be recognized for five minutes. The present occupant of the chair was not occupying the chair when it was brought up.

Mr. PAYNE. It does not interfere with the five-minute debate. Under the five-minute rule there has been debate for ten minutes on this amendment.

Mr. GARRETT. How did it happen that it was debated without being read?

Mr. PAYNE. The amendment was read.

Mr. GARRETT. It was read just now.

Mr. CLARK of Missouri. Mr. Chairman, I will ask unanimous consent for five minutes on each side, because there are Members here who have not heard the amendment or any discussion of it.

Mr. GARRETT. I object to that. It is not a question of unanimous consent; it is a question of parliamentary right.

Mr. PAYNE. I want to say to the gentleman that there is no difficulty about this. It is an original amendment, and he can move to strike out the last word and have five minutes. I ask that all debate on the amendment be closed in ten minutes.

Mr. GARRETT. I have no objection to that, but as a matter of maintaining a parliamentary right——

Mr. PAYNE. I say the gentleman is entitled to move to strike out the last word and debate it.

Mr. GARRETT. I think I am entitled to debate it without moving to strike out the last word, and I insist on recognition for that purpose.

Mr. OLMSTED. The gentleman from Missouri offered the amendment and debated it, and then the gentleman from New York debated it on the other side, which exhausted debate, under the strict interpretation of the rule. As the gentleman from New York says, the gentleman from Tennessee can offer another amendment to strike out the last word, to which nobody objects, and I hope the motion of the gentleman from New York will prevail.

Mr. GARRETT. The gentleman from New York moves to close debate in ten minutes, and I have no objection to that.

The CHAIRMAN. Without objection, it is so ordered.

Mr. GARRETT. Mr. Chairman, I wish to address myself directly to the amendment. I very much wish that the gentleman from Pennsylvania [Mr. OLMSTED] could see his way clear to acquiesce in the amendment offered by the gentleman from Missouri [Mr. BORLAND], or in the amendment that is proposed to be offered by the gentleman from Texas [Mr. SLAYDEN], or in both. I shall deal with entire candor in speaking of it. I believe that the gentleman from Pennsylvania concurs with the majority of this House in the opinion that there ought to be a scrutiny and, perhaps, a revision of the Foraker Act. Of course, the gentleman from Pennsylvania does not state what ought to be done, nor can any of us, but there is an opinion that there ought to be a scrutiny of the Foraker Act, and a possible revision of it. I do not hesitate to say that it is the opinion of many of us that if this amendment to the Foraker Act passes in the form of the bill that is now before the House, without the amendment of the gentleman from Missouri [Mr. BORLAND], or the amendment of the gentleman from Texas [Mr. SLAYDEN], or some similar amendments, that that will be the end of the matter, and that there will not be any revision—any scrutiny of the Foraker Act. We are dealing with an emergency. I believe that we ought to deal with that emergency by enacting emergency legislation merely. So far as I am concerned, I have already expressed my opinion to the House upon the bill as it now stands, and I am against the bill. However, if this amendment should be adopted, I do not hesitate to say that, so far as I am concerned, I recognize the necessity for doing something there, and I should be glad to support the bill. Another thing, Mr. Chairman, and that is the second section of this Olmsted bill is wholly unobjectionable in itself, but in candor I wish to say that it seems very significant to me that this clause about a mere matter of administration is attached to a proposition amending the fundamental law of Porto Rico, and I believe that this last section of the bill furnishes an additional reason for saying that if this bill is passed there will be no further disturbance, no further scrutiny of the Porto Rican fundamental law, and for that reason I wish that the amendment offered by the gentleman from Missouri might prevail. I believe, Mr. Chairman, that if it does prevail, there will be practically no division in this House upon the passage of the bill itself.

Mr. OLMSTED. Mr. Chairman, I am unable to agree with the gentleman from Tennessee [Mr. GARRETT] that the passage of this bill in its present form will prevent the revision of the Porto Rican constitution in the very near future. I am unable to agree with him as to the wisdom of the amendment which he favors. If this is a good provision for one year, it is good for another. It is the law permanently in the Philippines, in Hawaii, and, I am told, in several foreign countries, including Spain, and I quite agree with the President, who in his message said that he recommended an amendment to the Foraker Act providing that whenever the legislative assembly should adjourn without making an appropriation, then the previous appropriation should be extended to that particular year. I desire, without objection, to yield the balance of the time that I could occupy to the gentleman from Kansas [Mr. SCOTT].

Mr. SCOTT. Mr. Chairman, there are two objections to this amendment, either one of which, in my judgment, is absolutely conclusive. The first objection is that if the amendment is adopted it will inevitably sooner or later force an extra session of Congress for no other purpose than to provide for continuing the government of Porto Rico. The legislature of Porto Rico, which meets annually, adjourns ordinarily about the middle of March. The Congress of the United States adjourns every alternate year on the 4th day of March. Obviously, therefore, it might easily happen, and I am sure from information which has come to me it would happen, that the legislature of Porto Rico might fail to pass the budget at a time when Congress was not in session. There would be no alternative left therefore to the President of the United States but to call an extra session for no other purpose than to provide for the payment of the expenses of the Porto Rican government. I can not believe that any Member of this House would be willing to cast a vote which would bring about, even remotely, such a contingency as that.

Another objection yet more vital and fundamental to this amendment is the political effect it would have in Porto Rico. There is no question but what the adoption of this amendment would be construed in that island as a victory for the radical anti-American party of Porto Rico. It would be heralded every-

where as a rebuke to the governor of Porto Rico and his American associates in the administration of the government, and that would bring a condition of political chaos that could not be compared with the crisis which now exists there. Gentlemen have read history, particularly the history of Spanish-American peoples, to little effect, indeed, if they have not discovered that those people have no comprehension of a spirit of concession and compromise, of generosity in government. It has been the evil fortune of the people of Porto Rico, until they came under the American flag, to have been ruled always by force. They never have taken a single step in the direction of more liberal government, except as the result of revolution or the threat of revolution. The Spanish Government never yielded anything or conceded anything that it had the power to refuse. The people have always, therefore, regarded any offer of concession or compromise as an evidence of weakness, and have pressed their advantage accordingly. That is the construction they would put upon this amendment if it were adopted. They would regard it as, in effect, an approval on the part of the Congress of the revolutionary method their legislature has pursued, and would come back next year with still more radical demands than they make now, backed up by still more revolutionary methods. There is only one way to deal with these people, and that is to let firmness go hand in hand with justice, letting them learn that the corner stone of republican institutions is orderly procedure under the law. [Applause on the Republican side.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri.

The question was taken, and the Chair announced the "noes" seemed to have it.

Mr. GARRETT. Mr. Chairman, I will ask for a division on that amendment.

The committee divided; and there were—ayes 61, noes 110.

So the amendment was rejected.

Mr. SLAYDEN. I desire to offer the following amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk began the reading of the amendment.

The CHAIRMAN. Does the gentleman from Texas understand that his amendment applies to section 1 of the bill?

Mr. SLAYDEN. No, Mr. Chairman; I thought the other amendment applied to section 2.

The CHAIRMAN. Section 1 of the bill has not yet been read.

Mr. SLAYDEN. Very well, Mr. Chairman, I will wait until section 1 is read.

The CHAIRMAN. The Clerk will read section 2.

Mr. HOBSON. Mr. Chairman, I offer an amendment to section 1.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 2, at the end of line 4, add:
"*Provided, however,* That when any regular session shall fail to make said appropriations an extraordinary session shall be called in the manner prescribed by law, for which extraordinary session there shall be not less than seven days' notice between the date of the calling and the date fixed for assembling, which date of assembly shall come not less than ten days prior to the beginning of the fiscal year for which said appropriations shall not have been made."

Mr. OLMSTED. Mr. Chairman, the gentleman from Alabama showed that amendment to me, and I stated to him that so far as I am personally concerned—I can not speak for anybody else—I had no serious objection if he will strike out the word "when" in "*Provided, however,* That when" and insert "if at any time after the year 1909." I can speak for no one except myself.

Mr. PAYNE. I desire to ask the gentleman from Pennsylvania what good end would be accomplished by this amendment requiring the expense of an extraordinary session of the legislature there to again perform and attempt to compromise on an appropriation bill? Why can not it be done just as well in the regular session as to have it by special session, called every time in an effort to get to some conclusion? Why not have a little good common sense about these things and not try to negotiate and all of that sort of thing in connection with legislation?

Mr. OLMSTED. Mr. Chairman, I will say if the appropriations are made in the regular sessions there will be no occasion for an extraordinary session, and the only effect of this would be to give them a little time to cool off after the regular session.

The CHAIRMAN. Without objection, the Clerk will again report the amendment as modified by the gentleman from Alabama at the suggestion of the gentleman from Pennsylvania.

There was no objection.

The Clerk read as follows:

On page 2, at the end of line 4, add:
"*Provided, however,* That if at any time after the year 1909 any regular session shall fail to make said appropriations an extraordinary session shall be called in the manner prescribed by law, for which extraordinary session there shall be not less than seven days' notice between the date of the calling and the date fixed for assembling, which date of assembly shall come not less than ten days prior to the beginning of the fiscal year for which said appropriations shall not have been made."

Mr. HOBSON. Mr. Chairman, I wish to state briefly the effect of this amendment. It leaves the bill itself in full effect for the purpose for which it is intended, namely, to insure funds necessary for carrying on the functions of government, but it provides a way by which the Porto Rican legislative assembly itself could pass upon the question, simplified, disassociated from all other questions, after the heat and passions of the closing days of the regular session have had time to subside and after the people of Porto Rico have had time to realize the gravity of the situation and to give expression to public opinion. It further insures ample time for deliberation after the assembling of the special session. Under these conditions it is practically certain that a proper appropriation bill would always be passed. In any case, it would insure putting the issue fairly and squarely to the legislative assembly and the people whether or not they will provide the funds necessary for government, and only when they deliberately refuse to make provision themselves would provision be made automatically without their consent.

When we bear in mind that the executive branch of the Porto Rican government is appointed from Washington, and is not elected by the people of the island, and that this executive branch comprises all the members of the upper house of the legislative branch, and that this upper house originates the appropriation bills, then it becomes clear that only in the last extremity, involving the continuance of the government, the maintenance of law and order, should the revenues be appropriated and applied without their consent.

At first sight it may appear that the regular sessions provide for a fair and square issue on the question, but upon investigation it will become clear that such is not the case in practice. Following the course of human nature, appropriation bills and other important bills are liable to be postponed till the closing days of a short session in any parliament; and, as a matter of fact, the most important of these bills, as a rule, are thus postponed. All regular sessions of the Porto Rican assembly are short sessions, and the report of the governor of Porto Rico states that the appropriation bill has always been left for the closing days, and at times for the closing hours, of the session.

It is complained that this is not best, and I agree with the Secretary of the Interior, who acted as umpire between the three members of the executive council sent to Washington by the governor and the three commissioners of the house of delegates sent by that body, that it is not proper to try to trade off a question of fundamental principle involved in providing or refusing to provide funds necessary for the very life of the government against any question or any number of questions not involving a fundamental principle; and I think one of the most unfortunate and deplorable matters of this whole controversy is brought out when the commissioners of the Porto Rican house of delegates informed the President, in reply to his wise and happy suggestion of a compromise, that they thought no agreement could be reached on the appropriation bill except in a trade for other measures that were in dispute between the two houses. In this statement I can not feel that the commissioners made an accurate estimate either of the house of delegates or of the people of Porto Rico, whom they represent.

But this reply shows clearly that human nature has its sway in the Porto Rican assembly as it has its sway in our Congress, and that it is natural and to be expected that appropriation bills will be postponed till the latter part of short sessions and will be used to trade with, will be used as levers to secure the passage of bills with no bearing upon appropriation bills that may be in dispute or that otherwise might not have the approval of one house or the other. Thus in practice it is to be expected that the closing hours of short sessions will at times be stormy and in the tumult adjournment may be forced before the passage of appropriation bills necessary for carrying on the government. This experience has been known in our own Congress. In such a contingency we have recourse to an extra session, and the Porto Ricans ought to have similar recourse to an extra session before the executive takes the funds from their treasury. The amendment provides for such recourse without impairing the full effect of the bill in absolutely guaranteeing funds for carrying on the government. How can any Member of this House object to such a just provision?

Some have assumed that recourse to an extra session has just been tried to no avail. Investigation will convince anyone that such is not the case. The extra session in question was a wretched travesty. The governor of Porto Rico in his report to

the Secretary of the Interior, copy of which is found on pages 6 and 7 of the report accompanying this bill, states that immediately upon adjournment at midnight Thursday, the 11th of March, he issued the call for the extra session, to convene at 10 o'clock the next morning, Friday, the 12th, and that upon the convening at this hour—

> I sent in a message which permitted them to consider those bills which the council and house appeared to desire most.

I quote his own words. Of course, the appropriation bill was included in "those bills." It is clear that at the outset no special question or issue was made by the governor of the appropriation bill; but that, on the contrary, he left it in the extra session where it was in the regular session—involved and interlocked with many bills in controversy being used for trading. The governor himself can not escape part responsibility for the deplorable scene that followed. He goes on to say:

> I also warned the legislature informally that a special session of Congress would convene on the 15th and that they must come to some settlement before that time, otherwise congressional action would be sought.

As Congress would be in session several months, at least, there was no justification in the governor giving the assembly any ultimatum whatsoever, and much less justification in giving them a loose and "informal" ultimatum covering many subjects, requiring them "to come to some settlement" before the 15th, with only two legislative days intervening. Nothing could have been better calculated to postpone or prevent an agreement than this untimely ultimatum. No wonder Monday afternoon found the assembly without any agreement. It was only then that the governor separated the appropriation bill from the other measures, and when he did so he again gave an ultimatum requiring the passage of the bill before midnight of the same day. What was the necessity for an ultimatum of any kind? As Congress would be in session several months, and as three and a half months remained before the expiration of the fiscal year, what great haste required the passage of the bill before midnight?

The governor gives the interrogatory cable from Mr. Winthrop asking whether the appropriation bill had been passed as the only ground for his action. He states that upon the receipt of this cablegram:

> I then verbally notified the leaders of both houses that unless the appropriation act was passed by midnight I should cable to Washington requesting congressional action.

It would baffle the imagination to conceive of anything more ill-timed than this senseless "verbal" ultimatum, given to men who are in the heat of passion.

The action of the governor made the passage of the appropriation bill humanly impossible. It all seems to have been by design. He states in his report that he anticipated trouble, but refrained from laying the situation before our Government, except in "personal" correspondence with Assistant Secretary Winthrop. He evidently did not wish the regular session of Congress to be informed; their action might have averted the trouble. He evidently did not wish the President to take early action. If an investigation had been made, such as the President subsequently suggested, the trouble might have been averted.

He states that he was "strongly opposed to the regular session of Congress taking any action, as there was an extra session pending," though he knew the session of the Porto Rican assembly would expire before the extra session of Congress convened. He anticipated and clearly desired the assembly's failing to pass the appropriation bill. He planned to call an extra session, stating, "I had intended to do this (call an extra session) in any case." * * * He then deliberately complicated the appropriation bill with the other bills and gave a series of unofficial ultimatums that made the passage of the appropriation bill impossible. The executive council cooperated with him and joined with alacrity to bring about adjournment, and its three members sent to Washington expressed satisfaction that there had been a failure to provide funds for carrying on the government. The governor has full power for calling extra sessions. He knew that funds would not be required before July 1; he knew that Congress could not take up Porto Rican matters for many weeks. Why did he not utilize part of this time in calling a proper extra session, such as is provided for in this amendment, and laying the appropriation bill, free from complications with other bills, fairly before the assembly and the people of Porto Rico? Why has he not given full official reports to this Government of conditions in Porto Rico? Why has he not given Congress, in whose name he made his threats to the house of delegates, a full and logical report of conditions and events, instead of confining himself to a pitiful recital of his personal outpouring to Mr. Winthrop? He has not sustained the charge he lays at the door of the house of delegates that they have struck a blow, or would strike a blow, at the foundation of government by refusing funds for the government's support. A disinterested examination of his own statement shows beyond any question of doubt that he himself is directly responsible for the present failure of passage of the appropriation bill. Furthermore, Mr. Chairman, a disinterested examination of the evidence before Congress shows beyond a doubt that no fair test has been made of the house of delegates or of the people of Porto Rico whether or not they would withhold from the government the funds necessary for its support. Such a fair test could not be made without a legitimate, reasonable extra session, with the appropriation bill alone before the assembly.

Mr. Chairman, I have an affection for the people whose destinies were left in our hands by the war with Spain. I have a peculiar affection for the people of Porto Rico. I took part in the bombardment of San Juan, when another flag was flying from the Morro. In the smoke of the bombardment my imagination pictured a day when the people of the island would look upon another flag and call it blessed. But it is not from unspoken pledges then registered in my mind nor from the affection I feel in my heart, but from a sense of justice that I now speak. A great wrong has been done the people of Porto Rico. There has been no fair trial upon which to base a judgment, the most serious that could be passed against any people, that they would strike at the foundation of government and overthrow law and order.

The President is a great jurist, and his recent Porto Rican message is a great state paper. On the whole, it is judicial in tone, but at times it becomes the argument of an advocate instead of the finding of a judge. Nowhere does he take exception to the precipitate and unbecoming action of the governor, nor to the provocation under which the house of delegates acted. The responsibility for failure to pass the appropriation bill he lays entirely upon the house of delegates. I would not exonerate the house of delegates, but it is only just to attach part of the blame to the governor and to the executive council.

In interpreting the failure to pass the appropriation bill, the President says:

> The house of delegates, as a coordinate branch of that assembly, shows itself willing and anxious to use such absolute power, not to support and maintain the government, but to render it helpless.

Mr. Chairman, this terrible judgment against the popular branch of the Porto Rican government and, through their representation, against the people of Porto Rico is unjust. Furthermore, it is absolutely unwarranted. Such a judgment could be justified only after the simplified issue had been put fairly and squarely before the assembly. This has never been done. Instead of bringing this about, the governor by his own action made it impossible. The stormy extra session was only a short extension of the deadlock of the regular session. Why did not the governor make the appropriation the only question for the extra session? Why did not the executive council and the governor keep it in session until it could get in position to accomplish the legitimate work of such a session? Who could expect any self-respecting legislators to comply with the unreasonable, arbitrary ultimatum of the governor, given in such an irregular way, when there was no clear and simple issue, and when more than three months remained in which the governor could call an extra session under reasonable conditions? There is still time for an extra session under proper conditions; but I expect to vote for the bill, because the first principle of government demands the providing of funds, and under the existing form of government, in which the executive branch is so mixed up in the legislative branch, a failure to make such provision can be brought about by the governor or executive council or the house of delegates, or by all of them in conjunction, as in the present case; but I hope the bill will be amended as provided for in this amendment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOBSON. Mr. Chairman, I ask leave to extend my remarks.

The CHAIRMAN. Is there objection? The Chair hears none.

Mr. HOBSON. I ask this extension, Mr. Chairman, because I look upon this question as one of great importance, not only as bearing upon the efficiency of government in Porto Rico, but as affecting the general colonial policy of America. We have reached a new period in the history of our country, where responsibilities of a new kind have come upon us, responsibilities which we can not evade.

An examination of history will show that no great nation has ever yet escaped colonial responsibilities. We need not hope to escape. Colonial problems have always been the most diffi-

cult problems of government. The colonial policies of the world have reflected the stage of social evolution, and the colonial policies of a nation are a fair index of its progress in civilization. As a rule, colonies grow with a nation's growth, and colonial problems develop slowly; but with America colonial problems, full-fledged, have come upon us all at once, and we are called upon to find their solution without any experience to guide us. Furthermore, these difficult problems are but part of the great world problems that are now looming large in front of America's path. Heretofore our country has been passing through the unconscious and naturally selfish period of youth, meeting, as we have done successfully, the problems attending a great internal development. Now we are entering upon the period of manhood, where we must proceed consciously to do our unquestionably large part of the work of solving the world problems of mankind. It is high time that we should pause, when such questions as the present one are up, to consider the true principles that should be the basis of our relations with the outside world.

For the corner stone we must be just. For the next stone we must be of service. In seeking benefits we must confer benefits. I believe our wisest foreign policy for the greatest good to America is the policy that would render most service to the world as a whole. The true policy to get most benefit from any people is to help that people most.

In our relations with those peoples whom fate has committed to our charge the guiding principle is to seek always the highest good of those peoples themselves, even at apparent sacrifice on our part. The highest good calls not only for an efficient government, but also for the political development of the people themselves. Therefore our policy should be such as to insure the fundaments of good government, but at the same time to have the exercise of the functions of government given over in ever-increasing measure to the people themselves, allowing full scope for these peoples to make political mistakes, though not fatal mistakes. As in all other departments of human endeavor, the greatest progress comes from mistakes corrected. The people should have a chance to make mistakes. Mr. Bryan enunciated a great principle when he said: "The people have a right to make mistakes."

Following these principles, I believe this bill should pass to insure the funds necessary for any government, but that it should pass with the pending amendment to leave the provision of the funds, if possible, to the people of the island. Now, I believe measures should be taken looking toward a progressive increase rather than a decrease in the part that the people of Porto Rico play in all departments of government—legislative, judicial, and executive.

I thought that my amendment was acceptable to the other side of this Chamber, and have investigated and found that this side is favorable to it and, by indication of a large consensus, favorable to the bill as it would then be amended. But from remarks of the gentleman from New York it would appear that a different intention has suddenly developed on the other side. If this is the case, the greater is the pity, for the amendment leaves the bill in full effect to accomplish all the objects for which it was intended and at the same time calls upon the people of Porto Rico to settle the question themselves as a happier solution. It seems to me, therefore, that there should be no political lines drawn and that the amendment should be passed without division of the vote.

Mr. PAYNE. I hope this amendment will be voted down, Mr. Chairman. The bill is a plain proposition. To allow such an amendment as this to be incorporated in it would encourage those people to repeat the refusal to pass bills. The effect of this amendment is simply a notification to them that if the executive council would not agree to their propositions, they could hold out for their contention in the next legislature, not only in the regular but in extra session. It would make additional expense to the government down there. It answers no good purpose. The bill in itself is simple, and it provides that in the contingency that the Porto Rican people fail in their duty to make appropriations, then simply become available the appropriations of the preceding year—appropriations that have been passed on by the same people and by the same legislature. Therefore I hope the amendment will be voted down.

Mr. DOUGLAS. Mr. Chairman, I wish to add one word to the suggestion of the gentleman from New York, and that is an important one, as it seems to me. That suggestion is that this measure is substantially a copy of the same rule that we have in Hawaii and in the Philippines.

Mr. PAYNE. Certainly.

Mr. DOUGLAS. If we make any change for Porto Rico, they will be coming here demanding that it be changed for the Philippines and Hawaii. I see no good reason why the amendment should be adopted, and I certainly regret that the gentleman from Pennsylvania has intimated a willingness to have it adopted. I sincerely hope it will not be agreed to.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Alabama.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 2. That all reports required by law to be made by the governor or members of the executive council of Porto Rico to any official in the United States shall hereafter be made to an executive department of the Government of the United States to be designated by the President; and the President is hereby authorized to place all matters pertaining to the government of Porto Rico in the jurisdiction of such department.

Mr. SLAYDEN. Mr. Chairman, now I ask to have my amendment read and considered.

The Clerk read as follows:

Amend by adding after line 12, page 2, as follows:

"SEC. 3. That a special committee of 11, 7 of whom shall be Members of the House of Representatives, to be selected by the Speaker, and 4 of whom shall be Members of the Senate, to be chosen by the President of the Senate, be authorized and directed to investigate, in the island, by public hearings and otherwise, the political and economic conditions in the island of Porto Rico and to report to the Sixty-first Congress not later than February 1, 1910, what, if any, changes should be made in the act of April 12, 1900, and amendments thereto.

"That $10,000, or so much thereof as may be necessary, be, and is hereby, appropriated out of any money in the Treasury not otherwise appropriated to pay the expenses of the committee while engaged in such investigation."

Mr. OLMSTED. Mr. Chairman, I make the point of order that the amendment is not germane to the bill.

Mr. SLAYDEN. On that point of order I would like to be heard for a moment.

The CHAIRMAN. The Chair would be very glad to hear the gentleman from Texas.

Mr. SLAYDEN. Mr. Chairman, the purpose of this bill is to cure certain political conditions alleged to exist in the island of Porto Rico. The purpose of the amendment is also to cure certain political conditions that have been alleged to exist in the island of Porto Rico. The bill that the gentleman from Pennsylvania presents proposes to make an appropriation by general act of this Congress for the government down there. This amendment that I offer, and to which I hardly expected any opposition, proposes that we shall be so considerate of the people of that island as to send a committee of gentlemen down there, commissioned to hear their complaints, and if there be a reasonable basis for them, to come back to Congress with the recommendation that there be a general law to correct those conditions. What possible objection can be urged to that amendment per se I fail to understand. I believe that the amendment is germane both to the spirit and the letter of the act we are considering, and, therefore, venture to express the opinion that the point of order is not well taken.

Mr. OLMSTED. Mr. Chairman, this bill proposes to amend an act entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes." There is no other purpose or object expressed or carried in the bill.

Mr. SLAYDEN. Will the gentleman allow me to ask him a question?

Mr. OLMSTED. Certainly.

Mr. SLAYDEN. Does not the amendment I have offered go to the same end, the correction of the Foraker Act?

Mr. OLMSTED. I do not think so. It provides for the appointment of a special committee.

Mr. SLAYDEN. Specifically commissioned to report back what further amendments to that act are necessary.

Mr. OLMSTED. This is a bill to amend the Foraker Act. The amendment proposes to appoint a committee, and appropriate moneys to defray the expenses of a committee to ascertain whether some further amendments may be necessary. There is nothing of that kind in this bill. This bill is reported from the Ways and Means Committee. I suppose that is on account of the provision regarding revenue. I was unable to hear how the $10,000 proposed by the gentleman from Texas is to be payable; but if payable out of the United States Treasury, such a proposition should go to the Committee on Appropriations; if out of the contingent fund of the House, it would have to go to the Committee on Accounts. It seems to me it hardly needs argument that such a separate and distinct proposition for the appointment of a committee of the House and Senate and appropriating money for the expenses of that committee can not be germane to anything found in this bill.

Mr. SLAYDEN. Mr. Chairman, the second clause of the amendment that I have offered, making an appropriation to pay the expenses for such an investigation, originated in a suggestion made to me by a Member of this House. It would not have been put into the amendment except for his suggestion, and was not put into it as originally drawn. I would be de-

lighted to have the privilege of striking out that part of the amendment providing for the payment of the expenses of the committee of investigation and letting the amendment as offered cover only the first paragraph, providing for the appointment of a committee.

The CHAIRMAN. The gentleman from Texas [Mr. SLAYDEN] proposes an amendment, to which the gentleman from Pennsylvania [Mr. OLMSTED] raises the objection that it is not germane. The proposition of the gentleman from Texas is to provide by statute for a committee of investigation. Section 2 of the bill, to which the amendment is offered, provides for the submission of reports to an executive department to be designated by the President. It seems to the Chair that the proposition of the gentleman from Texas is not germane to section 2 of the bill. Therefore the Chair sustains the point of order.

Mr. OLMSTED. I move that the committee do now rise and report the bill and amendments to the House with a favorable recommendation.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. TOWNSEND, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 9541) to amend an act entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900, and had directed him to report the same back to the House with sundry amendments, and with the recommendation that as amended the bill do pass.

Mr. OLMSTED. I demand the previous question upon the bill and amendments to the final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded upon any amendment? If not, the vote will be taken upon the amendments en bloc.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. OLMSTED, a motion to reconsider the last vote was laid on the table.

MESSAGES FROM THE PRESIDENT OF THE UNITED STATES.

Sundry messages, in writing, from the President of the United States were communicated to the House of Representatives by Mr. Latta, one of his secretaries.

REPORT OF PROVISIONAL GOVERNOR OF CUBA.

The SPEAKER laid before the House the following message from the President of the United States (S. Doc. No. 80), which was read, referred to the Committee on Foreign Affairs, and ordered to be printed:

To the Senate and House of Representatives:

I have the honor to transmit herewith a communication from the Acting Secretary of War, under date of May 8, submitting the report, with accompanying exhibits, of Hon. Charles E. Magoon, provisional governor of Cuba, for the period from December 1, 1908, to January 28, 1909, when the provisional government was terminated and the island again turned over to the Cubans. I recommend, in accordance with the suggestion of the Acting Secretary of War, that this report and the exhibits be printed.

I think it only proper to take this opportunity to say that the administration by Governor Magoon of the Government of Cuba from 1906 to 1909 involved the disposition and settlement of many very difficult questions, and required on his part the exercise of ability and tact of the highest order. It gives me much pleasure to note, in this public record, the credit due to Governor Magoon for his distinguished service.

The army of Cuban pacification, under Major-General Barry, was of the utmost assistance in the preservation of the peace of the island and the maintenance of law and order, without the slightest friction with the inhabitants of the island, although the army was widely distributed through the six Provinces and came into close contact with the people.

The administration of Governor Magoon and the laws recommended by the advisory commission, with Colonel Crowder, of the Judge-Advocate-General's Corps, at its head, and put into force by the governor, have greatly facilitated the progress of good government in Cuba. At a fair election held under the advisory commission's new election law, General Gomez was chosen President, and he has begun his administration under good auspices. I am glad to express the hope that the new Government will grow in strength and self-sustaining capacity under the provisions of the Cuban constitution.

WM. H. TAFT.

THE WHITE HOUSE, *June 5, 1909.*

TELEPHONE SYSTEM IN PORTO RICO.

The SPEAKER also laid before the House the following message from the President of the United States (S. Doc. No. 82), which was read, referred to the Committee on Insular Affairs, and ordered printed:

To the Senate and House of Representatives:

In accordance with the provisions of section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stat., 84), and section 2 of a joint resolution amending said act, approved May 1, 1900 (31 Stat., 716), I have the honor to transmit herewith copy of an ordinance passed by the executive council of Porto Rico May 20, 1909, entitled "An ordinance repealing an ordinance entitled 'An ordinance granting to Juan Bertran the right to construct, maintain, and operate a system of long-distance telephone lines between the playa of Yabucoa and the playa of Naguabo and their intervening towns and cities, together with local telephone systems in certain of said towns and local stations at other points.' "

WM. H. TAFT.

THE WHITE HOUSE, *June 7, 1909.*

PORTO RICO POWER AND LIGHT COMPANY.

The SPEAKER also laid before the House the following message from the President of the United States (S. Doc. No. 83), which was read, referred to the Committee on Insular Affairs, and ordered printed:

To the Senate and House of Representatives:

In accordance with the provisions of section 32 of an act of Congress entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900 (31 Stat., 84), I have the honor to transmit herewith for the consideration of the Congress certified copy of a franchise granted by the executive council of Porto Rico May 19, 1909, entitled "An ordinance amending an ordinance entitled 'A franchise granting to the Porto Rico Power and Light Company, its successors and assigns, the right to develop the water power known as "Comerio Falls," situated on La Plata River, for the generation of electrical energy, and to build, construct, erect, and maintain lines of wires for transmitting and distributing electrical energy for commercial and industrial purposes,' " approved by the governor May 24, 1909.

WM. H. TAFT.

THE WHITE HOUSE, *June 7, 1909.*

ADJOURNMENT.

Mr. PAYNE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly the House (at 3 o'clock and 5 minutes p. m.), under its previous order, adjourned until Thursday next at 12 o'clock noon.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. WICKERSHAM: A bill (H. R. 10418) to create a legislative assembly in the Territory of Alaska, to confer legislative power thereon, and for other purposes—to the Committee on the Territories.

By Mr. AUSTIN: A bill (H. R. 10419) to extend the franking privilege to the officers of the national guard and naval militia—to the Committee on the Post-Office and Post-Roads.

By Mr. MURPHY: A bill (H. R. 10420) extending the provisions of the bounty-land law of March 3, 1855, to persons who served in the Fifteenth and Sixteenth Regiments of the United States Volunteer Veterans—to the Committee on the Public Lands.

By Mr. GILLETT: A bill (H. R. 10421) to facilitate the use for manufacturing purposes of square No. 328 in the city of Washington, as authorized in the act of Congress of February 1, 1907—to the Committee on the District of Columbia.

By Mr. SPARKMAN: A bill (H. R. 10422) to provide for site and public building at Bartow, Fla.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10423) to provide for a site and public building at Lakeland, Fla.—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10424) authorizing and directing the Adjutant-General of the United States Army to furnish to the adjutant-general of the State of Florida copies of the muster rolls of certain military organizations filed or deposited in the

War Department or other departments of the Government—to the Committee on Military Affairs.

Also, a bill (H. R. 10425) authorizing the State of Florida to make an efficient survey of all unsurveyed lands patented by the United States to the State of Florida—to the Committee on the Public Lands.

Also, a bill (H. R. 10426) for the purchase of additional land for garrison purposes adjacent to the military reservation of Fort Taylor, Key West, Fla.—to the Committee on Appropriations.

Also, a bill (H. R. 10427) prescribing the boundaries of the northern and southern judicial districts of the State of Florida—to the Committee on the Judiciary.

Also, a bill (H. R. 10428) to extend the provisions of the existing bounty-land laws to the officers and enlisted men, and the officers and men of the boat companies, of the Florida Seminole Indian war—to the Committee on the Public Lands.

Also, a bill (H. R. 10429) to extend the franking privilege to literature published by boards of health of States, Territories, and municipalities in the United States—to the Committee on the Post-Office and Post-Roads.

Also, a bill (H. R. 10430) to authorize the establishment of a marine biological station on the Gulf coast of the State of Florida—to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 10431) for the establishment of a fish-cultural station in the State of Florida—to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 10432) in relation to claims arising under the provisions of the captured and abandoned property acts, and for other purposes, and to amend and revive the same—to the Committee on War Claims.

Also, a bill (H. R. 10433) to authorize the establishment of free public schools upon United States naval reservations—to the Committee on Naval Affairs.

Also, a bill (H. R. 10434) for the relief of certain surgeons in the Philippine service—to the Committee on Claims.

By Mr. RODENBERG: A bill (H. R. 10435) providing for participation in the universal and international exhibition to be held at Brussels in 1910—to the Committee on Foreign Affairs.

By Mr. HULL of Tennessee: Resolution (H. Res. 72) requesting the President to transmit to the House of Representatives copies of all correspondence and papers received from foreign governments pertaining to wages or manufactures—to the Committee on Ways and Means.

By Mr. TAWNEY: Resolution (H. Res. 73) for the relief of Mrs. Lauritz Olsen and to pay funeral expenses of Lauritz Olsen—to the Committee on Accounts.

By Mr. FITZGERALD: Resolution (H. Res. 74) of inquiry relative to appropriations for river and harbor improvements—to the Committee on Appropriations.

By Mr. RODENBERG: Concurrent resolution (H. C. Res. 17) accepting invitation to attend Alaska-Yukon-Pacific Exposition, authorizing the appointment of a committee, and making an appropriation to defray expenses of same—to the Committee on Industrial Arts and Expositions.

By Mr. COOPER of Wisconsin: A memorial of the legislature of Wisconsin, asking the cooperation of the Government in the work of road improvement—to the Committee on Agriculture.

Also, a memorial of the legislature of Wisconsin, asking Congress to enact legislation to prohibit railroads from increasing their rates except upon notice—to the Committee on Interstate and Foreign Commerce.

By Mr. ESCH: A memorial of the legislature of Wisconsin, relating to coolie and Mongolian labor—to the Committee on Foreign Affairs.

Also, a memorial of the legislature of Wisconsin, petitioning Congress for the establishment of a permanent nonpartisan expert tariff commission—to the Committee on Ways and Means.

Also, a memorial of the legislature of Wisconsin, in regard to international peace—to the Committee on Foreign Affairs.

Also, a memorial of the legislature of Wisconsin, indorsing United States Senate bill No. 8323—to the Committee on Expenses of the Interior Department.

Also, a memorial of the legislature of Wisconsin, asking Congress to enact a law to prohibit railroads from increasing their rates and charges except upon notice—to the Committee on Interstate and Foreign Commerce.

Also, a memorial of the legislature of Wisconsin, relating to federal cooperation in the work of road improvement—to the Committee on Agriculture.

By Mr. CARY: A memorial of the legislature of Wisconsin, asking Congress to enact legislation creating a National Highways Commission, etc.—to the Committee on Agriculture.

Also, a memorial of the legislature of Wisconsin, asking Congress to enact a law to prohibit railroads from increasing their rates and charges except upon notice—to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. AIKEN: A bill (H. R. 10436) granting a pension to Hester J. Wilson—to the Committee on Pensions.

By Mr. ASHBROOK: A bill (H. R. 10437) granting an increase of pension to Orrin B. Thompson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10438) granting an increase of pension to Ebon Van Kirk—to the Committee on Invalid Pensions.

By Mr. AUSTIN: A bill (H. R. 10439) for the relief of David J. Collins—to the Committee on Military Affairs.

By Mr. BATES: A bill (H. R. 10440) granting an increase of pension to Charles R. Gray—to the Committee on Invalid Pensions.

By Mr. BENNET of New York: A bill (H. R. 10441) granting a pension to Morris J. Lovey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10442) granting a pension to Charles F. Winans—to the Committee on Invalid Pensions.

By Mr. BOEHNE: A bill (H. R. 10443) granting a pension to Charles C. Meckel—to the Committee on Pensions.

Also, a bill (H. R. 10444) granting a pension to Frances E. Carr—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10445) granting an increase of pension to Jeremiah Painter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10446) granting an increase of pension to Amos Martin—to the Committee on Invalid Pensions.

By Mr. CAMERON: A bill (H. R. 10447) granting a pension to Samuel T. Ferrier—to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 10448) granting an increase of pension to Thomas Boggess—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10449) granting an increase of pension to Zachariah Jewell—to the Committee on Invalid Pensions.

By Mr. CRUMPACKER: A bill (H. R. 10450) granting an increase of pension to Carlton Routzahn—to the Committee on Invalid Pensions.

By Mr. CULLOP: A bill (H. R. 10451) granting a pension to Samuel B. Ridgway—to the Committee on Invalid Pensions.

By Mr. DIXON of Indiana: A bill (H. R. 10452) granting an increase of pension to Isaac Higgins—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10453) granting an increase of pension to Willis H. Ryker—to the Committee on Invalid Pensions.

By Mr. EDWARDS of Kentucky: A bill (H. R. 10454) for the relief of James T. Warden—to the Committee on Military Affairs.

Also, a bill (H. R. 10455) for the relief of Francis A. Taylor—to the Committee on Military Affairs.

Also, a bill (H. R. 10456) for the relief of Amasa Hodge—to the Committee on Military Affairs.

Also, a bill (H. R. 10457) for the relief of Allison Wilson—to the Committee on Military Affairs.

Also, a bill (H. R. 10458) for the relief of Elijah Crabtree—to the Committee on Military Affairs.

Also, a bill (H. R. 10459) for the relief of James Brock—to the Committee on Military Affairs.

Also, a bill (H. R. 10460) for the relief of the New South Brewing and Ice Company—to the Committee on Claims.

Also, a bill (H. R. 10461) for the relief of P. H. Bridgewater—to the Committee on War Claims.

Also, a bill (H. R. 10462) for the relief of W. F. Tomlinson, administrator of Samuel Tomlinson, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10463) for the relief of the estate of Solomon Jones, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10464) for the relief of the heirs of James Brandenburgh, deceased, of Buck Creek, Owsley County, Ky.—to the Committee on War Claims.

Also, a bill (H. R. 10465) granting a pension to Robert Stivers—to the Committee on Pensions.

Also, a bill (H. R. 10466) granting a pension to Nimrod Nelson—to the Committee on Pensions.

Also, a bill (H. R. 10467) granting a pension to John Nelson—to the Committee on Pensions.

Also, a bill (H. R. 10468) granting a pension to Sarah F. Hatter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10469) granting a pension to Nancy A. Baker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10470) granting a pension to Margaret Nelson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10471) granting a pension to Henry Rutherford—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10472) granting a pension to Thomas Burchett—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10473) granting a pension to Elizabeth Pheity—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10474) granting a pension to Asa Harper—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10475) granting an increase of pension to Richard Hadley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10476) granting an increase of pension to Serena Johnson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10477) granting an increase of pension to McKager Lawhorn—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10478) granting an increase of pension to William T. Belk—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10479) granting an increase of pension to London C. Miller—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10480) granting an increase of pension to Sarah Davidson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10481) granting an increase of pension to James McKelvey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10482) granting an increase of pension to John Hicks—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10483) granting an increase of pension to William T. Francis—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10484) granting an increase of pension to Samuel L. Brammer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10485) granting an increase of pension to Jasper Willis—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10486) granting an increase of pension to Zachariah T. Anderson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10487) granting an increase of pension to Perry T. Pollard—to the Committee on Invalid Pensions.

By Mr. FLOYD of Arkansas: A bill (H. R. 10488) granting a pension to John H. Gray—to the Committee on Pensions.

Also, a bill (H. R. 10489) granting a pension to Miles Harriman—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10490) granting a pension to Cyntha R. McMurry—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10491) granting an increase of pension to William Sturgeon, now known as William Patton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10492) granting an increase of pension to Benjamin McFarland—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10493) granting an increase of pension to W. R. Gabbard—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10494) granting an increase of pension to John M. Hulick—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10495) granting an increase of pension to Sylvester Bryant—to the Committee on Invalid Pensions.

By Mr. FOELKER: A bill (H. R. 10496) granting an increase of pension to Morris Greenfield—to the Committee on Invalid Pensions.

By Mr. FORNES: A bill (H. R. 10497) granting a pension to Ella Bernhard—to the Committee on Invalid Pensions.

By Mr. GARDNER of Michigan: A bill (H. R. 10498) granting an increase of pension to Mathias R. Zahniser—to the Committee on Invalid Pensions.

By Mr. GILLETT: A bill (H. R. 10499) granting a pension to Frank J. Kendrew—to the Committee on Pensions.

Also, a bill (H. R. 10500) granting a pension to Lilly B. Parkhurst—to the Committee on Pensions.

Also, a bill (H. R. 10501) granting an increase of pension to Nahan E. Harvey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10502) granting an increase of pension to Isadore L. Gaboury—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10503) granting an increase of pension to Monroe Snow—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10504) granting an increase of pension to William H. Bigelow—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10505) granting an increase of pension to Dwight N. Wright—to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 10506) granting an increase of pension to Charles A. Overton—to the Committee on Pensions.

Also, a bill (H. R. 10507) granting an increase of pension to Franz Nibler—to the Committee on Invalid Pensions.

By Mr. HUGHES of West Virginia: A bill (H. R. 10508) granting an increase of pension to F. L. Hersey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10509) granting an increase of pension to William Thornton—to the Committee on Invalid Pensions.

By Mr. HULL of Iowa: A bill (H. R. 10510) granting an increase of pension to Andrew J. Chalmers—to the Committee on Invalid Pensions.

By Mr. JOHNSON of Ohio: A bill (H. R. 10511) granting a pension to Alice V. Keeler—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10512) granting a pension to Peter Lunsford—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10513) granting a pension to John W. Washburn—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10514) granting an increase of pension to Andrew J. Oiler—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10515) granting an increase of pension to Robert J. Walker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10516) granting an increase of pension to Benjamin F. Johnson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10517) granting an increase of pension to Griffin Chavers—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10518) granting an increase of pension to Benjamin F. Anson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10519) granting an increase of pension to William Stokley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10520) granting an increase of pension to William Pine—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10521) granting an increase of pension to Calvin Roberts—to the Committe on Invalid Pensions.

Also, a bill (H. R. 10522) granting an increase of pension to Martin Howe—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10523) granting an increase of pension to Jesse Corn—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10524) granting an increase of pension to Elijah Hill—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10525) granting an increase of pension to Henry H. Clear—to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 10526) granting an increase of pension to George Henderson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10527) granting an increase of pension to John L. Bailey—to the Committee on Invalid Pensions.

By Mr. LAFEAN: A bill (H. R. 10528) to carry into effect the findings of the Court of Claims in the matter of the claim of Milton S. Johnson, assignee of Jacob Johnson, deceased—to the Committee on War Claims.

By Mr. McCALL: A bill (H. R. 10529) to amend the military record of William R. Boag—to the Committee on Military Affairs.

Also, a bill (H. R. 10530) granting an increase of pension to Michael Brady—to the Committee on Invalid Pensions.

By Mr. McGUIRE of Oklahoma: A bill (H. R. 10531) granting an increase of pension to William Kelley—to the Committee on Pensions.

Also, a bill (H. R. 10532) granting an increase of pension to Richard J. Gilbert—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10533) granting an increase of pension to Doctor S. Haddon—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10534) granting an increase of pension to Thomas J. Gilbert—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10535) granting an increase of pension to William A. Smith—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10536) granting an increase of pension to John W. Rickards—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10537) granting an increase of pension to Samantha E. Merrick—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10538) granting an increase of pension to James H. Rodman—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10539) granting an increase of pension to Jacob Reed—to the Committee on Invalid Pensions.

By Mr. MACON: A bill (H. R. 10540) granting a pension to America E. Hatley—to the Committee on Invalid Pensions.

By Mr. MORGAN of Missouri: A bill (H. R. 10541) granting an increase of pension to Seneca L. Everts—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10542) granting an increase of pension to Andrew M. Cage—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10543) granting an increase of pension to John P. Baker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10544) granting an increase of pension to James A. Palmer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10545) granting an increase of pension to John W. Cole—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10546) granting an increase of pension to Martin V. Welsh—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10547) granting an increase of pension to John A. Maples—to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 10548) granting an increase of pension to Joseph S. Olscamp—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10549) granting an increase of pension to James A. Whitworth—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10550) granting an increase of pension to Edward Holder—to the Committee on Invalid Pensions.

By Mr. PARSONS: A bill (H. R. 10551) for the relief of the owners of the steamship *Esparta*—to the Committee on Claims.

By Mr. PATTERSON: A bill (H. R. 10552) granting a pension to Claude M. Crawford—to the Committee on Pensions.

By Mr. RUCKER of Colorado: A bill (H. R. 10553) for the correction of the naval record of Samuel Charles Hampton—to the Committee on Naval Affairs.

By Mr. SPARKMAN: A bill (H. R. 10554) for the relief of James D. Butler—to the Committee on War Claims.

Also, a bill (H. R. 10555) for the relief of D. F. Duckwall—to the Committee on War Claims.

Also, a bill (H. R. 10556) for the relief of Adam L. Eichelberger—to the Committee on War Claims.

Also, a bill (H. R. 10557) for the relief of William J. Hays—to the Committee on War Claims.

Also, a bill (H. R. 10558) for the relief of J. S. Huron—to the Committee on War Claims.

Also, a bill (H. R. 10559) for the relief of George A. Williams—to the Committee on War Claims.

Also, a bill (H. R. 10560) for the relief of Duncan G. Malloy—to the Committee on the Public Lands.

Also, a bill (H. R. 10561) for the relief of the heirs of J. L. F. Cottrell, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10562) for the relief of Jacob H. May—to the Committee on War Claims.

Also, a bill (H. R. 10563) for the relief of Richard F. Ensey—to the Committee on Claims.

Also, a bill (H. R. 10564) for the relief of Robert B. Watson—to the Committee on Claims.

Also, a bill (H. R. 10565) for the relief of the city of Key West, Fla.—to the Committee on Claims.

Also, a bill (H. R. 10566) to permit Richard H. Whitehead, of Manatee County, Fla., to purchase certain lands herein mentioned—to the Committee on the Public Lands.

Also, a bill (H. R. 10567) for the relief of William M. Helveston and others—to the Committee on Military Affairs.

By Mr. SULLOWAY: A bill (H. R. 10568) granting a pension to Eugene Bourassa—to the Committee on Pensions.

By Mr. THOMAS of Kentucky: A bill (H. R. 10569) for the relief of Josiah Morris—to the Committee on War Claims.

Also, a bill (H. R. 10570) for the relief of J. D. Campfield—to the Committee on War Claims.

Also, a bill (H. R. 10571) granting a pension to John Wesley Newman—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10572) granting an increase of pension to James Butler—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10573) to remove the charge of desertion from the military record of Joseph Dobson—to the Committee on Military Affairs.

By Mr. WICKERSHAM: A bill (H. R. 10574) granting an increase of pension to Edward G. Cannon—to the Committee on Invalid Pensions.

By Mr. YOUNG of New York: A bill (H. R. 10575) granting a pension to Mary T. Austin—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ANDREWS: Petition by business men of Roswell, Chaves County, N. Mex.; Clovis, Curry County, N. Mex.; Artesia, Eddy County, N. Mex.; Portales, Roosevelt County, N. Mex.; and Carlsbad, Eddy County, N. Mex., praying Congress to take unfavorable action on any parcels-post legislation offered—to the Committee on the Post-Office and Post-Roads.

By Mr. BEALL of Texas: Petition of citizens of Meridian, Tex., against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. BENNET of New York: Paper to accompany bill for relief of Charles T. Wynans and Morris J. Lovey—to the Committee on Invalid Pensions.

By Mr. BURKE of South Dakota: Petition of Western South Dakota Stock Growers' Association, favoring reciprocity with various foreign countries relative to cattle products—to the Committee on Ways and Means.

By Mr. CLINE: Petition of Fort Wayne Perfection Company and 125 others, for reduction of duty on wheat—to the Committee on Ways and Means.

By Mr. CONRY: Petition of New Idea Publishing Company, of New York City, for free pulp; also New York Produce Exchange, New York City, for reduction of all duties; F. D. Matt & Co., New York City, against free tea; Keasby & Matteson, Ambler, Pa., for reduction of duty on carbonate of magnesia; Derbrow & Hearne Manufacturing Company, favoring exemption of embroidery machines and needles, etc.; Commercial Exchange of Philadelphia, Pa., favoring reciprocity; E. and J. Burke, New York City, favoring free malts; Scandinavian Canadian Land Company, favoring automatic tariff revision; New York League of Saving and Loan Associations, New York City, favoring reduction of duty on raw materials; L. J. Callahan, New York City, for a duty on tea; Amalgamated Woodworkers of America, against reduction of duty on lumber; Cincinnati Boot and Shoe Association, favoring free hides; New York Produce Exchange, New York City, against duty on cabbage—to the Committee on Ways and Means.

Also, petition of American Forestry Association, favoring Appalachian Forest Reserve—to the Committee on Agriculture.

By Mr. COOK: Petition of American Forestry Association, favoring an Appalachian Forest Reservation—to the Committee on Agriculture.

By Mr. DANIEL A. DRISCOLL: Petitions of Amalgamated Woodworkers' International Union of America and Commercial Exchange of Philadelphia, Pa., favoring reciprocity; Wholesale Merchants' Association of New York, against statement that large establishments are maintained abroad by American merchants; and National Gem Company, of New York, relative to duty on gems—to the Committee on Ways and Means.

By Mr. MICHAEL E. DRISCOLL: Petition of Forestry Association, favoring Appalachian Forestry Reserve—to the Committee on Agriculture.

By Mr. ESCH: Petition of Wisconsin Natural History Association, favoring free lumber—to the Committee on Ways and Means.

Also, petitions of citizens of Wisconsin, against a duty on tea and for removal of duty from raw and refined sugars, and of the common council of Eau Claire, Wis., against reduction of duty on print paper—to the Committee on Ways and Means.

By Mr. FITZGERALD: Petition of American Federation of Arts, favoring plan for systematic development of city of Washington—to the Committee on the District of Columbia.

Also, petition of Federation of Fine Arts, for creation of a bureau of fine arts—to the Committee on the Library.

Also, petition of New York City Federation of Women's Clubs, protesting against conditions in Armenia—to the Committee on Foreign Affairs.

Also, petition of Leavy & Britton Brewing Company, Brooklyn, N. Y., for removal of duty on Canadian barley—to the Committee on Ways and Means.

By Mr. FLOYD of Arkansas: Paper to accompany bill for relief of William Sturgeon, alias William Patton; Benjamin McFarland, Miles Harriman, W. R. Gabbard, Cynthia J. McMurray, John M. Hulick, and Silvester Bryout—to the Committee on Invalid Pensions.

By Mr. FORNES: Petition of New York citizens, favoring abrogation of extradition treaty of 1893 with Russia—to the Committee on Foreign Affairs.

Also, petitions of Wholesale Merchants' Association, New York, denying statement that mercantile establishments are maintained in Germany by American merchants; also, Jewelers' Board of Trade of New York, favoring tariff commission; Commercial Exchange of Philadelphia, Pa., favoring reciprocity; American Newspaper Publishers' Association, New York, favoring free pulp; International Gem Association of New York, for moderate duty on gems and precious stones; and New York Produce Exchange, for placing life necessities on free list—to the Committee on Ways and Means.

By Mr. FULLER: Petition of Local Branch No. 169, Rockford, Ill., of International Brotherhood of Stationary Firemen, for tariff on wood pulp and print paper—to the Committee on Ways and Means.

Also, petition of American Forestry Association, for Appalachian Forest Reservation—to the Committee on Agriculture.

Also, petition of J. O. Sharer, of Rockford, Ill., against a tax on tea and coffee, and William Demuth & Co., New York, against a tariff on brier wood—to the Committee on Ways and Means.

Also, petition of Roslyn Fuel Company, Seattle, Wash., against removal of duty on coal—to the Committee on Ways and Means.

Also, petition of the Alter Light Company, of Chicago, Ill., for reduction of duty on thorium nitrate and for increase of duty on gas mantles—to the Committee on Ways and Means.

Also, petition of National Association of Hosiery and Underwear Manufacturers, for increased protection on hosiery—to the Committee on Ways and Means.

By Mr. GOULDEN: Petition of American Forestry Association, favoring an Appalachian forest reservation—to the Committee on Agriculture.

Also, petition of International Association of New York, favoring duty on gems—to the Committee on Ways and Means.

Also, petition of National Association of Lithographers, for a duty on all lithographic products—to the Committee on Ways and Means.

By Mr. HARDWICK: Paper to accompany bill for relief of Delilia McGuire—to the Committee on Invalid Pensions.

Also, paper to accompany bill for relief of Mary L. Walker—to the Committee on Pensions.

By Mr. HOLLINGSWORTH: Petition of J. S. McCready Post, No. 456, Department of Ohio, Grand Army of the Republic, against engraving picture of Jefferson Davis on silver service of the battle ship *Mississippi*—to the Committee on Naval Affairs.

By Mr. JOHNSON of Ohio: Paper to accompany bill for relief of Ellen Leach, widow of Robert A. Leach—to the Committee on Invalid Pensions.

By Mr. LINDBERGH: Petition from the business men of Brooten, Minn.; Evansville, Minn.; Browerville, Minn.; and Eagle Bend, Minn., protesting against the enactment of a parcels-post law by Congress—to the Committee on the Post-Office and Post-Roads.

By Mr. MARTIN of South Dakota: Petition of Western South Dakota Stock Growers' Association favoring reciprocity with foreign countries relative to meats—to the Committee on Ways and Means.

By Mr. MURPHY: Petition of Texas County (Mo.) Farmers' Union, for parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. PATTERSON: Paper to accompany bill for relief of Edwin R. Mears—to the Committee on Pensions.

By Mr. SPERRY: Petition of citizens of New Haven, Conn., favoring the reduction of the duty on wheat—to the Committee on Ways and Means.

SENATE.

TUESDAY, *June 8, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

FRENCH SPOLIATION CLAIM.

The PRESIDENT pro tempore laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spoliation claims, set out in the findings by the court relating to the vessel sloop *Diana*, Henry Nicoll, master (S. Doc. No. 84), which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. W. J. Browning, its Chief Clerk, announced that the House had passed a bill (H. R. 9541) to amend an act entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900, in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. SCOTT presented a memorial of sundry citizens of Wheeling, W. Va., remonstrating against any increase of the duty on print paper and wood pulp, as proposed in the so-called "Payne tariff bill," which was ordered to lie on the table.

He also presented petitions of sundry citizens of the United States, praying that an appropriation be made to place in Statuary Hall a suitable memorial to the memory of James Rumsey, which were referred to the Committee on the Library.

Mr. FLETCHER presented a petition of the Board of Trade of Miami, Fla., praying for the imposition of a duty of at least 40 cents per box or crate on all pineapples imported into this country, which was referred to the Committee on Finance.

Mr. BURTON presented petitions of sundry citizens of Convoy and of Local Grange No. 873, Patrons of Husbandry, of Little Hocking, all in the State of Ohio, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented petitions of sundry citizens of Fremont, Vanlue, Findlay, Continental, Moline, Walbridge, Curtice, East Toledo, Elmore, and Oak Harbor, all in the State of Ohio, praying for the retention of the present duty on raw sugars, which were ordered to lie on the table.

Mr. PENROSE presented a petition of the National Board of Trade, praying that liberal appropriations be made for the improvement of the rivers and harbors of the country, which was referred to the Committee on Commerce.

He also presented a petition of sundry citizens employed in the oil industry at Pleasantville, Tidioute, and Sheffield, all in the State of Pennsylvania, praying that a duty of 50 cents per barrel be placed on all crude oil, and also for a corresponding duty on the manufactured products of crude oil coming from foreign countries, which was ordered to lie on the table.

He also presented a petition of the National Board of Trade, praying for the substitution of specific duties instead of ad valorem duties in the pending tariff bill; for the appointment of a nonpartisan expert tariff commission, and also for the improvement of trade relations with insular possessions, which was ordered to lie on the table.

Mr. DEPEW presented a petition of Abraham Lincoln Council, No. 14, Junior Order United American Mechanics, of Brooklyn, N. Y., praying for the passage of the so-called "Overman amendment" to the pending tariff bill, proposing to increase the head tax on immigrants from $4 to $10, which was ordered to lie on the table.

He also presented memorials of members of the composing room of the North Side News chapel, of New York City; of members of the Buffalo Electrotype Works, of Buffalo; of members of the New York World composing room, of New York City; and of members of the Evening Call composing-room chapel, of New York City, all in the State of New York, remonstrating against the inclusion in the pending tariff bill of any duty on news print paper and wood pulp, which were ordered to lie on the table.

He also presented a memorial of Local Union No. 11, Pulp, Sulphite, and Paper Mill Workers, of Morrisonville, N. Y., and a memorial of the International Brotherhood of Stationary Firemen, of Troy, N. Y., remonstrating against any reduction in the duty on print paper and wood pulp as contained in the Dingley bill, which were ordered to lie on the table.

He also presented petitions of sundry newspaper workers of New York City, Brooklyn, Glendale, Sheepshead Bay, and Bath Beach, all in the State of New York, praying for the retention of the duty on print paper and wood pulp as proposed in the so-called "Payne tariff bill," which were ordered to lie on the table.

He also presented a memorial of Typhographia No. 4, Zweig der Deutsch-Amerikanischen Typographia, of Buffalo, N. Y., remonstrating against any change in the rates on wood pulp and print paper as fixed by the House bill, which was ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PAGE:

A bill (S. 2542) granting an increase of pension to Lorenzo W. Shedd;

A bill (S. 2543) granting an increase of pension to John H. Sargent (with the accompanying papers); and

A bill (S. 2544) granting an increase of pension to Joseph A. Lambert (with the accompanying papers); to the Committee on Pensions.

By Mr. PENROSE:

A bill (S. 2545) to establish a fish-culture station in New Mexico; to the Committee on Fisheries.

A bill (S. 2546) to correct the military record of John C. Barrett (with the accompanying paper); and

A bill (S. 2547) to grant an honorable discharge to Harry P. Eakin; to the Committee on Military Affairs.

A bill (S. 2548) granting an increase of pension to John Bell;

A bill (S. 2549) granting an increase of pension to Alice M. Bright; and

A bill (S. 2550) to pension volunteer army nurses; to the Committee on Pensions.

By Mr. MONEY:

A bill (S. 2551) for the relief of M. T. Sigrest;

A bill (S. 2552) for the relief of heirs or estate of Mrs. Eunice Hurdle, deceased;

A bill (S. 2553) for the relief of J. W. Causey; and

A bill (S. 2554) for the relief of J. R. Hollowell; to the Committee on Claims.

THOMAS COYLE AND BRIDGET COYLE.

On motion of Mr. BURNHAM, it was

Ordered, That there may be withdrawn from the files of the Senate the papers accompanying the bill for the relief of Thomas Coyle and Bridget Coyle (S. 446, 60th Cong., 1st sess.), there having been no adverse report thereon.

SCHOOLS IN THE DISTRICT OF COLUMBIA.

Mr. NELSON. I present an article prepared by W. C. Dodge, a former trustee of the public schools in the District of

Columbia, relating to the schools and school buildings of the national capital. I move that it be printed as a document (S. Doc. No. 86).

The motion was agreed to.

INTERNATIONAL INSTITUTE OF AGRICULTURE AT ROME.

Mr. PERKINS. I present a letter from Mr. David Lubin, dated Rome, May 23, 1909, addressed to my colleague and myself, relative to the International Institute of Agriculture at Rome. I move that it be printed as a document (S. Doc. No. 85).

The motion was agreed to.

HOUSE BILL REFERRED.

H. R. 9541. An act to amend an act entitled "An act temporarily to provide revenues and a civil government for Porto Rico, and for other purposes," approved April 12, 1900, was read twice by its title and referred to the Committee on Pacific Islands and Porto Rico.

THE TARIFF.

The PRESIDENT pro tempore. The morning business is closed, and the calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. BEVERIDGE. Mr. President, in view of the criticism made yesterday by the Senator from Rhode Island [Mr. ALDRICH] of the attitude of some Republican Senators on the tariff bill as not being Republican, I send to the desk and ask to have read the following resolution of the executive committee of the Republican Editorial Association of Indiana, which was passed only a few days ago.

The PRESIDENT pro tempore. The Chair hears no objection to the request of the Senator from Indiana, and the Secretary will read the resolution.

The Secretary read as follows:

RESOLUTION OF EXECUTIVE COMMITTEE, INDIANA REPUBLICAN EDITORIAL ASSOCIATION.

INDIANA REPUBLICAN EDITORIAL ASSOCIATION.

The executive committee of the Indiana Republican Editorial Association unanimously indorses the attitude of Senator BEVERIDGE on the subject of tariff revision. His efforts to secure a *downward revision* of the tariff are in harmony with the will of the people throughout Indiana and *accord with the platform pledge of the Republican party.* What the people want Congress to do while in special session is to settle the tariff question for a period of years, and *nothing short of a revision downward* along protective lines as advocated by Senator BEVERIDGE will suffice.

The above expression was given out after a meeting of the executive committee held in Indianapolis May 28, 1909. Every member of the committee was present.

EDWARD A. REMY, *Seymour,*
A. M. WILLOUGHBY, *Greensburg,*
HARRY M. SMITH, *Greencastle,*
W. B. MADDOCK, *Bloomfield,*
A. A. MCCAIN, *Crawfordsville,*
Executive Committee.

Mr. BEVERIDGE. I had not intended to present this resolution, and would not now but for the criticism to which I referred.

I ask permission also to insert, without reading, excerpts from speeches of President Taft before and since the campaign, as well as an extract from the recent speech of Secretary MacVeagh, at Chicago. I should give more and fuller extracts but for the fact that I have given them heretofore. But they are so pertinent at this moment that I give these few brief extracts again.

The PRESIDENT pro tempore. The Chair hears no objection, and the request is granted.

The matter referred to is as follows:

OUR CANDIDATE AT CINCINNATI, JUNE 28, 1908.

The tariff *in a number* of the schedules *exceeds* the difference between the cost of production of such articles abroad and at home, including a reasonable profit to the American producer.

The *excess* over that difference *serves no useful purpose*, but *offers a temptation to those who would monopolize the production and the sale of such articles in this country to profit by the excessive rates.*

On the other hand, there are *some few* other schedules in which the tariff is not sufficiently high to give the measure of protection which they should receive upon Republican principles, and as to those the tariff should be raised.

OUR CANDIDATE AT CINCINNATI, SEPTEMBER 22, 1908.

The Dingley tariff has served the country well, but its rates *have become generally excessive.* They have become excessive because conditions have changed since its passage in 1896. *Some* of the rates are probably too low, due also to the change of conditions.

But on the whole, THE TARIFF OUGHT TO BE LOWERED in accordance with the Republican principles and the policy that it has always upheld of protection of our industries.

The *movement in favor of revision has arisen within* the Republican party and *is pressed forward by members of the* Republican party.

The revision which they desire is a revision *which shall reduce excessive rates* and at the same time preserve the industries of the country.

OUR CANDIDATE AT MILWAUKEE, SEPTEMBER 24, 1908.

It is intended under the protective system, by judicious encouragement, to build up industries as the natural conditions of the country justify to a point *where they can stand alone and fight their own battles in competition of the world.*

There are many articles in common use to-day which were unknown when the Dingley tariff bill was enacted. Conditions with respect to the cost of articles abroad *have changed* just as they have changed in this country, so that the *difference* between the cost of production at home and abroad ten years ago was in many instances different *and less* than it is to-day.

It is my judgment, as it is that of many Republicans, that there are *many schedules of the tariff in which the rates are excessive*, and there are *a few* in which the rates are not sufficient to fill the measure of conservative protection.

It is my judgment that a revision of the tariff in accordance with the pledge of the Republican platform will be, on the whole, a *substantial* REVISION DOWNWARD, though there probably will be a FEW exceptions in this regard.

As the temporary leader of the party, I do not hesitate to say with all the emphasis of which I am capable, that if the party is given the mandate of power in November it will perform its promises *in good faith.*

Our candidate also made these same statements at Des Moines, Iowa, one day later.

THE PRESIDENT-ELECT AT NEW YORK, DECEMBER 17, 1908.

Mr. Taft dwelt almost wholly upon the revision of the tariff, which he singled out as the *most important declaration* made at the last national convention, and, *after having previously referred to the veto power of the Chief Executive,* said, with all the emphasis of which he was capable:

"*Better no revision at all,* BETTER THAT THE NEW BILL SHOULD FAIL, unless we have an *honest and thorough* revision on the basis laid down and the principles outlined in the party platform." (Report of New York Tribune, December 18, 1908.)

THE PRESIDENT IN HIS INAUGURAL, MARCH 4, 1909.

It is thought that there has been such a change in conditions since the enactment of the Dingley Act, drafted on a similarly protective principle, that the measure of the tariff above stated will permit the *reduction* of rates in certain schedules and will require the advancement *of few,* IF ANY.

It is imperatively necessary, therefore, that a tariff bill be drawn in *good faith* in accordance with *promises made before the election* by the party in power, and as promptly passed as *due consideration* will permit.

THE SECRETARY OF THE TREASURY, AT CHICAGO, JUNE 5, 1909.

If, then, the people, and especially the people of the Middle West, shall be made satisfied by the new tariff law, the tariff question is likely to be out of the way for a considerable time. *But if they are not made satisfied,* then *we will not have rest,* and we will not have a clear field for currency reform.

It seems to me that the chances are largely in favor of a revision that the people will accept.

What the people expect is what the protectionist Republican party *promised* in its last year's platform; and, while it is *talking against the wind* to argue that the revision expected is *not a* REVISION DOWN, it would be equally futile to say that the revision down was promised to be a revision down and out.

In conclusion, one word about the President. He, too, seems to be of good cheer as to this tariff question. He seems to place great reliance upon the wisdom of the Congress and upon its public spirit. Of course, it is easier to be complacent when you know you have the last word, and that the last word is a combination of language and big stick.

The President is an optimist, and tremendously able, with full confidence in his ability to bring things to pass. He is so strong and big and confident that he will wait a long time, however, before he will fully use his strength, but the impression he makes is that if his antagonism should be aroused nothing could stop him. (Report of Chicago Tribune, June 6, 1909.)

The PRESIDENT pro tempore. The Secretary will report the pending amendment.

The SECRETARY. In Schedule K, wool and manufactures of, page 129, paragraph 368, the committee proposes to strike out the paragraph as printed in the House text and to insert a new paragraph 368, as follows:

368. Top waste, slubbing waste, roving waste, ring waste, and garnetted waste, 30 cents per pound.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

Mr. DOLLIVER obtained the floor.

Mr. BRISTOW. Mr. President——

The PRESIDENT pro tempore. The Chair has recognized the Senator from Iowa.

Mr. DOLLIVER. I yield to the Senator from Kansas.

Mr. BRISTOW. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clarke, Ark.	Guggenheim	Piles
Bacon	Clay	Heyburn	Rayner
Beveridge	Crane	Hughes	Root
Borah	Crawford	Johnson, N. Dak.	Scott
Bradley	Culberson	Johnston, Ala.	Simmons
Brandegee	Cullom	Kean	Smith, Mich.
Bristow	Cummins	Lodge	Smoot
Brown	Curtis	McCumber	Stone
Bulkeley	Depew	McLaurin	Sutherland
Burkett	Dixon	Martin	Taliaferro
Burnham	Dolliver	Money	Taylor
Burrows	Fletcher	Nelson	Warner
Burton	Flint	Oliver	Warren
Carter	Frazier	Overman	Wetmore
Chamberlain	Frye	Page	
Clapp	Gallinger	Penrose	
Clark, Wyo.	Gamble	Perkins	

Mr. PILES. I desire to announce that my colleague [Mr. JONES] is unavoidably detained from the Chamber for a short time this morning.

Mr. SCOTT. My colleague [Mr. ELKINS] is unavoidably detained this morning, but will be here later.

The PRESIDENT pro tempore. Sixty-five Senators have responded to their names. There is a quorum present. The Senator from Iowa will proceed.

Mr. DOLLIVER. Mr. President, I do not rise for the purpose of antagonizing the amendment which has been offered by the committee to the paragraph now under consideration, although I desire to say that I contemplate offering amendments to paragraphs earlier in the schedule than the one now before the Senate.

The proposition now before the Senate restores the Dingley rates on such forms of wool wastes, including top waste and such like wastes, in the process of cloth manufacture. The Dingley rate was 20 cents a pound. The committee increases it to 30 cents a pound, and it is obviously absurd——

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly.

Mr. CARTER. I call the Senator's attention to printed page 122 of the bill, which shows that the rate proposed by the amendment to which he referred is identical with the Dingley rate, to wit, 30 cents a pound.

Mr. DOLLIVER. I then have misunderstood what the Senator from Rhode Island said, and I will be compelled to withdraw some observations which I have already made.

Mr. ALDRICH rose.

Mr. DOLLIVER. I understood the Senator to state that the committee's amendment as presented restored the rate as it appeared in the House bill. I was in error about that.

Mr. ALDRICH. No; the Dingley rate.

Mr. DOLLIVER. Yes.

Mr. ALDRICH. The amendments of the committee in every instance propose to restore the Dingley rates on everything pertaining to wool

Mr. DOLLIVER. Now, Mr. President, I wish to call the attention of the Senate to what is done in the Dingley law and in this amendment to these forms of wool wastes. They are wastes arising in the process of manufacturing worsted cloths in the main. They are assessed here at 30 cents a pound. They are the raw material of the great carded-wool industry of America, an industry which counts thousands of mills in practically every State in the Union—that branch of the woolen industry the most widely scattered, the most honestly capitalized, and now struggling in the midst of much distress for its very life.

I want to call the attention of the Senate to what this proposition does to the largest department of woolen manufacture in America. As I said a moment ago, these wastes are by-products in the manufacture of worsted yarns and worsted cloths. What duty does the worsted manufacturer or spinner who imports those wools into the United States pay? He pays 12 cents a pound whether the wool is washed or unwashed. Of course such wool comes here washed. Its shrinkage upon the average is so insignificant that nobody will deny the truth of what I state when I assert that the duty upon a scoured pound of it is practically 15 cents. It shrinks less than 20 per cent. Most of the shrinkage has been taken up by washing it, which does not advance its duty at all, since in the case of combing wool when it is scoured the shrinkage is almost negligible, and the duty put upon it is 15 cents a scoured pound.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Will the Senator tell me what class of wool he refers to?

Mr. DOLLIVER. I am talking about English washed combing wool and Canadian wool.

Mr. WARREN. Will the Senator tell me what proportion of that character of wool goes into consumption?

Mr. DOLLIVER. I am not going into statistics now, although I will lay before the Senate a full statement of the statistics. But I want to ask the Senator from Wyoming a question: Is it not true that those wools, shrinking less than 20 per cent, come here under a scoured duty amounting to about 15 cents a pound?

Mr. WARREN. Answering that question, the Senator has placed the percentage of shrinkage considerably lower than what it is, in my judgment. But in connection with that, let me say that the imports of wool that will shrink less than nearly double that is only about 4 or 5 per cent of the consumption of the United States. It merely takes the wools that are used for luster goods, and so forth, and is not the wool in general use in the manufacture of worsted goods for men's and women's wear.

Mr. DOLLIVER. These wools that I am talking about are now coming into the United States at the rate of 2,000,000 pounds a month by our book of statistics, if I have them correctly analyzed, and the peculiar thing about it is that by the original draft or plan of this wool tariff they came in washed at the same rate that the clothing wools came in. They came in washed without any addition to the duty, whereas the clothing wools doubled the duty if they came in washed. And the shrinkage, as I have said, brings these wools into the Boston market at 15 cents a scoured pound.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Does the Senator assert that the imports of that class of wool are averaging 2,000,000 pounds a month; and if so, how far back does it go?

Mr. DOLLIVER. I noticed that in the carded importations——

Mr. WARREN. I desire to say to the Senator that they do not amount to one-half that, going back over a series of years.

Mr. DOLLIVER. I think they are getting ready for the situation that is liable to arise.

Mr. WARREN. I desire further to say that they have not amounted to that for sixteen years. Take sixteen years ago—they formed only 7 per cent of the imports to this country.

Mr. DOLLIVER. Very well. Now, Mr. President, the wools that are imported by the manufacturer of worsted goods are certainly the light-shrinkage wools, whatever their character may be. They do not bring here the heavy-shrinkage wools of South Africa or South America, or the scoured merino grades that fill the wildernesses of this world. They buy light-shrinkage wool, upon which the duty paid is equivalent to a duty of less than 20 cents a scoured pound into the United States.

Mr. WARREN. Will the Senator allow me there?

Mr. DOLLIVER. Certainly.

Mr. WARREN. To what class of wools other than the second-class wools does the Senator allude when he says that they shrink but 20 per cent?

Mr. DOLLIVER. There are wools of the other class, I think, that come within that description.

Mr. WARREN. The record shows, let me say in this connection, that worsted manufacturers are bringing wool from every one of the countries the Senator mentioned; bringing, of course, the lightest shrinkage they can get, just the same as the carded-wool people do. All people who wish to get into this market with wool will naturally bring that which shrinks the least in the process of cleansing to scoured wool.

Mr. DOLLIVER. Now, confining myself for the minute to the English combing wool and the Canadian combing wool, which comes in without any addition to their duty after they have been shorn, I repeat that their duty, put upon the average, is not in excess of 15 cents the scoured pound. Yet the proposition here is to take the wastes that fall off in the process of their advancement toward cloth and assess a duty upon it of 20 cents a pound, and that just opens a crack which enables the Senate to see what the complaint is of the great department of woolen industry, having more factories and employing more people than any other, which has been left out of the calculations of the framers of this measure.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. I will ask the Senator a question. He is addressing his remarks, as I understand, to paragraph 368?

Mr. DOLLIVER. Yes; and objecting to having a higher specific duty upon top waste and combing waste than the collective duties upon the scoured contents of the fleece from which they fall.

Mr. WARREN. There is not one of those wastes but what is used by the factories that make them in the manufacture of worsted cloth. The Senator is wrong in thinking that those wastes are the ones that the carded-wool men are seeking to get.

CARDED-WOOL INDUSTRY.

Mr. DOLLIVER. I intend to let the carded-wool men speak for themselves.

Mr. WARREN. Very well.

Mr. DOLLIVER. I ask the Secretary to read, for the information of the Senate, from an address to the President of the United States, issued the other day.

The PRESIDENT pro tempore. Without objection, the Secretary will read as requested.

The Secretary read as follows:

CARDED WOOLEN INDUSTRY APPEALS TO THE PRESIDENT—COMMITTEE EXPLAINS THE SERIOUS TARIFF BURDENS—SPECIFIC DUTY ON WOOL IN THE GREASE INEQUITABLE—BULK OF WOOL SUITED FOR CARDED WOOLEN MANUFACTURING IS OF THE HEAVY SHRINKING CLASS.

[New York Journal of Commerce, June 7, 1909.]

Edward Moir, president of the Carded Wool Association and chairman of a special tariff committee of the association, called upon President Taft on Wednesday last with other members of the committee and presented a petition to show the serious burdens now resting on the carded woolen industry and on the consumers of wool goods. The other members of the committee comprised H. J. Hamill and M. D. King, of Germantown, Pa.; W. A. Dickey, jr., of Baltimore, Md.; and P. P. Pilling of Kiamensi, Del. The petition follows:

HIS EXCELLENCY THE PRESIDENT,
Washington, D. C.

SIR: We appear before you to-day for the purpose of stating certain facts relating to the tariff on wool and wool products in order that you may know of the serious burdens now resting on the carded woolen industry and on the consumer of wool goods.

1. Schedule K is the same in the Payne bill, now before the Senate, and in the Dingley law. Both provide for a specific duty of 11 cents and 12 cents a pound on wool in the grease. This is the first grievance to which we call your attention. Grease wool contains widely varying proportions of grease and dirt, which is washed out in the first process—scouring—and is of no value whatever to the wool manufacturer. This wool grease and dirt amounts in many cases to as much as 80 per cent of the grease weight of the wool, while on some light shrinkage grades it is much less—as low as 15 per cent.

From this you will understand how wide is the variation in the duty on the clean wool. With a shrinkage of 80 per cent, a duty of 11 cents per grease pound is 55 cents per clean pound. With a shrinkage of 20 per cent, the same 11 cents duty on the grease weight is only 14 cents per clean pound. The result is that the light-shrinking lots of wool can be imported at a very low duty, while the tariff on the heavy-shrinking wools is so high that they can not be imported at all. An application of the Dingley tariff to 80,000,000 pounds of wool recently sold at auction at London, Liverpool, Melbourne, and Sydney showed that the ad valorem equivalent of the Dingley 11 cents duty on grease wool varied from 23 per cent to 733 per cent.

Mr. WARREN. Mr. President, will the Secretary please go back and read those percentages of shrinkage again?

Mr. DOLLIVER. And, Mr. President, it will not disturb me if the Senator from Wyoming, who is an expert on wool raising, will hold his statistical controversy with those memorialists, rather than with me, because those people are also experts.

Mr. WARREN. I have some acquaintance with those people, and I have some knowledge of wool. I may have misunderstood the statement as to there being 733 per cent of shrinkage, but, as I understood it, it was that certain wools had 733 per cent of shrinkage.

The PRESIDENT pro tempore. The Secretary will reread the part of the article referred to by the Senator from Wyoming.

The Secretary resumed and concluded the reading of the article, as follows:

From this you will understand how wide is the variation in the duty on the clean wool. With a shrinkage of 80 per cent, a duty of 11 cents per grease pound is 55 cents per clean pound. With a shrinkage of 20 per cent, the same 11 cents duty on the grease weight is only 14 cents per clean pound. The result is that the light-shrinking lots of wool can be imported at a very low duty, while the tariff on the heavy-shrinking wools is so high that they can not be imported at all. An application of the Dingley tariff to 80,000,000 pounds of wool recently sold at auction at London, Liverpool, Melbourne, and Sydney showed that the ad valorem equivalent of the Dingley 11 cents duty on grease wool varied from 23 per cent to 733 per cent.

The bulk of the wool suited for our branch of the industry, carded woolen manufacturing, is heavy shrinking, while the wools suited for the other branch of the industry, worsted manufacturing, is light shrinking. The burden under which we are suffering arises from this fact, and hence our appeal to the House, the Senate, and now to you for relief from this injustice. The conditions we have described result not only in the oppression and ruin of the carded woolen industry, dotting the country with idle mills, but also in special privileges of immense value to the worsted spinning industry, which is being rapidly concentrated into a few wealthy, prosperous, and powerful combinations.

At the same time the wool grower is deprived of the protection contemplated by the Dingley tariff law. That law fixes the duty on scoured wool at three times the duty on unwashed grease wool; that is, at 33 cents a scoured pound for class 1 wool, and 36 cents a scoured pound for class 2 wool. This is on the assumption that it requires 3 pounds of grease wool to give 1 pound of scoured wool; and this assumption is further indicated by the Dingley and Payne provisions for compensatory duties on goods, based on the ratio of 4 pounds of grease wool to 1 pound of finished cloth, allowing for a loss of 25 per cent in manufacturing. This legal promise of 33 cents a scoured pound to the woolgrower has proved in practice to be a delusion and a sham, for the law that gives the promise of such protection breaks it by allowing the importation of light-shrinking wool at the 11-cent rate. The protection to the woolgrower is measured, not by the Dingley duty of 33 cents a pound on scoured wool, but by the equivalent per scoured pound of the 11-cent duty on grease wool actually imported, which equivalent runs as low as 14 cents and in practice rarely exceeds 20 cents. The average shrinkage of the grease wool imported during the past five years is 40 per cent, equal to a duty of 18.6 cents per scoured pound.

INCONSISTENCIES OF THE PRESENT TARIFF.

Thus under this present wool tariff the woolgrower is deprived of the expected protection, the carded wool manufacturer is deprived of all access to the foreign wool suited to his requirements, while the worsted spinners enjoy valuable special privileges by being permitted to import the wool they require at a very low duty per scoured pound.

2. Besides the inequality to which we have just called your attention, there are other serious abuses in the Dingley tariff on wool.

First, we will mention the provision by which wool of the first class, if washed on the sheep's back, is subjected to a double duty of 22 cents a pound, while wool of the second class, if washed on the sheep's back, is admitted at the single rate of 12 cents a pound. The result is that all wool of the second class is imported in the washed condition in order to avoid the payment of the duty on grease and dirt, while the very heavy wool of the first class can not be imported at all. The discrimination against one class of people and in favor of another under this arrangement of the tariff arises from the fact that the second-class wool is used for the manufacture of worsted while the wool adapted for carded woolen goods is of the first class. We demand the abolition of this discrimination and special privilege under the law.

Another inequality from which we ask relief is that provision of the Dingley and Payne bills which makes the duty on scoured wool three times the duty on grease wool. This is based on the assumption that 3 pounds of grease wool is required to yield 1 pound of scoured wool, whereas a very large part of the world's wool clip shrinks much less than two-thirds. The result of this inequality is to prohibit the importation of scoured wool and confine the imports to wool shrinking less than two-thirds. The discrimination against one class of people and in favor of another under this arrangement of the tariff arises from the fact that worsted spinners ordinarily buy wool in the grease, whereas scoured wools are used by the carded woolen manufacturers. Thus the scoured wool clause of the Dingley and Payne tariff bills constitute a burdensome discrimination against the carded woolen manufacturers from which we demand relief.

We desire to call your attention to the fact that the carded woolen and worsted branches of wool manufacturing, although distinct in respect to certain technical processes and grades of raw material used, still are competing branches of trade, because worsted and carded woolen goods are used for the same purposes. Consequently these tariff discriminations against the carded woolen industry aid the worsted branch of the business by injuring the latter's competitor.

PROHIBITORY DUTIES ON THE BY-PRODUCTS OF WOOL MANUFACTURING.

3. Another and very serious defect in the Dingley and Payne bills is the practically prohibitory duties on the by-products of wool manufacturing. Here again we find a discrimination against one class of people and special privileges for another, because these by-products can be used only by carded-woolen manufacturers, while worsted spinners, although they can not use them, have them for sale. This is one of the most serious of the tariff abuses from which we ask relief, as the duties on such by-products vary from 50 to 200 per cent.

4. The present wool schedule is practically that of 1867, which was primarily a war-revenue tax; and as all other schedules have been readjusted to meet changed conditions, this schedule should be redrawn to meet the changed conditions of wool growing and the wants of the manufacturers. Take Ohio wool, for example: The quality of wool grown in Ohio is changed in quality as well as in quantity. Fine merino was at one time the staple growth, but in a few years more that quality of wool will not be grown in Ohio. Much of the wool now grown there is from the mutton variety of sheep, and this wool carries a net protection of about 20 cents per scoured pound, against 33 to 44 cents to the grower in the West.

5. We ask for an equal opportunity with all others under the law, in order that we may enjoy the reward of our labor, skill, and enterprise in the business in which we are engaged. It is in this capacity of carded woolen manufacturers that we make our appeal to you. But our demands should be granted not only in justice to us as carded woolen manufacturers, but in justice to the consumer of wool goods. We expressly disclaim any intention of representing here to-day the special interests of the consumer. We, however, call your attention to the fact that every burden on the carded woolen industry that we have mentioned is also a burden on the consumer of wool goods, whether underclothing, outside clothing, blankets, or other articles made of wool; and that the special privileges granted to the worsted branch of this industry result in an increase of these burdens not only on the carded woolen manufacturers, but also on the consumers in this country.

6. It would not be possible at this time to go into detailed discussion of the proper remedies for the abuses to which we have called your attention. We will state, however, that it is our firm belief that the only complete remedy for these inequalities is a tariff based on value. Specific duties based on the scoured weight of the wool and graduated on by-products by classifications according to value, or compound duties consisting of both specific and ad valorem rates would give partial relief. But if the exigencies of the situation ever lead the Government to adopt any of these partial remedies, it should not be forgotten that they are partial, and that the only complete remedy is an ad valorem tariff. The protective rate on wool goods is ad valorem, and if this can be made effective on manufactured goods, there can be no doubt of its efficiency on the raw material.

ASKS THAT WOOL TARIFF BE THOROUGHLY INVESTIGATED AND REVISED.

7. We ask that the tariff on wool and wool goods be thoroughly investigated and revised. We desire to have the principle of protection maintained for all producers, whether of wool, wool goods, or clothing. And we are as ready to have inequalities corrected in the tariff on wool goods as in the tariff on raw materials. We are ready to go into the consideration of the technical details of this problem either with you

or anyone you may designate, and to any extent you may desire. We are ready to do this with representatives of the woolgrowers, worsted manufacturers, and of the Government. We suggested such a conference to the Ways and Means Committee of the House of Representatives. We have at all times been willing to carry out that suggestion, confident that the better the truth is known the better will be our chances to gain an equal opportunity under the law.

We represent an industry that covers nearly every State in the Union, has over three times the number of establishments to those employed in the combing of wool with a greater number of employees. Under the present schedule many woolen mills have been closed, and a continuance of the same means great distress to many mill owners and operatives. We believe that the platform of the party meant an honest revision of the tariff. On a recent visit to the Finance Committee and placing the injustice of the wool duties before it, and being told that while we had a grievance that the schedule could not be opened, we feel indignant that such treatment should be meted out to us, that the cardinal principles of fair play and even-handed justice, under which we are supposed to live, should be cast aside or subordinated to a coalition of forces that are specially favored under the Dingley bill. Therefore, Mr. President, we appeal to you to use your influence in the proper quarter so that this industry may have what it is entitled to under our Constitution, even-handed justice, neither more or less.

Respectfully, yours,

EDWARD MOIR,
President Carded Wool Association.

Mr. DOLLIVER. Mr. President——

Mr. WARREN. May I ask the Senator from Iowa a question before he resumes?

Mr. DOLLIVER. Certainly.

Mr. WARREN. I do not see any proposition in the letter which has been read except the one for ad valorem duties. I should like to ask the Senator from Iowa if he has any information from the carded-wool people, from whom this comes, which makes any other or different provision for relief?

Mr. DOLLIVER. Mr. President, I entered upon my investigation of this case without knowing that there was a human being interested in it. I had no knowledge of the actual complaints of these good people who were trying to manufacture wool into cloth until I had spent a good deal of time trying to find my way through the wool tariff by myself.

Personally, I do not agree with the opinion which has been so often expressed here that there ought to be specific duties on everything. There are things where specific duties necessarily operate to create almost incredible inequalities, and the specific duty on wool by the pound is a case like that. That method of assessment is 50 years old in the United States and even older. There was a reason for it when it was adopted. We had not, fifty years ago, perfected our scheme of administration of customs laws, and the sheep people had many reasons to suspect ad valorem duties as applied to their product, because the Government was without any facilities to actually assess duties on that article upon the basis of value; but within these fifty years the wool trade of the world has developed in an intelligent way.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly; I yield.

Mr. CARTER. Mr. President, I will ask the Senator from Iowa to take into consideration this state of facts and favor us with his views upon the basis furnished by them. When the wool tariff was passed in 1867, 99 per cent of the woolen clothing of the country was of carded woolen manufacture. Owing to a change in fashion and demand, the conditions have been so far reversed that we now have from 85 to 90 per cent of our clothing made of worsted goods, and 10 to 15 per cent only of the so-called "carded woolens." There is probably not in this Chamber a single suit of clothes made of carded woolen goods. At the time the carded woolen manufacturers appeared before the Committee on Ways and Means of the House, a gentleman present said:

> If these advocates of this disappearing form of manufacture will stand up, I venture to say that every one of them is now wearing a suit of worsted woolen clothes.

And, strange to say, that proved to be the fact.

Mr. DOLLIVER. But General Grosvenor seemed to have on a suit of woolen clothes.

Mr. CARTER. Well, but he was a statesman out of a job. [Laughter.]

Mr. DOLLIVER. No; he was the representative of the woolgrowers of the United States, proving that an excellent article of woolen clothes was manufactured for $10. I do not intend now, however, to go into the question that the Senator from Montana has raised, because there is no way to settle it, but I will wait a long time before I become convinced that in the climate which prevails in Iowa in the winter time, and which we get notice of two days in advance from our weather stations in Montana, there is likely to be a very unanimous turning away from the woolen clothes, as my friend from Montana seems to believe.

Mr. CARTER. Well, Mr. President, worsted goods are, of course, woolen goods. I refer to the method of manufacture.

Mr. DOLLIVER. And as this debate develops it will be shown that a large range of the woolen goods are deliberately described as half cotton, and if that were not done in the law, it would be done under the eye of almost anybody who looks at them or almost anybody who tries to wear them.

Now, Mr. President, feeling that backwardness that would naturally characterize a man not connected with the wool business or the wool trade, and seeing the honored Senator from Maine [Mr. FRYE] in the Chair, I desire the Secretary to read what the Woolen Manufacturers' Association of the State of Maine has to say about the business.

The PRESIDENT pro tempore. Without objection the Secretary will read as requested.

The Secretary read as follows:

MAINE WOOLEN MILLS ASK FOR A FAIR TARIFF—GORDON DOBSON ADDRESSES ARGUMENT TO SENATOR HALE—REQUESTS SUCH REVISION OF THE DINGLEY BILL AS WILL GIVE FAIR PLAY TO ALL INTERESTS FROM WOOLGROWER TO CONSUMER—OTHERWISE AGITATION FOR REVISION WILL BE CONTINUED.

BOSTON, *June 2.*

Gordon Dobson, president of the Maine Woolen Manufacturers' Association, recently forwarded to Senator HALE a letter, arguing for more equitable treatment in revising Schedule K. The letter, which has just been given out for publication, is as follows:

Hon. EUGENE HALE, *Washington, D. C.*

SIR: We have your letter of the 12th instant, in which you ask us to strike out from a copy of Schedule K of the Dingley tariff what we do not wish to appear and write in what we want to appear; to make it as we would like to have it read when enacted into law. In complying as far as possible with your request we will at the same time state why we can not do all that you ask.

We are manufacturers of wool goods by the carded woolen process. Schedule K covers all products of wool, whether in the raw state, partly manufactured or finished, and by whatever process. To comply with your request it would be necessary for us to recommend classifications, tariff rates and methods of assessment, not only for the goods we manufacture, but also for those we do not make, and for the raw material for our mills.

Let us begin with the raw material. We have already stated to the Committee on Finance our objections to the present specific duties on grease wool, which are levied on grease and dirt as well as on wool, and to the prohibitory duties on by-products. They shut us out from the supply of foreign wool and by-products suited for our industry, and give the users of light shrinking combing wools access to the foreign markets at a very low rate of duty. By this arrangement the wool grower is deprived of the protection contemplated under the law, the worsted spinning industry enjoys special favors of great value, the carded woolen industry is strangled, while the ultimate consumer is deprived of an adequate supply of wool goods.

The complete remedy for these inequalities under the present law is an ad valorem tariff on wool, which automatically adjusts itself to all the conditions by which a tariff should be regulated. We recommend this complete solution to Congress. It would be manifestly improper for us to do more than to suggest to you a particular rate on wool. First, because we are not familiar with the business or cost of producing wool in this country or abroad; and, second, because we are buyers and users of wool, and therefore financially interested in obtaining a supply of this material at as low a cost as possible. In revising Schedule K the first thing is to fix the tariff rate on wool, which is the basis of the entire schedule of duties. This rate should be fair to the woolgrower and the consumer of wool goods, and should bear uniformly on all branches of the wool-manufacturing industry. The rate on wool must be fixed before it is possible for anyone to frame a system of duties on wool goods. For your guidance in fixing the tariff rate on wool we want to submit the following statement, showing the quantity and value of the wool of classes 1 and 2 imported during the five years ending June, 1907, together with the amount of specific duty collected and the ad valorem equivalent of that duty:

Quantity, 426,036,605 pounds; value, $93,667,059; duty collected, $47,559,548; ad valorem equivalent, 50.8 per cent.

This statement shows that if the duty collected on the wool imports for these five years had been ad valorem it would have been 50.8 per cent. This measures the protection the woolgrower has been receiving under the Dingley tariff on an ad valorem basis. The importations have been confined to grease wools, on which the shrinkage did not exceed 55 per cent, running as low as 15 per cent, the average shrinkage being about 40 per cent. An ad valorem tariff on wool will remove completely the inequalities by which the carded woolen industry is burdened and the worsted industry favored.

We also desire to call your attention to the fact that if the complete remedy for the inequalities in the wool tariff is not applied by the adoption of ad valorem duties, a partial remedy is available by levying a specific duty on the scoured weight. We ask that, whatever duty is levied on wool, it be applied without the arbitrary distinctions that now exist between unwashed, washed, sorted, and scoured wools, and that the division into class 1 and class 2 be abolished. The cost of washing, sorting, and scouring is trifling and the ad valorem or specific rate on the scoured weight can be made to cover such cost.

Either of the methods above suggested would raise the tariff rate on light-shrinkage wools to a point at which all wools, including those heavy-shrinkage grades now excluded by duties rising as high as 800 per cent, would be admitted at the same tariff tax, and thus the woolgrower would obtain better protection than at present.

As a suggestion to you in revising the Dingley tariff on wool, its by-products, and wool goods, we respectfully call your attention to the following extract from the political platform of 1908, which stated the principle that should guide you in the tariff revision in which you are now engaged.

"In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference be-

tween the cost of production at home and abroad, together with a reasonable profit to American industries."

Rates of duty on wool and its by-products that bear equally on all branches of wool manufacturing and are satisfactory to both the woolgrower and the American consumer of wool goods will be satisfactory to us. A tariff on the manufactures of wool based on the principle stated in the above contract will also be satisfactory to us. When the rates of duty on wool and its by-products are determined it will be possible to complete the revision of Schedule K.

We want, however, to call your attention again to the fact that Schedule K covers a wide range of fabrics other than carded-woolen goods, and that the proper way to complete the revision is for you to enlist the cooperation of all branches of the wool-manufacturing industry—wool growing, carded woolen, worsted, knitting, carpet, and felt—under conditions that will make it impossible for anyone to obtain an unfair advantage, or for the domestic industry to be deprived of adequate protection.

We do not claim to be less selfish or less anxious to do business under favorable conditions than are those engaged in wool growing or the other branches of wool manufacturing that we have named. What we want to make clear to you is that, burdened by the inequalities of the present tariff and conscious of the powerful popular sentiment in favor of the transaction of public business with justice to all.

Mr. DOLLIVER. Mr. President, feeling deeply as I do that this framework of wool duties, which has gradually taken on what appears to be permanent and final form for nearly fifty years, is oppressive, burdensome, and unequal in its operation as between great manufacturing interests entitled in common to the protection and guardianship of our laws, I am compelled also to become a very humble spokesman for the agricultural interests of this country, who are perhaps as much interested in this old schedule as any department of wool manufacturing. I have felt it necessary, however, owing to the aspersions that have been cast upon my political character, to occasionally return to the statement that I am within the Republican fold and the old-time Republican faith. I contemplate no attack on the sixth agricultural industry of America. It is the one point in tariff making upon which all parties can naturally agree.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Nobody, perhaps, knows better than I do the genuine Republicanism of the Senator from Iowa, or what feeling of interest he has in the farmer. He is a farmer, so am I. We are both farmers.

Mr. DOLLIVER. You are the greatest shepherd since Abraham. [Laughter.]

Mr. WARREN. Just at this moment, while the Senator is addressing himself to paragraph 368, I want to say to him that it is the woolgrowers' interests that are at stake in that paragraph and not the manufacturers. Not one of these wastes named in this paragraph is necessary to the carded-wool men, because it is all used by the worsted men before it leaves the machinery which creates it.

Mr. DOLLIVER. I have never been able to understand, although the Senator from Wyoming and myself are both interested in the sheep business—I on a very modest scale and he on a scale that will make his name historic——

Mr. WARREN. I may say to the Senator I own no sheep. I do not own a cow, or even a dog or cat. I own nothing in the live animal line except one horse. It is true I have some interests in the way of capital stock in live-stock companies, the same as I have in other companies—industrial and railroad. I do not personally own a hoof of sheep or a hoof of cattle; only a horse which I sometimes ride.

Mr. DOLLIVER. I have been deceived about the matter. When the Senator took me over that territory, he had all the airs of ownership, and afforded all those delicate hospitalities that could not have arisen in the heart of a mere renter. He not only exhibited to me these pastures and these flocks, but he confided to me much fine philosophy of life, both of men and sheep. I remember he told me there was one peculiarity about a sheep. He said a sheep does not seem to care particularly whether it lives or dies. [Laughter.]

Mr. WARREN. I am exceedingly gratified to know that I was able to teach the Senator from Iowa something he did not know before. I hope I may have equal success in the course of this debate.

Mr. DOLLIVER. The Senator is not only able to teach me many things, but his generous spirit has a sort of medicinal relation to the wounds I have received in this Chamber. Seeing, then, that we are both farmers, and seeing that the Senator's anxieties appear to be in behalf of agriculture, I should like to know why the American Woolgrowers' Association filled the post-office with letters from Washington to my constituents, telling them to hurry up; that Senator DOLLIVER had gone wrong on wool.

Mr. WARREN. I have not the slightest idea why they should pursue my friend, the Senator from Iowa.

Mr. DOLLIVER. Are you not president of that association?

Mr. WARREN. I am not.

Mr. DOLLIVER. You were.

Mr. WARREN. I am not connected with that association as an officer, and I am not certain that I am even a member. I presume I may pay my dues. That privilege is usually offered to the humblest of shepherds.

Mr. DOLLIVER. That is a privilege which ought never to be despised. That is the attitude of 90,000,000 people toward the weavers and shepherds at this hour in the United States. Nevertheless, a hurry-up call was sent to the sheep raisers in Iowa and other Western States, asking them without loss of time to put me right on wool. One of those letters fell into the hands of the Sheep and Woolgrowers' Association, of Minnesota, and was forwarded here to our honored colleague the junior Senator from Minnesota [Mr. CLAPP], whose service to the cause of a reasonable tariff revision is everywhere appreciated in the United States. The Senator from Minnesota [Mr. CLAPP] did me the compliment to send to me the letter of the president of the Sheep Growers' Association, of Minnesota, Mr. Magnus Brown, a great farmer and a great thinker, for a good deal of the deep thinking of the United States is done on the farm, even more than many of us imagine.

Instead of answering his letter at length he sent him a copy of the remarks which I had the honor to make in the Senate some weeks ago, not particularly for what I said, but because I had included in my remarks certain statements of Mr. Samuel Dale, editor of the Textile World Record, of Boston, who in my judgment is the best nonpartisan expert upon all departments of wool and woolens in the United States.

I desire the Secretary to read what the president of the Minnesota Sheep and Wool Growers' Association says in the letter to the Senator from Minnesota, and I want the Senator from Wyoming to listen to it, because this long-headed man seems to think that there is a more natural partnership between certain kinds of wool out in the West and the worsted manufacturers of New England than there is between the ordinary woolgrowers of Iowa and Minnesota and the Mississippi Valley and these same interesting people.

The PRESIDENT pro tempore. The Secretary will read, if there is no objection.

The Secretary read as follows:

THE MINNESOTA SHEEP AND
WOOLGROWERS' ASSOCIATION,
Farmington, Minn., May 29, 1909.

Hon. MOSES E. CLAPP,
Washington, D. C.

DEAR SIR: Replying to yours of 25th, will say that I feel indebted to you for sending me Mr. DOLLIVER's speech, which I take it for granted voices your own sentiments more or less. I feel, from my own observation, that there has been a great deal of misinformation gratuitously distributed by interested parties on the wool tariff.

The worsted people are necessarily interested in a high duty on noils, as they are a by-product which they do not use. Of course we woolgrowers are also interested in the duty on noils being fully protective, although we woolgrowers of Minnesota not so much so as the more western growers, as they produce a shorter fiber wool. This is why they and the worsted people work together, more or less at our expense. The worsted people must have long wool, which we produce largely in Minnesota, while the carded people want short wool. They are now introducing French combs to work a shorter staple into worsted, and these French combs also work cotton and wool together in spinning, which has not been quite successful in the past.

I feel that the only change I would make in the tariff on class 2 wools, which we produce in Minnesota, would be to eliminate the joker in section 362 of the Payne bill, which allows wool of the second class to come in washed at the same duty that it does unwashed. The effect of the present scheme is to allow the worsted people to leave our wool on our hands until the foreign supply is exhausted, or until the grower becomes discouraged and lets go his wool at the price offered. This, in a large measure, accounts for the erratic and violent fluctuations in the wool market. The market must always be in a starved condition to bring us a remunerative price. You can readily see where the high duty on tops and noils, slubbing and roving waste, and the comparatively low duty on washed second-class wool gives the worsted spinners the advantage of us and also the carded men. They kill two birds with one stone.

To summarize:

I would suggest that washed wool of the second class be put on the same basis as washed wool of the first class.

That the adjustment between scoured wool and tops and scoured wool and noils, in the interests of the consumer, be put on a more scientific and equitable basis.

I would put the duty on garnetted waste (shoddy) and shoddy so high that the Europeans would keep it, and if they sent us anything, send us their good wool. I am willing to compete, climatic conditions considered, with a European woolgrower, if public welfare demands it, but I am not willing to compete with European ragpickers, not even for the sake of the carded-woolen manufacturers. We can not compete with Australia, New Zealand, and South America in the production of wool on even terms.

I think if you follow these suggestions and then cut out the thousand and one little cunning phrasecologies of the schedule which give some-

body a monopoly and advantage, you will satisfy the woolgrowers of Minnesota and you will see sheep husbandry grow, as it should have done long ago, in Minnesota.

Yours, truly, MAGNUS BROWN, *President.*

P. S. Please send me about 100 copies of DOLLIVER'S speech in franked envelopes and I will distribute them amongst the boys; it's good.

Mr. WARREN and Mr. SMOOT addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Iowa yield, and to whom?

Mr. DOLLIVER. I yield to the Senator from Wyoming.

Mr. WARREN. As the Senator from Iowa asked my particular attention to the letter, I will say there is very much in the letter of which I approve. In fact, I find no fault with any part of the letter, except that the writer has evidently not been in a woolen factory often enough to fully appreciate the difference between garnetted waste and rags and shoddy. The difference is that garnetted waste is a refinement of wool, which is worth about two and a half times as much as the best washed No. 1 wool, while the shoddy is simply rags, clothing that has been worn out, picked to pieces and washed out clean, and is a sort of second-hand wool, and short, poor wool at that. So I say the writer of the letter, when he speaks of prohibiting rags and shoddy, is right. When he speaks of garnetted waste, he evidently is not informed.

In speaking about second-class wool, if the Senator will allow me, I want to say to the Senator and to the Senate that there never has been entire satisfaction on either side regarding Schedule K. There has never been perfect satisfaction regarding any other schedule between the importers, manufacturers, producers, and consumers. The growers of wool have always said that as to second-class wool, if it was to be an important factor there should be duty levied upon it at different rates, unwashed and washed. But the fact is there is so little of it—it is usually washed on the back of the sheep—that it does not become a real factor in competition with other wool. I want to say further——

Mr. DOLLIVER. Mr. President——

Mr. WARREN. Just a moment, please.

Mr. DOLLIVER. Right there, does not the fact that it is accessible to these people at 15 cents on the scoured contents of a pound of wool act as an automatic brake on the price of similar wools in the United States? In other words, do not people who would buy corresponding wools here turn away from this market place the very moment it becomes profitable to import it upon the payment of 15 cents on the scoured pound?

Mr. WARREN. The price of foreign wool is always regulated by the price of scoured wool laid down here duty paid. The consequence is if any class of wool bears a rate of import duty that allows it to be laid down here to advantage, immediately the price of the wool abroad increases.

Another thing. That class of wool is only grown upon mutton sheep—animals raised for mutton first and wool second. They never reach above about 7 per cent and often go down to 2 per cent and a fraction of the total consumption of wool in this country.

I know the Senator wants in whatever he may do to see that the woolgrower is fully protected. I am satisfied of that. But his remarks—and I say this for his information—are addressed to a paragraph where every single denomination of waste mentioned—and waste is a misnomer—where everything mentioned in that paragraph, 368, is a class of wool, a refinement of wool that directly stands in competition with washed wool, or, rather, scoured wool; and to depress that is to depress the American woolgrowers' product. You might as well take off half, or more, of the duty on No. 1 wool—even two-thirds—as to reduce any of these wastes. The unfortunate part and the unreasonable part is that it is not a carded-wool proposition. These wastes, so called, are all used by the worsted men, who create them, in manufacturing yarn for their own product.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. Referring to the letter just read, I wish to call the attention of the Senator to the fact that there is one statement which is hardly borne out by the facts, and that is this: He claims that the western wools are so short that the worsted people can not use them; that they use the long wools of the Middle West. Over 75 per cent of all the western wools are used by the worsted manufacturers of this country. It is true years ago, before they had improved the combs, they could not use the short wool, but to-day they can use short wools, and nearly all the wools raised in the western country——

Mr. WARREN. The Senator need not except any. They can all be combed. I have some samples which have been put into tops——

Mr. SMOOT. That is true. I was going to speak of the very best and finest goods in this country.

Mr. DOLLIVER. I am going to have those matters discussed by those who can speak with real authority about them. I desire now——

Mr. SMOOT. As far as the real authority is concerned, I have been in the wool business and handled these goods for twenty years, and that is a great deal longer than Mr. Dale ever handled them.

Mr. DOLLIVER. Is your mill in operation now?

Mr. SMOOT. No; and I can tell the Senator, if he wants to know, just why it is not. He is trying to legislate here on a proposition that can not be successful, because of the fact that to-day the American people are using worsted instead of woolens; and the Senator must know that that is the reason.

When the carded woolen people appeared before the Finance Committee asking for some change in these schedules, I called attention to the fact that there was not one single man among them who had a carded woolen suit on. Every one of them had a worsted suit on.

Mr. DOLLIVER. That is a very interesting thing. This group of gentlemen were pretty mad when they came away from the interview with the honored Senator from Utah.

Mr. SMOOT. Do you mean with the committee? I was only a member of the committee.

Mr. DOLLIVER. They said the Senator seemed somewhat unable to share the emotions which they themselves felt at the destruction of their industry.

Mr. SMOOT. I can appreciate just as much as they can the conditions that exist to-day, and I know that those conditions are most unfavorable.

Mr. DOLLIVER. It is rather a broad proposition to lay before the Congress of the United States—that proposition which the Senator from Utah laid before the most widely distributed and honestly capitalized department of woolen manufactures in America, employing more people than any other.

Mr. SMOOT. As far as the widely distributed manufacture of woolens to-day is concerned, the great bulk of them are worsted, and the only ones that are complaining that I have heard of do not represent more than 470 sets of cards out of a total of 4,500.

Mr. DOLLIVER. They complain that they have lost several hundred mills as the recent years have gone by—among others that which the Senator from Utah operates.

Mr. SMOOT. I wish to call the attention of the Senator from Iowa to the fact that there can be no advantage as far as class 1 and class 2 wools are concerned, for the worsted manufacturer can not take advantage of the purchase of either that the carded woolen people can not.

Mr. DOLLIVER. That is exactly what they say, and they say the worsted brother has done so.

Mr. SMOOT. No; I did not say that. I said they could not. As far as the second-class wools are concerned, the Senator must know there are only about 7 per cent of the second-class wools imported into this country of the total amount of wool imported.

Mr. DOLLIVER. I have promised to put into my speech the exact statistics about that.

Mr. SMOOT. Does the Senator deny it?

Mr. DOLLIVER. I am going to give what I myself think about that. The honored Senator from Wyoming has broached that matter gently to me once or twice, and I have stated that as the debate progressed I will discuss it, but I do not want to go into it now because I have not the figures with me. I did not expect we would go into it quite so early this morning.

I was saying that these carded woolen manufacturers from Maine and Pennsylvania and every place else felt the cold chill of the Senator's philosophy on the wool tariff as they left the Senate Office Building, and they were not concealing their resentment. The substance of what the Finance Committee's spokesman told them was that while their situation was desperate, nevertheless nothing could be done for them and nothing would be done, and they reported to their friends on the outside that the message they had from the committee and its spokesman on this question was that the true remedy for their troubles was to lock up their mills and quit a business that had become obsolete and no longer worth anything to the consumer.

Mr. SMOOT. If the Senator is referring to me, the gentlemen who reported to him reported a condition or circumstance that never happened.

Mr. DOLLIVER. I was undertaking to report accurately what they said, and I would not have alluded to it at all except

it corresponds with what the Senator said on the floor—that they are in a failing business, a business doomed to failure, a business going down hill, which can not be helped; that their troubles were beyond relief; that all that can be done is to let them die peacefully.

Mr. SMOOT. That is an exaggerated statement on the part of the Senator. I can not say and no one else can say but that next year the style of cloth wanted in this country will be carded woolens——

Mr. DOLLIVER. It never will be the style to intentionally select any other kind of clothes except woolens in cold weather.

Mr. SMOOT. Carded woolens are woolen clothes. They keep out the cold just the same. The only difference is in the process of manufacturing the goods.

Mr. DOLLIVER. The ordinary man in the United States can not tell the difference between the two.

Mr. SMOOT. The ordinary clothing manufacturer can tell.

Mr. DOLLIVER. The trouble is not that trouble which arises with respect to the fine turns of fashion and style and cut of clothes, but it is a more mysterious discrimination than that even.

Mr. WARREN. The Senator right there will allow me to express an opinion about the reason why they are not more fashionable.

Mr. DOLLIVER. I am, of course, delighted to have a few contributions to the sum total of knowledge.

Mr. WARREN. Worsted goods are woven with all wool both ways or with cotton warp and wool filling, and the man who buys them knows just what he buys; there are no rags or shoddy or waste used in their manufacture except such as I have mentioned, and those are simply a refinement of wool, while a very large proportion of the carded wool manufactured is made of shoddy, rags, flocks, mungo, and stuff of that kind.

I do not say that all their goods are made in that way. They make some beautiful goods of all wool, but unfortunately all of the cheap wastes and rags of other countries that we let in here go into carded-wool fabrics, and consumers have found that out. When a man buys a suit of clothes made out of worsted goods, it is not full of rags and mungo and flocks and stuff of that kind. When he buys a piece of carded-wool goods—called "woolen goods"—he does not know what it is made of; he takes his chances. He may think he is buying all good wool, but in a few days he may find a bag of flocks between the outside cloth and the lining.

Mr. DOLLIVER. There is one feature of this wool situation of a general character that has been interesting me for a long time. Men grow furious at the idea of a few pounds of garnetted waste coming in, or noils or fabrics of woolen manufacture. Men talk and act as if this world, and especially this country, was overrun with woolen goods, whereas the facts are that the sheep-producing business has not kept the wool supply abreast of the growing population of the United States; and the fact is that if all the wool that is produced in the country was put into all the clothes that are produced in the country, and if it had no other kind of clothes, there would not be one available suit of clothes a year for each citizen of the United States.

Mr. WARREN. The Senator certainly does not mean that. We are raising between three and four hundred million pounds of wool per year in this country.

Mr. DOLLIVER. I intend to give my authority for that.

Mr. WARREN. Any authority that the Senator may give will have to be as I stated it, if the Senator takes the authority of the statistics and the census of the United States as recorded in the departments.

Mr. DOLLIVER. The good Lord intended that there should be wool enough for people to wear.

Mr. WARREN. Then give the sheepman a chance to raise enough to furnish it, and do not permit rag waste and other substitutes to come in.

Mr. DOLLIVER. Scoured wool would come in here at a figure——

Mr. WARREN. Why is not the sheepman now furnishing more wool to the world?

Mr. DOLLIVER. He is furnishing more every year.

Mr. WARREN. As compared with the population of the country, yes. Mr. President, I surely did not suppose that the Senator from Iowa was opposed to an increase of population in this country. We glory in the increase in population. We are not the only country whose population is increasing.

Mr. DOLLIVER. Very well, then.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I wish to call the attention of the Senator to the fact that if it had not been for the tariff act of 1894 we would have had many more sheep in the country than we have now.

Mr. DOLLIVER. I do not think it is wise for my friend to enter the domain again of speculative statistics.

Mr. SMOOT. I do know that during those years the number of sheep in this country decreased——

Mr. DOLLIVER. Ten million.

Mr. SMOOT. There was a great decrease.

Mr. DOLLIVER. It will not take more than twenty years to recuperate against a loss like that.

Mr. SMOOT. There are more sheep to-day in the United States than we ever had.

Mr. DOLLIVER. I do not think you can attribute any factor in the increase to something that happened twenty years ago.

Mr. SMOOT. Not twenty years ago.

Mr. DOLLIVER. Pretty near. The good Providence that is above our affairs expressly made wool indestructible, practically. He seems to have had a benevolent outlook upon the world which he had made and upon the children of men. He seems to have known that it was impossible by any law to get sheep enough in nations that were to be like the United States to give everybody the fair chance of a good suit of woolen clothes. So wool was made in its very nature indestructible; so indestructible that if you look at rugs that are the most costly in America you will find some of them are five hundred years old, and some of them have been lying on the ground or the floors of tents in far-off lands century after century. All the wear and tear of centuries has not disturbed the fiber of which they are composed. Yet men are talking now very much as if rags were the offal clothing of the world and ought in some way to be made away with. I do not share that view.

Mr. WARREN. Then the Senator is at variance with the text that he quoted from a woolgrower in Minnesota.

Mr. DOLLIVER. I did not state that I was in harmony with everything that was said there. I think the present methods of making the duty absolutely prohibitory on rags has forced the rag supply of the Old World into England, from which rags are likely to come in the form of cloths, and which, sooner or later, certainly will be unloaded on somebody, and the price at which they have been sold has operated very much to the advantage of British manufacturers. I doubt very much whether these enormously prohibitory duties have operated to any advantage for our own people in the United States.

Mr. WARREN. Will the Senator permit me to say right there during this discussion that if he will note the market price of rags in this country in a trade journal which I will offer, he will find they start at about an eighth of a cent a pound—certainly the fraction of a cent—and run up, in different grades, to 5 or 6 cents per pound? I do not suppose there is any lack of rags in the markets of this country.

Mr. DOLLIVER. Rags in the United States have received the same fate as everything else. Does it surprise my friend from Wyoming to know that there is a rag trust in the United States? If he will open the Daily Trade Record of February 6, 1909, he will find under the head "Rags" an account of a meeting of the board of directors of the American Woolen By-Products Company and a statement that it has undertaken to reach out into all the cities of America to gather up on the streets and in tailor shops the whole field of rag waste that is left in the country, to be doled out upon their own terms to these woolen manufacturers. Is that a healthy state of society?

Mr. WARREN. The Senator surely has been seeing things, or some one else has.

Mr. DOLLIVER. I saw that, not in my mind's eye but in a trade paper of the wool business of the United States.

Mr. WARREN. The Senator does not believe there is a rag trust when you find rag peddlers going about in every town and in the backwoods country all over the United States, picking up rags and selling them at the nearest market they get. A rag trust at the present time strikes me as a bogey man.

Mr. DOLLIVER. It struck me as a little funny, but the daily trade journal of the woolen trade in New York, giving the news of the trade, gave the names of the president and the board of directors, and the meeting at which they changed officers and reelected the board. It gave the name of it, the American Woolen By-Products Company.

Mr. WARREN. May I ask the Senator, does he wish to lower the customs rates on rags so as to compete with the trust in this country, and so that we may have plenty of rags in our clothing?

Mr. DOLLIVER. I shall show before the debate closes that we have worn plenty of rags in our clothing under the situation we now enjoy.

Mr. CURTIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Kansas?

Mr. DOLLIVER. Certainly.

Mr. CURTIS. I understood the Senator to say that the number of sheep had decreased under the Wilson law only ten million.

Mr. DOLLIVER. That was just the recollection——

Mr. CURTIS. The record shows that the number decreased over eleven million.

Mr. WARREN. The Senator might go further than that. The number decreased from over fifty million to about thirty-six million.

Mr. DOLLIVER. It depends a little on the dates given. Mine was only a fugitive recollection of an old speech that I once made, I think, out in the country of the Senator from Kansas.

Now, Mr. President, I think we have overstated and exaggerated the danger to the wool industry of the United States in these elaborate preparations to guard this market against the approach of these things that are everywhere in the world used as a substitute for wool and ought to be used in the manufacture of cloth. Even in this despised shoddy there is no element of rags. The chemist has done his work until he has nothing left but the pure, clean animal fiber. The only thing about it is that it is a short fiber and liable, more or less, to destruction in ordinary use; but until we can get a supply of wool not only equal to the business of giving everybody at least one suit of clothes a year I think we waste a good deal of time filling the air with complaints about these wastes and by-products. I had my suspicions aroused about it when I found that these high rates of duty were not so much intended to keep the substitutes for wool out of the country as they were intended and are operating to enable a certain class of woolen manufacturers to unload their waste by-products on their competitors at exorbitant prices.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. So far as my knowledge of conditions goes and of those interested in this subject, I will state that the reason they want to keep out top waste, roving waste, and slubbing waste is for the very purpose of having the American people use the American wool, because if that class of wastes are imported they displace just that many pounds of wool. The Senator himself knows that under the law of 1883 the rates on wastes were so low that they even manufactured tops in England and shipped them here. I say to the Senator now that top waste is worth more in the market than a scoured pound of wool.

Mr. DOLLIVER. Is it worth more than noils?

Mr. SMOOT. Top waste is worth more than noils and, Mr. President, top waste is carded wool with all the substances other than wool in it taken out.

Mr. DOLLIVER. How does it become a waste?

Mr. SMOOT. It comes through carding. It runs through different machines, passing through the cards to the comb. Every time you handle the wool there is an additional waste. There is no manufactured article where so much waste is made in the manufacturing as that of wool—from wool to cloth.

Mr. DOLLIVER. Mr. President, I am still of the opinion that we should get enough wool into this country, either from the backs of our own sheep or from other sources, to give each man, especially those of us who live in cold climates, one good, "square" suit of woolen clothes a year. If we had that situation I would regard the argument against the introduction of these by-products from other countries with a little more interest than I do under the situation that now prevails in the United States.

Mr. SMOOT. The Senator from Iowa, as I understand his position, is in favor of protecting the woolgrower.

Mr. DOLLIVER. Surely.

Mr. SMOOT. Then, Mr. President, I want to call his attention to the fact that if you lower the rates upon top waste, slubbing waste, and roving waste, every pound of that waste that enters this country will take the place of so many pounds of American wool, and you might just as well have no duty upon the greased wool itself if you are going to take it off the roving waste, the top waste, and the slubbing waste.

Mr. DOLLIVER. I do not propose to take it off. I propose to reduce it so that those who produce it will also have a little mercy in selling it. That is all I am talking about.

Mr. WARREN. Mr. President, will the Senator allow me?

Mr. DOLLIVER. Certainly.

Mr. WARREN. I think the Senator said he would be satisfied if there were wool enough here to buy a suit of clothes for every man once a year.

Mr. DOLLIVER. Yes.

Mr. WARREN. They are raising that amount of wool, and more, of clean, new, pure wool. Now, as to this matter of rags and its effect upon wool. The Senator will remember the Wilson-Gorman law of 1894, and he will probably remember it was not especially intended to protect the sheepman or the wool manufacturer. That bill gave free wool, and yet, Mr. President, they put 15 per cent ad valorem upon shoddy and other wastes. They were careful enough and thoughtful enough, even when attacking the woolgrower and making his product free, to protect in some measure the consumer by putting a duty upon wastes and upon shoddy.

But, even with that duty upon wastes and shoddy, and even with wool free, the importations increased over 2,000 per cent in one year after the passage of the law of 1894. We were importing annually in rags and shoddy something like a quarter-million pounds, and before the end of the first year in which that law prevailed we were importing at the rate of over 17,000,000 pounds per year, and this, too, with the 15 per cent ad valorem on shoddy and with wool free.

Mr. DOLLIVER. A few weeks ago, when I ventured to express in the Senate some views about this wool schedule, I encountered a rather peculiar storm of criticism. I thought in my guileless inexperience that when the Republican party talked about revising the tariff it must certainly have been in their minds that this schedule, which has survived for fifty years practically without any change——

Mr. WARREN. Mr. President, I wish to say to the Senator that that statement might be true as a general proposition. There is one of the wastes for which the Senator is pleading that was reduced 50 per cent in the Dingley law from the McKinley law.

Mr. DOLLIVER. Mr. President, these wastes in manufacturing yarns can not be so important after all. They certainly can not be as important as this English washed wool and Canadian wool, which my friend has dismissed as unworthy of any further discussion.

Mr. WARREN. One of those wastes amounts in each year to several times the total amount of importations of No. 2 wool; just one of those wastes.

Mr. DOLLIVER. I was, of course, confused a little when I found myself turned on by our great party leader in the Senate and found the RECORD littered up with a lot of old speeches, Democratic in their origin and purpose, made here years ago. I do not know whether the Senator intended to accuse me of stealing these speeches or simply following the ideas that were suggested in them, In either case I thought it was a very curious proceeding to leave the impression upon the Senate that I was exploiting here some raw, crude views that had been left over in an old debate in the Senate of the United States, in which Democratic leaders mainly had participated. So I have taken the liberty to reduce to writing a conversation with the editor of the Textile World Record, of Boston, who began his life on a farm, continued it in every stage of woolen manufacture in the greatest mills of New England, and finally, in the development of extraordinary knowledge of the subject, came to be the editor of the trade journal of the wool manufacturing world of America, and, as I have more than once described him, he is the most reliable and least partisan expert on these questions now living in the United States.

I want to have read at the Clerk's desk what he said, because it is a series of questions and answers, and if Senators who are listening so kindly to me will listen to him they will get a good deal more light on this subject than they will acquire either from this desk, or from the desk of the Senator from Utah, or that of the Senator from Wyoming. I ask that this dialogue be read.

The PRESIDENT pro tempore. The Secretary will read, if there be no objection.

Mr. SMOOT. May I——

Mr. DOLLIVER. Because the amendments which I have offered are suggested by the wisdom which is suggested by this great textile editor, and they are not inspired from any Democratic sources, because this man is one of the leading Republicans of New England, and is a protectionist who has defended the faith without fear and without reproach.

Mr. SMOOT. I simply want to say to the Senator from Iowa that Mr. Dale was employed by the Merchants' Wool Company, of Dedham, Mass., and remained there about two years and four months. Mr. Dale, with all of the protection given to the wool industry, has never made a success of it in this country.

Mr. DOLLIVER. I do not now think, after my friend confessed a failure of his own woolen mills, he ought to be heard to disparage the business career of others.

Mr. SMOOT. No; as long as I was manager of the woolen mill it ran and never shut down, and within the last few years——

Mr. DOLLIVER. It is certainly just as becoming for an editor——

Mr. SMOOT. I ran the mill for twenty years.

Mr. DOLLIVER. It is just as becoming for an editor of a great textile journal to be heard here, who is a nonpartisan witness in these matters, as it is to have our attentions directed to the judgment and opinion of a retired wool merchant, who has added the graces of statesmanship to the achievements of a long business career.

Mr. SMOOT. I want to thank the Senator from Iowa for his kind words, but I certainly did not go from the manufacture of woolens after making a failure of it to become the editor of a paper to tell men how to run woolen mills.

Mr. DOLLIVER. The Senator locked up his woolen mill and came to the Senate, and Mr. Dale seems to have retired from the woolen mill and gone into the editorial chair. I think at least from his own statement they stand upon a common footing.

Mr. SMOOT. The statement made by the Senator is altogether wrong. I have been here in the Senate for six years and more and the mill was run three years after I quit the management of it. When I did leave it I want to say that woolens were then in the height of fashion and we were running night and day. We never closed the mill, and we could not furnish enough woolen goods to the customers we had. But at that time woolens were fashionable and were demanded by the American people. I believe, as I said before, that it will not be long until they will be fashionable again, and then every woolen mill in Maine and every other State will be fully employed.

Mr. NELSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Minnesota?

Mr. SMOOT. Certainly.

Mr. NELSON. Is it because these people have begun to use mercerized goods that they have abandoned the use of wools?

Mr. SMOOT. Of course the Senator knows that wool is not mercerized. There is no need of trying to answer the question, because I take it as a little pleasantry on the part of the Senator.

The PRESIDENT pro tempore. The Secretary will read the matter sent to the desk by the Senator from Iowa.

Mr. DOLLIVER. Before the Secretary reads, I wish to say I am very glad that the Senator from Rhode Island is here. I have no hope, I say, of being able to push my views upon the committee or upon the Senate, but I have a very grave anxiety that this schedule, which has remained practically in the same form for so many years—more than a generation—should be included in our scheme of revision of the tariff. If it is not amended in the Senate, if the House propositions are accepted, then it is not in conference. I have a hope, based upon my anxiety to solidify and harmonize our views, that some measure will be taken to give jurisdiction to the conference committee of the disputed matters in the woolen schedule, so that at their leisure and without the disturbance of debate and controversy they may sit down and make at least a few revisions along the lines which I have suggested.

Therefore I am exceedingly anxious that the Senator from Rhode Island, who is engrossed with a thousand cares in the Chamber and outside, should hear not what I say, but what is said by this authority, the editor of the Textile World, who has carried into the subject his investigations into all departments, standardizing wools, examining them, and studying them with patient research now for more than twenty years.

Mr. ALDRICH. I do not know the gentleman to whom the Senator refers.

Mr. DOLLIVER. He is the editor of the Textile World, of Boston.

Mr. ALDRICH. I have never heard of him, but I have no doubt he is an authority.

Mr. DOLLIVER. It is in the hands of the entire cotton and woolen trade of the United States, I believe. The newspaper is almost as large as your tariff bill, on account of the advertisements it carries in all departments of textile industry.

Mr. ALDRICH. It is probably because I have not been familiar with the literature on this subject recently, but I never happened to hear of either the newspaper or the editor.

Mr. FLINT. I hope the Senator from Rhode Island will not place too much weight on this article of the editor. The Senator from Utah, who knows him, states that he was formerly in the wool business and failed and left it to go into the newspaper business.

The PRESIDENT pro tempore. The Secretary will read as requested.

The Secretary read as follows:

Q. Will you state what the present condition of the woolen manufacturing industry is in the United States at present?—A. The worsted business is very prosperous and developing rapidly, while the carded woolen industry is very much depressed. This depression is due to two causes: First, the greater popularity of smooth, hard-faced finish for which worsteds are adapted; second, the fact that the carded woolen mills are excluded from access to the foreign wools adapted to their goods, while the worsted mills have a comparatively easy access to such sources of supply. These conditions have forced the carded woolen mills into idleness or to the use of wool substitutes and have stimulated the manufacture of inferior fabrics known as "cotton worsteds," made principally of cotton yarn with a small amount of worsted. These cotton worsteds are attractive to the eye before being worn, but they do not protect the body against cold and damp and make a generally unsatisfactory garment.

Q. What materials are open to the manufacturer of carded woolen cloth besides new wool?—A. There are noils and the wastes from the manufacture of wool, and the material commonly known as "shoddy," which is made by tearing into a loose, fluffy, fibrous mass suitable for reworking into cloth the tailors' clippings and the woolen rags that are collected around the country. The use of these materials is essential, because the supply of new wool is entirely inadequate to clothe the people. As careful an estimate as I have been able to make from the best statistics available shows that if all the wool grown in the world were converted into cloth, without the admixture of any other material, and distributed pro rata among the people who inhabit the globe outside the Tropics, where very little wool cloth is required, the annual per capita share would be 14 ounces of pure wool cloth. The production of wool in the United States, if divided among the people of the United States, would amount to practically the same quantity—14 ounces—of pure wool cloth for each person. This is little more than enough for a breechcloth. The ordinary light-weight cloth weighs about 14 ounces per yard, 55 inches wide. A suit of clothes requires 3½ yards. A man's share of the wool clip is, therefore, enough cloth to make a light-weight suit every three and one-half years.

Q. What effect on the clothing, bedding, and household furnishings of the people has this situation which you describe produced, and what would be its ultimate effect upon the woolgrowing industry?—A. It has deprived the people of an adequate supply of wool clothing, blankets, and other articles of wool. It has compelled the use of inferior substitutes for wool, which do not give the protection against dampness and changes in temperature that is afforded by wool. It has forced manufacturers to reduce the weight of all-wool cloths, so that these goods, although made of wool only, fail to give proper protection to the wearer. The prohibitory duties on wool wastes, noils, and similar materials restrict the mills to the comparatively limited domestic supply of these materials, so that the goods made of wool substitutes are much inferior to what they would be if a supply of the better grades of wool substitutes were made available by an equitable duty on these materials. The prohibitory duty on the heavy shrinking wools and on wool substitutes suited for the lower-priced goods and the low duties on the light shrinking wools suited for the higher-priced goods make it difficult to produce warm and durable wool garments at a low cost and at the same time facilitate the production of the high-priced cloths. My judgment is that these conditions will ultimately bring the tariff on wool and wool goods into such popular disfavor as may result in the violent removal of all duties on wool and its substitutes, as was the case in 1894, and that, therefore, the ultimate effect of these conditions is likely to be very injurious to the domestic woolgrowing industry.

Q. You spoke of the manufacturers of carded woolens being driven to the use of certain waste and by-products; you mentioned particularly noils. Taking the sample of English wool which we have here, and which you say enters at 12 cents a pound washed, and pays a duty of only 15 cents on the contents of the scoured pound, owing to its light shrinkage, I will ask you to trace that wool from the condition in which we have it here to the cloth or dress goods for which it is adapted, stating as you go along what waste arises in the various processes of manufacture.—A. The first process is scouring. The waste from scouring wool runs almost invariably to waste in the stream, so that it need not be taken into consideration. The next process is carding; the waste here is a very small percentage of the weight of the wool, and its value is low, owing to the dirt and grease clinging to it. The next process is combing, which divides the wool into two parts, the long fiber called "tops" and the short fiber called "noils." The noils can not be used by the worsted mills and are therefore sold as a raw material for the carded woolen mills. The tops are converted into worsted, the process after combing being drawing; a comparatively small quantity of slubbing waste is produced in this process. The drawing process converts the tops into roving, and in the last operation of drawing a small quantity of roving waste is made. The roving is spun and twisted into yarn. During this process and in the subsequent operations of spooling, warping, and weaving a quantity of yarn waste is made. This is run through a garnett machine which converts it into a loose fibrous mass known as "garnetted waste."

Q. These wastes are, therefore, a sort of by-product in the manufacture of worsteds, and do not arise in the conversion of wool into woolen goods?—A. Wastes are made in the carded woolen manufacture, but they are of a different quality and character entirely.

Q. What becomes of these latter wastes?—A. They are used over again by the carded woolen manufacturers.

Q. Now, if I understand you, these wastes, noils, slubbing wastes, roving wastes, and garnetted wastes are sold by the worsted factories to the carded wool people?—A. Yes, sir.

Q. What are noils worth now a pound?—A. Prices vary widely with the quality and state of the market. They vary from 15 to 50 cents per pound, and some perhaps higher.

Q. What are these noils worth abroad?—A. I recently received a large number of samples of noils and worsted waste from Bradford, England. Following is a list of them, with prices, at Bradford:

Memorandum of prices of foreign noils, waste, and shoddy.

		d.	Cts.
2540.	Crossbred 40s noils	6½	=12½
2541.	Crossbred 40s noils	7	=14
2537.	Crossbred 40s noils	7½	=15
2534.	Crossbred 44s noils	8½	=16½
2536.	Sliped New Zealand noils	8½	=17
2535.	Crossbred 46s noils	8½	=17½
2539.	50s noils	9½	=19½
2533.	Lister-combed English noils	10	=20
2532.	Lister-combed English noils	10½	=20½
26.	Australian crossbred 56/58s noils	11½	=23½
27.	Australian Botany noils	15½	=31½
28.	Cape Holden's dry combed noils	16½	=33
25.	Australian 80s noils	17½	=35
3155.	Carded light waste	11	=22
2880.	Medium olive, medium shoddy	7½	=15
2990.	Wd. carb. light shoddy	11	=22
2785.	Wd. medium black shoddy	11	=22
2469.	Fine fancy comforters, shoddy	8	=16
2.	Dyed black-brown mungo	4½	=8½
3.	Dyed green mungo	4½	=8½
6.	Green cheviots, shoddy	3½	=6½
4.	Dyed black-brown cheviots, shoddy	3½	=6½
1.	Dyed green medium worsteds, shoddy	4	=8
5.	Dyed light green medium worsteds, shoddy	4½	=9
7.	White merino noils	14½	=29
8.	English blanket noils	10	=20
9.	English noils	8½	=16½
10.	English noils	8	=16
11.	English noils	7½	=15
12.	English Down noils	10½	=21½
13.	Pulled white hosiery waste	10½	=21
14.	Colored hosiery waste	11½	=23
15.	Gray hosiery waste	10½	=20½
16.	Colored waste, carded	6½	=13
17.	White waste	10½	=20½
18.	Gray waste, carded	7½	=15
19.	White Botany waste	17½	=35
20.	Colored crossbred	9½	=19
21.	Colored Botany	19½	=39
22.	Carbonized black serge, pulled	3½	=7
23.	Carbonized black worsted	4½	=9
24.	New black worsted, carded	5½	=10½

NOTE.—The trade discount on noils, 7 to 12, inclusive, is 1½ per cent, payment one month; also on tops, from 13 to 21, inclusive, terms net.

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Q. I wish to talk with you a little about the framework of Schedule K, as it relates to the specific duties applicable to the weight of cloths and dress goods manufactured here. Have you ever studied the question of whether the multiples of 3 and 4 by which this compensatory duty on cloth as related to the duties on wools of the first class has been calculated for so many years?—A. Yes; I have.

Q. I would like to know what conclusions you have reached about that?—A. You will find my conclusions in this article, "How much wool to make a pound of cloth?" No tariff on wool goods should be based on a ratio between grease wool and finished cloth. As well might one attempt to fix a ratio between iron ore and watch springs. No wool manufacturer attempts to estimate the cost of his finished fabrics from the cost of the grease wool. Such a basis would result in gross errors and ultimate bankruptcy. In buying grease wool, the first considerations are the amount of scoured wool that the grease wool will yield, and the intrinsic worth of the scoured fiber. About twenty years ago I made an extensive test to determine the shrinkage in manufacturing all-wool cloth, and the result was that 1.54 pounds of scoured wool was required for 1 pound of cloth. The ratio between the grease wool and the finished cloth varies widely because of the difference in the shrinkage of wool in scouring. During the four years I was making the test referred to, I used many different lots of wool which varied widely in shrinkage. This variation of shrinkage is illustrated by 6 lots of grease wool, which in scouring shrank 76, 69, 62, 47, 35, and 16 per cent, respectively. Calculating the ratio between these lots of grease wool and the finished cloth from the ratio of 1.54 between the scoured wool and the finished cloth, we find the following ratios between the grease wool and the finished cloth: 6¾, 5, 4, 3, 2¼, and 1¾. This shows plainly that no single ratio can be true of all kinds of wool.

Q. What do you say, then, of the scheme of fixing these compensatory duties as this bill does, on the ratio of 4 to 1, and in the lower grades of 3 to 1? How does that work out?—A. It causes great inequalities in the tariff especially because the ratios named are applied not only to goods made of all wool, but to goods made of mixtures of wool and other materials.

Q. What do you say, then, of the scheme of fixing these compensatory on account of the wool duty, when in point of fact little or no wool appears in the cloth which he makes?—A. There is, of course, no reason for compensating a manufacturer for duties paid on wool that is not used in the manufacture of the cloth. The 4 to 1 ratio between grease wool and cloth is correct only for all-wool cloth made of wool shrinking 60 to 65 per cent. As a matter of fact, no wool shrinking as much as that is imported into the United States. The specific duty of 11 or 12 cents a pound on grease wool forces manufacturers to confine their purchases of foreign wool to the light-shrinking lots. Consequently, the Dingley and Payne bills compensate the manufacturer for wool duties which he has never paid. The defenders of the 4 to 1 ratio sometimes seek to justify it by referring to or paraphrasing Senator ALDRICH'S defense of it twelve years ago. Thus one of them recently said to me: "We need compensation at the rate of 4 to 1 because our foreign competitors use these heavy wools." The large amount of grease and dirt in the heavy-shrinking wools is no advantage to the foreign manufacturer. Wool cloth is made from the wool fiber, not from wool grease and dirt. There can be no justification for compensating for wool duties that have not been paid.

Q. I have no purpose to expose any branch of the woolen manufacturing business of this country to injurious foreign competition, nor any purpose to take away from the woolgrower a fairly advantageous protective tariff; but I have been wondering whether a more equitable basis for the assessment of compensatory duties can not be found, and the result of my reflections upon it has led me to prepare some amendments to the Senate bill running through the schedules of cloths and women's and children's goods, so far as they can be made applicable, by which it is proposed to preserve the ratio of 4 to 1 between grease wool and cloth, and 3 to 1 where that ratio appears, and make the compensatory duty applicable, not to the weight of the cloth, but to the weight of the wool contents of the cloth, which I am informed, can be accurately determined by the analytical bureau connected with the appraiser's office. Have you ever reached a conclusion upon that subject?—A. I have, and was going to suggest that very thing to you; that it is easy to distinguish wool from vegetable materials, and that if that were done it would go far toward correcting the inequality resulting from the 4 and 3 to 1 ratios. It, however, would still leave the inequalities resulting from the wide difference in the shrinkage of wool in scouring and also from the different shrinkages in the conversion of the scoured wool into cloth. The shrinkage from the scoured wool to the finished cloth is by no means uniform, but varies somewhat on different fabrics.

Q. I have caused several calculations to be made of the effect of that change in the law. I find no case in which it appears to increase the existing rates of duty; but on the other hand, it materially reduces the rates of duty, particularly upon the ordinary grades consumed by the masses of the people, both of woolen cloths and dress goods. It eliminates from the woolen schedule rates of duty which are apparently inordinately high, rising sometimes to 150 per cent, and brings all duties on manufactured woolens substantially below the present rates. What effect, in your judgment, would such slight reductions as I have indicated have upon the rates from the standpoint of adequate protection? In other words, what, in your judgment, should be the maximum rates provided for the finished products of Schedule K?—A. The extremely high rates on wool goods which you mention are due largely to the excess of the compensatory duty over the compensation actually required to cover the duty on the raw material consumed in the manufacture of the goods. Such excess is not needed to protect the manufacturer, and consequently the removal of that excess could not injure the manufacturer. The injury to him would result from a continuance of this excess due to protection concealed in the compensatory duties, as the high rates invite attack on the protective system. Limiting the compensatory duties to the wool contents of the cloth, as you propose, would reduce the excess, and therefore would be a step in the right direction. It would, however, still leave an excess of compensation due to the use of light shrinking wools of which less than 4 pounds is required for 1 pound of cloth, and to the use of wool substitutes, such as noils, waste, shoddy, and so forth. These wool substitutes can not be distinguished from new wool in the finished cloth, and consequently would be returned as part of the wool contents of the cloth, on which the 4 to 1 compensatory rate would apply. But your plan would reduce the excess of compensatory duties and could not increase it in any case, and for that reason should be adopted if a better and more thorough method is not adopted.

Mr. DOLLIVER. Mr. President——

Mr. WARREN. Will the Senator from Iowa permit me to make a statement?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Yes, sir.

Mr. WARREN. Mr. President, I only want to make one observation as to the article (interview with Samuel S. Dale, editor of the Textile Record) which has just been read; and that is, that it deals in the extraordinary rather than the ordinary. For instance, the statement is made that upon a double width of cloth it takes 3½ yards to make a suit of clothes and that it weighs 14 ounces to the yard. That may be true of some suits of clothes for some men; but 3 yards to the clothing maker is sufficient to make any of the suits that he makes, on the average, including the small and the large.

Again, I doubt very much whether there is a piece of worsted goods upon any Senator's back here at present that will weigh 14 ounces per yard. As to this suit that I have on myself, I weighed the cloth carefully before it was made; it was about as good as I could get, and it weighs but 12 ounces to the yard. It took a little over 3 yards to make it—possibly 3¼—and I am somewhat larger than the majority of men.

When the question is asked about the waste, the Senator from Iowa asked if noils and slubbing waste, and so forth, are used by the carded-wool men, and he says "yes." If the Senator had asked if it was the usual practice for a worsted man to sell those wastes, except noils, he, of course, would have to say "no," for they are not often sold by the worsted men and are not usually bought by the carded-wool men, because they can not afford to buy them. The wastes, garnetted wastes, slubbing wastes, and so forth, as I said before, are a refinement of wool that comes off in one process, goes back and is worked in another, and is just as good as the original, and is worth, pound for pound, as much.

As to the price of noils, while I am not going to say that Mr. Dale, whose name has been used, would willingly state an untruth, undoubtedly a man interested in a business is likely to use those figures which best suit his purpose. He quoted from the price of noils abroad. I will not say to you, Mr. President; I will not say to the Senator from Iowa; I will not say to anybody that Mr. Dale gave the entire list of the prices of noils. He may have given it just as the firm abroad quoted it, but I have in my hand the latest market price of noils here. You may mark them in a range from one end to the other, from the cheapest to the highest, and this list gives the price of noils in Boston on June 5. We find they are quoted as low as 27 cents, 30 cents, 35 cents, and 38 cents, and yet

they run as high as 67 and even 70 cents. The consequence is that the range for noils runs from 27 cents to 70 cents in Boston. Of course, the range is in proportion abroad. Yet the statement submitted does not show the high-priced noils.

Mr. SMOOT. And, Mr. President, that is according to the grade of wool that is in the noils.

Mr. WARREN. So I want to say, without casting any reflection upon Mr. Dale, that he has, in the matter of noils and in the matter of cloth and in the matter of wool, undertaken in his paper to attack the manufacturers and show that the compensation of 3 to 1 and 4 to 1 is wrong, and yet, according to his own figures, he shows that it takes 6¾ to 1 in some cases as a compensatory duty.

He gives the shrinkage of wool in that statement. Why, Mr. President, the shrinkage of wool will run all the way from 1 per cent to 90 per cent, but that is not an average. I have seen wool where there was 18 per cent shrinkage in washing, and again where it was not over 10 per cent, and other cases where there was nearly 90 per cent shrinkage. I have seen wool that would shrink 10 per cent, possibly, or 12 per cent; but I submit that those are not fair statements as applied to the general market or to the general product.

The shrinkage in wool is well known. The carded-wool men, in their statement to the President, have said that the worsted men are using wool that shrinks 14 per cent. They know just as well as I know that there is not wool enough of that kind to last the worsted manufacturers in this country for one week. They know, furthermore, that that wool does not go into men's clothing. They know that that wool comes over here and goes into luster goods and braids, and so forth; and they know that the wools that go into worsteds are brought from South America and from other points, and that their shrinkage seldom, if ever, goes below 32 per cent, and from that up to 66 per cent. So it is begging the question, when this position of the carded-wool men is put before us, to say that the worsted man gets in his wool for his manufacture at 14 per cent shrinkage.

Again, when this arrangement of ratios was first established, as stated by the Senator from Montana, it was established by the carded-wool men themselves; and it has remained that way without very much change ever since. If it is unfair now to the carded-wool men, then it was unfair when they sought to have it made.

It is said again that the worsted men construct their goods from No. 2 wool, as if they could not do it from other wool. I have here, and will show it before we leave this question, about as mean a sample of tag locks as I ever saw in my life, and in almost every year of my life I have seen sheep shorn. That sample has passed through a Noble comb and the product is top and noils the same as if it were No. 1 or No. 2, only of a lower grade. I assert that there is not 1 per cent of the wool raised in this country that can not go into worsted top and noils and that does not go into worsted, because while heretofore they only had combs that took the very long wools, we now have the Heilmann comb, and we have the Noble comb.

All this talk about waste and noils, all of this making faces at No. 2 is nonsense, because there are no noils of any consequence in No. 2. Noils are simply short wool, the fibers of which are not long enough to go into yarn for worsteds. When you take the regular long No. 2 wool there are no noils of consequence. Only one-sixth of the wool goes into noils, even of ordinary short wools. The tags that I shall show later were shrunk 80 per cent in scouring, and in making top yielded 37 per cent noils. They are simply short pieces of wool, and look like the rakings of the yard. They are clipped from certain portions of the sheep.

Mr. CARTER. Mr. President, I inquire the present parliamentary status of paragraph 365, and likewise paragraph 366 as amended? Have both been adopted?

Mr. WARREN. Those paragraphs have already been adopted up to paragraph 368.

The PRESIDENT pro tempore. Those have all been agreed to.

Mr. CARTER. Then, with reference to paragraph 368?

The PRESIDENT pro tempore. That is the paragraph under consideration, to which an amendment is pending.

Mr. CARTER. That is the amendment pending, and the amendment to which the Senator from Iowa directed his attention.

Mr. DOLLIVER. Mr. President, so that——

Mr. CARTER. Does the Senator desire to proceed?

Mr. DOLLIVER. I had just yielded the floor to the Senator from Wyoming.

Mr. WARREN. I would say I simply asked the Senator from Iowa to yield to me for a moment.

Mr. DOLLIVER. I very gladly yield to the Senator from Montana, but I desire to retain the floor for a moment or two after he is through.

Mr. CARTER. Mr. President, the word "waste" implies inferiority in quality, and the natural implication to be drawn from the phraseology of this paragraph would be that the form in which wool appears as slubbing waste, or top waste, or roving waste, or ring waste, or garnetted waste represents a quality of wool inferior in character to the scoured wool. It must be borne in mind, in considering this paragraph or the committee amendments proposed to it, that the Senate and the House are in agreement on 11 cents per pound on unwashed wool of the first class. It must also be taken into consideration that the various definitions preceding paragraph 365 have been adopted by the Senate as they came from the House.

It is important, in attempting to fairly pass upon the amendment of the Senate, to determine the quality of the waste referred to as compared with the scoured wool. The bill provides that, as to the first-class wool in the grease, 11 cents per pound of duty shall be assessed; first-class wool, washed, 22 cents per pound; first-class wool, scoured, 33 cents per pound; or, in other words, 3 pounds of unwashed wool are taken as the equivalent of 1 pound of scoured wool, and 1 pound of washed wool is regarded as the equivalent of 2 pounds of unwashed wool. This classification or definition of the relation is based upon the theory that the wools of this country of the first class practically shrink two-thirds in scouring, and will shrink one-half in the process of washing on the back of the sheep.

In order, therefore, to determine the relation of the wastes described in this amendment to either the washed wool or the scoured wool or the wool in the grease, it is important to examine the process of manufacture. I have here, Mr. President, a series of samples. The first [exhibiting] shows wool in the grease, upon which the duty is 11 cents per pound, made so in this bill by concurrent action of the two Houses.

The second [exhibiting] is the scoured article, upon which we have agreed to place a duty of 33 cents a pound. For the purposes of this discussion, I will refer only hereafter to the scoured wool and the relation thereof to the various so-called "by-products." This scoured wool [exhibiting] in the process of manufacturing what is called "worsted goods" is carded and combed, and the process of carding and combing evolves what we know as "tops," wool in this refined form [exhibiting] and in long strands.

In order to produce these tops the process of carding and combing eliminates what is known as "noils"—short fibers carded and combed out of the scoured wool. These noils, together with certain other refuse matter of a very inferior grade, consisting of every kind of impurity in the scoured wool, amount to about one-sixth of all the weight of the scoured wool. So that this top [exhibiting] represents the purified form of the scoured wool, all noils and other impurities being eliminated from the scoured wool to produce the tops in the process of manufacture. These tops are finally advanced into what is called "slubbing" [exhibiting], which merely means another stage of advance toward yarn. In rolling these tops into balls, if you please, it occurs that the lengths do not always come out even, and in order that the lengths may be made even the operatives tear off pieces from the end [exhibiting], and that is called "top waste." It is the same identical material as the tops. It is free from noils, and it is free from all the impurities contained in the scoured wool. The noils and impurities make up one-sixth of the waste of the scoured wool.

We have agreed to place 33 cents per pound duty on the scoured wool [exhibiting], and yet the Senator from Iowa thinks we should preserve proportions by taking this refined product of scoured wool and giving it a duty of 20 cents per pound.

Mr. DOLLIVER. Mr. President, if the Senator will permit me——

Mr. CARTER. I am glad to.

Mr. DOLLIVER. Is it not true that the wool out of which those tops was made is liable to come in here with a duty upon the scoured contents of a pound very much less than 33 cents?

Mr. CARTER. Mr. President, I will address myself to that feature of this schedule a little later. There is a virtue in the contention of the Senator in that behalf. It is inherent in the effort which always obtains to secure an agreement between contending forces.

This is what is known as the "slubbing waste" [exhibiting]. The slubbing is the same identical quality of wool as the top. This has advanced just one stage further toward a yarn than the top. In the process of forwarding this slubbing to yarn it occurs, just as in the other case, that certain strands are now and then found of unequal lengths, and pieces are left on the coils in order to make uniform lengths, and the pieces thus resulting, longer as a rule than the others—that is, the top waste—become known as "slubbing waste."

This slubbing waste, as I say, is of the same quality as the top waste, and both the top waste and the slubbing waste are superior in quality to the scoured wool. The Senator would place only 20 cents protective duty on this refined article in the same bill in which by common consent 33 cents per pound is pronounced a necessary protective duty on the raw article out of which this was made.

The same is true of garnetted wastes and the various wastes referred to in this amendment. I will not detain the Senate by going through the various wastes—the ring waste and the roving waste and the various wastes presented.

A little beyond the slubbing waste comes what is known as the roving waste. That is yarn in the initial stage, after passing from the form of slubbing. This [exhibiting] you will observe is a coarse yarn. This is called "roving," and in the course of trimming these rovings down into yarn, the single yarn, which is the refined product, and the 2-ply yarn, which is a little coarser, there is worked off a certain part of this slubbing, and that becomes known as "roving waste." It does not change in any sense or degree in quality from the material of which the top and the slubbing wastes are made. It is equally refined. It happens to be eliminated in the process of manufacture. The Senator would have us place 20 cents per pound as an alleged protective duty upon this refined article, while insisting that 33 cents per pound is a necessary duty on the scoured wool.

I am not now dealing with noils, be it known. These noils, cut out of the scoured wool, constitute about one-sixth of its weight, and I am informed that this product is worth only about 60 per cent of the market value of scoured wool. It is a shorter fiber, but useful; not in the worsted manufacture, because the fiber is too short for use in that class of manufacture, but it does become useful in the manufacture of so-called "carded woolens," and is a by-product sold to the carded woolen manufacturers.

Not so, sir, with the so-called "waste," called "slubbing," and "top waste," because the slubbing waste and the top waste are each in regular order and without any considerable expense thrown back into this long strand known as "tops" and run through the mill again until they end up in yarns and finally in cloth.

Mr. President, we are confronted with this situation by the proposal of the Senator from Iowa—either the 33 cents per pound duty on the scoured wool is too high or the proposed protective duty on the refined product of scoured wool is too low.

Mr. DOLLIVER. Mr. President——

Mr. CARTER. I yield with pleasure to the Senator from Iowa.

Mr. DOLLIVER. I used to think that the duty on scoured wool was 33 cents a pound. I got that notion from reading the statutes, and I find that the statute has made that kind of an impression on several other good people. But a little association with people who have become accustomed to paying these duties and understand the mechanism of the market as well as the mechanism of the tariff bill has convinced me that the duty of 33 cents a pound on scoured wool is a mythical sort of thing.

The actual duty, the actual amount of money that it costs a man to get wool into this country is not based upon that rate. It is based upon the shrinkage of the wool. If a man brings in a wool that shrinks 70 per cent, he actually pays 36⅔ cents as duty upon the scoured contents of that fleece, and if he brings in here wool that shrinks only 20 per cent he actually pays only 15 cents a pound on the scoured contents of the fleece. Therefore I hope the Senator from Montana, who is now getting along in years, will not spend the remainder of his great career in laboring under the hallucination that that statute has fixed the amount that it costs people to get a scoured pound of wool into the United States.

Mr. CARTER. I have heretofore taken occasion to state that there is an element of virtue in the contention of the Senator from Iowa in that particular. It is true, undoubtedly, that the 33 cents per pound is guaranteed as a protective duty on the scoured wool only where the wool shrinks 66⅔ per cent, or thereabouts—66 or more. Certain wool shrinks less than 66 per cent, some as low as 30 per cent, and possibly some wools lower than that still.

This classification or fixing of the proportions is of ancient origin—as old as our legislative history goes. In 1867 a tariff commission reported on the proper basis for the wool schedule, and the due proportions of duty to be laid on the wool in the grease, the washed wool, and the scoured wool. That commission reported that the wools of the United States did shrink then as they do now, substantially 66 per cent. That is not true of all, but true of the great body of clothing wool known as "merino wool." Certain wools which shrink less are brought into our market and substituted for the first-class American wools to some extent, and to the extent that the substitution occurs, it proves injurious to the American woolgrower by reducing the nominal duty to a lower actual duty than that contemplated by the law.

But there is another view to be taken of this. First, that the low-shrinking wools of Canada and England are not generally used in the manufacture of worsted goods. But, as stated by the Senator from Wyoming [Mr. WARREN], they go, as a rule, into the manufacture of certain lustrous fabrics and do not compete with our clothing wools at all or with the worsted goods to any considerable extent.

One test which may be applied in the midst of the wilderness of contentions is the test produced by experience. We do know that under the present arrangement of these schedules the woolen industry prospered in this country from the enactment of the law of 1867 until it was changed or made applicable to different conditions in 1883.

Under the tariff of 1883 the domain of the American woolgrower was invaded by foreign competition to such an extent that our flocks were, as they always are under evil conditions, sent to the slaughter. Under the McKinley bill, which corrected the defects of the law of 1883, the number of sheep and the pounds of wool of American origin gradually increased. Under the Wilson tariff law our flocks almost disappeared in open competition with the world. The cutting down of the flocks was cruel, constant, and disastrous to the American woolgrower.

When the Dingley bill was passed we observed an immediate return to a steady increase, and if this increase is continued for the next ten years, we will be producing in this country every pound of wool required for the clothing of the American people.

Mr. DOLLIVER. If it will not disturb the Senator I should like the cooperation of the Senator from Montana to get an adequate protection on such wools as are produced on the farms of the Mississippi Valley, and those who are expert in the matter tell me, inasmuch as our wools are the English wools, this failure of Congress to put them upon a plane of equality with the clothing wools has operated almost fatally upon our wool industries, as was stated in the letter which I had read from the president of the Minnesota Woolgrowers' Association. May we have the cooperation of the Senator from Montana in putting clothing wools and combing wools upon the same basis in this tariff law?

Mr. CARTER. If the Senator needs cooperation in placing the so-called second-class wools in better relation to the protective tariff, I will be glad to cooperate with the Senator.

Mr. DOLLIVER. Our trouble is this: We have these English combing wools for sale. People come from all over the country to buy them or we send them to the wool markets for sale. They buy them, but they never pay us more for them than 15 cents above the London price of similar wools. The result is, whenever we think we are going to make money, when there is a scarcity of or a special demand for wool our prices rise gradually, but when it reaches 15 cents above the level of the London price the demand for our wool ceases altogether and our customers turn their attention to the London wool market, thereby creating what one of our oldest farmers describes to me as an automatic retarder of the price of the wool we are raising, a retarder that is working night and day.

Mr. CARTER. The class of wools referred to by the Senator are produced from mutton sheep. They are produced from flocks near the market, and are a coarse grade of wool and of limited use. I would be glad to cooperate, however, in a movement which would give the American farmer raising these mutton sheep all the protection he needs to develop that great industry in competition with the outside, on favorable terms fixed by our tariff laws.

I think it is a matter of very grave importance, aside from the production of wool, to maintain a healthy growth in the raising of sheep, because the mutton sheep is one of our staple sources of food supply, as well as a reliable source of supply for our clothing. I would be glad to see on every farm in this country a band of sheep as a guaranty not only of clothing wool, but of a meat supply; and as an assurance that the soil of the country would be bettered by running the sheep upon its pastures.

But I desire to ask the Senator how he expects to benefit the raiser of mutton sheep by putting the wool of this refined quality at 13 cents a pound lower in the tariff scale than the scoured wool?

Mr. DOLLIVER. Until a man knows——

The PRESIDING OFFICER (Mr. CUMMINS in the chair). Will the Senator suspend, in order that the Chair may state what he understands the situation to be? The Senator from Iowa [Mr. DOLLIVER] has the floor, and he yielded temporarily to the Senator from Montana [Mr. CARTER].

Mr. CARTER. That is correct.

The PRESIDING OFFICER. It is all right if it is understood by Senators.

Mr. DOLLIVER. The Senator from Iowa will not seek to recover the floor except upon equitable terms with the Senator from Montana.

Mr. CARTER. I am under many obligations to the Senator from Iowa for his indulgence.

Mr. DOLLIVER. It is no use to talk to me about what the duty on that scoured wool is until you tell me what the shrinkage of the material out of which it was made actually was. It is not worth while to waste our time talking about 33 cents a scoured pound. The duty put on the scoured contents of that fleece was determined entirely by its shrinkage. For example, that wool came here unwashed at 12 cents a pound, and it had a very slight shrinkage after that, and the duty paid on the scoured contents in the fleece was not 33 cents a scoured pound, but between 14 and 15 cents a scoured pound. And yet on that wool, my honored friend, the Senator from Montana, would insist that when it rises to the dignity of a top waste it ought to command 33 cents a pound.

Mr. CARTER. Thirty.

Mr. DOLLIVER. Thirty cents a pound. He might just as well say 50. It bears no actual relation; and that leads me to say that I desire——

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Wyoming?

Mr. CARTER. It is for the Senator from Iowa to say.

Mr. WARREN. I merely wish to make one observation.

Mr. DOLLIVER. Certainly.

Mr. WARREN. I want to say to the Senator from Iowa that this repetition over and over again that these products are made from wool which shrinks 15 or 16 or 14 per cent is entirely erroneous. It can not be true. Only a small percentage, as I remarked before, less than 6 per cent——

Mr. DOLLIVER. Yes; my friend did remark before——

Mr. WARREN. And that is true.

Mr. DOLLIVER. My friend remarked before——

Mr. WARREN. It matters not how many times it may be repeated.

Mr. DOLLIVER. My friend remarked before that the percentage of these wool wastes and wool substitutes imported was as great as the wool marked "second class."

Mr. WARREN. What is that?

Mr. DOLLIVER. I understood my friend to say that the wool waste imported equaled in value the amount of wool of class 2 that had been imported.

Mr. WARREN. I did not make that observation, but I quoted the price in this country of noils as reaching, in some cases, as high as 70 per cent. But I did not make the statement the Senator gives.

Mr. DOLLIVER. I understood the Senator from Wyoming, in his effort to emphasize the importance of these wool wastes and his effort to belittle the importance of class 2 wool, to say these wool wastes were a more important element in the wool market than the second-class wools themselves.

Mr. WARREN. I stated that in quantity the noils themselves amounted to more than the entire product imported of second-class wools.

Mr. DOLLIVER. And that led me to observe that the Estimated Revenues——

Mr. WARREN. I did not say imported, but the amount used here in this country.

Mr. DOLLIVER. I have no figures about that, but I know there were 9,807,394 pounds of wool of class 2 imported into the United States in 1907.

Mr. WARREN. Yes; there was more than that, I will say to the Senator.

Mr. DOLLIVER. Then the Senator corrects the official figures of the Government.

Mr. WARREN. No; I will say furthermore that there were less than half a million pounds of noils imported in the same year. But my observation as to the amount that went into consumption in this country is that there were more noils than second-class goods.

Mr. DOLLIVER. I do not know what sources of information the Senator has on that point. I wish I could get to some definite figures. The Senator's judgment is good, but I do not propose to spend another minute operating on even the judgment of good men when figures are available.

I wish to make another proposition to the Senator from Montana. We are here together in the presence of this great legislative assembly. Suppose I should offer an amendment placing the duty on wool and hair of the first and second classes in one paragraph, to be estimated, levied, and paid according to the shrinkage which would occur in scouring such wools, the ascertainment of such shrinkage to be made under such regulations as the Secretary will prescribe and levy duties like this. What would the Senator say to it? On wool and hair of the first and second classes, shrinking 65 per cent or more, 11 cents a pound; shrinking less than 65 per cent and not more than 55 per cent, 13 cents a pound; shrinking less than 55 per cent and not more than 45 per cent, 16 cents a pound; and so carrying the shrinkage down with the proportionate assessment, until finally upon shrinkage less than 15 per cent there shall be levied 33 cents a pound. What would the Senator say to that?

Mr. CARTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly.

Mr. CARTER. To that I say that, in my judgment, if the basis proposed by the Senator from Iowa were presented as an original proposition, it would be infinitely superior from the woolgrowers' standpoint to that now provided by the statute. But I wish, with the Senator's indulgence, to say why, in my opinion, it is inexpedient to give adherence to that proposed amendment now.

In the first place, paragraph 365, which fixes the duty at 11 cents on first class, and 12 cents on second class, has been approved by the Senate as it came from the House. Preceding paragraphs have been adopted by the Senate as they came to us providing for the relation to which I have referred between wool in the grease or washed wool and scoured wool at 11, 22, and 33 cents.

Mr. DOLLIVER. When were those amendments adopted? I did not agree to that.

Mr. CARTER. I understand when we went over the bill the Senate agreed to those paragraphs.

Mr. DOLLIVER. With unanimous consent to reopen any paragraph that anybody desired.

Mr. CARTER. I suppose that could be done, but aside from a motion to reconsider, let me suggest to the Senator the reason. I represent, with my colleague, the largest wool-producing State in the Union.

Mr. WARREN. I beg the Senator's pardon, Wyoming——

Mr. CARTER. I know, but the figures are against Wyoming. Montana leads all the States in the production of wool.

Mr. WARREN. I will say to the Senator that the figures of the department show that out of three years that was true of Montana in one year, and of Wyoming in the other two years. But there is very little difference, I will say to the Senator. There is a difference of less than 2,000, I think, in the number recorded.

Mr. CARTER. Wyoming has been doing handsomely, following our example, and I am very happy to know that. The adoption of the amendment proposed by the Senator from Iowa would throw this entire wool schedule into conference.

Mr. DOLLIVER. Would not that be an easy thing?

Mr. CARTER. It might be an easy thing to throw it in, but I do not know what would evolve from a conference. We do know that under the present law this great industry of supreme importance to all this country is prosperous; that our flocks are increasing in number; that they have increased from about 37,000,000 head of sheep in 1897 to about 60,000,000 head now; that our wool clip has run from something like 200,000,000 pounds within the last ten years up to 311,000,000 pounds annually. The increase has been healthy and continuous under the existing law, which we hope to reenact in the pending bill. With the fate of so many people, the fate of this great industry, hanging in the balance, I, for one, do not propose to cast the whole responsibility and practically the whole power to control this entire matter in the hands of any conference committee, if I can help it.

Mr. DOLLIVER. Mr. President, on the theory which the Senator from Montana has stated I have found a great deal of comfort for my own heart. He thinks it would be all right to more adequately take care of the sheep in all the Middle West. He thinks that schedule that I have proposed is infinitely better than the old schedule, and yet he fears that if the box is opened you can not tell after the things are out whether you will be able to get them all back in. I should like to ask him at what period in the history of the United States it is to be done? This tariff schedule has escaped on that theory for nearly fifty

years. When in the evolution of free institutions upon this continent is the time likely to become opportune for opening this schedule, as my friend has just opened the wool casket behind him and, picking out with some intelligence, brought it up to a modern day, picking out the things that have grown obsolete, reducing the things that have damaged the husbandry and have nearly destroyed the greatest and most influential branch of woolen manufacture in the United States, which have brought here the protests of the knitting industry of America?

When, in the history of this country, is the time likely to come when it will be possible to reduce this schedule without taking up the details of it as some of us have suggested here? Are we to be forever placed upon this old schedule, now half a century old, simply because the conference committee under our rules is liable to put things in and leave things out in a mysterious and complex manner that is hard to understand in advance?

Mr. CARTER. Mr. President, I am warranted in hoping that the time will come when we may have placed upon the statute books a better classification for wool than that which now exists. This hope is born of the advance made by the Senator from Iowa, for in 1897, speaking of the identical schedule which he now would amend if he could, and if he could it would be well, the Senator from Iowa made some observations in the House, and they are so apt as indicating the progress of the Senator's mind and the basis of my hope that I will ask the Secretary to read them.

The PRESIDENT pro tempore. The Secretary will read as requested.

The Secretary read as follows:

SENATOR DOLLIVER ON THE DINGLEY LAW, DELIVERED DURING CONSIDERATION OF PRESENT DINGLEY LAW.

The proposed bill reclassifies the clothing wool, notwithstanding the statement of my friend from Colorado [Mr. Bell] to the contrary. It puts in the class of clothing wool all the wools of the world that can be used for clothing wools, and it restores the protective rates of 1890, in order that the American flocks may not be further scattered and in order that agriculture may enter upon and possess this half-occupied field of domestic production. The existing law was ingeniously framed to give cheap wool to the factories, and it accomplished that, incidentally putting most of them into the hands of a receiver. [Laughter.] Therein lies a double affliction on the American farm, because no rate of duty, as my friend from South Carolina ought to know, is worth anything to the farmer unless the factories of the United States are busy, since the American clip must either be sold in the United States or kept over as a souvenir of legislative stupidity. [Laughter.]

The woolen factories of New England, which my friend from South Carolina talked about, never asked for free wool, and they accepted it with doubts and fears; nor is it too much to say that all their fears have been realized, for the statement made yesterday by our honored leader [Mr. Dingley] as to the effect of this legislation on the farm and factory and on the Treasury is fully corroborated by the official reports. It was intended only to slaughter the sheep; it has operated to slaughter the factories and to slaughter the Treasury. They said that the price of wool would be kept up by the activity of the mills and the revenues of the Government would be kept up by the activity of the custom-house. Their theory is as beautiful as any dream that ever grew in the imagination of man. We were not only to hold our own, but we were to go out with our free-wool cloth and divide with Bradford and Chemnitz the job of clothing the naked inhabitants of the earth. [Laughter.]

That was the theory. What has actually happened may be stated in a few plain words and figures. Ten million sheep driven to the slaughter; 80,000,000 pounds of American wool displaced in our own market; the importation of cloth multiplied by 2; half the woolen mills idle and locked up, and the other half on scant wages and short time; the Treasury of the United States $21,000,000 shy [laughter]; our choice and select gentlemen disporting themselves in German, English and French clothes, and the rest of us shinning around in overcoats purchased during Harrison's administration. [Applause and great laughter.]

Mr. MAGUIRE. If the gentleman will permit a suggestion, would not the remedy for that be to do away with the civil-service rules?

Mr. DOLLIVER. Possibly that might help in the case of some of the gentleman's constituents. [Laughter.] Now, gentlemen, we propose to stop the slaughter of American flocks. That is the first thing. We propose to reopen the doors of the American factory; that is the second thing; and we propose to put $40,000,000 into the Treasury every year instead of $20,000,000; that is the third thing. What we have done we have done in the face of the world and before the eyes of all men, and I tell you right now that, so far as I am concerned, I welcome the lightning calculators of the Democratic party to begin their figuring on the McKinley ad valorem [laughter], and I will tell you another thing, gentlemen: Your sympathy for the poor man compelled to work a week for his clothes and another week to get them out of the custom-house has grown somewhat stupid and ridiculous in the glare of experience.

Mr. CARTER. The Senator from Iowa, of course, would repeat that speech to-day, because I do not question nor do I wish to have anyone question his loyalty to the party or his loyalty to the great body of American woolgrowers on farm and ranch, but I do feel that since in 1897 the Senator approved the schedules of the present law, his rather pronounced advance in the science of framing a tariff bill as far as the wool schedule is concerned shows that in the future a sufficient number of Senators may become qualified by study to frame a scientific if not a perfect wool schedule.

Mr. DOLLIVER. Mr. President, of course I appreciate the compliment which the Senator from Montana pays to me in saying that in the course of ten or fifteen years I have been able by diligence to pick up a few practical notions that I did not have twenty years ago.

I regret, however, that the Senator from Montana seems to be oblivious to the kind of tariff revision we were indulging in in 1897. We were revising the Wilson tariff law, which had put wool on the free list, and my remarks were directed to the effect of that proposition on the flocks and the factories and the Treasury.

I will say another thing to the Senator from Montana. I have not only in that time acquired some new notions about what ought to be done in these matters, but I am glad to see that my friend from Montana seems to have acquired practically the same notions, although he is afraid to let them out of the front yard by night for fear that they might be set upon by the wolves of the conference committee. Our ideas do not seem to differ enough to get up much of a joint debate. I believe that he is more afraid of the conference committee than I am.

Not only have I succeeded in acquiring some little knowledge about these matters since the Dingley tariff law was framed, but I have also acquired a rather more generous interpretation of the industrial and commercial situation of 1897 than I was accustomed in those days to put into my speeches either in the House of Representatives or upon the stump.

If I were called upon now, in the calm light of twelve years' reflection, to say that putting wool on the free list resulted in closing factories and destroying the flocks of the country and ruining the business of the country, I should hesitate to do it. It is a very wise man who can tell what was the cause of the industrial depression which burst in a panic upon the United States in all departments of its affairs in 1893. I have become satisfied that we, as Republican partisans, finding the argument too convenient, have exaggerated the relation of the tariff controversy to that great industrial crisis. It always was a little difficult to connect the panic of 1893 with the tariff act of 1894, in view of the fact that the event seemed to precede the cause in such a way as to put almost any ordinary man upon suspicion. So I am not going to discuss that question except to say that we have already had two or three mistakes made in this bill by misinterpreting the industrial conditions of 1894, 1895, 1896, and 1897.

My honored friend from Idaho [Mr. HEYBURN] the other day brought tears to my eyes when he was making his magnificent plea for putting a duty on certain mineral ores, because he said under certain tariffs the mines were shut. We ought to know that the mines were shut, not because of certain particular tariffs, but because the business of the country and of the world was long prostrate in the midst of financial disaster up to that time unapproached in our commercial history. While all these things entered into it, I do not think that it was necessary to attribute all of it to the tariff, and certainly not all the trouble that happened to lead and paint and the consumption of such merchandise to the little change that had been effected in tariff schedules some years before. And so the closing of these factories and the falling off in the demand for sheep and a thousand things entered into it.

He is not a wise man in the interpretation of statistics or commercial and industrial history who attributes to one thing a result of world-wide significance, to the production of which a thousand causes, some of them too obscure even to observe, operated over a long period of time.

Mr. CURTIS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Kansas?

Mr. DOLLIVER. Certainly.

Mr. CURTIS. I wish to ask the Senator if he is not aware of the fact that while the sheep industry was ruined in this country, the importation of wool increased to the extent of over a hundred million pounds?

Mr. DOLLIVER. Oh, yes; after killing the sheep, before we could restore the flocks. I do not deny that putting wool upon the free list was a fatal error, injurious to the sheep industry in the United States. I never want to see it repeated. On the contrary, I offer here a proposition to enlarge and make certain the full measure of the protection which we have been laboring under the impression that we have been enjoying during the past twelve years without actually getting the benefit from it in most cases.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Will the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. I have been listening carefully to what the Senator said about the effect of the panic of 1893–94, and so

forth. I think the Senator will agree with me that since the wool industry was established—and it is a very old industry—any attack on the tariff upon either raw wool or the manufactures of wool has caused a diminution of the number of sheep.

If the Senator has studied the statistics, he has found in every case, starting back before he and I were born, up to the present time, that the number of sheep have run down after every tariff act that affected unfavorably either the woolgrower or the manufacturer. So you can not argue away the loss of sheep that occurred between 1894 and 1897 on the premise that other business troubles than the admission of wool free entered into it. The fact is it takes only just one thing to drive the sheep down or up in numbers, and that is unfavorable or favorable legislation for wool and its product, and when I say its product I mean the manufactures of wool.

Mr. DOLLIVER. Mr. President, there is some sound philosophy in what the Senator says, and it is only part of the general drift of what I have been trying myself to say. We make an error, I think, in attributing the business disaster of the fiscal year 1908 to any one cause. Our Democratic friends find it very convenient to say that it was caused by protection, or at least that protection was not able to prevent it, and technically they are correct in the last statement. We claim nothing of that sort had anything to do with it, and so we bandy with one another explanations about great movements in the commercial life of the whole world which none of us understand. If I were called upon now to repeat what I said as an enthusiastic youth in the House of Representatives many years ago, I would blue pencil a good many of the explanations I gave there for industrial conditions which surrounded our industries during that far-off period.

Mr. DEPEW. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from New York?

Mr. DOLLIVER. With a delight I have not experienced for years. [Laughter.]

Mr. DEPEW. Mr. President, the Senator is always interesting, and always will be; and he was never more interesting than when I last heard him in our own State make a speech for which we are largely indebted for the phenomenal majority which we received in illuminating all the arguments upon which McKinley was elected and upon which our great success was due at that time. He stated that he would wipe out, put a blue pencil through, the speeches that he made twenty years ago in his salad days in the House of Representatives. As a mature statesman, as the star orator of the party, traversing the country, making speeches in the campaign of 1896, he made speeches which largely produced the result for which we are so grateful in looking back that they occurred. Would he pass a blue pencil through those speeches?

Mr. DOLLIVER. Mr. President, when I spoke with the Senator I was reported in very brief fashion to the effect, "Mr. DOLLIVER" or "Mr. Dollinger" also spoke. I would be glad if I could get a blue pencil through that some time. [Laughter.]

Now, Mr. President, I am afraid I will be charged with having occupied the floor all this time, but I have not yet said exactly what I propose to try to do. I propose to present an amendment which will eliminate the unnecessary distinction between wool of the first and second class, and which will assess the duty upon wool on the basis of its proportionate shrinkage, the duty rising as the wool shrinks less, until at last, when it does not shrink at all, it stands at 33 cents to the scoured pound. I do not expect it to pass, but——

Mr. BEVERIDGE. Will the Senator allow me?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. I understood the Senator from Montana [Mr. CARTER] to say, when the Senator from Iowa presented his proposition, that he liked it better than the present law and would be glad to see it adopted but for fear of what might happen in the conference committee. Is that correct?

Mr. DOLLIVER. Yes; that is what the Senator said.

Mr. BEVERIDGE. I was wondering if that was also the view of the Senator from Wyoming [Mr. WARREN] and the Senator from Utah [Mr. SMOOT].

Mr. DOLLIVER. I think it is.

Mr. BEVERIDGE. If it is, of course, and the Senator from Iowa, who has the floor and has the amendment, finds out from those two Senators that it is true that the only thing against the amendment is a fear of what might happen to it in conference committee, we might arrive at a conclusion very soon.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. In answer to the Senator from Indiana, I wish to state that that is not the reason why I would oppose any such proposition, but the reason is that it is absolutely impossible of administration. That is one objection. Another is that to administer it every pound of wool that comes into this country would have to be scoured.

Mr. BEVERIDGE. Mr. President, just a moment. I wish to put a question. Then the Senator thinks the Senator from Montana, who is a defender of the wool schedule, was wrong when he said a moment ago that he liked the amendment of the Senator from Iowa better than the present law.

Mr. SMOOT. He certainly was wrong, as far as my idea is concerned. I am going to tell the Senator from practical experience what this amendment would mean to a manufacturer. I think that is the proper way to consider this question.

Every manufacturer of woolen goods first wants to assort his own wool, and the success or failure of a woolen mill many times depends upon the assorting of wool. One man may have a half dozen grades; another man, a manufacturer of woolens, may have only three; another may have ten. The manufacturer wants to assort the wool for the particular goods that he makes to suit his own idea as to what the effect and result of the assortment will be.

This amendment is impossible of administration. Take one fleece of wool; I can take out of one fleece of wool five grades of wool. Who is going to administer the provision? Is it going to be assorted at the ports of New York or Boston, or whatever port it enters into the United States? Is it going to be scoured there?

Mr. President, there are hardly two manufacturers in the United States that scour their wool the same way or with the same process. Why? One, perchance, will want to scour with caustic soda, another with caustic potash, another with a manufactured article for scouring wool, all depending upon the judgment of the manufacturer.

Another thing, Mr. President, every manufacturer wants his wool in the grease.

Mr. BEVERIDGE. Will the Senator allow me a question there?

Mr. SMOOT. Certainly.

Mr. BEVERIDGE. Then I understand the Senator to say if it were capable of administration, if that difficulty were removed, the Senator would join the Senator from Montana in preferring the amendment of the Senator from Iowa to the present law. Is that correct?

Mr. SMOOT. I would see no harm as to the ad valorem rate if such a thing could be administered properly, but it is impossible of administration.

Mr. BEVERIDGE. Yes; the Senator said that, but we are trying now to get down to a sort of issue. There seems to be an understanding that is being arrived at here. The Senator from Montana unreservedly prefers the amendment of the Senator from Iowa, except for his fear as to the action in conference. The Senator from Utah occupies the same position himself.

Mr. SMOOT. No.

Mr. BEVERIDGE. He says it is impossible of administration. Now, I say to the Senator in case that difficulty were removed and if it were possible of administration, would he also join the Senator from Montana in preferring the amendment of the Senator from Iowa to the present law?

Mr. SMOOT. I will say again, I am positive that it can not be administered successfully, and no manufacturer in this country would approve of any such plan.

Mr. BEVERIDGE. I am simply supposing a case, putting a hypothetical question. Suppose it were capable of administration, then would the Senator prefer it, as the Senator from Montana does, to the present law?

Mr. SMOOT. No, Mr. President. So far as that is concerned, I wish to say that I do not want to take into consideration or pass an opinion upon a proposition that is absolutely impossible to carry out.

Mr. BEVERIDGE. I present, the Senator understands, a hypothetical question.

Mr. SMOOT. As to a hypothetical question, there is no need, I will submit to the Senator, of submitting such a question and asking for the passing of an opinion upon it when the person asked to pass his opinion says that the proposition is absolutely impossible of administration.

Mr. BEVERIDGE. I thought it might possibly be demonstrated a little later on in the debate that it could be administered. If it could be administered, then would the Senator think it was better than the present law?

Mr. SMOOT. I want to call the Senator's attention to the fact that, as I said before, in a fleece of wool one can take a

part of the fleece from the shoulder, and if he take a sample from the shoulder, it would not shrink as much as if you took it from the skirting. In assorting the wool there may be three grades of it, or even five grades in many cases in the same fleece. Therefore, under this amendment which is proposed here by the Senator from Iowa, I say again it would be absolutely impossible of administration, and because of that fact no manufacturer would ever in the world give his consent to it.

Mr. DOLLIVER. Mr. President——

Mr. WARREN. Will the Senator from Iowa permit me?

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. I do.

Mr. WARREN. Mr. President, I shall only detain the Senate for a moment. As the Senator from Utah [Mr. SMOOT] spoke for me to some extent, I wish to say that I shall undertake to give reasons why I shall not support the amendment. I say very frankly that I shall not support the amendment, because it is not at the present time for the good of the woolgrower. There would have to be an entire rearrangement; and that is utterly impossible at this time, as I shall attempt to show when the Senator from Iowa has concluded.

Mr. SMOOT. Mr. President, another thing I wanted to say was that I did not hear the amendment read; therefore I simply speak upon the question of principle contained in it, because I do not recall just now how the grades were named as to the amount of protection; but the principle is wrong. Therefore I can not support the amendment.

Mr. WARREN. The Senator from Utah knows that it would require an entire readjustment of the whole schedule of compensatory duties as to every fabric that is made from wool.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. I will yield if he will agree not to begin to retract the kind words that he spoke about my amendment.

Mr. CARTER. I would, if I spoke from my heart at length, add to the kind words I spoke.

Mr. DOLLIVER. I yield indefinitely to the Senator. [Laughter.]

Mr. CARTER. Mr. President, the amendment proposed by the Senator from Iowa [Mr. DOLLIVER] would give to the woolgrower a protection of 33 cents a pound on every scoured pound of wool brought into the United States, or on wool that would be the equivalent of a pound of scoured wool; but as the Senator from Wyoming [Mr. WARREN] well says, a complete readjustment, not only of the wool schedule, but of certain definitions and likewise of the schedules relating to woolens, would then be indispensable and unavoidable. I say that, while representing the woolgrowers, I would, if I could, have the identical arrangement proposed by the Senator from Iowa; yet I do feel that at this stage in the parliamentary proceedings to venture all of these schedules, all of the adjustments necessary to reach and become accommodated to that amendment, is extremely perilous for the woolgrower. I do not want to have all their interests referred to a committee of conference.

Mr. NELSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. DOLLIVER. I yield.

Mr. NELSON. The Senator from Montana, if I understand his remarks correctly, concedes that this woolen schedule could be well amended and changed in several particulars. This is one of the most ancient schedules in the bill, it being over fifty years since it was first established. Great changes have taken place since that time. If you will look at the ad valorem rates you will find that the woolen schedule contains the highest of all rates. If we are here to revise the tariff, why, in God's name, should not the Finance Committee or the Senate attempt to do something with this woolen schedule, and not leave it in the shape it is? Is that to be immune from all revision? Are we to revise everything else except this woolen schedule? Is that to remain for ever and ever sacred, like a Hindoo idol?

Mr. CARTER. Mr. President, in reply to the Senator from Minnesota, I very cheerfully assert that it would be well if we could readjust schedules in the interest of the woolgrower, but I aver this to be true, as sustained by a long experience extending over a wide territory, that the rate of duty fixed for the protection of the woolgrower is barely adequate, and in no sense excessive, and that it can not be reduced without starting a retrograde movement which will ultimately result in practically wiping out the wool production of this country. That would not be to the advantage of the consumer, because when it becomes commercially unprofitable to raise wool in this country, the sheep will inevitably go to the slaughter. There is always a demand for mutton, and no one will keep a wool-bearing animal on the ranch or on the farm when the wool can not be produced at a profit. The open market being ready to receive the sheep and turn the sheep into mutton, the individual withdraws his investment by selling the sheep to the butcher. This would, in the natural course of events, under the operation of a law that has never been enacted and can not be repealed, result in the extermination of our flocks; and the subtraction of 311,000,000 pounds of wool from the world's supply would, in the end, leave our clothing woolens more expensive than they are now.

Mr. NELSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Minnesota?

Mr. DOLLIVER. I do.

Mr. NELSON. Mr. President, I think the Senator from Iowa has pointed out here that there is a discrimination in this schedule against what is called the "mutton wool" of Minnesota and other States in the West. Why should our sheep in Minnesota, in Iowa, and in the Mississippi Valley, be discriminated against in favor of the sheep of the mountain States? They have the whole government range there; and they have nobody to deal with except Uncle Sam and Brother Pinchot. [Laughter.] They have all that range and a few sheep herders to look after all their sheep. But how is it with the farmers of Minnesota and of the Mississippi Valley? We have to stable our sheep, we have to mow hay for them, we have to feed them, and it costs us twice as much in the Mississippi Valley to raise sheep and raise wool as it does out in the range States; yet Senators who are representing the mountain States, the range States, where they have a free government range, where the Government gives them free pasture, and where their only struggle is to keep away the cattle men from their sheep ranges, are unwilling to give us as fair an advantage for our sheep in Minnesota, Iowa, and the Mississippi Valley. I refer this to the Senator from Iowa, who will correct me if I am not correct.

Mr. HEYBURN, Mr. SMOOT, and Mr. WARREN addressed the Chair.

The PRESIDENT pro tempore. To whom does the Senator from Iowa yield?

Mr. HEYBURN. I desire, with the permission of the Senator from Iowa, to ask a question of the Senator from Minnesota [Mr. NELSON].

Mr. DOLLIVER. I yield to the Senator from Idaho for that purpose.

Mr. HEYBURN. Is not the Senator from Minnesota advised that the Rocky Mountain sheep, to which he refers, pay a grazing fee of 7 cents a head, which amounts to $98 on a flock of 1,400 sheep?

Mr. NELSON. Not all of them. That only refers to the few who get on a forest reserve. There are great quantities of Uncle Sam's lands outside of forest reserves which are grazed without money and without price.

Mr. HEYBURN. Not in Idaho.

Mr. NELSON. The sheepmen and the cattlemen get in there, and through their herders they keep away homestead settlers and prevent the country from being settled up.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. Mr. President, I deny the fact that the woolgrowers of Minnesota or the Middle West are not protected. Speaking of the shrinkage of wool, does not the Senator know that all American wools are bought upon the scoured basis?

Mr. DOLLIVER. The Senator has just proved to the Senate that it is impossible to assess the duty upon scoured wool.

Mr. SMOOT. Ah, but, Mr. President, it is purchased upon the judgment of the purchaser as to what the shrinkage will be; and I want to say to the Senator that I have purchased wool sheared from sheep from the same pen, that ran upon the same territory, and I have paid from 5 to 6 and even 7 cents a pound more for one clip than the other. Why? Because one shrinks less than the other; and the low-shrinkage wools of Minnesota are purchased upon the basis of the amount of shrinkage in those wools, and the price is paid accordingly.

Mr. NELSON. Mr. President, I want to ask the Senator from Utah, with the permission of the Senator from Iowa——

Mr. DOLLIVER. Certainly.

Mr. NELSON (continuing). Why it is that you put our washed wool on the same basis as unwashed wool? Why discriminate? Why, when it comes to our wool, not have the same rate of duty on washed wool and unwashed wool? The Senator can speak for Utah, but he can not speak altogether for Minnesota and the Mississippi Valley.

Mr. SMOOT. Mr. President, I am speaking for no State. I am speaking for the great woolen interest of this country. The Senator wants to know what about washed wool of the second class, calling that "Minnesota wool." The second-class wools coming into this country have amounted to only 7 per cent of the importations for all of the time during the life of the present law. Those wools, Mr. President, are not used in common clothing; they are used in braids and luster goods. I say now that the total importation of second-class wool—which, the Senator claimed, is dutiable at only 12 cents a pound, instead of 24, on account of being washed—amounted to only 7 per cent of all the wool that has come into this country under the present law.

Mr. DOLLIVER. Will the Senator state what the total value of the importation of wools was in 1907?

Mr. SMOOT. I have not the figures here, and I can not give them offhand, but I can get them in a very few minutes if the Senator so desires. They, however, would not tell him how much of the second-class wools were imported——

Mr. DOLLIVER. Exactly.

Mr. SMOOT. But we can, under the importations of second-class wools, fix the amount of them, as the customs office keeps them separate.

Mr. DOLLIVER. In 1907 there were 9,809,794 pounds of this second-class wool brought in.

Mr. SMOOT. I should like to ask now, if the Senator has the figures, how much were the importations of third-class wool, and how much were the importations of first-class wool? The answer will demonstrate whether my statement was correct. There were only 12,000,000 pounds of second-class wool imported last year, and that went mostly into the manufacture of braids and luster goods. That is the use for which that class of wool is put to to-day.

Mr. NELSON. If the Senator from Iowa will permit me, these statistics do not show the proportion of washed and unwashed wool of the second class that came in, for the reason that they all came in under the same duty, and hence the custom-house figures do not throw any light upon that subject.

Mr. SMOOT. That is just the reason I am taking all of them, the washed and unwashed. The Senator from Minnesota can see that they take the other forms of wool——

Mr. NELSON. Perhaps our wools are mercerized. Is that the trouble? [Laughter.]

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. "Mercerized" seems to haunt the Senator from Minnesota. He does not seem to be able to get over it somehow or other.

The PRESIDENT pro tempore. The Senator from Wyoming [Mr. WARREN] has the floor.

Mr. WARREN. I will later on give the exact amount of importations of second-class wool, but the importations of the first and third class amount to well up toward 200,000,000 pounds, while the importations of wool of the second class amount to something more than the Senator said, because he is giving the amounts without taking into account what comes in on the skin.

The Senator from Minnesota surely does not want to do the western sheep man an injustice. There was a time when the western sheep grower could take his flock of sheep and go out on the government domain. I want to assure the Senator now that for every sheep there is in Wyoming—and I think I can speak for Montana as well—there is an investment of from $10 to $15 in land, fences, reservoirs, and ditches, in machinery and hay and feed, and so forth; that is, there is a standing investment of from $10 to $15 for every sheep. Then comes the expense of running them. The public range as such is a thing of the past.

The Senator from Minnesota says that the wool in his State does not bring the amount that wool in the West does; that he is discriminated against. I do not know that Minnesota wools are given as such, but I assume that they would be given in the class of Michigan and Wisconsin wools. Am I right about that, I ask the Senator from Minnesota?

Mr. NELSON. I can not say as to Michigan wools, but I should think they might be classed with Wisconsin wools.

Mr. WARREN. The wools of Michigan and Wisconsin are to-day bringing 50 per cent more than the wools from the West, pound for pound.

The Senator talks about revision and says the wool schedule is an idol; that it never has been revised, and that it should now be revised. Mr. President, that is what has been the matter. The subject of wool and woolens has been revised and revised over and over again. More than twenty times it has been revised. That is the trouble. All these revisions have brought out a result, and that result is, of course, the ultimate success or nonsuccess of raising wool on the one hand and of manufacturing woolens on the other.

I am here to say that with all the twenty-odd tariff bills that have covered wool and woolens, the only time when there has been success has been when the laws of 1864, 1867, 1890, and 1897 have been closely adhered to. Every time the rates have been lowered the result has been disastrous. For instance, in 1883 the woolman was not attacked upon the surface, but the manufacturer was attacked. Hence our wool went down in price and our sheep went to the slaughter; and at the end of a very few years we had lost 18 per cent of our sheep, our manufactories were largely closed, and we were bringing in three or four times as much woolen goods from foreign countries as before, and bringing in, of course, much less unmanufactured wool.

It is true that this subject has been considered heretofore. The manufacture of wool, at least, is a highly technical industry. There is an individuality about wool that scarcely——

Mr. NELSON. Does the Senator say that the raising of sheep is a technical industry?

Mr. WARREN. Mr. President, if the Senator had waited a moment I would have come to that. I said that the manufacture of wool was a technical business, and I want to say that the raising of sheep, if not technical, is a very hazardous business. Now I will ask the Senator if he knows of any time—he is a reader of history—when both the woolmen and the manufacturers have been successful for any length of time, except under tariff bills that run closely parallel with that of 1897.

The Senator says that we do not revise. Here is the article of noils. While it has not developed yet perhaps as much as it may, I may say—I will not say this entire subject, but a large percentage of this difficulty and this proposition of the carded-wool men refers to noils. Noils have been reduced. In the McKinley Act the duty on noils was 30 cents a pound, and we reduced it to 20 in the Dingley Act. Was not that revision, and was it not revision downward?

It is asked to reduce the rate of duty from that point, and the wool men object because the reduction has gone down to a point where to accept the proposition of lowering the duty on noils would result in bringing in noils from foreign countries at a figure the equivalent of which would not be perhaps over one-third of what the present duty is on scoured wool.

The woolgrower simply asks a chance to live; he asks a chance to supply this country with all the clothing that it needs; and until the time comes when he can do that, he asks that such wool as may be brought in here shall be in the natural condition, as near as possible, so that the labor of making that wool into goods shall all be performed in this country and this country shall get the benefit of it. You may place a barrel of water on that table where the reporters are working and drive the head in solid and drive the bung in solid until you think it is water-tight, but if there is a gimlet hole on the other side, even if not seen, it will drain the entire vessel.

So if you open a place in this schedule on noils, and there are a dozen other, yes, two dozen other products—and when I say "products" I mean various stages of wool from the sheep's back to the cloth—that could be named, you reduce those duties and your importations all follow on the basis of the price that it costs to get it in as scoured wool.

So that we have had plenty of revision; we have had revision up and we have had revision down; we have had the duty on wool considerably higher than it is in the present tariff; we have had the duty on woolen manufactures lower; we have had wool lower; we have been up and down; we have been from free wool up to 12 or 13 or 14 cents a pound; and we have arrived at that stage when, enlightened by experience, we know that, taking the duty as it is, with business adjusted to it, we can proceed so that the woolgrower and the manufacturer can both be successful; but undertake to revise it, and, with the diversity of opinion, it is manifest on its face that it can not be done at this juncture.

Mr. NELSON. Mr. President, the Senator's argument is that because there is a diversity of opinion here, we ought not to revise the tariff on wool.

Mr. PAGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Vermont?

Mr. DOLLIVER. Certainly.

Mr. PAGE. I should like to ask the Senator from Wyoming, as he seems to be well informed in regard to this matter, whether he thinks it is practicable to adopt the amendment of the Senator from Iowa, even though he agrees to the provision?

Mr. WARREN. By no manner of means, Mr. President; because to undertake to enter that domain means to take up the entire schedule, from its title to its end. I submit that when we are proceeding along under a schedule that has had many years of study, that has been changed from time to time, and we have had the most illustrious woolmen and the most experienced woolmen working upon it as commissioners, in undertaking a revision of the entire schedule we must resort to something more than the thought of any one Senator, however able he may be, submitted on this floor at this time.

Mr. PAGE. I have had some experience in this matter. I have been handling wool for fifty-odd years, and have been a woolgrower for perhaps twenty years; and, instead of there being 3 or 4 or 5 kinds of wool, as has been stated here, I know I make 36 kinds. I can say that the more this matter is discussed the more it seems to me impracticable to make up a schedule in a moment. It must be the subject of a great deal of research and study, and I am quite confident that if the Senator from Iowa would study the whole problem to its source he would find that every movement he makes would involve him in more trouble in regard to the adjustment of his ideas to the grading and the producing of wool. I, myself, do not know as to the Minnesota and the Wyoming wool, but I imagine that the difference in the price is due not so much to the difference in the quality of the wool as to the difference in the shrinkage.

To-day the price of "A-super" scoured wool is somewhere from 70 to 75 cents, and we have wool which we call our "seller" wool, which runs down as low as 5 cents a pound. I do not know just where they would come in under any schedule, but I do know that the whole matter of wools is an intricate one. For instance, we have to-day an excellent market for every class of wool that goes into the ordinary clothing we wear, and I do not know that there has been a day in the year when there has not been a pretty good demand for all of that class of wool. On the other hand, ordinary carding wools have been so dull that there have been times in the last two years when we could not get enough for them, because the claim of the manufacturer was that the wools had gone out of style, and therefore there was no demand for them.

I do not know exactly what the Senator from Iowa means when he says that the people can not get clothing at a fair price, because I know that wools that were sold at 40 cents a pound three or four years ago have, by reason of the change in fashion, gone down to 25. The reduction has been immense. I imagine that the more this question is studied the more difficult it will be found to adjust any schedule here upon the spur of the moment.

Mr. DOLLIVER. Mr. President, nobody has ever intended to settle this matter on "the spur of the moment." These schedules have been made from generation to generation, practically, so far as Congress is concerned. They were originally made outside of Congress. They have been perpetuated because it has been easier for Congress to allow outsiders to adjust all these matters than to attend to them within the walls of this Chamber and the Chamber of the House. I am not complaining particularly about that. It is an ugly mess; it can not be approached without watchfulness and pious meditations of all sorts; but is that any reason why it should be left undisturbed for fifty years? What I am seeking now to have done is to have a genuine, scientific protection and Republican revision, and the word "revision" means "look at it again." Let us see whether what was fairly good fifty years ago has not become outgrown and behind these times. I regret that we are being denied even that poor privilege.

Mr. HEYBURN. Mr. President——

The PRESIDING OFFICER (Mr. BRIGGS in the chair). Does the Senator from Iowa yield to the Senator from Idaho?

Mr. DOLLIVER. Certainly.

Mr. HEYBURN. I should like to carry out the suggestion one step further. "Revise" means to look at it again, but there is nothing implied in the term "revision" that compels you to change, is there? You merely look at it to see whether a change is necessary.

Mr. DOLLIVER. When you look at it with the impartial and well-trained mind of the Senator from Montana the first thing you see is that it can be infinitely improved, and that is an interesting aspect of this matter to me.

Mr. President, I started out to tell what I intended to do or should try to do, and I have yielded without any embarrassment to everybody who desired to participate in the running discussion, and I am very glad that I did so. I now desire to state the amendment which I propose. I propose, in the first place, to offer an amendment placing the wool duties upon the basis of the proportional shrinkage of the wools imported.

My honored friend the Senator from Utah says that it is impracticable, because he once was deceived in buying a wagon load of wool in Utah, during the early settlement of that country. He overlooks the fact that the Government of the United States is now spending nearly a hundred thousand dollars a year for an analytical bureau in connection with the appraisers' stores in the city of New York to do with modern scientific accuracy what was impossible and incredible only twenty years ago. He overlooks the fact that we are able not only to tell the scoured contents of the fleece to-day by scientific means, but we can tell the moisture contained in the fleece as well. Beside every wool market in England stands a conditioning plant, which reports with scientific accuracy even the moisture contained in a scoured piece of wool submitted to this modern scientific instrument.

It is also interesting to find from the literature on this subject, that every international wool market is crowded with experts who almost at a glance can report with perfect accuracy the state of a fleece as to its wool contents. That seems incredible to the Senator from Wyoming, and yet such is the skill acquired at these London and Liverpool and Bradford auctions that there are there men who do not even need a machine to report with accuracy for those for whom they act the wool contents of every fleece sold at that auction.

Nobody in this world buys the dirt and grease in wool. Every man who buys wool buys the wool contents of the fleece or the bale, and if it were not possible to find out what it is, how would it be possible to conduct these auctions at the great centers of wool distribution throughout the world?

But I intend to accompany this proposed amendment with a little Treasury regulation, which is feasible, according to the testimony of our own Bureau of Standards, upon which we have also spent a good many thousand dollars since the Senator from Utah made an erroneous calculation as to the wool contents of a wagonload of wool in the early settlement of Utah, and I have spent many golden hours in the society of these great scientists. If any man will inquire of them, they will tell him it is perfectly feasible to levy this duty upon the scoured contents of the fleece and to determine with scientific accuracy, without scouring the wools, exactly what are the wool contents of every cargo of wool entering the ports.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. I do.

Mr. WARREN. I will say to the Senator that the Bureau of Standards, in my judgment, has laid out its work to attack about every problem on the earth and some under the earth and over it. They have succeeded in some. They have made no progress whatever and give no promise regarding this wool matter. There is not a single buyer of wool for direct manufacture within my acquaintance—and I have followed the matter for a great many years—who will trust his own judgment to buy closely on wool shrinkage, if a large amount of wool is at stake, but insists always upon samples and the scouring of such samples.

I wish to state to the Senator that if he goes to England and the markets there he will find a crowd of men there before the wool is taken up, taking samples and scouring them. So that the men buy each lot of wool upon what it actually shrinks.

Mr. President, go to Boston or New York. If a man wants to buy any wool of any consequence, and especially if it is close, he has sample bags sent to his place and he scours them. The trade is all conducted along that line rather than on the judgment of any man. I do not believe you can find a single wool dealer who would say to you that he can insure a correct estimate within 1 to 5 per cent on different wools of what the shrinkage actually will be. It is always a guess, although it may be a close one, and wool being such a valuable product guesses alone are not to be relied upon.

Mr. DOLLIVER. Then if that is true it is not necessary in the present state of the science to guess on this subject. So I will have printed in connection with that amendment the regulation—a brief one—which I have drawn to put the Government through just about the same process that the wool buyer puts his agent through in determining what to pay for his wool. I use the same process to determine what duty to assess upon it.

Mr. BEVERIDGE. May I ask a question?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. The Senator's last remark seems to me a demonstration that the amendment is susceptible of being administered.

Mr. DOLLIVER. I have never submitted it to any expert who doubted it.

Mr. BEVERIDGE. I asked the question some time ago, when the Senator from Montana had said that he preferred the amendment of the Senator from Iowa to the present law, if that was also the opinion of the Senator from Utah—whether he would also prefer this amendment to the present law—and he said it was incapable of administration. The Senator from Iowa has demonstrated, by reason of these scientific tests, and so forth, that it is capable of administration. That being true, or supposing it is true, supposing the Senator from Iowa happens to be right about it, and it is capable of administration, will the Senator from Utah agree with the Senator from Montana that the amendment of the Senator from Iowa is better than the present law?

Mr. SMOOT. In answer to that, I wish to say that no one can tell what the wool shrinks until it is scoured, and then there are no two men who shrink wool who will get exactly the same result. If it was shrunk in New York port it may show one result. If it was shrunk in Boston port it may show a different result. It depends upon how the wool is scoured, and it is impossible to tell the shrinkage until it is scoured.

Mr. DOLLIVER. Could it possibly show such a startling variety of injustices as are involved in assessing a fixed amount upon the raw wool without any regard whatever to whether it shrunk 1 per cent or 75?

Mr. NELSON. Will the Senator from Iowa yield to me for a moment?

Mr. DOLLIVER. Certainly.

Mr. NELSON. Would it not be possible, with a consignment of wool arriving at the custom-house, to take a bunch of that wool and put it through a process of scouring and determine just what the net amount of wool is?

Mr. DOLLIVER. I have no doubt of it.

Mr. SMOOT. I wish to call the attention of the Senator from Minnesota to the fact that that can not be done. One bag of wool may shrink 60 per cent, another may shrink 65, just the same as the fleeces may differ.

Mr. NELSON. We have a way of inspecting wheat in Minnesota. We take out of every load of wheat a sample, and one out of every sack; and so if the wool comes in different bags or bundles, you can take a sample out of each and put it through the process of scouring and arrive definitely at the amount of net wool there is in the consignment.

Mr. SMOOT. Cleaning of wheat and wool are entirely different propositions.

Mr. DOLLIVER. I now desire to proceed a step further.

Mr. BEVERIDGE. Would the Senator object to my asking a question?

Mr. DOLLIVER. Certainly not.

Mr. BEVERIDGE. I did not want to insist on the Senator from Utah answering unless he wanted to. Therefore I did not pursue the question at first very much, because he said it was impossible of administration. But, now that the Senator from Iowa has demonstrated to his own satisfaction at least, and it looks plausible to us, that it is capable of administration, my question to the Senator is this: Supposing the Senator from Iowa is right about that, then would the Senator from Utah be in favor of this amendment rather than the present law, as the Senator from Montana has said he was?

Mr. SMOOT. I answered before, and I will answer again, that it is not possible of administration; and I say to the Senator now, as I said then, upon the hypothesis that he submits to me, I do not particularly care about offering an opinion.

Mr. BEVERIDGE. Then the Senator declines to give an opinion as to whether he prefers this amendment rather than the present law, supposing that the Senator from Iowa is right and that it can be administered?

Mr. DOLLIVER. I do not desire to discuss the matter further except to say I will print the Treasury regulations with which I propose to accompany this proposition. If that amendment is adopted it equalizes these duties as between the carded wool people and the worsted people and the spinning people so far as raw wool is concerned, and that, in my judgment, is the first thing necessary to be done if we are going to preserve the woolen manufacturing industry in the United States.

I again propose an amendment which relates to paragraph 371. I propose to strike it out and insert these words:

Woolens advanced from the scoured state, known as tops, valued at not more than 40 cents per pound, 30 cents per pound; valued at more than 40 cents per pound, 35 cents per pound; and in addition thereto on all the foregoing 20 per cent ad valorem.

Mr. WARREN. May I ask the Senator a question?

Mr. DOLLIVER. Certainly.

Mr. WARREN. The Senator knows what the Wilson Act provided. The Wilson Act, with free wool, made the duty on tops 20 per cent.

Mr. DOLLIVER. This is vastly more than that. It is 20 per cent ad valorem in addition to the specific assessments.

Mr. WARREN. You have now 30 per cent on tops.

Mr. DOLLIVER. Thirty and 35.

Mr. WARREN. How many pounds of wool make a pound of tops?

Mr. DOLLIVER. I understand that the tops are over two-thirds of the pound; the noils are less than one-third.

Mr. WARREN. There is a shrinkage besides the noils and the top.

Mr. DOLLIVER. Yes; there is a further shrinkage after you start in to make yarn.

Mr. WARREN. In other words, the top is an advancement beyond scoured wool.

Mr. DOLLIVER. I want to show my honored friend, the Senator from Wyoming, exactly what is done. If you will look into the coffin there, at the wool exibition, you will see everything white and clean and beautiful. It is really an attractive thing, and yet it is a mere exhibit. I believe it is the same exhibit that the State of Montana had at the world's fair in 1903. I may be mistaken about that. If you showed an ordinary old carded-wool manufacturer those specimens he would laugh in your face. These are not the tops of commerce. These are not the noils of commerce. These are not the wastes of commerce. If you want to see a genuine noil just as these poor fellows buy it in the market, I show it to you there [exhibiting]. If you come up here with me you will find the seeds of plants and burs and everything else in it. How does that happen? The man who is combing English wool does not scour it at all; or at least if he scours it, he touches it very lightly for fear of breaking the fibers still further, and his object is to get as many long hairs preserved in the fleece as possible.

So he hardly touches it. He does not put it in soda, but he combs it, and as he combs it out come the dirt and the burs and the accumulations—everything that was left in it after it was washed in the stream—and that is the noil of commerce, as I found out by talking to 20 manufacturers who are engaged——

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. I do.

Mr. SMOOT. Do I understand the Senator to say they card wool unwashed or unscoured?

Mr. DOLLIVER. I did not say carded. I said combed it.

Mr. SMOOT. Of course if the Senator knew——

Mr. DOLLIVER. If they did not comb it, how did they produce a noil like that?

Mr. SMOOT. Before they could comb it they had to card it.

Mr. DOLLIVER. Very well.

Mr. SMOOT. I ask the question whether the Senator said that they carded the wool and combed it without scouring?

Mr. DOLLIVER. I did say that these long, delicate wools are not so scoured as to prevent the noils appearing of that color, which I undertake to say is the ordinary commercial noil that is sold to the carded woolen mills of the United States.

Mr. SMOOT. The Senator calls that what? What designation does he give it?

Mr. DOLLIVER. A noil.

Mr. SMOOT. I do not mean that; but what kind of wool—a delicate wool?

Mr. DOLLIVER. Whatever wool——

Mr. SMOOT. I want to say to the Senator that that is a coarse-fiber wool of the very lowest grade.

Mr. DOLLIVER. Do not make any unkind remarks about it. [Laughter.] That is not the only kind of noils we have here. There [exhibiting] is the noil produced in the preparation of wool for the weaving of carpets. Did you ever see that kind of noil out in Utah?

Mr. SMOOT. We do not make carpets in Utah. But this is hardly wool. This is camel's hair. [Laughter.]

Mr. DOLLIVER. And the peculiarity about this tariff act is that it treats camel's hair and goat's hair exactly as it does wool. [Laughter.] The hair of any animal has the same dignity as wool under this law, which has passed beneath the eyes of the wisdom that has come here from the State of Utah. There is no question about that. Why should I be derided for presenting camel's hair, when the statesmen for fifty years have rated it as wool and treated it with the same dignity throughout every paragraph of those schedules?

Mr. SMOOT. If the Senator wants to know, I will tell him.

Mr. DOLLIVER. Well, it would be interesting, seeing your contemptuous allusion to camel's hair, to know how it hap-

pened to creep into this schedule and say there for fifty years without any comments from anybody.

Mr. SMOOT. Camel's hair is used in the very coarest goods, and is mixed with wool for the purpose of manufacturing horse blankets, carpets——

Mr. DOLLIVER. Have you made provision in this bill for noils arising out of the manufacture of wool into horse blankets?

Mr. SMOOT. The provision we put into this bill is to protect all noils, and if we put a rate on noils that would protect that class, what would become of the great majority of the high-priced noils that are worth the same as scoured wool? They would not be protected.

Mr. DOLLIVER. When I come to noils I am going to tell you exactly what I think ought to become of them. I think it is not an act of statesmanship, but of very ordinary everyday—I will not say stupidity, but I can not think of a synonym that moderates that expression—that treats noils of camel's hair, ready to be thrown away, with the same dignity as the finest noils exhibited by my friend, the Senator from Montana, are treated. If I had the writing of it, I would put on a reasonable ad valorem to protect it. I would make it high enough to be prohibitory if necessary, but not so written as to make it ridiculous before the community.

Mr. President, the reason I do not like the rates upon these wool tops is that I do not think, while that is a beautiful specimen of tops, scoured, I have no doubt, with selected chemicals, for the instruction of my honored friend, the Senator from Montana, that even the top which he exhibited there ought to be protected by the same rate that is applied to woolen cloth of the highest kind. I feel sure that if there is any sense in making this tariff schedule, the duty on these wool tops ought to be somewhere above the duty on scoured wool and below the duty on finished yarns; and I should like to see somebody who has the leisure and the scientific taste to locate that duty about in the right place.

Mr. WARREN. The Senator thinks that in this readjustment the carded-wool men are the men who suffer and they are the ones he would like to relieve?

Mr. DOLLIVER. Yes; they are the ones I heard complaining.

Mr. WARREN. That being true, how does the Senator propose to relieve the carded-wool men by changing the duty on tops, for I want to say to the Senator what he perhaps already knows that tops are not used by the carded-wool men at all.

Mr. DOLLIVER. I know that; but they are bought and sold in this market.

Mr. WARREN. They have no effect whatever upon the carded-wool men——

Mr. DOLLIVER. I know.

Mr. WARREN (continuing). Unless they are put down low enough to cheat the woolgrower out of the tariff on wool.

Mr. DOLLIVER. They are, however, made for sale. Somebody buys them.

Mr. WARREN. Yes.

Mr. DOLLIVER. Somebody sells them.

Mr. WARREN. Yes.

Mr. DOLLIVER. If I did not know who the parties were, I would still want to take some precaution to see that an advantage was not given to the seller over the buyer by making the rate absurdly prohibitory.

Mr. WARREN. Would the Senator rather have the tops made abroad than here?

Mr. DOLLIVER. No; it is not necessary to make the tops abroad. The tops ought to be made here.

Mr. WARREN. Yes.

Mr. DOLLIVER. But where a combination of top makers is organized here, selling its product to the public, selling it to those who want to buy, I would have the rate so arranged that after it got to about the level of real extortion the man could turn with a cheerful countenance to the world's markets and relieve himself without being robbed world without end. That is the theory in my head.

Mr. WARREN. But, Mr. President, there is no combination of top makers. There is no trust in that business. The concerns which make tops are all separate and distinct. They have arbitrary qualities, and the nature of wool is such that they could no more combine in the top business than they could in any other branch of the woolen business. The three largest top makers in the country also comb on commission; that is, for a nominal fee they take wool from either merchants, or spinners who do only drawing and spinning, and comb the wool into tops, thus enabling men of small capital to engage in the worsted-spinning business without the investment necessary for washing, carding, and combing machinery, which constitutes half of the cost of equipment of a complete worsted-spinning plant making yarn from raw wool. No manufacturer has to buy tops, because tops are simply one of the products of wool as it goes along toward cloth, and if tops are too high, bring wool in and make the tops or make it into yarn, and bring in the yarn.

Mr. DOLLIVER. I instructed by self by wandering around the woolen mills of New England a good deal, and while I find it is true that everybody could make tops if he wanted to, and had the machinery and the capital to attend to it, is is not true that everybody does. But, on the contrary, there are many humble folk who are relying on their more highly capitalized neighbors for their tops, and within the last few years the largest top mill in the world has been built, largely as a mercantile proposition to manufacture and sell its articles to those who are not so situated as to make it themselves.

Mr. WARREN. I will ask the Senator one more question.

Mr. DOLLIVER. Certainly.

Mr. WARREN. Does the Senator know of a single manufacturer in the United States who is asking us to reduce the tariff on cotton so that he may buy the tops? I do not know of a single one in the United States who is asking us to reduce the price of tops so that he may buy those tops for his own use.

Mr. DOLLIVER. I know it has been twenty-two years since the farmer was put forward for the first time to remove this chestnut from the fire. In 1888 substantially the same duty on tops was suggested by a leading worsted manufacturer of New England. Here it is in this book exactly as he proposed it. Up to that time there is no trace of anybody else wanting it, and yet from that time to this every time a controversy has been raised about it, every time anybody has felt called on to say it is too high, the brethren who originated it drop into the background and outstep the magnificent wool raisers and sheep breeders, like my friend from Wyoming, to take the laboring oar in defense of a proposition that is absolutely indefensible.

Mr. WARREN. Shall I tell the Senator why that originated and what was the interest of the woolmen?

Mr. DOLLIVER. I think I know what the Senator is going to say. He says, "You do not want tops to come in;" but I say it is not necessary to have tops come in from abroad. It is not necessary to choose between having them come in in large quantities and this duty, which is so high that nobody would ever think of such a thing as undertaking any commerce in them whatever.

Mr. WARREN. The Senator guessed wrong. I will tell the Senator, if he will wait a moment—and it will take but a moment—why the farmer was interested.

Mr. DOLLIVER. I think I know what the Senator has in that envelope.

Mr. WARREN. I am glad the Senator does know. Following the law of 1883, under which neither the wool men nor the manufacturers were successful, the Treasury Department ruled that this material [exhibiting], which is tops, a refinement of wool, and costs a great deal more than scoured wools and a great deal more than washed wools, was subject to a duty of only 10 cents a pound, and that is what they collected.

Mr. DOLLIVER. That was wrong.

Mr. WARREN. Does the Senator wonder that the woolman, who was put out of business because this product was brought in at 10 cents, which left him but 2 or 3 cents protection on the wool he raised, awoke to the fact that tops ought to be looked after?

Mr. DOLLIVER. I have no reason to be astonished that he woke up, but I am amazed that he broke down the door and upset the furniture and in his effort to get that duty reenacted allowed people to write a schedule that put it upon the exact level with manufactured and finished cloth.

Mr. WARREN. Which hurts nobody.

Mr. DOLLIVER. It may hurt nobody, but is it not a mighty comfortable protection for a gentleman who is manufacturing tops for sale? If you find a man who is entitled, for example, to 25 or 30 cents protection, and by reason of the fright of the woolgrowers is given 44 cents a pound and 55 per cent ad valorem, as if the product was woolen cloth, do you not think such a man engaged in making tops for sale might be interested more than the public is in keeping such a duty upon them?

Mr. WARREN. There is only one use the tops can be put to, and that is to make them into yarns, unless you give them to the carded wool men as waste stock. The man who is making tops——

Mr. DOLLIVER. Did you ever hear of anyone giving anything to the carded wool men?

Mr. WARREN. They have had everything they have asked for up to date, and they could have everything they ask for now, if they did not ask the woolgrowers of this country to lay down and let them walk over them with a rate about a half and from that to a third of what we enjoy now upon wool.

Tops can only be made into yarn, and yarn is imported as yarn. Nobody need buy tops that are made in this country, because they can get it in yarn, and the Senator says that yarns are lower. Then the tops come in in yarn. If he is making tops, all he has to do is to bring in wool and scour his own wool.

Mr. DOLLIVER. Mr. President, I went into that more fully than I intended to do. I want now to approach one of the complaints that these great American manufacturers have made to me, and I confess it has not only convinced my judgment, but it has touched my heart. I am not so cold-blooded as some. When a man comes to me and says, "For fifty years my father and I have been building up a great woolen manufacturing industry, and I find myself ground to poverty and to bankruptcy by the laws of the United States," I am not so constituted that I can tell him not to occupy my time; that if the business is not profitable, to quit it; that the thing is obsolete; that their inheritance from their fathers is in a way to be totally destroyed; lock it up and quit and get into some other business. I am not so constituted. I would not do that until I had spent a good many days trying to find out what the man's real grievance was, and I think I have gotten down to this simple point.

Mr. WARREN. The Senator would not destroy another industry to save that one?

Mr. DOLLIVER. No; and I have not found one of these men, although borne down with care and anxiety about their own business, who would consent to that. They want an arrangement which will equalize their relations, and not an advantage, such as the Senator from Wyoming will demand in the way of increases for the purpose of the protection of the woolgrowers of the United States in this tariff schedule.

Mr. WARREN. Let me say to the Senator that I should be glad, and I stand ready, to help the carded wool industry, if I can.

Mr. DOLLIVER. When?

Mr. WARREN. I will tell the Senator. The Senator talks about carded industry as though everyone interested in carded wool was here asking that a change be made in the tariff. Does the Senator think that was the case?

Mr. DOLLIVER. There have been so many of them and so many associations represented here——

Mr. WARREN. As a matter of fact there are some 50 or 75 out of 700 who are asking for a change. My judgment is that they will be perfectly satisfied, because this change in values and the changes in fashion will bring up the industry.

Mr. DOLLIVER. Either that or death, industrial death, will put all their fears at rest.

Mr. WARREN. When the Senator says that he is going to offer an amendment which will give us a higher tariff on wool, he proposes also to put on a product of wool so low a tariff that not a pound of raw wool would enter in, and we would have all the products from foreign countries coming in at only a fraction of the duty upon wool. When you rob it of all the surrounding superfluous things, in a sentence that is what it amounts to. I do not care what you put on a pound of wool, if you take enough wool and put it at 10 cents——

Mr. DOLLIVER. It will not be found that I have taken any product of wool and put it at 10 cents a pound. I hope that I may have the honor of a careful examination by the Senator from Wyoming of the amendments I propose to offer. I have not done an unkind thing to wool.

Mr. WARREN. But you have offered an amendment which confessedly is very much lower than the present duty on wool.

Mr. DOLLIVER. What amendment does my friend refer to?

Mr. WARREN. On tops and on noils, both.

Mr. DOLLIVER. Mr. President, when I offered the amendment which I have proposed on tops, I am amazed at the consideration I have shown to that historic by-product.

Mr. WARREN. The cloth in that case might as well be called a by-product. The top is not only not a by-product, but it is one of the stairs up which the wool ascends on its way to finished cloth.

Mr. DOLLIVER. I want the tops as they are going up the stairs from wool to cloth to stop before they get to cloth.

Mr. WARREN. How would you stop it?

Mr. DOLLIVER. Valued at not more than 40 cents, 30 cents a pound; valued at more than 40 cents a pound, 35 cents a pound, and in addition thereto the ad valorem of 20 per cent. Do you not think that sounds pretty good to a man who is trying to get tops protected as they ought to be?

Mr. WARREN. It sounds mighty good to a man who wants a lower tariff on wool; it looks good to the importer; it looks mighty good to the manufacturer who, under the guise of friendship for the woolman, will import it at less than the present rates on wool.

Mr. DOLLIVER. If I had not had at the hands of manufacturing experts, as interested as the Senator from Wyoming is in the maintenance of the wool industry, figures that prove it is for protective purposes fully adequate, I would not offer it.

But I was speaking about the grievance the carded-wool people have in the imposition. Here is a man engaged in the manufacture of worsted goods buying flocks in England and paying upon them here a duty equal to a second duty of 15 cents a pound. He takes it to his mill and combs it. It is exactly as a man would comb his hair. The long fiber straightens itself out and the short fibers fall away.

The long fibers constitute the tops and the short fibers constitute the noils. If you will look there at those samples you will find noils whiter than snow, but in point of fact, as I said in the combing of the wool, according to the best testimony I have ever been able to get, they do not apply harsher processes of scouring for fear of still further injuring the long fibers. Consequently the comb passes through the tops and you find burs and various kinds of dirt, so that before the carded woolen manufacturers can use a pound of it at least 25 per cent has passed away in scouring it and in getting it absolutely clean. But here upon these noils is fixed an adamantine duty of 20 cents a pound. It does not make any difference what kind of wools they are, even if they are the noils of camel's hair, as my friend from Utah said these noils are, whether costly or not, whether high grade or low, whether they are white as snow or black as that wool, whatever their condition, the duty is 20 cents a pound.

I undertake to say that the man who is making worsted cloth, turning out that by-product in the United States to-day, will get profit enough to pay and more than pay all the duty he ever paid at the custom-houses of the United States on the wool out of which those noils were produced.

Mr. WARREN. The carded-wool men do not have to have noils.

Mr. DOLLIVER. Then, there is not one of them who knows anything about the business.

Mr. WARREN. The Senator is mistaken. Noils are but one product for them, and because they are cheaper they use them; but they can use instead every pound of wool that I might grow, or that people with whom I am interested grow, or that the Senator grows in Iowa. There is no trouble about that.

Mr. DOLLIVER. You would want to have this product thrown away?

Mr. WARREN. Not at all.

Mr. DOLLIVER. Why not have an act of Congress that once a year those things shall be burned up? Every woolgrower would be secure if that was in operation.

Mr. WARREN. The Senator seems to be going just a little away from the ordinary line. When I say it is not necessary to use the noils, I want to say that the carded-wool men are not such mendicants that they must depend upon them. If there is a product coming from the mills that is lower than other classes of wool, of course they use it, and if they can they will bear it down. It is a matter of fact that they have already borne the tariff upon it down from 30 per cent to 20 per cent. But now they are not satisfied. They have the privilege, I want to say to the Senator, of bringing in noils that are free from burs. They can bring in carbonized noils, and there are noils worth to-day 67 to 75 cents per pound. There is no trouble about that. It may be true that the more common noils can not be brought in with satisfaction. Why bring them in, then? Here is a sample of such noils as can be brought in under the tariff at 20 cents—absolutely pure, carbonized noils.

Mr. DOLLIVER. From where?

Mr. WARREN. This is from our American mills.

Mr. DOLLIVER. I thought the Senator said it had been brought into the country.

Mr. WARREN. I say noils just like that could come in. It is a recombed noil, but the noil carbonized makes it even purer than that.

Mr. DOLLIVER. It has a bright and glistening look that I have never seen on the noils here.

Mr. WARREN. If the Senator wants to know where those noils came from I can tell him, and I can tell him that I saw the cards working that made the noils. I saw them made, if that will be satisfactory to the Senator.

Now I want to return. The carded-wool men use almost everything in the shape of wool and cotton rags, and so forth, and if there were not a pound of noils from now to Christendom the carded-wool men would go on just the same.

Mr. DOLLIVER. Mr. President, I think the duties on all the by-products of worsted making are too high. They are prohibitory. They are unequal. The range of the prices of the articles is so great that when you set a specific duty on

one you are already necessarily creating inequalities. When you put the rate high enough for the highest, you make it ridiculously high for the low and the ordinary. Therefore, I propose to make some suggestions as to reducing these duties on all by-products of the worsted making and on all the waste incident to the wool market in the United States. So much for the material.

Mr. WARREN. Now, Mr. President, let the Senator remember that there is just one product of the worsted manufacturer—noils—that the carded-wool men seek, because the other products are used in the making of worsted yarns and in the construction of worsted cloth.

Mr. DOLLIVER. But the knitting people are giving me almost as much anxiety as the carded-wool people. I intend to put into the RECORD, into this speech——

Mr. WARREN. The knitters are buyers of yarn, unless they make their own yarn; but, as knitters only, they have no direct interest in the waste duties. Would the Senator like to know what the knitters put into their product?

Mr. DOLLIVER. I do not want to go into their product, but I want to put into the RECORD their complaint against this bill.

Mr. WARREN. I have here some of the material the knitting men use.

Mr. DOLLIVER. I hope the Senator is not meditating any suspicion of these good people.

Mr. WARREN. Not at all; I simply wish to show how unnecessary it is for these people to use slubbing waste in knitting stock.

Mr. DOLLIVER. Strangely, you stopped just a few inches ahead of the proposition that I am approaching in respect to our assessment of the compensatory duties upon woolen cloth.

Mr. WARREN. I am compensated if I have got ahead of the Senator in any way.

Mr. DOLLIVER. Just that little suggestion of yours to these woolen people—these yarn people claim certain privileges that they ought to have on account of wool, when in point of fact they do not patronize wool at all—has brought back to my mind the second thing that I have been struggling with during the past few weeks, and that is the old assessment, to which we have grown accustomed, of four times the duty on unwashed clothing wool of the first class to the pound of cloth; that is to say, 44 cents in some cases, and in the lower cases a less ratio is claimed necessary as a compensatory duty. Compensatory for what?

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. I always welcome the light thrown on this subject by the Senator from Utah.

Mr. SMOOT. It simply means to compensate for loss in the manufacture of the wool and the cloth. There is not a question in my mind, and I do not think there is in the Senator's, but that there is a loss of a pound out of four, because the testimony of Mr. Dale, spoken of so highly, says even more than that, because he estimates that it takes 154 pounds to make 100 pounds of cloth.

Mr. DOLLIVER. Here is a man who does not live in the United States. He is making cloth in some other country. He comes over here with his cloth. It has only a little wool in it, only a few threads. Possibly half of it is cotton and the rest of it mostly cotton. He approaches our custom-house, and this bill, following the custom for the last fifty years, assesses him four times the weight of his cloth for the purpose of compensating somebody for something. Will the Senator from Utah kindly state who is the person to be compensated, and for what he is being compensated in a case like that?

Mr. SMOOT. I will take great pleasure in doing so. It is for the reason that there is not a question but that the compensatory duty is at least 1 pound out of 4 in the manufacture of this wool.

Mr. DOLLIVER. Certainly.

Mr. SMOOT. But the Senator refers to a piece of goods that comes in here with only a little. If we put the compensatory duty only to protect that little wool, then the whole system of manufacturing in this country would be placed upon the basis of a low-grade manufacture of woolens, and the whole door would be opened for the importation from foreign countries of the high-grade wool.

So, then, it becomes necessary absolutely to have this compensatory duty upon the very highest class of goods, and in doing it it keeps out of this country the goods made from mungo and waste of every kind. It is true that the Senator can figure upon a piece of cloth that is worth less than 40 cents a pound, and the ad valorem duty would be 150 per cent, perhaps.

But, Mr. President, if we did not have that compensatory duty of 4 pounds, as we reduce it so do we reduce the standard of our manufactures here of woolens and the protection that may be given to them. Therefore, in the hearings in 1867 that whole question was gone into, and every tariff bill that has been discussed upon this floor since has called attention to this very principle. It has been voted on in the Senate time and time again. If we followed out the counsel of the Senator from Iowa and reduced that compensatory duty, all our best goods would be imported from a foreign country, and we would only be protected upon the very lowest grades of goods.

Mr. WARREN. The Senator might have said that it is not always 4 to 1, but 3 to 1 and 2½ to 1. Furthermore, the ad valorem duty which is added to the compensatory is reckoned upon the value of the cloth. So what is lost in one class is made in the other.

Mr. DOLLIVER. Now, Mr. President, the Senator from Utah unconsciously exposes the real character of our situation.

Mr. SMOOT. Not unconsciously, because I want the Senate of the United States to understand exactly the position. If I were going to make a speech now, I would call attention to the very principle and the discussions that have been had in this Chamber time and time again upon this very point. I did not bring it out here unconsciously, because I wanted Senators to understand it.

Mr. DOLLIVER. Mr. President, I did not mean that the Senator was making any unconscious exposure of his views, but he is simply repeating what has been thrust at me from a good many quarters from the beginning of this controversy. He says this is all right because if you will examine it closely you will find the date 1867 on it; this is all right because if you go back far enough into the history you will find it has been indorsed and approved.

Mr. SMOOT. Mr. President, I want to say now that as far as shrinkage of wools is concerned, they shrink just as much to-day as they did in 1867.

Mr. DOLLIVER. That is more than can be said for the rates in this bill. [Laughter.]

Mr. SMOOT. We were talking about the changes that may have taken place in the last fifty years as far as the shrinkage of wools is concerned and the scouring of them. They shrink more to-day than they did in 1867, and if the basis was fair in 1867 it is certainly fair to-day.

Mr. DOLLIVER. Mr. President, I do not intend to judge with harshness the method of reasoning by which the Senator from Utah has fastened these things upon his mind, for the reason I have been for many years in the same case with him. I had read many of those old speeches, and in 1888, I think, I heard the honored Senator from Rhode Island state it in very much more accurate terms than the Senator from Utah has just now stated it, because in a carefully prepared address, which has become a little classic in the wool-tariff literature from that day to this, he not only showed that this 4 to 1 ratio was necessary, whether the wool was there or not, but he showed that unless we preserved it these great harms and hardships to our market place would happen.

He said we must make the ratio as high as the highest possible shrinkage of wool, because our competitors have access to those low-shrinkage wools. That seemed to be a very conclusive thing to me at the time, and I stated it with a solemn countenance to everybody who was disposed to dispute the sanctity of this ratio. It never occurred to me to talk with somebody who had made a specialty not of defending things after they are done, but of doing things after finding out how they ought to be done. So I laid that question before Mr. Dale, of the Textile World Record, and he said what I shall read. I asked him the following question:

Q. I wish to talk with you a little about the framework of Schedule K as it relates to the specific duties applicable to the weight of cloths and dress goods manufactured here. Have you ever studied the question of whether the multiples of 3 and 4 by which this compensatory duty on cloth as related to the duties on wools of the first class has been calculated for so many years?—A. Yes; I have.

Curiously enough, he did not flash on me those old speeches, but he stated that he had studied it himself. I went over to the House of Representatives during the early stages of the tariff controversy; in fact, I stayed over there nearly all the time, because there was nothing going on here. I was anxious to get the atmosphere that always comes from a live discussion of tariff questions. I was very much pleased when a very bright man, I think from Ohio, got up with a box of samples very much like that which we see before us, and exhibiting the same kind of goods, he said:

I now propose to demonstrate that this ratio is correct. Mr. Chairman, I will read from a speech made by the Hon. John Sherman on the 15th day of May, 1867.

That is all the attention he gave to it, and he passed on.

So I was diving back into that literature—and I think I have perused it about as faithfully as any other man; certainly as any man who had other things to attend to—but here I ran across a man who said he had studied it himself.

Mr. SMOOT. He did not appear before the committee?

Mr. DOLLIVER. No; he did not.

Mr. SMOOT. He was not before the committee?

Mr. DOLLIVER. He was not before the committee. I can not find anybody who was before the committee, except our good worsted friends and a few habitual witnesses who hang around the committee rooms of both Houses of Congress like professional jurymen around the court-house out in our section of the country.

Q. I would like to know what conclusions you have reached about that?—A. You will find my conclusions in this article, "How much wool to make a pound of cloth?" No tariff on wool goods should be based on a ratio between grease wool and finished cloth. As well might one attempt to fix a ratio between iron ore and watch springs. No wool manufacturer attempts to estimate the cost of his finished fabrics from the cost of the grease wool. Such a basis would result in gross errors and ultimate bankruptcy. In buying grease wool, the first considerations are the amount of scoured wool that the grease wool will yield, and the intrinsic worth of the scoured fiber. About twenty years ago I made an extensive test to determine the shrinkage in manufacturing all-wool cloth, and the result was that 1.54 pounds of scoured wool was required for 1 pound of cloth. The ratio between the grease wool and the finished cloth varies widely because of the difference in the shrinkage of wool in scouring. During the four years I was making the test referred to, I used many different lots of wool which varied widely in shrinkage. This variation of shrinkage is illustrated by 6 lots of grease wool, which in scouring shrunk 76, 69, 62, 47, 35, and 16 per cent, respectively. Calculating the ratio between these lots of grease wool and the finished cloth from the ratio of 1.54 between the scoured wool and the finished cloth, we find the following ratios between the grease wool and the finished cloth: 6½, 5, 4, 3, 2½, and 1½. This shows plainly that no single ratio can be true of all kinds of wool.

Q. What do you say, then, of the scheme of fixing these compensatory duties as this bill does, on the ratio of 4 to 1, and in the lower grades of 3 to 1? How does that work out?

Now, listen:

A. It causes great inequalities in the tariff especially, because the ratios named are applied not only to goods made of all wool, but to goods made of mixtures of wool and other materials.

Q. What reason is there for compensating the manufacturer of cloth on account of the wool duty, when in point of fact little or no wool appears in the cloth which he makes?—A. There is, of course, no reason for compensating a manufacturer for duties paid on wool that is not used in the manufacture of the cloth. The 4 to 1 ratio between grease wool and cloth is correct only for all-wool cloth made of wool shrinking 60 to 65 per cent. As a matter of fact, no wool shrinking as much as that is imported into the United States. The specific duty of 11 or 12 cents a pound on grease wool forces the manufacturers to confine their purchases of foreign wool to the light-shrinking lots. Consequently, the Dingley and Payne bills compensate the manufacturer for wool duties which he has never paid. The defenders of the 4 to 1 ratio sometimes seek to justify it by referring to or paraphrasing Senator ALDRICH'S defense of it twelve years ago. Thus one of them recently said to me: "We need compensation at the rate of 4 to 1 because our foreign competitors use these heavy wools."

That is exactly what my friend from Utah has just said. Mr. Dale adds:

The large amount of grease and dirt in the heavy-shrinking wools is no advantage to the foreign manufacturer. Wool cloth is made from the wool fiber, not from wool grease and dirt. There can be no justification for compensating for wool duties that have not been paid.

That is the objection I have to this proposed statute.

Mr. WARREN. The Senator is making a very able speech from his standpoint. From the light of experience we know how easy it is to make faces and to find fault with wool schedules, both as to wool and its manufactures. We have heard it for years. It is nothing new. It is sometimes more difficult to propose a remedy. Now, this compensation that is given the manufacturer for the wool, as I understand it, is meant to place him in the same position finally as if he had free wool. That is correct, is it not?

Mr. DOLLIVER. I think that was the origin of the superstition.

Mr. WARREN. There has to be some basis upon which to start with the ratio.

Now, the Senator has just stated there that his correspondent, his expert, from whom he quotes, would require a ratio of 6½ in one case and 1¾ in the other, an average of about 3 to 1, and 4 to 1, taking that consideration.

Mr. DOLLIVER. On last Friday night it was proved to us conclusively that averages are in the nature of an imposition on the understanding of man.

Mr. WARREN. Take the experiment he has quoted there and add them together and divide by 2, and you will find you have just what the present ratio is.

Mr. DOLLIVER. That has this advantage: One of those ratios is correct in some cases, but the average of them all is correct in no case.

Mr. WARREN. Very well. But I should like to ask the Senator, before he finishes, to state how he is going to make a ratio that will be all right and satisfactory to both the grower of the material and the manufacturer, for the individuality of the wool and the woolgrower is lost sight of when the wool goes into the factory. Wool may go up and wool may go down.

A man may buy his wool at a time when the clip is good. It may be 10 per cent higher, or it may be 10 per cent lower. If you undertake to fix a ratio ad valorem, where are you going to land? It is just like the ad valorem duty upon wool. You put the ad valorem duty upon wool, and the grower of sheep, at the time he can stand it the least, is going to be damaged the most. For instance, if wool is 20 cents to-day and an ad valorem of 50 per cent should be placed upon it, it would be 10 cents. If wool should go down to 10 cents, the ad valorem would be 2 cents, and the very time he needed protection most would be the time when he would be stripped of it. Again, wool goes up, and the time when he does not need them is just the time when you pile on duties and make them higher. Therefore, in manufacturing, where wool fluctuates as it has within a year and a half from 15 to 25 cents, how are you going to fix a compensatory ratio unless you can fix the average?

Mr. DOLLIVER. Mr. President, so persuasive are considerations such as the Senator from Wyoming has just made that I have postponed any final effort to secure a ratio which would be in the nature of an equitable and proportionate assessment. I have consented, with very great reluctance in my own mind, to preserve the historic ratio, not of 16 to 1, but of 4 to 1.

Mr. WARREN. It is sometimes 3 to 1, or 3½ to 1.

Mr. DOLLIVER. I do not intend to try to disturb that ratio, because I am so satisfied that it is sunk into the moral nature of so many good people in Wyoming that I could not undertake to extract it, even with delicate machinery, without upsetting the composure of friends, even here in the Senate Chamber. So I do not propose to change the ratio; but I intend to do a thing which I have thought of a great many times, though I never before could make out whether it was entirely feasible or not. I intend, in laying this compensatory duty, to make it 4 or 3 times the weight, not of the cloth, but of the wool contained in the cloth.

The idea got into my head that if you were compensating these manufacturers on account of not having free wool, you were carrying it a little too far when you gave them a compensation based upon the theory that the cloth was entirely made of wool, when, in point of fact, it is only half made of wool, and very often even a less proportion than that was in it. So I intend to push along these little amendments making this compensatory duty, intended to reimburse the manufacturer on account of the loss that he sustains by reason of the wool duty. I intend to make that compensatory assessment applicable to the wool contents of the cloth and not to the weight of the cloth.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. I do.

Mr. SMOOT. Mr. President, again I call the attention of the Senator from Iowa to the fact that it is absolutely impossible to say how much pure wool is in a piece of goods, or how much woolen noils, or how much slubbing waste, or how much ring waste, or how much roving waste it contains. It is true that we can tell how much cotton there may be in a piece of goods, but no one ever lived who could tell how much woolen waste is mixed with the pure wool in a piece of goods.

Mr. DOLLIVER. Mr. President, my friend understood me to very poor purpose if he suspected me of trying to separate, in the weighing of the wool in a piece of cloth, the pure wool from those wools which differ chemically from the pure wool only in the fact that they have had a longer experience in a cold world.

Mr. SMOOT. Then, Mr. President, I want to call the attention of the Senator to the fact that this amendment would be absoluely unfair, for the very people who are in England to-day manufacturing cheap woolen goods, which contain from 80 to 85 and 90 per cent of wool waste, would come in here and have to pay, perhaps, or should pay, the full amount, because you can not tell the difference.

Mr. DOLLIVER. Exactly.

Mr. SMOOT. But if the honest manufacturer in that country would put in 10 per cent of the very best cotton in the world, he is to be penalized because he has done so.

Mr. DOLLIVER. No; he is only deprived of the compensation based on the idea that that cotton is wool.

Mr. SMOOT. Yes; but there is cotton that is worth a great deal more than the mungo which is contained in that piece of goods, and that is not penalized. But the man who would, perhaps, get in here 10 per cent of cotton is——

Mr. DOLLIVER. We do not put a duty on cotton, you know.

Mr. SMOOT. I am not speaking of the duty on cotton, for

the cotton would be in the woolen goods then. It is to be taken out, according to the argument——

Mr. DOLLIVER. Let me show my friend from Utah how beautifully and how automatically my scheme works. He is anxious to keep out these low, cheap, vile, worthless cloths, is he not?

Mr. SMOOT. Yes; but the programme which the Senator offers is not going to keep that vile, low stuff out, for they can not tell how much there is of it by testing. If they attempt to eat wastes out with acids, it all goes out.

Mr. DOLLIVER. Do we not keep them out now?

Mr. SMOOT. We keep them out now by having a duty so high that they can not come in.

Mr. DOLLIVER. We have the duty so high because it is a fixed assessment upon the weight of the cloth. I propose to fix the assessment upon the weight of the wool as found in the cloth; but these cheap shoddy goods are all wool in the cloth, and nothing else. They would report upon analysis that the wool content of the cloth is all there. Therefore on these cheap shoddy goods, which we are so anxious to keep out and which we are now keeping out, my scheme would operate automatically to still keep them out, and at the same time take away from people, who are sending here goods upon which they get a compensation on account of the presence of wool in them which is not there, that unnecessary compensatory which is supposed to reimburse them, but which, in fact, really subsidizes them and enables them to gather newspaper facilities and put forward my friend from Wyoming and other good people to fight their battles before the bar of public opinion with the people of the United States.

I propose that the goods coming into the United States in which wool does not appear, except in small quantities, in which there are materials other than wool, I propose to take away from them this bogus compensation, which they now have, by which the weight of the cloth is weighed up as if it contained 4 pounds of clothing wool of the first class in its texture and its make-up.

Mr. SMOOT. The Senator does not mean to intimate that an English manufacturer or a German manufacturer, if he was going to adulterate his goods, and if perchance there was cotton in them and it would not be counted in the value of the goods, he would still put cotton in them? No; of course he would not. He would put in them wool extracts and the lowest grade waste and mungo; and no one could tell it.

Mr. DOLLIVER. If that is true, you have got four or five hundred per cent of this mungo waste, flocks, and other wool waste.

Mr. SMOOT. And, Mr. President, I wish, therefore, that much more to keep it out of this country.

Mr. DOLLIVER. Mr. President, it seems to me that there appears to be a sort of practical contention between the duty on this wool waste and the statement just made by the Senator from Utah, that these goods are so cheap that it does not pay to adulterate them with cotton.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. I do.

Mr. WARREN. Mr. President, the Senator, I presume, knows—of course he must know—that since a tariff on wools was first established, more than a century ago, in all the tariff bills there is not a single exception, save one, which does not put a tariff on a fabric of which wool forms any part, and that one, away back in the early part of the nineteenth century, put it upon that of which wool was the chief factor; but every other law, including the Wilson-Gorman law, has been in almost the same identical language and has put a duty on fabrics, whether containing a large or small quantity of wool. Perhaps they have all been wrong; perhaps for one hundred and twenty years we have been wrong; perhaps the Senator is right; but I think he will see that it takes a little longer generally and a little more time—I will not say any more persuasive argument than that furnished us by the Senator—to bring about a great reform, when all parties on both sides have said all the way along for one hundred and twenty years that a tariff should apply to a fabric of which wool composed any part.

Mr. DOLLIVER. Mr. President, I do not now intend to go any more particularly into the amendment which I intend to offer to the woolen-cloth paragraph or schedule, but I hasten to state another thing that I intend to do, unless I am persuaded by some unseen influence not to do it. I think these woolen rates by reason of these calculations are so high that, whether they are good, bad, or indifferent, they make the protective-tariff system look ugly and malevolent in its relations to the market place.

Mr. WARREN. Mr. President, may I ask the Senator a question there?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Theories, of course, may sound good or bad, but it comes down to a simple, practical business proposition—how much does the tariff add to a man's suit of clothes or the cloth from which it is made?

Mr. DOLLIVER. I think I have heard that argument. That depends upon the suit of clothes.

Mr. WARREN. It is very small.

Mr. DOLLIVER. Yes.

Mr. WARREN. And you talk about this malevolent tariff and this——

Mr. DOLLIVER. I did not say "malevolent tariff;" I said that a tariff so framed as to have a malevolent countenance, although the purpose of it was benevolent and helpful and it ought to present such an appearance to the community.

Mr. WARREN. The Senator, dressed as well as he is, probably has not 3 pounds of wool upon his person.

Mr. DOLLIVER. I am very thankful for that. [Laughter.]

Mr. WARREN. I thought so. If a possible $1.33 protective tariff is too much to be levied upon a suit of clothes in order that we may employ in this country, as we do, a million people—families and all—in the raising of wool and hundreds of thousands more in the manufacturing of wool, rather than import all our cloths, then the Senator's judgment and mine differ.

Speaking of cloth, the cloth in the suit of clothes which I have on now cost a trifle over $4, and I submit that the cloth is good enough to wear even in the august presence of this Senate. I ask the Senator if I am not right.

Mr. SMITH of Michigan. We will all testify to that.

Mr. DOLLIVER. Let it be said that the Senator does not require a very elaborate suit of clothes to present an impressive appearance in the Senate. [Laughter.]

Mr. WARREN. The amount of wool in the suit of clothes I have on weighs less than 3 pounds. The cloth in it cost—and it is the best kind I could get; it is all wool, and there is no flock or mungo or waste in it—a little over $4. The making of the suit was $30, and the findings used cost $12.50; so that the suit of clothes as it hangs upon me now cost over $40, and yet the cloth, for which I paid the regular mill price, cost but a trifle over $4. When you talk about a malevolent tariff and talk about adding to the price for the workingman——

Mr. DOLLIVER. I hope my friend will not allow that to go into the RECORD. I have not said anything about a "malevolent tariff."

Mr. WARREN. Perhaps I misunderstood the Senator; if so, I withdraw it.

Mr. DOLLIVER. I was talking about a tariff that had some disfigurement of its countenance.

Mr. WARREN. The Senator surely spoke of the enormity of the tariff on wool and woolens. He will not withdraw that.

Mr. DOLLIVER. No; I really intend to illustrate it——

Mr. WARREN. I am illustrating it in my way, and I hope the Senator will illustrate it in his. If the Senator will figure out just how much the suffering consumer, who wears a suit of clothes like the one to which I have referred, pays in order to employ all the men along the line, from the time the raw wool comes in here until the cloth is made into a garment, I think he will find that the tariff on wool is a very small factor.

Mr. DOLLIVER. Mr. President, my friend presents the illustration to me exactly as I want it. He has got a good suit of clothes; he has got his American cloth cheap, everything smooth, our people as well dressed as anybody, cloth as cheap here as anywhere, the protective-tariff system is vindicated, and I agree with him.

Therefore I want him to vote for an amendment which I am going to offer, that in no paragraph of this bill referring to cloth shall the aggregate assessment of duties amount to more than 100 per cent. I am moved to propose that amendment because I know that that is enough. When a man comes into my office, as a poor fellow did who is manufacturing carriages out in our country, with an armful of cloth that he had been getting in England, shoddy and ordinary, cheap woolen cloth, for lining the interior of a buggy such as country boys and girls are accustomed to use on Sunday afternoon when the climate is propitious, and proved to me that if he brought that cloth in from England—they did not seem to be making that kind of cloth here anywhere—that he was paying a duty of 200 per cent on it, paying not twice, but twice over, what the valuation of the cloth was at the custom-house, it appeared to me that such a rate was not necessary and that it simply gave an ugly advertisement to our great protective-tariff system. That is the reason I am appealing to Republicans everywhere to make ready for the fight that is coming against the Repub-

lican party and our tariff system by taking out of the measure these unnecessary and extravagant rates of duty.

I hope I will have a good deal of cooperation here before I am through in reducing some of these rates, not to the point of exposing our industry to injury, but to the point when the ordinary man, with a good conscience, can stand up before the community and defend our policy and vindicate the policy which we have embodied in our laws.

Mr. WARREN. Will the Senator allow me?

Mr. DOLLIVER. Certainly.

Mr. WARREN (continuing). The lowering of the duty upon shoddy, upon waste, and upon low-priced cloth has been tried. The Senator probably knows the result. When they put wool upon the free list they put shoddy and flocks and mungo and all of those materials on a lower duty than had theretofore prevailed. They followed exactly what the Senator proposes—to put a lower price upon cloth. Let us look at the practical result. As I said a moment ago, it is not a matter of theory about a tariff; it is a matter of result.

The Senator knows, surely, for he has communed with history, that during that time this country was flooded with a lot of cloth that for wearing purposes was hardly worth the paper upon which the bill was written. That was the result of lowering the tariff upon those cheap fabrics. For instance, take the one article of shoddy. Before the Wilson-Gorman bill passed we were importing an amount that had not equaled a million pounds in four years or so, and, if I remember correctly, the first year after that bill became a law we imported over 45,000,000 pounds of shoddy. That 45,000,000 pounds of shoddy displaced from 100,000,000 to 135,000,000 pounds of American wool. Cloths were made in this country from that shoddy and sold at the mill price of 18 cents a yard, single width; and a man made from the manufacture of that kind of cloth one of the largest fortunes upon the capital invested that perhaps has ever been made in the woolen manufacturing industry in so short a time. Of course, when those cloths went on the backs of the consumer they might last a few days, if the weather was fine; but if the weather was bad he was naked in a very few days, unless he had money enough left to go and buy an all-wool suit.

Mr. President, I do not think it is a matter of lowering the prices on low-priced goods if they are imitation or if they are nonwearable goods. It seems to me that we have got to protect the workingman in his clothing, as to whether it shall wear well or not, just as we ought to protect the returns for his labor.

If I were going to lower the duty, I would lower it on the pure wool. I would not lower the duty levied against this half-wool and half-shoddy or all-shoddy stuff, and in that I have the testimony of the correspondent from Minnesota which the Senator quoted. He wished we would make it prohibitory—the tariff on shoddy. We have all the rags and all the shoddy in this country that we ought to consume. We ought to keep out cheap cloths and counterfeit cloths. When I say "cheap clothing" I do not mean cheap, dollar for dollar, for what it is worth, but I mean cheaply constructed clothing, in which substitutes are used and upon which higher profits are made than upon the finer broadcloths and worsteds.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. I do.

Mr. SMOOT. I wish the Senate now just to look at this one proposition to see how ridiculous conditions would be here in this country if the amendment of the Senator from Iowa, as last proposed, were adopted. Supposing wool in England, or in any part of this country, was 11 cents a pound in the grease, and our duty here was 11 cents—and, by the way, the Senator from Iowa says that he is not going to disturb that—that would be 100 per cent ad valorem duty. Where would there be any duty for the manufacturing of that wool?

Mr. DOLLIVER. I do not intend to disturb the 50 per cent. The duty of 100 per cent would be on the finished cloth, of which the wool constitutes but about half the cost.

Mr. SMOOT. Mr. President, the whole proposition is that we have to take into consideration not only the ad valorem duty that is upon wool, but the duty that is put upon the manufactured woolens. So that, if woolens in the markets of the world were 11 cents a pound and our duty upon grease wools was 11 cents, there is 100 per cent ad valorem duty, and nothing left to protect the manufacturing interests in this country in taking the wool and putting it into cloth. What would be the result? The result would be that every woolen manufacturing institution would have to cease. I would ask the Senator from Iowa if that is not the case?

Mr. DOLLIVER. I would ask the Senator from Utah when it was that woolens were 11 cents?

Mr. SMOOT. In foreign lands. Oh, many times, Mr. President.

Mr. DOLLIVER. Then, what is the present duty on the woolens that come from abroad here?

Mr. SMOOT. The price on unwashed wools was 11 cents; on second class——

Mr. DOLLIVER. What is the equivalent duty ad valorem?

Mr. SMOOT. Second class, 12 cents a pound——

Mr. DOLLIVER. What is the equivalent ad valorem?

Mr. SMOOT. Mr. President, that may be in one year a certain amount and in another year it may be another amount.

Mr. DOLLIVER. Has it ever risen far above 50 per cent?

Mr. SMOOT. Sometimes, Mr. President, it has been. It would have been in 1895, when we sold wool in our State for 4 and 5 cents a pound. I bought for the mill there nearly 1,000,000 pounds of wool, and it did not average over 5½ cents. If a condition like that should arise, where would our manufacturers be? Of course upon its face it looks as if the proposition that no duty should be over 100 per cent is a fair one; but suppose a condition should arise, as it did then, where would our manufacturers be? They would be absolutely stranded.

Mr. WARREN. Mr. President, will the Senator indulge me a moment?

Mr. DOLLIVER. Certainly.

Mr. WARREN. In extending the remarks that I made about the cheap clothing, I want to make this observation: It takes about the same labor to make a suit of clothing of very cheap goods that it takes to make a good suit; but, Mr. President, the poor suit of clothes made from shoddy, and so forth, may not give one-tenth of the wear that a good article gives.

I have here some samples of cloth. The mill price is on each one of them. They are about as handsome worsteds as you would care to see. They run from less than $1 to $1.12½ a yard. They are all wool; they are 56 inches wide; and it takes a little over 3 yards to make a single suit. If you buy a whole piece and take it to a tailor, it takes just about 3 yards to each suit if it is made up into ready-made clothing.

Mr. GALLINGER. Are they American cloths?

Mr. WARREN. These are American cloths. When you have got worsteds, about the best that are made and double-width, of which it takes 3 or 3½ yards to make a suit of clothes, a suit of clothes made from it will last a couple of seasons, perhaps. Is it to the interest of the poor man, we will say, to make up a fabric that will cost him a dollar or two less for the cloth, when its making costs the same? Will it pay to reduce the tariff upon the cheaper material, upon the substitutes, no matter what the percentage is? I am not afraid of putting 100 per cent upon something that is not desirable, upon something as to which we would have the thanks of every consumer if we should shut it out entirely.

Why talk about reducing the cost of cloth by reducing the tariff upon cheap articles, when cloth like this can be bought for a little over a dollar a yard? It only takes to-day about 3 yards to make up a suit. What is the use of bringing in a lot of cloth that may only be one-fifth wool and the balance cotton or shoddy or, for that matter, any other substitute? We are already protecting the workingman in this country who is making the cloth, and we are also protecting his back and body by so providing that, instead of being swindled with a lot of cheap cloth, which dissolves when he goes out in the rain, he may have a first-class fabric costing a little over $3 for cloth enough for a first-class suit of clothes.

During Mr. DOLLIVER's speech,

Mr. BACON. Will the Senator permit me to send to the desk some amendments which I desire to offer to the bill, in order that they may be printed?

Mr. DOLLIVER. Certainly.

Mr. BACON. I ask to have printed as one document the series of amendments, and also that they may be printed in the RECORD without being read.

There being no objection, the amendments were ordered to be printed as a document, and to be printed in the RECORD, as follows:

Amendments intended to be proposed by Mr. BACON to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, relating to the provisions of said bill prescribing duties upon wools and hair, as follows:

Amend by striking out all of said bill from paragraph 356 to paragraph 372, inclusive, and insert in lieu thereof the following:

"The duty upon all wools, hair of the camel, goat, alpaca, and other like animals, and upon shoddy, noils, wool extract, woolen rags, mungo, and flocks, yarn waste, thread waste, and all other waste composed wholly or in part of wool shall be 30 per cent ad valorem."

Amend further by striking out paragraph 373, which is as follows:

"373. On yarns made wholly or in part of wool, valued at not more than 30 cents per pound, the duty per pound shall be two and one-half times the duty imposed by this section on 1 pound of unwashed wool of the first class, and in addition thereto 25 per cent ad valorem; valued at more than 30 cents per pound, the duty per pound shall be three and one-half times the duty imposed by this section on 1 pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, 40 per cent ad valorem." (In equivalent, maximum 143.02 per cent ad valorem.)

And insert in lieu thereof the following:

"373. On yarns made wholly or in part of wool, 40 per cent ad valorem."

Amend further by striking out paragraph 374, on page 130, which is as follows:

"374. On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool, not specially provided for in this section, valued at not more than 40 cents per pound, the duty per pound shall be three times the duty imposed by this section on a pound of unwashed wool of the first class; valued at above 40 cents per pound and not above 70 cents per pound, the duty per pound shall be four times the duty imposed by this section on 1 pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, 50 per cent ad valorem; valued at over 70 cents per pound, the duty per pound shall be four times the duty imposed by this section on 1 pound of unwashed wool of the first class and 55 per cent ad valorem." (In equivalent, maximum 141 per cent ad valorem.)

And insert the following in lieu thereof:

"374. On knit fabrics, and all fabrics made on knitting machines or frames, not including wearing apparel, and on shawls made wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, valued at not exceeding 40 cents per pound, 35 per cent ad valorem; valued at more than 40 cents per pound, 40 per cent ad valorem."

Amend further by striking out paragraph 375, on page 130, which is as follows:

"375. On blankets, and flannels for underwear composed wholly or in part of wool, valued at not more than 40 cents per pound, the duty per pound shall be the same as the duty imposed by this section on 2 pounds of unwashed wool of the first class, and in addition thereto 30 per cent ad valorem; valued at more than 40 cents and not more than 50 cents per pound, the duty per pound shall be three times the duty imposed by this section on 1 pound of unwashed wool of the first class, and in addition thereto 35 per cent ad valorem. On blankets composed wholly or in part of wool, valued at more than 50 cents per pound, the duty per pound shall be three times the duty imposed by this section on 1 pound of unwashed wool of the first class, and in addition thereto 40 per cent ad valorem. Flannels composed wholly or in part of wool, valued at above 50 cents per pound, shall be classified and pay the same duty as women's and children's dress goods, coat linings, Italian cloths, and goods of similar character and description provided by this section: *Provided*, That on blankets over 3 yards in length the same duties shall be paid as on cloths." (In equivalent, maximum 165.42 per cent ad valorem.)

And insert the following in lieu thereof:

"375. On blankets, hats of wool, flannels for underwear, and felts for printing machines, composed wholly or in part of wool, the hair of the camel, goat, alpaca, or other animals, valued at not more than 30 cents per pound, 25 per cent ad valorem; valued at more than 30 and not more than 40 cents per pound, 30 per cent ad valorem; valued at more than 40 cents per pound, 35 per cent ad valorem: *Provided*, That on blankets over 3 yards in length the same duties shall be paid as on woolen and worsted cloths."

Amend further by striking out paragraph 376, on page 131, and paragraph 377, on page 132, which are as follows:

"376. On women's and children's dress goods, coat linings, Italian cloths, and goods of similar description and character of which the warp consists wholly of cotton or other vegetable material, with the remainder of the fabric composed wholly or in part of wool, valued at not exceeding 15 cents per square yard, the duty shall be 7 cents per square yard; valued at more than 15 cents per square yard, the duty shall be 8 cents per square yard; and in addition thereto on all the foregoing valued at not above 70 cents per pound, 50 per cent ad valorem; valued above 70 cents per pound, 55 per cent ad valorem." (In equivalent, maximum 115.53 per cent ad valorem.)

"377. On women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar description or character composed wholly or in part of wool, and not specially provided for in this section, the duty shall be 11 cents per square yard; and in addition thereto on all the foregoing valued at not above 70 cents per pound, 50 per cent ad valorem; valued above 70 cents per pound, 55 per cent ad valorem: *Provided*, That on all the foregoing, weighing over 4 ounces per square yard, the duty shall be the same as imposed by this schedule on cloths." (In equivalent, maximum 118 per cent ad valorem.)

And insert the following in lieu thereof:

"On women's and children's dress goods, coat linings, Italian cloths, bunting, or goods of similar description or character, and on all manufactures composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, valued at not over 50 cents per pound, 35 per cent ad valorem; valued at more than 50 cents per pound, 50 per cent ad valorem.

Amend further by striking out paragraph 378, on page 132, which is as follows:

"378. On clothing, ready-made, and articles of wearing apparel of every description, wool hats, shawls whether knitted or woven, and knitted articles of every description made up or manufactured wholly or in part, felts not woven, and not specially provided for in this section, composed wholly or in part of wool, the duty per pound shall be four times the duty imposed by this section on 1 pound of unwashed wool of the first class, and in addition thereto 60 per cent ad valorem." (In equivalent, maximum 95.98 per cent ad valorem.)

And insert the following in lieu thereof:

"378. On clothing, ready-made, and articles of wearing apparel of every description, made up or manufactured wholly or in part, not specially provided for in this act, felts not specially provided for in this act, all the foregoing composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, valued at above $1.50 per pound, 50 per cent ad valorem; valued at less than $1.50 per pound, 35 per cent ad valorem. On cloaks, dolmans, jackets, talmas, ulsters, or other outside garments for ladies' and children's apparel, and goods of similar description or used for like purposes, and on knit wearing apparel, composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, made up or manufactured wholly or in part, 40 per cent ad valorem."

Amend further by striking out paragraph 379, on page 132, which is as follows:

"379. Webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons, or barrel buttons, or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is a component material, whether containing india rubber or not, 50 cents per pound and 60 per cent ad valorem." (In equivalent, maximum 80.83 per cent ad valorem.)

And insert the following in lieu thereof:

"379. On webbings, gorings, suspenders, braces, beltings, bindings, braids, galloons, fringes, gimps, cords, cords and tassels, dress trimmings, laces, embroideries, head nets, nettings and veilings, buttons or barrel buttons, or buttons of other forms for tassels or ornaments, any of the foregoing which are elastic or nonelastic, made of wool, worsted, the hair of the camel, goat, alpaca, or other animals, or of which wool, worsted, the hair of the camel, goat, alpaca, or other animals is a component material, 45 per cent ad valorem."

Amend further by striking out paragraph 380, on page 133, which is as follows:

"380. Aubusson, Axminster, moquette, and chenille carpets, figured or plain, and all carpets or carpeting of like character or description, 60 cents per square yard and in addition thereto 40 per cent ad valorem." (In equivalent, 66.34 per cent ad valorem.)

And insert the following in lieu thereof:

"380. Aubusson, Axminster, moquette, and chenille carpets, figured or plain, carpets woven whole for rooms, and all carpets or carpeting of like character or description, 40 per cent ad valorem."

Amend further by striking out paragraph 381, on page 133, which is as follows:

"381. Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description, 60 cents per square yard and in addition thereto 40 per cent ad valorem." (In equivalent, 72.67 per cent ad valorem.)

And insert the following in lieu thereof:

"381. Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description, 40 per cent ad valorem."

Amend further by striking out paragraph 382, on page 133, which is as follows:

"382. Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, 44 cents per square yard and in addition thereto 40 per cent ad valorem." (In equivalent, 75.81 per cent ad valorem.)

And insert the following in lieu thereof:

"382. Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, 40 per cent ad valorem."

Amend further by striking out paragraph 383, on page 133, which is as follows:

"383. Velvet and tapestry velvet carpets, figured or plain, printed on the warp or otherwise, and all carpets or carpeting of like character or description, 40 cents per square yard and in addition thereto 40 per cent ad valorem." (In equivalent, 58.86 per cent ad valorem.)

And insert the following in lieu thereof:

"383. Velvet and tapestry velvet carpets, figured or plain, printed on the warp or otherwise, and all carpets or carpeting of like character or description, 40 per cent ad valorem."

Amend further by striking out paragraph 384, on page 133, which is as follows:

"384. Tapestry Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise, 28 cents per square yard and in addition thereto 40 per cent ad valorem." (In equivalent, 60.73 per cent ad valorem.)

And insert the following in lieu thereof:

"384. Tapestry Brussels, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise, 40 per cent ad valorem."

Amend further by striking out paragraph 385, on page 134, which is as follows:

"385. Treble ingrain, three-ply, and all chain Venetian carpets, 22 cents per square yard and in addition thereto 40 per cent ad valorem." (In equivalent, 66.72 per cent ad valorem.)

And insert the following in lieu thereof:

"385. Treble ingrain, three-ply, and all chain Venetian carpets, 30 per cent ad valorem."

Amend further by striking out paragraph 386, on page 134, which is as follows:

"386. Wool Dutch and two-ply ingrain carpets, 18 cents per square yard and in addition thereto 40 per cent ad valorem." (In equivalent, 58.63 per cent ad valorem.)

And insert the following in lieu thereof:

"386. Wool Dutch and two-ply ingrain carpets, 30 per cent ad valorem."

Amend further by striking out paragraph 387, on page 134, which is as follows:

"387. Carpets of every description, woven whole for rooms, and oriental, Berlin, Aubusson, Axminster, and similar rugs, 10 cents per square foot and 40 per cent ad valorem: *Provided*, That in the measurement of all mats, rugs, carpets, and similar articles, of whatever material composed, the selvage, if any, shall be included." (In equivalent, 60.01 per cent ad valorem.)

And insert the following in lieu thereof:

"387. Carpets of every description woven whole for rooms, and oriental, Berlin, and other similar rugs, 40 per cent ad valorem."

Amend further by striking out paragraph 388, on page 134, which is as follows:

"388. Druggets and bockings, printed, colored, or otherwise, 22 cents per square yard and in addition thereto 40 per cent ad valorem." (In equivalent, 70.86 per cent ad valorem.)

And insert the following in lieu thereof:

"388. Druggets and bockings, printed, colored, or otherwise, felt carpeting, figured or plain, 30 per cent ad valorem."

Amend further by striking out paragraph 389, on page 134, which is as follows:

"389. Carpets and carpeting of wool, flax, or cotton, or composed in part of any of them, not specially provided for in this section, and mats, matting, and rugs of cotton, 50 per cent ad valorem."

An insert the following in lieu thereof:

"389. Carpets and carpeting, of wool, flax, or cotton, composed in part of either, not specially provided for in this act, 30 per cent ad valorem."

After the conclusion of Mr. DOLLIVER's speech,

Mr. HEYBURN. Mr. President, I do not know that I can add very much to the technical discussion affecting the manufacture of woolen goods, but there is a practical side to this question affecting the people that constitute a very considerable percentage of the consumers of this country as well as producers that should not be lost sight of. We are apt to lose the consideration of that question in the consideration of these mysterious figures affecting the classification of imports and the duties upon them.

Of course the value of our home product depends upon the quantity and the condition of the importations of wool. If the people can obtain all the wool they want from abroad upon better terms than they can obtain it at home, they will largely buy the foreign product; and the purpose of a protective tariff is to regulate the conditions under which foreign wool may come into this country, so that there will be a greater burden upon the foreign wool and its products than upon the domestic wool. That is the spirit of the legislation now under consideration.

Largely we must appeal first to the labor item. I find, from a reference to the report of the committee of the Senate, that there are $135,069,063 of wages involved in this controversy. Those are the figures given us by the committee, and they are no doubt correct. That sum of money represents more than the value of all the land, with the buildings and improvements upon it, in about 17 States. There are 17 States in this Union whose total valuation of lands and improvements falls below the wages item in this schedule. I state that in order that we may carry in our minds all along some comparison upon which to determine the equities of this question.

There is not an enterprise in this country in which the wage item enters more largely than into the question of the woolen schedule. The largest item in the woolen schedule is men's clothing. That, of course, includes the cloths to which the Senator from Wyoming referred, but that item includes the wages of the people who convert the wool into clothing. That is about one-third of the wage item.

A brief comparison of the figures will throw some light upon this question as it affects the men who produce the wool. At the time of the enactment of the Dingley bill it cost $1,479 to produce in bale the wool of 1,200 sheep. To-day it costs $2,840 to do the same thing. There is a difference in wages to the men producing that item of $1,365 between free wool and the Dingley Act.

That item is denominated as a flock. Sheep raisers divide their sheep into flocks for convenience of care and protection. So it will be seen that the increase is practically 100 per cent of the cost of raising a flock of sheep and producing the wool to-day, as against the cost at the time of the enactment of the Dingley bill. Why? Because men at that time were working for less wages; were compelled to submit to less profit. And these are the items: In 1897, 1 herder, at $35 per month, $420 for the year; 1 camp tender, at $25 a month, $300 per year; board for the two, $25 a month, $300 a year; shearing, at 7 cents each, $119; feeding hay, at 20 cents each, $340. That makes up the total of $1,479 for taking care of and taking the wool from a flock of sheep.

Compare those wages, and you will have a very fair idea of the differing conditions under free trade and a protective tariff. The man who received $35 a month in 1897 now receives $50 a month. The man who received $25 a month as camp tender now receives $40 a month. The man who boarded them for $25 a month under free trade now gets $50 per month. We now pay to the Government a grazing fee of 7 cents upon each of these sheep, and that is whether they are on forest reserves or on any other government land. The shearing which in 1897 cost 7 cents to-day costs 10 cents; that is, the men get 3 cents apiece more now for shearing the sheep than they did then. The hay in 1897 cost 20 cents for each sheep and to-day it costs 50 cents.

There is a statement, a business statement of account between free trade and the existing condition. I have that from the man who engaged the herder, raised the sheep, and paid for their care. It is not dependent upon any official statistics. It is the actual charge, and I think it is one of the most enlightening and important items from the standpoint of the raiser of sheep that can be produced.

Let us apply that; that is, for a flock of a limited number of sheep. Of course, the figures carried forward would demonstrate the difference in cost as applied to the entire sheep industry. I will take my own State as a text, because what is true there is true elsewhere. We are the third largest wool-producing State in the United States—Idaho. We have close to 5,000,000 sheep in the State, and they carry fleeces close to 25,000,000 pounds. Of course, the department says that the average fleece in Idaho is 7 pounds. That is the average fleece that is sheared by the large sheep owners, but there are a very large number of sheep in the State which do not produce 7 pounds. I take them into consideration when I state the product.

I saw wool—2,000,000 pounds of it—in October, 1896, piled up in the warehouses and on the railroad platforms that could find no market. The freight to Boston—the wool market of this country at that time—was about 6 cents a pound, and the price of wool in Boston was about 6 cents a pound. So the wool stayed there, and this followed: The millions of sheep that had been running upon the grazing fields of Idaho necessarily disappeared. Men sold them; men gave them away. I saw a flock of 1,000 sheep, for which a man paid 10 cents apiece, being driven into Montana, in the hope of finding some pasture for them. I saw the flocks of Idaho disappear, practically, and that condition continued until the Dingley bill gave us a protective tariff upon the product of the sheep; and then I saw the industry grow again. Many of the men who had been formerly engaged in that business had gone into bankruptcy and had gone out into other fields of business occupation. Practically a new set of men came into the field to build up the sheep industry.

Now, sheep can not be produced in a day. They must grow, and necessarily they had to wait until they could regrow these flocks. The result was that wool went from 6 cents to 13 and 14 cents a pound in Idaho, and it has gone up as high as 20 and 21 and 22. It is worth about 18 to 20 cents there now because of the protective-tariff policy under the Dingley Act and for no other reason. You remove that duty or you tamper with it and you immediately hold a threat over that great industry which will result in men pulling in, so to speak, in this enterprise; and if you reduce the duties so as to reduce the profits upon sheep raising, they will go out of business. What will take its place? These great stretches of pasture lands will be idle. They will be nonproductive, because, as a rule, there are not other men to step in, even though the conditions were favorable to other classes of business, and take the places of the men who go out. We would lose that income.

In addition to the value of the wool, which is an annual product, there is the value of the sheep. I should say the sheep will average $4 a head in Idaho; and we have 3,000,000 of the class of sheep which would be worth $4 a head. There is $12,000,000 of property belonging to the sheep raisers in Idaho which would pass out of existence, which would go into the market at a depreciated price, if they could find a market at all. In 1896 they could find no market for them, so that they were disseminated throughout the fields of bankruptcy and low prices, and we had nothing to take their place.

That is the business situation. And can you wonder that we are here to oppose a reduction, or anything that may amount to a reduction, of the duty to be placed upon the product of our competitors? We compete within our own country, in the markets of the people, in the sale of these products. Are we to be brought into competition now, not with our own people, because the rule of destruction will apply to the entire product wherever it is in this country, but with the producers of other countries?

As I suggested once before, are we, because evils exist in our country, now to call in the Hessians to punish the people and compel them to submit to these conditions of depreciated value and trade? That is the spirit which appeals to me in this matter, and I do not feel that this question should be left to rest upon a discussion of the technical principles of trade in the custom-house. I do not intend to speak of the trade in the custom-house. I intend to speak of the trade on the plains—the conditions of those people. Any industry that contributes fifteen or twenty million dollars every year to a part of the people of this country is entitled to receive our consideration in legislating on that subject.

I am not content to risk the experiment whether or not some new theory might work as well. This great industry has been builded up and maintained under the existing condition, with which we are content, and we protest against any change in it. If conditions were unsatisfactory, if clothing was beyond the reach of the poor or the rich, if evils had grown up out of this industry, there might be some reason for reaching out and grasping new theories and for experimenting with new methods of government. But when it is admitted that the prices are reasonable, and further demonstrated that the people have money to pay the prices, which is the most important of all, why tamper with it? Why propose any change either of the method or of the basic value?

The Senator from Iowa [Mr. DOLLIVER] says he has another theory that is just as good. I have met these just-as-good men all along the road in my life. They are the unsuccessful peo-

ple, the people who always think they have something better than that which you have and are trying to tempt you to substitute their wares for yours. That is not a safe basis for government or a safe basis on which to enact a tariff law.

Mr. President, up well into my years of life the majority of this product was east of the Mississippi River. In 1877 only 25 per cent of the wool of this country was produced west of the Mississippi River. To-day 78 per cent of it is produced west of the Mississippi River. The interest, the selfish interest—and I charge it against no man personally—has shifted. To-day there is less interest in the East in protecting the product of the flocks of sheep than there was thirty years ago. To-day it is a western industry.

Mr. President, under the free-trade policy and practice of the Democratic party the importations of wool from foreign countries almost doubled—some years more than doubled—and the exportations of wool fell off proportionately. That meant that we were sending our money abroad to get clothes, the product of wool. If we had it, we were sending it abroad to buy the products of other nations.

Immediately upon the enactment of the Dingley bill and the restoration of a duty upon wool the tables turned and we began to produce wool in this country, and the importations decreased, notwithstanding that our necessities were enhanced by our prosperity and the balance of trade has been in our favor on this product ever since, to the extent of a great many million dollars.

There has been $900,000,000 of wool produced in this country since the Dingley bill was enacted, which would not have been produced under the free-trade Wilson-Gorman bill. I take that from the figures showing the exports and the imports and the production and the use of this article. Those figures represent good government in the interest of the people.

I care not for the prosperity of the woolgrowers of other countries. We have no responsibility for them. Our first duty lies toward our own people, and the enactment of laws should be in the interest of our own people, regardless of the effect upon other nations. The presumption is that the other nations could exist without us, and I know we can exist without them, in so far as the necessities of life are concerned.

It occurred to me, when I heard Senators speaking for an income tax, that we might reach one phase of that question here by placing duties upon the things used as luxuries by those from whom the income tax would be collected. You can raise revenue enough, by placing the tariff high enough upon the luxuries of life that would be used by the class of people who would pay an income tax, to make it unnecessary to resort to an income tax.

This talk of being under obligations to revise the tariff downward came from somewhere; I do not know from where; from some political, I was going to say swamp, like a miasma. No man dared to mention it in the national platform. It was a concession, a sop, thrown by those lacking in confidence to the voters whose support they thought they had to have. Four years ago, with similar conditions, without any such pretense, we cast the largest majority for the leader of the Republican party that had ever been cast. Have conditions changed so in four years that we must add some promise? There is nothing in the platform of the Republican party which requires us, as suggested by the Senator from Iowa, to make any concession, because some one or many may have promised a revision downward. They seem to think that the Republican party never had a platform until the last Chicago convention.

The platform of the Republican party includes every declaration which has been made since its organization, and the declarations of 1860 and 1864, and in every other campaign, are still a part of it.

The man who denies it had better review and revise his Republicanism. There is not a plank in its history, in any campaign, that any Republican would to-day strike out. If we do not repeat them all every time, it is because we have written them into the laws of the country, for which the Republican party stands, and it is no longer necessary to repeat them. But they have not been dropped out. We post our ledger every four years and include conditions that have arisen as a basis of a declaration to the people, but we do not unwrite the words of the Republican platforms of the past.

We have heard Senators reading from speeches—the speeches of candidates, the speeches of men who spoke on behalf of the Republican party—to prove that the Republican party has changed its doctrine. None of them whose remarks are entitled to our consideration ever dreamed that such a use would be made of the expressions they gave forth. There was a party in the last campaign that had a platform which was in conformity with the declarations and the demands of some Senators. But the people repudiated it. They did not elect anybody who stood upon that platform, which declared in favor of a reduction of the tariff.

The Senator from Iowa stated correctly to-day the meaning of the word "revision" or "revise." It was merely a promise to the people that we would look again at the tariff laws of the country. Look again, for what purpose? That we might inspect, as a man inspects the home in which he lives or his business system, to see whether or not there is need of repairs. When the people gave their sanction at the polls to the Republican party and continued it in power, it was a declaration that the conditions then existing were satisfactory to the people, and the mere promise that we look was unnecessary, because the Republican party is always looking to the wisdom and the effect of its action.

Mr. NELSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. HEYBURN. Yes.

Mr. NELSON. The Senator will concede that the Republican platform at Chicago did prescribe a revision of the tariff, and did provide for it. Now, what was the purpose of that? What was the purpose of putting any plank about the revision of the tariff in the platform? What was it for?

Mr. HEYBURN. Because there was an inquiry abroad in the land as to whether or not the tariff rested upon a sound basis.

Mr. NELSON. Was that all?

Mr. HEYBURN. That was all there was in the Republican convention. Outside of the Republican convention, and outside of the Republican party, there was denunciation and a demand for a transfer of power to another party, but within the Republican party no one on the day of that convention would have dared to confess inadequacy on the part of the Republican party in the management of the affairs of this country.

Mr. NELSON. What was the purpose of revision contemplated in the platform? What was the revision that the platform had in view?

Mr. HEYBURN. The purpose I have already stated. The insertion of that plank was an assurance to those who were in doubt, and in doubt because of their want of knowledge. It was an assurance that the Republican party would see to it.

Mr. NELSON. Then, as I understand the Senator, the only object was as to those who began to doubt whether some features of the protective tariff were too high, and it was simply a declaration in the platform to give us an opportunity to convert them to the efficacy of the tariff.

Mr. HEYBURN. No; it was a reply to their expression of uncertainty that the great Republican party would look into the matter. It was equivalent to a declaration that when they inspected that foundation of the Republican party if they found it sound they would stand by it, and if they found the conditions had changed and made it wise to reform some schedules in certain ways they would raise them or lower them. It was also an assurance that if there were any products that needed greater protection they would advance the duties.

Mr. NELSON. If the statement of the Senator from Idaho is correct, and all the object of the revision was to assure the people that the existing tariff was correct, why are we here to pass a tariff bill? What is the purpose of it? Ought we not to adhere to the Dingley law?

Mr. HEYBURN. I will refer the inquiry to the Senator from Minnesota as to why we are here. We are not here because the Republican party had proven incompetent to manage the affairs of this Government. We are not here because we did not have prosperity under Republican rule. We are not here because we intended to repudiate the lifelong principles of the Republican party. We are not here for any of those reasons.

Mr. NELSON. The Senator misconstrues me. When I used the expression "What are we here for?" I meant why are we here pretending to revise the tariff.

Mr. HEYBURN. We are here looking it over. We are here inspecting the great building occupied by the people of this country, to see whether or not it is in good working order. It was in good working order at the time of the Chicago convention. It has been in good working order always when the Republican party has controlled the destinies of this country; and it will be in good working order only so long as the Republican party controls its destinies along the lines upon which that party has always rested.

That is the answer I make to the Senator. He has been a lifelong member of the Republican party, if I am correctly advised, and he knows that the foundation stone upon which it rests is a protective tariff that will give the people of this country the markets of the country without any close competition

with the producers of other countries. This thing of trying to scale the wool protection down to a hairbreadth and then drawing fine lines and indulging in close analysis to see whether or not it is possible for our business opponent to slip over the line in a night and invade our ground is not my kind of revision or Republicanism.

Mr. NELSON. The Senator from Idaho talks about hairbreadth discriminations or distinctions. What does he think of a tariff of 165 per cent ad valorem upon woolen blankets? Is that a foundation stone of the Republican party?

Mr. HEYBURN. Mr. President, if it was necessary to enact such a tariff in order to give the American people the markets for the products upon which the duty was laid, I would not care if it was a thousand per cent. I would shut that foreign competitor out of our markets, and I would have those who are able to disregard the American product pay a price and put it into the Treasury of the United States.

Mr. NELSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield still further to the Senator from Minnesota?

Mr. HEYBURN. Certainly.

Mr. NELSON. Where would the Senator get his revenue if we shut everything out?

Mr. HEYBURN. There are always enough people whose vanity tempts them to buy anything because it has a foreign brand or a foreign coat of arms upon it. You can rest safely upon the vanity of the people to pay the duty.

Mr. BORAH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Idaho yield to his colleague?

Mr. HEYBURN. Certainly.

Mr. BORAH. I suggest to the Senator from Minnesota that he could get it from an income tax.

Mr. HEYBURN. Well, Mr. President, I think I will not take up the income tax at this time. I may possibly do so later. I am speaking in favor of the kind of income tax that appeals to me now, an income tax under the provisions and within the contemplation of the Constitution of the United States, which provided that the first resource of this Government to maintain itself should be duties upon imports to this country. That was the intention of the founders, and until that is exhausted or proven to be inadequate I would go no further; I would not even feel it necessary to consider whether or not we might resort to another class of taxation.

What do you propose to do in this country? You propose to run the American labor engaged in this industry, the average weekly wages of which is $8.31 per week, against the Italian labor, which is $3.77 a week, and I speak from official figures, the identical labor, the same number of hours.

Mr. NELSON. I do not understand that the Italians are raising sheep or sending any wool over here.

Mr. HEYBURN. The Senator would be astonished to know how many of them are engaged in the manufacture of articles within this schedule. I have it, but I want to finish the statement from the comparative tables. You would be running the American labor, that receives American wages and lives like an American, up against the corresponding labor of France at $5.03 per week. You would be running the American labor, with the attributes of the American citizen behind it, against English labor at $5.72 per week.

Why would we who are here to represent these American laborers trade off their prosperity in a vain attempt to follow after some untried theories of government, when we have, and know that we have, conditions here, the result of the republican system of government, that leaves us a margin which represents the profit to the American people?

Mr. President, I have heard some suggestions here as to the basis of a protective tariff that have not accorded with my idea. All these comparisons have been between great enterprises in America and like enterprises abroad. Senators have been comparing how possible it was for the well equipped and great American factories to compete with those abroad. Where, in their minds, were the small enterprises of this country? The true basis of a protective tariff is not with the great enterprises that might compete because of the volume of their business. It begins with the smaller concerns. The question in my mind is not whether the Amoskeag Mills might compete with the foreigner, but it is whether the little mill down in the valley that represents all that men of smaller means have shall compete with him. That is protection. The protective tariff was to protect those who need it, and those who need it most are not the great enterprises with vast capital and great buildings.

All through this discussion, as I have heard it on both sides of the Chamber, my mind has criticised that comparison and has been making inquiries all the time. The figures I have been making all the time have been applied to the small manufacturer, the small merchant, the small producer, because, when you come to the last analysis, they are the subjects in the contemplation of the fathers of the Republic when they established this doctrine of protection.

I think we might dispense very much with the elaboration of figures that we have listened to here for the last week on the cotton schedule, because they do not affect the legitimate object of protection. The question is as to the little woolen mill down in the valley that has not the most modern appliances and can not have them. How shall we protect that mill owner? Is he to become a mere satellite of the larger manufacturers, and be made to depend entirely upon their prosperity? I think not. The very first inquiry in my mind is, How will this affect the men who have not elaborate machinery or great buildings and large capital?

When we were discussing the lumber schedule I looked at the statistics and saw that out of 1,300 mills in one section of the country there are less than 400 of them that have band saws, and that 900 of them are equipped with less expensive machinery, but sufficient for the purpose of their trade. Yet everything was discussed from the standpoint of the great enterprises, and the only question that was asked was, Can these great enterprises live? They can live if they make 2 or 3 per cent on their investment, but the individual with the little industry or concern would starve to death on 2 or 3 per cent on an investment with only a handful of money.

Yet he is entitled to engage in that occupation. He is entitled to his share in the prosperity that comes from furnishing his neighbors with their stack of flour or their jag of lumber. He is entitled to flourish if he only wants to do so in his own neighborhood.

When I was a boy we raised our own sheep and our own wool. The sheep were sheared on the place, and I used to ride with my father to the Bancroft and other mills and take that wool and then go back there when we were notified that it was ready and bring home the cloth and the blankets. Some of those mills are in existence to-day; some of them have developed into great concerns; and some of them have advanced only a little beyond the condition of that day. Are they not entitled to consideration in making an estimate in this matter? Is not the farmer with a dozen sheep or a hundred entitled to consideration in making up a schedule here? The Senator from Minnesota gives a negative shake of his head. What shall he do? Cease to raise sheep? Cease to have a sawmill and a flour mill? What is he to do? Is he to be crushed between the wheels of these great enterprises and be ground out of existence? I think not.

When I speak for that class of the American people, I speak for 90 per cent of them. So far as I am concerned, I am here to legislate for that class of people as well as for the merchant princes and the great mill owners; and I am only impelled to speak on this occasion that I may, if I can, cause men to hesitate and cause them to get away from the intricate calculations into which we have been drawn and to which we have listened for the last ten days or two weeks, calculations that dealt only with millions.

Let us deal with the individual, not with his pocketbook. It is worth more to the individual to have a field for his labor than anything else. The opportunity is the thing that is valuable; the man will do the rest. But if he has no opportunity, if he has no protection except to become a part of the tail of a great kite that sails and carries him through the air, you will soon find this Nation degenerating so that the great mass of people will be mere accessories to those who are largely engaged in business.

Mr. President, I expect to vote for this bill. I expect also to leave in the records of the Senate of the United States my protest against basing our consideration and our action here on this or any other schedule upon the top notch of trade. I am not here to consider how possible it would be to live under certain circumstances. I am here to consider how great and grand it would be to share in the prosperity and the productiveness of this great country of ours.

Sometimes we all reach the same point by traveling over different roads, and if I arrive at my conclusions upon this question by those routes that seem to me the ones proper to travel over, we will arrive at the same ultimate result, even though all Senators do not come to it by that way.

I do not propose, if my vote or my voice can help it, to see the great sheep industry of our western country destroyed or frittered away in elaborate arguments or reasoning. I am more interested in the people whose lives and whose happiness and comfort depend upon the opportunity that grows out of and be-

longs to this enterprise than I am in any of the great mills. The mills will follow. They will exist and prosper on the American product better than they will upon the foreign product. I would rather see every pound of American wool go into the American mill and be used to clothe and cover the American people, and if we have a surplus we will sell it in the markets of the world.

But I would buy not one dollar of the surplus of other nations if I could avoid it. I would only do it when the home product was insufficient. I would rather trust the comfort and the destiny and the prosperity of the American people to competition within our own Nation and between our own citizens than to have it at the mercy of competition with foreign countries and foreign conditions. I would make it very difficult for the foreign producer to enter our household and take a seat at the table of Republican prosperity.

There is no people in the United States more interested in this question than the people whom I represent in this body. There was a time, when 78 per cent of the wool was produced this side of the Mississippi River, when you would have heard the voices of many men in States producing that commodity raised up in support of the principles for which I speak. They did, and they wrote the tariff upon wool in no uncertain letters. They did not make it subject to the vicissitudes of an ad valorem duty. An ad valorem duty on wool at 20 cents or at 10 cents, as was very well suggested by the Senator from Wyoming, not only affects the woolgrower, but it affects the Treasury of the United States. When we pass a tariff law here we want to be able, with some degree of certainty, to know what revenue it is going to produce; and if you put it on an ad valorem basis you will never know what the revenue to-morrow or next week or next year will be.

I saw wool not very long ago drop from 21 cents to 12 cents. Contemplate for a moment the effect of that upon the United States Treasury. Instead of taking in duties——

Mr. McLAURIN. Will the Senator allow me to ask him a question?

Mr. HEYBURN. Certainly.

Mr. McLAURIN. Was that caused by the Wilson law?

Mr. HEYBURN. We did not have any duty on wool under the Wilson law.

Mr. McLAURIN. But the drop of which the Senator speaks?

Mr. HEYBURN. We did not have any revenue.

Mr. McLAURIN. Was the drop of which the Senator speaks, from 21 to 12 cents the other day, caused by the Wilson tariff law?

Mr. HEYBURN. It was caused by the scare of the people. Somebody conjured up a ghost and scared the people, and they took to the woods.

Mr. McLAURIN. What were the people scared at?

Mr. HEYBURN. They were scared for the moment—the element that controlled it—at the financial condition in the country. They did not know that the Republican party, by the magic wand of wisdom, could correct any existing or temporary discomfort in the financial world.

Mr. McLAURIN. Were they scared at the Republican Congress?

Mr. HEYBURN. The Republican Congress applied the remedy in a very few moments.

Mr. WARREN. The Senator made an inquiry as to why the price of wool fell—what was the figure?

Mr. HEYBURN. From 21 to 12 cents.

Mr. McLAURIN. The Senator is mistaken about that. I made no such inquiry. I made inquiry whether it was attributable to the Wilson law.

Mr. WARREN. I presume the Senator would like to know something about the price of wool during the administration of the Wilson law or the effect of that law on wool.

Mr. McLAURIN. The Senator can not turn the question by any such way as that. That is not relevant to the question I asked.

Mr. GALLINGER. I think it is very relevant.

Mr. WARREN. Admitting that it is not relevant, I will say to the Senator from Idaho that the price of wool in my State and in the State the Senator so well represents was somewhere from 4½ to 6 cents. That was what it was worth during the Wilson law.

Mr. HEYBURN. Yes, Mr. President; the railroad companies required you to either prepay the freight or give a bond for it before they would receive it for shipment, because the wool was not worth the freight.

Mr. McLAURIN. Mr. President, that may be the best answer the Senator from Idaho or the Senator from Wyoming may be able to give to my question, but the question I propounded was whether the drop that the Senator saw the other day, from 21 to 12 cents, was attributable to the Wilson law.

Mr. HEYBURN. No. I have answered the Senator. I have already attempted to tell the Senator to what it was attributable. It was attributable to one of those temporary disturbances that will arise at all times to the great party. The party that is able to manage the affairs of this Government is the party that knows what to do when the question comes, and the other party that is not competent is the one that uses it only as a taunt.

Mr. McLAURIN. With the Senator's permission, I will say that it is customary on the part of the Senators both from Idaho and Wyoming, and other Senators on the Republican side, to lay everything to the charge of the Wilson law, and when the Senator said there was a drop a little while ago of from 21 to 12 cents, it occurred to me that probably it might be very pertinent to ask whether that was attributable to the Wilson law.

That was evaded, or attempted to be evaded, by stating the price of wool under the régime of the Wilson law and as to the ability of the Republican party to always manage the Government so that there will be no trouble in the revenues and no trouble in the affairs of the country, and the inability of the Democratic party to do that. I wish to say that the Republican party did not manage the finances of the country in the year 1907 in such a way that we were denied the benefit the Republican party gave us of the money panic.

Mr. HEYBURN. If I had the time or the inclination to go into an analysis of the financial panic I might do so for the entertainment of the Senator from Mississippi, but not to his profit, nor, I think, to the profit of anyone. I will call his attention to figures, however, which have been handed to me. In 1896, 38,298,183 sheep sold for $65,167,735; that is, they were averaged at that; and in the year of grace 1907, 53,240,282 sheep had a value of $204,210,129. A mere inspection of the figures is sufficient.

Mr. McLAURIN. The Senator will do another favor to me if he will show how that has any relevancy to the question I propounded to him.

Mr. HEYBURN. I am almost inclined to ask the Senator to what he attributes it; whether he attributes it to the great benefit and success of Democratic government, or whether he will concede some slight part of it to the character of the Government under which the conditions have arisen.

Mr. McLAURIN. I will just say in reference to that that there is one thing certain about it; the drop in the price of wool that has just occurred, from 21 cents to 12 cents, to which the Senator alluded, was not caused by any Democratic legislation.

Mr. HEYBURN. Mr. President, I think that is hardly relevant. The price of wool to-day, because of the Government and because of its quality and character, is back to 21 cents. A man may be sick overnight, but if he has a good physician or is a man of intelligence he may be recovered in the morning.

Mr. McLAURIN. Yes, Mr. President; and if he takes good care of his health he is not likely to be sick overnight.

Mr. HEYBURN. I hardly think the Senator will want that to stand as a complete answer.

It is, however, not my intention to prolong my remarks. I was inadvertently thinking that we adjourn at 5 o'clock, but I shall not prolong my remarks because of my error.

Mr. President, I have attempted to present this question from the practical side of the woolgrower, and that means the market that the woolgrower makes. Where do you suppose the $135,000,000, in wages paid in this country in this industry is distributed? It buys your cotton from the South; it buys your wheat from the North and your barley from Minnesota. Those wages are distributed throughout the entire business world in this country. They do not go abroad to purchase foreign articles. Suppose the industry was destroyed. To what field would this labor go for employment? Would you wipe it out? Would you wipe out the $15,000,000 worth of sheep product in Idaho? If you reduce the duty on wool, you will wipe it out to some extent, if not entirely.

I am speaking for the consumers who consume your wheat while they are raising our sheep. I am speaking of the consumers who consume the product of every State in the Union while they are thus engaged. I am speaking of the merchant and the manufacturer who because of the employment of these men have a market that they would not otherwise have. You take a cent a day from them and you lose a cent a day out of the volume of your business. You take 11 cents, or any other number of cents, off the duty on wool, and you lower the fence of protection and

increase the danger of competition at the expense of American labor.

There is invested in the sheep industry of the United States more than a hundred million dollars. Where would that capital find investment—in what field? It would be withdrawn or lost in either event at the expense of the business and commerce of the world. What income would take the place of this? What field of industry would offer employment to these men? I am appalled when I find any number of American people willing even to contemplate the withdrawal of opportunity from any other number of the people. The prosperity of this country is because of the opportunity offered to them. That is the only function or purpose of government as applied to the individual. It is opportunity. It is the Republican party that has given the American people the opportunity to engage in profitable enterprise; it is the Republican party, by the exclusion of the outside world, that has given the people of the United States the opportunity to build up the great riches and the great enterprises of this country.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER (Mr. KEAN in the chair). Does the Senator from Idaho yield to the Senator from Wyoming?

Mr. HEYBURN. Certainly.

Mr. WARREN. Mr. President, if I understood the Senator from Idaho correctly, I think he misquoted the amount invested in the sheep industry. He spoke of it as being $100,000,000.

Mr. HEYBURN. I said more than $100,000,000.

Mr. WARREN. It is about $750,000,000. A hundred million dollars would be less than $2 a head for the sheep, without allowing anything for the ranches and other property.

Mr. HEYBURN. I did not intend to include those things. I was merely referring to the sheep industry. That represents an investment between ninety and one hundred million dollars. Of course, that does not include the capital invested in the great enterprises that grow out of it and are connected with it.

Mr. WARREN. The sheep alone, if sold on the market to-day, would bring considerably more than the amount stated.

Mr. HEYBURN. Yes; I suppose they would, if they were all marketed. I did not intend to include the cost of the land, the buildings, the factories, and the tonnage that is paid to build and maintain railroads. Those figures would soar into almost unbelievable sums.

Why should anyone, regardless of his politics, seek to take a chance of striking down even the protection of a cent? I hope that the existing law in regard to the tariff upon these subjects will not be disturbed one iota, because I believe you will have to pay dollar for dollar for every dollar that you take from it.

Mr. President, a system or a theory that has been tried in government and found successful in its application should never be disturbed, even because a very large number of people think they could do better. There is always some one who thinks he could improve on existing conditions; there are people ever ready to criticise others; but I have observed in life that, if they get an opportunity to substitute their ideas, conditions are rarely, if ever, improved.

A word in closing. There has been at times a spirit of resentment—it has amounted to that—toward those outside of the Finance Committee who felt impelled to express their views at such length as in their judgment might seem appropriate. It is not becoming in the consideration of a question like this to attempt to exclude anyone from participating in it within the limits of his own judgment. Because the Committee on Finance, in its wisdom, has struck the right measure in this bill is no reason why other Senators should be content merely to sit in silence and vote upon it. There should be a record—a public record—accompanying every measure that is enacted in this body that should tell not only why the particular committee recommended it, but why Senators supported it. I am impelled to make this statement because of the spirit of impatience that seems to pervade certain circles at those who exercise their right and perform their duty upon this floor.

Mr. McCUMBER. Mr. President, I shall take only a very few minutes in the discussion of this particular amendment, and will give plenty of time to vote upon the subject before the recess if anyone desires a vote before that time.

Mr. President, I know something about the conditions in the sheep industry for the four years prior to 1897. I am not going to take up any time in elucidating this subject, but will give one concrete incident. About the year 1895 or 1896 I know of a flock of sheep of some 4,000 in number sold for a dollar and a quarter a head. They were all full-grown sheep. Those sheep to-day would bring a price of $5 a head, or nearly five times as much. During the four years preceding 1897 I have seen the warehouses in the western part of my State loaded with wool that was not worth the price of the freight to the eastern market. That represented the general condition during those four years.

Mr. President, the people of the State of North Dakota and all of the western section lost enormously during those years. They have been making up those losses in the last ten years, but I do not think with all of the profits they have made that they have entirely recouped the losses for that particular period.

I am not going into the subject of what constituted the real cause. It may be that we were frightened; it may be that the Wilson-Gorman law had nothing to do with it, that it was just lack of confidence; but I can give another concrete incident in relation to how that lack of confidence worked with some of us. In 1892 I, with some other people, organized a sheep company. We incorporated along toward the fall of that year. We then thought that we had better wait until after the election before we either purchased the sheep or the lands that we had in contemplation. We waited until after the election. It did not go as we expected and hoped it would go; and that corporation was dissolved. We dropped the project. That is one instance in my life when my foresight of conditions that would ensue was absolutely correct. So nothing ever came of that organization.

Now I want to show whether or not we have been benefited by our tariff since that time; whether or not the wonderful prosperity of this country for the last ten years has manifested itself in the rapid and steady increase of the value of wool and the value of sheep in this country. I call attention to page 878 of the volume Imports and Duties from 1894 to 1907, inclusive; and I am going to ask that the three tables showing the imports, the rate of duty, the Dingley duty collected, the value per unit, and the ad valorem duty shall be placed in the RECORD. They are tables of the unwashed wool not on the skin, the washed wool not on the skin, and the scoured wool. They are the three grand subdivisions of wool imports.

The PRESIDING OFFICER. In the absence of objection, the tables referred to by the Senator from North Dakota will be printed in the RECORD. The Chair hears none.

The tables referred to are as follows:

Wool imports.

UNWASHED WOOL, NOT ON THE SKIN.

Fiscal year ended June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average.	
					Value per unit of quantity.	Ad valorem rate of duty.
		Pounds.				*Per ct.*
1898	11 cents per pound.	4,593,007	$790,508.00	$505,230.77	$0.170	63.91
1899	——do——	9,384,260	1,549,131.00	1,032,268.57	.165	66.64
1900	——do——	{ [a] 27,728 / 19,132,005	[a] 3,953.00 / 3,734,807.42	2,104,520.55	.195	56.35
1901	——do——	35,504,730.25	6,821,103.00	3,905,520.34	.192	57.26
1902	——do——	54,858,663.22	8,118,371.40	6,034,452.90	.148	74.33
1903	——do——	46,326,229.54	7,123,287.00	5,096,885.26	.154	71.54
1904	——do——	39,793,896.19	7,229,714.00	4,377,328.63	.182	60.55
1905	——do——	78,834,454	15,731,480.00	8,121,789.99	.213	51.57
1906	——do——	91,027,193.10	21,359,479.00	10,012,991.25	.235	46.88
1907	——do——	90,045,325.75	22,249,572.25	9,904,985.85	.247	44.52

WASHED WOOL, NOT ON THE SKIN.

1898	22 cents per pound.	45,269	$8,741.00	$9,959.15	$0.190	113.94
1899	——do——	964	168.00	212.08	.174	126.24
1900	——do——	12,398.50	2,859.40	2,727.72	.229	95.07
1901	——do——	806	122.00	177.32	.151	145.09
1902	——do——	560	113.00	125.18	.199	110.62
1903	——do——	24,824	11,557.00	5,461.28	.465	47.26
1904	——do——	12,169	6,500.00	2,677.18	.534	41.19
1905	——do——	29,356.19	8,082.00	6,458.36	.295	74.39
1906	——do——	9,172.75	3,135.75	2,018.00	.342	64.35
1907	——do——	1,675.25	601.00	368.50	.359	61.32

SCOURED WOOL.

1898	33 cents per pound.	28,175	$392.00	$9,297.75	$0.290	111.50
1901	——do——	18,163	6,783.00	5,993.79	.373	88.36
1902	——do——	5	5.00	1.65	1.00	33.00
1903	——do——	3,613.70	1,777.00	1,192.52	.492	67.11
1904	——do——	6,681	4,821.00	2,204.73	.722	45.73
1905	——do——	3,141	1,751.00	1,036.53	.557	59.19
1906	——do——	4,136	2,476.00	1,364.88	.599	55.12
1907	——do——	8,119.50	7,146.00	2,679.44	.88	37.50

[a] Damaged, duty remitted by Secretary of the Treasury.

Mr. McCUMBER. Mr. President, I want to call attention to the value of these wools in each succeeding year; and I will take the wool that the farmer sells, the unwashed wool, not on the skin. I find that in 1898, with 11 cents a pound duty, that the value per unit or pound in New York, probably, where it was imported, was 17 cents. Three years afterwards it was 19½ cents; then it was down to 14⅞, then to 15, then it went to 18 cents, then to 21, then to 23, and in 1907 it was 24 cents.

If I follow along in the same line, I find that the washed wool not on the skin was 19 cents in 1898, and that there was a gradual increase until it was 35 cents in 1907. I find that the scoured wool was 29 cents in 1898, and that it was 88 cents in 1907; in other words, the value of wool has considerably more than doubled during that period. This was under the Dingley rate. The House of Representatives this year report a bill in which they propose to cut down the Dingley rates on certain classes of wool, and I am now asked to vote for a reduction of the wool schedule that has given us this prosperity during these years and has helped us to recoup our losses during the preceding years. Remembering what those losses were, I for one refuse to do it. I do not think that the rates are at all excessive.

Mr. BEVERIDGE. Mr. President, will the Senator permit me to ask him a question?

Mr. McCUMBER. I should like to finish what I have to say, and have my argument appear in a logical way; but if the Senator insists, I will yield.

Mr. BEVERIDGE. I will ask the question when the Senator concludes his remarks.

Mr. McCUMBER. The Senate Committee on Finance put back the Dingley rates, the rates under which there has been a phenomenal increase in the value of sheep and the value of the wool that is raised upon those sheep.

The next question, then, that appeals to me is: Are those rates excessive? I know something about the care that is required and the labor that is expended in caring for lambs from the time they are born, and during their growth, in shearing the sheep, and in caring for and marketing the wool. Knowing the value of that labor, I am absolutely certain that the value of the farmer's wool product is not excessive. Mr. President, if they are not excessive, then I want to ask whether or not the American people have asked us indiscriminately to lower them, notwithstanding the fact that they are reasonable. There has been considerable talk about this matter of revision. I hardly agree with Senators on either side of this proposition. I will say, once and for all, that I believe the American people understood generally that the greater portion of the tariff rates were higher than necessary; and, therefore, if there were a revision, that it would be a revision downward, so that those rates would not be greater than necessary for honest and fair protection; but, Mr. President, they never have instructed us, either by a Republican platform or by popular expression, to lower a duty that is not excessive.

The House Committee on Ways and Means found that the iron schedule was considerably higher than was necessary; that it was excessive; and they cut it down considerably. The Senate Committee on Finance went over the same schedule and found that, in their opinion, it was still too high, and they very materially reduced it, even below the standard that was fixed by the House committee. The American public had read a great deal about the enormous fortunes of Carnegie and Frick and Schwab and that class of steel magnates, and they felt that the duties that had enabled them to amass such enormous fortunes were excessive. I believe that the American people were for the most part right in their opinion upon that proposition; and because they were right, those duties have been reduced.

I know Senators will say "Oh, yes; you made the cut, but then you did not hurt them any; you only cut where it would not hurt." Mr. President, we were not instructed to hurt any business in the United States, but to bring every duty down to a reasonable basis.

The Senator from Minnesota [Mr. NELSON] just now asked the Senator from Idaho his opinion as to a duty of about 150 per cent upon woolen blankets. The Senator from Idaho answered in substance that if that duty was necessary he was in favor of it. A duty of 15 per cent ad valorem may be excessive in some instances, while 150 per cent might not be in other cases. I want to show whether or not a duty of 150 per cent even in the wool schedule is necessarily excessive. I am not admitting there is any such rate. We have been instructed by our platform and by every utterance that has been made by Republican speakers that the measure of the duty should be the measure of the difference between the cost at home and the cost abroad, including a reasonable profit upon the investment. I am perfectly willing to measure the wool schedule by that standard, because I believe that is the proper standard.

When we were discussing the cotton schedule I telephoned to the Department of Commerce and Labor and asked them to give me in the form of a table or otherwise such information as they might have at hand showing the labor cost in the cotton textile trade in England, in the United States, in Germany, and in France. The day afterwards they sent up such a table, but before I present it I want to call attention to another table of the comparative labor cost in the woolen manufacturing industry that was introduced before the Ways and Means Committee. Here is the table, giving the wage scale of worsted mills, based on the same number of hours per week, in Bradford, England, and in Philadelphia. I will just enumerate a few of them. I find that head wool sorters in Bradford receive $9.52 a week; in Philadelphia, $25 a week, or two and one-fourth times as much; wool sorters, $8.96 in Bradford and $18 in Philadelphia; card-room overlooker, $7.50 in Bradford and $20 in Philadelphia. I will get down to the laborers. The common laborer receives $5.75 in Bradford and $10 in Philadelphia. The average in all lines necessary to produce a woolen fabric shows the American wage to be about two and one-fourth times as much as the British wage; in other words, it is an advance of 125 per cent over the average wage in Great Britain in this industry. I ask that this table be inserted in my remarks.

The PRESIDING OFFICER. In the absence of objection, permission is granted.

The table referred to is as follows:

Wage list of worsted mills based on same number of hours per week.

	In Bradford.	Philadelphia.
Head wool sorter	$9.52	$25.00
Wool sorters	8.96	18.00
Washhouse overlooker	6.00	20.00
Card-room overlooker	7.50	20.00
Combing-room overlooker	8.50	25.00
Drawing-room overlooker	8.50	25.00
Spinning-room overlooker	8.00	20.00
Twisting-room overlooker	8.00	20.00
Reeling-room overlooker	8.00	18.00
Back washers	3.12	6.00
Gill boxes	3.12	5.50
Combs (2)	3.37	8.80
Gill boxes (4)	6.00	8.80
Wool washers	5.25	10.00
Card strippers	6.00	12.00
Card feeders	4.25	5.50
Drawing gills	2.75	5.50
Drawing frames	2.75	6.60
Roving frames	2.50	5.50
Spinners, 256 spindle	2.50	6.00
Spinners, 332 spindle	2.62	7.00
Overlookers' assistants	2.12	12.00
Doffers	1.87	4.40
Twisters	2.87	6.60
Winders	2.62	4.40
Reelers	3.00	7.50
Engineers	6.50	20.00
Firemen	6.00	12.00
Laborers	5.75	10.00

Mr. BACON. Will the Senator from North Dakota permit me to ask him a question?

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Georgia?

Mr. McCUMBER. Just for a question; yes.

Mr. BACON. I ask for information as to the Senator's position. The Senator contends that, as the price of labor increases, according to the reasoning of the contention which he is now making, the rate of the tariff ought to be correspondingly increased to cover that increase?

Mr. McCUMBER. In so far, Mr. President, as the cost of labor adds to the value of the product. I take both the cost of labor and the cost of the material together. Of course I can only deal with one of them at a time.

Mr. BACON. Mr. President——

Mr. McCUMBER. I would ask the Senator to allow me to get through before half past 5, as I must necessarily do or divide these few remarks into two sections.

Mr. BACON. Very well.

Mr. McCUMBER. Mr. President, in addition I have a table showing the difference in wages in the cotton industry in Germany, the United States, France, and England. The table I received from the Department of Commerce and Labor. I will read just a few of the items. Take the dyers. Male dyers in the United States receive $7.88 a week; in Germany, $3.65 a week. Weavers receive $10.84 in the United States, and in Germany $5.11. I ask that this table may be also in-

serted, with the explanatory remarks from the Department of Commerce and Labor.

The PRESIDING OFFICER. The Chair hears no objection to the request of the Senator from North Dakota.

The matter referred to is as follows:

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF LABOR,
Washington, June 4, 1909.

The accompanying tables give the only available data concerning wages and hours in certain occupations in the cotton and woolen industries in the United States, England, Germany, and France.

The figures for the United States are taken from the bulletins of the Bureau of Labor. The figures for England, Germany, and France are taken from the reports just issued by the British Government, giving the results of an investigation made by that Government in the countries named.

Unfortunately, the figures can not be reduced to any basis that would admit of satisfactory comparison. The figures for the United States give averages for both wages and hours. The figures in the British reports merely give the range of wages, and nothing is given to indicate where an average would fall between the two extremes.

The foreign figures are thus not only not comparable with the American figures, but the form in which the foreign figures are presented in the British reports does not even admit of satisfactory comparison between England, Germany, and France. Thus, the figures for England differentiate between males and females, whilst the figures for Germany in most instances do not indicate the sex of the workers at all; again, the figures for England, under both male and female, include alike adult workers and young persons, while the figures for France are for adult male workers alone. In the case of Germany and France the hours per week are given, but no hours are given for England.

In any comparison of wages as reflecting relative cost of production, wages per hour would be the only proper basis for comparison; and any accurate comparison would, of course, involve relative efficiency as well as relative wages, but the available reports not only do not deal with efficiency at all, but do not even furnish a basis for a comparison of hourly wages.

Rates of wages and hours of labor in the United States, England and Wales, Germany, and France in the cotton industry in 1905.

Occupation.	Sex.	Wages per week.				Hours per week.			
		United States.	England and Wales.	Germany.	France.	United States.	England and Wales.	Germany.	France.
Carders	Male	$6.60		$4.01-$5.11		60.7		66	
Do	Male adults				$3.85-$6.12				60
Dyers	Male	7.82		3.65- 6.33		60.6		60-63	
Do	Male adults				4.10- 4.66				60
Spinners, frame	Male	5.07				63.1			
Do	Female	5.53				60.7			
Spinners, mule	Male	11.34				59.4			
Spinners	do		$8.52-$12.17						
Do	Male adults				5.09- 7.58				60
Do	(a)			5.84- 7.30				62.5-66	
Weavers	Male	8.58	5.35- 7.05	4.01- 4.74		60.8		66	
Do	Male adults				3.75- 5.43				60
Do	Female	7.85	3.65- 6.81			60			

a Not reported.

Rates of wages and hours of labor in the United States, England and Wales, Germany, and France in the woolen industry in 1905.

Occupation.	Sex.	Wages per week.				Hours per week.			
		United States.	England and Wales.	Germany.	France.	United States.	England and Wales.	Germany.	France.
Card strippers	Male	$7.66				58.3			
Do	(a)			$3.89-$4.38				64.5	
Combers	Male	7.22	$4.87-$5.60			58.9			
Do	Male adults				$4.70				72
Do	Female	5.25	2.68- 3.41			57.0			
Do	(a)			4.38- 4.83				60-66	
Dyers	Male	7.88	5.84			59.3			
Do	Male adults				3.51				60
Do	(a)			3.65- 5.60				60-65	
Spinners, frame	Female	6.03				58.3			
Spinners, mule	Male	11.07				58.5			
Spinners	Male adults				4.32- 7.91				60-69
Do	Female		1.95- 2.92						
Do	(a)			4.87- 7.79				60-65	
Weavers	Male	10.84		5.11- 5.84		58.8		60.0	
Do	Male adults				4.66- 5.84				60
Do	Female	9.12	2.43- 5.11			58.2			
Do	(a)			5.56				62.5	

a Not reported.

Mr. McCUMBER. Mr. President, I understand that in the woolen industry, as well as in the cotton industry, labor represents about 80 per cent of the cost, and the material represents about 20 per cent of the cost of production. I want to make a mathematical calculation as to what would be the duty, taking those percentages. We will say that for the production of a given number of yards in Great Britain the labor cost is 80 cents and the material cost is 20 cents. That makes $1. In looking over the table from which I have just quoted I find that the average ad valorem on the wool itself that goes into these cloths is about 60 per cent; so I must add 60 per cent to start with upon the raw material, which would be 12 cents. Add this to the $1 and you have $1.12. Then take the 125 per cent upon the labor cost. You would have $1 more to add, making $2.12, or 112 ad valorem, without taking into consideration reasonable profits and many other incidents that might still further add to the cost in this country.

Mr. NELSON. If those figures are correct and the difference in the labor cost is as great as the Senator states, ought there not to be an increase in the duty to give the manufacturer a profit?

Mr. McCUMBER. Mr. President, the tariff will probably measure on the average very nearly the difference between the cost of production at home and abroad. Sometimes they may be a little less and sometimes a little more, as must be the case when the duties are specific. We have to get a general average. The figures are as I have obtained them from the Department of Commerce and Labor, and I am not going to quarrel with the Department of Commerce and Labor as to whether their figures are correct. I am quite certain they are, as they are taken from reports from our consular service, carefully tabulated.

Mr. NELSON. Mr. President, if the tariff is only 112 per cent ad valorem and the difference in the labor cost is $1.12, what provision does the Senator from North Dakota make for "a reasonable profit?"

Mr. McCUMBER. Mr. President, I have given the Senator that explanation as clearly as I could give it in a very short address.

Mr. ALDRICH. I ask the Senator if it will be convenient for him to finish his remarks to-morrow morning?

Mr. McCUMBER. Does the Senator want a vote on this question this afternoon?

Mr. ALDRICH. No; I desire to move to adjourn.

Mr. McCUMBER. It is not quite half past 5. I will conclude in a moment.

In addition, Mr. President, to what I have said, I wish also to have printed in the RECORD a further explanation of the difference in the wages of labor in the textile trades in Germany, France, and Great Britain, as prepared by our consular service and given me by the Department of Commerce and Labor.

The PRESIDING OFFICER. Without objection, permission is granted.

The matter referred to is as follows:

Special Agent W. A. Graham Clark, of the Department of Commerce and Labor, spent a considerable time in the investigation of the manufacture of cotton goods in Europe and elsewhere, and visited the mills and secured his information at first hand. In his report on "Cotton fabrics in middle Europe," printed as Document No. 1270, of the House of Representatives, he gives a report of wages paid at various leading mills, from which report extracts are herewith made.

The most important cotton mill in Germany, also the best paying, according to Mr. Clark, is the Augsburg Mechanische Baumwoll Spinnerei und Weberei at Augsburg, in Bavaria. This mill has 126,940 spindles. Speaking on the labor question, Mr. Clark reports:

"Until 1906 this mill ran an eleven-hour day, but it then changed to ten hours. This 9.1 per cent decrease in time was allowed by a 7.85 per cent decrease in production. In regard to wages at this mill, the picker-room hands and the carders get 50 to 70 cents a day; on two 900 self-actor mules the spinner averages about 90 cents a day, the piecer 71 cents, and each of the two creelers 35 cents a day. Weavers, on an average, run three looms apiece, and make about 80 cents a day; 170 of the looms have the Northrop attachment. At this mill a man is supposed to serve a two-years' apprenticeship before he can do as simple work as that of running three looms on plain goods. He has to sign a two-years' contract to this effect. He first works as extra assistant to a weaver for six months, then he is given one loom, which is run under the supervision of the regular weaver, who receives a certain percentage on the wages made. Then he is given two looms under the same conditions, and it is not until the new weaver has been working for two years that he is considered a full-fledged weaver and allowed to enjoy the fruits of his labor without division. During the first six months the mill usually pays the apprentice 24 cents a day. After all this elaborate apprenticeship system it is doubtful if the weaver is as good as the young American weaver who comes in from the farm and in a few months at most is getting off the required production along with the others."

Mr. Clark says that the wages paid in cotton mills in different parts of Germany vary, as also does the number of operators required for a given number of machines or for a given production. For mills on similar goods, and similarly located, wages are lowest in Saxony and highest in Rhine. The mills around Augsburg seem to afford a fair average of the German industry as a whole.

In Germany there is no law limiting the hours that may be worked by men, but there are numerous detail provisions in regard to the employment of women and children. It is forbidden to employ children under 13 years of age. Women must not be employed in the factory at night between 8.30 and 5.30 o'clock.

In giving the wages paid at Barmen, in western Germany, for braided work, Mr. Clark reports: "For ordinary work at Barmen 1 operator, either man or women, makes 4 marks a day, or 24 marks a week (4 marks equal 95 cents; 24 marks equal $5.71). The time is usually 57 hours a week." Speaking of the work at Plauen, from which district in 1907 $4,479,021 in value of goods were exported to the United States, Mr. Clark reports that a skilled operator receives 23.8 cents for the same quantity of work that the Swiss worker at St. Gall receives 19.3 cents for. The best stitchers were paid at the rate of 18 pfennigs (pfennig equal about one-fourth of a cent) for 1,000 stitches, and on the supposition that he made 240,000 stitches a week he would make 43.23 marks, or $10.28. The average stitcher gets probably 30 to 35 marks per week ($7.14 to $8.33). Other factory employees receive lower pay. Two girls on a machine, one to watch the work and the other to keep the small shuttles filled, are paid, respectively, 18 and 14 marks per week ($4.28 and $3.33). The card punchers that punch the holes in the Jacquard cards for use on the automatic machines get higher wages, as the work requires quick and careful and well-trained men.

The most expert men made from 240 marks ($57) a month, to 300 marks ($71). The weekly wages of those engaged in "general scissor and needle work" were about 12 marks a week ($2.85). The man who owns a machine and is called the "lohnesticker," is paid at a fixed price per 1,000 stitches, and he has to provide all the cost of manufacture, including yarn, wages, power, etc. Mr. Clark states that at the time he was in Plauen the "lohnesticker" made a profit of only $2 on his machine for the week's work. Speaking of ribbon weaving, of which, including trimmings, etc., $1,500,000 worth was shipped from Barmen to the United States in 1907; Special Agent Clark reported that working three hundred days in the year the average earnings was 80 cents a day. Wages in Barmen and the surrounding section are higher than in most other textile centers of Germany. Ordinary weavers, Special Agent Clark says, will average 60 to 80 cents a day, and weavers on special work will get as high as $1.63.

The importation of knit goods from Germany increased in value to $8,384,830 in 1907. At Chemnitz, where hosiery is a great speciality, there are 88 American houses represented. The hours of work are either 61, 60, or 59 per week. There is, as Special Agent Clark reports, not the slightest uniformity in regard to the wages paid, each manufacturer getting his help as cheaply as he can. Special Agent Clark transmitted the wages paid in a hosiery factory where the operations were as follows: Spooling yarn, knitting leg, running on foot, knitting foot, heeling and toeing, seaming and mending. The dyeing and finishing were done outside. The prices are all given in pfennigs, owing to the difficulty of giving the equivalents in cents without too many decimals. (To change pfennigs into cents multiply by 0.238.)

The tables sent by Mr. Clark follow.

Spooling.

[Wages in pfennigs, per pound English.]

Yarn numbers (English)	8-15	16-20	21-30	31-40	41-50	51-60	61-70	71-80	81-90	98	112
Cotton cops:											
Spooler	2	2½	2½	2¾	2¾	3½	3¾	3¾	4½	---	---
Rewinder	1¾	1¾	2	2¼	2½	2¾	3	3¼	3½	---	---
On patent winder	2½	3									
Wool cops:											
Spooler	1¾	2	2	2¼	2¾	3	3¾	4	5¾	8	12
Rewinder	1¼	1¾	1¾	2	2¼	2¾	2¾	3	3¼	---	---
On patent winder			3	3½							
Skein yarn, spooler on:											
Single gray cotton	3½	5	6¾	7½	9	10½	11½	13	---	---	---
Two-ply gray cotton	2½	3½	4½	5½	6	7	8	9	---	---	---
Single colored cotton	10	12	14	16	28	30	32	34	36	---	---
Two-ply colored cotton	4½	5½	6½	7½	8½	9½	10½	11½	---	---	---
Single colored wool	---	10	17	19	21	---	---	---	---	---	---
Two-ply colored wool	7	8	9	10	11	12	13	14	---	---	---
Skein yarn, rewinder on:											
Single colored cotton	2½	3½	4	5	5½	6	6½	7	---	---	---
Two-ply colored cotton	1½	1½	2½	3½	4	4½	5	5½	---	---	---
Single colored wool	---	2½	3	4	5	6	7	---	---	---	---
Two-ply colored wool	---	---	1½	2½	3½	4	4½	---	---	---	---

Thread numbers	2/35	2/40	2/50	2/60	2/70	2/75	2/80	2/85	2/90	2/100	2/140
Thread:											
Spooling gray skein thread	7	8	9	10	13	16	18	20	21	23	27
Spooling colored skein thread	11	12	13	14	25	27	29	30	32	35	43
Rewinding gray thread onto cheeses	1¾	1¾	2	2½	3	3¼	3½	3¾	4	4½	5½
Rewinding colored thread	3	3½	4	4½	4½	4½	5	5½	5½	6	7
Rewinding lisle skeins onto cheeses	---	---	8½	9½	10½	11½	12½	12½	13	13½	14½	16½
Spooling silk	---	---	---	12	13	14	---	15	---	16	17	18

Leg machine.

[Wages in pfennigs, per dozen pairs.]

Gauge	30		33			35				39		42	48	2/1 rib	1/1 rib
Divisions	8	12	12	16	18	8	12	16	18	8	12	18	8	12	12
Women's gray cotton hose:															
With extra loose instep	55	37	45	37	32	70	53	45	40	95	73	55	137	65	70
Extra close knit	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
Children's hose, all sizes less than women's	---	5	5	---	---	---	5	---	---	10	---	---	---	10	10
Short-leg stockings	10	5	5	5	5	10	5	5	5	10	5	---	---	5	5
Extra for long tops:															
In cotton	---	8	---	---	---	---	---	---	---	---	---	---	---	---	---
In wool	---	9	---	---	---	---	---	---	---	---	---	---	---	---	---
In lisle thread	---	10	---	---	---	---	---	---	---	---	---	---	---	---	---
With kneecap	---	3	---	---	---	---	---	---	---	---	---	---	---	---	---
Gray and natural wool and gray thread over cotton lache	5	5	5	4	4	5	5	4	4	5	5	4	10	5	5
Extra compensation for very fine numbers	5	5	5	5	5	5	5	5	5	10	10	---	50	10	10
Clerical wool and colored feet and rows, extra	12	12	12	12	12	12	12	12	12	12	12	12	80	12	12
Extra marking:															
When with striped apparatus	3	3	3	3	3	3	3	3	3	3	3	3	3	---	---
Without apparatus	3	3	3	3	3	3	3	3	3	3	3	3	3	---	---
Heel and toe cap of wool and colored, extra	6	6	6	6	6	6	6	6	6	6	6	6	6	6	6
Under 2 dozen, extra	20	20	20	20	20	20	20	20	20	20	20	20	20	---	---
2 dozen or more	15	15	15	15	15	15	15	15	15	15	15	15	15	---	---
Kneecap, extra	---	5	5	---	---	---	5	5	---	5	---	---	---	---	---
Reenforced seam, extra	---	---	4	3	3	4	4	3	3	4	4	3	4	---	---
15 to 1 drop stitch, extra	25	25	25	25	25	25	25	25	25	25	25	25	25	---	---
Group drop stitch, extra	40	40	40	40	40	40	40	40	40	40	40	40	40	---	---
Extra wide	---	---	---	---	---	10	10	10	10	10	10	10	10	---	---
Opera lengths	---	---	---	---	---	---	---	20	20	20	20	20	20	---	---
Size marks with the hand, per row, extra	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
Lot of 4 dozen or less, extra	10	10	10	10	10	10	10	10	10	10	10	10	10	5	5

Running on French foot.

[Wages in pfennigs, per dozen pairs.]

Gauge	30	33	36	36	36	39	48
Divisions	12	12	12	16	18	18	8
Gray, cotton foot:							
8 to 12 inches	10	11	12	15½	15½	16	30
4 to 7½ inches or less	1						
Gray and natural wool and gray thread over cotton	2	2	2	2	2	2	4
Woven with merino, extra	1	1	1	1	1	1	1
Clerical wool (dark-gray mixture) and colored over gray	2	2	2	2	2	2	11
Woven with split, extra	2	2	2	2	2	2	---
Striped over plain	2	2	2	2	2	2	---
Woven with drop stitch, extra	2	2	2	2	2	2	---

French foot maker.

[Wages in pfennigs, per dozen pairs.]

Gauge	30	33	36	30	36	39	42
Divisions	12	12	12	16	18	18	8
Gray cotton sock, foot 9 to 12 inches	22	24	27	18	16	19	23
Gray cotton, woman's, foot 8 to 10½ inches	18	20	23	14	12	14	23
Gray cotton, child's, foot 4 to 9 inches:							
With 1 assistant	15	19	20	----	----	----	----
With 2 assistants	----	16	----	----	----	----	----
Foot with long border, extra, with 1 assistant	----	7	7	----	----	----	----
Gray and natural wool and gray thread over cotton	2	2	2	2	2	2	9
39-gauge to 36-gauge goods, extra	----	----	2	2	2	----	----
Extra compensation for very fine numbers	----	----	10	6	5	----	----
Clerical wool and colored, extra	4	4	4	3	3	3	13
1/30 and 1/36 clerical wool, extra	----	5	----	----	----	----	----
Heel and toe cap from wool and colored, extra	3	3	3	3	3	3	----
Striped over plain	10	10	10	----	----	----	----
Half sole, extra	3	3	3	2	2	2	3
Split sole, including heel and toe cap, extra	6	6	6	6	6	6	----
15 by 1 drop stitch, extra	8	8	8	----	----	----	----
Group drop stitches, over plain	16	16	16	----	----	----	----
Size marks, extra	1	1	1	1	1	1	1
Lot of 4 dozen or less, extra	5	5	5	5	5	5	----

Heeler.

[Wages in pfennigs, per dozen pairs.]

Gauge	24	30	33	36	39	42	48	Ribbed. 2/1	Ribbed. 2/1
Heel and toe, either gray or white	8½	9½	10	11½	13	14	18	7	7
Silk thread over gray	----	----	1	1	1	1	----	----	----
Colored over gray, also gray with colored toe	4	4	4	4	4	4	4	4	4

Seaming.

[Wages in pfennigs, per dozen pairs.]

Gauge	30	33	36	39	42	48
Gray cotton and stocking thread:						
French foot, 00-0	10½	11½	12½	13½	----	----
French foot, 1–2	12½	13½	14½	15½	----	----
French foot, 3–4	14	15	16	17	----	----
French foot, 5–6	15	16	17	18	----	----
8–10 inches	17	18	19	20	----	20
Silk thread over gray	1	1	1	1	----	1
Wool thread over gray	2	2	2	2	----	2
Colored thread over gray	6½	6½	6½	6½	----	6½
Goods with heel and toe cap, extra	2	2	2	2	----	2
Striped over plain	5	5	5	5	----	5
Opera lengths long knitted stockings	5	5	5	5	----	5
Gray cotton and loose thread:						
French foot, 4½–5½ inches	9	10	11	----	----	----
French foot, 6–7 inches	10	11	12	----	----	----
French foot, 7½–8½ inches	11	12	13	----	----	----
French foot, 9–12 inches	11	12	13	14	----	19
Wool over gray	1	1	1	1	----	1
Colored over gray	2	2	2	2	----	2
Goods with heel and toe, extra	2	2	2	2	----	2
Striped over plain	3	3	3	3	----	3

Some of the Saxon knit-goods manufacturers are very advanced in their plans for ameliorating the condition of their help, and besides giving the boys time off to attend technical instruction, as required by law, they also have courses of instruction for the girls and women in household duties, including cooking and sewing classes, and besides night classes some factories give the girls a few hours off each week to attend such classes in the daytime, the teachers also being paid by the factory. Most of the factories provide a lunch room, with tables and chairs, where the employees can eat their lunch, and many furnish food at cost in such places.

[Several photographs showing a typical Chemnitz knitting mill, groups of operatives, and some of the hosiery machines used accompanied Mr. Clark's report and are on file in the Bureau of Manufactures.]

Consul Pendleton King, in a report from the consular district of Aix-la-Chapelle, in Rhenish Prussia, furnishes the following information relative to wages in the textile industry in that district:

"The foreman of the spinning department in a woolen mill receives from $9 to $14 per week, the operatives from $5 to $6, and the other help from $4 to $5. In a weaving department the foreman, or weaving master, receives from $9 to $14, and the regulators, or setters, from $7 to $10.50. Weavers are paid by the piece, and if capable and diligent can make $9 a week. They earn on an average from $1 to $1.40 a day. The mistress of the darning department receives from $8 to $10 and her assistant from $5 to $7 per week. The working hours are generally ten and one-half a day. The cost of living is very high in the city and towns of that consular district. The family generally pays for two rooms from $4 to $6 per month; the lowest price of beef is 20 to 25 cents a pound and the highest 30 cents. Ham is from 40 to 55 cents a pound, and pork 20 to 25 cents. Horse meat, which is used by many workmen's families, is from 10 to 12 cents a pound."

Consul William Bardel, in a report from Bamberg, states that wages paid to foremen vary from $47 to $83 a month, workmen under 16 years of age receive from $2.18 to $2.86 a week, and those over 16 from $4.28 to $7.14 weekly. Women over 16 years old earn from $2.15 to $3.15, while those under that age receive from $1.71 to $2.15 a week. Sixty-one hours constitute a working week.

Consul Herman L. Spahr, of Breslau, sends the following information concerning the textile mills of Silesia:

"There are about a dozen large establishments engaged in the linen industry and a number of smaller ones. The average wages paid per week of ten hours per day are as follows: Overseers, 24 marks ($5.71); male operatives, 15 marks ($3.57); female operatives, 9 to 10 marks ($2.14 to $2.38). Cotton mills in Silesia number about a dozen for spinning and a score for weaving. The spinners ordinarily work ten hours a day and the weavers ten and one-half hours; overseers get from $5.36 to $7.38 weekly, male operatives average 55 cents daily, and female operatives 48 cents."

Consul Joseph E. Haven, in a report from Crefeld, says: "The wages in this district in the silk and velvet mills vary greatly. In the weaving department overseers receive from $5.95 to $7.14 a week, while laborers are paid from $5.71 to $6.18. Overseers in the winding and warping departments receive from $5.95 to $7.14 weekly, the laborers from $3.57 to $4.90. The overseers in the finishing department receive from $8.33 to $9.52 and the laborers from $4.76 to $6.18."

Consul Peter Leiber, writing from Dusseldorf, reports that in spinning mills where only women are employed the average daily wage is 71.4 to 83.3 cents. Young girls earn from 35.7 cents to 47.6 cents a day. In weaving mills the salary undergoes many fluctuations, reaching as high as $1.19 per day.

Consul William C. Teichmann, of Elbenstock, reports that the most important textile industry in his district is the manufacture of cotton hosiery and underwear. "A strike revenled the wage scale so that a description of wage conditions, otherwise difficult to obtain, can be given. The five firms originally affected by the strike paid an average wage of $4.92 a week. Of the men, 65 per cent earned more than $4.76 per week, 55.6 per cent more than $5.36, and the remainder more than $5.95. The highest wages paid ranged from $8.64 to $10.13 to the men. The longest number of hours per week was fifty-eight." On the whole, the consul reports these wages high for the average Saxon factory.

Consul E. T. Liefeld reports from Freiburg that the hours of labor in mills there average about ten per day. Ordinary laborers in the mills are paid from 48 to 71 cents per day, their overseers from 71 cents to $1.20, while skilled laborers are paid as high as 95 cents, and their overseers $1.67.

Consul Robert J. Thompson reported from Hanover, where there are cotton spinning and weaving and other mills, that in one wool-washing and dressing factory with 1,800 employees, working ten hours a day, the wages paid men varied from 2.25 marks to 3.25 marks per day; and to females from 1.90 marks to 2.20 marks (1 mark equals 23.8 cents). The wages of foremen working in the principal corduroy and velvet factory vary from $7.14 to $9.52 per week. The male and female workers in the weave room and in the shearing establishment earn from $3.57 to $6.66 weekly. The men and women in other branches earn on an average about 79 cents a day. The wages for spinners in the leading cotton spinning and weaving factory are from $4.76 to $6.66 per week, and for helpers from 50 to 75 per cent of that amount. The self-acting spinning mill and water spinning mill employ women only, paying from $2.38 to $3.57 per week. Wages for making rugs, etc., vary from 71 to 83 cents per day for dyers, and from $1.43 to $3.09 per week for women and girl workers tending machines.

Consul S. P. Warner, of Leipzig, an important textile center of Saxony, sends extracts from a publication by the imperial insurance office giving work wages paid in each of the 6 districts of the German Empire, so far as the average is concerned. According to this publication the average German wages paid in the textile industry in 1886 was $128.44 per year, and in 1905 the average was $163.66. In 1905 the average in Silesia was $126.62, and in southern Germany $153.75, running up to $176.60 in northern Germany. This only includes operatives in the mills, and not those engaged in the so-called "home industries."

Consul F. S. Hannah reports from the Magdeburg consular district that the average wages earned in the cotton mills by piecework are as follows: For overseers, $8.57 to $11.90 per week; male mill operatives, $7.14 to $8.57; women workers, $2.86 to $4.28. The average hours of labor are fifty-nine per week.

Consul-General Thomas W. Peters, writing from Munich, Bavaria, says that the wages paid to the overseers and weavers in the large cotton and linen mills at Augsburg range from $1 to $2.25 per day, while the unskilled workmen receive 75 cents.

Consul Car Bailey Hurst, of Plauen, reports that the wages paid in the lace and embroidery industry to overseers vary from $5.71 to $9.62 a week, and, on an average, to operatives, $3.81 a week. The consul says: "The families of the working people are rarely small, and it is not infrequent to find a man and his wife and several children subsisting on $3.81 a week. In many instances the wife is also a wage-earner, and the children go to work as soon as possible. Such families usually live in a kitchen and one other room. The rent for such an apartment is rarely less than $2.38 a month, and the general price is about $3.57. The principal nourishment of the weavers consists of potatoes and salt bread and the so-called 'pepper soup,' made of water, bread, a little fat, and plenty of pepper. Meat is seldom eaten, and then only in the form of soup meat or sausage."

Consul Edward Higgins reports from Stuttgart that the largest firm in the district informed him that the wages paid overseers vary from $28.56 to $47.60 per month. A female operative earns 47½ to 66½ cents a day and a male operative from 77 cents to $1.02. Eleven hours constitute a day's work.

Special Agent Clark, reporting on the labor conditions in Austria, after a personal investigation, says: "From wage lists obtained at various mills it would seem that 50 cents per day might be taken as the average cotton-mill wage throughout Austria. As a fair example of an average mill I give the following detail list of a 40,000-spindle, 900-loom Bohemian mill near Richenberg: icker room, per day, men, 48.7 cents; women, 34.5; cards, one card grinder to every 20 cards, $4.06 a week; can girl, 34.5 cents a day; lapman, 48.7 cents to every 12 yards; cleaner, 48.7 cents for every 24 cards; slubbers make $3.25 to $4.46 a week; intermediates, so called, make $2.84 to $3.85 a week; the fine frame tenders make $2.48 and $5.28 a week; for ring spinning, each girl runs one frame of 450 spindles and does her own doffing. The spinners are paid per hank, varying from 3.41 cents for Nos. 10 to 22's to 4.30 cents for No. 46's. For mule spinning one spinner, one apprentice spinner, and one creeler run two mules (1,136 spindles) and the spinners' wages are 63 cents a day; reelers, warpers, spoolers, and winders are paid by the kilo, and earn from 41 to 49 cents a day. Weavers as a rule run 2 to 3 looms, and make 61 to 81 cents a day. At Potsdorf, near Vienna, in a large mill having 52,000 mule spindles, and 8,000 ring spindles, I found that two spinners got $1.02 per day, one piecer 61 cents, and one boy creeler 41 cents per day. Each girl

ran one ring frame and did her own doffing and got 21 cents a day. One carder, at 49 cents, and one boy, at 41 cents per day, attended to each 12 cards. On the fine frame one woman and two girls ran two machines of 180 spindles each, and their wages averaged $2.94 each per week.

From a table prepared from unpublished statistics given to Mr. Clark by the president of the Austrian Cotton Spinners as being actual figures recently compiled by a member of his association, and from statistics obtained personally by Mr. Clark, the following daily wages are given as paid in typical Austrian mills: Blow room, headman, 67 to 88 cents in lower Austria, 75 cents to $1.02 in Vorarlberg, and 71 cents to $1.02 in Bohemia. The operative received from 40 to 45 cents in lower Austria, from 41 to 65 cents in Vorarlberg, and from 41 to 57 cents in Bohemia. A card grinder in these three districts varied in wages from 49 cents to 71 cents; a draw-frame tender, from 38 cents to 50 cents; an operative on fly frames, from 38 cents to 57 cents; a spinner in ring spinning, from 31 cents to 49 cents; a spinner in mule spinning, from 61 cents to $1.09; a twisting operative, from 41 to 61 cents; a reeler, from 36 cents to 62 cents; a machinist, from 50 to 89 cents; and an engineer, from 51 to 86 cents. The average wages, in cents, was from $0.416 to $0.586. The legal limit of time in Austria is eleven hours.

Consul J. S. Twells, in a report from Carlsbad, reports that children get 8 cents a day and adults from 25 to 40 cents a day in summer in working in the fields, and one of the lace exporters of Neubek said that "of course we can not afford to pay such high wages to lace makers." Speaking of work in Bohemia, the consul says: "Wages are extremely low. In the Adler Hills weekly wages of $1 to $1.20 are paid, but as there are many weeks during the year when no work can be had, the average weekly earnings are not larger than 80 cents. In good times husband and wife work alternately eighteen hours a day. Linen shirt buttons are made, at which wages of 60 to 80 cents a week are earned. Weavers working at home earn $1.40 to $4 a week. The straw and baste matters earn from 20 to 40 cents a day, but after the so-called 'season' is over the wages are lower. Wood carvers earn $1.80 to $2.80 a week and the brush makers at Gabel from $1.60 to $2 a week. The wood carvers at the Wittigtal earn $1.60 to $3.60 a week and the wood and mat makers at Niemes from $1.20 to $1.60 a week. The artificial-flower makers earn $1 to $2.40 a week. Many women are employed in glove making who earn from $1.20 to $1.60 a week.

Vice-Consul Arnold Weissberger, of Prague, gives the wages of all cotton-mill operatives who are paid by contract as follows, on the average per day: Spinner, 80 cents; placer, 50 cents; drawing-frame attendant, 45 cents; weaver, 40 cents; warper, 44 cents; bobbing-machine attendant, 40 cents; overseers, $1.

Consul Charles B. Harris furnishes the following information of the weekly wages paid in the leading textile industries of Reichenberg: Cotton and woolen knitting, men, $2.40 to $3 a week; women, $1.80 to $2.40; linen department, men, $2.04 to $3.60; women, $2.16 to $2.40; woolen blankets and carpets, male operatives, $2.23 to $6.29; women, $2.23 to $4.06; spinner's assistant, men, $2.03 to $5.98; women, $1.82 to $3.65.

Special Agent Clark gives a report on the wages paid in Hungary, taking a leading mill of Budapest as a good type: Picker hands, men, receive 40 cents a day, and women 24 cents. Slubbers receive 40 cents on an average. Mule spinners on No. 20's receive $1, and piecers 35 cents and boys 30 cents. In ring spinning, girls receive from 22 cents to 28 cents a day. Reelers paid by piecework make from 24 to 40 cents a day. Weavers are paid by the piece, receiving 40 cents for 100 meters (meter equals 39.37 inches) of 15-pick (per quarter inch) goods, and other cloth in proportion.

Special Agent Clark, reporting on cotton-goods production in Switzerland, says that the hours of labor are eleven per day, with nine on Saturday; and the average daily wages paid in the largest cotton manufacturing company in Switzerland, which he obtained from their books, was as follows:

Operatives:	Wages.
Weavers	$1.06
Picker hands	.74
On cards	.58
On draw frames	.62
On combers	.62
On fly frames	.62
Mule spinners	.85
Ring spinners	.55
Twisters	.51
On gassing frames	.64
On reels	.55
Outside laborers	.77
Wood workers	.97
Iron workers	1.06

Special Agent Clark gives the actual daily wages and cost of food at 4 mills in different parts of Switzerland in the first part of 1907, from which it appears that the head man in the blow room received in one mill 74 cents a day, and in another mill $1.06. The wages of a workman varied from 53 to 60 cents a day, and of a waste man from 55 to 61 cents. The head man on "cards" received from 85 cents to $1.42, while a card grinder got from 62 to 77 cents. Speeders received from 45 to 65 cents, and creelers from 35 to 39 cents. A ring spinner received from 44 to 67 cents, and a doffer from 31 to 33 cents. A mule spinner received from 65 to 91 cents, and a piecer from 44 to 66 cents. Reelers got from 41 to 56 cents, and a machinist from 73 cents to $1.12. A cabinetmaker from 69 cents to $1.02, and a carpenter from 83 cents to 97. The prices of the necessaries of life for the operatives in the 4 mills varied slightly, but 2½ pounds of bread of average quality cost 6.9 cents, the same amount of meat 36.5 cents, and of flour 9.7 cents, sugar 17.8 cents, and of coffee 62.9 cents.

Writing of the Swiss embroidery and lace industry, Special Agent Clark says that the great advantage of the Swiss manufacturer is cheap labor. For instance, the operators employed on the actual work of embroidering, or "stitching," as it is technically known, receive in St. Gall from $8 to $12 a week, while in New Jersey from $18 to $30 a week is paid for the same work. The girl overseer in St. Gall is paid from 38 to 50 cents a day, and in New Jersey from 85 cents to $1.35. The shuttle filler in St. Gall gets 38 cents a day, and in New Jersey 75 cents.

Consul-General Watts reports from Belgium that the majority of the lace makers earn from 10 to 17 cents a day, while an exceptionally good worker will earn about 20 cents; and the most expert workers, of whom there are only 10 or 12 out of 15,000, earn 38 cents a day.

Consul-General Michael, reporting from Calcutta, India, says that most of the embroidering on silk there is done by men. America takes two-thirds of all shipped from Calcutta. Patterns in 4 or 5 breadths, 27 inches wide, are made and sold in Calcutta at 15 to 20 rupees (rupee, 32.34 cents). The same kind of work on mull of suitable fineness and strength is done by men and women for 9 to 12 rupees. Handkerchiefs for ladies sell for 34 cents a dozen, and the highest priced ones, of chikon work, sell for less than $2 per dozen. An article that requires six days to make, the operatives working from ten to twelve hours a day, sells for $1, and out of this the man or woman whose toil produced the article receives less than 33 cents.

Special Agent William Whitham, jr., who spent considerable time in Great Britain investigating the cotton industry, reported that the average weekly wages per operative in 1882 were $4.08; and in 1893, $4.56; and in 1907, $4.68. Taking the same data for weaving mills, the hours being the same, the average weekly wages rose from $3.60 in 1882 to $3.96 in 1893, and again to $4.32 in 1895.

Mr. ALDRICH. I move that the Senate do now adjourn.

Mr. CLAY. Mr. President, one moment. Does that mean to come back in the morning or to come back to-night?

Mr. ALDRICH. To-morrow morning. The Senator from Wyoming [Mr. WARREN] desires to address the Senate, and he prefers to do so to-morrow rather than to-night.

Mr. CLAY. It does strike me that there ought to be some other schedule that we might be able to take up in the absence of the Senator from Wyoming.

Mr. ALDRICH. I think that we are practically through with the bill, except——

Mr. CLAY. The Senator is mistaken; there are several paragraphs in this bill that have not been considered yet. The question of hides has not been considered; the agricultural-implements paragraph has not been disposed of; the oil paragraph has not been considered.

Mr. ALDRICH. The paragraph in regard to agricultural implements has been agreed to.

Mr. CLAY. The Senator is mistaken, because we were on that paragraph when we adjourned.

Mr. ALDRICH. No; I think the Senator was probably not here when that paragraph was agreed to.

Mr. CLAY. I think I am correct, for I marked it, and I am sure that it has not been agreed to. We were on that paragraph when we adjourned, and we then turned to another paragraph the next day. Now, the Senator is fully aware——

Mr. ALDRICH. Mr. President, I hope my motion will not be lost sight of.

The PRESIDING OFFICER. The discussion is proceeding by unanimous consent.

Mr. ALDRICH. Inasmuch as it is almost half past 5, I shall have to call the attention of the Chair to the fact that I made a motion to adjourn.

The PRESIDING OFFICER. The Chair so understands.

Mr. CLAY. Well, I say this——

Mr. ALDRICH. I shall have to insist on my motion before half past 5.

Mr. CLAY. The Senator from Rhode Island has stated to the Senate time and again that he was anxious to get through with this bill and to have it passed. The Senator is fully aware of the fact that many of us on this side of the Chamber have come here night after night to attend the night sessions with a view of getting through with this bill. Now, Mr. President——

Mr. ALDRICH. I shall have to ask that my motion be put.

The PRESIDING OFFICER. The regular order is demanded.

Mr. CLAY. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. A motion to adjourn is not debatable.

Mr. CLAY. I rise to a question of order. The Senate has heretofore fixed the hour of half after 5 o'clock to take a recess and to reconvene at 8 o'clock, and then to sit not later than 11 o'clock.

Mr. ALDRICH. A motion to adjourn is always in order.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. I rise to a question of order; and I ask to be heard on that question.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The motion to adjourn is not debatable.

Mr. CLAY. Oh; there is no parliamentary law, Mr. President——

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. I make the point that there is no quorum present.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island that the Senate adjourn.

Mr. CLAY. I make the point that there is no quorum here.

The PRESIDING OFFICER. Those in favor of the motion will say "aye" and those opposed "no."

Mr. CLAY. I call for a division.

The PRESIDING OFFICER. The ayes have it; and the Senate stands adjourned until to-morrow (Wednesday, June 9, 1909) at 10.30 o'clock a. m.

SENATE.

WEDNESDAY, *June 9, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

Mr. JEFF DAVIS, a Senator from the State of Arkansas, appeared in his seat to-day.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress to enact a law providing for physical valuation of railroads.

Resolved by the assembly (the senate concurring), That the Congress of the United States be requested to enact a law providing for the physical valuation of all railroad property to form the basis for fixing the rates and charges for service by railroads.

Resolved, That the secretary of state is hereby directed to forward a copy of this resolution to the President of the United States and to each Member of the Congress thereof.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. DICK presented petitions of sundry citizens of Pleasantville, Findlay, and Toledo, all in the State of Ohio, praying that hides be placed on the free list, which were ordered to lie on the table.

Mr. PERKINS presented a memorial of members of the Commercial Art Company's engraving-room chapel, of California, and a memorial of sundry photo-engravers of California, remonstrating against the imposition of any duty on news print paper and wood pulp in the new tariff bill, which were ordered to lie on the table.

He also presented a memorial of the Pacific Rolling Mill, of San Francisco, Cal., and the memorial of Edward J. Schneider, contracting manager of the American Bridge Company, of New York, remonstrating against the proposed duty on structural iron imported into the United States, which were ordered to lie on the table.

Mr. SCOTT presented a memorial of sundry citizens of Wheeling, W. Va., remonstrating against any increase of the duty on print paper and wood pulp, as proposed in the so-called "Payne tariff bill," which was ordered to lie on the table.

Mr. STEPHENSON presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress to enact a law providing for physical valuation of railroads.

Resolved by the assembly (the senate concurring), That the Congress of the United States be requested to enact a law providing for the physical valuation of all railroad property to form the basis for fixing the rates and charges for service by railroads.

Resolved, That the secretary of state is hereby directed to forward a copy of this resolution to the President of the United States and to each Member of the Congress thereof.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. STEPHENSON presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress relating to federal cooperation in the work of road improvement.

Whereas we believe that the adoption of a policy of federal aid for road construction is a most important step toward the establishment of a complete system of improved roads in all sections of the country, and that the cooperation of the National Government in this matter would be of great assistance to the various state, county, and township road authorities in placing the work of road improvement on a permanent and scientific basis; and

Whereas we would submit that the improvement of the country's highways deserves a share in the annual appropriations by Congress equally with the improvement of our waterways, and that it is only fair and reasonable that a part of the revenues derived from taxes paid by the people as a whole should be devoted to this purpose, thus aiding in the betterment of conditions affecting trade and commerce in all sections of the country:

Resolved by the assembly (the senate concurring), That we respectfully solicit the Congress of the United States, asking for the enactment of legislation creating a national highways commission, and making an appropriation for aiding in the improvement and maintenance of the public roads at the present session of Congress, so that the policy of federal cooperation in the work of road improvement can be inaugurated at the earliest possible date.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. STEPHENSON presented a joint resolution of the legislature of Wisconsin, which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

Joint resolution memorializing Congress to enact a law to prohibit railroads from increasing their rates and charges except upon notice.

Resolved by the assembly (the senate concurring), That the Congress of the United States is hereby requested to enact a law providing that the rates or charges of railroads shall not be increased except upon notice of any proposed increase filed with the Interstate Commerce Commission, and published in each State affected thereby, and upon such hearing as the Interstate Commerce Commission may, upon petition or its own motion, order, and that no increase of rates or charges shall go into effect unless said commission shall so order after such hearing.

Resolved, That the secretary of state be, and he is hereby, instructed to forward a copy of this resolution to the President of the United States and to each Member of the Congress thereof.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. STEPHENSON presented a petition of the Ladysmith Commercial Club, of Ladysmith, Wis., praying for the retention of the duty on print paper as provided in the Dingley tariff bill, which was ordered to lie on the table.

REPORT OF A COMMITTEE.

Mr. FRYE, from the Committee on Commerce, to whom was referred the bill (S. 2493) to make Scranton, in the State of Mississippi, a subport of entry, and for other purposes, reported it without amendment and submitted a report (No. 5) thereon.

BILLS INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CHAMBERLAIN:

A bill (S. 2555) granting a pension to William Stephens;

A bill (S. 2556) granting a pension to Mary A. Jordan;

A bill (S. 2557) granting an increase of pension to Margaret Dempsey;

A bill (S. 2558) granting a pension to Gertrude L. Bradley;

A bill (S. 2559) granting an increase of pension to Leonard Briggs;

A bill (S. 2560) granting an increase of pension to James H. Lewis; and

A bill (S. 2561) granting a pension to Amos H. Hampton; to the Committee on Pensions.

By Mr. BRADLEY:

A bill (S. 2562) granting an increase of pension to William R. Williams; to the Committee on Pensions.

By Mr. FRYE:

A bill (S. 2563) to require apparatus and operators for radiocommunication on certain ocean steamers; to the Committee on Commerce.

By Mr. LODGE:

A joint resolution (S. J. R. 38) fixing the terms of court in the Philippine Islands; to the Committee on the Philippines.

AMENDMENT TO THE TARIFF BILL.

Mr. SCOTT submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

SUGAR-TRUST SUIT.

Mr. CULBERSON. Mr. President, at the last session of the Congress the Senate, on my motion, adopted a resolution, directed to the Attorney-General, calling for correspondence between that department and the Pennsylvania Sugar Refining Company, making complaint to the department against the American Sugar Refining Company for a violation of the Sherman antitrust law.

That resolution was answered and the correspondence was printed. It indicated that complaint had been made to the Department of Justice, and that that department had failed to take action against the American Sugar Refining Company,

commonly called the "sugar trust," for a violation of the Sherman law with reference to the absorption of the Pennsylvania company.

I also presented at a different time a decision of the United States circuit court for the southern district of New York, concurred in by three or four of the circuit judges, holding on demurrer in a suit between the Pennsylvania Sugar Refining Company and the American Sugar Refining Company that the latter had violated the antitrust law. Notwithstanding this, no action on the part of the Department of Justice against the sugar trust for violating the law has been taken, so far as we have any information.

Yesterday, according to the press reports this morning, the sugar trust adjusted this suit with the Pennsylvania Sugar Refining Company, it paying, according to the papers, $10,250,000 in a suit brought against it under the Sherman antitrust law for treble damages.

In view of the press of business here, I do not believe I will ask the Senate to stop to have the account of this adjustment read, but I do ask that the account of it, which appears in the New York World of this morning, may be printed in the RECORD, so that we can keep the run of this transaction, for I believe the American people will await with interest the action or nonaction of the Department of Justice under the circumstances.

Mr. ALDRICH. I suggest to the Senator to have it printed as a document, if that will be agreeable to him. We really ought not to encumber the RECORD with articles of this kind.

Mr. CULBERSON. It is not a long statement, I will say to the Senator, and I do not believe it is long enough to make a document.

Mr. ALDRICH. I will not make any objection if the Senator desires to have it printed in the RECORD.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Texas? The Chair hears none, and the order is made.

The matter referred to is as follows:

SUGAR TRUST HAS SETTLED SUIT FOR THIRTY MILLIONS—ADMITS CONSPIRACY CHARGE WHEN IT MAKES TERMS WITH PENNSYLVANIA SUGAR REFINING COMPANY—COURT'S DECISIONS WENT AGAINST ITS CONTENTIONS—TRIAL SUDDENLY ENDS WHEN THE CASE IS ABOUT TO BE GIVEN TO JURY.

The American Sugar Refining Company settled out of court last night the case brought against it for $30,000,000 damages by the Pennsylvania Sugar Refining Company, of Philadelphia.

For more than two weeks the trust, represented by Lawyers John G. Johnson, of Philadelphia; Henry W. Taft, John G. Milburn, W. L. Guthrie, Francis H. Kinnicutt and others, had fought an equally imposing array of counsel for the independent sugar company, headed by ex-Governor Frank S. Black and including H. Snowden Marshall, John W. Hutchinson, jr., Joseph De Forest Junkin, of Philadelphia, and Samuel Untermyer. Judge Holt and a jury in the United States district court had listened to the story of what the plaintiff alleged was a conspiracy in restraint of trade.

STARTS WITH $1,250,000 LOAN.

Witnesses testified that Adolph Segal, controlling power of the Pennsylvania Sugar Refining Company, borrowed from Gustav A. Kissel $1,250,000, for which he gave as security 26,000 shares of the company and a voting trust certificate for the stock, which was to run until the loan was repaid.

With the power thus conferred upon him Kissel installed himself and three clerks as directors of the independent sugar company, and that giving control of the board of directors he passed a resolution that the Pennsylvania's refinery, then nearing completion, be not opened until further order of the board.

That resolution, the plaintiff claimed, was drafted by John E. Parsons, counsel for the sugar trust. It was shown that Kissel was an agent for the trust.

Messrs. Kissel, Parsons, and the three clerks, Twigg, Robinson, and Werner, were made codefendants with the trust on the conspiracy charge, but on motion of Mr. Kinnicutt, appearing especially in their behalf, they were dismissed from the complaint late yesterday afternoon by Judge Holt.

As to the other defendants, the court ruled, after lengthy arguments by Henry W. Taft, for the trust and for Parsons, and by Mr. Guthrie, for Kissel, that their motion to direct the jury to bring in a verdict for the defendants was not to be sustained.

BLACK SAYS SETTLEMENT IS NEAR.

Then Judge Holt asked counsel on each side how much time they would want this morning for their summing up. Ex-Governor Black said he believed the time of the court and jury would only be taken up unnecessarily this morning, because he expected a settlement would be reached.

Following the adjournment there were two conferences of counsel. One was at the offices of Black & Peck, No. 170 Broadway. There were present in addition to counsel for the plaintiff company, George H. Earle, jr., of Philadelphia, receiver for the Pennsylvania Sugar Refining Company, the man at whose instance the litigation was started, and Adolph Segal.

At the offices of Carter, Ledyard & Milburn, No. 54 Wall street, John G. Milburn, John G. Johnson, and Henry W. Taft were the principal conferees.

Shortly after 6 o'clock the conference in ex-Governor Black's office broke up, with the announcement that though a settlement had been reached they could not give out its terms until ratified by the Pennsylvania court which appointed Earle receiver.

TRUST BEATEN ON THIS POINT.

In arguments presented to the court yesterday afternoon by Henry W. Taft, the sugar trust's counsel dwelt upon the point that the same aspects of the case having already been presented in the New Jersey litigation, they could not be relitigated before the federal court in New York. Judge Holt ruled that, as the litigation in New Jersey was in a state court, it could not be held as a bar to litigation in the federal court here, based on the conspiracy charge in restraint of trade.

Mr. Taft, in arguing for a verdict in favor of the defendants, based his contention on the proposition that the complaint failed to show any violation of the Sherman law. The plaintiff company, he said, had not been engaged in interstate commerce. In behalf of Mr. Parsons Mr. Taft declared that whoever had "lugged him into the case took a heavy responsibility," as the evidence failed to connect Mr. Parsons with the alleged conspiracy. Mr. Parsons, he said, had acted within his rights as counsel to the American Sugar Refining Company.

If the Pennsylvania court that appointed Earle receiver of the Pennsylvania Sugar Refining Company fails to ratify the settlement, the case will have to be retried.

Mr. CULBERSON. I will accept the suggestion of the Senator from Rhode Island, and have the article printed as a document as well as in the RECORD.

The PRESIDENT pro tempore. The Senator from Texas also asks that the matter may be printed as a Senate document (S. Doc. No. 87). Is there objection? The Chair hears none, and the order is made.

VIEWS OF EX-GOVERNOR DURBIN, OF INDIANA.

Mr. SCOTT. Mr. President, before we get started on the tariff bill this morning, I should like to have the Secretary read the following from the Indianapolis Star, from ex-Governor Durbin.

The PRESIDENT pro tempore. The Senator from West Virginia asks that the paper which he sends to the desk may be read. Is there objection? The Chair hears none, and the Secretary will read as requested.

The Secretary proceeded to read the paper——

Mr. BEVERIDGE. Let the date be read.

Mr. SCOTT. I will state to the Senator that I do not think the date is given there. It was sometime in the latter part of May.

Mr. ALDRICH. Will the Senator from West Virginia allow it to be printed without being read?

Mr. SCOTT. I think it will help the Senator very much with the pending bill if he will allow it to be read.

Mr. ALDRICH. I am afraid not. I will ask the Senator from West Virginia to allow it to be printed in the RECORD without reading.

Mr. SCOTT. I will allow it to be printed in the RECORD, then, without reading.

The matter referred to is as follows:

EX-GOVERNOR DURBIN SHOWS WHAT CONGRESS SHOULD DO.

[From the Indianapolis Star.]

* * * * * * *

Business is bound to stand still until Congress, after the year's uncertainty as to the future which has followed the declaration of both parties for tariff revision in the last twelve months, gives to the country the new basis for business. It is doubtful if any amount of talk in Congress will either enlighten the country or change materially the new tariff bill. Everybody knows that the debating done in Congress has little bearing on the action of Congress. It is mostly for home consumption; and if the thunder is needed, the people would be willing for Congress to pass the bill and then debate it afterwards.

Industrial conditions in the country are bad. It does not look as if the manufacturers had been getting the unholy profits attributed to them by the professional friends of the consumer, for nearly all of them have been either shut down or running with reduced pay rolls. This wasn't so bad for a while, but the time has about come when relief ought to be had. The savings of the wage-earner out of employment are about exhausted, the prices of food supplies are as high as if employment were ready and remunerative, and the wage-earner is decidedly up against it. He has plenty of time to read the CONGRESSIONAL RECORD, but that doesn't pay grocery bills. The manufacturer in many instances finds his credit reaching the straining point after so many months of inactivity. He doesn't mind being held up as a horrible example of inordinate prosperity, but he doesn't care to "bust" while the oratory is being turned on at Washington.

What the country needs more than all else is a chance to do business. If it doesn't get it pretty soon, the party in power will hear from the people, and no amount of oratorical fireworks will save it from the punishment it ought to get for fooling around unnecessarily in settling the tariff problem. People will not buy when they do not know the future basis on which business is to be done and prices fixed.

So far as American business and manufacturing is concerned, it has got beyond the point where the tariff system is of very vital importance to it. The big industrial combinations do not need, and most of them do not care for, protection. They can whip their competitors here on their own ground, and they can easily take care of foreign competition, and not by giving things away to the consumer, either. The tariff problem now is a revenue problem. One way to solve that problem is for Congress to back track in the matter of expenditures. There has been a riot of extravagance at Washington which has been imitated at many of the state capitals, our own not excepted. The last three sessions of the Indiana legislature have been extravagant, far beyond the actual needs of the State. A sinking fund is a sacred trust, and no money should be taken therefrom for any other than the express purposes for which originally intended—debt paying. It would appear that prosperous times makes busy legislation in the way of appropriations.

During all the debates and demands for larger revenue indulged in in Congress, do we read of anyone raising his voice against the extravagant expenditures in the several departments? A few years ago Hon. Jesse Overstreet paid me a decided compliment while we were in the Post-Office Department at Washington, in saying: "If you were at the head of the department and would apply the same business prin-

ciples you did in the State's affairs, you would reduce the expenditures at least $10,000,000 per annum." If that amount could be saved in one department, the aggregate of the savings in all departments would be vast, and the people would not complain thereof, either.

The trouble lies largely in the fact that our legislators do not distinguish between a want and a need. There must be reform in this respect. To double the expenditures of a country like this in ten years is a crime. To add to the immense sum of billion-dollar Congresses, billion-dollar sessions will receive a request from the toiling millions for an explanation, itemization, and necessities therefor. The Congressmen raised their own salaries, and then seemed to think that this made the country so prosperous that it could stand anything.

President Taft is right in the belief that there must be economy in public administration. Congress had better pass the tariff bill, and then stay in special session until it pares down the governmental expenditures a good 33⅓ per cent. I do not know what could be done that would give the Republican party a better chance for success in the future.

With expenses reduced, the tariff can be pared down some more. Taxes can be lifted from the necessities of life, where a heavy burden must go so long as it is necessary to raise a billion dollars a year to pay the cost of government. We are worrying about how much water it takes to fill the barrel while the bunghole is open and running a stream. We need to get back to older ideas of the accountability of public servants to the people—that public business should be run after the fashion of a carefully conducted private business. This applies to the legislature at Indianapolis as well as to Congress at Washington. Extravagance is as catching as the Asiatic cholera, and it is epidemic in American public as well as private life. There has got to be a halt somewhere. We can't lift the burdens of taxation by howling against the imposition of tariff duties. If the bills are made they have got to be paid. The thing to do is to quit making so many and such big ones.

Special interests of all sorts have all sorts of ideas as to what Congress ought specially to do on the tariff question. The people who have a living to make through industry and enterprise want Congress to pass a tariff bill that will raise enough money to pay the bills Congress has contracted; then they want a little period of liberty to make enough money to pay their own bills, and then, if the statesmen who are running things do not cut down the cost of government, thereby making it possible to reduce taxes, the people will see to the election of Congressmen who will do that very thing.

So far as manufacturers and business men are concerned, I believe they ought to make themselves heard with a demand on their Members of Congress that something be done; otherwise we are likely to have months of wrangling, as we had in 1893, and a panic afterwards, the like of which this country has not seen in a long time, and a panic absolutely without excuse, except our own lethargy and indifference to what is going on at Washington.

The foregoing is prompted by numerous appeals by manufacturers of Indiana, who are under the impression that I am still president of the bureau of manufactures of Indiana, and also by the fact that I am directly interested in a half dozen or more manufacturing industries and personally know of the needs and desires of the manufacturing and laboring classes.

WINFIELD T. DURBIN.

ANDERSON, IND.

THE TARIFF.

The PRESIDENT pro tempore. The calendar is in order, and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. WARREN. Mr. President, the debate yesterday developed quite a variety of feeling on the part of Senators and a diversity of information, or lack of information. I have thought, notwithstanding the haste which we were all in, that I should like to get into the RECORD this morning a few facts.

Mr. BACON. Mr. President, we desire to hear the Senator on this side, and it is impossible to do so.

Mr. CLARK of Wyoming. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to his colleague?

Mr. WARREN. I do.

Mr. CLARK of Wyoming. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clark, Wyo.	Frye	Paynter
Bacon	Clarke, Ark.	Gallinger	Penrose
Beveridge	Crane	Gamble	Perkins
Bradley	Crawford	Hughes	Root
Brandegee	Culberson	Johnson, N. Dak.	Scott
Bristow	Cullom	Johnston, Ala.	Smith, Mich.
Brown	Cummins	Jones	Smoot
Bulkeley	Curtis	Kean	Stone
Burkett	Davis	Lodge	Sutherland
Burnham	Dick	McCumber	Taylor
Burrows	Dillingham	McLaurin	Warner
Burton	Dolliver	Money	Warren
Carter	Fletcher	Nelson	
Chamberlain	Flint	Overman	
Clapp	Foster	Page	

Mr. JONES. My colleague [Mr. PILES] is temporarily detained from the Chamber on departmental business.

Mr. JOHNSTON of Alabama. I desire to state that my colleague [Mr. BANKHEAD] is unavoidably detained from the Senate to-day.

The PRESIDENT pro tempore. Fifty-seven Senators have responded to their names. A quorum of the Senate is present. The Senator from Wyoming will proceed.

Mr. WARREN. Mr. President, like my friend the Senator from Iowa [Mr. DOLLIVER], I am a farmer, always have been and always expect to be.

Mr. CLAY. Mr. President, will the Senator yield to me for a privileged question?

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Georgia?

Mr. WARREN. I do.

Mr. CLAY. Mr. President, it appears from the CONGRESSIONAL RECORD that the following colloquy took place yesterday evening before we adjourned, the senior Senator from New Jersey [Mr. KEAN] presiding:

Mr. ALDRICH. I move that the Senate do now adjourn.

Mr. CLAY. Mr. President, one moment. Does that mean to come back in the morning or to come back to-night?

Mr. ALDRICH. To-morrow morning. The Senator from Wyoming [Mr. WARREN] desires to address the Senate, and he prefers to do so to-morrow rather than to-night.

Mr. CLAY. It does strike me that there ought to be some other schedule that we might be able to take up in the absence of the Senator from Wyoming.

Mr. ALDRICH. I think that we are practically through with the bill, except——

Mr. CLAY. The Senator is mistaken; there are several paragraphs in this bill that have not been considered yet. The question of hides has not been considered; the agricultural-implements paragraph has not been disposed of; the oil paragraph has not been considered.

Mr. ALDRICH. The paragraph in regard to agricultural implements has been agreed to.

Mr. CLAY. The Senator is mistaken, because we were on that paragraph when we adjourned.

Mr. ALDRICH. No; I think the Senator was probably not here when that paragraph was agreed to.

Mr. CLAY. I think I am correct, for I marked it, and I am sure that it has not been agreed to. We were on that paragraph when we adjourned, and we then turned to another paragraph the next day. Now, the Senator is fully aware——

Mr. ALDRICH. Mr. President, I hope my motion will not be lost sight of.

The PRESIDING OFFICER. The discussion is proceeding by unanimous consent.

Mr. ALDRICH. Inasmuch as it is almost half past 5, I shall have to call the attention of the Chair to the fact that I made a motion to adjourn.

The PRESIDING OFFICER. The Chair so understands.

Mr. CLAY. Well, I say this——

Mr. ALDRICH. I shall have to insist on my motion before half past 5.

Mr. CLAY. The Senator from Rhode Island has stated to the Senate time and again that he was anxious to get through with this bill and to have it passed. The Senator is fully aware of the fact that many of us on this side of the Chamber have come here night after night to attend the night sessions with a view of getting through with this bill. Now, Mr. President——

Mr. ALDRICH. I shall have to ask that my motion be put.

The PRESIDING OFFICER. The regular order is demanded.

Mr. CLAY. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. A motion to adjourn is not debatable.

Mr. CLAY. I rise to a question of order. The Senate has heretofore fixed the hour of half after 5 o'clock to take a recess and to reconvene at 8 o'clock, and then to sit not later than 11 o'clock.

Mr. ALDRICH. A motion to adjourn is always in order.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. I rise to a question of order; and I ask to be heard on that question.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. Mr. President, I rise to a point of order.

The PRESIDING OFFICER. The motion to adjourn is not debatable.

Mr. CLAY. Oh; there is no parliamentary law, Mr. President——

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island.

Mr. CLAY. I make the point that there is no quorum present.

The PRESIDING OFFICER. The question is on the motion of the Senator from Rhode Island that the Senate adjourn.

Mr. CLAY. I make the point that there is no quorum here.

The PRESIDING OFFICER. Those in favor of the motion will say "aye" and those opposed "no."

Mr. CLAY. I call for a division.

The PRESIDING OFFICER. The ayes have it; and the Senate stands adjourned until to-morrow.

Now, Mr. President, just a word. I will state what was my purpose in rising to a point of order. The Senate had by a previous order fixed the hour of convening at 10 and a half o'clock to stay in session until 5 and a half o'clock, and then reconvene at 8 o'clock and adjourn at 11 o'clock. Until that order was changed by the Senate the Senate was bound by a previous order of the Senate, and I intended to make the point of order that inasmuch as 5 and a half o'clock had arrived, and the motion of the Senator from Rhode Island had not been put to the Senate, by the previous order of the Senate the Sen-

ate stood adjourned until 8 o'clock in the evening, and therefore no motion was in order to adjourn.

Mr. President, I am fully aware of the fact that a motion to adjourn is of the highest order, but I insist that under the rules of the Senate and parliamentary law a point of order and a question of privilege are of the highest order, and when a motion is made to adjourn a Senator is entitled to rise to those orders and have them disposed of before the question to adjourn is put to the Senate.

Mr. President, I was entitled to have my question of order passed upon; but, leaving that question, the serious complaint that I make is that when the motion was made to adjourn and when it was put to the Senate for a vote, the Chair declared that the question was carried, and before the Chair announced that the question was carried I called for a division of the question. I insist that it was the duty of the Chair when I called for a division on the motion to put the question to the Senate by a rising vote.

Then, Mr. President, I called for the yeas and nays, and the Chair declined to put either the question or a division or to entertain the demand for the yeas and nays. If the Presiding Officer of the Senate on a motion to adjourn can refuse to allow a Senator to have the question put to the Senate when a division is called for, or refuse to allow a Senator to call for the yeas and nays on a motion to adjourn, the Presiding Officer can do the same thing on the passage of the most important bill.

For instance, Mr. President, if I should move to adjourn now, it is the privilege of any Senator on this floor to call for a division on that question. It is the privilege of any Senator to call for the yeas and nays on a motion to adjourn. And it is the duty of the Chair to entertain those demands.

If this ruling of the Chair should guide the Senate in the future, Mr. President, what would be the result when the tariff bill comes up for passage and the question is put to the Senate and the Chair shall declare that the bill is passed and a Senator should call for a division of that question? If a Senator called for the yeas and nays on the passage of the bill, if the ruling of the Chair was correct, then, Mr. President, the Chair could decline to put the question to the Senate as to whether or not the yeas and nays should be called.

When I asked for a division on the question, I was entitled to have that question submitted to the Senate on a motion to adjourn. When I asked for the yeas and nays, Mr. President, I was entitled to have that question put to the Senate on the motion to adjourn, and to deny a Senator that right is an open and flagrant violation of the rules of the Senate.

The PRESIDENT pro tempore. The Senator from Wyoming will proceed.

Mr. WARREN. Mr. President, I am a farmer. I have always been interested in farming, and naturally I must have had my attention called to sheep and woolgrowing, and all my life I have watched interestedly its ups and downs. I was born in a woolen-factory town, where when I went to church or school or to village market the odor of the woolen factory was always present. Thus I had some cause to notice the rise and growth, the struggles up and down, of the woolen industry.

I have never had, and never expect to have, a dollar's interest in woolen manufacturing, and I am not the owner of a single sheep or head of cattle—and only one horse—though I do own stocks in corporations that are interested in all kinds of live stock.

I make this introductory statement, because once or twice during the earlier debates on the tariff bill remarks were made which, I have been reminded, were veiled criticisms upon Senators sitting in this body and voting upon propositions that might directly or indirectly affect their pockets.

I assume that very many Senators are owners, as investments, of railroad and industrial stocks, but I do not think that voting upon a railroad rate law or upon laws affecting the various industries is inconsistent with either the honesty or propriety of a Senator, who must, as a matter of course, keep the interest of the public first in view.

It seemed yesterday, in the discussion, there was some misunderstanding about the history of the tariff, it being asserted by some that it had been changed and the carded-wool men had suffered accordingly, and, on the other hand, by others, that it was an old and moss-grown chestnut. The fact is, the present wool and woolen tariff is the same the carded woolen men helped to make.

Mr. President, woolgrowing is one of the oldest agricultural pursuits of which we have knowledge, and the manufacture of wool is also one of the earliest industries; and in the United States a tariff upon woolens dates back to 1790, nearly one hundred and twenty years ago.

The first act applied to hats manufactured of wool and to carpets, velvets, and so forth. The duty imposed was 7½ per cent ad valorem.

Twenty-six years later, in the tariff act of 1816, a duty was imposed upon wool and cotton of various manufactures, ranging from 20 per cent to 25 per cent ad valorem, and at that time the duty was made to apply where wool was the material of chief value.

The tariff act of 1824 applied to woolen and cotton manufactures and to unmanufactured wool. The duty was levied upon manufactures composed wholly or in part of wool, and thus was established a rule which has always been followed since that time—that the woolen-goods tariff shall cover any class of cloth or goods of which wool is a component part. The duty in the act of 1824 ranged from 15 per cent ad valorem to as high as 33½ cents per square yard specific duty and 25 per cent ad valorem.

And thus the double tariff of specific duty with ad valorem added was first inaugurated, and in 1828 the tariff was imposed in a similar way upon unmanufactured wool.

So it is shown that manufactures of wool have borne a tariff duty continuously for nearly one hundred and twenty years, while unmanufactured wool has been dutiable for eighty-five years continuously, with the exception of three years under the Wilson-Gorman Act.

Wool and woolens have been factors in at least 20 tariff acts, the last and best of all being the Dingley Act of 1897, although in that measure wool on skins was for the first time made to bear 1 cent less duty than sheared or pulled wool.

The tariff has always applied where wool has been mixed or changed in any way from its original condition at the highest rate made on any class included in an article or a package.

It will also be observed that wool partially manufactured or changed in any way toward a manufactured article has always been taxed as equal to the value of the finished product. This was true in all the low-tariff acts from 1832 to 1864.

The system of schedules seems first to have been introduced in the act of 1846, and for years afterwards each schedule represented the percentage of tariff imposed rather than the class of articles.

Up to the time of the breaking out of the civil war the total product of wool in this country aggregrated less than 60,000,000 pounds. The tremendous pressure at that time for clothing and blankets for our army pushed the price up and encouraged the growers and manufacturers, so that our product had increased to about a hundred million pounds in 1866. But with the receding market, consequent fall in prices, and disturbance in business generally following the war both grower and manufacturer felt the necessity of establishing some firm, rational basis.

The tariff upon wool in the earlier years was often changed and seldom adequate, and the same may be said of the tariff on manufactures of wool. Therefore, while the industry of woolgrowing was sometimes fairly successful and the manufacture of wool not sufficiently remunerative, at other times the manufacturers were doing fairly well while the growers were in distress.

And so it ran along until about the time of the beginning of the civil war.

From 1857 to 1864—seven years—there were 10 tariff acts, and in 4 of these—the acts of 1857, 1861, 1862, and 1864—the tariff on wool and woolens was changed. There had been contests and ill-feeling between growers and manufacturers, as would naturally be the case where so many changes had been made and where the business of each had been fluctuated, with perhaps no time or, at least, no considerable time in which both industries were similarly prosperous.

There is no record to show that any person or corporation has made any considerable fortune out of either of these industries from the Declaration of Independence down to the present time.

The desirability of a wool tariff was so well recognized that the confederacy, among its earliest acts, provided that there should be a tariff upon manufactured woolens and, strange as it may seem, that there should be also a tax upon raw wool.

So, away back in May, 1861, the confederate government provided that there should be a tariff on wool and woolens. The language which has been objected to by my friend from Iowa [Mr. DOLLIVER] as to goods that are part woolen has been

in every tariff act since 1790, except one. There has been but one tariff act which has not read "manufactures of which wool is a component part," or words to that effect.

Toward the close of the civil war, in 1864–65, Congress evidently felt that there should be some satisfactory adjustment, and, if possible, one that would permit both growers and manufacturers to continue in business, one that would make it possible for the growers to raise all of the wool necessary to clothe the American people and for the manufacturers to manufacture the same, the Government at the same time taking advantage of any importations that might come in, and collecting therefrom an adequate revenue.

So Congress provided for a revenue commission in the act of March 3, 1865, as follows:

That the Secretary of the Treasury is hereby authorized to appoint a commission, consisting of three persons, to inquire and report at the earliest practicable moment upon the subject of raising by taxation such revenue as may be necessary in order to supply the wants of the Government, having regard to and including the sources from which such revenue should be drawn and the best and most efficient mode of raising the same, and to report the form of a bill; and that such commission have power to inquire into the manner and efficiency of the present and past methods of collecting the internal revenue and to take testimony in such manner and under such regulations as may be prescribed by the Secretary of the Treasury.

The members appointed to that commission were: David A. Wells, of New York; Stephen Colwell, of Pennsylvania; and Snowden Hayes, of Illinois; with E. B. Elliott, of Massachusetts, as secretary.

The commission became fully organized in June, 1865. Their report was made to Hon. Hugh McCulloch, Secretary of the Treasury, in January, 1866, and in that same month the Secretary presented the report to Congress, with the following indorsement:

In presenting this report it may be proper for me to remark that, with the single exception, perhaps, of the one in regard to the time at which the payment of the principal of the national debt should be commenced, the recommendations of the commission have my hearty approval. The very important work devolved upon the commission, as far as it has been prosecuted, has been most admirably performed. I earnestly ask that the report may receive the early and careful consideration of Congress.

Among the subjects to which this commission gave its most earnest attention was that of wool and woolens, and their report on the same covers some 136 pages of this book which I have in my hand.

To show the spirit of the commission, I will ask the Secretary to read what I shall send to the desk.

The Secretary read as follows:

SPECIAL REPORT NO. 13—REPORT OF THE UNITED STATES REVENUE COMMISSION ON WOOL AND MANUFACTURES OF WOOL—PRELIMINARY.

OFFICE OF THE UNITED STATES REVENUE COMMISSION,
May, 1866.

No considerations pertaining to the revenue of the country are more important than those which relate to the employment and activity of its productive labor. The inquiry whether this labor is well or ill supported can never be amiss, when public wealth or revenue is in question; nor is it any less pertinent to examine whether any and what obstructions or disturbances lie in the path of labor and national production. The industry of a nation is an interest so vital as to be equaled only by its internal liberties and its independence of foreign control. These being secure, the highest national results can only be reached through widespread and fully diversified industry which is applied under the advantages of increasing intelligence and the aptitude of growing skill and experience.

Mr. WARREN. Thus it will be seen that their great motive was the employment and activity of productive labor. And I want to say here and now that that has been the text all of the time, and is now, respecting the wool and woolens schedule.

We want to raise in the United States all of the wool possible; and knowing as we do that the growth of the population will far exceed the natural increase in the growing of wool unless the producer may be protected in his market it behooves us to look after the interests of the producer.

We want to bring in from the outside whatever balance of wool may be necessary to clothe the Nation, in such form and condition as will give us the most employment for our labor. The only way to insure this is to bring in the wool in an unmanufactured state. In order to accomplish this, the duties, compensatory or ad valorem or compounded, must be favorable for the manufacturer. Our desire must be not to place the duties on any manufactures of wool so low that the necessary additional supply may be brought here in a manufactured state, but so that all additional supplies may be brought in as raw wool, so called, although that, by the way, is a misnomer, since wool is the finished product of the farmer.

The woolgrower's market must be here in his own country. He can not profitably ship his product abroad. Hence his ultimate market lies with the American, the manufacturer.

The manufacturer of this country must have the opportunity to compete successfully with the foreign manufacturer. The duties must be so levied that if he conducts his business in an economical and intelligent way he can use the home product of wool and import, as raw wool, any necessary additional supply. And thus we employ all of the labor to make all the cloth for American wear right here in our midst.

The woolgrower gets his greatest benefit when the tariff is so adjusted that little or no manufactured goods come in from abroad, but that all necessary additional supplies come in as unmanufactured wool.

Of course the ultrafashionable tailor and the ultrafashionable wearer will continue to demand a small importation of woolens of foreign manufacture. "It's so English, y'know," or "so French," or "so German." But that species of American is daily diminishing, and a few single suit patterns are now sufficient to supply the demand, whereas whole pieces or bolts of cloth were formerly necessary.

The Government gets its revenue from imported raw wool just as it would get revenue from the manufactures of wool.

It is admitted here that the Government would get a little less if all the wool should come into this country unmanufactured than if part of it should come in in cloths; but this difference is overcome many-fold in the benefits to the Nation of the additional manufactories and the employment of operatives therein.

The retail price of cloths and clothing in this country need not depend upon, and does not follow, the rate of tariff on cloths, because the competition in our woolen manufacturing and woolen trade in this country has always been keen and there is every prospect that it always will be.

The retail price of woolen fabrics to the consumer is that of the cost of the wool, the cost of the labor, and a reasonable profit to manufacturer and dealer, which can not be much if any more—and is often less—than the ordinary commercial rate of interest on money invested.

A woolen factory may be built without a vast fortune, because it may be a 2-set mill, a 20-set mill, or a 200-set mill, the first cost of the plant depending solely upon its size and extent.

The art of cloth manufacturing is old, and understood by many people; and consequently, without patents and trade secrets, and without necessity for a great outlay, a man who feels that the woolen manufacturer is making more than ordinary interest on money invested soon finds himself constructing a factory. And thus we have, and have always had, a most healthy competition in the price of cloths, and clothing continues to be cheap, tariff or no tariff.

As a matter of fact only two or three pounds of scoured wool are used in cloth enough for a man's suit of clothes, so that, even at a high tariff per pound, it amounts to but little toward the cost of a suit. The main cost of a suit of clothes is in the labor of making.

We have had more than a score, if I have counted aright, of tariff laws regarding wool and woolens. The rate has been up and down; and so far as the sheepman, the woolgrower, is concerned, he has been buffeted about by these changes in the tariff. He has come to know that what affects the manufacturer affects the woolgrower, because the woolgrower in this country has no valuable market except this market; and if the manufacturers by legislation are placed upon a footing where woolen cloths come into this country to compete with wool grown here, indeed, the woolgrower in this country is without a market.

The woolgrower asks to have a tariff that shall not be tinkered with up and down continually; that it shall be "live and let live;" that it shall be one under which the manufacturer can succeed; and then that the additional wool needed in this country shall come in as far as possible in the condition of raw wool instead of manufactured goods. You may say that it does not affect the woolgrower whether wool comes in or cloths come in. The woolgrower, if he is an American citizen of spirit—and he usually is—desires to have at every step the greatest employment for American labor.

The manufacture of wool is a technical business. It requires a great deal of labor. Hence, if we can raise wool enough in this country, we will have all the labor here required by the industry, all the way from cultivating the grass and the production of hay for the feed, that starts in to produce the sheep from which we get the wool. All of that is expended here. If we arrange a tariff so that seemingly we are protected upon

wool and do not arrange the tariff so as to sufficiently provide for the manufacturer, then our market is impaired, the wool comes in from other countries in cloths, and our laborers are out of work.

In the woolgrowing industry there are not less than a million people, farmers and all, interested. I will not undertake to say how many are interested in woolen manufacturing, but right here in the neighboring city of Philadelphia there are, if I am correctly informed, more than 75,000 operatives in woolen mills. Those 75,000 operatives, with their families, make a very considerable population in that city and in this country. If you grow wool here or bring in as wool what you need, those men are all employed and their families all supported from that industry. If you bring in the cloth, those 75,000 men are out of work, and they naturally crowd into other vocations, and therefore the men in the other vocations are crowded out, wages go down, and many men and women are without employment.

There has never been a time in this country, no matter what the tariff was, when the woolgrowers have been thrifty and their business has been profitable, unless at the same time the woolen manufacturers as a whole were prosperous.

It has been said with a sneer that the woolen manufacturers and the woolgrowers have made some agreement. Well, in all sincerity, I ask whether that is a proper thing, or whether they ought to have each other by the throat? What good can come of the woolgrower and the woolen manufacturer fighting each other? It as been tried. There have been many years in the past when the manufacturers and the woolgrowers were at variance; but it has never transpired that either industry was fully successful, except when there was some reasonable element of harmony.

Speaking of the carded-wool industry and the worsted industry, I love the one as much as I do the other. I have no interest in either one, except I want to see them both succeed; but it matters not to me whether the worsted manufacturer or the woolen manufacturer asks to have a benefit at the expense of the woolgrower. He must be met firmly, and the two must get upon common ground, because it can not be expected that the woolgrower is going to release and renounce a part of his protection in the way of lowering the duty upon all wool wastes, which displace just the same amount, pound for pound, as scoured wool. That is the particular subject now before the Senate in this attempt to lower the duty upon noils, shoddy, rags, flocks, and so forth.

But turning again to the commission of 1865.

From this report I quote the following as to the importance of the wool and woolen industry:

WOOL AND MANUFACTURES OF WOOL.

In considering what should be our public policy in reference to domestic production, with a view also to national revenue, our attention has been specially directed to sheep husbandry and manufactures of wool, as not only of great national importance, but as suitable to illustrate the whole subject of the relation of industry to revenue.

The vast armies recently on foot have revealed some truths which can not be overlooked for the future in adjusting our economical policy. Beef is the food for armies in active campaign, and the stock of the country has been seriously reduced. Not only the beef but the hides were required for military uses. The country was thrown by the high price of beef upon the consumption of mutton, but the wool was not less important than the mutton. It was soon ascertained that the supply of beef was not more than sufficient, and that the supply of wool and mutton was far from being adequate to the national urgency. If doubled, it would not have sufficed to clothe our armies and furnish meat enough to keep down the price of beef and prevent too great a reduction of the national herds of cattle.

To complete and adjust the entire circle of national production sheep husbandry should be stimulated and promoted until our flocks shall be doubled, and our supplies of wool shall exceed 200,000,000 pounds, and our consumption of woolen goods, domestic and imported, shall be equal to $10 per head.

There is much more in this statement that is exceedingly interesting, but I forbear quoting for the moment.

At the time this commission was at work statistics showed that the production of wool in the United States had reached, in round numbers, 100,000,000 pounds, and that the importations of wool were a little over 73,000,000 pounds and the importations of cloths of the equivalent of 55,000,000 pounds. Thus our importations of wool exceeded our production. We were importing nearly 30 per cent more than we were producing, while at the present time, notwithstanding the great increase in our population, the extra call for woolen goods, and the distressing fact that woolgrowing has been greatly diminished east of the Missouri River, it is a fact, in spite of all this, that we are growing two-thirds of what we require instead of less than half, and therefore are traveling in the right direction. We now have two and one-half times the number of sheep we had then.

As shown in one of the quotations cited, this commission, being unbiased and interested neither in the manufacturer nor the grower, sought to get information from every quarter where it was obtainable—from history and statistics, from Members of Congress and statesmen generally, from called meetings of manufacturers at various points; also called meetings of growers at various points. The manufacturers met and selected those whom they wished to represent them; the growers did the same; and the delegates, after wrestling with the subject, in the light of experience of long years of unsatisfactory results, became fully alive to the necessity for a live-and-let-live plan.

The commission invited the growers, on their part, to submit a draft of such a tariff bill as they would indorse, and asked the manufacturers to do the same. This both parties did. Then the commission, in view of the two bills thus submitted, and after taking evidence from other interested parties, and with all the evidence and information obtainable from the outside, submitted a proposition which was finally accepted by both parties.

I ask that the two proposed bills be read.

The Secretary read as follows:

DRAFT OF BILL, PROPOSED BY THE NATIONAL WOOLGROWERS' ASSOCIATION.

That from and after the passage of this act, in lieu of the duties now imposed by law on the articles hereinafter mentioned, there shall be levied and collected on all unmanufactured wool, hair of the alpaca, goat, and other like animals, imported from foreign countries, the duties herein provided. All wools, hair, etc., as above, shall be divided, for the purpose of fixing the duties to be charged thereon, into three classes, to wit:

Class 1. Clothing wools.—That is to say, merino, Mestiza, Mets or Metis wools or other wools of merino blood, immediate or remote; down clothing wools; and wools of like character with any of the preceding, including such as have been heretofore usually imported into the United States from Buenos Aires, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, and elsewhere, and also including all wools not hereinafter described or designated in classes 2 and 3.

Class 2. Combing wools.—That is to say, Leicester, Cotswold, Lincolnshire, down combing wools, Canada long wools, or other like combing wools of English blood, and usually known by the terms herein used; and also all hair of the alpaca, goat, and other like animals.

Class 3. Carpet wools and other similar wools.—Such as Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and including also such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Egypt, Syria, and elsewhere.

For the purpose of carrying into effect the classification herein provided a sufficient number of distinctive samples of the various kinds of wool, hair, etc., embraced in each of the three classes above named, selected and prepared under the direction of the Secretary of the Treasury, and duly verified by him (the standard samples being retained in the Treasury Department), shall be deposited in the custom-houses and elsewhere, as he may direct, which samples shall be used by the proper officers of the customs to determine the classes above specified, to which all imported wools belong. The duty upon wools of the first class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be 32 cents or less per pound, shall be 10 cents per pound, and, in addition thereto, 10 per cent ad valorem; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 32 cents per pound, shall be 12 cents per pound, and, in addition thereto, 10 per cent ad valorem. The duty upon wools of the second class, and upon all hair of the alpaca, goat, and other like animals, the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be 32 cents or less per pound, shall be 10 cents per pound, and, in addition thereto, 10 per cent ad valorem; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 32 cents per pound, shall be 12 cents per pound, and, in addition thereto, 10 per cent ad valorem. The duty upon wools of the third class the value whereof at the last port or place whence exported into the United States, excluding charges in such port, shall be 12 cents or less per pound, shall be 3 cents per pound; the duty upon wools of the same class the value whereof at the last port or place whence exported to the United States, excluding charges in such port, shall exceed 12 cents per pound, shall be 6 cents per pound: *Provided*, That any wool of the sheep, or hair of the alpaca, goat, and other like animals, which shall be imported in any other than the ordinary condition as now and heretofore practiced, or which shall be changed in its character or condition, for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt or any other foreign substance, shall be subject to pay twice the amount of duty to which it would otherwise be subjected, anything in this act to the contrary notwithstanding: *Provided further*, That when wool of different qualities is imported in the same bale, bag, or package, it shall be appraised by the appraiser, to determine the rate of duty to which it shall be subjected, at the average aggregate value of the contents of the bale, bag, or package; and when bales of different qualities are embraced in the same invoice at the same price, whereby the average price shall be reduced more than 10 per cent below the value of the bale of the best quality, the value of the whole shall be appraised according to the value of the bale of the best quality; and no bale, bag, or package shall be liable to a less rate of duty in consequence of being invoiced with wool of lower value: *And provided further*, That the duty upon wool of the first class which shall be imported washed shall be twice the amount of duty to which it would be subjected if imported unwashed; and that the duty upon wool of all classes which shall be imported scoured shall be three times the amount of the duty to which it would be subjected if imported unwashed. The duty on sheep skins, raw or unmanufactured, imported with the wool on, washed or unwashed, shall be ——— per cent ad valorem; and on

woolen rags, shoddy, mungo, waste, and flocks, shall be 12 cents per pound.

HENRY S. RANDALL,
Chairman Executive Committee
National Woolgrowers' Association.

Hon. STEPHEN COLWELL,
Of the United States Revenue Commission.

DRAFT OF BILL PROPOSED BY THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS.

That on and after the day and year aforesaid the duties to be levied, collected, and paid on the importation of the articles hereinafter mentioned shall be as follows, that is to say: On woolen cloths, woolen shawls, and all manufactures of wool of every description made wholly or in part of wool, not otherwise provided for, 53 cents per pound, and, in addition thereto, 35 per cent ad valorem; on flannels, blankets, endless belts, or felts for paper or printing machines, hats of wool, knit goods, balmorals, woolen and worsted yarns, and all manufactures of every description, composed wholly or in part of worsted, the hair of the alpaca, goat, or other like animals, except such as are composed in part of wool, not otherwise provided for, valued at not exceeding 40 cents per pound, 25 cents per pound; valued at above 40 cents per pound, and not exceeding 60 cents per pound, 35 cents per pound; valued at above 60 cents per pound and not exceeding 80 cents per pound, 45 cents per pound; valued at above 80 cents per pound, 53 cents per pound; and, in addition thereto, upon all the above-named articles, 35 per cent ad valorem.

On women's and children's dress goods and Italian cloths, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other like animals, valued at not exceeding 20 cents the square yard, 6 cents per square yard, and, in addition thereto, 35 per cent ad valorem; valued at above 20 cents the square yard, 8 cents per square yard, and, in addition thereto, 45 per cent ad valorem: *Provided*, That on all goods weighing 4 ounces and over per square yard the duties shall be 53 cents per pound, and, in addition thereto, 35 per cent ad valorem.

On clothing ready made, and wearing apparel of every description, composed wholly or in part of wool, worsted, the hair of the alpaca, goat, or other like animals, made up or manufactured wholly or in part by the tailor, seamstress, or manufacturer, except knit goods, 53 cents per pound, and, in addition thereto, 45 per cent ad valorem.

On Aubusson and Axminster carpets, and carpets woven whole for rooms, 50 per cent ad valorem; on Saxony, Wilton, and Tournay velvet carpets, wrought by the Jacquard machine, 75 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on Brussels carpets, wrought by the Jacquard machine, 48 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on patent velvet and tapestry velvet carpets, printed on the warp or otherwise, 44 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on tapestry Brussels carpets, printed on the warp or otherwise, 30 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on treble ingrain, three-ply and worsted chain Venetian carpets, 19 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on yarn, Venetian, and two-ply ingrain carpets, 14 cents per square yard, and, in addition thereto, 35 per cent ad valorem; on druggets and bockings, printed, colored, or otherwise, 25 cents per square yard; on hemp or jute carpeting, 6½ cents per square yard; on carpets and carpeting of wool, flax, or cotton, or parts of either, or other material not otherwise specified, 40 per cent ad valorem: *Provided*, That mats, rugs, screens, covers, hassocks, bed sides, and other portions of carpets or carpeting shall be subjected to the rate of duty herein imposed on carpets or carpeting of like character or description, and that the duty on all other mats, screens, hassocks, and rugs shall be 45 per cent ad valorem; on oilcloths for floors, stamped, painted, or printed, valued at 50 cents or less per square yard, —— per cent ad valorem; valued at over 50 cents per square yard, and on all other oilcloth, except silk oilcloth, —— per cent ad valorem.

* * * * * * *

We have the honor to be,
Very respectfully, your obedient servants,

E. B. BIGELOW,
T. S. FAXTON,
EDWARD HARRIS,
S. WILEY EDMANDS,
N. KINGSBURY,
THEODORE POMEROY,
S. W. CATTELL,
Executive Committee National Association of Wool Manufacturers.

JOHN L. HAYES,
Secretary.

Hon. STEPHEN COLWELL,
United States Revenue Commissioner.

Mr. WARREN. And so, finally, all agreed upon a common ground, neither growers nor manufacturers receiving what they had been desirous of and what they felt they should have; but, considering the consumer, general welfare, the Government's interest in revenue, and the cost of capital and labor in growing and manufacturing, a set of resolutions was adopted and laid before a convention called for the purpose of finally settling the question.

I will ask the Secretary to read these resolutions and also the concrete of their decision, presented by Mr. Randall on the part of the woolgrowers and by Mr. Bigelow on the part of the manufacturers.

The Secretary read as follows:

Resolved, That of the great industries with which the people of the United States can occupy themselves to advantage, the woolen interest is especially commended for combining and developing in the highest degree the agricultural and mechanical resources of the Nation.

Resolved, That the mutuality of the interests of the wool producers and wool manufacturers of the United States is established by the closest of commercial bonds—that of demand and supply—it having been demonstrated that the American grower supplies more than 70 per cent of all the wool consumed by American mills, and with equal encouragement would soon supply all which is properly adapted to production here; and, further, it is confirmed by the experience of half a century that the periods of prosperity and depression in the two branches of woolen industry have been identical in time and induced by the same general causes.

Resolved, That as the two branches of agricultural and manufacturing industry represented by the woolen interest involve largely the labor of the country, whose productiveness is the basis of national prosperity, sound policy requires such legislative action as shall place them on an equal footing and give them equal encouragement and protection in competing with the accumulated capital and low wages of other countries.

Resolved, That the benefits of a truly national system, as applied to American industry, will be found in developing manufacturing and agricultural enterprise in all the States, thus furnishing markets at home for the products of both interests.

Resolved, That it shall be the duty of the respective executive committees of the National Manufacturers' and National Woolgrowers' associations to lay before the revenue commission and the appropriate committee in Congress these resolutions, together with such facts and statistics as shall be necessary to procure the legislation needed to put in practical operation the propositions therein set forth.

Mr. WARREN. This commission was charged with considering the interests of both growers and manufacturers, and it was mutually understood, and could not be otherwise, that if a tariff were put upon unmanufactured wool, the manufactures of this country would have to have first a compensatory duty to cover and put them on an equality with the manufactures in other countries where wool was free. This being granted, then the manufacturer must have a tariff upon his product to cover the difference in labor in other countries, just the same as if he were getting free wool and had no compensatory duty.

It became the duty of the commission to regulate the ratio of the duties referred to. The commission not only had the oral and written evidence from both sides, but it had provided for sending sample lots of wool to different factories, in which the problem was worked out as to how many pounds of scoured wool would be used in producing fabrics, and a ratio was finally established and adopted, running from 1½ to 1 to 4 to 1, based upon unwashed No. 1 wool.

In order to protect the woolgrower and to protect the manufacturer maximums had to be at all times considered to secure protection for whatever advantages might accrue to competitors from minimums.

At the time this schedule and ratio were made up and the tariff bill followed in 1867 the natural outcome of the report of the commission, enacted by the next Congress, the manufacturers participating were nearly all manufacturers of carded wool, as that was then the fashion, and very little had been done in worsteds, and that little mainly in luster goods, braids, linings, and so forth.

To quote from the very able report already mentioned, the commission said:

> Cut off the supply of American wool and our mills are stopped as effectually as by turning the water from the wheels which move them. We declare, therefore, with the utmost emphasis, that American wools are eminently the foundation of the prosperity of our manufactories.

And the commission further said:

> Combing wools, required in the manufacture of worsted, are produced in this country only to a very limited extent. The domestic supply of very fine short-cloth wools, required in the manufacture of broadcloth and face goods, is at present inadequate to the necessities of the manufacture; and a moderate supply of these wools, to be mixed with our own, would increase the consumption of American wools.

And for this reason, it seems, second-class wools, which are usually washed on the sheep's back, were given the advantage of a rate which was the same on washed and unwashed, although the scoured duty applied the same in class 2 as in class 1.

At that time the combing wools for worsted were only those of very long growth. There were very few worsted cloths made. The great volume was carded, and so it is perfectly evident that in making up the ratios at that time, which have existed ever since practically the same, even under the Wilson and Gorman Act, the carded-wool men must have arranged the ratios as they desired to have them.

This commission recommended the division of the wool into classes 1, 2, and 3, using almost the identical language now used in describing them; and they proposed that there should be a set of distinctive samples of the various kinds of wool, hair, and so forth, embraced in each of the three classes, selected and prepared under the direction of the Secretary of the Treasury and duly verified by him.

The commission also considered the manufacturers' part of it, and provided for a duty almost identical with that under the present law.

The whole plan of the wool and woolen schedule is based upon the desirability—

First. To encourage the raising of sheep in this country in sufficient numbers, if possible, to give us wool enough for our

consumption, and to increase, as nearly as may be, the growth of wool in proportion to the growth of population.

Second. To manufacture all of our own product.

Third. To insure importations of raw wool instead of manufactured wool in making up any deficiencies between our home growth and consumption.

This being true, it naturally follows that the wool grown in this country can not be successfully exported, but must be utilized by our own manufacturers.

Hence, our home market being the only market, and our home manufacturers the only manufacturers of our wool product, it is vital to the grower that the manufacturer may be successful and that the latter's product may be fully protected.

The interests of the grower and manufacturer are mutual in the desire that all the needed imported wool material may come in in an unmanufactured state. Hence, the advantage of tariff must be so laid. The farmer must receive sufficient protection to keep his flocks from decreasing. The manufacturers must have high enough duties on cloths so that, after absorbing the home product, they can draw upon other countries for raw material and be able to compete successfully with the foreign manufacturer, who is struggling for this American market—the best in the world with reference to the consumption of wool.

Of course there will be importations of cloths in fancy styles and novelties, for the use of those who always desire "something different," "something foreign," "something imported," and so forth.

Now, if we go back and examine the record of woolgrowing and wool manufacturing, it is as clear as the light of day that when the relations of these industries have been disturbed so that either one has had insufficient protection, the industry has languished.

Prior to 1860 both branches were fitful and uncertain, and I can best describe the condition by a quotation from the report made by a combined committee, composed of seven members of the National Wool Manufacturers' Association and five members of the National Woolgrowers' Association, who signed the report. These members were the delegates from their respective associations selected to report to the revenue commission of 1865–66:

The question next arises as to our position under the present laws.

It is our duty to the revenue commission, as well as to the several interests which we represent, to submit at length our views of the operation of the present tariff laws, in their application to the production and manufacture of wool.

In order to understand clearly the object sought for in adjusting the present tariff on wool and woolens, it will be necessary to consider the operation of the two preceding tariffs, viz, those of 1846 and 1857, each of which having proved to be defective in opposite directions, suggested changes which were necessary to perfect a system equitably adjusted to the two branches of the woolen interest.

The tariff of 1846 placed, in the main, a duty of 30 per cent upon both wool and woolens; and in some cases a less duty upon the latter than upon the former. This arrangement was justified to popular opinion by its apparent equality. But the equality existed only in name. The grower of the wool had the full benefit of the protection of 30 per cent, without any drawbacks or neutralizing duties; and the arrangement would have proved most beneficial to him, at least, if the manufacturer had continued to consume his wool. But the manufacturer, being the consumer of the wool, had to pay the whole of the duty of 30 per cent by which the grower was protected, which, when deducted from the duty on the manufactured article, left him a protection so inconsiderable as to be unavailing.

Burdened with heavy duty, and receiving no equivalent, he had to contend with a foreign rival, who had the vast advantage of obtaining his wool without duty. Waiving argument upon the theoretical question of the equality or justice of this arrangement, it is sufficient to refer to the practical fact that the system, whether sound or not in theory, proved most disastrous in its actual results to both interests.

The manufacturers, encouraged by the policy of the tariff of 1842, had attempted the branches of manufacture requiring the utmost skill, and demanding large capital and expensive establishments. No less than 1,800 looms were in operation in the manufacture of broadcloths. The woolgrowers, encouraged by the demand for the finest cloth wools required in this manufacture, imported Saxony sheep, and had made progress in the growth of the finest wools, distinguished in Germany as "noble wools," which, if continued, would have placed this country at the present time on an equality with Silesia in the production of such wools. The manufacturers of fine cloths found it in vain to struggle against foreign rivals, who, in addition to cheap interest and cheap labor, had the crowning advantage of free wool. The higher branches of the manufacture were abandoned; soon every one of the 1,800 of the broadcloth looms in the country ceased work. The only branches of manufacture continued with activity were those like flannels, which were supplied by the common wool of the country—so superior in its spinning qualities as in itself to afford an advantage over the foreign manufacture. There was no longer a demand for any but common wools. The Saxon wool husbandry ceased with the manufacture of fine cloths, which had called it into existence.

* * * * * * *

We must regard the blow which prostrated alike the woolgrower and the wool manufacturer as one of the most disastrous that has ever fallen upon the industries of our country.

Armed with arguments, derived from the state of things above described, against giving preponderating consideration to the woolgrower, the manufacturers, on their side, approached the national councils and invoked legislation which should regard their interest as the predominating one of the country. The result was the passage of the tariff bill of 1857, which imposed a merely nominal duty upon wool, and protected the manufacturer by a duty of 24 per cent. This tariff, although temporarily advantageous to the manufacturer, did not continue long enough in operation to furnish facts as to its effect upon both interests, such as a longer experience under the tariff of 1846 had afforded. The obvious disadvantage to the manufacturer of the policy of the tariff of 1857 was its inherent instability.

The manufacturer investing large capital in structures and machinery which can not be diverted to other purposes, and which may not give returns until years of operation, demands, above all things, stability of legislation. This he could never expect under a system which made the agricultural interest secondary to his.

Influenced by these considerations, and candidly acceding to the reclamations of the woolgrowers, the manufacturers cordially responded to the proposal of the Committee on Ways and Means of the Thirty-seventh Congress; and particularly of the subcommittee, presided over by the distinguished member from Vermont, whose name is identified with the policy mainly due to his influence, to so adjust the tariff upon wool and woolens as to give not merely nominal but absolute equality to both branches of the woolen interest.

Whatever may have been the practical working of the Morrill tariff, which is the basis of our present system, it is a matter of history that equality of adjustment was the main object of the provisions of that bill and the tariff bill of 1864, respecting wool and woolens.

The object sought in these bills was to give a sufficient protection to the woolgrower, and to place the manufacturer in the same position as if he had his wool free of duty. A duty supposed to be sufficient to protect the woolgrower against wools competing with his own was placed upon such wools, and such a specific duty was placed upon woolen cloths as was supposed to be sufficient to reimburse the manufacturer for the amount of the duty paid on the wools. The ad valorem duty on the cloths was added to reimburse to the manufacturer the expenses of carrying the duty on the wools, the internal taxes, the duties on drugs and other materials used in manufacture, and to furnish the required protection.

While recognizing fully the correctness of the principles upon which the present tariff laws are based, it is our duty to point out defects in their practical operation. It has been proved by official returns that, while it was the manifest intent of the law of 1864 that the minimum rate of duty upon the class of wools most directly competing with our own should be 6 cents per pound, the average rate of duty upon this class of wools actually paid has been less than 5 cents per pound. The American producer has been thus deprived of the intended protection.

In view of the facts above stated, and of the requirements of our manufacturers for an increased supply of American wool, and in order to furnish a stimulus for such supply, and at the same time to secure "equal encouragement and protection to both interests," we recommend as a basis for the readjustment of the revenue laws applicable to wool and woolens the following propositions:

1. A provision to be inserted in the tariff laws requiring all wools now known as "Mestizo," "Metz," "Cape," and "Australian" wools, to be subjected to a duty of not less than 10 cents per pound and 10 per cent ad valorem; said provision to be so worded as most effectually to prevent these and similar wools from being admitted at a less rate of duty; the rates of duty on all other wools to remain as they now are, with the exception of wools the growth of Canada, which, in the absence of treaty stipulations, shall be subjected to a duty of —— cents per pound.

2. All manufactures composed wholly or in part of wool or worsted shall be subjected to a duty which shall be equal to 25 per cent net; that is to say, 25 per cent, after reimbursing the amount paid on account of duties on wool, dyestuffs, and other imported materials used in such manufactures, and also the amount paid for the internal-revenue tax imposed on manufactures and upon the supplies and materials used therefor.

E. B. BIGELOW,
T. S. FAXTON,
EDWARD HARRIS,
J. W. EDMANDS,
S. W. CATTELL,
H. KINGSBURY,
THEODORE POMEROY,
Executive Committee National Association of Wool Manufacturers.

HENRY S. RANDALL,
E. B. POTTLE,
E. HAMMOND,
R. M. MONTGOMERY,
GEORGE B. LORING,
Executive Committee of the National Woolgrowers' Association.

JOHN L. HAYES,
Secretary of the Joint Committee.

As to the production of sheep in this country, it is often said that we are going backward; that we are not producing the proportion of wool, according to the number of people, which we formerly did, that we were expected to raise and furnish. Going back about as early as we have any census—I might go back, for instance, to 1810—we find that we had then some seven and a half million people, and that we had less than 10,000,000 pounds of wool raised in the country, which is a pound and one-third of wool per capita. At the present time we have somewhere from 85,000,000 to 90,000,000 people, and we produced in this country last year 311,000,000 and odd pounds of home-grown wool. So, the proportion, you see, has very largely increased, and we are more nearly to-day furnishing the amount of wool that we consume than we were away back in the time to which I have referred.

Going back, for the purpose of our present consideration, to the year 1860, these industries recorded the following:

	Head.
Number of sheep in 1860	22,471,275
Number of sheep in 1880	40,765,900
Increase in 20 years	18,294,625

This shows the effect of a favorable tariff during this period of twenty years. Our manufactures of wool in 1860 were

$73,450,000 in value. Manufactures of wool had increased to $268,085,686 in value in 1880, two and two-thirds times as much.

I have used the years 1860 and 1880 because these were census periods, and therefore the figures used are official.

During this twenty-year period a few of the first years were not profitable, but nevertheless the period taken as a whole, with nearly double the sheep and almost four times the value in wool manufactures, was a record of success.

At that time—1880—we imported in raw wool 128,131,477 pounds, and but $33,911,093 worth (duty paid) of woolen manufactures. Mark the figures and see what followed.

The first four years following showed progress and a gain of 10,000,000 sheep and a corresponding growth in manufactures.

Then came the tariff of 1883, which, while it left unmanufactured wool in almost the same notch where it had been, reduced the manufacturers' protection, and the result was a dullness in sheep husbandry following the dullness in manufacturing. The numbers of sheep were reduced, and instead of the rapid increase prior to the act of 1883, in the next ten years the decrease in sheep was as follows:

	Head.
January 1, 1884, when 1883 tariff went into effect	50,626,626
January 1, 1894, when 1894 tariff went into effect	45,048,017
Decrease	5,578,609

Late in 1892, when the election showed that we were to have in power a President and majority in Senate and House elected upon a platform which declared for free raw material (wool), greatly reduced tariffs, and so forth, the downward trend of wool and woolens was still more marked.

The period following 1883, which gave a dull and unsatisfactory business to the woolgrowers, was caused by an insufficient protection of woolen manufactures and the consequent importation into this country of vast quantities of manufactured woolens, decreasing proportionately the quantity of unmanufactured wool imported.

In 1880 we had in this country 2,330 woolen manufacturing establishments; the value of the product manufactured in that year was $238,085,686. We were importing:

In woolens		$33,911,093
In raw wool	pounds	128,131,747

Now, note carefully the following:

In 1890 the number of manufactories had decreased to 1,693, and the total product of our home manufactures of wool had increased to only $270,527,511, about 1¼ per cent per year, notwithstanding that the first three or four years after 1880, and before the change caused by the act of 1883, were prosperous, and notwithstanding our great growth in population during that decade. On the other hand, the value of imports of cloth had arisen to $56,582,432, nearly 70 per cent increase, and the imports of raw wool had fallen to 105,431,285 pounds, nearly 23,000,000 pounds decrease, notwithstanding our growth in population.

In other words, the law of 1883 seems to have impaired the manufactures and changed our imports in wool and woolens so that while we increased our importations of woolen cloths 70 per cent, we decreased our importations of raw wool 23,000,000 pounds, or 18 per cent. And this was before the manufacturers were permitted to import at the lower rates of the Wilson-Gorman Act.

So much for the wool tariff of 1883.

Now, following up this subject a little further, we had in this country in 1894, 45,048,017 sheep, valued at $89,186,110; in 1897, 36,818,643 sheep, valued at $67,020,942, showing a still further decrease of over 8,250,000, or nearly 20 per cent, in the number of sheep, and a decrease of over $22,000,000, or 20 per cent, in the value in the three short years intervening between the tariff law of 1894 and that of 1897.

And this much for the Wilson-Gorman tariff act of 1894.

In fact, Mr. President, the numbers and values of sheep have moved up and down with favorable or unfavorable tariff legislation much the same as the mercury in the thermometer moves with the change of weather, the one being about as sensitive as the other.

And so it is plain to me and to many more that it is to the interest of the manufacturer to encourage an increased growth of wool in this country, for if he should be entirely dependent upon foreign markets he might find himself with an uncertain and insufficient supply; and in times of war—if war should occur and this country should be cut off from the other wool-producing countries, when our army might greatly need increased supplies in woolen goods—it would be disastrous alike to manufacturers and consumers, and especially so to the army, if the manufacturers should find themselves cut off entirely from other bases of wool supply.

Furthermore, should the farmers of this country be forced out of the growing of wool, the world's supply being that much diminished, the effect would be that prices abroad would be raised, in fact, the world's prices would be higher, and thus we might have far higher prices than now; indeed, it is possible that the world's prices on wool might be as high (if free to all parts) as protected wool is now in this country, for we raise about one-eighth of the world's wool supply while we consume fully one-fifth of the world's supply. And we would suffer similarly because of the decreased supply of mutton, so necessary as a food product.

This statement may be new and startling to those who have not given the subject attention. But it is true that, although we have less than 90,000,000 population out of a total world's population estimated at one and one-half billions, nevertheless our consumption of the world's wool supply is one-fifth, as stated; and our mutton supply is most necessary in times of peace or war, as we slaughter about 9,000,000 at the regular slaughter establishments and thousands more on the ranches and farms.

Having thus stated the interest that manufacturers must have in woolgrowers, I may say that the growers are equally interested in all of the conditions named.

If the price of wool should increase because of a shortage in the world's supply, what would it matter to the woolgrower if he had gone out of the wool business and was engaged in other industries, wool raising having passed out of its leading place in his own country?

In 1810 the amount of wool grown in this country was estimated at 13,000,000 pounds, our population at that time being 7,293,913; so that the wool then grown in this country was less in amount than 2 pounds per capita, while at the present time it is 4 pounds. At that time (1810) there were but 24 woolen factories, and small ones at that, while there were nearly 1,700 fulling mills which were used by the farmers and woolgrowers in making domestic cloth woven in their residences and shops. To-day we have some 1,500 woolen factories, many of them immense in size and capacity.

There have been various seasons successful and unsuccessful to the woolgrowers, and the figures show perfectly plain that the numbers have gone up and down according to favorable or unfavorable tariff conditions respecting both wool and the manufactures of wool.

Under the earlier tariff laws, up to 1840, our sheep had reached in numbers 19,311,374.

With the low-tariff laws in the forties and fifties, and up to 1860, they had increased in the twenty years to only 22,471,277; only a little over 3,000,000 in number—a trifle over 20 per cent—in twenty years, or 1 per cent per annum.

With the higher tariffs of 1861 and 1867 they had increased in the seven years to 39,385,386, an increase of nearly 80 per cent in only seven years—over 11 per cent per annum—as against an increase of a trifle over 20 per cent in the twenty years preceding, or 1 per cent per annum.

Of course the necessities for woolen goods during the war and the high prices paid for them had something to do with this seven-year period.

Again, going to 1884, the year in which the 1883 tariff law became effective, we had 50,626,626 sheep, valued at $119,902,706.

In 1897, when the Dingley law was enacted, the number of sheep had decreased to 36,818,643, valued at $67,020,942, a decrease of 28 per cent in number and nearly 80 per cent in value.

This great decrease in thirteen years was caused by the tariff acts of 1883 and 1894, notwithstanding the counteracting effect of the two or three years under the favorable tariff act of 1890. That is to say, out of thirteen years of bad tariff legislation we may deduct three years of good tariff legislation, and the balance will represent the decrease as stated—a decrease of 3 per cent per annum in the number of sheep and 8 per cent in value in the remaining ten years.

And I am now tempted to make one more comparison.

Starting with the record of 1897, as given, and coming down to 1908—eleven years under the Dingley Act—we find that our sheep have increased from 38,818,643, valued at $67,020,942, to 54,631,000, valued at $211,736,000.

This shows an increase of 48 per cent in number and 215 per cent in value, or 4½ per cent per annum in number and 20 per cent per annum in value.

RECAPITULATION.

And so it is all the way since 1840, when the first census enumeration of sheep and other live stock was first made, up to the present time.

First. We had twenty years with low tariffs on woolens and on wool, and our increase was but 1 per cent per annum.

Second. Then followed seven years with better tariff laws, and we had an increase of nearly 80 per cent, or 11 per cent per annum.

Third. From 1867 to 1884—continuing under favorable tariff—we had increased from 39,385,386 head to 50,626,626 head, an increase of 11,241,240 head—an increase in the sixteen years of nearly 26 per cent, or about 1½ per cent per annum.

Fourth. In the period after the bad tariff law of 1883 up to 1897, when the Dingley law was inaugurated, our sheep had decreased 28 per cent in numbers and 80 per cent in value, a decrease of over 2 per cent per annum in number of sheep and over 13 per cent per annum in value of sheep.

Fifth. From 1897 to 1908, eleven years, we find an increase of 48 per cent in the number of sheep in this country, about 4½ per cent per annum, and an increase of about 215 per cent in value, or nearly 20 per cent per annum.

Of course, in figuring these percentages, fractions are omitted and the figures used are the nearest approximate.

Can there be any better proof of the value to the sheep grower of an adequate or even nearly adequate tariff upon wool?

The figures I have given, and their fluctuations, seem enormous, but they are official figures.

It is sometimes said by those who oppose the tariff on raw wool, and sometimes by the manufacturer who would like to get his wool without duty, that the woolgrower has enjoyed the protection of the tariff long enough to enable him to grow all of the wool that is needed for our consumption if he can ever do so.

But the figures I have just quoted show the discouragements and the backsets which the woolgrower has had to contend with in past years.

The figures show conclusively that if we would grow all the wool needed for our consumption, we must continually and adequately protect the woolgrower.

No doubt it is thought by many of the growers that the present tariff rates and the rates proposed by the Senate committee are not sufficient and adequate; but I have believed, and I still believe, that, with the rates as proposed, although not as perfect as might be desired, the industry can be sustained, the numbers of sheep increased, and the quality of our wool greatly improved.

But there is one thing certain—without protection, or with less protection than that proposed in this measure by the amendments of the Senate, we can not increase the industry of woolgrowing, and we shall go down hill in the production of wool and mutton, as we have done heretofore when thte tariff has been insufficent upon either wool or manufactures of wool. The grower is affected by either one or both. If the manufacturer's business is made unprofitable, the grower can not produce and dispose of his product with profit.

Now, all of this being true, we ask the question: Is the industry of growing mutton and wool of value to this Nation? Is the United States ready to allow that industry to perish, or to diminish into unimportance, and then take its chances in peace or war of purchasing all the product required for our home manufactures or of bringing into the country the manufactured product necessary for this great people, who consume a fifth of all the wool grown in the world?

Not only is it of interest to the sheep grower that fully manufactured goods shall bear a rate higher than raw wool, but he is also interested in every partially manufactured product of wool—tops, yarn, and the wastes that fall from wool in process of manufacture.

During the war, when we were cut off from supplies abroad, this country realized as it never before realized that mutton and wool were as necessary as powder and ball to carry on a war. Wool is an article of contraband as much as meat and as powder, in a sense. To let the wool and the meat industry languish would leave us where we could not clothe our soldiers, where we could not furnish them with blankets, and where we could not support them with our meat supply. During that time we had changed the tariff a number of times, and our good old friend who honored a seat in the Senate for so many years, the former Senator from Vermont, Mr. Morrill, made the matter of the tariff on wool a special study and brought out for the first time a tariff under which both industries could thrive. But there were yet differences; hence the commission to which I have already alluded.

The whole plan of protection for woolgrowers and wool manufacturers was based by Mr. Morrill upon the intention, first, to grow all of the wool it is possible to grow in this country; second, to add to that sufficient wool in its unmanufactured state to make up the difference; this in order that all of the labor in manufacturing might be done in this country.

Now, so long as we seek to add whatever is necessary in unmanufactured wool, we must be extremely careful to guard against every avenue which would lead manufactured goods through the customs-houses at better rates than those given to unmanufactured wools, plus the cost of manufacture here. We must also see to it that all substitutes, good and bad, shall bear duties equivalent to raw-wool duties, otherwise both the manufacturer and the grower would be injured.

Of course all of the importers of goods under Schedule K are arrayed against the tariff duties, and especially the duties upon manufactured goods, because, with the thousand-and-one varieties of cloth sought to be sold over here, manufactured by the cheaper labor of other countries, they are seeking a landing place in which to market their goods.

Hence, to carry out the plan, we must maintain the duty on unmanufactured wool, and when it enters into manufactured goods with cotton and other substitutes it stands us in hand to get the rate too high rather than too low, because the rulings of the customs-houses are almost invariably made in favor of the importer as against the producer—the farmer or grower—because the one is always present in his large transactions, clamoring for favorable rulings and endeavoring to obtain in some way advantageous classifications. The farmer or grower is almost never present. He is at home, producing the material.

And hence, from every direction and for all reasons, we must protect, first, the grower; second, the manufacturer; and, third, and more important than either, the working classes engaged in these industries, so that all of the labor may be done in this country, and also that all of our people may be well clothed at reasonable prices.

If we leave a door open for any class of manufactures to come through on more favorable terms than raw wool, both manufacturer and grower are injured. If we reduce the rate too greatly upon manufactured goods, and the manufacturer suffers, the grower suffers with him. So that for every reason and all reasons we must have an abundantly sufficient tariff on woolen goods.

It is no doubt true that in the case of some of the cheap goods in which there is but little wool and much cotton or other substitute, the cloth and the clothes made therefrom can be bought for sums nearly as low as the duty itself. But it must be acknowledged that this fact does not hurt the consumer. We are too apt to speak of the rate of duty as a cost or expense to the consumer. Under our tariff system this is very seldom the true measure of the consumer's extra cost where, indeed, there is any extra cost. In many cases, and in very many articles, the consumer is provided for at just as low a rate as if there were no tariff imposed. And yet the tariff is necessary, because it insures a continued and prosperous business for our own manufacturers, and they in turn, through competition in business, keep the prices to the consumer down to the very lowest possible notch.

If there were no protective tariff upon such articles as I have been speaking of, manufacturers would have no assurance as to what the foreign market might become; and with the fact always before them that foreign labor is cheaper than domestic, the field of manufacture is not inviting and will not be substantially filled unless a certainty is assured that their business shall continue through protection which shall at least equalize, and should somewhat exceed, the difference in cost of labor.

Ordinary wearing apparel for men and women is cheap in this country; and while our people buy liberally abroad, on account of fashions, love of variety, and so forth, there is no considerable difference in the cost of cheap woolen goods, clothing, and so forth, as between this country and the foreign countries; and the yearly cost to a man or woman or family is as nothing compared with the wondrous advantages of a protective-tariff system.

There has never been and can not be a successful trust or combination for handling wool. It can not be graded and sold upon grades and speculated in like wheat or cotton, because there is a certain individuality about wool, and it has so many requisites; there may be so many excellencies or deficiencies and so many contingencies, that every lot must be sold upon its own merits, varying greatly in different seasons from the same locations and flocks. It is true that in grading and sorting houses the fleeces of A, B, C, and D, can be assorted into different grades by actually handling each fleece of wool, but a combination of the clips of the same growers for the following year might present a different quality and a different condition, owing to many contingencies, such as good or bad weather, drought or flood, sufficiency or shortage of feed, method of shearing and caring for, and so forth.

As to the manufacturing of wool, it is true that one concern has been made up of 28 different companies; not a holding company handling the 28 different corporations, but one company which holds in fee simple all of this number excepting one or two, in which it holds all of the stock. This concern has been doing business some ten years, and probably never has reached a point of manufacturing 20 per cent of the output of the woolen mills of the country, and 8 per cent to 15 per cent would be nearer the mark, the average being about 12 per cent.

I have here some facts and figures relating to this company. I shall not read them, but I shall ask, Mr. President, that I may insert them in the RECORD.

The PRESIDENT pro tempore. The Chair hears no objection, and it will be so ordered.

The matter referred to is as follows:

American Woolen Company.—Incorporated March 29, 1899, in New Jersey, as a consolidation of the following New England woolen mills:

Washington Mills, Lawrence, Mass.
National and Providence Worsted Mills, Providence, R. I.
Saranac Mills, Blackstone, Mass.
Fulton Worsted Mills, Fulton, N. Y.
Fitchburg Worsted Mills, Fitchburg, Mass.
Beoli Mills, Fitchburg, Mass.
Valley Worsted Mills, Providence, R. I.
Riverside Worsted Mills, Providence, R. I.
Assabet Mills, Maynard, Mass.
Sawyer Woolen Mills, Dover, N. H.
Bay State Mills, Lowell, Mass.
Beaver Brook Mills, Lowell, Mass.
Vassalboro Woolen Mills, North Vassalboro, Me.
Puritan Woolen Mills, Plymouth, Mass.
Anderson Mills, Skowhegan, Me.
Kennebec Mills, Fairfield, Me.
Manton Mills, Manton, R. I.
Anchor Mills, Harrisville and Pascoag, R. I.
Chase Mills, Webster, Mass.
Brown Mills, Dover, Me.
Ray's Woolen Mills, Franklin, Mass.
Weybosset Mills, Providence, R. I.
Baltic Mills, Enfield, N. H.
Moosup Mills, Moosup, Conn.
Lebanon Mills, Lebanon, N. H.
Prospect Mills, Lawrence, Mass.
Hecla Mills, Uxbridge, Mass.

All the plants of the company are held in fee, with the exception of the National and Providence worsted mills, in which instance the entire capital stock is owned by the company. The bonds existing at the time of purchase upon two of the properties, aggregating $505,000, were paid off from earnings.

The increase in business having equaled the capacity for producing, the directors in August, 1905, organized the Wood Worsted Mill Corporation. The entire stock of this company, except shares to qualify directors, is owned by the American Woolen Company.

Capital stock authorized, $40,000,000 common and $35,000,000 7 per cent cumulative preferred (as increased November, 1906); outstanding, $29,501,100 common and all of the preferred; par, $100. No bonds. Dividends at the rate of 7 per cent per annum have been regularly paid on the preferred since the company began operations, but nothing has as yet been returned to holders of the common.

Officers: W. M. Wood, president; Frederick Ayer, vice-president; J. T. Shaw, secretary; F. G. Sherman, assistant secretary; W. H. Dwelly, jr., treasurer; W. A. Currier, assistant treasurer; B. F. Smith, jr., second assistant treasurer; P. C. Wiggin, comptroller, Boston.

Directors: G. E. Bullard, John Hogg, F. W. Kittredge, Boston; S. P. Colt, G. L. Shepley, Providence, R. I.; Frederick Ayer, Newton, Mass.; A. G. Pierce, jr., New Bedford, Mass.; C. H. Tenney, New York; W. M. Wood, Andover, Mass.; J. C. Woodhull, Summit, N. J.

Annual meeting, first Tuesday in March.

Office, National Shawmut Bank Building, Boston, Mass.

Selling agency, Eighteenth street and Fifth avenue, J. C. Woodhull, selling agent.

Agent in New Jersey, Registrar and Transfer Company, Jersey City.

Wood Worsted Mill Corporation (controlled by stock ownership).—Incorporated September 6, 1905, in Maine. Capital stock, $1,000,000, all owned, with the exception of shares to qualify directors, by the American Woolen Company.

Notes: Three million five hundred thousand dollars 4½ per cent construction and equipment notes, dated September, 1905; due, $500,000 March 1, 1910; $2,000,000 September 1, 1910; and $1,000,000 March 1, 1911. Int. M. and S. 1. Guaranteed, principal and interest, by the American Woolen Company.

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THE TENTH ANNUAL REPORT OF THE AMERICAN WOOLEN COMPANY, FOR THE FISCAL YEAR ENDING DECEMBER 31, 1908.

PRESIDENT'S REPORT.

To the stockholders:

The depression which occurred during 1907 prevailed during the past year and reduced the volume of gross business 37 per cent compared with the previous fiscal year. This decrease naturally affected the net profits of your company. It is quite unnecessary to discuss further the disastrous effects of the business depression of 1907 and 1908. That is now past history, with which all are familiar. The business of your company naturally suffered as did all business. The vigorous curtailment of production, which your management thought necessary for the first six months of the year, was continued during the greater part of the last six months. Total gross sales of $29,986,000 speak for themselves.

The new year opens auspiciously, however, orders booked from January 1 to February 28 amounting to $22,000,000, so your directors have every reason to anticipate a greatly improved year in 1909. Notwithstanding decreased operations of the mills owned by your company, they have all been well maintained, and your company is in excellent condition to resume full operations at such time as improved business conditions permit.

The heavy advanced sales of cloth have been provided for by engagements of wool in anticipation of its wants. The company is still obliged to enter the open market for a part of its worsted-yarn requirements. Your directors, however, are considering a proposition to increase the company's yarn production during the coming year to meet its full requirements.

The number of shareholders of the company has increased during the year 10 per cent, following a 45 per cent increase in the 1907 year.

The operations for the past fiscal year are fully shown in the treasurer's report, which follows.

WILLIAM M. WOOD, *President.*

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Treasurer's statement.

AMERICAN WOOLEN COMPANY, BALANCE SHEET, DECEMBER 31, 1908.

Cash		$2,892,168.71
Accounts receivable, net		14,543,498.36
Inventories; wool and fabrics—raw, wrought, and in process—and coal and supplies		14,317,069.09
		31,752,736.16
Plants, mill fixtures, and investments as per last year's report		42,352,876.84
Capital stock of Wood Worsted Mills		3,499,400.00
		77,605,013.00
Bank loans		2,890,400.00
Current vouchers and accounts		757,393.10
		3,647,793.10
Accrued dividends on preferred stock to December 31, 1908 (payable January 15, 1909)		510,416.67
Capital stock (common)	$29,501,100.00	
Capital stock (preferred	35,000,000.00	
		64,501,100.00
Surplus		8,945,703.23
		77,605,013.00

PROFIT STATEMENT FOR THE YEAR 1908.

Net sales and other income	29,986,978.50
Cost and expenses	28,706,273.30
Net profits for the year 1908	1,280,705.20
Dividend on preferred stock	2,450,000.00
Deficit, year 1908	1,169,294.80
Surplus December 31, 1907	10,114,998.03
Balance: Surplus December 31, 1908	8,945,703.23

By approval of the board of directors:

WILLIAM H. DWELLY, Jr.,
Treasurer.

I hereby certify that the above statement is correct.

GEORGE R. LAWTON,
Certified Public Accountant.

Mr. WARREN. Mr. President, returning to earlier tariff struggles and the lack of contemporaneous success for woolgrower and manufacturer, and to the bill worked out by the revenue-tariff commission, which was presented to Congress and passed and which became the tariff law of 1867, I have this to say: Barring the time during which the war gave an added stimulus to the woolen business, that act of 1867 was the commencement of the really successful times in the woolgrowing and wool manufacturing industries.

I want to mark as we go along—and this was alluded to by my friend the Senator from Montana [Mr. CARTER] yesterday—that at that time the manufacture of worsteds was almost unknown. Ninety-nine per cent of wool manufacturing was so-called "carded wool," so that whatever influence was exerted in making the tariff of 1867, and whatever benefit accrued, can be charged to the carded-wool industry. There was at that time a call for the so-called "second-class wool" for making a certain class of goods. At that time there was no way of combing the short wools, designated as "No. 1 wools," and so the very rare goods of the day, mostly luster fabrics, were made of combing wool, and it had to be of very long staple.

The growth of the wool industry since has been phenomenal, very largely because of the inventions which have been developed and applied to the industry, and we have gone along to a point where there is really no wool of consequence now grown that is not combing wool.

While the carded manufacturer can use any kind of wool, cotton, shoddy, mungo, flocks, or wastes of any kind that he can get across the cards, the worsted manufacturer must have wool that will comb; the short and long particles must all be separated and drawn lengthwise and put in the form of a fine, highly twisted, hard yarn. That kind of yarn is used in weaving both ways. In the carded-wool industry a softer, coarser, larger yarn may be used and almost any kind of material can go into it.

To show the difference in the density of those yarns and their strength I have here a list. For instance, there are various sizes. In the carded-wool industry the numbers range from 1 to 50; a 1-cut yarn has 300 yards to the pound; a 25-cut yarn, 7,500 yards of yarn in a pound; a 50-cut yarn has 15,000 yards, or nearly 10 miles of yarn, to 1 pound.

In the worsted woolen industry the yarns run from No. 1 to No. 200 in all the even numbers up to 100, and in even tens from 100 to 200. They start with No. 1, a yarn that has 560

yards to the pound, and they run up to No. 200, which has 112,000 yards in a pound. These figures are for single ply, and to ascertain the number of yards in 2 or 3 ply one may divide the number of yards by 2 or 3, as the case may be.

To show how relatively infinitesimal the wool tariff is when worked out, it will be observed that 1 pound of worsted wool yarn, No. 200, contains a thread over 63½ miles long. The 1 pound of wool in that yarn would reach from Washington to Baltimore and over halfway back.

A pound of wool makes a very great deal of cloth, and what may seem to be a large tariff, applied per pound to wool, sinks into utter insignificance when it comes to the difference in the price of a suit of all-wool clothes of ordinary weight, containing at most only 2 to 3 pounds.

I do not want to enter at this time into the question of trusts and great combinations, but if there is any line of business on this earth that is a hard one for the trusts to get into and manipulate and control, it is the manufacture of wool. It is utterly impossible, in the light of the experience we have had up to the present day, for any trust to be formed to handle the wool of this country. There is an individuality about wool and a difference in wools. The same clip changes from one year to another and the same sheep will bear a different clip on different pastures. So the only way that wool may be safely handled is upon samples, and the way large transactions are handled is upon samples large enough so that they may be taken to a scouring mill and scoured in mill-run quantities. So that, in contradistinction to wheat, corn, and other products, which can have a few grades and numbers easily distinguishable, wool must pass upon its merits and can be bought in small quantities or large quantities.

In the matter of the manufacture of wool a small mill will sometimes manufacture cloth cheaper than a large one, just the same as a man and his wife and two or three children can raise sheep cheaper than any corporation can, because he turns his own interested service and that of his family into the work of raising the sheep. In manufacturing, a mill may be a 2-set mill, which is complete, or it may be a 200-set mill; so that to undertake successfully to form a combination in this industry, as has been done, we will say, in the case of the Steel Corporation or the Standard Oil Company, would be, to my mind, an absolute impossibility. It is true, as I have said, that there is one corporation manufacturing woolens—and I may say parenthetically that it is manufacturing both worsted and woolen goods, or carded goods, so called—that has under one management what were formerly 29 companies, but it is not a trust or holding company.

All of those companies but one were bought outright with money or stock of the company, and the two which had mortgage, time securities out were taken in by buying the stock and putting it in the treasury of the company. That company has gone on in the business for some ten years. I have asked, first and last, probably 100 manufacturers of wool whether they felt injuriously the competition of this corporation—the American Woolen Company—in the market as against their interests, and they have all said no, except in so far as the company adds to the volume of manufactured goods.

That company—and I may say the same as to any other company that I know of in the wool-manufacturing business—has never made for any length of time an exorbitant profit. I know of no multimillionaires in the woolgrowing and wool manufacturing industries.

The American Woolen Company has never paid dividends except upon its preferred stock, and then only 7 per cent per year.

The total American consumption of woolen goods a year is valued at approximately $400,000,000.

The imported portion of this is approximately $20,000,000.

The woolen goods of domestic manufacture represent a value of approximately $380,000,000.

The American Woolen Company has manufactured, as its maximum, in some one year, 13 per cent of this domestic production or approximately $5,000,000.

Last year, 1908, its product amounted to 7 per cent of the domestic production or about approximately $28,000,000. I will say, in passing, that I have had no communication with the American Woolen Company, nor with any men connected therewith. If I should meet on the street to-day every man connected with that company, I do not know that there would be a single acquaintance of mine among them. I have taken some of the matter from Moody's Manual, and as it is the company's own statement, I assume it to be correct as to organization. The matter relating to the product of its mills is taken from other sources which are thought to be reliable.

It is stoutly claimed that there is no monopoly, nor anything remotely approaching a monopoly, in the woolen business, and owing to the endless variety and grades of fabrics produced there never can be a monopoly. Therefore, in such an industry where there is unrestricted competition, the margin of profit can never be excessive, no matter how much higher than actually necessary the rate of duty may be. And who shall say what rate of duty is necessary to measure the difference in cost of production between America and Europe? A rate that would be exactly protective as against England would be insufficient as against Germany; a rate that would be exactly protective as against Germany would fall short as against Belgium; and a rate that would be effective as against Belgium would fail utterly as against Japan. The essential thing, if the American market is to be kept by the American manufacturer and the American workman kept employed, is to keep the rate of duty high enough as against all foreign competition.

The statement made to the stockholders of the American Woolen Company for last year, 1908, shows that their gross income from sales and other sources amounted to $29,986,978. Their costs and expenses were $28,706,273.30, and their profits for the year 1908, before any dividend was made, amounted to $1,280,705.20. The dividend on the preferred stock required $2,450,000, so that their deficit for the year 1908 was $1,169,294.80. Of course they took that from a surplus that had accumulated during more fortunate years, but the surplus since the company was organized—ten years or so ago—has only reached $8,945,000, and from that must be deducted the above deficit, the depreciation, and so forth.

I have here figures taken from the census—and, by the way, I do not see the Senator from Oklahoma in his seat, but he made a statement the other day concerning a company which had paid very large dividends—the Troy Cotton and Woolen Company—and spoke of a 66 per cent dividend. I want to say that I shall take no issue with him upon the cotton question, because that is not under consideration now. The Troy Cotton and Woolen Company never made a yard of woolen cloth and has no interest whatever in woolen manufacturing. I suppose it adopted the word "woolen" in its name with the intention of going into the woolen business, but during the many years that have since followed it is quite likely that the company has never seen profit enough in the business to enter upon it. I do not know of a single woolen manufactory in the United States that, going back twenty years, has paid a larger dividend than the regular going rate of interest of the State in which the mills are located.

Now, for a moment as to this difference, which one would think from the debate yesterday was a very wide one, between the carded-wool men and the worsted men. I know nothing of their differences, except that I do know that the customs tariff law as we have it to-day is framed, as to wool and woolens, like the acts of 1867 and 1890; and if the manufacturers had anything whatever to do with it, it was made by the carded-wool men, as they were in the large majority when those acts were approved.

Mr. DOLLIVER. Mr. President, if it will not disturb the Senator, before he passes the subject of the concentration of capital in the woolen and worsted industries, I desire to say a word.

Mr. WARREN. I shall be glad to yield.

Mr. DOLLIVER. I called attention yesterday to the organization of a rag trust, and the Senator in a good-humored way intimated broadly that I was seeing things. I at that time could recall only in a dim sort of way a reference to this rag trust in a trade newspaper. I have this morning the Daily Trade Record, of New York, which seems to be devoted mainly to the textile-mill industries, and in the news portion of it, under the head of "Rags," it says:

New York.—Stockholders of the United Woolen By-Products Company elect directors.

The article then goes on to describe a very interesting controversy between the stockholders and the higher officials of the company, in which the issue seemed to be the retirement of the original organizer of the concern, he refusing and stating he had seen it first and had introduced all the rest of them to a "good thing," and therefore he felt he ought not to retire just as the institution——

Mr. WARREN. Is not that "good thing" very much of the Colonel Sellers order—very much in the future?

Mr. DOLLIVER. I intend to put into the RECORD, if it will not mutilate the Senator's speech, a statement showing where the company has its scattered headquarters. It is a very flourishing institution, to which every carded manufacturer must go if he would purchase the by-products which are useful in his business.

Mr. WARREN. What are the by-products?
Mr. DOLLIVER. I suppose they are these wastes.
Mr. WARREN. I understood that was a rag trust.
Mr. DOLLIVER. It is mainly rags.
Mr. WARREN. What is the name of it?
Mr. DOLLIVER. The clippings of tailor shops.
Mr. WARREN. Those are rags.
Mr. DOLLIVER. The name of it is the United Woolen By-Products Company, so that it deals not only in the by-products of the manufacture——
Mr. WARREN. The Senator means that it proposes to deal.
Mr. DOLLIVER. It is in full blast. [Reading:]

Some change was made in the board of directors * * * at the adjourned annual meeting yesterday, * * * and, while it was stated the meeting was entirely harmonious, it is understood that greater control of the affairs of the company will be assumed by the clothing manufacturers and others actually interested.

Then follow other matters which I will ask the privilege of printing.

Mr. WARREN. It will be found on investigation that this "rag trust" is a myth. I will not burden the RECORD, but if I should take up the record of various "wild-cat" mining companies, with several million dollars alleged capital, which have had quarrels and have elected new boards of directors, the Senator would think it was a good deal in the air. This concern the Senator speaks of I never heard of before. I do not know who called it to his attention. I doubt very much whether they have yet gone very largely into the business, or else somebody must have heard of them. The Senator may have some information——

Mr. DOLLIVER. Somebody sent me that paper for another purpose, and as I was glancing at it my eyes caught the word "rags," and I thought I would inquire about it.

Mr. WARREN. The Senator is not able to give a balance sheet of the company or a statement of the amount of business it does?

Mr. DOLLIVER. Except the testimony of the president, who was refusing to retire under fire, that he introduced his associates to a good thing.

Mr. WARREN. I think, possibly, they may succeed, because they start out in about the same way that the woolen people and the woolgrowers did—with a quarrel.

Mr. DOLLIVER. Not to interrupt my friend too much, he spoke of the struggling character of the business of the American Woolen Company. I happen to have here the president's recent report to the stockholders, in which he gives some very cheerful and optimistic figures, verified, as he says, by the treasurer's report, stating that the new year opened auspiciously, that the orders amount to $22,000,000, and that the directors have every reason to contemplate a greatly improved year.

Mr. WARREN. What is the date of that?

Mr. DOLLIVER. This is of the date of December 31, 1908.

Mr. WARREN. I am perfectly willing that the Senator should insert it, but I have already had permission to insert the same thing.

Mr. DOLLIVER. Very well. Then I will not encumber the RECORD.

Mr. WARREN. This company shows a loss for 1908, as the Senator will see if he will look upon the fourth page of the report.

Mr. DOLLIVER. There is only one page of it.

Mr. WARREN. Will the Senator let me see it? I think I can call his attention to it.

Mr. DOLLIVER. I do not see how the president could be so cheerful with a loss staring him in the face.

Mr. WARREN. He expects to make it up. If the Senator will look at the third line from the bottom of that page, he will find the recorded loss, of which I speak, of nearly a million and a quarter of dollars.

Mr. DOLLIVER. I will examine it when I have more leisure.

Mr. WARREN. Yes; I hope the Senator will; and I hope the Senator will examine into the rag trust, because I want to be a member of that trust.

Mr. DOLLIVER. I spoke some weeks ago about a proposal still further to consolidate the woolen industry by organizing profitable concentrations, and I quoted, or referred without quoting, to the New York Journal of Commerce, which contained a sort of running prospectus of what was intended to be done. I ask the privilege of printing that statement from the New York Journal of Commerce. It seems to be in the nature of news.

Mr. WARREN. Does the Senator care to put it in just at this point?

Mr. DOLLIVER. No; I will abstain. I do not care to encumber the Senator's speech with my documents.

Mr. WARREN. I leave it to the Senator himself. I think there is a better place than this. I do not know what the document is.

Mr. DOLLIVER. I did not know whether to believe this statement in the newspapers, because there is always more or less hearsay——

Mr. WARREN. Will the Senator give the high point of the statement?

Mr. DOLLIVER. The high point which I was reaching out for here was a circular by bankers in Boston offering, subject to sale and change in price, a limited amount of the United States Worsted Company 7 per cent cumulative stock, at $100 a share, which price will net the investor about 7 per cent. It states the number of mills that were to be included in the enterprise. Such a cold business proposition has led me to believe that the New York Journal of Commerce had misinterpreted the situation when it spoke only a month ago, as a matter of news, of the organization of the worsted industry of the country into another great combination. I will not, however, take the Senator's space in the RECORD to print it, but will study it, and will print it in connection with a few observations of my own.

Mr. WARREN. The Senator, of course, has a good ally in the Journal of Commerce.

Speaking of periods of harmony and discord, I will ask the Secretary to read a portion of the report of which I spoke, of the commission which Congress authorized to investigate all matters of revenue—that of wool included. What I send to the desk is with reference to this particular industry.

The PRESIDENT pro tempore. The Secretary will read as requested.

The Secretary read as follows:

WANT OF HARMONY.

It is known that during the rise of the manufacture of wool in Great Britain a want of harmony existed between the woolgrowers and woolen manufacturers which not a little retarded the progress of their industry, lessened their influence with the Government, and damaged their interests in other respects. A similar want of harmony and good intelligence was exercising a like injurious influence here.

As nothing can be more certain than that the industrial interests of these two classes in the United States are substantially identical, it was a principal object to have the fullest possible interchange of opinion between them. Upon the first intimation of the wishes of the commission the necessary conferences commenced and continued for more than six months, without much pause, by conventions and separate and joint committees, in which the various interests of each class and the united interests of both were subjected to a scrutiny so patient, so intelligent, and so discriminating that the utmost deference and weight is due, and should be awarded, to conclusions so carefully prepared.

Joint meetings were held in Syracuse, in the city of New York, in Philadelphia, and in Washington.

As the carefully prepared opinions and statements of these committees will form a portion of this report, it is not proper here to anticipate what is so well stated by them. It was assumed, as a point of departure, that growing wool and increasing flocks of sheep were of national importance with reference to clothing, food, and the general interests of agriculture.

Mr. WARREN. Mr. President, I will ask to print.

The PRESIDENT pro tempore. The Chair hears no objection to the request of the Senator from Wyoming, nor to the request to print which the Senator heretofore has made.

Mr. WARREN. I wish it to be distinctly understood—and I make the statement subject to the challenge of any Senator or Senators present—that at no time in the history of the United States since the imposition of a tariff on woolens has there been any considerable length of time during which either the woolgrowing industry or the wool-manufacturing industry was successful unless both were. When I speak of that I do not mean that the woolgrowers have been successful in every State, but I refer to the industry as a whole. And when I speak of the manufacturers I do not say that there may not be mills, or even groups of mills, that have been successful, but I mean the manufacturers of woolens as a whole.

Take the complaint made yesterday by the Senator from Iowa regarding the carded-wool men. I have looked carefully through all they have said and I have looked through the records, and I find that only a small percentage of the carded-wool mills either signed this "round robin" or entertain the views represented by the items read from the desk yesterday and incorporated in the speech of the Senator from Iowa. The records show 747 carded-wool mills, and only 74 signed the protest.

I have a number of tables here, which have been taken from well-known authorities, largely from the census of the United States, and I will ask that they be incorporated in my remarks.

The PRESIDENT pro tempore. The Chair hears no objection.

Mr. HEYBURN. Mr. President, I rise for a question.

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Idaho?

Mr. WARREN. I do.

Mr. HEYBURN. What effect would it have upon the price of beef if all the mutton were withdrawn from market that furnishes animal food to the people?

Mr. WARREN. It would very materially raise it.

Mr. President, this difference about which I have spoken, if there is one, between the carded-wool manufacturer and the worsted men is of recent date. The woolgrower is equally interested in the manufacturer of carded wool and the manufacturer of worsted if he uses new raw wool and the legitimate wastes therefrom, and not shoddy, rags, and substitutes. If the carded-wool manufacturer happens to be one who uses nothing but shoddy and rags, of course the grower's interest in him is less; but nevertheless the grower stands ready at any and all times to bring about any improvement that can be brought about for the carded-wool men, unless he has to lose his tariff protection on wool by a lowering of the duty on wool wastes which will displace his product.

Mr. President, the question that is now before us is on these wastes. Excepting noils, there is not a single one of them enumerated in the paragraph that is used by the carded-wool men. Of course they can use all classes of wool and wastes, but they do not use them, because the worsted men use all their own wastes except noils. The word "waste" is a misnomer. It is purified wool. It is wool that has passed beyond the stage of scoured wool and is a still cleaner and more valuable product. On the other hand, as to the manufacture of noils, which are mentioned in another paragraph, the noils are useful in making carded wool and are very much sought after; yet they are a natural product of the worsted men, and the more worsted cloth made the more noils in this country, and the more noils made the cheaper the market price of noils.

There has been some controversy about the refined wool article called "tops."

Tops are selected, cleaned, pure, scoured wool, and in making them the wool has lost thus far in process of manufacture a large percentage which must be sold at a greatly reduced price—that is to say, noils and the several forms of wastes. And hence a duty must be levied very much higher than that upon wool itself in order to protect the woolgrower, because if tops come in at a duty relatively lower than raw wool, then the duty on raw wool must be immediately lowered, or the flow of raw wool will decrease and the stream of tops increase, and the rate of duty on raw wool will be practically reduced just that much.

Tops represent the result of the first process from scoured wool toward the manufacture of cloths, yarns, and so forth.

Tops, as such, are first mentioned in the tariff act of 1890, although they would have found a place in the so-called "basket clause" in preceding acts, which provided for manufactures of every description not specifically enumerated. The language of the act of 1890 was as follows:

390. Wools and hair of the camel, goat, alpaca, or other like animals, in the form of roping, roving, or tops, and all wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this act.

And by referring to the paragraph covering woolen and worsted cloths, and so forth, it will be seen that the duty on tops thus became—

On manufactures valued at less than 30 cents a pound, three times the duty on a pound of first-class unwashed wool plus 40 per cent ad valorem.
Valued from 30 cents to 40 cents, three and one-half times plus 40 per cent.
Valued at more than 40 cents, four times plus 50 per cent.

The price of tops abroad has run from 35 cents to 60 cents per pound.

Tops were next mentioned in the act of 1894, which made raw wool free, in the grease or scoured. The duty placed upon tops in that act was 20 per cent ad valorem, the language of the law being as follows:

279. On flocks, mungo, shoddy, garnetted waste and carded waste, and carbonized noils or carbonized wool, 15 per cent ad valorem, and on wool of the sheep, hair of the camel, goat, alpaca, or other like animals, in the form of roving, roping, or tops, 20 per cent ad valorem.

Tops were covered by the Dingley Act as follows:

364. Wool and hair which have been advanced in any manner or by any process of manufacture beyond the washed or scoured condition, not specially provided for in this act, shall be subject to the same duties as are imposed upon manufactures of wool not specially provided for in this act.

This clause is exactly, word for word, like that of the 1890 act, except for the omission of the lines in which were enumerated the various forms of wool and hair so advanced, and so forth.

The act of 1894 was not considered to be the woolgrowers' friend, but it did propose to give the wool manufacturers some manner of protection, and the 20 per cent ad valorem duty which Congress then placed upon tops was its conception of the difference in value brought about by the labor performed and by taking out a large percentage of short and less valuable wool.

And even under the act of 1894, when scoured wool could be, and was, imported free of duty, large quantities of tops were imported, notwithstanding the 20 per cent ad valorem difference between scoured wool and tops (equal to a displacement of 20,000,000 pounds of raw wool). This proves the great difference in value between scoured wool and tops.

Probably the reason for specifically mentioning tops in the law of 1890 was the result of a ruling of the Treasury Department officials, following the act of 1883, under Mr. Cleveland's first administration. That ruling permitted "broken tops" to come in as "waste," at 10 cents per pound.

Is it any wonder, then, that the subject of tops became a live wire, and that its consideration challenged the attention of manufacturers and growers alike, but more especially the latter, as this misruling of the department had permitted a product which, according to the act of 1894, was considered to be 20 per cent more valuable than scoured wool, to come in at less than one-third the tariff on scoured wool?

In the Dingley Act it was thought best to allow tops to go back into the "basket clause," where they would bear the same relation to scoured wool as before, except that noils, which compose one of the wastes and amount to practically one-sixth of the scoured wool, were reduced from 30 cents a pound to 20 cents, noils being considered to be worth only 60 per cent of the value of scoured wool.

This reduction of 33⅓ per cent in noils gave an advantage to carded wool manufacturers and to such other manufacturers, if any, as required noils, domestic and foreign, for use in the manufacture of their product.

Of course whatever wool is imported in noils displaces that much clean wool.

Tops are now made of all grades of wool grown in this country. Nearly every pound we grow can be combed and made into tops with the late inventions of French and American combs, short though the staple may be. Even the taglocks may become handsome combed top.

I have here [exhibiting] a sample of taglock and a sample of top made from similar taglocks. The tags are about as ordinary and unattractive looking a lot as could be shown, while the combed product is smooth and attractive. If all of our home product should be combed, then every pound of it would yield noils; and as the worsted makers who use tops for their yarns can not use their noils, and as the carded wool makers are the only consumers of noils, it would seem that the latter could themselves make the price, for the worsted spinners must dispose of noils in one of the following ways:

First. Sell them to carded-wool manufacturers.
Second. Export them and sell abroad.
Third. Go into the carded-wool manufacturing business themselves.

Again, if our importations are raw wool, then the tops are made therefrom on this side, and the noils also. So there would seem to be no necessity for the importation of noils.

The carded-wool manufacturers are certainly worthy, and we would accord them every attention; but up to this time I have not been able to get from them any plan for a change in duties that does not involve unfavorable results for the woolgrowers.

Ad valorem duties have never been satisfactory.

Mr. President, regarding the carded-wool manufacturers, some of them complain of the schedules. At the time the rates of the wool schedule were determined upon—before the 1867 tariff—very little worsted was manufactured in this country, in fact, scarcely any at all, and, therefore, it was practically all carded wool, and whatever influence was exercised by the manufacturers in gaining this schedule, now deemed too high as to woolen goods, or whatever inequalities, if any, there may be in the tariffs on wools of different shrinkages, came from efforts of the carded-wool men, as they were the dominant party in all of those negotiations. Rates and ratios have not materially changed, but have been much the same in the tariff acts of 1867, 1890, and 1897.

Noils, which seem to be one of the products of which the carded-wool people complain, were made 10 cents lower, or 20 cents per pound in the Dingley Act, while they were 30 cents per pound in the McKinley Act.

Noils are only one of the many waste products, there being very many others, such as slubbing, garnetted waste, ring waste, roving waste, top waste, yarn waste, and thread waste; also the commoner kinds, such as mungo, shoddy, and general waste. Slubbing, garnetted waste, and so forth, are used in the worsted manufactures, the others in the carded manufactures.

We have had various experiences and examples in importing these wastes in their effect upon our domestic wool. Every pound of these wastes imported displaces from 1 to 3 pounds of domestic wool, and of course rags, shoddy, mungo, flocks,

and so forth, are, to an extent, a fraud upon the consumer. They are used to thicken and make cloths heavier. Portions are woven in so that they will stay in place and give some wear as well as warmth, but much of the material rubs off, as many of us know, by finding large deposits in the linings and around the bottoms of our coats and vests. When the Wilson law made all of these wastes free, the tremendous increase in their importation was phenomenal, notwithstanding all kinds of raw wool were free.

In the first year after the passage of the Wilson-Gorman law importations which had been but 1,000,000 or less per annum before, increased to over 20,000,000 pounds, displacing about 60,000,000 pounds of our domestic wool in grease; this, too, when foreign wools came in free. The only protection our people have against the filthy rags and old clothing of foreign countries, which are ground up into shoddy, mungo, flocks, and so forth, for use, is to put a high tariff upon them—I personally wish that it might be prohibitive—so that pure wools may be imported as freely as may be to cover the difference between the amount of wool we raise and the amount we consume.

This would lessen the temptation for this counterfeiting, diluting, and, I might almost say, swindling business of grinding up and selling over and over again for decades and centuries rags and refuse of what was once pure wool and woven into good, honest cloth. But as the Wilson-Gorman Act was a failure—was acknowledged so in every respect as to its effect on wool and woolen imports—I will let it drop for the present as a bygone folly, and will turn back to the effect of the act of 1883, which, while leaving the woolgrowers' rates on wool at satisfactory figures, did not leave margin enough, the manufacturers were not given the proper ratio, and hence they were driven into the use of these wastes.

Importations under act of 1883.

RAGS, SHODDY, MUNGO, WASTE, AND FLOCKS.

Year ending June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average price.	Ad valorem.
		Pounds.				*Per ct.*
1884	10 cents per pound	1,225,360.50	$533,739.00	$122,536.05	$0.436	22.97
1886	do	2,696,517.00	919,771.00	269,651.70	.341	29.32
1887	do	4,902,381.00	1,855,618.00	490,238.10	.379	26.41
1888	do	4,057,731.00	1,576,013.00	405,773.10	.388	25.75
1889	do	8,478,984.00	3,339,480.00	847,898.40	.394	25.39
1890	do	4,985,266.00	2,037,731.00	498,526.60	.409	24.46

CLOTHS.

[Values not exceeding 80 cents per pound.]

1884	35 cents per pound and 35 per cent.	383,055.83	$242,975.17	$219,110.80	$0.634	90.17
1886	do	510,377.80	313,678.81	288,419.83	.615	91.95
1887	do	1,117,564.40	713,315.94	640,808.21	.638	89.81
1888	do	1,736,705.86	1,072,993.27	983,394.69	.618	91.65
1889	do	1,915,138.16	1,124,766.18	1,063,966.68	.587	94.59
1890	do	7,715,276.96	5,156,205.19	4,505,018.95	.668	87.37

MANUFACTURES OF WOOL, N. S. P. F.

[Values not exceeding 80 cents per pound.]

1884	35 cents per pound and 35 per cent.	68,101.25	$41,307.17	$38,292.98	$0.607	92.70
1886	do	99,540.50	61,691.78	56,431.30	.608	91.47
1887	do	123,783.46	80,510.00	71,502.76	.650	88.81
1888	do	109,508.60	62,771.00	60,297.85	.573	96.06
1889	do	304,720.72	121,838.00	114,295.60	.595	93.81
1890	do	260,636.93	157,133.85	146,219.85	.603	93.05

[Values above 80 cents per pound.]

1886	35 cents per pound and 40 per cent.	574,713.39	$998,955.80	$900,732.02	$1.74	60.14
1887	do	993,500.11	1,421,735.00	916,419.10	1.43	64.46
1888	do	700,826.43	1,021,284.28	653,808.05	1.46	64.02
1889	do	594,417.38	905,833.46	570,379.46	1.52	62.97
1890	do	982,690.48	1,458,112.87	929,186.82	1.48	63.50

FLANNELS.

[Values above 40 and not exceeding 60 cents per pound.]

1883	18 cents per pound and 35 per cent.	3,890.63	$1,939.00	$1,378.96	$0.498	71.12
1887	do	4,653.37	2,653.37	1,796.10	.551	67.69
1888	do	310,306.03	158,306.03	111,222.75	.511	70.26
1889	do	367,299.50	189,848.00	132,560.71	.517	69.82
1890	do	266,344.50	142,121.66	97,684.60	.534	68.73

Importations under act of 1883—Continued.

[Values above 60 and not exceeding 80 cents per pound.]

Year ending June 30—	Rate of duty.	Quantity.	Value.	Duty collected.	Average price.	Ad valorem.
		Pounds.				*Per ct.*
1886	24 cents per pound and 35 per cent.	8,985.00	$6,216.30	$4,332.10	$0.692	69.69
1887	do	136,889.00	100,633.33	68,075.03	.735	67.65
1888	do	315,578.13	229,733.65	156,145.53	.728	67.97
1889	do	477,848.72	342,697.34	234,579.32	.717	68.45
1890	do	461,965.88	335,136.14	228,109.45	.725	68.08

[Values above 80 cents per pound.]

1886	35 cents per pound and 40 per cent.	36,920.44	$39,530.31	$28,745.29	$1.07	72.66
1887	do	77,007.15	81,722.45	59,673.03	1.06	73.02
1888	do	226,709.60	254,067.83	180,975.50	1.12	71.23
1889	do	521,470.43	587,301.13	417,435.21	1.13	71.09
1890	do	630,902.30	765,205.77	526,929.68	1.21	68.86

YARNS, WOOLEN AND WORSTED.

[Values above 30 and not above 40 cents per pound.]

1883	20 cents per pound and 35 per cent.[a]	2,406.33	$629.51	$701.60	$0.292	111.45
1886	12 cents per pound and 35 per cent.	1,358,463.38	471,863.05	316,108.03	.375	67
1887	do	681,086.43	241,074.00	163,706.28	.365	67.90
1888	do	500,949.40	182,735.40	124,071.26	.365	67.90
1889	do	409,050.00	150,052.00	101,804.21	.364	67.71
1890	do	737,762.13	282,054.00	187,130.36	.383	66.35

[Values above 40 and not above 60 cents per pound.]

1883	30 cents per pound and 35 per cent.[a]	1,958.00	$999.35	$999.17	$0.510	99.77
1886	18 cents per pound and 35 per cent.	1,353,836.75	733,584.41	500,445.20	.542	68.22
1887	do	753,903.72	410,264.12	279,311.35	.544	68.08
1888	do	1,985,028.48	1,094,621.20	740,422.55	.551	67.64
1889	do	2,567,050.00	1,446,064.66	969,193.22	.563	66.95
1890	do	1,198,405.67	657,929.15	445,964.15	.549	67.79

[Values above 60 and not above 80 cents per pound.]

1883	40 cents per pound and 35 per cent.[a]	87,467.25	$64,759.15	$64,759.15	$0.740	89.03
1886	24 cents per pound and 35 per cent.	1,196,202.50	819,258.82	573,829.19	.685	70.04
1887	do	1,275,944.70	875,280.12	612,550.51	.686	69.98
1888	do	820,656.80	551,819.00	390,094.28	.672	70.69
1889	do	726,023.51	475,973.00	340,836.20	.656	71.61
1890	do	1,180,144.63	795,064.00	561,507.11	.674	70.62

MANUFACTURES OF WORSTED, THE HAIR OF THE ALPACA, GOAT, OR OTHER ANIMALS, N. S. P. F. (EXCEPT SUCH AS ARE COMPOSED IN PART OF WOOL).

[Values above 40 and not exceeding 60 cents per pound.]

1883	30 cents per pound and 35 per cent.[a]	124,096.50	$66,950.00	$60,661.46	$0.539	90.61
1884	18 cents per pound and 35 per cent.	577,519.25	327,928.00	218,693.31	.568	66.71
1886	do	2,057,737.50	1,125,444.00	764,297.97	.547	67.91
1887	do	1,588,069.60	859,029.70	586,512.92	.541	68.28
1888	do	2,223,739.25	1,231,701.00	831,368.42	.554	67.50
1889	do	3,707,698.97	2,047,427.00	1,383,985.28	.552	67.60
1890	do	518,723.25	275,636.00	199,889.28	.531	68.88

[Values above 60 and not exceeding 80 cents per pound.]

1883	40 cents per pound and 35 per cent.[a]	374,543.25	$272,959.00	$245,352.95	$0.729	89.89
1884	24 cents per pound and 35 per cent.	777,327.25	560,219.08	382,635.23	.721	68.30
1886	do	2,795,244.60	1,992,840.53	1,368,352.80	.713	68.66
1887	do	3,785,978.60	2,740,630.00	1,867,855.30	.724	68.15
1888	do	4,616,268.85	3,358,232.00	2,283,285.71	.727	67.99
1889	do	5,949,772.34	4,202,352.00	2,896,768.55	.707	68.98
1890	do	500,278.25	354,331.00	244,082.68	.708	68.89

[Values above 80 cents per pound.]

1883	50 cents per pound and 35 per cent.[a]	438,775.77	$608,803.00	$432,468.94	$1.39	71.04
1884	35 cents per pound and 40 per cent.	1,234,677.25	1,508,724.00	1,035,626.67	1.22	68.64
1886	do	1,483,811.38	2,098,553.03	1,358,755.24	1.41	64.75
1887	do	1,343,256.80	1,469,661.75	1,058,004.68	1.09	71.99
1888	do	1,251,398.58	1,313,851.26	963,580.09	1.05	73.34
1889	do	2,298,026.58	2,576,565.50	1,834,935.58	1.12	71.22
1890	do	1,181,260.88	1,308,514.41	936,847.13	1.11	71.60

[a] Under act of 1867 rates.

Number of pounds of wool imported in form of wastes or manufactures.

	1883.	1889.
	Pounds.	*Pounds.*
Wastes	3,676,080	25,437,952
Cloths	1,187,460	23,462,210
Manufacturers of wool n. o. p. f.	2,503,155	4,712,668
Yarns	319,226	14,042,440
Worsteds	1,994,556	38,629,880
Total	9,680,477	106,285,150

The importations thus shown in the five years from 1884 to 1889 amount to increases from less than one and one-quarter million pounds to almost eight and one-half million pounds; and the number of pounds of wool imported in the form of waste or manufactures increased from 9,680,477 pounds in 1883 to 106,285,150 pounds in 1889.

I submit herewith a table showing the number of sheep in 1840, 1850, 1860, 1867, and every year thereafter, the values being given for each year, beginning with 1868.

I also submit a table of the products, imports, and so forth, of wool for 1840, 1850, 1860, 1864, and from that time up to and including 1908. I want to say in passing that in 1860, when the annual record I submit commenced, we were importing in wools and cloths 42.6 per cent of our consumption. Since that time it has run as low as 11.9 per cent in the year 1868, which was immediately after the civil war, when immense quantities of woolen army stuffs were distributed. It has run as high as 57.8 per cent in 1897; has run above 45 per cent for several years, and in others above 40 per cent. But in 1908—the lowest year—it was but 27.9 per cent.

I call attention to this showing because the claim is often made that protection of the woolgrower is a failure, since the number of sheep is growing less and less, while our wants for wool are growing more and more.

An examination of all of the figures which I have submitted will show:

First. That if we had had a continuance of protection, such as has been afforded for less than half of the time, we would have been growing all of our own wool.

Second. That notwithstanding the many years when we have suffered from insufficient protection, we have nevertheless increased a fair average.

The world's flocks of sheep number practically 500,000,000 head. In 1894 it was nearly 527,000,000, but had decreased up to 1904 to a little over 450,000,000, being a decrease of almost 72,000,000 head, or nearly 14 per cent, which occurred in the countries that did not have protection for the woolgrowers. Some part of it, and quite a large part, was caused by the drought in Australasia. The total number of sheep in Australasia in 1903—at the time of this low ebb in the world's number of sheep—was 75,765,457. But the figures of 1907 show that their flocks have increased with the good seasons and good prices since that time to 108,871,681 head. This increase of 33,106,224 head in four years is extremely interesting, as it shows an increase of about 44 per cent, or 11 per cent per annum, and shows what sheep may do under favorable circumstances.

In this country the sheep are widely distributed. We have no general droughts, such as beset the woolgrowers in Australasia, but, on the other hand, we have to contend with unfavorable weather conditions, high values of land, and lack of pasturage; nor do we have the benefits which the government of Australasia bestows upon the flock masters in that country.

During the consideration of House bill 9051, Fiftieth Congress, second session, on January 21, 1889, Senator Vance, of North Carolina, stated that Australasia led the world in the number of sheep and lambs, and he presented the following tables (CONGRESSIONAL RECORD, vol. 20, pt. 2, 50th Cong., 2d sess., p. 1031):

Table showing the number of sheep and lambs of the principal wool-producing countries of the world.

SHEEP AND LAMBS.

	Number.
Russia in Europe (1882)	47,508,966
United Kingdom (1886)	28,955,240
France (1885)	22,616,547
Spain (1878)	16,939,288
Germany (1883)	19,189,715
Hungary (1884)	10,594,831
United States of America (1887)	44,759,314
Argentine Republic (1885)	75,000,000
Uruguay (1884)	15,921,069
Australasia (1884 and 1885)	78,888,710
India (1877 and 1878)	17,140,757
Cape Colony and Natal (1875 and 1885)	11,815,225

Table showing the raw wool produced in each of the principal wool-producing countries of the world.

QUANTITIES PRODUCED.

	Pounds.
Russia in Europe (1884)	262,966,000
United Kingdom (1885)	135,936,000
France (1882)	80,138,000
Spain (1878)	66,138,000
Germany (1881)	54,894,000
Hungary (1885)	43,146,000
United States of America (1885)	302,000,000
Argentine Republic (1885)	283,047,000
Uruguay (1884)	59,084,000
Australasia (1885–1886)	455,470,000
British East Indies	36,354,000
Capa Colony and Natal (1885)	46,605,000

These tables showed that the United States was second in wool producing and fourth in number of sheep and lambs of all the countries in the world.

WOOL PRODUCTION OF THE ARGENTINE REPUBLIC.

Census reports of May, 1905 and 1908, show the following:

		1905.	1908.
Sheep and lambs	number	74,379,562	67,211,754
Exports of wool	pounds	421,098,000	386,981,000

Wool production has to be figured by the wool exportation; and as little, if any, manufacturing of woolens occurs in Argentina, the figures showing exports would be practically the full production.

In order to show the prices of wool, rags, shoddy, wastes, and so forth, I submit here the following tables, which give the market rates on May 15:

Boston wool market—Domestic wools.

[From the Commercial Bulletin, Boston, Mass., May 15, 1909.]

OHIO AND PENNSYLVANIA FLEECES.

XX	34 @ 35
X	32 @ 33
No. 1 washed	39 @ 40
No. 2 washed	39 @ 40
Fine unwashed	24 @ 25
Fine unmerchantable	26 @ 27
⅜ blood combing	31 @ 32
⅝ blood combing	31 @ 32
½ blood combing	30 @ 32
Delaine washed	39 @ 40
Delaine unwashed	31 @ 32

MICHIGAN, WISCONSIN, AND NEW YORK FLEECES.

Fine unwashed	23 @ 24
Delaine unwashed	28 @ 30
¼ blood unwashed	30 @ 31
⅜ blood unwashed	30 @ 31
¼ blood	29 @ 30

KENTUCKY, INDIANA, AND MISSOURI.

⅜ blood	30 @ 31
½ blood	29 @ 31
Braid	24 @ 25

Scoured values.

TEXAS.

Fine 12 months	65 @ 67
Fine 6 to 8 months	58 @ 60
Fine fall	53 @ 55

CALIFORNIA.

Northern	63 @ 65
Middle county	55 @ 58
Fall, free	45 @ 48
Fall, defective	37 @ 38

OREGON.

Eastern No. 1 staple	68 @ 70
Eastern clothing	60 @ 62
Valley No. 1	53 @ 55
Valley No. 2	52 @ 53
Valley No. 3	47 @ 50

TERRITORY.

Fine staple	70 @ 72
Fine medium staple	68 @ 70
Fine clothing	65 @ 66
Fine medium clothing	63 @ 65
⅜ blood	65 @ 67
½ blood	62 @ 63
¼ blood	65 @ 66

PULLED.

Extra	70 @ 72
Fine A	63 @ 66
A supers	55 @ 60
B supers	46 @ 53
C supers	30 @ 35
Fine combing	60 @ 65
Medium combing	54 @ 58
Coarse combing	47 @ 50
California finest	65 @ 70
California second	55 @ 60

Foreign wools—Classes I and II.

AUSTRALIAN—SCOURED BASIS.

Port Philip combing:	
80s	88 @ 90
70s	84 @ 85
64s	78 @ 80
60s	74 @ 75

NEW SEALAND.

Crossbreds:			
36s to 40s	44	@	46
40s	45	@	47
46s	53	@	57
50s	60	@	62
56s	63	@	66
Geelong 46s	57	@	60
Geelong 50s	65	@	67
Geelong 56s	68	@	70
Geelong 60s	78	@	82

MONTEVIDEO.

Grease:			
Fine combing	34	@	35
Primera	31	@	32
Merino	32	@	33

ARGENTINE CROSSBREDS.

Lincoln	29	@	30
Low ¾ blood	31	@	32
Straight ¾ blood	34	@	35
High ¾ blood	35	@	36

ENGLISH AND IRISH.

Lincoln wether	29	@	31
Irish hogs super	37	@	38
Irish wether	35	@	36
Shropshire hogs	36	@	38
Shropshire wether	34	@	36

CLASS III.

Aleppo washed	30	@	32
Angora	16	@	—
Bokhara, colors	15	@	16
Bokhara, white	21	@	22
China combing	19	@	20
China ordinary	14	@	15
Donskoi combing	28	@	29
Donskoi ordinary	24	@	25
Jorias	27	@	29
Kandahar	26	@	27
Karadi choice	—	@	—
Karadi ordinary	—	@	—
Khorassan first clip	20	@	22½
Khorassan second clip	19	@	20
Vickaneer	27	@	28
Mossul	—	@	—
Scotch	18	@	19

NOILS.—There was an improvement in demand for all fine noils, both domestic and foreign. Some dealers are well sold up. Coarse grades are also receiving a fair share of attention, and some sellers have advanced their prices during this past week. One-fourth blood noils range from 21 to 26 cents; three-eighths noils, best grades, 32 to 33 cents, lower grades, 28 to 31 cents; one-half blood, 40 to 45 cents, lower grades, 38 to 39 cents; fine domestic noils, 50 cents; fine Australian, 60 cents; fine Australian, carbonized, 65 to 70 cents.

SHODDIES.

White yarn, best all wool	40	@	—
White knit stock, best fine all wool	30	@	35
White knit stock, No. 2	25	@	28
New blue clip, best, fine	22	@	25
New blue clip	17	@	18½
New black, fine worsted	28	@	30
Light yarn, extra fine	25	@	28
Dark mixed, extra fine, and free from cotton and silk	22	@	24
Medium to coarse goods all-wool yarn	14	@	16
Red flannel, all wool	22	@	24
Red knit stock, strictly all wool	22	@	24
No. 2 dark blue, hosiery, not all wool	14	@	16
Fine dark merino, all wool No. 1	18	@	22
Medium dark merino, all wool No. 2	15	@	17
Fine light merino, all wool	26	@	28
Fine black merino, all wool	20	@	26
Medium light merino, all wool	16	@	18
Fine black, No. 2	17	@	20
Medium black	14	@	16
Fancy colors, all wool	20	@	24

EXTRACTS.

Regular gray	11	@	12
Black	13	@	14
Light	16	@	18
Fancy colors	14	@	21
Choice black, strictly fine	20	@	22

NEW CLIPS.

Fine merchant tailors' clips	7	@	8
Merchant tailors' clips	6	@	7
Factory wool clips	5	@	6
Choice light	10	@	12
Ordinary light clips	7	@	8
Plain blacks	—	@	7½
Fine dark	7	@	8
Medium dark	4	@	5
Plain blues	6	@	8
Black worsteds	14	@	16
Blue worsteds	10	@	12
New fancies	12	@	13
New blue serges	10	@	11
New black serges	9	@	10
Mixed unions	1¾	@	2
Light unions	2	@	2½
Blue unions	2½	@	2¾
Fine dark unions	2¼	@	2¾
Ordinary dark unions	1¾	@	1¾
New satinets	1¾	@	2
Cloakings	3	@	3½
New blue flannels	15	@	16
New scarlet flannels	18	@	19

SOFTS AND MERINOS.

Soft woolens, best	5	@	5½
Soft woolens, ordinary	4¾	@	4¾
Soft woolens, ordinary	4¼	@	4½
Soft woolens, old red flannels	10	@	11
Soft woolens, old blue flannels	6½	@	7½
White softs	14	@	15
Old reds, seamed	13½	@	14
Thibets	17	@	18
Merinos, fine light	15	@	17
Coarse light	7	@	7½
Fine dark	9	@	10½
Coarse dark	—	@	5
Black merinos, fine	10½	@	11½
Fine dark flannels	—	@	8½
Seamed	18	@	20

LINSEYS AND MISCELLANEOUS.

Linseys, common gray	½	@	¾
Best	¾	@	1
White	—	@	2
White flannel	—	@	2½
Blues	1¾	@	2
Browns, nom	2	@	2¼
Plaids	1½	@	2
Mixed woolens	1½	@	1½
Old satinets	¾	@	¾
Black slatings	1½	@	1½
Carpets, wool	2½	@	2½
Carpets, hard backs	—	@	½
Carpets, soft backs	¼	@	½
Carpets, linsey	1	@	1¼
Wool hats, skirted	2	@	2½
Wool hats, unskirted	1¾	@	1¾
Wool hats, "rob't"	1½	@	—
Felt hats	—	@	2

KNITS.

Knit, stock, red	—	@	10
Brown	7½	@	8
Light gray	7	@	8
Light fancy	—	@	8
Fancy stockings	—	@	8
Blue knit	6½	@	7
Clear hoods	10	@	11
White knit stock	15	@	16
White stockings	13	@	14

CLOTH AND DELAINES.

Rough cloth	1½	@	1½
Skirted, dark	—	@	2½
Skirted, light	4	@	4½
Skirted, blue	2½	@	2½
Skirted, black	—	@	2½
Black serge	4½	@	4½
Blue serge	5	@	5½
Black skirted worsted	—	@	6
Dark skirted worsted	4½	@	5
Light skirted worsted	7	@	7½
Seams mixed	—	@	85
Delaine skirted	1½	@	1¾
Unskirted	—	@	¾

Old materials.

WOOL WASTE—ALL WOOL.

Fine white worsted yarn	45	@	50
Medium white worsted yarn	28	@	30
Coarse white worsted yarn	22	@	24
Carpet white worsted yarn	16	@	19
Fine colored worsted yarn	15	@	20
Medium colored worsted yarn	10	@	16
Coarse colored worsted yarn	7	@	9
Fine white carded	20	@	22
Medium white carded	16	@	18
Low-grade white carded	—	@	15
Cotton mixed colored	3	@	5
Burr waste white	8	@	10
Burr waste dark	2	@	3
Flyings	10	@	12
Fine headings	6	@	9
Sweepings	—	@	1

FINE ALL WOOL FLOCKS.

White shear	6	@	8
Black and blue shear	4	@	5
Indigo-blue shear	6	@	7
No. 1 black cut	4	@	5
Dark black cut	2	@	3
Light gig	1	@	2
Dark gig	1	@	1½
Mill flocks	½	@	¾
All-wool fancy shears	1½	@	2
Bones	70	@	75

As there has been much said in debate about cotton and woolen companies' dividends, I submit the following as to cotton mills' dividends and prices of stocks of such corporations:

A GOOD SHOWING.

[From Fibre and Fabric.]

In view of the improved conditions in cotton manufacture since last fall, it is not surprising that the dividends declared by the Fall River mills for the second quarter of 1909 should make a favorable showing. Out of 35 mills in that textile center only one passed its dividend, the average rate of all being a trifle over 1.59 per cent, or on the basis of 6¼ per cent per annum.

The showing for the third quarter is likely to be better than that for the second, the improved demand for mill shares and the rising tendency which quotations on the latter have shown lately foreshadowing increased or extra dividend disbursements in some instances in the near future. The mills are doing a good, steady business; and while in most cases the unit of profit is not as large as it has been in some previous years, the surpluses of the mills are being steadily and materially enlarged. Financially, the Fall River mill corporations are in excellent condition, which will benefit stockholders in a substantial way before many months have passed.

COTTON MILL DIVIDENDS—FALL RIVER CORPORATIONS EARNED AN AVERAGE OF 1.59 PER CENT FOR SECOND QUARTER.

The statement of dividends paid or declared by the cotton manufacturing corporations of Fall River for the second quarter of 1909 shows a total of $396,400 on a total capitalization of $26,525,000. Excluding the Ancona common, the Barnaby Manufacturing Company's stock, and the increased capital of the Davis Mills and Sagamore Manufacturing Company, in all of which no dividend has been declared, and leaving a total of $24,925,000 in capital, the total of dividends declared gives an average of 1.59+ per cent.

The Barnaby is the only corporation in the list that passed its dividend. Last quarter it was also the only one to pass. The total amount paid last quarter was $396,400, and the average, figured with similar omissions of capital, was 2.73+ per cent. A dividend of 25 per cent, part in that quarter, by the Union, was almost entirely responsible for the large average. For the last quarter the Union paid only its regular amount, 1½ per cent. There was only one other change in rate from last quarter, the Troy paying 3 per cent this time.

For the second quarter of 1908 the total amount paid was $410,025.50, an average of 1.64 per cent. For the first quarter of 1906, $428,650, average 1.88 per cent; second quarter, $289,025, average 1.26 per cent; third quarter, $367,275, average 1.58 per cent; fourth quarter, $381,895, average 1.74 per cent; 1907, first quarter, $605,895, average 2.56 per cent; second quarter, $524,525, average 2.11 per cent; third quarter, $664,850, average 2.66 per cent; fourth quarter, $901,350, average 3.60 per cent; 1908, first quarter, $561,550, average 2.25 per cent; second quarter, $410,025.50, average 1.64 per cent; third quarter, $399,642, average 1.45 per cent.

Haffards & Co.'s statement is as follows:

Name of corporation.	Capital.	Rate.	Amount.
American Linen Co	$800,000	1½	$12,000
Ancona Co	[a] 100,000 [b] 200,000	1½	1,500
Arkwright Mills	450,000	1½	6,750
Barnard Manufacturing Co	495,000	1½	7,425
Bourne Mills	1,000,000	1	10,000
Border City Manufacturing Co	1,000,000	1½	15,000
Barnaby Manufacturing Co	350,000		
Chace Mills	1,200,000	2	24,000
Cornell Mills	400,000	2	8,000
Conanicut Mills	[c] 300,000	1½	3,775
Davis Mills	1,250,000	[d] 1½	7,500
Davol Mills	500,000	1½	7,500
Flint Mills	580,000	1½	8,700
Granite Mills	1,000,000	2	20,000
Hargraves Mills	800,000	1½	12,000
King Philip Mills	1,500,000	1½	22,500
Luther Manufacturing Co	350,000	1½	5,250
Laurel Lake Mills	600,000	2	12,000
Merchants Manufacturing Co	1,200,000	1½	18,000
Mechanics Mills	750,000	1½	11,250
Narragansett Mills	400,000	2	8,000
Osborn Mills	750,000	1½	11,250
Parker Mills	800,000	1½	12,000
Pocasset Manufacturing Co	1,200,000	1½	18,000
R. Borden Manufacturing Co	1,000,000	2	20,000
Sagamore Manufacturing Co	1,200,000	[e] 2	18,000
Seaconnet Mills	600,000	1½	9,000
Shove Mills	550,000	1½	8,250
Stafford Mills	1,000,000	1½	15,000
Stevens Manufacturing Co	700,000	1½	10,500
Tecumseh Mills	750,000	1½	11,250
Troy Cotton and Woolen Manufactory	300,000	3	9,000
Union Cotton Manufacturing Co	1,200,000	1½	18,000
Wampanoag Mills	750,000	1	7,500
Weetamoe Mills	500,000	1½	7,500
Total	26,525,000		396,400

[a] Preferred.
[b] Common.
[c] Authorized capital.
[d] Paid on capital of $500,000.
[e] Paid on capital of $900,000.

NOTE.—An average of 1.59+ per cent on the above capital, excluding Ancona common, Barnaby Manufacturing Company, and increased capital of Davis Mills and Sagamore Manufacturing Company.

New England mill stocks.

[Specially reported for Fibre and Fabric by A. B. Turner & Co., 24 Milk street, Boston.]

	Latest sale.	Par value.
Amoskeag	$301	$100
American Glue, preferred	133½	100
American Glue, common	85	100
American Linen Co	127½	100
Androscoggin Mills	204	100
Arlington Mills	133½	100
Appleton Mills	152½	100
Atlantic Cotton Mills	76¼	100
Acushnet Mills	340	100
Bates ManufacturingCo	260	100
Border City Manufacturing Co	155	100
Bigelow Carpet Co	134	100
Boston Belting Co	200	100
Boston Storage Warehouse Co	104	100
Cornell Mills	210	100
Cabot Manufacturing Co	88	100
Chicopee Manufacturing Co	103	100
Continental Mills	88½	100
City Manufacturing Co	250	100

New England mill stocks—Continued.

	Latest sale.	Par value.
Dwight Manufacturing Co	$1,195	$500
Draper Co., common	150	100
Dartmouth Manufacturing Corporation	260	100
Essex Co	200½	50
Everett Mills	130	100
E. & T. Fairbanks Co	300	500
Great Falls Manufacturing Co	204	100
Hamilton Woolen Co	80	100
Hamilton Manufacturing Co	507	1,000
King Philip Mills	180	100
Laurel Lake Mills	210	100
Lawrence Manufacturing Co	170	100
Lockwood Co	102	100
Lyman Mills	120	100
Merchants Manufacturing Co	125	100
Massachusetts Cotton Mills, Lowell	134	100
Massachusetts Mills in Georgia	105½	100
Merrimack Manufacturing Co., common	51	100
Merrimack Manufacturing Co., preferred	95	100
Naumkeag Steam Cotton Co	130	100
Nashua Manufacturing Co	517	500
Pocasset Manufacturing Co	150	100
Pacific Manufacturing Co	2,500	1,000
Pepperell Manufacturing Co	305	100
Richard Borden Manufacturing Co	192½	100
Plymouth Cordage Co	230	100
Sagamore Manufacturing Co	185	100
Tecumseh Mills	150	100
Tremont and Suffolk Mills	129	100
Union Cotton Manufacturing Co	240	100
Wamsutta Mills	138	100
Whitman Mills	150	100
West Point Manufacturing Co	130	100

And I submit the following as to profits in wool manufacturing:

THE PROFITS IN THE WOOL MANUFACTURE.

LETTER TO THE COMMITTEE ON WAYS AND MEANS BY THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, SUBMITTED FEBRUARY 10, 1909.

BOSTON, MASS., *February 9, 1909.*

Hon. SERENO E. PAYNE,
Chairman Committee on Ways and Means,
House of Representatives, Washington, D. C.

DEAR SIR: It is an assertion as old as the protective policy itself that the tariff on wool and woolens enables the manufacturers to heap up inordinate profits from their industry, and that their business is and always has been one of the most lucrative in the world. In our address of December 2, 1908, before your committee, we took the ground that the wool manufacture, as a rule, had yielded only a moderate rate of profit; that it had not proved especially attractive to investors; that stocks of corporations engaged in the industry were not eagerly sought and were rather difficult to dispose of; that dividends were relatively small; and that exceptional cases of large gains had been due to accretions of capital during a long series of years remaining uncapitalized—that is, to the undercapitalization or to extraordinary skill and good fortune in management. We cited the fact, brought out upon a careful inquiry by Gen. William F. Draper, that 65 representative Massachusetts manufacturing corporations, many of them textile concerns, had made in a decade an actual profit on the par value of their stock of a little less than 5 per cent.

We submit herewith an elaborate analysis prepared by Mr. Frank A. Ruggles, statistician, showing the average annual net earnings of a large number of New England textile corporations, most of them engaged in the manufacture of cotton, but seven of them engaged either wholly or partly in the manufacture of wool. This analysis covers a twenty-year period, and we believe that it is in many ways the fullest statement of the kind that has thus far been prepared. It will be observed that 38 cotton-manufacturing companies included in this analysis show an average net return of 6.38 per cent on their average capital stock, and that seven companies engaged in wool or wool and cotton manufacturing show an average net return of 7.08 per cent on their average capital stock. Considering the peculiar hazards of the wool-manufacturing industry, because of the capricious changes of fashion, requiring frequent alterations in machinery as well as in the products of the mills, we think it must be agreed that these are no more than reasonable rates of profit, no more than fair compensation to the manufacturers for the risks they run, and, indeed, no greater profits than are derived from other manufacturing industries or from important business undertakings in other sections of the country.

BOSTON, MASS., *December 19, 1908.*

Mr. WILLIAM WHITMAN,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: Herewith I hand you condensed and detailed statistics covering the financial operations and stock-market fluctuations for the past twenty years of 44 companies and for the past ten years of 1 company, the list comprising 38 engaged in cotton, 3 engaged in wool, and 4 engaged in wool and cotton together.

This list of companies includes all of those whose stocks have been bought and sold with reasonable frequency in the Boston market over a period of twenty years.

Accompanying this letter are 3 compilations, marked A, B, and C, and 45 separate sheets, covering in detail the record of each company by single years, giving capitalisation, par value of stock, dividends paid, and record of public sales of stock for each year, the high and low quotations being taken.

Common stock which has been issued as a bonus with preferred stock is omitted from these compilations.

Schedule A covers the operations of all the companies for the period from January 1, 1889, to December 10, 1908, and gives the average capitalization for the period, the average annual net return after de-

ducting losses in capital from dividends paid, and the percentage of net return on the average capital stock.

From Schedule A we derive the following results:

Forty-five companies, with an average capitalization of $77,156,615, have shown an average net return for twenty years of $5,148,775 per annum, or 6.67 per cent on the average capital stock.

Five of these companies, three engaged in cotton, one in wool, and one in wool and cotton together, with an average capitalization of $31,662,100, have shown an average net return for the twenty years of $2,896,742 per annum, or 9.10 per cent on the average capital stock.

Excluding these five companies, the remaining forty companies with an average capitalization of $45,494,515 have shown an average net return for the twenty years of $2,252,033 per annum, or 4.95 per cent on the average capital stock.

Thirty-eight cotton companies with an average capitalization of $45,209,247 have shown an average net return for twenty years of $2,886,353 per annum, or 6.38 per cent on the average capital stock.

Seven companies, all engaged in wool or wool and cotton together, with an average capitalization of $31,947,368 have shown an average net return for twenty years of $2,262,422 per annum, or 7.08 per cent on the average capital stock.

Schedule B supplements Schedule A by giving the operations of all the companies in two decades separately, the first from 1889 to 1898 and the second from 1899 to date.

From Schedule B we derive the following results:

Forty-four companies with an average capitalization of $53,022,875 during the decade 1889–1898 showed an average net return of $3,243,573 per annum, or 6.12 per cent on the average capital stock.

Thirty-eight companies engaged in cotton, with an average capitalization of $44,548,000 during the decade 1889–1898 showed an average net return of $2,613,330 per annum, or 5.87 per cent on the average capital stock.

Six companies, all engaged in wool or wool and cotton together, with an average capitalization of $8,474,875 during the decade 1889–1898, showed an average net return of $630,243 per annum, or 7.44 per cent on the average capital stock.

Forty-five companies with an average capitalization of $78,883,830 during the decade 1899–1908 have shown an average net return of $5,341,485 per annum, or 6.77 per cent on the average capital stock.

Thirty-eight companies engaged in cotton, with an average capitalization of $45,810,630 during the decade 1899–1908 have shown an average net return of $3,068,435 per annum, or 6.70 per cent on the average capital stock.

Seven companies, all engaged in wool or wool and cotton together, with an average capitalization of $33,073,200, during the decade 1899–1908 have shown an average net return of $2,273,050 per annum, or 6.87 per cent on the average capital stock.

Schedule C shows the market selling value of the stocks of all the companies on January 1, 1889, July 1, 1899, and December 10, 1908, based on quotations recorded at public auction sale in Boston, the offerings in practically every case consisting of a few shares. The schedule also includes additional capital invested during the period and the total dividends paid.

From Schedule C we derive the following results:

The market value of the stocks of forty-four companies on January 1, 1889, was $62,798,850 and on July 1, 1899, it was $61,389,950, showing a depreciation of $1,408,900. There was invested in these companies during that period $2,270,000 of additional capital, so that the total depreciation for the ten years was $3,678,900.

The market value of the stocks of forty-two companies on July 1, 1899, was $67,775,450 and on December 10, 1908, it was $117,683,200, showing an appreciation of $49,907,750. There was invested in these companies during that period $35,940,000 of additional capital, so that the net appreciation was $13,967,750.

Excluding from this last compilation the stocks of four companies, two engaged in wool and cotton together and two engaged in cotton, the market value of the stock of the remaining thirty-eight companies on July 1, 1899, was $46,996,650, and on December 10, 1908, it was $76,625,000, showing an appreciation of $29,628,350. There was invested in these companies during that period $29,820,000 of additional capital, so that the comparison actually shows a depreciation for the period of $191,650.

The market value of the stocks of forty-two companies on January 1, 1889, was $58,306,350, and on December 10, 1908, it was $84,433,200, showing an appreciation of $26,126,850. There was invested in these companies during that period $13,210,000 of additional capital, so that the net appreciation has been $12,916,850, an average of $645,840 per annum, or about 1¼ per cent per annum appreciation on the selling price January 1, 1889.

Excluding from this last compilation the stocks of 5 companies, 3 engaged in cotton and 2 in wool and cotton together, the remaining 37 companies had a market valuation of $41,392,850 on January 1, 1889, and of $43,375,000 on December 10, 1908, showing an appreciation for the period of $1,982,150. There was invested in these companies during that period $6,190,000 of additional capital, so that there has been a net depreciation in the market value of these 37 companies during the past twenty years of $4,207,850.

Respectfully submitted.

FRANK A. RUGGLES,
Statistician.

Average capitalization, average annual net return after deducting losses from dividends paid and percentage of return on average capital, 1889–1908.

Company.	Product.	Capital.	Net return.	Per cent.
Ætna	Wool	$368,750	$14,250	5.3
American Woolen	do	22,375,000	1,566,250	7
Amory	Cotton	1,212,647	90,530	7.46
Amoskeag[a]	do	4,143,000	477,880	11.53
Androscoggin	do	1,000,000	85,000	8.6
Appleton	do	[b]517,500	925	
Arlington	Wool and cotton	2,762,438	243,247	8.8
Atlantic	Cotton	1,000,000	33,000	3.3
Bates	do	1,160,000	126,000	10.85
Boott	do	[b]1,140,000	11,376	
Boston Duck	do	350,000	45,400	13
Cabot	do	724,000	20,220	2.8

[a] Wool and cotton since purchase of Manchester in 1905.
[b] Loss.

Average capitalization, average annual net return, etc.—Continued.

Company.	Product.	Capital.	Net return.	Per cent.
Chicopee	Cotton	[a]$800,625	$10,944	
Cocheco	do	1,500,000	15,000	1
Continental	do	1,500,000	7,500	.5
Dwight	do	1,200,000	142,800	11.9
Edwards	do	1,021,250	72,500	7.1
Everett	do	700,000	34,350	4.9
Fisher	do	473,500	27,100	5.74
Franklin	do	862,500	24,500	2.84
Great Falls	do	1,500,000	149,250	9.95
Hamilton	do	1,800,000	81,900	4.55
Do	Wool and cotton	1,000,000	30,250	3.02
Hill	Cotton	980,000	31,360	3.2
Jackson	do	600,000	36,600	6.1
Laconia	do	(Merged with Pepperell in 1899.)		
Lancaster	do	1,140,000	7,500	.66
Lawrence	do	1,218,750	75,000	6.15
Lockwood	do	1,800,000	92,700	5.15
Lowell Bleachery	do	335,000	1,700	.5
Lyman	do	1,470,000	56,595	3.85
Manchester	Wool and cotton	2,066,180	15,300	.75
Massachusetts	Cotton	1,800,000	101,700	5.65
Merrimack	do	2,930,000	133,813	4.57
Middlesex	Wool	750,000	30,375	4
Nashua	Cotton	1,000,000	79,250	7.92
Naumkeag	do	1,500,000	56,250	3.75
Newmarket	do	[a]745,000	23,800	
Otis	do	800,000	79,200	9.9
Pepperell[b]	Wool and cotton	2,725,000	362,750	13.3
Pacific	Cotton	2,419,100	489,832	20.2
Salmon Falls	do	600,000	18,300	3.05
Thorndike	do	529,875	47,138	8.9
Tremont and Suffolk	do	1,672,500	121,600	7.27
York	do	975,000	70,800	7.26
Grand total		77,156,615	5,148,775	6.67

[a] Loss. [b] Includes Laconia for entire period.

NOTE.—Operations of Amory and Manchester are for seventeen years and American Woolen since organization in 1899.

An examination of these figures and the great difference in the cost of scoured wools and the various wastes substituted show clearly the constant temptation for the use of the cheaper product, and it shows me—and I think it will be plain to any thoughtful person—the necessity of keeping the tariff rate on wastes at high figures, so that, while the wastes from our own product in this country may still be used, and doubtless will be used, we will not have the added rags and cast-off substitutes of foreign markets.

Table showing number of sheep in the United States.

[Sheep not enumerated prior to 1840.]

January 1—	Number.	Value.
1840	19,311,374	
1850	21,773,220	
1860	22,471,275	
1867	39,385,386	
1868	38,991,912	$98,407,809
1869	37,724,279	82,139,979
1870	40,853,000	93,364,433
1871	31,851,000	74,035,837
1872	31,679,300	88,771,197
1873	33,002,400	97,922,350
1874	33,928,200	88,690,569
1875	33,783,600	94,320,652
1876	35,935,300	93,666,318
1877	35,804,200	80,892,683
1878	35,740,500	80,603,062
1879	38,123,800	79,023,984
1880	40,765,900	90,230,537
1881	43,576,899	104,070,759
1882	45,016,224	106,594,954
1883	49,237,291	124,365,835
1884	50,626,626	119,902,706
1885	50,360,243	107,960,650
1886	48,322,331	92,443,867
1887	44,759,314	89,872,839
1888	44,544,755	89,279,926
1889	42,509,079	90,640,369
1890	44,336,072	100,659,761
1891	43,421,136	108,397,447
1892	44,938,365	116,121,290
1893	47,273,553	125,909,264
1894	45,048,017	89,186,110
1895	42,294,064	66,685,767
1896	38,298,783	65,167,735
1897	36,818,643	67,020,942
1898	37,656,960	92,721,133
1899	39,114,453	107,697,580
1900	41,883,065	122,665,913
1901	59,756,718	178,072,476
1902	62,039,091	164,446,091
1903	63,954,876	168,315,750
1904	51,630,144	133,580,099
1905	45,170,423	127,331,850
1906	50,631,619	179,056,144
1907	53,240,282	204,210,129
1908	54,631,000	211,736,009

Table showing United States product, imports, etc., of wool.

WOOL PRODUCED, IMPORTED, EXPORTED, AND RETAINED FOR CONSUMPTION: QUANTITIES, 1840, 1850, 1860, AND FROM 1864 TO 1908.[a]

Year ended June 30—	Production.[b]	Exports of domestic.	Domestic retained for consumption.	Imports.	Exports of foreign.	Foreign retained for consumption.	Total consumption, domestic and foreign.	Per cent of consumption, foreign.
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	*Pounds.*	
1840[c]	35,802,114		35,802,114	9,898,740	85,528	9,813,212	45,615,326	21.5
1850	52,516,959	35,898	52,481,061	18,695,294		18,695,294	71,176,355	26.3
1860	60,264,913	1,065,928	59,208,985	26,282,955	157,664	26,125,891	85,334,876	30.6
1864	123,000,000	155,482	122,844,518	91,250,114	223,475	91,026,639	213,871,157	42.6
1865	142,000,000	466,182	141,533,818	44,420,375	679,281	43,741,094	185,274,912	23.6
1866	155,000,000	973,075	154,026,925	71,287,988	852,045	70,435,943	224,462,868	31.0
1867	160,000,000	307,418	159,692,582	38,158,382	619,614	37,538,768	197,231,350	19.0
1868	168,000,000	558,435	167,441,565	25,467,336	2,801,852	22,665,484	190,107,049	11.9
1869	180,000,000	444,387	179,555,613	39,275,926	342,417	38,933,509	218,489,122	17.8
1870	162,000,000	152,893	161,847,106	49,230,199	1,710,053	47,520,146	209,367,254	22.7
1871	160,000,000	25,195	159,974,805	68,058,028	1,305,311	66,752,717	226,727,522	29.4
1872	150,000,000	140,515	149,859,485	126,507,409	2,343,937	124,163,472	274,022,957	45.3
1873	158,000,000	75,129	157,924,871	85,496,049	7,040,395	78,455,663	236,380,534	33.2
1874	170,000,000	319,500	169,680,500	42,959,541	6,816,157	36,123,384	205,803,784	17.5
1875	181,000,000	178,034	180,821,966	54,901,760	3,567,627	51,334,133	232,156,099	22.1
1876	192,000,000	104,768	191,895,232	44,642,866	1,518,426	43,124,410	235,019,642	18.3
1877	200,000,000	79,599	199,920,401	42,171,192	3,088,957	39,082,235	239,002,636	16.3
1878	208,250,000	347,854	207,902,146	48,449,079	5,966,231	42,496,858	250,399,004	16.9
1879	211,000,000	60,784	210,939,216	39,005,155	4,104,616	34,900,539	245,839,755	14.2
1880	232,500,000	193,551	232,308,449	128,131,747	3,648,520	124,483,227	356,791,676	34.9
1881	240,000,000	71,455	239,928,545	55,964,236	5,507,534	50,456,702	290,385,247	17.3
1882	272,000,000	116,179	271,883,821	67,851,744	3,831,836	64,029,908	335,913,729	19.0
1883	290,000,000	64,474	289,935,526	70,575,478	4,010,043	66,565,435	356,500,961	18.7
1884	300,000,000	10,393	299,989,607	78,350,651	2,304,701	76,045,950	376,035,557	20.0
1885	308,000,000	88,006	307,911,994	70,596,170	3,115,339	67,480,831	375,392,825	18.0
1886	302,000,000	147,023	301,852,977	129,084,958	6,534,426	122,550,532	424,403,509	28.9
1887	285,000,000	257,940	284,742,060	114,088,080	6,728,292	107,309,738	392,051,798	27.4
1888	300,000,000	22,164	299,977,836	113,558,753	4,359,731	109,199,022	378,176,858	28.9
1889	265,000,000	141,576	264,858,424	126,487,729	3,263,094	123,224,635	388,083,059	31.8
1890	276,000,000	231,042	275,768,958	105,431,285	3,288,467	102,142,818	377,911,776	27.0
1891	285,000,000	291,922	284,708,078	129,303,648	2,638,123	126,665,525	411,373,603	30.8
1892	294,000,000	202,456	293,797,544	148,670,652	3,007,563	145,663,089	439,460,633	33.1
1893	303,153,000	91,858	303,061,142	172,433,888	4,218,637	168,215,201	471,276,343	35.7
1894	298,057,384	520,247	297,537,137	55,152,585	5,977,407	49,175,178	346,712,315	14.2
1895	309,748,000	4,279,109	305,468,891	206,033,906	2,343,081	203,690,825	509,159,716	40.0
1896	272,474,708	6,945,981	265,528,727	230,911,473	6,036,220	224,885,227	490,413,964	45.9
1897	259,153,251	5,271,535	253,881,716	350,852,026	3,427,834	347,424,192	601,305,908	57.8
1898	266,720,694	121,139	266,599,543	132,795,202	2,504,832	130,290,370	396,889,915	32.8
1899	272,191,330	1,688,419	270,507,911	76,736,209	12,411,916	64,324,293	334,832,204	19.2
1900	288,636,621	2,200,309	286,436,312	155,928,455	5,702,251	150,226,204	436,662,516	34.4
1901	302,502,328	199,565	302,302,763	103,583,505	3,590,502	99,993,003	402,295,766	24.9
1902	316,341,033	123,278	316,217,754	166,576,966	2,104,663	163,472,303	479,690,057	34.1
1903	287,450,000	518,919	286,931,081	177,137,700	2,992,995	174,144,801	461,075,882	37.8
1904	291,783,032	319,750	291,463,282	173,742,834	2,868,053	170,879,781	462,343,063	37.0
1905	295,498,498	123,951	295,364,487	249,135,746	2,437,697	246,698,049	542,062,536	45.5
1906	298,915,130	102,481	298,732,649	201,688,668	5,450,378	198,238,290	494,960,939	39.6
1907	298,294,750	214,840	298,079,910	203,847,545	3,231,908	200,615,637	498,695,547	40.0
1908	311,139,321	182,458	310,955,863	125,980,524	5,684,357	120,296,167	431,252,030	27.9

[a] Does not include data with respect to commerce between the United States and its insular possessions after June 30, 1900.
[b] From estimates of the Department of Agriculture prior to 1896; from 1896 to date estimated by the secretary of the National Association of Wool Manufacturers.
[c] Year ended September 30.

The following is an estimate of the world's supply of wool:

[From the Daily Trade Record, New York.]

The American Wool and Cotton Reporter, in its issue of September 7, publishes the results of exhaustive researches to determine if the present world-wide elevation of wool prices is based on the fact, as is alleged, that the supply of wool is now smaller than the world's consuming demand, and that the price elevation is therefore likely to be permanent. The paper's conclusions are that no great quantity of wool can come here from any of the outside markets of the world. The result of its handling of the problem is as follows:

	Head.
World's flock of sheep in 1895	526,867,135
World's flock of sheep in 1904	455,046,936
Decrease in 9 years	71,820,199

Or 13⅝ per cent.

With the exception of the United States, all of this decrease has been in countries that do not have a tariff for the protection of woolgrowing.

The number of sheep in the United States in 1895—before the destructive effects of the free-wool Wilson tariff act had yet done its full damage—was 42,294,064, and in 1904 was 40,121,477, a decrease of only 5 per cent, while the flocks of the whole world, including those of the United States, during the same period, decreased 13⅝ per cent.

Mr. President, I want the Members of the Senate who are interested in the wool question to keep in mind one thing, that the tariff on wool and woolens is not as it may seem from a cursory glance, but is a mere bagatelle when you come to compare the total amount, if any, that a family could possibly save if there were no tariff upon wool and woolens. The total wool consumption of the United States is but little over 1½ pounds of scoured wool per capita. I do not know that there is as much as a billion pounds of scoured wool produced in the world. There never has been more than 2,600,000,000 pounds of wool in the grease grown in the entire world, which would average a shrinkage of at least 60 per cent in cleansing. This country grows from one-eighth to one-tenth of the total wool grown in the world, and it uses between one-fourth and one-fifth. That difference must be made up in some way, and all that is asked by both parties, the woolgrower and the wool manufacturer, is that the woolgrower may have an opportunity to increase his flock so that he may cover this deficit and be able to furnish all if possible, and to give the manufacturer sufficient tariff protection so that he may manufacture, first, the wool of this country, and then, if there is a deficit, bring in the raw wool from other countries in its natural state, and not in manufactured fabrics, thereby giving employment to a great number of men and women. If you disturb these relations you are bound to cut down the supply of wool grown here, you are bound to put laboring people out of employment here, and putting them out of employment in one industry simply overcrowds others.

So it seems to me perfectly plain that we are not interested in bringing in goods manufactured from any kind of wool. If fashionable tailors want to have upon their shelves, as they do to-day, a lot of cloths for gentlemen who wish to pay any price asked for a suit and do not want any other man in the country to have a suit like it; if tailors want to send abroad and order a certain number of pieces, each for one suit of clothes, and put them upon their shelves and charge fabulous prices for making them, that is a matter between the fastidious wearers and the tailors. We need not care how much they pay for such clothing if we are able to furnish, in the meantime, all necessary clothing for the poor and rich alike, and leave no necessity for bringing in woven material in woolens. We certainly injure no workingman, no consumer, regardless of what that tariff may be, because the relation of capital to labor and the relation of the industries to cash-seeking, interest-paying investments, have always made, and always will make, in this industry, a competition that will render it impossible for the cloth manufacturer to get more for his cloth on an average than what will just about pay the interest upon the capital invested.

Such has been the history of this industry, and there is no reason why it should not continue. While the whole world is producing only about two and a half billion pounds of wool in grease, and we are producing an eighth or more of it, and might produce as much more if properly cared for, with a continuous, fair, protective tariff on wool, we have no right to complain because the percentages must be high on the very few pounds per capita that we use. It is not a matter of percentages or increases or decreases. What this Nation is interested in is net results. Are we clothing our people in good clothing at cheap prices? Yes; never more so than at the present hour. Was there ever a time when we were clothing them in rags or in clothing that was an aggregation of rags that could hardly hold together? Yes. When was it? It was during free-wool times.

It was after we had been importing shoddy to the extent of only about a quarter of a million pounds per year, which importations we increased to about 40,000,000 pounds during the three years while wool was free. Our people did not want free wool. They needed shoddy. For, as a matter of fact, the people were so infernally poor during those three years under the Wilson-Gorman Act that all they could do was to buy shoddy clothing, and mighty little of that.

Mr. President, yesterday there was some inquiry made about the different processes of woolen manufacture. We were asked what we meant by carded wool and what we meant by worsted wool, and what were the various stages through which wool had to pass to become cloth. I am tempted to take a little time to give some information that I may be able to give.

We will start in the manufacture of worsted yarn, and I may say that in the manufacture of cloth, except in feltings, there must always be yarn. So, while it may not be necessary to go beyond that, it is rather necessary for us to understand the course of the wool from the sheep's back to yarn.

Here is something of the process of worsteds. We start with wool which first has to be assorted and put into its various grades, fine, medium, coarse, and so forth. Then, in well-regulated mills, it goes through a duster, which, in part, cleans it and takes out a portion of the dust and foreign substances by sending currents of air through it. This reduces it about 12½ per cent in weight. It then goes into the scouring vat, and that is the most interesting proceeding. Passing out of the scouring, we get what is known as scoured wool and a further shrinkage of all the way from 15 per cent to 50 per cent, according to the character of the wool. Then it goes through a process of drying, and after the process of drying it must be carded. Here is where the two industries, if they do not meet, are similar, because they use cards in both industries. The difference is stocking up the cards with worsted. In the carding there comes one of the products they call "waste," termed "card balls." It then goes through a process called "back-washing," which more thoroughly cleanses it. Observe, please, how many stages the wool has to go through after it becomes scoured wool, which, by many, is believed to be the acme of refinement.

You will observe further how many stages it has yet to go through before it becomes cloth, and how many stages the product called "waste" has to go through after it starts from scoured wool. Here come the card waste and card strips and card fly, all of them pure wool, and yet all termed "waste"—waste for the moment to the worsted manufacturer, but stock supply later on—which goes right back with the other stock and becomes yarn again.

From the back washing it again goes through the drying machinery. From there it starts in on a series of machines in a process called "gilling," and there comes out of the first gilling, after the back washing, the "back-wash noils;" there comes in the second gilling, "gill balls;" in the third gilling, "combed balls."

I want to say that noils are the only product in waste that carry any amount of impurity. The noils come from scoured wool; they are the shorter fibers, because in worsted the whole plan of the worsted is the length of fiber, whether short or long, that can be laid parallel and that can be twisted into fine yarns.

All these wastes were shown here as exhibits yesterday by the Senator from Montana [Mr. CARTER], every one in clean, white, pure wool.

From the third gilling it goes to the combs. Formerly combing wool was looked upon as quite a rarity. It was supposed that it must be long wool, that you could pull out in straight, long fibers in your hand and twist it and make yarn without the use of machinery. It is the second-class wool, the rate of duty on which is so much complained of by our carded-wool friends, who say that the carded-wool men have the disadvantage of having to buy for their product all heavy wool, that shrinks in percentages running from 60 to 80, while the second-class wool the worsted man buys is a class of wool that shrinks 16 to 20 per cent.

As I remarked yesterday, that is a fallacy long since exploded, because in second-class wool between 6 and 7 per cent only of the total importations, and 4 to 5 per cent only of the total consumption, have been of that class, on an average, in the last sixteen years, and even that has not gone into the worsted fabrics commonly worn by men and women in suits, but has gone into braids and luster goods. The entire growth of second-class wool is used for that purpose.

In combing wools formerly there were the luster combs, and the fiber had to be long in order to produce the product desired by worsted men.

Following the worsted processes already mentioned, there are ten more processes before we reach yarn, and during these processes seven kinds of so-called "waste products" are made, all of which are purified wool and go back into the best stock.

In carded woolen goods the scoured wool goes—after burr picking—to the cards and then to the mule and is spun into yarn. From yarn to the finished product the process is much alike in both worsted and carded-wool products.

I am going to show you here a product about as villainous looking as you ever saw in wool [exhibiting]. Here are the tags, all refuse, short in staple, ugly in appearance, crooked, and matted as you see them. Yet, Mr. President, with the machinery of to-day that wool becomes noils. This sample was taken from a lot of 50,000 pounds of tags that had fallen from perhaps a million pounds of wool. It was refuse. In former times if a man had talked of putting such material into worsted he would have been thought fit for a madhouse. The grease wool shrank 80 per cent in scouring, and in making "top" 39 per cent went to noils. Yet to-day they make that product, which, while it is slightly discolored, is nevertheless in texture a very good sample of what we term "tops." This is the progress which we have made since 1867, when the foundation was laid for our present schedule of tariffs.

Now, Mr. President, of what avail is it to rail against No. 2 wool, of which we consume only 5 or 6 per cent, and say that because its shrinkage is but 16 to 20 per cent the woolgrowers shall submit to the importation, at 20 cents a pound, of a clean product of wool called "noils" into which over 2 pounds of wool in grease to each pound of noils must enter, thereby bringing the tariff upon our wool in grease down to less than one-half of what it is now?

The pretense, Mr. President, that the woolgrower is to be benefited by a change in regard to this second-class wool will hardly bear the light of investigation if it shall develop that when we get another article of scoured wool called "tops," wool refined several times after it is scoured, it shall be brought in here at a tariff rate which would be much less than the present duty rate upon our wool.

Mr. President, it is just as easy to import into this country wool in the form of tops; it is just as easy to import it in the form of these several wastes; in fact, a great deal easier than it is to import it as wool. Therefore our interest as woolgrowers is that every pound of "waste," so called, that is imported shall bear a tariff in proportion to the tariff borne by the wool in its original state.

Mr. McCUMBER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from North Dakota?

Mr. WARREN. I do.

Mr. McCUMBER. While the Senator is discussing that feature of the subject, I should like to have him make clear to the Senate why in the doubling and trebling of the rates we have doubled, not only in this bill, but in all the previous bills, on class 1 if it is washed, and three times the amount if it is scoured on class 2, with no additional if it is washed, but three times the amount if it is scoured. Why is class 2 left out of the last proposition, even though it may be only 7 per cent of whatever it may be? I want to have that made as clear as the Senator can make it.

Mr. WARREN. I want to discuss this question with the utmost frankness, and I want to say to the Senator that objections of that kind have been filed at meetings of woolmen and woolgrowers all the way down the line, but they have had to accept a great many disappointments, small and great. This one is usually a very small one when it is explained, first, that the percentage is very, very small, and, second, that that class of wool is grown only upon sheep raised principally for mutton.

Mr. McCUMBER. Why should we compel him to waive a right? What difference will it make whether that sheep can be used for mutton or otherwise, so far as his right to have the same duty upon the washed wool of the second class is concerned?

Mr. WARREN. I was about to pass on to the further fact, which perhaps will explain more fully that the mutton sheep are naturally an open-wool sheep. The shrinkage of their wool in the grease is very light. It scours to a slight percentage, and, as I said before, does not enter into competition with No. 1 and No. 3 wool to any great extent.

Mr. DOLLIVER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. WARREN. Yes.

Mr. DOLLIVER. If the Senator from Wyoming will not be interrupted, the importations in 1907 of the second-class wool seemed to be in excess of twelve million, the total importations of wool outside of carpet wool being about ninety million. I think I may safely say to the Senator that it is running now at a rate that would amount to twenty-four million this year if it goes on as it has since last winter, which would make that variety of wool nearly one-fourth of our importations this year, and that variety in direct daily contact with the price of all the wool that is produced in States like Minnesota, Iowa, and even in the Dakotas.

Mr. WARREN. The Senator yesterday quoted the amount of wool at nine million and something, and I corrected him, by saying that it was more. It is true that it is nearly 12,000,000 pounds, including the pulled wool and the wool that comes in on skins, the entire product of No. 2, that is brought to this country, and it is also true that there were nearly 200,000,000 pounds of the other classes of wool brought in in the meantime.

Mr. DOLLIVER. One hundred million of that practically is carpet wool.

Mr. WARREN. No; not so much as that; and, furthermore, a very large proportion of third class, or so-called "carpet wool," goes into clothing, and a great deal more into blankets, as the Senator himself surely knows.

Mr. DOLLIVER. In 1897 it was only claimed that one-fourth of the carpet wool had ever gone into clothing; and that is the Bagdad wool. We took Bagdad wool out of the carpet class and put it into the clothing class.

Mr. WARREN. I beg the Senator's pardon. Documents in the archives of the Senate and House will show that it was not merely one class of wool that went into clothing, and also that the woolgrowers made a statement before the House committee that large quantities of carpet wool, as now imported, go into clothing and blankets. I have the report of it here, and I will bring it out at the proper time if the fact is disputed. Some of them claimed that as high as 80 per cent of that wool went into clothing. I do not believe so much as that went into clothing, but quite a large percentage of such wool goes into clothing and other manufactures outside of carpets, as the Senator knows and as every Senator knows who has investigated the subject. The sixteen years last past show that only about 7 per cent of the importations were second-class wools.

Mr. DOLLIVER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. WARREN. I do.

Mr. DOLLIVER. I dislike exceedingly to get into a controversy, especially on a statistical matter, with my honored friend from Wyoming about wool, but I have sought authority on the subject of what proportion of wools now called "carpet wools" have been used for clothing, and every authority I have cited, many very good ones, nonpartisan in this controversy, said that years ago there were certain wools described as "carpet wools" which did in a measure enter into the total volume of clothing wools mentioned there, especially made of Bagdad wool, which was of a character that could be converted to the use of clothing manufacture. But Bagdad wools were taken out of the list of carpet wools in 1897, and I have authority which, I think, nobody will question, certainly not without producing contradictory authority, that at present these wools that are down in our tariff law because they are carpet wools and because they are not produced at all here are of such a character that enter in no way in competition with clothing wool.

Mr. WARREN. We have the assertion of the Senator, and I respect it very much. I place my assertion alongside of it that there is a large quantity. I am perfectly willing to enter into a contest with the Senator in the filing of statistics, and on any line he may see fit, if it is only comprehensive.

Mr. DOLLIVER. I will bring them, with pleasure.

Mr. WARREN. So we will dismiss that subject for the present.

As to this paragraph, when we vote upon it we vote upon something in which the carded-wool men really have no interest—I will say that they have not the slightest interest in it, except such interest as they may have in scoured wool. The only benefit to the carded-wool men and the only benefit to the worsted men would be a reduction of the tariff on it so that the duty would be reduced upon imported wool, which would take the place of the woolgrowers' product.

Mr. DOLLIVER. If the carded-wool people have no interest, who has? What becomes of the product which the woolgrowers have?

Mr. WARREN. What becomes of the product? It all goes back into the products of the worsted mills.

Mr. DOLLIVER. But the knitting people and felt people write me that they are buying all classes of these wastes.

Mr. WARREN. But the Senator must differentiate. If he will examine his correspondence, he will find a differentiation between noils and all the other wastes. But I am speaking of these particular classes of wastes. All of them are used in the yarn mills. I have visited several mills. All these wastes go right back into the yarns that are manufactured by the worsted men.

Mr. DOLLIVER. What I wanted to impress on the Senator was that my investigations have got upon my back the troubles of a great variety of people besides the carded-wool people. I am almost as much disturbed by the protests of people who are engaged in the manufacture of knit goods and felt goods, who seem to be in almost as much trouble as the carded-wool people.

Mr. WARREN. Mr. President, I am glad the Senator has called my attention to that; and I want to assure the Senator that there is not a single manufacturer of woolen goods or of cotton goods with a little wool who would not like to have his raw material cheaper than he now has it; and if he can get his material in the form of waste cheaper than he can in the form of raw wool, he, of course, wants it that way. Where does that end? It simply means that he proposes to gouge the woolgrower out of a part of the tariff protection which belongs to him in order that it may be used in knitting or felting or cloth or anything else. It comes down to that. It is not a matter of the manufacturers, it is a matter of the woolgrowers. It is a matter that enters in competition against his wool.

The waste can be used by the knitting people, but they do not have to have it; it can be used by the felting people, but they do not have to have it; it can be used by the carded-wool men, but they do not have to have it; it can be used by the worsted mills right where it is manufactured without any loss, and is so used, and it is not an article of general sale to-day, all things being equal, unless a mill is equipped with only part of the machinery and does only a part of the process of cloth making.

Mr. DOLLIVER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. WARREN. I do.

Mr. DOLLIVER. These people represent to me that these wastes and noils differ.

Mr. WARREN. The noils do differ. I am not speaking of the waste referred to in the paragraph now before us and upon which we must first vote. Noils are not included in this paragraph.

Mr. DOLLIVER. For example, there are camel's hair tops as well as wool tops, are there not?

Mr. WARREN. The Senator from Iowa is probably as well versed about camel's hair as I am.

Mr. DOLLIVER. The bill says "hair of the sheep or camel's hair."

Mr. WARREN. It does.

Mr. DOLLIVER. "Or of other animals." Now, there are thousands of very humble manufacturers making horse blankets out of the refuse of the carpet mills—refuse in the form of noils and not top wastes; wastes that are of no value to anybody except these humble manufacturers—and that which follows here is of no importance to the woolgrower in any sense of the word, so far as I can see. Yet these cheap, worthless noils and cheap wastes and yarn waste, that have to be used by the humble manufacturer of horse blankets, bear the same top-waste duty that is assessed on these magnificent specimens of the spinner's art which were exhibited here yesterday by my honored friend from Montana [Mr. CARTER].

Mr. SMOOT. Mr. President——

Mr. WARREN. If the Senator will possess himself in patience for a moment, I will show just what kind of waste I am talking about and the kind of wastes that are referred to in this paragraph upon which we are called to vote. Then I shall ask the Senator whether they are refuse or whether they are material fit to be used only in carpets or coarse fabrics.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Utah?

Mr. WARREN. I do.

Mr. SMOOT. I merely want to state to the Senator from Iowa that the carpet makers do not use combs for making their yarns. They simply use them as three-set carded—first breaker, second breaker, and finisher.

Mr. PAGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. WARREN. I do.

Mr. PAGE. I should like to ask the Senator from Wyoming if he can not explain to the Senator from Iowa [Mr. DOLLIVER] why it is that the manufacturers of worsteds are able to use such a large percentage of this so-called "waste?" I should like to have him explain the improvement in machinery which permits the use of a shorter wool than was used ten years ago. It seems to me that that would be instructive to him.

Mr. WARREN. I thought I had covered that in speaking of the different combs. Of course, it is hard to describe what a comb is and what the process of combing wool is; but I will state briefly, if I may, something that will give that idea.

In making worsted woolens, the combing process means the straightening out of the particles, bringing them parallel with each other, and arranging the fibers so that, as one overlaps the other, when they are woven into yarn they may make a continuous, long, strong thread. The shorter wools in the carded product—I will show some samples here that will give the idea—go into a soft, spongy sort of yarn that is not so tightly twisted. That goes into the cloth and then is sheared and sometimes "plastered over," I will term it, with flocks and other material that will remain in the cloth a short time and make a heavy, fine fabric.

I want to say here in all sincerity that I have just as much interest in the carded-wool men as I have in the worsted men, and I have no interest in either except a desire that both may succeed; but the moment that the worsted-wool men undertake to say that the sheep growers shall yield a part of their protection so that the worsted men's profit may be more, or the carded-wool men ask the same, and the proper equilibrium is disturbed, so that the sheepmen make nothing and the manufacturers make all, that is where I want to call a halt. In the carded-wool business they make beautiful cloths. There are beautiful cloths for ladies' wear and men's wear—broadcloth, and so forth—but the large line of carded-wool goods is made up of shoddy, of rags that have been torn up—short material. While it is warm and thick, yet it does not always meet the fancy of the American people.

The style will go one year one way and another year another way. I have known that, because I have been more or less interested every season for many a long year in the price of wool. Sometimes that which is best fitted for the carded-wool men goes up, while the worsted wool goes down. Sometimes the worsted wool goes up, and that of the clothing style goes down. The carded-wool men of late have had a series of years of dull business, and many of them have put in worsted looms. On the other hand, many of these so-called "worsted mills" have put in carded-wool machinery, owing to the lack of market for their noils, because of no demand for them.

Mr. PAGE. Just one word.

Mr. WARREN. I wish merely to finish this.

To-day I think I see, and I have for some months seen, a rising sun in the horizon of the carded-wool men, and I hope that it may go that way. I have every reason to hope and believe so. But the main difference is, that it has got to be pretty well understood that worsted goods are woven of wool; that is, they are claimed to be, unless they are made on a cotton warp; that the man who buys them is getting an all-wool fabric; that he is getting a fabric that does not necessitate his opening the seams of the lining and outside cloth to take out a bunch of flocks occasionally; and it is the same on heavier goods. It has got to be known that the cheaper stuff can get into the carded wool, and does get in.

Therefore in my opinion the carded-wool men have partially destroyed their own industry, and largely because they were forced to it under the Wilson-Gorman law, when it was almost impossible to get a sufficient price for cloth to cover a better article than that which was made of all flocks and of rags.

Mr. PAGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. WARREN. I do.

Mr. PAGE. Has there not been some material improvement in machinery, so that since 1897 the man who makes the worsteds can use a very much shorter staple than he could then?

Mr. WARREN. Yes.

Mr. PAGE. I remember well that the wool puller, in pulling, measures the wool on his fingers, and that it must be long enough to reach over the second knuckle, or it is not long enough to go into the class known as "combings suitable for worsteds." We make in wool pulling a B-combing, a B-long, a B-medium, and a B-lamb; and formerly it all had to go into the spinner's wools except the B-combing. The B-long is now used for worsteds, and we have had a demand for that for the past two years that has taken it as fast as we could make it, while the carded wools, the shorter wools, have been absolutely unsalable. I imagine that the change in the machinery since 1897 may be something that we will have to take into account in considering this matter. I should like to know more about it than I do.

Mr. WARREN. Mr. President, the Senator from Vermont alludes to the time of the old Lister comb, when, as he says, a long wool was necessary in combing and in making worsteds. To-day, under the French comb and under the American comb, namely, the Heilman and the Noble, almost anything can be combed. It is a mere matter of whether it can be combed. But now, as to the tags. I have shown tags out of a lot of 50,000 pounds; a small proportion are really combed and put in the flocks, although that is not a profitable proceeding. The shrinkage of that, first, in washing was 80 per cent, and then 39 per cent in noils. The shrinkage in way of noils in the ordinary combing is about one-sixth; that is, 16⅔ per cent.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Utah?

Mr. WARREN. I do.

Mr. SMOOT. I was manager of a woolen mill for over twenty years, and during that whole time I never sold one pound of waste made in the manufacture of woolen. It was all put back and made into the cloth that was manufactured at that mill. The worsted people can not do that. What the Senator from Wyoming has said in relation to wastes, that we are discussing now, is true—namely, that they are different from noils. The worsted people, after the noils are taken out by combing, can not use those noils; but all the woolen mills use their waste from their products, and they buy thousands and hundreds of thousands of pounds more in the mixing and in the making of woolen goods.

Mr. WARREN. I may cite right there, Mr. President, a curious fact in connection with the wool industry. At the time when I was a boy, in the town where I was born, there were several woolen mills, and I used to spend a great deal of time in the mills, because at that time the farmers' daughters and farmers' sons worked in the factory and considered it no disgrace. I was often in those mills and have seen the work go on. They were then making the old-fashioned satinettes and broadcloths. They were then, as now, seeking to manufacture something cheaper from day to day, and I am sorry to say that I used to see evidences, as many another man has, of their trying to use adulterants to cheapen the cost without lowering the selling price.

From that day until now the changes have been great; but the provisions of law in regard to wastes and tops of wool were made at the time when there were practically no worsted manufactories in this country. The changes that have occurred since are not chargeable as being against the interests of the carded-wool men, or, if so, wilfully so. The carded-wool men have had the tariff as nearly like they wanted it as any class of manufacturers have, and it seems to me almost pathetic that they come down here now and demand that, because they are using one class of the wastes of the worsted manufacturers, Congress shall put the iron to the worsted manufacturers and give the carded-wool men an advantage that they never claimed before when they had the entire market and the entire subject within their control.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Montana?

Mr. WARREN. I do.

Mr. CARTER. Mr. President, it occurs to me that this subject has been confused by the commingling of two distinct paragraphs in a discussion which should properly be directed to only the paragraph upon which we are about to vote. It is clear to my mind—and I think it is important to recognize the distinction throughout—that there are certain products of the

worsted manufacture that the worsted manufacturer must sell, because he can not use the so-called "waste."

This class of by-products, if you please, is called "noils," and is not being dealt with in the paragraph under consideration at all, but will be reached in paragraph 369, noils being classed in that paragraph with shoddy, wool extract, yarn waste, thread waste, and so forth. I understand the fact to be that the worsted manufacturers do not sell any part or portion of the alleged waste designated in paragraph 368, but that every part and portion of these so-called "wastes" is recast into tops, being of the quality of tops, and ultimately run into yarn in the worsted manufacturing establishments.

The noils, constituting a product of the worsted manufacturing establishment, sold to others because of no use in worsted manufacture, will be reached in the very next paragraph, and I think the discussion of the proper treatment of the noils and the arrangement of these duties should not be injected into the discussion of a paragraph which does not in any sense whatever deal with the noils or the duty to be placed upon them.

Mr. President, the Senator from Wyoming has the samples there to show that top waste is refined, scoured wool, and is of precisely the same quality as the tops from which they are torn; that they are returned to tops at inconsequential expense, and used in the manufacture of worsted yarn and worsted goods. The same is true of slubbing waste, of roving waste, of ring waste, and of garnetted waste, which is a waste the product of a machine invented by a man named Garnet. The machine does not deteriorate the quality of the wool, nor put it into such form as to prevent the recasting of the mass into the form of tops, thence into slubbing, and finally into yarn. The noils are cast aside for sale, and the noils are taken care of in the next paragraph on a different basis.

Mr. WARREN. Mr. President, what the Senator has said is true, and this discussion from the commencement has rather hung upon the whole field of so-called "wastes." As I have said before, the term "wastes" to me seems like a misnomer, in that while they are wastes in one sense, in another they are refined wool and more valuable than scoured wool, from which they are made. We are talking now about top waste, slubbing waste, and roving waste.

Mr. McCUMBER. Mr. President, let me ask the Senator if there are any of those things mentioned in paragraph 368 that can not be used in the worsted mills themselves?

Mr. WARREN. There is not one of them but what can be so used and is used.

Here, Mr. President [exhibiting], is top waste. Perhaps I ought to show, in the first place, the commodity called "scoured wool." Some people have the idea that scoured wool is absolutely clean.

Mr. DOLLIVER. Mr. President, if it will not disturb the Senator from Wyoming——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Iowa?

Mr. WARREN. I do.

Mr. DOLLIVER. Is it not true that a very large number of worsted mills confine their operations entirely to weaving the yarn, leaving out the manufacture of tops and all of the various stages of yarn manufacture?

Mr. WARREN. The Senator probably means that they buy the products all the way as the process advances?

Mr. DOLLIVER. At the various stages of procedure.

Mr. WARREN. As it proceeds from scoured wool to yarn.

Mr. DOLLIVER. For instance, many of them buy their tops and manufacture their yarns, and then proceed with the manufacture of cloth.

Mr. WARREN. Undoubtedly.

Mr. DOLLIVER. Does not that create sometimes a commercial relation between these wastes in the manufacture of worsted yarns and the public?

Mr. WARREN. Mr. President, as to some of them, yes; but if the Senator will take any commercial paper in which market quotations are given, he will fail to find some of these things which we are now talking about, because, as I said before, they are used by the manufacturer in the first case. Of course there is no juncture in the manufacture of woolens preventing a product being bought and used by another. But I was speaking of scoured wool.

Here [exhibiting] is a little scoured wool, which I myself took from a large quantity. That passes the world over as scoured wool. The tariff on that wool is 33 cents in its present shape; and yet, Mr. President, if you go through that you will find, for instance, a cocklebur. There is one there [exhibiting], and you find smaller burs; there is one there [exhibiting], and you find vegetable matter, straw, hay, and so forth, which the soap and other ingredients in the bath have not taken out. That is scoured wool, and is a product that is known as such the world over. You would naturally suppose that scoured wool, worth three times what wool in the grease is worth, is perhaps the best product; but here we have what is called a "waste."

This [exhibiting] is top waste. I think you will see the difference even from the chair in which you sit. This [exhibiting] is yet full of impurities, which must be taken out. This [exhibiting] has had all the impurities extracted. These are the short pieces of tops that can not go out into the long line of tops, of which one piece only perhaps forms a large ball; and, while it is refined wool, it is called "top waste," and that is one of the wastes that we are now about to vote upon.

Mr. JONES. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Washington?

Mr. WARREN. Certainly.

Mr. JONES. I understood the Senator from Iowa [Mr. DOLLIVER] yesterday to take issue on this very proposition to which the Senator is now referring in relation to top waste. The Senator from Iowa contended that this top waste had impurities in it, and all that sort of thing.

Mr. DOLLIVER. The article which I had the opportunity to exhibit on yesterday was not a top waste; it was the noils, a portion of the fleece that is left after the tops are combed out of it.

Mr. JONES. I understood the Senator from Iowa, in answering the Senator from Montana, to claim that what the Senator from Montana exhibited was not top waste.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Montana?

Mr. WARREN. I do.

Mr. CARTER. Mr. President, the Senator from Iowa referred, as I understood, to the noils, as he now states. His objection was not based upon any reference to the quality of the tops made of the scoured wool with the noils eliminated. He did object to the cleanliness of the samples presented, and, in order to show that the noils exhibited were cleaner than noils usually appear, the Senator exhibited noils from a black sheep, or some noils that had been stored in a coal scuttle for a time, and thus apparently blamed my exhibit because it was too clean. [Laughter.]

Mr. PAGE. Mr. President, just a word. Is it not true, I would ask the Senator from Wyoming, that all of the vegetable matter in these noils can, by carbonization, be taken out, so as to make it absolutely clean?

Mr. WARREN. It not only can be taken out, but it is taken out. I want to say, in regard to the complaint of the carded-wool men, that, as the Senator from Montana has stated and as I have stated before, the truth is that the paragraph under consideration is one that concerns the worsted men alone, and in which the carded-wool men have no interest whatever, except that the carded-wool men can put almost anything across their cards into cloth from the finest and best wool made to the ordinary piece of an old carpet or a horse blanket; so that in the manufacture of carded wool, with the proper preparation, everything is used—flocks, shoddy, old rags, old carpets, horse blankets, and everything else.

I do not wish to say that to cast any imputations upon carded wool as such, because the carded-wool men, as I said before, make some of the most beautiful fabrics that have ever gladdened the eye of a man or that have ever emptied his pocket to buy a white broadcloth suit for his wife.

Here [exhibiting] is another sample of scoured wool—one I picked out of a lot "hit or miss." There is a bur in that wool weighing almost as much as the wool itself. That is scoured wool; but, as you see, it has not only got burs in it, but it has got splinters and straw and chaff. That all has to go through further machinery.

Speaking of the noils for a moment, I will show before I close my remarks the difference between carbonated noils and noils proper. If the worsted men should assert their rights, they would ask us to put a great difference between carbonized noils and straight noils, because the noils do carry a lot of impurities and vegetable matter; even after the burring machine has taken out these large amounts, there are bits of straw and other matter. Carbonizing takes out everything in the line of vegetable matter, but does not injure the animal matter, so that the noils that may carry 16 per cent shrinkage, by carbonizing carry nothing; and yet we put just the same tariff on carbonized noils as on the other.

The consequence is that under the rate of tariff which is proposed here for noils, we are only putting 20 cents a pound, whereas there is 33 cents upon this character of wool [exhibiting]. We put 20 cents a pound upon something that is more valuable to the carded-wool manufacturer, far more than this [exhibiting], because, in the first place, it has been refined down

from this [exhibiting]. By taking out all of this matter that is left in scoured wool proper, it is worth more to him than is the scoured wool itself. Carbonized noils ought to carry a duty of nearer 40 cents a pound than 20 cents a pound.

Under the old style the carded-wool man could only buy wool and scour it and manufacture his cloth; to-day, on account of the worsted men, he has a market in which to buy noils at a cheap rate and get almost or quite pure wool.

I do not blame the carded-wool man for buying wherever he can buy cheapest. I do not blame him for taking advantage of this opportunity that has been given him by the worsted men; but when they make a product which has put money in their pockets to take the worsted-mill man by the throat—the man who made it possible for them to get this product—and say that they, the carded-wool men, shall make the price upon it, it is, in my opinion, too much. The worsted man can not use the noils. The noils are the one by-product that he can not use. He has no other market on earth for noils except with the carded-wool men, unless he himself makes noils into cloth by putting carded-wool machinery into his factory.

Mr. NELSON. Mr. President——

Mr. WARREN. One moment. So that here we have a product made by the worsted men that is needed by the carded-wool men, and can only be sold to the carded-wool men, and the carded-wool men can make their own prices, it seems to me.

Mr. NELSON. If I understand the Senator from Wyoming correctly, he makes this differential duty in favor of waste, as between that and the scoured wool, because of the removal of the dirt and impurities in the wool as it is advanced in production.

Mr. WARREN. You mean between scoured wool and fleece grease wool.

Mr. NELSON. No; I mean between scoured wool, the wool you held up, and what you call "top waste." You held in one hand a sample of scoured wool, and then, in the other, what you called "top waste."

Mr. WARREN. Top waste.

Mr. NELSON. Why do you want a higher duty on top waste than on scoured wool?

Mr. WARREN. I think if the Senator will look at these two samples, it will carry the idea.

Mr. NELSON. What is the idea?

Mr. WARREN. One is free of impurities, and the other is full of them.

Mr. NELSON. What is it?

Mr. WARREN. Because this has impurities in it and the other has not.

Mr. NELSON. If that is the case, why do you not apply your doctrine to paragraph 364? Let me read:

> The duty upon wool of the sheep or hair of the camel, Angora goat, alpaca, and other like animals, of class 1 and class 2, which shall be imported in any other than ordinary condition, or which has been sorted or increased in value by the rejection of any part of the original fleeces, shall be twice the duty to which it would be otherwise subject—

This is what I wanted to call your attention to—

> *Provided*, That skirted wools as imported in 1890 and prior thereto are hereby excepted.

I find by turning to page 468 of the Tariff Notes this statement:

> The fleece of a sheep after being sheared and before sorting resembles the form or shape of the sheep. The fleece is first laid on the sorting table, and the poorest part and the dirty edges torn off. This process is known as "skirting" the fleece.

I find under paragraph 356 of the act of 1890 there is an exception provided, "that skirted wools as now imported are hereby excepted." Now, what is the effect of this? You take a fine piece of wool and trim off all the exterior, all the dirty trimmings, and you have the perfect fleece inside, and that you except from the provisions of this paragraph. In other words, you state first that any wool which has been sorted or increased in value by the rejection of any part of the original fleece shall pay twice the duty, and then in the next breath you state, practically, that skirted wool shall be exempt.

Mr. WARREN. What act has the Senator before him?

Mr. NELSON. I have the present bill—127.

Mr. WARREN. The Senator probably knows that that was put in the McKinley bill when he was a Member of the House.

Mr. NELSON. No; I was not in the House when the McKinley bill was enacted. But why do you not live up to the principle in that paragraph?

Mr. WARREN. That is the one exception which was demanded of the woolgrower, and that has been conceded, and, I may say, with bad grace and heartburnings on the part of a great many of them. It is the live wire that has made great trouble between the woolmen and the manufacturers. They have had many a tussle over it, but it is a practice that has gone on from time immemorial, that the Australian—the heavy-shrinking—wools are sold to countries near by, and they bring over here a wool that shrinks perhaps 55 per cent, that might shrink 65 per cent or 70 per cent, if it was altogether the whole fleece. Hence they skirt the fleeces; the main fleece comes here and the tags, and so forth, go to other countries.

Mr. NELSON. The entire fleece?

Mr. WARREN. Yes. The other paragraph——

Mr. NELSON. If the Senator will allow me, I do not intend to interrupt him——

Mr. WARREN. I am very glad to have the Senator do so.

Mr. NELSON. I do not interrupt him for the purpose of embarrassing him. But it seems to me that is a great incongruity and unfairness and discrimination in this bill, which ought to be cured. Does it not so strike the Senator, where you make this discrimination between the scoured wool and the wool tops, as you call them? You make that difference because one is of greater value than the other, has been improved; it has not as much dirt in it, as much rubbish. Now, why, after you take a fleece of wool and take off all the dirt and the trimmings, should you make an exception as to that class of wool? That is not a fair discrimination. Is not that a discrimination in favor of the foreign wool, the Australian wool, of which the Senator spoke?

Mr. WARREN. The Senator is a little wrong, because we do not charge, and the proposition is not to put the tariff upon these several wastes as we have on scoured wool, although they are cleaner wools. They do not carry all the fiber, and hence the price is 30 cents a pound, proposed, instead of 33 cents.

Mr. NELSON. The Senator is mistaken. Skirted wool——

Mr. WARREN. I will come to that in a moment. I am talking of waste.

Mr. NELSON. Let me understand the terms. Skirted wool is not the dirty wool, but the fleece trimmed off is the skirted wool.

Mr. WARREN. Certainly; that is what I intended to say. But the Senator is wrong in saying we are charging more on these wastes that I have exhibited than on scoured wool. We charge less.

Mr. NELSON. I did not mean that. I mean there is an undue discrimination in that case. You say, where any change or modification or improvement has been made in the wool it shall pay double the duty. You say that in one part of the law, and then in the next that skirted wool shall be immune from this provision.

Mr. WARREN. The Senator will understand that "skirted" means that the balance must be of one fleece.

Mr. NELSON. But the double rates do not apply to it.

Mr. WARREN. One moment; if the Senator will curb his impatience I will try to show. The character of this fleece is the same. They all represent honestly what they are. But that other, I will not say it is a penalization, but it is a preventive of frauds in undertaking to mix low and high qualities of wool together from different fleeces and of different kinds and get them in here under the lowest classification, which applies only to a percentage of the wool.

Mr. NELSON. I want to call the Senator's attention to the fact that the exception in the law permits the fraud, because but for that exception in the law skirted wool would come in under the double rate, like the other wool. It is the exception that permits the fraud.

Mr. WARREN. There is no fraud about it after you have named it in that way, the Senator will allow. As I said before, it has been found necessary, in undertaking to protect as well as we may all interests, that the woolgrower must have a market with the wool manufacturer, and he must have a margin, so that he may be prosperous; and these heavy wools are skirted, way back in the country where they grow, and the skirted wool, which becomes the main part of the fleece, comes in here. The other part makes equally fine goods, but it goes to other countries or is manufactured at home. The skirted wools are yet dirty, or in grease, as the term is.

The other proposition about mixed or damaged wools is to prevent first and second class wools from being mixed with third-class wools and having the tariff apply only to third class. The skirted wools can not be mixed—the different kinds; they must all be of the same kind.

Mr. President, about these wastes, I have just shown a sample of top waste, which is the first mentioned here. The next is slubbing waste. That is represented by this [exhibiting], which, as will be noticed, is refined wool. The next is roving waste. That is a similar product, only instead of being in the large rope or roving, is in the smaller rope, as it is preceded in gilling toward yarn making, but, as will be seen, that is a refinement of wool which carries it beyond the scoured wool.

The next mentioned is ring waste, and here [exhibiting] we have the ring waste, which, it will be noticed again, is very pure

wool, from which not only the dirt and grease but all the vegetable matter has been taken.

Here are the thread wastes. We have garnetted waste [exhibiting]. Here [exhibiting] is the garnetted waste. This is of a different character, because the finer bits that have been twisted up and become matted or closely assembled are separated again and put back as nearly as may be into all clean, pure wool. This again goes into machinery, and all these that I have shown come out as worsted woolen yarns. Upon those we have only 30 cents in this amendment, while on scoured wool we have 33. The carded-wool men do not use them. The worsted men do.

I have here some samples that I took out of the hopper as they were making some yarns for carded-wool or knit goods. This [exhibiting] is the stock that was in the hopper as it started to go into the set of cards. A part of that is cotton. A part of it is made of rags, picked to pieces and washed clean, and a very little of it is wool.

It passes across the first and second cards, and coming out of the condensing cards it is in that form [exhibiting]. From there it goes into another process and comes out in that form [exhibiting], which is from rope to yarn, to use the ordinary phrase, not to go into technical terms. Then there are the various processes from there. There is the warp yarn and the filling yarn. Then it goes to the loom, is made into cloth, comes out from there, and is burred and crabbed, steamed, dyed, carbonized—carbonizing takes out the vegetable matter. Then it is shorn—shears run over it to make it even. That takes off these little fibers which look almost as fine as dust, which are turned and sold or used as flocks. Then the cloth is pressed and it is on the market.

It will be observed that in carded-wool manufacture it does not matter how short the fiber may be. On the other hand, the worsted wool is made of a fiber that must be long enough to make a continuous, strong, fine yarn. In the next paragraph we have this product of noils; and I want to say in that respect that the wool can all be made into noils, no matter how long it may be. If you put a tariff on noils lower than what you may put upon the other product, raw wool would be put into noils unnaturally, in order to evade full duties on wool. Here [exhibiting], for instance, are a class of noils that are made from a perfect worsted product. It could just as well have gone into the worsted product, but by recombing it becomes a waste, and could come in as noils at 20 cents, instead of 30 cents or 33 cents.

So you could go on; by setting your combs differently you could recomb it.

Therefore it is necessary, if we are going to protect the grower of wool, to see there is no spot or place in the tariff where some product or waste can creep in under one name at a very much lower tariff than what it may come in under another name.

Mr. President, I do not wish to detain the Senate, for I know it is tired. I have here some tables which are taken from the census returns and other official records, which I ask may be included in the RECORD with the few remarks to which the Senate has been patient enough to listen.

The PRESIDING OFFICER (Mr. JONES in the chair). Without objection, it is so ordered.

Mr. KEAN. Question!

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee.

Mr. DOLLIVER. Upon that I demand the yeas and nays.

Mr. BURKETT. I should like to know what the amendment is. It has been a long time since it has been stated.

Mr. CLAY. I ask that the amendment may be stated.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 129 the committee proposes to strike out the paragraph of the House text and to insert the following:

368. Top waste, slubbing waste, roving waste, ring waste, and garnetted waste, 30 cents per pound.

Mr. ALDRICH. That restores the Dingley rate on these wastes.

The PRESIDING OFFICER. Is the demand for the yeas and nays seconded?

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JOHNSTON of Alabama (when Mr. BANKHEAD'S name was called). My colleague is unavoidably detained from the Chamber. He is paired with the junior Senator from Nevada [Mr. NIXON].

Mr. CURTIS (when his name was called). I desire to announce my pair with the junior Senator from Indiana [Mr. SHIVELY]. Were he here, I should vote "yea."

Mr. KEAN (when the name of Mr. ELKINS was called). The Senator from West Virginia is necessarily absent. If he were here, he would vote "yea." He is paired with the Senator from Texas [Mr. BAILEY].

Mr. FRYE (when his name was called). I am paired with the senior Senator from Virginia [Mr. DANIEL].

Mr. FRYE (when Mr. HALE'S name was called). My colleague is detained at home by sickness, and is paired with the junior Senator from Mississippi [Mr. MCLAURIN].

Mr. MCLAURIN (when his name was called). I am paired on this vote with the senior Senator from Maine [Mr. HALE].

Mr. NIXON (when his name was called). I am paired with the Senator from Alabama [Mr. BANKHEAD]. If he were here, I should vote "nay."

Mr. PENROSE (when Mr. OLIVER'S name was called). My colleague is unavoidably absent from the city, and is paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. Were he present, he would vote "yea."

The roll call was concluded.

Mr. DILLINGHAM. Owing to the absence of the senior Senator from South Carolina [Mr. TILLMAN], with whom I have a general pair, I withhold my vote.

Mr. BAILEY (after having voted in the negative). I am advised that the Senator from West Virginia [Mr. ELKINS] has not voted. I desire to ask if that is true.

The PRESIDING OFFICER. He has not voted.

Mr. BAILEY. Then, having a general pair with that Senator, I withdraw my vote.

Mr. PILES. I desire to state that my colleague [Mr. JONES] is paired with the junior Senator from South Carolina [Mr. SMITH]. The junior Senator from South Carolina being absent, and my colleague being in the chair (he has voted "yea"), I ask leave on his behalf to withdraw his vote.

The PRESIDING OFFICER. Without objection, it is withdrawn.

The result was announced—yeas 40, nays 30, as follows:

YEAS—40.

Aldrich	Carter	Gamble	Piles
Borah	Clark, Wyo.	Guggenheim	Root
Bourne	Crane	Heyburn	Scott
Bradley	Crawford	Johnson, N. Dak.	Smith, Mich.
Brandegee	Cullom	Kean	Smoot
Briggs	Dick	Lodge	Stephenson
Bulkeley	Dixon	McCumber	Sutherland
Burnham	du Pont	Page	Warner
Burrows	Flint	Penrose	Warren
Burton	Gallinger	Perkins	Wetmore

NAYS—30.

Bacon	Cummins	La Follette	Rayner
Beveridge	Davis	Martin	Simmons
Bristow	Dolliver	Money	Smith, Md.
Brown	Fletcher	Nelson	Stone
Burkett	Foster	Newlands	Taliaferro
Clapp	Gore	Overman	Taylor
Clay	Hughes	Owen	
Culberson	Johnston, Ala.	Paynter	

NOT VOTING—21.

Bailey	Depew	Jones	Shively
Bankhead	Dillingham	McEnery	Smith, S. C.
Chamberlain	Elkins	McLaurin	Tillman
Clarke, Ark.	Frazier	Nixon	
Curtis	Frye	Oliver	
Daniel	Hale	Richardson	

So the committee amendment was agreed to.

The PRESIDING OFFICER. The Secretary will report the next paragraph passed over.

The SECRETARY. In paragraph 369, page 129, line 11, before the word "cents," strike out "twenty" and insert "twenty-five," so as to read:

Shoddy, 25 cents per pound.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee.

Mr. BACON. I desire to make an inquiry of the Senator from Rhode Island. I understand we are simply proceeding through this schedule for the purpose of acting on the committee amendments.

Mr. ALDRICH. The committee amendments.

Mr. BACON. We are not acting upon the paragraphs themselves, but simply upon the amendments.

Mr. ALDRICH. We are acting upon the paragraphs after the amendments are acted upon. If the Senator has an amendment, of course he can offer it.

Mr. BACON. I notice that there was no question put upon that particular paragraph.

Mr. ALDRICH. There should have been.

Mr. BACON. I made the inquiry for this reason: I have some amendments to offer to almost all the paragraphs in this schedule. I would prefer to have the privilege of offering them after the Senate has acted on the committee amendments. If I may have the privilege of returning to the original paragraphs, it will save a good deal of time, I think.

Mr. ALDRICH. I have no objection to that course. We want to agree to the committee amendments.

Mr. DOLLIVER. What is the understanding?

Mr. ALDRICH. There is no understanding except that after the committee amendments are agreed to, the Senator from Georgia may offer amendments to all the paragraphs.

Mr. BACON. Or any other Senator who has an amendment, I suppose. I do not know that there will be any others.

Mr. ALDRICH. The paragraph as amended ought to be agreed to.

The PRESIDENT pro tempore. The amendment which was agreed to was the insertion of a paragraph. It was simply an amendment in the nature of a substitute.

Mr. DOLLIVER. Do I understand that the amendments to paragraph 369 have been agreed to?

The PRESIDENT pro tempore. No; paragraph 368. The paragraph is agreed to. The question is on agreeing to the amendment of the committee in line 11, page 129, paragraph 369.

Mr. DOLLIVER. I suggest to the Senator from Rhode Island to place the two amendments before the Senate as one. I desire to ask for the yeas and nays, and would be very glad to have them consolidated.

Mr. ALDRICH. I shall be very glad to have that course followed. It will save one vote, of course.

The PRESIDENT pro tempore. The two amendments to paragraph 369 will be stated.

The SECRETARY. On page 129, line 11, before the word "cents," strike out "twenty" and insert "twenty-five;" and in line 14, before the word "cents," strike out "twenty" and insert "eighteen," so as to make the paragraph read:

369. Shoddy, 25 cents per pound; noils, wool extract, yarn waste, thread waste, and all other wastes composed wholly or in part of wool, and not specially provided for in this section, 20 cents per pound.

The PRESIDENT pro tempore. The Senator from Iowa demands on these amendments the yeas and nays.

Mr. DOLLIVER. I think there lies in this paragraph the root of much of the difficulty which is now besetting the carded woolen industry, the knitting industry, and felt-goods industry in all departments throughout the United States. The most definite complaint which this great company of American manufacturers have made to me I placed upon record on yesterday in the form of their memorial addressed to the President of the United States and to the Senate. The most tangible complaint they have is that these wastes and by-products which they must use, and which they do use, are dutiable at such prohibitory rates as to enable their competitors, who are trying to get their business away from them, and, according to all testimony, have fairly well succeeded in doing so, to hand out to them the necessary materials of their craft on such terms as they please. They are not asking that prohibitory rates be made on shoddy or noils or wool extract or card waste or thread waste, of any other of the wastes which are composed of wool and which appear in the process of the manufacture of woolen cloth, but they ask that they be put at least in touch with the foreign supplies of these materials, so that when they come to buy them their competitors may not be able to say to them, pay this or pay that, without regard to the value; but when the price rises to a point approaching unreasonableness or extortion that this law may give them the right to turn away from their home competitors and have their dealings with the market places of the world.

Mr. WARREN. To whom does the Senator allude when he speaks of their competitors?

Mr. DOLLIVER. I allude to the gentlemen who are manufacturing goods which, according to the testimony, have driven them out of business.

Mr. WARREN. I do not understand now to whom the Senator alludes as competitors, except he means as they compete with each other.

Mr. DOLLIVER. I suppose the worsted manufacturer is a competitor of the carded woolen manufacturer, in a sense of the word.

Mr. WARREN. In the use of noils?

Mr. DOLLIVER. No; in the manufacture of cloth.

Mr. WARREN. Will the Senator permit me?

Mr. DOLLIVER. Certainly.

Mr. WARREN. This article, these noils, now before us, is not used by the worsted men. It is used by the carded-wool men. The only market in the United States for it is with the carded-wool men.

Mr. DOLLIVER. That is exactly what I have been trying to say.

Mr. WARREN. On the other hand, the only persons to whom the worsted manufacturers can sell noils are the carded-wool men or their agents; and the carded-wool men certainly have as good an opportunity to fix the price of the commodity as the men who have noils for sale.

Mr. DOLLIVER. Let us see, Mr. President. These noils are, in part, at least, the product of combing English washed goods and Canadian washed wools. Of these wools 12,000,000 pounds were imported into the United States in 1907, and in the last few months they have been arriving at a rate which would indicate that the importations for this year will be 24,000,000 pounds, or one-fourth of the total importations of wools into the United States outside of carpet wools. These men are thus importing by the millions of dollars' worth combing wools upon which the net scoured duty is 15 cents a pound, increasing the manufacture of worsted tops, and they turn aside this by-product, nearly one-third of the fleece, and sell it to their competitors, protected by a duty very much greater than the duty which they were called upon to pay on the fleece out of which the articles are made and in the manufacture of which they are a mere by-product.

Mr. WARREN. Does the Senator mean that the shrinkage on the average is less?

Mr. DOLLIVER. I mean to say that the shrinkage is very low. I believe the Senator will agree with me that if a shrinkage of 20 per cent would net a duty upon the scoured contents of a fleece of a value of 15 cents a pound——

Mr. WARREN. Let me say to the Senator, as to the wools from which these noils are made, there may have been a fleece or a few fleeces with a shrinkage of only 15 per cent, but the lowest shrinkage class of wools that we are importing, as a class, has a shrinkage of 32 per cent, and from that up to a higher percentage of shrinkage.

Mr. DOLLIVER. Do the English washed wools shrink 32 per cent?

Mr. WARREN. The English washed wools are scarcely as much as a mosquito bite upon the hide of a rhinoceros compared with the amount of wool that is used in this country by the worsted combers; and none of it is brought here except some from Canada.

Mr. DOLLIVER. I have just stated that in 1907 the total importations of these wools was above $12,000,000 worth.

Mr. WARREN. The Senator certainly does not mean that they brought in $12,000,000 worth.

Mr. DOLLIVER. I beg your pardon—12,000,000 pounds.

Mr. WARREN. The Senator yesterday said 9,000,000 pounds, and I have endeavored to instruct him since that it was 12,000,000 pounds, or thereabouts.

Mr. DOLLIVER. I verified the figures this morning, and while I would be very glad to concur always with the Senator's recollection, I sometimes find that it is fallible, as well as my own.

Mr. WARREN. But in this case the Senator found that I was about right.

Mr. President, that covers all the wool that came here in fleece and all that came in as pulled wool and all that came in on the skins of animals, and it means 12,000,000 out of about 500,000,000 pounds used.

Mr. DOLLIVER. Do you mean to say that we bring in 500,000,000 pounds?

Mr. WARREN. No.

Mr. DOLLIVER. I was talking about what we bring here.

Mr. WARREN. That is the total consumption in the United States.

Mr. SMOOT. I call the attention of the Senator to the fact that during the sixteen years passed 200,079,164 pounds have been imported into this country of class 2 wool, and that is an average of 12,504,948 pounds, or within a few hundred thousand pounds of what was imported last year. That is certainly a fair statement to make as an average of sixteen years, and it is an amount within a few hundred thousand pounds of what we imported last year.

Mr. DOLLIVER. Very well, Mr. President; these figures do not bother me, if I have time to sit down and look at them. I said the importations of the English wools were 9,000,000 pounds. That was correct because I had excluded from the calculation hair of the alpaca, wool on the sheep's back, and wool that never was on the sheep's back, and wool that grows on the back of the sheep in the park out here, that I saw on Sunday, which do not have any wool at all, and yet have every appearance of sheep.

Mr. WARREN. I should like to ask my brother shepherd if there is any product of pulled wool that did not come from the sheep's back or from some part of a sheep?

Mr. DOLLIVER. Nobody ever raised on a farm in the mountains of Virginia needs any instruction on the subject of the wool pulled from a sheep's back after it has died.

In the figures which I gave yesterday, I was dealing with the English and Canadian washed wools of the second class, and in the figures that I give this morning I am dealing with the official statement of the amount of second-class wool imported, which included some of these eccentric hairs that have found their way into this tariff bill as they sometimes do into our butter at boarding houses in remote regions of the country. And here now is the Senator from Wyoming with the fact before him that 12,000,000 pounds of this wool came in last year, and with the additional fact before him that it is coming in now at the rate of 2,000,000 pounds a month, and has been for months, as the records of the Treasury Department show; if it goes on for this year, will make it 24,000,000 pounds, one-fourth and more of the total importations of wool into the United States; and yet he has the cheerful enthusiasm to stand up here and say that it is a negligible quantity.

Mr. WARREN. The Senator does not wish us to understand that he is now giving us the correct figures as to importations of wool. He certainly ought to correct it.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. To show that the amount is incorrect——

Mr. DOLLIVER. Now, I will ask the Senator to state it in dollars and to state it in pounds for this year. First, I talk about one and then he talks about the other.

Mr. SMOOT. I will say that the average for sixteen years——

Mr. DOLLIVER. I do not care anything about that.

Mr. SMOOT. Of all wools the average is 173,907,967 pounds. That is the average for sixteen years. Of the last year's importation I have not the exact amount here, but it was nearly 175,000,000 pounds.

Mr. DOLLIVER. Does that include all the carpet wools?

Mr. SMOOT. Of course; it includes all wools.

Mr. DOLLIVER. Why can not we get down to business and show how much English washed wool of the second class came into the United States last year and this year?

Mr. SMOOT. I have already stated that.

Mr. DOLLIVER. How much was it?

Mr. SMOOT. Twelve million pounds last year of class 2 wool.

Mr. DOLLIVER. Is it true, now, that it is coming in at the rate of 2,000,000 pounds a month?

Mr. SMOOT. Perhaps you can take one month which shows there are 2,000,000 pounds that come in. There will be scarcely any more importations than we have now.

Mr. DOLLIVER. And yet both Senators have denounced this importation of 12,000,000 pounds of wool as negligible, while they are wasting the time of the country and befogging this issue by debating hour by hour the question of thread wastes and roving wastes.

Mr. WARREN. What is the Senator going to do about it?

Mr. DOLLIVER. I will tell you in a minute what I am going to do about it.

I say it is not fair for men who import the class of wools privileged under our tariff law, so privileged that the total importation of duty net upon scoured contents of a pound of it is only 15 cents, and to be permitted under this law to manufacture that into tops, making a by-product of one-third of the whole weight of the wool called "noils," and then sell these noils to their competitors in the cloth business with an assessment of 20 cents a pound.

Mr. WARREN. Does the Senator wish to go on record and stake his reputation upon the fact that 12,000,000 pounds of second class come in this country that shrink only 15 per cent?

Mr. DOLLIVER. I have the authority of the finest experts I can get hold of who tell me that is so. Does the Senator deny that these wools washed shrink afterwards more than 20 per cent in such scouring as they get in the United States?

Mr. WARREN. I will simply enter my denial and say that we do not import 12,000,000 pounds of second-class wool that only shrink after scouring 15 per cent.

Mr. DOLLIVER. Mr. President, the peculiarity of this law is that these wools are not imported dirty. They are imported at the same rate after they are washed. Therefore they are all imported washed, and I make the proposition that the shrinkage in scouring, such scouring as they get before they become tops, is not more than 20 per cent.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly.

Mr. CARTER. I understand the Senator's contention to be that the protective duty on this second-class wool should be classified somewhat as the protective duty on the first-class wool.

Mr. DOLLIVER. Yes, sir; I should like to see it done.

Mr. CARTER. Permit me to suggest to the Senator that he does not advance the cause of that classification by the effort to reduce the protective duty on the first-class wool, the classification whereof he would gladly follow. The noils of commerce are the product of the first-class wool, and a reduction of the duty on this by-product of the first-class wool below that which is a just relation to the duty on the scoured wool will, of course, tend to open the door for a reduction of the duty on the scoured wool by indirection.

The Senator's proposition is to better the condition of second-class wool growers by destroying the advantage, if any there be, enjoyed by first-class wool growers. Now, I would equalize it not by tearing down the wool grower whose sheep produce the merino wool, but by raising up the other, if, as suggested by the Senator, the measure of protection is inadequate, and as I really think it is.

Mr. DOLLIVER. Mr. President, there is no man more just in opinions on this floor, or wiser in the technique of such a controversy than the Senator from Montana. Therefore, I want to ask him one question. Is it not true that the combing of the English wools and the Canadian wools which come here washed produce noils?

Mr. CARTER. I presume noils could be produced from the wools referred to, but in the manufacture of worsted goods, and it is from that process of manufacture the noils are evolved, they do not use the Canadian wools or English wools so called. The process of manufacture known as "worsted manufacture," known as the "combing or carding manufacture," does not produce a noil at all.

Mr. DOLLIVER. What is it that they produce? The Senator's statement is a little ambiguous, or, rather faulty.

Mr. CARTER. It is the mechanism employed in refining the wool into the worsted yarn that produces noils.

Mr. DOLLIVER. Why are these English wools called "combing wools?"

Mr. CARTER. Because, I suppose, they are combed.

Mr. DOLLIVER. They are fit for combing. They need to be combed. What is the by-product that is combed out of them?

Mr. CARTER. The by-product combed out of the wool in the ordinary process of the manufacture of wool is merely the alien matter in the wool, and no part of the wool is combed away or disposed of, as I understand it. Then the shoddy may be incorporated in a woolen garment.

Mr. DOLLIVER. They comb out of it——

Mr. CARTER. Burs, straw——

Mr. DOLLIVER. Foreign matter?

Mr. CARTER. Foreign matter.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I want to call the attention of the Senate to the fact that only 12,000,000 pounds of second-class wool come into this country, and the great bulk of that wool is used in the making of braids and luster goods and never goes into the worsted goods at all. I do not believe there is over a quarter of it that ever reaches a worsted card. That one-quarter would be 3,000,000 pounds of wool; and the noils out of 3,000,000 pounds of wool would be only 16 per cent of 3,000,000 pounds at the outside. The great bulk of noils marketed in this country comes from first-class wool—at least 85 per cent of them.

Mr. CARTER. The Senator from Utah, having had experience in a woolen mill, can probably answer a question which will form a correct understanding between the Senator from Iowa and myself. My information is that the noils constitute only about one-sixth of the weight of the scoured wool.

Mr. SMOOT. That is correct, Mr. President, as to a number of them; I mean, taken as a whole, all classes of wool.

Mr. CARTER. I understand; the general average. The Senator from Iowa has been making an assertion that noils constitute about one-third.

Mr. DOLLIVER. I have no doubt that the amount of noils produced varies with the state of the wool and in the way in which it has been kept. The noils fall off by reason of the threads being broken and disfigured in various ways. If the wool has been carefully handled and scoured by a gentle process, the product of noils, of course, is smaller, but I was speaking of cases that I knew to be correct.

Mr. President, the thing that I want to call the attention of the Senate to is that all these wastes vary almost like the poles in their value. If they are made out of the highest grades of wool the noils may be very valuable and very beautiful, such as the Senator from Wyoming exhibited here this morning. If they are made from ordinary fleeces, if they are made of fleeces that have only been imperfectly scoured, there is a combing out of

burs, small pieces of vegetable matter, chaff, straw, and many things which the sheep accumulates in his earthly pilgrimage, and the result is a noil which is not an equivalent of any kind of scoured wool, but which has been made the receptacle of the dust and impurities in the wool that is being combed. Before it can be used after being bought, it must be carbonized and purified and scoured, and 25 per cent of it falls away into irrevocable waste before it can be used in many cases by the carded woolen manufacturer.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. The Senator must know that all wool has got to be scoured, and scoured clean, in order that it may be carded and combed successfully. It is true that the wool passing through the cards and then through the combs, the noil is combed out and with them the chaff and straw.

But I want to call the attention of the Senator to the fact that no importer would ever import noils in that condition. No importer would ever import a noil until it had been carbonized; and we are passing a law to take care of that class of noils. They would not pay the freight upon this chaff and straw that comes from the noil, but every pound of importations will be carbonized.

Mr. DOLLIVER. That is a speculation I have no statistics to follow the Senator in.

Mr. SMOOT. I believe common reason would tell the Senator that. Any manufacturer would import the noil in the best condition possible——

Mr. DOLLIVER. Common reason, sailing on the high seas of this tariff debate, has been shipwrecked and sunk to the bottom. [Laughter.]

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Mr. President, the Senator is a little wrong in his formula. The burs are taken out by the burring machine, through which the wool passes.

Mr. DOLLIVER. Do they never miss a little bur in that machine?

Mr. WARREN. The Senator seems to base his argument altogether upon the superlatives and upon the radical features. When he claims that the second-class wools shrink 15 per cent, he knows probably, as well as I do——

Mr. DOLLIVER. I did not say that they shrank 15 per cent. I said that they shrank in such a measure that the net duty upon the scoured contents of a pound was 15 cents.

Mr. WARREN. What percentage of shrinkage would the Senator now have us understand?

Mr. DOLLIVER. It would indicate a shrinkage in that case of 20 per cent.

Mr. WARREN. No doubt there may have been samples of wool that may have shrunk only that much.

Now, as to this matter of noils. They are made, as I said before, in the worsted process only. The Senator speaks of noils coming from second-class wool. What are noils? The noils are the short fibers that are too short to pass the comb and go into the product called "top." Second-class wool has no short fibers in it unless there are some broken fibers. So the noils from the second class amount practically to nothing. The noils, as a matter of fact, come from first-class wool.

It is true that originally, when these terms were first adopted, combing wools and second-class wools were synonymous, and that was at a time when you had to have a staple several inches long in order to comb it. But, as I have shown already by samples of wool, the different combs that have been adopted since comb practically every pound of wool that we grow, so that the noils do not come from the second-class wools to any appreciable extent. The second-class wool has a fiber that will pass the comb, so that practically there are no noils.

Mr. DOLLIVER. Mr. President, if I thought by consenting to the truth of every word which the Senator from Wyoming [Mr. WARREN] says I could induce him to vote for an amendment which I propose to offer, abolishing this classification of second-class wools altogether, I believe I would admit the truth of everything he says without further debate. If there is a negligible quantity of that wool, if it has no effect on this situation, then there is surely no reason for maintaining its ancient privilege, accorded first in 1867 to a worsted mill in Lawrence, Mass., by the testimony of a venerable gentleman sitting now in the gallery, which I have had the honor to present to this Senate. There surely can be no reason for continuing that privilege after the substance of it has become negligible and the result of it almost unintelligible.

Mr. President, on yesterday I took the opportunity that is so often exercised as a privilege in the Senate of having read some testimony of the editor of the Textile World Record, of Boston, a young American student of textile problems, who has, by his diligence and by the acuteness of his criticism, attracted a friendly international reputation as an expert in all departments of our textile industries. I sat down with him as a learner to see if it were possible for a man of moderate abilities to comprehend even what was talked about when the wool tariff was up in the Congress of the United States. The more I talked with him, the more distinctly I saw that he dealt with exact facts and with perfectly accurate statistics, and the more that was impressed upon my mind, the more anxious I became that his opinions, already expressed in a general way in the editorial columns of the Boston Textile World Record, should have the influence that the nonpartisan opinions of experts ought to have upon such a controversy as we have here.

So I asked him to let me talk with him as man to man; I, ignorant, trying to get some instruction from the wise and from the learned. I had hardly knowledge enough of the subjects, of the matters at stake, to frame my questions, and those who read will see how ignorant the questioner was and how accurate in his knowledge was the man who was kind enough to answer the questions. I put that dialogue into the RECORD, and here we are debating this question. Yesterday we came to matters to which he referred, and the only notice taken of those questions and answers by those who participated in the debate was not to dispute their truth or their accuracy, but to read a memorandum, scandalous in its character, handed to my friend the Senator from Utah [Mr. SMOOT], relating to the personal and business history of this man. I should like the Senator from Utah, if he is in the cloakroom, to hear what I have to say, for I never like to get into a row when the other fellow has gone.

Mr. President, it is a strange state of society when a man can not be brought into the Senate to give the public the benefit of his knowledge and his wisdom, a man who is not personally interested in the controversy, a man seeking solely light and giving out light and guidance to those interested in the pursuit of that form of knowledge—it is a strange moral state when that can not be done without invoking from the members of the Finance Committee of the Senate a personal insult and disparagement of his fitness, based upon his alleged failure in business. Such an assertion becomes all the more grotesque and repulsive in its appearance when that gratuitous disparagement is made by a Member of the body who confesses that he himself failed in the same business, and whose mill, which was once active and prosperous, is now silent there in the heart of the Rocky Mountains.

Mr. President, if I was in the business of manufacturing woolen goods, charged with the duty of fixing their relation to the American people, I should be very slow to depart very far from the facts and records and statistics by which the Congress of the United States ought to be guided in such a matter. I should fear that somebody might read the rules of the Senate to me, or point out to me some such landmarks in the world's parliamentary history as are contained in Jefferson's Manual; and, if nobody did it, I would be too thankful for their forbearance to undertake to disparage anybody else or to point out the impropriety of his being heard in the settlement of such a controversy as this.

I desire to say to my friend from Utah that I should not have brought into the Senate Chamber Mr. Dale, the editor of the Boston Textile World Record, unless I had had many opportunities to know both his intellectual qualifications for the work which he did at my request and his moral qualifications as well. I knew that he had been a student from his boyhood, and I knew that he would not have been chosen and maintained these long years as the editor of the most important textile trades journal in America, unless he had those qualities of brain and of heart to warrant the confidence and good will of the constituency to which that great periodical appeals every month. So, as I brought him here and quoted him—though he does not own any stock in any mill now, though he has no relations of a business character to the enterprise in which we are involved, though he is not seeking the protection of the law to care for an industry in which he is himself interested—seeing that his is a nonpartisan relation to this controversy—I feel that I ought to put into the RECORD a plain statement in his own handwriting of his connection with these matters, about which yesterday the Senator from Utah thought

it both kind and helpful to the Senate to place upon him the brand of his disapprobation and disparagement. I ask that the Secretary read what I send to the desk.

The PRESIDENT pro tempore. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

BOSTON, MASS., *June 8, 1909.*

MY DEAR SENATOR DOLLIVER: I have read in this afternoon's papers an account of the first day's debate on the wool schedule, in which Senator SMOOT replied to the statements in my interview with you by referring to the closing of the Merchants' Woolen Mills, Dedham, Mass., while I was agent of the mills in 1893. I am writing to acquaint you with the facts, that you may use them as you see fit in replying to the retorts, not arguments, of those who attack the statements I made to you.

In December, 1891, I made a year's contract with Edgar Harding, sole owner of the Merchants' Woolen Mills. That contract was renewed twice, first in 1892, and again in 1893. Within eleven months after I began my service there, Grover Cleveland was elected President of the United States, pledged to a revision of the tariff and the removal of all duties on wool. Within nine months after that election, and as a result of it, $700,000 worth of wool in the raw state and in process and of manufactured goods, which Mr. Harding had on hand, had depreciated in value until they were worth 50 cents on the dollar, making a loss of $350,000 by shrinkage of wool values alone. Mr. Harding, who would have failed if he had not been a very wealthy man, continued to run the mill for several months after this loss, and then in 1893 decided to run out the stock, sell the mill, and retire from the woolen business. In accordance with orders received from him, I ran out the stock and closed the mill, two years and four and one-half months from the date of my first contract. There was still seven and one-half months for which we were both bound by the contract. It was then that I made a sacrifice which has since given me a great deal of personal satisfaction. I voluntarily made the offer to Mr. Harding to relinquish one-half of the amount, $2,500, he was still bound to pay me (at the rate of $4,000 per year) for the remaining eight months. This offer was accepted and I received $1,250 and ended my business connection with him. He sold the mill and never again engaged in the carded woolen business. I have always taken much satisfaction in this voluntary sacrifice by which I shared to some extent my employer's losses, and which was altogether one-sided, because of the great disparity of worldly goods possessed by Mr. Harding and myself.

I have made this explanation because your opponents apparently think there is some connection between my business relations with Edgar Harding in 1893 and the duty on wool and worsted tops in 1909.

All who are connected with a woolen mill, whether in the capacity of owner, agent, overseer, or common operative, come into possession of their proper share of the credit or discredit attaching to the success or nonsuccess of the establishment. This is true whether the mill is Edgar Harding's or Senator SMOOT's. And I am not the one to seek to escape the consequences of this natural law. Instead of seeking to shift the blame for the closing of the Merchants' Woolen Mills on others, say, the selling agent, Harding, Whitman & Co., whose specialties then were dress goods, yarns, tops, and not heavy carded woolen beavers, or on the owner, or on employees, or even on Grover Cleveland, I am content to state the facts.

The years during which I was at Dedham have their peculiar lesson for us at this time. It is that we should maintain adequate protection to both woolgrower and manufacturer. Then it was endangered by those who would lower the duties on wool and wool goods. Now it is endangered by those who would establish a policy of exclusion for selfish special interests. The course for the true friends of protection to adopt is as plain now as it was then.

You are at liberty to use this letter in any way you may see fit. Judging from the press accounts of the debate, I would suggest that you make it a part of the RECORD to-morrow.

Yours, very truly, SAMUEL S. DALE.

Hon. J. P. DOLLIVER,
Washington, D. C.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. I yield to the Senator from Utah.

Mr. SMOOT. Mr. President, I was not in the Chamber when the Senator made his remarks, but I suppose that they had reference to what I said yesterday about Mr. Dale's employment in the Merchants' Woolen Mills.

Mr. DOLLIVER. Yes; an indirect allusion to what the Senator said yesterday.

Mr. SMOOT. Does the Senator say that I cast any reflection upon the moral character of Mr. Dale in any way?

Mr. DOLLIVER. No; I did not say so.

Mr. SMOOT. I want the Senate to distinctly understand that I did not.

Mr. DOLLIVER. The Senator seemed to think he was a presumptuous man, however, having failed in the wool business, to be here instructing the Senate.

Mr. SMOOT. Mr. President, my whole contention was that the Senator from Iowa had Mr. Dale here in Washington, that he had an interview with him, that he thought it was of so much importance that he had the interview published, and that he based his argument for the changes that he wants made in this particular schedule upon the statement of Mr. Dale. I thought there was nothing wrong——

Mr. DOLLIVER. Mr. President, while it is not important, I will correct the Senator for saying that.

Mr. SMOOT. I want the Senator to do so, if it is not true.

Mr. DOLLIVER. I have suffered the affliction, which sometimes happens to very good people, of having my views attributed to Democrats now dead and gone.

Mr. SMOOT. O Mr. President, the Senator certainly can not lay that at my door.

Mr. DOLLIVER. Certainly not.

Mr. SMOOT. I never mentioned a Democrat; I never mentioned politics; I never mentioned a soul except Mr. Dale.

Mr. DOLLIVER. But I do not hold the Senator from Utah responsible for everything that emanates from the Finance Committee. The RECORD is surely filled with trumpery of the last generation, intended to show that I could not entertain such ideas as these without abandoning Republicanism and falling back onto a form of Democracy that has already been buried with the usual honors. [Laughter.]

Mr. SMOOT. I wish the Senator would correct me if I am wrong in my assumption; and that was that the Senator had an interview with Mr. Dale; that he had that interview published as a Senate document; and that he was speaking and basing his argument upon that document or interview. Is that not correct?

Mr. DOLLIVER. Well, the whole argument fell back on that as a sort of outer defense.

Mr. SMOOT. All I did was this: I called the attention of the Senate to the fact that Mr. Dale had not appeared before the Ways and Means Committee to be cross-examined there, but that he came here and had an interview with the Senator from Iowa——

Mr. DOLLIVER. Mr. President——

Mr. SMOOT. And then I called attention to the fact——

Mr. DOLLIVER. Just a moment. The Senator wants to be just.

Mr. SMOOT. Let me finish——

Mr. DOLLIVER. He came here at my request.

Mr. SMOOT. Certainly; I do not question that.

Mr. DOLLIVER. I will tell you how I happened to want him. I had been reading the Textile World Record for a good while every month. I do not take the same pride that the Senator from Rhode Island [Mr. ALDRICH] does, who puts himself forward as the master of the fate of the textile industry of the United States, and yet stands here to avow that he never heard of the paper or the magazine which, for twenty years, has been the representative trades organ of the most important branch of the textile industry of the United States.

Mr. SMOOT. Let us get back to Mr. Dale. That is the question here.

Mr. NELSON. Mr. President, will the Senator from Iowa yield to me for a moment?

Mr. SMOOT. Let me finish——

Mr. NELSON. I want to get at the point of this matter. I understood distinctly that the effect of the Senator's remarks was to belittle Mr. Dale because he had been in the woolen business and made a failure of it.

Mr. DOLLIVER. That was the idea, as it seemed to me.

Mr. NELSON. Exactly.

Mr. SMOOT. If the Senator from Minnesota had waited, I would have told him exactly my thought and what impression I wanted to convey to the Senate. When this question was before the Ways and Means Committee, the men interested in this subject appeared before the committee. Upon this very question there was a certain man before the Ways and Means Committee who gave testimony, but who upon cross-examination utterly failed to sustain his assertions. Mr. Dale did not go before the Ways and Means Committee. I do not know whether or not he was asked to do so. I suppose, if he was interested enough in this question, he could have gone before that committee, but he did not do so. I simply said that I wanted to call the attention of the Senate to the fact that this man, on whose statement the Senator from Iowa had based his argument, certainly was not a successful manufacturer, with all the protection that had been given. Other men had passed successfully through the same years; and, inasmuch as the Senator referred to me as a manufacturer, I want to say here that during those years the woolen mill that I managed ran every day.

Mr. DOLLIVER. Very well; but your colleague said that multipled tens of thousands of these corporations went to the bad during that period.

Mr. SMOOT. Well, Mr. President, we are discussing the question now between Mr. Dale and myself, as the Senator has thought proper to bring the question up.

Mr. DOLLIVER. The Senator was located more fortunately, surrounded by those magnificent mountains which give his city such beauty of situation, and evidently they operated to isolate him from the storm which was raging in the commercial world about that time.

Mr. SMOOT. Not altogether; we felt it just about as much as any other section of this country, and I can assure you that I hope never to live to see the day when we shall have to pass through such an experience again. I disclaim now that I have cast any reflection upon the moral character of Mr. Dale; but I do claim that he is not fitted, any more than a thousand other men are fitted, to give testimony upon this great branch of industry in this country.

Mr. NELSON. Mr. President, he might be if he were a Senator. [Laughter.]

Mr. SMOOT. Mr. President, I have no hesitation in saying, and in saying as forcefully as I can, that his testimony or his knowledge would exceed the testimony and the knowledge of the Senator from Minnesota upon the wool schedule.

Mr. DOLLIVER. Mr. President, I understood the Senator to say that nobody had ever recognized the skill of this man.

Mr. SMOOT. O Mr. President, I never said that.

Mr. DOLLIVER. The Senator said that he would have appeared before the Ways and Means Committee if he had been sent for.

Mr. SMOOT. I said that if he was interested in this subject, and if he wanted to do so, he could have appeared before the Ways and Means Committee.

Mr. DOLLIVER. Has the Senator read the testimony taken before the Ways and Means Committee?

Mr. SMOOT. I was in the committee room a great deal of the time when the testimony was being given.

Mr. DOLLIVER. Has the Senator read the testimony that was taken?

Mr. SMOOT. I can not say that I have read every word of the testimony, but I have read a great deal of it, and I know that Mr. Dale did not appear before that committee.

Mr. DOLLIVER. Mr. President, I undertake to say that the record will show that he did, or that his testimony is preserved in those hearings.

Mr. SMOOT. In this last hearing?

Mr. DOLLIVER. Yes, sir.

Mr. SMOOT. Well, Mr. President, I will leave the record to speak for that.

Mr. DOLLIVER. I may be in error about it——

Mr. SMOOT. I think the Senator is in error. I want to say right now that I have looked through it, not as carefully perhaps as I ought to have done, but I do not believe that Mr. Dale appeared there before the Ways and Means Committee.

Mr. DOLLIVER. I do not think it is necessary to authenticate his position as an expert that he should have been there, because I notice that nine-tenths of the testimony was given by Mr. Whitman and my old friend from Philadelphia, Mr. Theodore Justice.

Mr. SMOOT. Mr. President, that was not the question. The question was as to whether he did appear.

Mr. ALDRICH. Question!

Mr. DOLLIVER. Mr. President, I take it that these two amendments will be voted upon together.

Mr. ALDRICH. That is my understanding.

Mr. DOLLIVER. And on that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BACON. The question, as I understand, is on the two amendments?

The PRESIDENT pro tempore. On the two amendments.

Mr. BRADLEY. Are those amendments of the committee?

The PRESIDENT pro tempore. They are amendments of the committee.

The Secretary proceeded to call the roll.

Mr. JOHNSTON of Alabama (when Mr. BANKHEAD's name was called). My colleague [Mr. BANKHEAD] is unavoidably detained from the Senate to-day. He is paired with the junior Senator from Nevada [Mr. NIXON]. If he were present, my colleague would vote "nay."

Mr. CURTIS (when his name was called). I desire to announce my pair upon this vote with the junior Senator from Indiana [Mr. SHIVELY].

Mr. DILLINGHAM. I have a general pair with the senior Senator from South Carolina [Mr. TILLMAN], who is necessarily absent, and for that reason I withhold my vote.

Mr. FRYE (when his name was called). I have a pair with the senior Senator from Virginia [Mr. DANIEL], and therefore withhold my vote.

Mr. JONES (when his name was called). I am paired for the day with the junior Senator from South Carolina [Mr. SMITH]. Therefore I withhold my vote on all the votes taken for the day, and make this announcement now to apply to all.

Mr. McLAURIN (when his name was called). On this vote I am paired with the senior Senator from Maine [Mr. HALE]. By an arrangement with the senior Senator from Rhode Island [Mr. ALDRICH] that pair can be transferred to the senior Senator from South Carolina [Mr. TILLMAN], which will permit the Senator from Vermont [Mr. DILLINGHAM] and myself to vote. I vote "nay."

Mr. NIXON (when his name was called). I am paired with the junior Senator from Alabama [Mr. BANKHEAD], and therefore withhold my vote.

The roll call was concluded.

Mr. DILLINGHAM. Under the transfer of pairs announced by the Senator from Mississippi [Mr. McLAURIN], I will vote. I vote "yea."

Mr. CURTIS. I desire to inquire if the junior Senator from Oregon [Mr. BOURNE] has voted?

The PRESIDENT pro tempore. The Chair is informed that he has not.

Mr. CURTIS. Then I transfer my pair with the Senator from Indiana [Mr. SHIVELY] to the Senator from Oregon [Mr. BOURNE] and vote. I vote "yea."

Mr. OWEN. I wish to announce the pair of the Senator from Tennessee [Mr. FRAZIER] with the Senator from New York [Mr. DEPEW].

Mr. SCOTT. My colleague [Mr. ELKINS] is unavoidably absent. He is paired with the junior Senator from Texas [Mr. BAILEY]. If my colleague were here, he would vote "yea."

The result was announced—yeas 42, nays 31, as follows:

YEAS—42.

Aldrich	Crane	Guggenheim	Root
Borah	Crawford	Heyburn	Scott
Bradley	Cullom	Johnson, N. Dak.	Smith, Mich.
Brandegee	Curtis	Kean	Smoot
Briggs	Dick	Lodge	Stephenson
Bulkeley	Dillingham	McCumber	Sutherland
Burnham	Dixon	McEnery	Warner
Burrows	du Pont	Page	Warren
Burton	Flint	Penrose	Wetmore
Carter	Gallinger	Perkins	
Clark, Wyo.	Gamble	Piles	

NAYS—31.

Bacon	Cummins	La Follette	Paynter
Beveridge	Davis	McLaurin	Rayner
Bristow	Dolliver	Martin	Simmons
Brown	Fletcher	Money	Smith, Md.
Burkett	Foster	Nelson	Stone
Clapp	Gore	Newlands	Taliaferro
Clay	Hughes	Overman	Taylor
Culberson	Johnston, Ala.	Owen	

NOT VOTING—18.

Bailey	Daniel	Hale	Shively
Bankhead	Depew	Jones	Smith, S. C.
Bourne	Elkins	Nixon	Tillman
Chamberlain	Frazier	Oliver	
Clarke, Ark.	Frye	Richardson	

So the amendments of the Committee on Finance were agreed to.

The PRESIDENT pro tempore. Without objection, the paragraph as amended is agreed to.

The SECRETARY. The next paragraph passed over is 370, and in line 15, after the word "flocks," the committee propose to strike out the word "six" and insert "ten."

Mr. DOLLIVER. Mr. President, just before the previous vote was taken, and just before the distinguished Senator from Utah [Mr. SMOOT] took his seat, a controversy, somewhat nebulous and uncertain in character on both sides, developed as to whether the Ways and Means Committee had had before it the witness to whose name reference had been made. The Senator from Utah being a little dim in his recollection as to whether he had read all this testimony, was unable to say whether Mr. Dale had appeared or not. I, for want of absolute confidence in the accuracy of my recollection, was unable to press that point with that vigor which would become a man who knew to a dead certainty that he was correct about it. Therefore, the controversy lapsed into what would be called in worldly circles a "controversial draw."

In the meantime I have examined these hearings, and I find there is a sense in which we were both wrong, and a sense in which I was not far from right, because I find on page 5183 of the tariff hearings, on Schedule K, before the Ways and Means Committee, a letter by Sidney Blumenthal, of New York, submitting for the consideration of the committee, not Mr. Dale's testimony, but an extract from an extraordinary editorial article printed in the Textile World Record, of Boston, for January, 1909; and in view of the fact that this editorial article thus appearing, occupying pages of this record, the work of Mr. Dale, states with felicitous accuracy, so that almost anybody can understand it, notwithstanding the complexity of the subject, the question that is at issue here, I wish to read a few lines of it, because he exhibits for our attention the grievances of large classes of woolen manufacturers in New England and everywhere else in the United States.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I take it for granted the Senator remembers what my statement was, and that was that Mr. Dale did not appear before the Ways and Means Committee of the House, that he was not there to be subjected to cross-examination.

Mr. DOLLIVER. That is true.

Mr. SMOOT. That is the statement I made.

Mr. DOLLIVER. He was absent in person and in body, but he had his ideas there. The rest of them were there in person, but there was a peculiar dearth of ideas in connection with their attendance in some cases. But here is what he says about these wastes:

It is evident that one of the most difficult problems before the committee is the removal in the inequalities in the tariff on wool and woolens. The new tariff should afford adequate protection to all branches of the industry.

So you see he is not a free trader.

That is the basic principle on which the revision must be made. It should also bear equally on all branches, favoring none at the expense of the others or of the consumer. The inequalities encountered first are those in rates on wool. As it comes from the sheep's back and is received at the mill, wool contains a widely varying amount of grease and dirt. Some lots may consist of three-quarters grease and one-quarter clean wool; other lots, one-quarter grease and three-quarters clean wool; and no two lots shrink exactly alike.

The Dingley law fixes the tariff on wool at a uniform amount per pound of grease wool, regardless of the amount of grease it contains. Here lies the fundamental and insurmountable difficulty with a specific duty on grease wool. A duty of 11 cents a pound amounts in fact to 44 cents per pound of clean wool if there is 75 per cent of grease present, and to only 14⅔ cents per pound of clean wool if there is 25 per cent of grease.

Now, listen:

The result is that the 11-cent duty on wool excludes the heavy shrinking wools from the country. In effect, the law says: "No wool shrinking over a certain amount shall be imported into the United States except at a loss." It is impossible to escape this prohibition by scouring the wool abroad, because the law expressly provides that the duty on scoured wool shall be three times the duty on grease wool.

The wools required by the carded woolen industry are the short, heavy shrinking grades. This explains one reason why the specific duty on wool is a serious burden on the carded woolen industry and bears lightly on the worsted trade for which the light shrinking wools are chiefly adapted.

Deprived wholly of any supply of foreign wool, the carded woolen industry is forced to rely on the domestic clip, which provides less than half the wool (clean weight) used in the country. This domestic supply is still further restricted by the fact that worsted machinery has been steadily developed so as to comb and spin shorter wools for worsted goods. This is a second reason why the carded woolen industry is placed at a disadvantage.

Restricted to a small part of a small domestic clip, the woolen manufacturer turns to the by-products of worsted manufacture and to reworked wool (shoddy) for a supply of raw material, and again finds conditions adverse to him. The duty on noils, the by-product of worsted combing, which the worsted spinner can not use, is so high as to prohibit importations, and as a result the carded woolen manufacturer is forced to pay the worsted manufacturer a high price for a very limited supply of domestic noils.

The carded woolen manufacturer finds a similar condition when he turns from noils to wool waste and reworked wool. Prohibitory duties on the foreign supply restrict him to the narrow limits of the home supply.

The products of the carded woolen industry are necessary in order to provide the people with warm clothing at a low price. They are preeminently the clothing of the poor and of those in moderate circumstances. The effect of the present law has been to make cotton, instead of carded woolen cloth, the substitute for the higher priced worsted, and thus deprive the consumer of an adequate supply of warm clothing at a moderate price.

It is difficult to avoid the conclusion that the carded woolen industry has been starved while the worsted industry has been placed in a favorable position by reason of the low duty on light shrinking worsted wools and of the high prices at which the worsted by-products have been sold to carded woolen and knitting mills.

It is not surprising that the carded woolen industry has languished under these conditions, nor that those identified with it should now appeal vehemently for a recasting of the tariff on wool and wool goods at the coming revision. It is our purpose here not to recommend a definite schedule, but rather to point out facts that would aid in framing such a schedule. If objection is raised to the abandonment of specific duties on wool on the score of danger of undervaluations, this question may well be asked, Is the evil of undervaluations with an ad valorem tariff, which evil can be limited by the vigilance of the Government, likely to be greater than the evil of discrimination against heavy shrinking wools, which evil can not be limited in any way whatever? It is up to the advocates of specific rates on wool to propose a schedule under which such rates will not favor some and discriminate against others.

I ask leave to print as a part of my remarks the extract to which I have referred from the Boston Textile World Record of January, 1909.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Textile World Record, Boston, January, 1909.]

It is evident that one of the most difficult problems before the committee is the removal of the inequalities in the tariff on wool and woolens. The new tariff should afford adequate protection to all branches of the industry. That is the basic principle on which the revision must be made. It should also bear equally on all branches, favoring none at the expense of the others or of the consumer. The inequalities encountered first are those in rates on wool. As it comes from the sheep's back and is received at the mill, wool contains a widely varying amount of grease and dirt. Some lots may consist of three-quarters grease and one-quarter clean wool; other lots, one-quarter grease and three-quarters clean wool; and no two lots shrink exactly alike.

The Dingley law fixes the tariff on wool at a uniform amount per pound of grease wool, regardless of the amount of grease it contains. Here lies the fundamental and insurmountable difficulty with a specific duty on grease wool. A duty of 11 cents a pound amounts in fact to 44 cents per pound of clean wool if there is 75 per cent of grease present, and to only 14⅔ cents per pound of clean wool if there is 25 per cent of grease. The result is that the 11-cent duty on wool excludes the heavy shrinking wools from the country. In effect the law says: "No wool shrinking over a certain amount shall be imported into the United States except at a loss." It is impossible to escape this prohibition by scouring the wool abroad, because the law expressly provides that the duty on scoured wool shall be three times the duty on grease wool.

The wools required by the carded woolen industry are the short, heavy shrinking grades. This explains one reason why the specific duty on wool is a serious burden on the carded woolen industry and bears lightly on the worsted trade for which the light shrinking wools are chiefly adapted.

Deprived wholly of any supply of foreign wool, the carded woolen industry is forced to rely on the domestic clip, which provides less than half the wool (clean weight) used in the country. This domestic supply is still further restricted by the fact that worsted machinery has been steadily developed so as to comb and spin shorter wools for worsted goods. This is a second reason why the carded woolen industry is placed at a disadvantage.

Restricted to a small part of a small domestic clip, the woolen manufacturer turns to the by-products of worsted manufacture and to reworked wool (shoddy) for a supply of raw material, and again finds conditions adverse to him. The duty on noils, the by-product of worsted combing, which the worsted spinner can not use, is so high as to prohibit importations, and as a result the carded woolen manufacturer is forced to pay the worsted manufacturer a high price for a very limited supply of domestic noils.

The carded woolen manufacturer finds a similar condition when he turns from noils to wool waste and reworked wool. Prohibitory duties on the foreign supply restrict him to the narrow limits of the home supply.

The products of the carded woolen industry are necessary in order to provide the people with warm clothing at a low price. They are preeminently the clothing of the poor and of those in moderate circumstances. The effect of the present law has been to make cotton, instead of carded woolen cloth, the substitute for the higher-priced worsted, and thus deprive the consumer of an adequate supply of warm clothing at a moderate price.

It is difficult to avoid the conclusion that the carded woolen industry has been starved while the worsted industry has been placed in a favorable position by reason of the low duty on light shrinking worsted wools and of the high prices at which the worsted by-products have been sold to carded woolen and knitting mills.

It is not surprising that the carded woolen industry has languished under these conditions, nor that those identified with it should now appeal vehemently for a recasting of the tariff on wool and wool goods at the coming revision. It is our purpose here not to recommend a definite schedule, but rather to point out facts that would aid in framing such a schedule. If objection is raised to the abandonment of specific duties on wool on the score of danger of undervaluations, this question may well be asked, Is the evil of undervaluations with an ad valorem tariff, which evil can be limited by the vigilance of the Government, likely to be greater than the evil of discrimination against heavy shrinking wools, which evil can not be limited in any way whatever? It is up to the advocates of specific rates on wool to propose a schedule under which such rates will not favor some and discriminate against others.

Another problem before the committee, and which is still more closely interlaced with the technical details of textile manufacturing, is the framing of a schedule of rates on wool fabrics which will be uniform on all grades of goods. The first step in reaching a solution of this problem is to obtain facts. The present law is based on the assumption that it requires 4 pounds of grease wool to make 1 pound of wool cloth.

The error of such a general proposition is at once evident, because of the variable shrinkage of grease wools. But it is not enough for the committee to know that the 4-to-1 ratio is wrong. They are charged with the task of finding out what is right. It will aid them in this search to know just how the present law, with its 4-to-1 ratio, has operated on different fabrics. With this object in view we have applied the Dingley rates to a number of wool fabrics which have either been made or analyzed by us personally. We know as well as it is possible for anyone to know how much material is required to manufacture a pound of the respective cloths, and present here the results of our calculations. We believe this is the first time that the results of such an examination of the Dingley schedules have been published.

Dingley schedules.

A25—WORSTED SERGE.

[18.4 ounces per yard, 54 inches wide; 10,000 yards, at $1, $10,000; 11,500 pounds cloth. This requires 21,941 pounds grease wool.]

	Duty.	Per cent.
Dingley duty:		
11,500 pounds cloth, 44 cents	$5,000.00	50.6
55 per cent of $10,000	5,500.00	55.0
Total duty	10,500.00	105.6
Actual compensatory required:		
21,941 pounds grease wool, 11 cents	2,413.51	24.1
Actual protection	8,146.49	81.5

Dingley schedules—Continued.

A96—COTTON-WARP DRESS GOODS.

[6.7 ounces per yard, 50 inches wide; 10,000 yards, at 25 cents, $2,500; 4,187 pounds cloth. This requires 4,515 pounds of grease wool.]

	Duty.	Per cent.
Dingley duty:		
4,187 pounds cloth, 44 cents	$1,842.28	73.7
50 per cent of $2,500	1,250.00	50
Total duty	3,092.28	123.7
Actual compensatory required:		
4,515 pounds grease wool, 11 cents	496.65	19.9
Actual protection	2,595.63	103.8

C96—WORSTED DRESS GOODS.

[6.7 ounces per yard, 50 inches wide; 10,000 yards, at 40 cents, $4,000; 4,187 pounds cloth. This will require 9,760 pounds of grease wool.]

Dingley duty:		
4,187 pounds cloth, 44 cents	$1,842.28	46
55 per cent of $4,000	2,200.00	55
Total duty	4,042.28	101
Actual compensatory required:		
9,760 pounds grease wool, 11 cents	1,073.60	26.8
Actual protection	2,968.68	74.2

E119—WORSTED SERGE, PIECE DYED.

[14½ ounces per yard, 56 inches; 10,000 yards, at 90 cents, $9,000; 9,062 pounds cloth. This would require 20,945 pounds grease wool.]

Dingley duty:		
9,062 pounds cloth, 44 cents	$3,987.28	44.3
55 per cent of $9,000	4,950.00	55
Total duty	8,937.28	99.3
Actual compensatory required:		
20,945 pounds, 11 cents	2,303.95	25.6
Actual protection	6,633.33	73.7

A226—COTTON WORSTED.

[14 ounces, 55 inches wide; 10,000 yards, at 50 cents, $5,000; 8,750 pounds cloth. This would require 3,125 pounds grease wool.]

Dingley duty:		
8,750 pounds, 44 cents	$3,850.00	77
50 per cent of $5,000	2,500.00	50
Total duty	6,350.00	127
Actual compensatory required:		
3,125 pounds, 11 cents	343.75	6.8
Actual protection	6,006.25	120.2

A207—COTTON-WARP, CASKET CLOTH, COTTON, WOOL, AND SHODDY.

[15½ ounces per yard, 68 inches wide; 10,000 yards, at 50 cents, $5,000; 9,688 pounds cloth. This will require 2,375 pounds cotton warp, 1,600 pounds grease wool, 1,125 pounds raw cotton, 9,563 pounds shoddy.]

Dingley duty:			
9,688 pounds cloth, 44 cents		$4,262.72	85.2
50 per cent of $5,000		2,500.00	50.0
Total duty		6,762.72	135.2
Actual compensatory required:			
1,600 pounds, 11 cents	$1,760.00		
9,563 pounds, 5 cents	478.15		
		2,238.15	44.8
Actual protection		4,524.57	90.4

608—PIECE-DYED KERSEY.

[25 ounces per yard, 55 inches. Stock: Back warp, 40 per cent Oregon, 60 per cent shoddy; face warp and filling, 50 per cent California, 50 per cent shoddy; 10,000 yards, $1.25, $12,500; 15,625 pounds cloth. This would require 32,426 pounds wool in grease, 13,167 pounds shoddy.]

Dingley duty:			
15,625 pounds, 44 cents		$6,875.00	55
55 per cent of $12,500		6,875.00	55
Total duty		13,750.00	110
Actual compensatory required:			
32,426 pounds, 11 cents	$3,566.85		
13,167 pounds, 5 cents	658.35		
		4,225.21	33.8
Actual protection		9,524.79	76.2

Dingley schedules—Continued.

E382—COTTON-WARP BEAVER.

[28 ounces per yard, 55 inches; 10,000 yards, at 75 cents, $7,500; 17,500 pounds. This quantity would require 3,611 pounds raw cotton, 1,309 pounds cotton warp, 22,123 pounds shoddy, 4,886 pounds fine wool, 1,137 pounds coarse wool.]

		Duty.	Per cent.
Dingley duty:			
17,500 pounds, 44 cents		$7,700.00	102.7
50 per cent of $7,500		3,750.00	50
Total duty		11,450.00	152.7
Actual compensatory required:			
6,023 pounds, 11 cents	$662.53		
22,123 pounds, 5 cents	1,106.15		
		1,768.68	23.6
Actual protection		9,681.32	129.1

E24—IRISH FRIEZE.

[34 ounces per yard, 55 inches. Stock: 50 per cent wool and 50 per cent waste; 10,000 yards, at $1, $10,000; 21,250 pounds cloth. This requires 23,625 pounds grease wool, 17,719 pounds shoddy and waste.]

Dingley duty:			
21,250 pounds, 44 cents		$9,350.00	93.5
50 per cent of $10,000		5,000.00	50
Total duty		14,350.00	143.5
Actual compensatory required:			
23,625 pounds, 11 cents	$2,598.75		
17,719 pounds, at 5 cents	885.95		
		3,484.70	34.8
Actual protection		10,865.30	108.7

A211—WOOL CASSIMERE, TERRITORY WOOL.

[13 ounces per yard, 54 inches wide; 10,000 yards, at 85 cents, $8,500; 8,125 pounds cloth. This will require 32,143 pounds grease wool, shrinking 65 per cent.]

Dingley duty:		
8,125 pounds cloth, 44 cents	$3,575.00	42
55 per cent of $8,500	4,675.00	55
Total duty	8,250.00	97
Actual compensatory required:		
32,143 pounds, 11 cents	3,535.73	41.6
Actual protection	4,714.27	55.4

DE—WOOL DRESS GOODS, PIECE DYED.

[6 ounces per yard, 50 inches wide; 10,000 yards, at 40 cents, $4,000; 3,750 pounds cloth. This would require 14,823 pounds grease wool, shrinking 65 per cent.]

Dingley duty:		
3,750 pounds, 44 cents	$1,650.00	41.2
55 per cent of $4,000	2,200.00	55
Total duty	3,850.00	96.2
Actual compensatory required:		
14,823 pounds, 11 cents	1,630.53	40.8
Actual protection	2,219.47	55.4

It will be noticed that the "actual compensatory" is based on the amount of grease wool extended at 11 cents a pound and of waste or shoddy extended at 5 cents. This is on the assumption that the cost of wool in this country is increased by the full amount of the duty, which is not always the case. In the case of waste and shoddy 5 cents a pound has been allowed, because it would clearly be wrong to take the full amount of the duty, 10 to 20 cents, which in many cases is more than the total cost of the material in question. We have sent to England for samples of the cheap fabrics on which the compensatory duty per pound, owing to the lower valuation, is less than four times the duty on a pound of wool, and hope to give the results of our analysis in an early issue.

The following summary enables a comparison to be made for each of the fabrics between the duty as divided between "compensatory" and "protective" in the present law and as actually divided in practice:

	Dingley duty.		Actual.		Total duty.
	Compensatory.	Protective.	Compensatory.	Protective.	
A25—Worsted serge	50.6	55	24.1	81.5	105.6
A96—Cotton-warp dress goods	73.7	50	19.9	103.8	123.7
C96—Worsted dress goods	46.0	55	26.8	74.2	101.0
E119—Worsted serge piece, dyed	44.3	55	25.6	73.7	99.3
A226—Cotton worsted	77.0	50	6.8	120.2	127.0
A207—Cotton-warp casket cloth	85.2	50	44.8	90.4	135.2
608—Piece dyed kersey	55.0	55	33.8	76.2	110.0
E382—Cotton-warp beaver	102.7	50	23.6	129.1	152.7
E24—Irish frieze	93.5	50	34.8	108.7	143.5
A211—Wool cassimere	42.0	55	41.6	55.4	97.0
DE—Wool dress goods	41.2	55	40.8	55.4	96.2

We have purposely excluded details of cost of manufacturing from these tables in order to avoid complications and confine attention to one important phase of tariff revision. Even now they involve many details and require careful study in order to determine their bearing on the revision of the tariff. One of the defects in the present tariff on wool goods, and perhaps the only one that attracts the attention of the public, is that the aggregate ad valorem rates amount in many

cases to considerably more than 100 per cent. Popular attention is also directed to the fact that the tariff is prohibitory on the cheaper grades of goods. This fact is being seized by politicians as a basis for the cry of discrimination against the poor and in favor of the rich. It is the part of wisdom for the textile trade to look the situation squarely in the face and devise some plan by which the friends of protection at Washington may be able to frame a law that will not only avoid favoring one branch of the wool and wool-goods trade at the expense of the other, but which will remove all grounds for the belief on the part of the public that the rates favor the producer at the expense of the consumer.

When inequalities in a tariff are corrected some one must give up an unfair advantage in justice to others. The woolgrower, the worsted spinner, the woolen manufacturer, and Congress, representing all interests, including the consumer, should get together with the determination to incorporate in the tariff bill of 1909 the square deal of which we have heard so much for seven years. The woolgrower may find that he needs protection against evils at home more than against imports from abroad; the worsted spinner may realize that his higher interests require a yielding up of some of the advantages he now possesses; while the carded-woolen manufacturer would doubtless gladly exchange such tariff protection as he does not need for a supply of the raw material without which he can not live. And this general equalization of rates, while affording adequate protection to American industry, will satisfy the consumer, who is the final arbiter in this country.

A majority of the people in the United States believe in adequate protection and want it incorporated in the new bill. They also want excessive protection abolished. Under these conditions the course for the textile industry to adopt is plain. It is to aid Congress to determine what is adequate protection and to insist that the rates on all goods shall be lowered or raised as may be necessary to bring them to the "adequate" mark.

Mr. WARREN. I do not yet understand what the gentleman proposes to do, unless he proposes an ad valorem tax; and I will ask the Senator from Iowa whether that is his proposition?

Mr. DOLLIVER. I do not know what he proposes. I know what I propose, although I despair of getting my honored friend the Senator from Wyoming to help me with it.

Mr. WARREN. Let me say to my honored friend the Senator from Iowa if he will show me anything that will benefit those who grow the wool, those who manufacture it, and those who consume it, I will be glad to go with him.

Mr. DOLLIVER. I am afraid that in reality the Senator from Wyoming has the same misgivings about it that were expressed by the Senator from Montana. He has not so much opposition to it as a dull fear, intuitively interpreted by long experience, that if the schedule were once reopened, it does not lie with human wisdom to tell what may happen to it in the course of the next few weeks.

Mr. WARREN. What is the "it" to which the Senator from Montana assented and I did not?

Mr. DOLLIVER. A proportional statement of specific duties upon raw wool in the ratio of its shrinkage.

Mr. WARREN. How would the Senator decide the percentage?

Mr. DOLLIVER. By modern methods, of which I can not find that anybody in the Senate has ever heard.

Mr. WARREN. Will the Senator permit me right here?

Mr. DOLLIVER. Yes.

Mr. WARREN. I have within a very few days had some experience in regard to this matter, and I want to say, if the Senator has any way of unraveling that problem of deciding what is the shrinkage on wool, so that we can put on an ad valorem tax and base it upon the shrinkage, and go through the custom-house safely, he will perform one of the great wonders of the age.

Mr. DOLLIVER. Mr. President——

Mr. WARREN. One moment, please. I want to say to the Senator that neither his wool nor the wool of any other man will be sold in large quantities upon any market in this country without taking the wool itself, or some of it, to the factory and scouring it, and buying it upon what it really shrinks. Would the Senator undertake to say that the wool shall be scoured, all of it, under government supervision, before it passes out of the care of the custom-house?

Mr. DOLLIVER. On what basis does a man who is buying wool of the Senator from Wyoming buy it? Does he buy the dirt and grease in it?

Mr. WARREN. He buys it upon what he believes will be its scoured value.

Mr. DOLLIVER. Are there no facilities out in Wyoming to enable him to judge what are the scoured contents of a fleece?

Mr. WARREN. There are not.

Mr. DOLLIVER. Where is that decision made?

Mr. WARREN. There are not, because the wools purchased by the different dealers for different manufacturers are subjected to different treatments according to what they are intended for; and hence every western scouring concern which has been started, in my knowledge, except the one in Aurora, Ill., has closed, because the wool has to be brought to market in the grease and scoured after arrival at its destination.

When the wool is offered for sale and the Senator from Iowa comes in to buy it, if he is willing to trust his judgment sufficiently to pay the price asked by the dealer, he may buy it and take the chances, but in buying large quantities of wool it almost invariably happens that sample bags will be ordered and the sample sent to a factory, where it is scoured in order to find out what it shrinks, and then he comes back and buys the wool in quantity on the actual results of his test.

Mr. DOLLIVER. Is not that exactly what is going on at the custom-house when duties are assessed upon certain cloth? Are not samples removed and tested?

Mr. WARREN. The Senator certainly can not have given that the attention which he usually gives to matters about which he talks, if he thinks the custom-house is going to be able to say how the raw wool will scour.

Mr. DOLLIVER. I was not talking about wool.

Mr. WARREN. One moment.

Mr. DOLLIVER. There are many things that come into the custom-house upon which they do assess duties by taking specimens out of the consignment and making the assessment upon the consignment on a standard determined by what appears from the specimens.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. In answer to that question I wish to say this: I have gone to a wool camp where there have been racks of wool blocks long and containing hundreds of tons. The clips were offered for sale. I have taken one sack, sometimes two, sometimes three; I have shipped them to the mill. I have scoured the sample bags of wool and purchased the clip upon the scoured result of the three bags. When I came to scour the whole clip, I have found a discrepancy of at least 5 to 6 per cent. No one can tell what a clip of wool will shrink until it is all scoured.

Mr. DOLLIVER. But this was a very modest transaction in the open air, in a salubrious climate. There are millions of pounds of wool sold every year in London. The agents of every nation in the world are there buying wool. Nobody buys the dirt that is in the wool, or the grease. Everybody buys and pays for the scoured contents of the bale. How do these agents tell how much to bid at the London auction?

Mr. SMOOT. A man goes into the London auction—I have been there and seen purchases made; I have seen the samples taken from a lot—just the same as in purchasing wool in the West. They get it scoured, and upon that sample they bid on the wool. But that does not prove that the whole clip of wool or the amount of the purchase will shrink the same.

Mr. DOLLIVER. No.

Mr. SMOOT. But it gives them an idea as to what it will shrink. A man has to use his own judgment in buying wool in London the same as in the West. I have missed the scoured result in many clips as high as 5 and 6 and 7 per cent, and I think that every wool buyer who has had any experience has done the same.

Mr. DOLLIVER. If we could get a scheme here of assessing this wool that would reduce the error to 5 or 6 per cent, it would be the very step forward to which my friend the Senator from Wyoming has alluded. The truth is, we have now a system that in the very nature of the case has ranged from 75 per cent down to nothing, and everything is assessed as if it were of one value and one shrinkage.

When I propose to assess it upon the shrinkage, the Senator says there is sometimes a difference of 6 per cent in judging of the character of the fleece. If I could be certain we could reduce this inequality to 6 per cent, I would not for a moment hesitate in calling on my friend from Wyoming to follow my suggestion.

Mr. SMOOT. The Senator from Iowa is talking about percentages, and the illustration as stated by me is as to dollars and cents. I desire to say that wools, no matter what kind, are bought upon the scoured basis; and if they shrink 20 per cent, they are bought upon the basis of a shrinkage of 20 per cent. If they shrink 80 per cent, they are bought upon the basis of a shrinkage of 80 per cent.

Mr. WARREN. Mr. President, it stands to reason that if there is a tariff of a certain rate upon wool, those who raise the wool in a foreign country—if it is per pound—will select the lighter wools for this market. There is no doubt about that. You go to the shearing pens and you will find them throwing the light fleece in one direction and the heavy fleece in another; the light fleece for exportation to the United States; the heavy for Bradford and other markets. The concession which has been made, if I may term it such, by the woolgrowers in favor of the wool manufacturers, as regards the skirting clause, has helped those who intended to import wool to reduce it nearer to an equilibrium, because only the light wools will come into this country. There is no advantage in that given either to the

carded woolen men or to the worsted men. All of us understand that. The wools of lighter shrinkage will come here, and the market abroad is governed accordingly. The market abroad is governed by the shrinkage of wool, and if the worsted men want to buy No. 2, which shrinks but little, the price abroad is regulated by the price it will bring here, duty paid. So there is no advantage. Prices rise and fall according to the laid-down duty-paid scoured prices at the factory, and hence the light-shrinkage wool costs the buyer just as much more as the light shrinkage differentiates in the grease from the wool of heavy shrinkage.

Mr. DOLLIVER. Mr. President, I do not think the carded woolen manufacturers and the manufacturers of knit goods in the United States or other forms, outside of the worsted industry, ought to be shut out by so high a duty as the Senator proposes from the universal market for those wool substitutes. I recognize the fact that nearly everybody is prejudiced against rags, and I have often myself heard gentlemen—and I am not certain that I have not followed the custom—speak of the beggars of Europe raking the gutters of Constantinople for woolen cloths for the purpose of bringing them to the United States to be afterwards worn upon the backs of our people. There is a good deal of humbug about that.

As I said yesterday, the Providence that made this world made wool practically indestructible, and when the process of refining wool is completed, when the dirt is taken out of it and the filth and the disease purged away from it by chemical operations, the wool fiber remains absolutely pure and absolutely clean. That is true even of rags which have been dug up in Constantinople.

Mr. WARREN. Will the Senator permit me?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Is the Senator undertaking to assert that wool loses nothing in all these processes and that remanufactured wool, shoddy, and so forth, is equal to the original clean wool?

Mr. DOLLIVER. Oh, no. It is not equal to it. It has the disabilities of age and that treatment which comes to things and people who are without friends in a world like this.

Mr. WARREN. I am very glad to say that from the foundation of this plan of a tariff upon wool, people who have been interested in enacting the laws have felt that if they took care of their own rags in this, their own, country, they did not need to pull down the bars for the rags of the pauper cities of this world, diseased as they might be, old as they must be. We have rags enough and shoddy enough in this country to get along well with. Shall we let down the bars lower than we have heretofore? We have already reduced the rate in the tariff on noils since the McKinley law. We have reduced it 50 per cent. We have reduced it from 30 cents to 20 cents per pound, which is a reduction of 50 per cent.

Mr. President, it was stated yesterday by the Senator from Minnesota that this wool schedule was a time-honored sort of chestnut and had hoary whiskers on it, but we are talking now about a duty that has been reduced 50 per cent since the McKinley law was passed.

Mr. DOLLIVER. Mr. President, I want to say a word further. The outcast rags of the world are by no means the most important kind of rags that are involved in this amendment. Rags, in the sense of this amendment, are a by-product of the tailor shops, big and little. In fact, they are the by-product of every household in the country. They are saved, and they ought to be saved, because the supply of wool, as Mr. Dale shows distinctly by uncontroverted figures, is not sufficient to give the people who live in this world, outside of the Tropics, one suit of woolen clothes in three years.

Therefore it is of vast importance to the comfort of this world that there should be economy in the saving of all these wastes and by-products, and as I have intimated in illuminating a little broader philosophy, I think that was the design of Providence in making wool, as He has made the precious metals, indestructible.

Mr. WARREN. Would the Senator depend on the products of old rags from abroad rather than to have new, clean, fresh wool?

Mr. DOLLIVER. Mr. Dale shows that after all these things have been said and done, the woolen mills are compelled to turn to these products.

Mr. WARREN. I am talking about imported stock. Would the Senator rather import rags than pure wool? That is the question.

Mr. DOLLIVER. I do not want to import either; and I will tell you why I want to have this duty reduced a little.

Mr. WARREN. But admitting that we have to import one or the other, which the Senator knows is true, what will we import, rags or wool?

Mr. DOLLIVER. I think I would prefer to import wool myself.

Mr. WARREN. Very true. The Senator proposes now to reduce the price on shoddy or rags so that they come in here and cut out the pure wool of this country, and he is going to reduce it so that instead of importing good wool from other countries, the manufacturers are going to bring in shoddy. That is the difference.

Mr. DOLLIVER. Going upon the theory that these carded woolen manufacturers can get goods cheaper and sell cheaper, they will have to turn to the "rag market," so called, to the market that handles the by-products, in order to piece out the wool supply that lies in the United States, since they are shut out entirely from the high-shrinking wools by the unscientific way in which this duty is assessed upon all wools. I want to know whether it is the wish to leave them dealing with such rag dealers as now occupy this market in the United States?

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I think it would be very unfortunate for the carded woolen people to give it out to this country that they are depending upon rags to make their goods.

Mr. DOLLIVER. Mr. President——

Mr. SMOOT. Just a minute, and I will be through. That is one reason why the carded woolen people are suffering to-day. The market has been demanding year in and year out a cheaper class of goods, and because a manufacturer one year sold his line of tricots for $1.40, the very next year every clothing manufacturer in the United States would say we want a tricot for $1.35, the following year for $1.30, next for $1.25, and continued until they got the price down to $1.05 a yard.

Mr. President, how can they make it? In only one way; and that is to take out the pure wool and put in the waste and rags to cheapen the product. I believe to-day that if all the carded woolen men of this country had stood firm, and said to the American clothing manufacturer, "We will not so cheapen our goods," they would be better off than they are to-day. As far as I am concerned, I would like to see the duty on rags so high that no European rags could ever be brought into this country to be put in clothing to be worn upon the backs of the American people.

Mr. DOLLIVER. Mr. President, there is a good deal of truth in what the Senator says and a good deal of sentiment. He falls back on the prejudice against rags which everybody entertains. But that does not throw practical light upon the situation in which these manufacturers are placed. They say that they can not import the high-shrinkage wools because——

Mr. WARREN. Will the Senator permit me there?

Mr. DOLLIVER. Certainly.

Mr. WARREN. Mr. President, the Senator says they want to get shoddy because there is a shortage of wool. Why not import wool, then?

Mr. DOLLIVER. Because you have a scheme here in the first part of the bill that makes it impossible to import high-shrinkage wools. Whenever wool rises to a shrinkage of 70 per cent, you have a duty of 36½ cents a pound on the scoured contents of every pound. You have a statutory duty of 33 cents on scoured wool; that is our advertisement; and you have an actual duty of 36½ cents on every scoured pound of wool that comes in here shrinking 70 cents on the hundred.

Mr. WARREN. Let me tell the Senator what happened under the Wilson law.

Mr. SMOOT. Let me tell him about this other.

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I should like to see the carded-wool people say to the American people, "We are not going to use rags at all; if we are going to cheapen the product, we will cheapen it by mixing cotton instead of woolen rags." Let me tell you why they do not do so. When the clothing manufacturer uses cloth he wants it in such a condition that he can say to the American people that it is all wool, and when it is tested by the chemicals it will show that it is all wool. If that same product carried cotton instead of waste, it would be a better article, but chemically treated it would show just the amount of cotton in it, and the clothing manufacturer could not say to the people that it is all wool. The cloth itself would be a great deal better if it had our best staple cotton instead of these chopped-up rags.

Mr. DOLLIVER. Mr. President, the eloquence of the Senator from Utah entertains, but it does not put a light on the pathway in which I was trying to walk.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN (continuing). Speaking of rags, some of our friends of the other party, when they were in power, feeling that the consumer ought to be cared for, gave him free wool. They wanted to be generous. They also gave him free shoddy. The consequence was that while we had been importing before that time, I think less than one-quarter of a million pounds of shoddy in a year, with wool free and with shoddy free, we imported over 45,000,000 pounds of shoddy the first year under the Wilson and Gorman tariff act.

Now, I ask the Senator, with wool free and shoddy free, which best serves the consumer? Would he have shoddy instead of wool?

Mr. DOLLIVER. At that time we had not money enough to buy either.

Mr. WARREN. That is true, probably; but at a time like the present, when the best worsted goods are being sold, double width of 56 inches, 3 to 3½ yards, sufficient to make a suit of clothes, at the small price of from 85 cents to $1.25 per yard, do we need to ask to put our tariff down where rags instead of all pure wool shall enter into the structure of the cloth for our working people? Here is the product of rags [exhibiting]. It has no fiber of length, as the Senator can see.

Mr. DOLLIVER. Do you mean to say that all shoddy is without any fiber at all?

Mr. WARREN. It is a broken and worn fiber. I want to say that while this shoddy does thicken the cloth and does make it warmer if you can keep it hanging together long enough, at the same time it cuts out just that much weight of our domestic wool—it takes just that much wool market away from the woolgrowers. The proposition right now is, Shall we clothe our people in rags or shall we clothe them in home-grown wool, and if we fall short between the supply and the need, shall we buy shoddy or shall we buy wool?

At the time the Senator speaks of, when over 45,000,000 pounds of shoddy came in here, we had all we could do to buy even cheap clothing. Does the Senator want to reduce us to that point now?

Mr. DOLLIVER. No.

Mr. WARREN. Does he wish to make the price of shoddy so much less than the price of wool that the temptation will be ten times as great as it was then? They made cloth at that time of single width—27 inches—that was sold here for 18 cents per yard, and the men who bought it were beaten out of 17½ cents on every yard of it.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly.

Mr. CARTER. I desire to ask the Senator from Wyoming if it is not a fact that those who sell the cloth made of this shoddy always advertise the cloth as all wool and never advertise it as a product of shoddy, and if it is not therefore an imposition on the purchasing public?

Mr. WARREN. Yes. In the past, not long ago, a tender of law along the lines of the oleomargarine and pure-food laws, to require cloth to be tabbed with the material in it, was offered, and there was such an earnest protest on the part of the manufacturers of cheap woolens as probably was never before offered under the Dome of this Capitol, and we were compelled to drop it there.

Mr. DOLLIVER. Mr. President——

Mr. WARREN. Just a moment more, if the Senator will allow me.

I may not be very well dressed at this moment, but of the suit of clothes that I now have on, the cloth, 54 inches wide, costs, the mill price, $1.20 per yard. Now, the cheapest shoddy cloth that ever was made, and that was in times of free shoddy, was 18 cents per yard for half that width, which would be 36 cents, in comparison with $1.20 for all pure new wool worsted cloth. I ask if we want to encourage by letting down the bars here the introduction of rags that take away pound for pound the market of the American woolgrower for just that much of his product; and, second, deal out to the customer a fabric which, if he once gets it wet, he will have to hang out and call in a neighbor to tell him what kind of garment it is when dry, for it will be out of shape if not all to pieces? Here we have the opportunity to have clothing of the best character for a matter or $3 or $4 for the cloth in a suit, and it costs for making the suit just as much if it is a rag suit made of shoddy as it does if it is an all-wool suit.

Is it necessary for us to reduce the price of shoddy down to a lower tariff ratio than we put on anything else in the woolen line, so that the consumers of this country at every point can be humbugged and robbed? Is that what the Senator would like to do? We have rags of our own. We make them into shoddy. As the Senator says, we take them from the tailor, we take them wherever they fall, and they enter into our manufactures. Now, the Senator asks us to let down the bars and import rags from all pauper cities of Europe to drive out the woolgrowers that grow wool here, and to keep from buying absolutely pure wool abroad that can be bought almost as cheap as the rags themselves.

Mr. DOLLIVER. Mr. President, I do not intend to allow the Senator's statement that I want this country flooded with rags from abroad——

Mr. WARREN. I ask the Senator if he wishes that to be done?

Mr. DOLLIVER. I do want this duty on rags high enough to keep them out, but I do not want them so high as to invite enterprising persons to organize the rag business into one hand.

I called attention this morning to the fact that this duty is mere guesswork. There is no man on the committee or on this floor who knows what the difference in the price of rags in London and New York is. It is just simply a piece of ordinary mental play in which these duties are put absolutely prohibitive. The result of it has been, first, to keep rags out, and I am glad of it; and the second result has been to organize in this market place the United Woolen By-Products Company, generally known as the "rag trust." The result is that every American woolen manufacturer is trying to buy our own rags sent, not to Europe, Asia, Africa, or the islands of the sea, but to the city of New York, and Cincinnati, and Cleveland, and Chicago, and St. Louis, and San Francisco, to the agents of the American Woolen By-Products Company, and these people are robbed without benefit of clergy; and they are here complaining about it.

Mr. WARREN. Will the Senator tell us about this great corporation that he mentioned that nobody else knows anything about?

Mr. DOLLIVER. My honored friend has not forgotten.

Mr. WARREN. Will he point us where we can go and find it, so we can learn where all the woolen factories are located and what their capital is, and so forth? Can he direct us to some point where we can get the particulars of the concern actually doing business that has a corner on rags?

Mr. DOLLIVER. If my friend will consult the junior Senator from Ohio [Mr. BURTON], whom I do not happen now to see in this Chamber, he will give him particulars of that branch of the rag trust that is now operating in Cleveland.

Mr. LA FOLLETTE. Mr. President——

Mr. WARREN. Does the Senator feel that we are going to be short of rags? Does he fear a dearth of rags?

Mr. DOLLIVER. I do not think the rag trust is going to be short of money so long as the carded woolen manufacturer must purchase from it.

Mr. WARREN. The carded woolen manufacturer desires to clothe the people well and that they shall not depend upon rags.

Mr. DOLLIVER. I yield to the Senator from Wisconsin.

Mr. LA FOLLETTE. On the subject of shoddy, I have a bit of testimony taken from the hearings before the Ways and Means Committee which I think will be pertinent at this point of the discussion. When Mr. Whitman——

Mr. WARREN. Will the Senator please direct us to the page of the testimony?

Mr. LA FOLLETTE. I am not able to cite the page just now, but I will cite an incident and will give all of the testimony from the hearings. I think the Senator from Wyoming will be able to turn to it without any difficulty.

Mr. WARREN. I only wished to see what might precede and what succeed it.

Mr. LA FOLLETTE. When Mr. William Whitman, of "wool top" fame, was before the Committee on Ways and Means, on the 2d day of December, Mr. LONGWORTH, of Ohio, a member of the Committee on Ways and Means, propounded to him the following question. You can find it in Mr. Whitman's testimony without much difficulty, I think, but I will give you all there is of it. I have not garbled it.

Mr. LONGWORTH. I desire to ask you a question which will not involve any political theory, and I will put it in the form of reading to you a few sentences from a letter that I received this morning from a constituent of mine. I will say that he is a Republican—I know it because I served with him in the legislature—and therefore he would not be biased by free-trade theories in asking for a reduction in the tariff on woolens. He makes this statement:

"As a manufacturer of clothing for a period of almost fifty years, I can truthfully state that I never handled cloth of so inferior a quality

for the price as I do now. The masses, consisting of laborers, mechanics, and farmers, the real users of ready-made clothing, are receiving practically no value for their money. The qualities and colorings are so poor that in many instances the colorings fade and cockle, and in the manufacture of garments give positively no satisfaction to the wearer."

End of the quotation from the letter. Mr. LONGWORTH says:

I would like to hear your comments on that statement.

Mr. WHITMAN. It is not true.

Mr. LONGWORTH. It is not true?

Mr. WHITMAN. It is not true. There never was a time in the history of the United States when goods were as well made as they are now, and there never was a time when the people wore such good clothing; and I will apply that to both men and women. (Pp. 5352 and 5353, Tariff Hearings, Vol. V, Woolen and Worsted Industry.)

At the bottom of the same page upon which I find this statement of Mr. Whitman as a footnote there appears a letter which evidently was placed in the hearings by Representative LONGWORTH. It came manifestly in response to Mr. Whitman's denial, and reads as follows:

CINCINNATI, OHIO, *December 9, 1908.*

Hon. NICHOLAS LONGWORTH,
Ways and Means Committee, Washington, D. C.

HONORED SIR: At a meeting of the Cincinnati Clothiers' Association, held on the 8th day of December, 1908, Max Silberberg presented and read copy of a letter which, under date of November 30, 1908, he had addressed to the Hon. NICHOLAS LONGWORTH, Congressman from the First Ohio District, member of the Ways and Means Committee, on the subject of the tariff as it affects fabrics entering into the manufacture of clothing, and the attention of the association was called by Mr. Silberberg to the fact that Mr. LONGWORTH had referred, in the course of an examination of Mr. William Whitman, president of the National Association of Wool Manufacturers (who appeared before the Ways and Means Committee to testify), to the letter addressed to him by Mr. Silberberg and asked Mr. Whitman to comment thereon, and especially to a statement made in said letter that "Never before in the history of the country had woolens from the mills been so rank and costly to the clothing manufacturers as now." To which Mr. Whitman replied: "It isn't true."

The Cincinnati Clothiers' Association, composed of substantially all the clothing manufacturers of Cincinnati, Ohio, wishes to corroborate each and every statement contained in the letter addressed by Mr. Max Silberberg to the Hon. NICHOLAS LONGWORTH, dated November 30, 1908, and desires in this way to make each and every statement contained in said letter the statement of this association, and the president and secretary of this association are authorized and directed to certify this action and forward the same to the HON. NICHOLAS LONGWORTH, for presentation to the Ways and Means Committee of the Congress of the United States.

We, the undersigned, president and secretary of the Cincinnati Clothiers' Association, hereby certify that the foregoing action was taken and adopted by said association at a meeting thereof held on the 8th day of December, 1908.

CHARLES SHOHL, *President.*
ENOCH L. STRICKER, *Secretary.*

The PRESIDING OFFICER (Mr. SMITH of Michigan in the chair). The Senator from Iowa will proceed.

Mr. DOLLIVER. Mr. President, I do not want to go any further into that question except to state that if what these people say is true we have not escaped this affliction of rags by the policy that has been pursued up to this time.

Mr. WARREN. Will the Senator from Iowa permit me?

Mr. DOLLIVER. Certainly.

Mr. WARREN. The Senator knows that there is a large product of rags in this country. The larger portion is what falls from the tailor's cutting bench or table, because we do not have that ragged, poor population that some of the old countries have, thanks to our better country, better legislation, tariff acts, and so forth. So rags are bound to enter into the manufacture of cloth to a greater or less extent. But the point I want to make is, that after we have taken care of our own wool and our own rags, shall it be wool that comes in as an extra supply, or shall it be the rags from the slums of foreign countries?

Mr. DOLLIVER. Mr. President, I want to say just a word about this despised shoddy. I have in my mind a very excellent treatise on textile fabrics by Professor Matthews, who is the head of the chemical and dyeing department of the Philadelphia Textile School, and he speaks of this despised shoddy in such terms as would almost seem to refute some descriptions that have been made of it. In fact, he devotes a chapter to the various ways of determining whether goods are made of pure wool or shoddy, and he ends his chapter by saying, on page 74, that "Most samples of shoddy in fact show scarcely any structural difference from ordinary fleece wool." I have quoted that to show that there are all grades of these materials, though I desire to add that I do not want any of them admitted into the United States.

The thing I complain of is that we are putting a duty upon them not only high enough to keep them out, but high enough to warrant the organization here of mercantile agencies, the operation of which has been greatly to the disadvantage of those of our own manufacturers who are compelled to buy these articles in the ordinary course of their business.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The paragraph as amended is agreed to, if there is no objection. The Chair hears none.

The SECRETARY. The next paragraph passed over is paragraph 372, "wool and hair which have been advanced in any manner," and so forth.

Mr. DOLLIVER. I desire to offer a substitute for the Senate amendment.

Mr. ALDRICH. There is no amendment to the paragraph.

The PRESIDING OFFICER. The question is on agreeing to paragraph 372.

The paragraph was agreed to.

The PRESIDING OFFICER. The Secretary will read the next paragraph.

The SECRETARY. The next paragraph passed over is paragraph 373.

Mr, DOLLIVER. I desire to offer a substitute for paragraph 372, which I will send to the desk.

The PRESIDING OFFICER. Paragraph 372 has been adopted, unless there is objection.

Mr. DOLLIVER. I desire to have it reconsidered for the purpose of offering a substitute.

Mr. GALLINGER. Let it be reconsidered.

Mr. ALDRICH. I have no objection to its being reconsidered for the purpose of offering a substitute.

The PRESIDING OFFICER. Reconsideration will be granted, unless there is objection. The amendment of the Senator from Iowa will be read.

The SECRETARY. On page 129, paragraph 372, strike out the House text and insert the following:

372. Wools advanced from the scoured state, known as tops, valued at not more than 40 cents per pound, 30 cents per pound; valued at more than 40 cents per pound, 35 cents per pound; and in addition thereto on all the foregoing, 20 per cent ad valorem.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa as a substitute for paragraph 372.

Mr. DOLLIVER. I desire to have the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. CURTIS (when Mr. BOURNE's name was called). I am requested to announce that the senior Senator from Oregon [Mr. BOURNE] is paired with the junior Senator from Indiana [Mr. SHIVELY].

Mr. DILLINGHAM (when his name was called). I have a general pair with the Senator from South Carolina [Mr. TILLMAN], which, in his absence and with the consent of the junior Senator from Mississippi [Mr. MCLAURIN], I transfer to the senior Senator from Maine [Mr. HALE], which will leave the Senator from Mississippi and myself at liberty to vote. I vote "nay."

Mr. FRAZIER (when his name was called). I am paired with the senior Senator from New York [Mr. DEPEW]. If he were present, I should vote "yea."

Mr. MCLAURIN (when his name was called). Under the arrangement announced by the Senator from Vermont [Mr. DILLINGHAM], I am at liberty to vote, and I vote "yea."

The roll call was concluded.

Mr. SCOTT. I desire to announce—and it will not be necessary to make this announcement again—that my colleague [Mr. ELKINS] is unavoidably detained to-day from the Senate. He is paired with the junior Senator from Texas [Mr. BAILEY]. I shall not make this announcement on future roll calls.

The result was announced—yeas 29, nays 42, as follows:

YEAS—29.

Bacon	Davis	McLaurin	Simmons
Bristow	Dolliver	Martin	Smith, Md.
Brown	Fletcher	Money	Stone
Burkett	Foster	Nelson	Taliaferro
Clapp	Gore	Newlands	Taylor
Clay	Hughes	Overman	
Culberson	Johnston, Ala.	Paynter	
Cummins	La Follette	Rayner	

NAYS—42.

Aldrich	Crane	Guggenheim	Root
Borah	Crawford	Heyburn	Scott
Bradley	Cullom	Johnson, N. Dak.	Smith, Mich.
Brandegee	Curtis	Kean	Smoot
Briggs	Dick	Lodge	Stephenson
Bulkeley	Dillingham	McCumber	Sutherland
Burnham	Dixon	McEnery	Warner
Burrows	du Pont	Page	Warren
Burton	Flint	Penrose	Wetmore
Carter	Gallinger	Perkins	
Clark, Wyo.	Gamble	Piles	

NOT VOTING—20.

Bailey	Clarke, Ark.	Frye	Owen
Bankhead	Daniel	Hale	Richardson
Beveridge	Depew	Jones	Shively
Bourne	Elkins	Nixon	Smith, S. C.
Chamberlain	Frazier	Oliver	Tillman

So Mr. DOLLIVER's amendment was rejected.

The paragraph was agreed to.

The PRESIDENT pro tempore. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is 373, to which the Committee on Finance propose an amendment on page 130, line 2, after the word "class," to strike out "in addition thereto 25 per cent ad valorem;" and in line 7, after the word "thereto," insert the words "upon all the foregoing."

The PRESIDENT pro tempore. The question is on the amendment proposed by the Committee on Finance.

The amendment was agreed to.

Mr. DOLLIVER. Mr. President, I desire to offer a substitute for paragraph 373, which has just been amended.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Iowa will be stated.

The SECRETARY. On page 129, beginning in line 25, it is proposed to strike out paragraph 373, and in lieu thereof to insert the following:

373. On yarns made wholly or in part of wool, valued at not more than 40 cents per pound, 27½ cents per pound on the wool contained therein; valued at more than 40 cents per pound, 38½ cents per pound on the wool contained therein; and, in addition thereto, on all the foregoing, 35 per cent ad valorem.

Mr. DOLLIVER. Mr. President, this is the first paragraph in which a peculiar anomaly of our wool tariff, which has been perpetuated for a great many years, appears, and that is our effort to compensate the manufacturer on account of the loss which he sustains by reason of the tariff on raw wool. So, in the case of yarn, we propose to compensate him by assessing on imported yarn three times the duty on the corresponding class of wool, and, in addition to that, a protective ad valorem of a given percentage.

I have already stated that I do not intend now to make any fight on this theory of compensatory duties, although I am sure that the compensatory rates are not scientifically proportioned, and in themselves operate to create unnecessary inequalities; but there is one thing of which I feel comparatively sure, and that is when you compensate a man for a loss which he has sustained you ought to be certain he has sustained the loss.

Therefore, in making compensation to the manufacturer for the loss which he has sustained by reason of the duty on the wool contained in these yarns, I propose to assess the compensation, not upon the weight of the yarns, but upon the weight of the wool contained in them. I submit that amendment for the friendly consideration of the Senate.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Iowa [Mr. DOLLIVER].

Mr. LA FOLLETTE. Mr. President, on the 25th of September, 1908, Mr. Taft, then the candidate of the Republican party for the Presidency, said, at Des Moines, Iowa:

It is my judgment that a revision of the tariff in accordance with the pledge of the Republican party will be, on the whole, a substantial revision downward, though there probably will be a few exceptions in this regard.

I doubt if there were any schedules of the Dingley law more prominently in the mind of Mr. Taft when he uttered those words at Des Moines, Iowa, than the schedule now under consideration. He was then upon his western tour in the presidential campaign and was addressing voters in support of his candidacy. I think in no speech which he made in the Middle West did he neglect to emphasize this idea and to make substantially the statement which I have quoted.

Mr. President, all students of the tariff question must realize that this particular schedule relating to wool and woolens, essentially a necessary of life, should, above all others, be carefully reconstructed as to the manufactures of wool and revised downward. But this schedule has not been reconstructed in accordance with the petitions of the American people nor the pledges of the Republican platform.

I believe, sir, that the manufacturers of certain classes of woolen fabrics have come into almost supreme control and have succeeded in impressing upon the Congress their views and their interests to the exclusion of the interests of the consumers of the country.

I believe with the Senator from Iowa that the coalition formed many years ago between the representatives of the wool producers and the manufacturers now operates as a hardship upon the producers of wool and gives to the manufacturers, and especially to the manufacturers of one branch of this business, an unjust measure of protection.

I wish to direct the attention of the Senate to some of the reasons why this wool and woolen schedule should be dealt with thoroughly and comprehensively and according to the true principles of protection.

COMBINATION IN WOOL INDUSTRY.

First, I assert that there is a combination in one branch of this industry creating a changed condition, which must be recognized in fixing the tariff duties if the interest of the average citizen is to receive any consideration. I cite the highest authority in this country, giving the exact facts showing the existence of a trust in the manufacture of worsted cloth. I refer to Moody's "The Truth About the Trusts," published in 1904, from which I have already quoted in this debate. It is not a partisan work, but an authoritative compilation by one of our great economic students of the facts of record concerning every great trust in the country in 1904. It is not an attack upon the trust system; it simply records the facts respecting every important trust, the date of its organization, under what state law it was organized, the number of theretofore independent companies which came into it, and the percentage of control over the business, together with capitalization and other facts of a similar character.

Mr. Moody has this to say with respect to this trust:

AMERICAN WOOLEN COMPANY—THE WOOL TRUST.

Incorporated under New Jersey laws, March 29, 1899. It has acquired and now owns the property of the following establishments: Washington Mills, Lawrence, Mass.; National and Providence Worsted Mills, Providence, R. I.; Saranac Mills, Blackstone, Mass.; Fulton Mills, Fulton, N. Y.; Fitchburg Mills, Fitchburg, Mass.; Beoli Mills, Fitchburg, Mass.; Valley Mills, Providence, R. I.; Riverside Mills, Providence, R. I.; Assabet Mills, Maynard, Mass.; Sawyer Mills, Dover, N. H.; Bay State Mills, Lowell, Mass.; Beaver Brook Mills, Lowell, Mass.; Vassalboro Mills, North Vassalboro, Me.; Puritan Mills, Plymouth, Mass.; Anderson Mills, Skowhegan, Me.; Kennebec Mills, Fairfield, Me.; Manton Mills, Manton, R. I.; Anchor Mills, Harrisville, R. I.; Chase Mills, Webster, Mass.; Brown Mills, Dover, Me.; Ray Mills, Franklin, Mass.; Weybosset Mills, Providence, R. I.; Baltic Mills, Enfield, N. H.; Moosup Mills, Moosup, Conn.; Lebanon Mills, Lebanon, N. H.; Prospect Mills, Lawrence, Mass.; Globe Mills, Lawrence, Mass.

Capital stock authorized, $25,000,000; 7 per cent cumulative preferred, and $40,000,000 common stock. Par value, $100. Outstanding, $20,000,000 preferred and $29,501,000 common. Par value, $100. Dividends are regularly paid on the preferred stock.

Number of plants absorbed, 27; proportion of industry controlled, about 60 per cent; products: Woolens, worsteds, etc., all kinds. Element of monopoly: Strong (large tariff benefits). Total capital issued, $49,501,000; market value, $17,000,000.

Mr. President, I have been admonished in the last twenty-four hours that this trust is very active. We have in Wisconsin a few woolen mills. They are not manufacturing worsteds; they are not the people who get the cream of these tariff benefits, but they have been appealed to to wire me to support the existing rates of Schedule K. A curious thing about it is that I was not taken wholly unawares; I was warned of what was coming.

June 5 I received a letter which I must lay before the Senate without giving the name of the author, and I suppose it will be denounced as an anonymous communication. But the Senator from Massachusetts [Mr. LODGE] quoted in his speech certain communications in support of his arguments from which the signatures were withheld. Since we began the consideration of these schedules I have gone very carefully through the hearings before the Ways and Means Committee, and I find with respect to the cost of production many unsigned statements, which instead of being identified with the name of the persons offering the facts are designated by number. For instance, the National Association of Manufacturers through William Whitman filed a long statement with that committee purporting to give among other things certain information regarding the manufacture of woolen blankets, instead of giving the names of the manufacturers, the statements are headed "Statement of blanket manufacturer No. 1;" "Statement of blanket manufacturer No. 2," and so on, all submitted anonymously to the Ways and Means Committee.

The Finance Committee sought to discredit the document furnished by the German Government on request of the Secretary of State, giving information respecting wages and cost of production in Germany, because the names of the manufacturers who signed the statements were not—for trade reasons—to be given out for publication, although open for official inspection and verification at the State Department.

INSPIRED TELEGRAMS FAVORING PRESENT DUTIES.

However, the precedent established by the Senator from Massachusetts [Mr. LODGE] and by the Ways and Means Committee of the House of Representatives, warrants me in submitting without his name, this letter written me by a dealer in woolens in a Western State, warning me that I would receive certain telegrams. I read from his letter as follows:

DEAR SIR: You will some time next week receive 25 to 50 telegrams from Wisconsin saying something to this effect—

Now he quotes—

"Earnestly request your support Schedule K, duties on wastes, yarn, cloths, dress goods, as reported by Finance Committee, as important to woolgrowers as duty on raw wool."

You know we have nearly a million sheep in Wisconsin, and I am borne down upon as suggested by this letter in the name of the woolgrowers to support Schedule K. The letter continues:

The other man who is being the subject of attack is Senator BEVERIDGE, who, at a given signal, will receive a large line of letters, also telegrams, from his State, emanating from the same source. You may use this information in any manner that you desire, but it must not be

known that it emanates from me. As there is only one person outside of myself familiar with this subject at this time, * * *.

I have no desire to enter into any argument on the subject, and I also realize the futility of it, as the tariff measure will be passed, notwithstanding what all the friends of revision may desire. I merely thought I would apprise you of whence emanates the great clamor to protect wool, if you get the wires.

Now he adds the following:

You will not get many wires. The $50 which were sent to be distributed in dollar bills to pay for 50 telegrams were kept by the party who was to disburse them.

[Laughter.]

And it is not likely that many of the manufacturers will spend anything on telegrams.

As a matter of fact I did not get 50. I have four here and two in my committee room. All read just alike, and all read just as the writer of this letter said they would read. His letter was dated the 5th, and these telegrams are dated the 8th. I will read one of them.

Mr. GORE. Read them all.

Mr. LA FOLLETTE. I will read enough to show their similarity. I will not read the names of the men or the companies that signed them, because I think they have been misled into signing and sending them, and I do not want to subject them to embarrassment.

I remember when the Aldrich currency bill was pending before the Senate—a bill that was passed in the interest of the great group banks engaged in speculative finance—it was possible for them to enlist the small commercial bankers of the country to wire Senators to oppose amendments framed in the interest of the commercial banks. So I know the power of this system as it reaches out over these United States. It is all one great system. Behind all legislation of this character is one great power.

ALL READ ALIKE, SHOWING THE SAME ORIGIN.

I read you what is written in this telegram. Keep in mind what I have read from the letter. The telegram is addressed to me and is dated from a city in Wisconsin:

June 8, 1909. Earnestly request your support Schedule K, duty on wastes, yarns, cloths, dress goods, as reported by Finance Committee as important to wool growers as duty on raw wool.

I will read another one. It is dated the same day, June 8, from another city in Wisconsin.

Earnestly request your support Schedule K, duty on wastes, yarns, cloths, dress goods, as reported by Finance Committee as important to wool growers as duty on raw wool.

[Laughter.]

I will read you another one from still another town in Wisconsin.

Earnestly request your support Schedule K, duty on wastes, yarns, cloths, dress goods, as reported by Finance Committee as important to wool growers as duty on raw material.

All read alike. I have two more in my committee room.

I received another telegram from a gentleman who evidently knew that these messages were to be sent me and knew who inspired them. He wired me as follows:

Telegrams you are receiving to-day undoubtedly originate from big woolen interests. I request you keep on working for the people.

It is signed "T. H. Cochrane, Portage, Wis."

Mr. WARREN. Will the Senator from Wisconsin permit a question?

Mr. LA FOLLETTE. Certainly.

Mr. WARREN. Do the signers of the other telegrams which the Senator has read ask him to withhold their names?

Mr. LA FOLLETTE. No; they do not, but I withhold them because I think they have been fooled, just as I am inclined to think the Senator from Wyoming has been fooled. [Laughter.]

Mr. WARREN. The Senator from Wisconsin is probably a judge of the fooling business. I simply asked the question, in respectful manner, whether it was——

Mr. LA FOLLETTE. I gave you my reason. I stated to the Senate my reasons for withholding the names.

Mr. WARREN. I simply asked whether the senders of the telegrams requested that their names be withheld.

RESULTS GOOD—MORE PROGRESSIVES IN THE SENATE.

Mr. LA FOLLETTE. I stated that I withheld them just as I withheld the names of bankers in Wisconsin who wired me and wrote me with respect to the currency bill, which the Senator from Georgia immediately after it had been passed very properly denounced as an infamy.

Mr. WARREN. May I ask another question? Is it not possible that the signers of the telegrams would prefer to have the signatures follow the body of the telegrams?

Mr. LA FOLLETTE. I have so much doubt about it that I withhold them.

Mr. WARREN. Certainly.

Mr. LA FOLLETTE. And I will be the judge of that, with the permission of the Senator from Wyoming.

Mr. WARREN. The Senator feels that the men who sent him the telegrams do not know their business, and he withholds their names?

Mr. LA FOLLETTE. I know enough about methods of the system to warrant the belief that there are many people who do not know how they are being preyed upon by the special interests of this country.

Mr. WARREN. And the Senator is——

Mr. LA FOLLETTE. And I am inclined to think—I want to believe it if I can—that there are men on this floor who do not know.

Mr. WARREN. Do not know what?

Mr. LA FOLLETTE. Who do not know the interests they are really serving.

Mr. WARREN. I hope the Senator will tell us.

Mr. GALLINGER. Who are they?

Mr. WARREN. Who are they?

Mr. LA FOLLETTE. I have spent two or three years in an effort to make that very plain.

Mr. WARREN. What are the net results?

Mr. LA FOLLETTE. If you want me to be more explicit, I will be.

Mr. WARREN. I should like to know what the net results of his efforts have been.

Mr. LA FOLLETTE. They have been pretty good.

Mr. WARREN. Good.

Mr. LA FOLLETTE. When I came here I stood alone in this Chamber. Now there are nearly a dozen men who stand with me. The results have been pretty good.

Mr. WARREN. Good.

Mr. LA FOLLETTE. And they will be better, let me say to the Senator from Wyoming. The lines of those who wittingly or unwittingly serve great interests will be further broken, not only in the Middle West and the Far West, where great progress has been made, but in the East as well. I think I know what I am talking about.

Mr. BACON. Without requesting any yielding on the part of the Senator from Wisconsin, I desire to make the point of order that there is no quorum present.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Gore	Paynter
Bacon	Crane	Guggenheim	Penrose
Beveridge	Crawford	Heyburn	Perkins
Borah	Cullom	Hughes	Piles
Bradley	Cummins	Johnson, N. Dak.	Rayner
Brandegee	Curtis	Johnston, Ala.	Root
Briggs	Davis	Jones	Scott
Bristow	Dick	Kean	Smith, Md.
Brown	Dillingham	La Follette	Smoot
Bulkeley	Dixon	Lodge	Stephenson
Burkett	Dolliver	McCumber	Stone
Burnham	du Pont	McEnery	Sutherland
Burrows	Flint	McLaurin	Taylor
Carter	Foster	Martin	Warner
Chamberlain	Frazier	Nelson	Warren
Clapp	Frye	Newlands	
Clark, Wyo.	Gallinger	Overman	
Clarke, Ark.	Gamble	Page	

The PRESIDENT pro tempore. Sixty-eight Senators have responded to their names. There is a quorum of the Senate present.

MANUFACTURERS HAVE ADVANTAGE OVER WOOL PRODUCERS.

Mr. LA FOLLETTE. I wish to discuss this schedule on its merits. It gives manufacturers an advantage over wool producers. The first evidence of that fact which I bring to the attention of the Senate is found upon page 51 of the Book of Estimates, two sheets of which I hold in my hand. The producer of wool in this country gets from 42 to 45 per cent ad valorem tariff benefit under the law. I will put it at the highest rate—45 per cent—for the comparison I shall make, which is to contrast the supposed benefit that goes to the farmer or producer of the wool with the so-called compensatory duty, conferred upon the manufacturer because there is a tariff upon the wool used in his business. Anybody can make this computation for himself, as I have made it.

On page 51 of the Book of Estimates, beginning with paragraph 372, it will be found that the tariff benefit given to the manufacturer on the first item in that paragraph amounts to 149 per cent ad valorem. Of that, 50 per cent is supposed to be his protective duty, to protect him on his manufacturing cost, and the balance is given to him because there is a duty on wool which increases the price of his raw material. Take the duty on raw wool from the duty that the manufacturer receives, and you find that upon the first subdivision in paragraph 372, the farmer or the producer of wool gets a tariff of 45 per cent upon the wool for which the manufacturer receives as a compensatory tariff 99 per cent.

I will not detain the Senate to read the descriptions of the cloths to which the different rates are applied, but I will follow down rapidly through the column, simply giving the figures, and anybody who chooses to follow me will have an opportunity to correct me if I am wrong.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. Certainly.

Mr. SMOOT. Would it not be fair to the Senate for the Senator from Wisconsin to call the attention of the Senate to the fact that the average value of the cloth that he is speaking of now is 33.3 cents a pound, and that is why the ad valorem duty is 149 per cent? He must know it is not all wool, because wool itself, if it were all wool, is worth from 70 to 80 cents a pound.

Mr. LA FOLLETTE. I understand it perfectly well, and I understand the pretty little trick that is woven into the averages in every line of this tariff bill. I have been studying it, and while we have been driven under whip and spur in the consideration of this bill, and have been given short hours in which to work outside of this Chamber upon these schedules, I have done the best I could and have come, I think, to a pretty fair understanding of the entire scheme.

Mr. SMOOT. The only thing I have in view——

Mr. LA FOLLETTE. I understand the object of the Senator.

Mr. SMOOT. Is to get before the Senate the facts in the case.

Mr. LA FOLLETTE. That is my only purpose.

Mr. SMOOT. And the Senator must know that the scoured wool, to make the cloth specified here, is worth to-day about 70 cents a pound. So if the value here is only 33 cents the fabric must be mixed with the lowest kind of waste to bring it in here. Therefore that brings the ad valorem duty way up.

Mr. LA FOLLETTE. The value is expressed, in the line to which I was calling attention, at 33 cents per pound.

HIGH DUTIES ENJOYED BY MANUFACTURERS.

Passing down the column, I give the compensatory duty which the manufacturer gets, additional to his protective duty, as compared with the 45 per cent ad valorem duty which the woolgrower gets. On the third item he gets 103 per cent; on the next description of goods 47¼ per cent; on the next description of goods 91 per cent; on the next description of goods 69 per cent; on the next description 45.67 per cent; on the next 91.78 per cent; on the next 64.34 per cent; on the next 45.33 per cent; on the next 90.55 per cent; on the next 78.11; on the next 37; on the next 22 per cent; on the next 84 per cent—I will not read the fractions—on the next 68 per cent; on the next 39 per cent; on the next 77 per cent; on the next 71 per cent; on the next 31 per cent; on the next 115 per cent; on the next 70 per cent; on the next 39 per cent; on the next 113 per cent; on the next 66 per cent; on the next 55 per cent; on the next 33 per cent; on the next 75 per cent; on the next 51 per cent; on the next 55 per cent; on the next 51 per cent; on the next 46 per cent; on the next 69 per cent; on the next 65 per cent; on the next 67 per cent; on the next 54 per cent; on the next 48 per cent; on the next 68 per cent; on the next 45 per cent; on the next 35 per cent.

MANUFACTURERS ABSORB BENEFITS INTENDED FOR FARMERS.

Mr. President, statistics of sheep raising and wool production prove that the manufacturer has absorbed the lion's share of the benefits supposedly granted in this schedule to the farmer engaged in sheep husbandry.

The first statistics of wool production that I have been able to discover are for the year 1884. I started with 1885, and in order to be as fair as I could I have taken five-year periods from that time to this. In 1885 we produced in this country 308,000,000 pounds of wool. Let us see how this production of wool has been stimulated by that alliance, which was supposed to be even handed between the woolgrower and the wool manufacturer when the weaver married the shepherd, as immortalized by my friend from Iowa [Senator DOLLIVER]. In 1885 we were producing 308,000,000 pounds; in 1890, 276,000,000 pounds; in 1895, 309,000,000 pounds of wool in this country was the production; in 1900, 288,000,000 pounds; in 1905, 295,000,000 pounds; in 1907, 298,000,000 pounds; and in 1908, as estimated by the wool manufacturers, 311,000,000 pounds.

Mr. WARREN. Has the Senator the figures for 1897 there?

Mr. LA FOLLETTE. I started with 1885, the first year after the statistics were preserved by the Agricultural Department, and I have come down at five-year periods since that time. Any Senator can go to the Statistical Abstract for himself and get all the years.

Mr. WARREN. Will the Senator allow me there?

Mr. LA FOLLETTE. Surely.

Mr. WARREN. Of course the Senator knows that starting at 1884 we started at the maximum growth of wool, because it had grown up under the law of 1867, which was more favorable than the legislation before it.

Mr. LA FOLLETTE. I started with 1885 so as to use the figures for the census years. I could not start earlier than 1884, because I could not find any statistics back of that time. That was the first year, as I was informed at the Agricultural Department, that that department began to preserve the statistics with respect to the number of sheep in this country.

Mr. WARREN. I will not interrupt the Senator if he does not wish me to do so.

Mr. LA FOLLETTE. That is all right.

Mr. WARREN. I think it is very fair to state that there was a steady growth, and when I say a steady growth, taking any group of years all the way, from the favorable legislation of 1867 up to the effect of the unfavorable legislation which occurred in 1883, but which was not applicable until 1884, and which could not actually cut down the fleeces growing on the sheep. Now, starting from the point the Senator has there, it went up and down until 1897, when there was a tremendous gap, a tremendous loss in sheep and wool, caused, in my judgment, and I think the Senator will agree with me, by unfavorable legislation affecting the woolgrower and manufacturer alike, especially the act of 1894.

Now, then, I want to say in this connection that in 1883 the duties upon the wool itself, which were practically those of the years prior to the cutting down of the manufactures, lessened the amount of wool that was purchased at home, and we have no other good market except at home; we can not export. Hence the effect of the reflex in putting out of business the manufacturers of wool and allowing cloths from another country to come in of course cut down the growth of wool, because we had not the market for it.

Mr. LA FOLLETTE. I will say to the Senator——

Mr. McLAURIN. Mr. President——

USES FIGURES OF THE DEPARTMENT OF AGRICULTURE.

Mr. LA FOLLETTE. I will yield in just a moment. I will say to the Senator from Wyoming I do not know where he gets his statistics with respect to the number of sheep in this country for the years previous to 1884. The Agricultural Department informed me that prior to that time there were no statistics of the number of sheep or of the wool production of this country. It may be that some benevolent manufacturers are able to furnish statistics covering the number of sheep and wool production back to 1860 which would be useful in this discussion from some points of view. In so far as I will give facts and figures to the Senate, they will be based upon authorities which ought not to be questioned here.

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield further to the Senator from Wyoming?

Mr. LA FOLLETTE. I do.

Mr. WARREN. May I say to the Senator that the statistics published under the law of the United States furnish the figures the Senator wishes? For instance, I have in my hand a sheet which starts with the production of wool in 1840 and gives every year. It gives the wool grown here; it gives the exports and the imports.

Mr. LA FOLLETTE. I have no doubt the Senator can get——

Mr. WARREN. I have asked to have it included in the speech I made to-day. As to sheep from 1840, when we commenced enumerating sheep, we started in 1840—if the Senator wishes to have the number stated—with something over 19,000,000 sheep.

Mr. LA FOLLETTE. Are those reports furnished by the Agricultural Department?

Mr. WARREN. What you can not get in the Agricultural Department you can get in the Census Office. You can also get some of the figures from the Treasury Department.

Mr. LA FOLLETTE. I applied to the Agricultural Department, as I believed that department to be the proper place to get full statistics upon this subject. I inquired there and was informed that I could not get reliable data as to the number of sheep in this country for the years previous to 1884.

Mr. ROOT. Will the Senator allow me?

Mr. LA FOLLETTE. Certainly.

Mr. ROOT. I merely wish to say to the Senator from Wisconsin that he will find on page 589 of the Statistical Abstract for 1905 the wool production from 1840 down.

Mr. LA FOLLETTE. I understand. The wool production, I think, will be found——

Mr. ROOT. The number of sheep is not given before 1885.

Mr. LA FOLLETTE. Yes; I was talking at this time about the number of sheep.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Mississippi?

Mr. LA FOLLETTE. I do.

Mr. McLAURIN. It is the wool production that I was going to give. I thought that is what was called for by the Senator from Wyoming. I have the wool production of the United States from 1894 to 1907, inclusive, and if the Senator will allow me, as it will take but a minute, I will read it.

Mr. LA FOLLETTE. I am very glad to hear the Senator.

Mr. McLAURIN. The table is as follows:

The production of wool in the United States for years 1894–1908.

	Pounds.*
1894	325, 210, 712
1895	294, 296, 726
1896	272, 474, 708
1897	259, 153, 251
1898	266, 720, 684
1899	272, 191, 330
1900	310, 953, 140
1901	302, 502, 328
1902	316, 346, 032
1903	287, 450, 000
1904	291, 783, 032
1905	295, 488, 438
1906	298, 915, 130
1907	298, 294, 750
1908	311, 138, 321

Mr. WARREN. Will the Senator go on and read the next item or two?

Mr. LA FOLLETTE. Just a moment. Let me say to both Senators——

Mr. WARREN. I simply want to complete the statement.

Mr. LA FOLLETTE. Let me say to both Senators that I do not think that affects the argument I am making, which is that the number of sheep has not very materially increased from 1885, or that the production of wool has not very materially increased from 1885 down to the present time.

Mr. WARREN. Will the Senator allow me?

Mr. LA FOLLETTE. I will.

Mr. WARREN. The Senator is right. There was a large number of sheep in 1884–85, but if the Senator will look back——

Mr. LA FOLLETTE. I am speaking of the production of wool and——

TAKES FIGURES FOR REPRESENTATIVE YEARS.

Mr. WARREN. The Senator spoke of this, too. I am speaking of the sheep. He will find that in 1896 the number of sheep had decreased below 37,000,000; it had gone down from nearly 54,000,000 to something like 36,000,000.

Mr. LA FOLLETTE. All these figures, I suppose, are accessible to every Senator.

Mr. WARREN. Most of them.

Mr. LA FOLLETTE. I have taken, as I said, these years because I believed they would be fairly representative—the census period and the intermediate period. I will say that I was informed by the Agricultural Department that excepting for the census period it is always an estimated number. I think all these statistics that are quoted here for intermediate periods have been furnished by the woolen manufacturers; at least, the Agricultural Department informed me that they depended upon the manufacturers for their figures for this year.

Mr. WARREN. I have in my hand a sheet taken——

Mr. LA FOLLETTE. I know you will find those figures reprinted in government reports, but I, nevertheless, say that unless they were taken in census periods, as I am informed, they have been gathered from private sources and were not procured by the Government through its agencies for the collection of statistics.

Mr. WARREN. Does the Senator think the figures here published by the Government are erroneous?

Mr. LA FOLLETTE. I state the fact, and every Senator can make his own deduction. I say I am informed by the Agricultural Department that for the census period they are based upon the census, and that for the intermediate period for which I have given them, and for which I shall continue to give them, they are based upon estimates and are so given to me by the Agricultural Department.

Mr. WARREN. Has the Senator inquired at the Department of Commerce and Labor, which has these things in charge?

Mr. LA FOLLETTE. I went to the Department of Agriculture, Mr. President, which has a statistical bureau, because I thought it was pretty good authority on sheep.

Mr. WARREN. The Senator should have gone, I think, to the Department of Commerce and Labor, which has all the matters of census figures, whether they occurred in ten-year periods or otherwise.

Mr. CARTER. Mr. President——

Mr. LA FOLLETTE. I do not apprehend that the Department of Commerce and Labor has any more accurate information upon the number of animals in this country than has the Department of Agriculture, but I do not propose to spend any more time on that subject now, or to submit to further interruptions upon that branch of what I have to say, because, Mr. President, every Senator has the same source of information that I have, and no one will be misled by my statements. I have taken what I assume to be a pretty fair basis upon which to build in respect to the increase in the production.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I yield for a question, but I do not care to have the argument that I want to make interrupted by dissertations upon this subject any further.

Mr. CARTER. I will ask the Senator if he will not modify his statement with reference to the figures being based solely upon estimates as to the number of sheep, in the light of the fact that the Census Office determines the number of sheep outside of the regular census year from the assessment rolls in the various States? These assessment rolls, as a rule, show a less number of sheep than really exist, because it happens frequently that the sheep are not always at home the day the assessor calls.

Mr. LA FOLLETTE. All that relates, Mr. President, I suppose, only to the last decennial census, and does not relate to any previous time.

Mr. CARTER. The conditions to which I have referred obtained prior to the last decennial census. The assessment rolls of the respective counties in the States were taken as to the number of sheep, and they were taken by the Government as a correct return of the number of sheep in each county. I think that is only an approximation, but still it is based upon definite figures.

Mr. LA FOLLETTE. Mr. President, the figures which I have given from the Agricultural Department for the ten-year period are the census figures, and for the intermediate periods they are estimates, as I am informed by the Department of Agriculture. I will now proceed with my argument.

In 1885 we produced 308,000,000 pounds of wool in this country; in 1890 we produced 276,000,000 pounds; in 1895 we produced 309,000,000 pounds; in 1900 we produced 288,000,000 pounds; in 1905 we produced 295,000,000 pounds; in 1907 we produced 298,000,000 pounds; and according to the estimates of the Agricultural Department, based upon statements made by the Woolen Manufacturers' National Association, they think there were 311,000,000 for 1908.

The number of sheep in this country I get from the same source, as follows:

Total number of sheep.

Year.	Number.	Value.
1885	50, 360, 243	$107, 960, 650
1890	44, 336, 072	100, 659, 761
1895	42, 294, 064	66, 685, 767
1900	41, 883, 065	122, 665, 913
1905	45, 170, 423	127, 331, 850
1907	53, 240, 282	204, 210, 129
1908	54, 631, 000	211, 736, 000

For the year 1908 it is an estimate.

Mr. WARREN. I do not wish to disturb the Senator except, if he will permit me, I want to say that during that time, as the Senator knows, occurred both of the changes of the tariff that were disastrous to the growth of sheep.

Mr. LA FOLLETTE. Mr. President, let me say to the Senator from Wyoming that I know what changes were made in the tariff, and that I suppose every other Senator knows of the tariff changes during that period and will be able to interpret these figures in that light.

Now, Mr. President, let me give the wool consumption for the same period.

Mr. WARREN. Will the Senator be good enough to put in there the number of sheep in 1897?

Mr. LA FOLLETTE. No; I am giving the figures for five-year periods.

Mr. WARREN. Would the Senator allow me to put it in?

Mr. LA FOLLETTE. The Senator can put into the CONGRESSIONAL RECORD all the statistics that he thinks ought to go in.

Mr. WARREN. Does he think it would injure his speech?

Mr. LA FOLLETTE. No; not if they show average production.

Mr. WARREN. I think it might.

Mr. LA FOLLETTE. I left out exceptional years, because I did not think it a fair way in which to submit statistics. I thought it would be fair either to give every year or to take five-year periods. If the Senator wants to select exceptional years and incorporate those in his own remarks I have not the slight-

* Estimated statistics prepared by the National Association of Wool Manufacturers, also published in Yearbook of the United States Department of Agriculture.

est objection to his doing so; but I do not propose to have them run into mine, because if he does that then I should feel compelled to give the production for every year. I do not care to incorporate in what I propose to print anything excepting what seems to me to be a fair and necessary statement of statistics on this subject.

Mr. WARREN. I beg the Senator's pardon——

The PRESIDENT pro tempore. The Senator from Wisconsin declines to yield.

Mr. WARREN. But the official figures——

Mr. LA FOLLETTE. Of course the Senator will not state that in my time, and he should not seek to do so. If I had been fishing about, Mr. President, for exceptional years, it would be another matter. It is hardly becoming for Senators to interrupt me to inject years of exceptional production, which might make a favorable showing for their side of the argument. I have taken even five-year periods which fairly represent the average growth of this industry.

Now, Mr. President, for the same years I want to give the wool consumption of this country, and this includes not simply clothing wool but carpets as well, and all woolen manufactures. The total consumption of wool per pound per capita in this country for these corresponding years was as follows:

Wool consumption per capita.

	Pounds.
1885	6.69
1890	6.03
1895	7.39
1900	5.72
1905	6.52
1907	5.81
1908	

Clothing, carpets, and all woolen manufactures.

Mr. President, I think that shows the effect of this tariff as it is framed in Schedule K upon the wool producers of the country as compared with the manufacturers.

DEMONSTRATION OF INEQUALITY OF THE RATES.

And next I want to bring to the attention of the Senate the inequalities of the rates imposed in Schedule K. They become very apparent when we glance at the equivalent ad valorem duties based upon the imports of 1907.

Wool valued at 21.1 cents per pound will pay a duty of 47.46 per cent ad valorem, while that valued at 24.7 per pound will pay only 44.52 per cent.

Wool advanced in any manner by any process of manufacture not specially provided for, valued at not more than 40 cents per pound under the present schedule will pay 149 per cent ad valorem, while that valued at over 70 cents per pound will pay only 93.7 per cent.

The figures that I am giving now demonstrate not only the discriminations in this schedule against the wool producer, but the rank injustice with which these duties fall upon the users of the cheaper grades of woolen cloth.

This whole system as it has grown up not only seems to be sectionalized, but to be for the benefit of a very few manufacturers and a very limited class of consumers.

Yarns valued at not more than 30 cents per pound will pay 143.02 per cent ad valorem, while yarns valued at more than 30 cents per pound will pay only 87.25 per cent ad valorem. Any fabric other than wearing apparel, if valued at not more than 40 cents per pound, will pay 141 per cent ad valorem, while such fabrics classed by the Finance Committee as "luxuries," if you will study their schedules in the Book of Estimated Revenues, if valued at more than 70 cents per pound, will pay only 95 per cent ad valorem.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER (Mr. CARTER in the chair). Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. LA FOLLETTE. I do.

Mr. SMOOT. The Senator speaks of yarn worth only 30 cents a pound. The Senator must know, as every other Senator, that if a yarn is made that is not worth over 30 cents a pound nearly the whole of it is waste. There must be at least 85 per cent of waste in that yarn, made from shoddy of the very lowest class, because a great deal of shoddy is worth more than 30 cents a pound. So if the yarn is worth not over 30 cents a pound after it has been carded and spun, what on earth must the stock be that is in the yarn?

Mr. DOLLIVER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. I do.

Mr. DOLLIVER. It was because I had detected that situation and was able to perceive that these yarns which contain other materials besides wool, because many of them contain material cheaper than any ordinary wool wastes, when we come to assess the compensatory duty upon them should not be assessed upon the theory that they contain first-class clothing wools or other wools, but should be assessed, as my amendment provides, upon the wool content that is in them.

Mr. SMOOT. Mr. President, the Senator also knows that it would be impossible for him or any living man to tell what the wool content is; whether it is straight wool, or whether it is slubbing waste, or whether it is noils, or whether it is rags, providing they are all wool. Therefore it would be absolutely impossible of administration, as I have said to the Senator before. The position that we take upon this point is that if the yarns are so poor and made of such coarse stock as not to be worth more than 30 cents a pound they ought to be kept out of the country.

Mr. DOLLIVER. Mr. President, in 1897, when Senator Vest, one of the ablest Members of the Senate, certainly in our time, pointed out the impropriety of assessing these compensatory duties upon the weight of the cloth or of the yarn, without regard to the fact that they might not contain wool, but other substances, as they very often and in most cases actually do, the only answer that was made to him was made by my former colleague, Senator Allison, that there was no way of determining the contents of a yard of cloth, and with one sentence it was dismissed. That was true at that time.

Mr. SMOOT. It is true to-day.

Mr. DOLLIVER. We have made an expenditure of $100,000 in the port of New York to provide an analytical bureau in connection with the appraisers' stores, which makes that no longer true, and it is now perfectly possible by accurate scientific means to report at the custom-house the wool contents of yarn or of cloth.

Mr. SMOOT. Mr. President, I say the statement made by Senator Allison in this Chamber when this question was under discussion before is absolutely true. There is no way of separating wool waste from wool yarns or straight wool, and if it is mixed together it is impossible to tell how much waste or how much wool is in the yarn.

Mr. DOLLIVER. The amendment which I have submitted does not require this separation of the various kinds of wool or of wool fiber, but it does undertake to separate in these yarns and cloths vegetable fibers cheaper than any variety of wool wastes, if we may judge by the way wool wastes are assessed in this bill.

Mr. SMOOT. But the trouble with that, Mr. President, is that there is no vegetable fiber in these cheap yarns, unless it be cotton—and that can be detected by a chemical analysis—but a foreign country never will ship that kind of yarn in, because they can buy this mungo stuff, this wool waste, chopped up from rags, cheaper than they can buy cotton, and they put that in and call it all wool.

Mr. DOLLIVER. Does the Senator from Utah pretend to deny that a very great variety of these worsted cloths, especially ladies' dress goods, are composed from one-half to often a larger amount of cotton? And does he deny that the yarns, out of which these cloths are woven, are actually imported into the United States—with the mixture of cotton and wool made in the yarns—and that the mixture is sent in here to be assessed under our tariff laws?

Mr. SMOOT. Mr. President, the Senator from Utah certainly would not deny that a great many of these goods may come in here with cotton warps. There is no question about that at all.

Mr. DOLLIVER. Do not the yarns come in with these mixtures of cotton and wool in the yarns themselves?

Mr. SMOOT. The very finest yarns do come; 30 cents a pound yarns, which the Senator from Wisconsin is speaking of now. He is talking about yarn of a value of less than 30 cents a pound. That is where his whole figures are based upon something which looks plausible upon its face, but it is absolutely wrong. It can not be, and it will never be, a proposition that we could legislate against. The Senator knows, and every other Senator knows, that the scoured wools, as to which we are legislating, in many instances in these fine yarns are worth 80 cents a pound to-day upon the market. After the wool has been carded and spun and the waste in that process, what makes it drop to 30 cents a pound? Nothing on earth, except this low-class waste which is put into it.

HIGH DUTIES FORCE POORER PEOPLE TO USE SHODDY.

Mr. LA FOLLETTE. In other words, Mr. President, the scheme is to bar out the yarn that would furnish warm, substantial clothing to the poorer people, to put equally high duties upon everything that enters into the composition of such yarns, which are carefully cornered by this worsted trust, so that the

trust can impose whatever price it pleases upon the shoddy and everything else that goes into the manufacture of the cheaper yarns and clothing used by the great mass of the people.

Mr. SMOOT. Mr. President, I want to tell the Senator from Wisconsin that the dearest yarn that ever was bought by an American citizen is a yarn that can be made for less than 30 cents a pound. Because it will not hold together. The man who buys it or the family who buy it are cheated. It would have been cheaper for them to have paid 60 cents or 70 cents or 80 cents a pound for the yarn.

Mr. LA FOLLETTE. Possibly it would if they could afford to buy 60 or 70 or 80 cent yarn, but under these high rates the poorer people are forced to use shoddy. The fact is that this low-priced material made by the woolen trust in this country contains poorer shoddy and poorer waste than the low-priced foreign product, and these high rates enables the trust not only to charge higher prices for its goods, but also enable it to lower the quality of the material used.

Mr. SMOOT. Mr. President, I want to call the attention of the Senator to the fact that there were but 3 pounds of that yarn imported here in the last year.

Mr. LA FOLLETTE. Of course, Mr. President, it could not get in for the very reason that the rate which the Senator from Utah and his associates on the Finance Committee are sustaining imposes a duty of 143 per cent on it. Small wonder that little was imported.

Mr. SMOOT. But, Mr. President, I would say to the Senator from Wisconsin that so far as that yarn is concerned at 30 cents, if I could only have a sample here and show its character, I do not believe the Senator himself would even want it to come into this country.

Mr. LA FOLLETTE. Is the Senator from Utah to be the judge of what the people of this country ought to buy? Give them a fair chance in the markets to buy at reasonable prices and do not impose a 143 per cent duty upon the cheap grade and only about one-half that rate upon the grade purchased by the rich.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Wyoming?

Mr. LA FOLLETTE. I do.

Mr. WARREN. If I understand the Senator from Wisconsin correctly, his objection is that there is a tariff charged upon something which is not all wool, and that it is charged as if it were all wool?

HIGH DUTY ON LOW AND LOWER DUTY ON HIGH PRICED YARN.

Mr. LA FOLLETTE. My objection is that upon yarns valued at not more than 30 cents per pound this bill proposes that the people of this country shall pay 143 per cent ad valorem, while on yarns valued at more than 30 cents a pound they will pay only 87 per cent. If you can offer any justification for those two different grades of duty on yarns differing only by the fraction of a cent in value, do it.

Mr. WARREN and Mr. SMOOT addressed the Chair.

Mr. LA FOLLETTE. I yield to the Senator from Wyoming, who arose first.

Mr. WARREN. I may have misunderstood the Senator. I want to say that perhaps we are all wrong, but I submit to the Senator that this is not a new matter which has been brought up here.

Mr. LA FOLLETTE. I understand that.

Mr. WARREN. The first law which imposed——

Mr. LA FOLLETTE. I do not care to suspend my argument for a review of the history of tariff legislation. I am familiar with that history. I am discussing the rates proposed in this bill, and I ask the Senator from Wyoming if he has any good excuse to offer for fixing a 143 per cent duty on a wool yarn which is worth less than 30 cents a pound and an 87 per cent duty on yarn worth a fraction over 30 cents a pound?

Mr. WARREN. I rose only to answer the Senator's question. If the Senator does not care to have me answer, of course I will yield the floor.

Mr. LA FOLLETTE. I yield to the Senator to answer the question.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Utah?

Mr. SMOOT. Let me call the Senator's attention——

Mr. LA FOLLETTE. I yield to the Senator from Utah to answer that question, if he thinks he can do it.

Mr. SMOOT. I wish to do so, if the Senator desires that I shall; but I do not unless the Senator does so desire.

Mr. LA FOLLETTE. I should be glad to have the Senator from Utah answer.

Mr. SMOOT. Mr. President, supposing the wool is 11 cents—and that is the low-value stock that would go into——

Mr. LA FOLLETTE. No, no. Supposing this yarn is worth less than 30 cents? That is the question.

Mr. SMOOT. I am coming to the ad valorem——

Mr. LA FOLLETTE. Supposing this yarn is worth less than 30 cents per pound, the question is: Why do you insist upon continuing a duty of 143 per cent upon it while if it is worth a fraction over 30 cents per pound your duty will be only 87 per cent?

Mr. SMOOT. Mr. President, the stock that goes into the yarn—and that is where we have got to begin—is not worth more than 11 cents, and if it is valued at 11 cents a duty of 11 cents is 100 per cent.

Mr. LA FOLLETTE. But this yarn——

Mr. SMOOT. Wait.

Mr. LA FOLLETTE. Let me say to the Senator from Utah——

Mr. SMOOT. Let me get through——

Mr. LA FOLLETTE. This yarn is worth less than 30 cents per pound; not more than 30 cents per pound——

Mr. SMOOT. Mr. President——

Mr. LA FOLLETTE. Now, you take this yarn—never mind about the analysis of it—if it is valued at 30 cents a pound or less, why do you tax it 143 per cent, and if it comes to the custom-house worth 30¼ cents a pound let it in at 87 per cent? That is the question.

Mr. SMOOT. Mr. President, I was going to get to the point and answer it if the Senator had not interrupted me.

Mr. LA FOLLETTE. The Senator has the point now; give us the answer.

Mr. SMOOT. I will if the Senator will only wait. I will say that on stock that is worth 11 cents per pound a duty of 11 cents is 100 per cent ad valorem, and that is the stock that goes into this cheap yarn——

Mr. LA FOLLETTE. I do not care for a part of the value of this yarn. The yarn itself is worth less than 30 cents a pound. Now, do not get away from that.

Mr. SMOOT. And the stock comes in——

Mr. LA FOLLETTE. Never mind how it is made up; it is worth less than 30 cents a pound, you tax it 143 per cent at the custom-house.

Mr. SMOOT. Mr. President——

Mr. LA FOLLETTE. But if it is worth 30¼ cents per pound or more, you let it in at 87 per cent. Why do you do it?

Mr. SMOOT. Evidently the Senator does not want the answer, and therefore I will not try to give it to him.

Mr. LA FOLLETTE. I want an answer, but I do not want a pipe dream.

Mr. SMOOT. Mr. President, I have not tried to give any pipe dreams. It is just as simple to a man who understands it as it is possible for a proposition to be; but evidently no answer that I can give the Senator will be satisfactory to him, nor will he even let me conclude, and therefore I will yield to the Senator. He will not even listen.

Mr. LA FOLLETTE. It is simple to a man if he understands it; if he can only explain it.

Mr. SMOOT. If the Senator would allow me to explain it, I would do so.

DISCRIMINATORY DUTIES ON ALL WOOLEN ARTICLES.

Mr. LA FOLLETTE. Then I will proceed, for I assume, since the Senator can not, without delivering a lecture, make a direct answer to a very direct question, that he can not answer it at all.

Knit fabrics, other than wearing apparel, if valued at not more than 40 cents per pound, will pay 141 per cent ad valorem; while such fabrics classed by the Finance Committee as luxuries in the table of Estimated Revenues, if valued at more than 70 cents per pound, will pay only 95.67 per cent.

Plushes and other pile fabrics, if valued at not over 40 cents per pound, will pay a duty of 141.78 per cent. If valued at over 70 cents per pound, the duty will be only 95.33 per cent.

Cloths, woolen or worsted, if valued at not more than 40 cents per pound, must pay a duty of 140.55 per cent ad valorem. But if a luxury, as classed by the Finance Committee, valued at over 70 cents per pound, the duty will be only 94.32 per cent ad valorem.

Blankets, if valued at not more than 40 cents per pound, will pay a duty of 107.6 per cent, but if valued at more than 50 cents per pound, will pay only 71.30 per cent. Blankets, more than 3 yards in length, valued at more than 40 cents per pound, will pay a duty of 165.42 per cent ad valorem; but if valued at more than 70 cents per pound, will pay only 106.57 per cent.

Flannels for underwear, if valued at more than 40 cents per pound, will pay 143.67 per cent ad valorem; but if valued at over 70 cents per pound, will pay only 86.39 per cent.

Carpets valued at 82.3 cents per square yard will pay 66.72 per cent ad valorem; but a carpet valued at $2.12 per square yard, and termed by the Finance Committee a luxury, will pay only 58.86 per cent.

In other words, Schedule K goes upon the theory that the necessaries of the "average man" shall pay the highest rates, and the luxuries of the rich the lowest.

It is with a considerable degree of hesitation that I present these facts, showing the inequalities in Schedule K. I feel that it is not at all improbable that the Senator from Rhode Island will agree that these inequalities do exist and should be remedied. I fear, however, that if the Finance Committee does remedy the inequalities, it will take the same method of doing so adopted in other schedules, that is, instead of reducing the higher duties to harmonize with the lower, they will raise all of the lower duties to harmonize with the higher.

ALL DUTIES ON WOOLENS ARE TOO HIGH.

Mr. President, the real defects in this schedule arise from the fact that all the protective duties upon manufactured products are too high and that the compensatory duties are also grossly excessive. Before I take up what seems to me to be conclusive proof of that fact, I wish to read a portion of the report of the British tariff commission.

This British tariff commission, organized for the purpose of investigating the industrial life of all of the great nations of the world, published a report upon this subject as late as 1905, in which I find the following with respect to the United States:

All witnesses are agreed as to the importance and far-reaching effects of the changes in the United States policy on the woolen and worsted industry of Great Britain. In the manufacture of the lower grades of cloth the United States is rapidly approaching Great Britain.

You would not suppose there would be any necessity for a tariff of 140 or 150 per cent on these cheaper goods, when an impartial report made by experts states that in the manufacture of the lower grades of cloth the United States is rapidly approaching Great Britain.

The report continues:

It is said that they have so improved in men's goods that it is doubtful if we could now compete with them, even supposing the old scale of American duties were restored.

It is the opinion of this British tariff commission that even if we had the Walker tariff it would be doubtful whether Great Britain could compete with America upon these lower grades of goods.

In carrying out their national aims and in competition with British manufacturers the Americans have many advantages. The high rate of wages paid in the United States works both ways. On the one hand, it tends to raise their cost of production above the British, the difference in wages not being entirely compensated for by increased efficiency.

Mr. ALDRICH. Would it be agreeable to the Senator to yield for a short executive session?

Mr. LA FOLLETTE. At any time that it suits the pleasure of the Senator from Rhode Island.

Mr. ALDRICH. Just for an executive session.

Mr. LA FOLLETTE. I can not conclude before 5.30 o'clock.

Mr. ALDRICH. Then I move, Mr. President, that the Senate proceed to the consideration of executive business.

Mr. LA FOLLETTE. I yield for that purpose.

Mr. ALDRICH. I thank the Senator.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After thirteen minutes spent in executive session the doors were reopened.

The PRESIDING OFFICER. The hour of 5.30 o'clock p. m. having arrived, the Chair declares the Senate in recess until 8 o'clock, under a previous order of the Senate.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. CARTER. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bacon	Clark, Wyo.	Frye	Overman
Beveridge	Clay	Gallinger	Page
Brandegee	Culberson	Johnson, N. Dak.	Perkins
Bristow	Cullom	Johnston, Ala.	Root
Brown	Cummins	Jones	Scott
Burkett	Davis	Kean	Smoot
Burnham	Dick	La Follette	Stephenson
Burrows	Dillingham	Lodge	Sutherland
Burton	Dolliver	McCumber	Taliaferro
Carter	du Pont	Martin	Warner
Chamberlain	Fletcher	Money	Warren
Clapp	Flint	Nelson	

Mr. JONES. I wish to announce that my colleague [Mr. PILES] is indisposed.

Mr. OVERMAN. I desire to say that the Senator from Tennessee [Mr. FRAZIER] is quite indisposed this evening, and will not be present.

The PRESIDENT pro tempore. Forty-seven Senators have responded to their names. There is a quorum present. The question is on agreeing to the amendment offered by the Senator from Iowa.

UNITED STATES CAN COMPETE WITH ENGLAND.

Mr. LA FOLLETTE. Mr. President, when I yielded the floor for the Senator from Rhode Island [Mr. ALDRICH] to move an executive session I was presenting to the Senate a comment upon the American woolen industry by the British tariff commission, made in 1905. I was reading from that report in support of the statement that it was not necessary to maintain these excessively high duties in the woolen schedule in order to protect that industry against invasion by any foreign competitor.

It has seemed sufficient at any time in this debate, whenever a duty has been questioned, for some one representing the Finance Committee, or those seeking to sustain the very high duties of this bill, to rise and say that the duty did not represent any more than the difference in wages. The difference in wages is but a small part of the real cost of production. Many other things must be taken into account in measuring the true standard of a protective duty when that standard is gauged by the difference in cost of production.

The efficiency of labor is a matter of very great importance. The equipment of the factory, the speed with which the machinery is run, the output, and everything entering into the total cost of production. The British commission says:

The high rates of wages paid in the United States works both ways. On the one hand, it tends to raise their cost of production above the British, the difference in wages not being entirely compensated for by increased efficiency; on the other hand, it attracts to America some of the most competent artisans of this country. They do not yet export woolens and worsteds in considerable quantities, but there is a general impression among witnesses that they will soon be able to do so. America does not yet export any of her manufactures of woolen and worsted goods, but with the outrageous tariff by which her manufacturers are protected, who can prophesy that they will not soon invade this country? There is a huge syndicate in the United States called the American Woolen Company.

I brought the organization of that combination to the attention of the Senate this afternoon. Its fame seems to have traveled abroad.

There is a huge syndicate in the United States called the American Woolen Company, controlling 60 per cent of the woolen and worsted mills of that country. Let no man deceive himself with the thought that America will never be able to export textiles, for she is exporting large quantities of cotton goods to Turkey and to China at this moment.

I read that just simply as a general statement of the present-day opinion concerning this industry in this country emanating from those who are critically studying and observing its progress in the different countries of the world.

COMPENSATORY DUTIES ARE EXCESSIVE.

With reference to the extravagance of the duties in this schedule I wish to call the attention of the Senate to the compensatory duty, and primarily upon yarns. I had brought to my attention a decision by the Treasury Department which emphasizes in a way the excessive nature of this compensatory duty.

The Dingley Act allows a compensatory duty on yarns, valued at not more than 30 cents a pound, of two and one-half times the duty on the wool, and on yarns valued at more than 30 cents a pound three and one-half times the duty on the wool. That is to say, the assumption is made that it takes 2½ pounds of wool to make a pound of yarn of the first-mentioned class, and 3½ pounds of wool to make a pound of yarn of the second class.

An examination of the allowance made by the Treasury Department in the shape of drawback of duty on exported yarn shows that upon expert investigation the department found the proportion to be 1½ pounds of raw wool to 1 pound of yarn.

Of course it would not be found to be the same in every case. In other words, the wool waste used is in fact half a pound as against 1½ pounds allowed by the law, the tariff being generous to the spinner to the extent of three times the amount which should be actually allowed.

I am free to admit, for I wish to be perfectly fair about this, that there might be found cases where the full 2½ pounds of the compensatory allowance enters into the making of a pound of yarn, but it is rarely so; and yet that exceptional condition is made the standard and applied throughout upon the yarns of the first class, and in that way the protective duty is nearly doubled to the manufacturer. What is true of yarns of this class is true of yarns of every class. And what is true of all classes of yarns is true of all classes of cloths. In the first place, they have a protective duty to cover difference in cost of manufacture that is more than ample. Then they have a so-called "compensatory duty," which, besides compensating them for the amount of wool they use, more than compensates them and nearly doubles their protective duties.

I have here Treasury decision No. 27604, which fixes the matter of liquidation. I will not take any more time with it, but I cite the number of it so that anyone who chooses can make reference to it.

EXPERT ANALYSIS MADE BY SAMUEL S. DALE.

Mr. Samuel S. Dale, editor of the Textile World Record, has been referred to a number of times in the course of this discussion. The Senator from Iowa [Mr. DOLLIVER] has given Mr. Dale such an introduction to the Senate that any statement made by him will be accepted by Senators as that of a competent, trustworthy, and conscientious gentleman.

I wish to submit some investigations which Mr. Dale made with very great thoroughness demonstrating the excess of this compensatory duty in the manufacture of cloth.

It is charged by the representatives of the carded woolen industry—and these charges are supported by abundant testimony taken before the Ways and Means Committee, and all the information that can be obtained from other trustworthy investigations—that the duty on raw wool is neither scientific nor just. The duty is fixed at 11 and 12 cents, respectively, for classes 1 and 2 of raw wool, without regard to the shrinking qualities of the wool. Some wools, upon being washed and scoured, shrink to about one-fourth (or even less) of their original weight; others may lose but a small fraction of their weight. This makes greasy or heavy shrinking wool subject to a duty of 44 and 55 cents a pound after it has been scoured, where another class of wool of a far superior quality may not pay more than 15 cents a pound of actual wool, although both are assessed at a rate of 11 cents in the unwashed condition.

DUTIES SHOULD BE LEVIED ON SCOURED WOOL.

This inequality might be removed to some extent if the duty were levied on scoured wool, as suggested by the Senator from Iowa in the amendment which he has proposed, but the law prevents it by providing—see how ingeniously the thing has been worked out—(paragraph 362) that "the duty on wools of the first class which shall be imported washed shall be twice the amount of the duty to which they would be subjected if imported unwashed; and the duty on wools of the first and second classes which shall be imported scoured shall be three times the duty to which they would be subjected if imported unwashed."

It so happens that the wools required by the carded wool industry are the short, heavy-shrinking wools. It is the carded-wool industry that manufactures the coarser kinds of woolen cloth, such as would be used by the poorer people. The effect of the straight specific duty without distinction as to the shrinking qualities, or the fineness of the wool, has been to make the duty on the wool of the people of limited means many times that on the wool worn by those who purchase without regard to price. To overcome the prohibitive duty on the shorter wools the carded-wool manufacturers have been compelled to use shoddy and cotton to an extent detrimental to the health of the people, as well as to the cost of their clothing, since the cloth made of these substitutes has very poor wearing qualities.

DUTIES PROHIBITIVE ON COARSEST WOOLENS.

The compilation of estimated revenues submitted by the Senator from Rhode Island shows the highest ad valorem rate on raw unwashed wool not to exceed 47 and a fraction per cent. If the American people were to draw the conclusion that this represents the highest tax on imported wool, they would be greatly mistaken. It merely represents the highest average rate of taxation which imported wool could pay and still be imported during the year 1907. The prohibitive rates naturally are not apparent. To show what they are, Mr. Dale presents the calculations of ad valorem equivalents of the duty on wool sold in the open market in London, which will be found on pages 650–651 of the Textile World Record for March, 1909. The summary of the ad valorem equivalents of the specific Dingley duty on the woolens sold at the January London sales shows the lowest rate on coarsest wool to be 23 per cent ad valorem; the highest, 550 per cent; the lowest duty on washed wool, 22 per cent; the highest, 733 per cent; lowest on scoured wool, 52 per cent; highest, 412 per cent.

Of course those high rates will not be shown by Imports and Exports. They will not be shown by the table of estimates presented here, because these wools can not come in at all. Yet they are the wools for which provision should be made, so that the poor people of this country, who can not afford higher priced wools, may at least have coarse woolen cloth to wear rather than shoddy and cotton.

Needless to add that the highest rate applies to the cheapest and coarsest woolens, the very kind used in clothing the poor in Europe, and excluded under the high tariff from the American market. This arrangement does not in effect give the American sheep grower greater opportunity to sell his wool (for he does not supply more than three-fifths of the domestic demand), but it does compel the use of greater quantities of shoddy and cotton in the place of wool.

Mr. WARREN. May I ask the Senator from Wisconsin a question?

Mr. LA FOLLETTE. Certainly.

Mr. WARREN. Perhaps I did not understand the Senator correctly. Did he say we raised only two-thirds of the wool consumed in this country?

Mr. LA FOLLETTE. No; I did not say that. We produced last year, in 1908, about 311,000,000 pounds of wool, according to the estimate made by the manufacturers' association, and we imported, as I remember now, about 196,000,000 all told.

CARDED WOOLEN MILLS AT MERCY OF WORSTED MILLS.

Cut off from the supply of the greater part of the raw material which he requires in his industry, the carded-wool manufacturer is obliged to fall back upon products of the worsted industry, known as noils, wool waste, and reworked wool. And again he finds that these by-products of the worsted industry are heavily overprotected. Says the Textile World Record, January, 1909:

> It is difficult to avoid the conclusion that the carded-wool industry has been starved, while the worsted industry has been placed in a favorable position by reason of the low duty on light shrinking worsted wools, and of the high prices at which the worsted by-products have been sold to carded woolen and knitting mills—

as a result of the high duty on these by-products.

The Textile World Record then proceeds to give a series of investigations and analyses of cloths, conducted by Mr. Dale and under his supervision, to which I direct the attention of the Senate for just a moment. He says with respect to this:

> We have applied the Dingley rates to a number of wool fabrics which have either been made or analyzed by us personally. We know as well as it is possible for anyone to know how much material is required to manufacture a pound of the respective cloths and present here the results of our calculation. We believe that this is the first time that the result of such an examination of the Dingley schedules have ever been published.

PRACTICAL APPLICATION SHOWS EXCESSIVE DUTIES.

Now, taking the first one of these analyses, No. 25, worsted serge, weighing 18.4 ounces per yard, 54 inches wide, of this particular cloth, there were 10,000 yards made at one time; its value was $10,000; it weighed 11,500 pounds. This required 21,941 pounds of greased wool. The Dingley compensatory duty on 11,500 pounds of cloth under the existing law, retained in this bill, would be 44 cents per pound, or $5,060, or, reduced to an ad valorem equivalent, 50.6 per cent. But as a matter of fact there was not that quantity. There were only 21,941 pounds in the entire 10,000 yards of cloth. At 11 cents a pound the specific duty on that greased wool, the compensatory duty should have been 24 per cent instead of 50 per cent, as shown by the quantity of wool actually weighed out and woven into the cloth. The duty which should have been allowed the manufacturer to compensate him for the higher price he was obliged to pay for his wool because of the duty on wool, assuming that the price of the wool was increased by the full amount of the duty on it, was $2,413. The compensating duty actually allowed under the Dingley law amounted in this analysis to $5,060.

Take the next number which was analyzed, and I will not go into any details. There were 10,000 yards in that piece. Taking the quantity of grease wool that was actually put into it, viz, 4,515 pounds, and assessing the Dingley duty upon it at the rate of 4 pounds of grease wool to each pound of cloth and reducing the duty to an ad valorem equivalent, gives a compensatory duty of 73.7 per cent. Take the actual amount of wool which was woven into that cloth and assess the 11 cents per pound duty and reduce it to an ad valorem equivalent,

and it was only 19.9 per cent; that is, that 10,000 yards of cloth, when it had the test applied to it, while it would take under the Dingley law and under this present bill a compensatory duty of 73.7 per cent, would have been entitled upon the actual amount of wool that went into it to 19.9 per cent instead. In other words, the difference between 19.9 per cent of the compensatory duty and 73.7 per cent was improperly secured by the manufacturer as an extra protective duty upon his product and given to him under the guise of a compensatory duty.

Take the next analysis presented by Mr. Dale—C 96, the details of which I will print in connection with my remarks, and which I will not go into fully now.

In this case 10,000 yards of cloth had woven into it 9,760 pounds of greased wool, but because the Dingley law said that it had woven into it 4 pounds of greased wool to each pound of cloth a duty was assessed upon it as though it had 16,748 pounds of wool instead of 9,760 pounds of greased wool.

The Dingley duty upon this cloth at 44 cents per pound, taking the weight of the cloth as 4,187 pounds, amounted to $1,842, or 46 per cent. The actual compensatory duty required upon the 9,760 pounds of greased wool at 11 cents per pound was $1,073.60, or, reduced to an ad valorem, 26 per cent, as against 46 per cent, which the cloth would actually take with the duty applied under the Dingley law.

The next was a worsted serge, a piece of 10,000 yards, at 90 cents a yard, worth $9,000. The cloth weighed 9,062 pounds. This, under the Dingley law, at 44 cents per pound for wool for every pound of cloth, would be assessed $3,987.28, or, reduced to an ad valorem, 44.3 per cent. The actual compensatory duty required upon the amount of wool which was actually woven into the 10,000 yards of cloth at 11 cents per yard would be $2,303.95, or, reduced to an ad valorem, 25.6 per cent. In other words, in this case the compensatory duty which the cloth took under the Dingley law was 44 per cent; the compensatory duty which it ought to have taken was 25 per cent.

In the next case, 10,000 yards of cloth, the compensatory duty which would have been assessed against that cloth, counting 4 pounds of wool for every pound of cloth, would have been $3,850 when it came to the custom-house, or 77 per cent. The amount of wool actually entering into the cloth, if assessed at 11 cents a pound, as required by the law, would have been $343, or 6.8 per cent. In other words, in that particular case the compensatory duty was 77 per cent in addition to the protective duty, and the compensatory duty should have been but 6.8 per cent. So the manufacturer was able to add to his protective duty an undue compensatory duty of over 70 per cent which did not belong to him, and which he could not have claimed upon any basis applied to any protective system ever supported in this country, but by the juggling of these protective and compensatory schedules he succeeds in more than doubling his duties.

Mr. BEVERIDGE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. I do.

Mr. BEVERIDGE. Will the Senator permit a question?

Mr. LA FOLLETTE. Certainly.

EXPLANATION OF COMPENSATORY DUTIES.

Mr. BEVERIDGE. Is this compensatory duty supposed to be paid upon the yard of cloth upon the supposition that it is entirely made of wool?

Mr. LA FOLLETTE. It is paid upon the supposition that it contains 4 pounds of wool to each pound of cloth, against which there is assessed a compensatory duty of 11 cents per pound, and it takes this compensatory duty of 44 cents for every pound of cloth.

Mr. BEVERIDGE. Exactly. That is to say, each pound of cloth is supposed to take 4 pounds of wool.

Mr. LA FOLLETTE. It is supposed to have taken 4 pounds of this greased wool in making that pound of cloth.

Mr. BEVERIDGE. Was the compensatory duty paid upon that hypothesis?

Mr. LA FOLLETTE. Yes, sir.

Mr. BEVERIDGE. When, as a matter of fact, as I understand from the illustration, that was not the case at all, but it was a very much less amount.

Mr. LA FOLLETTE. A very much less amount of wool than that which is fixed by the law enters into the weaving of the cloth.

Mr. BEVERIDGE. Would it be too much trouble if the Senator would explain, so that it may appear in plain terms, just what the compensatory duty is?

Mr. LA FOLLETTE. The compensatory duty is an allowance made after the manufacturer has been granted his protective duty. The protective duty is supposed to measure the difference between the cost of doing the work in this country and doing the same work in the competing country. The compensatory duty is allowed in addition to a protective duty to offset and compensate the manufacturer for the extra price of the wool which enters into the cloth because of the tariff which has been assessed against foreign wool. The compensatory duty upon the wool which he weaves in that kind of cloth is 11 cents per pound. The law says that he shall be entitled to a duty equivalent to the duty on 4 pounds of wool in the grease, or 44 cents, as a measure of the additional price that he would have to pay for the 4 pounds of wool (presumed to be required to weave a pound of cloth), the price of which it is assumed would be increased to that extent by the assesment of 11 cents per pound duty upon it.

Mr. BEVERIDGE. Let me get it clear in my own mind. This compensatory duty, I suppose, in a sentence, is the amount that the manufacturer is given to compensate him for the extra amount which he will have to pay for any foreign wools that he buys to go into the cloth.

Mr. LA FOLLETTE. Exactly.

Mr. BEVERIDGE. As a compensatory duty.

Mr. LA FOLLETTE. Yes, sir.

Mr. BEVERIDGE. Then he is paid according to the law upon 1 pound of cloth upon the assumption that 4 pounds of such wool have gone into it.

Mr. LA FOLLETTE. That is it exactly.

Mr. BEVERIDGE. When the Senator is trying to show, and if his figures are correct he does show, that, as a matter of fact, that amount of wool which the law supposes to have gone into the pound of cloth has not gone into it at all.

Mr. LA FOLLETTE. In actual practice it does not require the 4 pounds which the law allows. I want to be perfectly fair. I think there may be exceptional cases where 4 pounds of wool might be consumed in weaving a pound of cloth, but I say that the exception should not have been made the standard, thus enabling the manufacturer to get an additional protective duty under the guise of a compensatory duty on a quantity of wool in excess of the amount used.

Mr. BEVERIDGE. Simply because, I take it, the standard as fixed by law exceeds the amount of wool which, as a rule, is used in manufacturing the cloth.

Mr. LA FOLLETTE. That is it exactly. I think that any wide range of investigation will show the compensatory duty to be unwarranted and excessive.

QUOTING THE REPORT IN FULL.

Mr. WARREN. Would I disturb the Senator if I should ask him a question? I am not quite certain what he is reading from—I have a copy of Mr. Dale's statement here. In the paper from which the Senator is reading are there not quotations showing that in some cases it will take six pounds of wool to a yard of cloth?

Mr. LA FOLLETTE. No; I do not find anything of that sort in the table from which I have been reading.

Mr. WARREN. I have an article here signed by Mr. Dale, which I presume the Senator has, which makes that calculation among others. I presumed that he might be making the same.

Mr. LA FOLLETTE. The Senator is mistaken.

Mr. WARREN. The Senator was quoting from the same authority and, I thought, from the same paper. I beg the Senator's pardon.

Mr. LA FOLLETTE. It is not the same paper at all. I am quoting, let me say to the Senator from Wyoming, everything that is in this paper of Mr. Dale's. I am not in the habit of juggling with facts which I am submitting to the Senate, and I have been reading consecutively each one of the examples presented by Mr. Dale, and I shall continue to do so until I have finished them.

Mr. WARREN. The Senator does not accuse me of suspecting that he was going to put anything in, of course, that was not there?

Mr. LA FOLLETTE. I do not know just exactly what the Senator means.

Mr. WARREN. I simply wanted to know if the Senator was reading from the same paper that I have here.

Mr. LA FOLLETTE. Either the Senator from Wyoming thought I was not going to read something which ought to be quoted, or else he thought it was very important that it should be introduced out of its regular order in the matter which I am at present submitting.

Mr. WARREN. Now, Mr. President, the Senator guessed wrong, as he sometimes does. I was undertaking to ascertain if it was the same paper that I have, because if it was the same paper, with the Senator's spirit of fairness, of course he would put in the entire statement.

Mr. LA FOLLETTE. Of course, if the Senator had been following me, he would have known that it was not the paper which he has at all——

Mr. WARREN. I think he has been quoting——

Mr. LA FOLLETTE. Because the numbers are not the same and it has no reference to the experiment referred to in the paper which the Senator says he has. If he had the paper I have and was following me, he would know perfectly well I was giving item by item just exactly what is in that series of investigations conducted by Mr. Dale.

Mr. WARREN. Very much of that is in the paper which I have, I will say to the Senator.

Mr. LA FOLLETTE. I think the Senator is entirely mistaken. I think the Senator has another paper. I noticed the paper which he held up is illustrated.

Mr. WARREN. I have two papers, I will say.

Mr. LA FOLLETTE. And there are some illustrations in it. I will be glad to put into the CONGRESSIONAL RECORD any paper of Mr. Dale's, pictures and all, if permitted to do so, because it will sustain and corroborate every single statement which Mr. Dale makes in the paper from which I am quoting.

Mr. WARREN. I think I can square myself to the Senator——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Wyoming?

Mr. LA FOLLETTE. The Senator is always square to me.

Mr. WARREN. I asked the Senator a respectful question, if the Senator was reading from the same paper, for if much that he read from there was the same then it would be——

Mr. LA FOLLETTE. What paper, let me inquire, has the Senator before him?

Mr. WARREN. I have two or three.

Mr. LA FOLLETTE. Now, let us see what one do you refer to. You say it is much the same. Let me see what it is. I do not believe Mr. Dale has any conflict in his analyses. What paper was the Senator inquiring about?

Mr. WARREN. If the Senator will permit me I will get to that.

Mr. LA FOLLETTE. If the Senator will permit me, since he has interrupted me, I will ask him what paper he is inquiring about. What is your paper?

Mr. WARREN. Will the Senator yield to me? He certainly will allow me to finish my sentence. If he is unwilling to do that I will surrender and will not interrupt him. I have several papers signed by this same party.

Mr. LA FOLLETTE. I should like——

Mr. WARREN. I asked in a respectful way whether that item was in it, because it made it unnecessary then for me to quote it later; that was all.

Mr. LA FOLLETTE. May I inquire of the Senator from Wyoming what that paper is?

Mr. WARREN. I have, in the first place, the one the Senator held up in his hand, the one with the illustrations.

Mr. LA FOLLETTE. That was not the one I was quoting.

Mr. WARREN. I have also another.

Mr. LA FOLLETTE. Has the Senator before him the paper from which I was reading?

Mr. WARREN. I have the same figures; it may not be the same paper.

Mr. LA FOLLETTE. I shall incorporate them all in my remarks.

Mr. WARREN. They are figures in the Textile World Record.

Mr. LA FOLLETTE. If he has the same figures before him he will not fall into any confusion about it at all. There is no conflict or contradiction in any of Mr. Dale's statements.

Now, Mr. President, resuming the illustration which I was giving to the Senate when the Senator interrupted me, I will quote the next analyses made by Mr. Dale. Mr. Dale, I want to say to the Senate, has rendered a very great service in making these analyses and publishing the facts to the world. It will aid materially in fixing either now or hereafter the right scale of duties upon woolen cloth. I do not believe we are going to dispose of this tariff question in this one session. Our work here is going out to ninety million people. Undoubtedly the stimulus of these extravagant duties will result in a business boom. But the excessive charges for everything that enters into the cost of living will compel the people to again demand that Congress honestly revise the tariff and relieve them from excessive and unjust burdens imposed upon them.

WHO ARE THE REAL REPRESENTATIVES OF REPUBLICAN POLICIES.

Senators might as well understand now that we are not going to get rid of this question by simply passing the pending bill. The tariff question will remain an issue in this country if we enact a law upon the lines proposed. Yesterday or the day before the Senator from Rhode Island arraigned the Republican Members of this body who are seeking to prevent an increase in the tariff schedules, and questioned their Republicanism. Why, Mr. President, the men who controlled the convention at Chicago were men who believed just as the little band of Republicans who are struggling to prevent these tariff increases believe. Need the stand-pat Senators upon the Republican side be reminded that they were in the minority in that convention? They would have defeated, if they could, the nomination of President Taft. There was a get-together organization here that was opposed to President Roosevelt and to the man President Roosevelt wanted to see nominated to carry forward his policies. I say, in response to the criticism of the Senator from Rhode Island, that the Chicago convention was not controlled and the Chicago platform was not made by his kind of Republicans, and I say to him here to-night that if he had been running for the Presidency of the United States upon a tariff platform such as this bill seeks to embody into law, he could not have carried four States in this Union.

MANUFACTURERS MADE THE RATES.

Now, Mr. President, a few progressive Republican Senators opposing an overwhelming majority bent on increasing the duties enter as best we can day by day our protest against the policy they are pursuing, and we make our appeal to our associates to frame this tariff bill for the best interest of the average American citizen who brought about this revision. Every time a rate is questioned, every time a request is made of the Finance Committee for their authority for an increased rate, some member of the Finance Committee arises and answers that the manufacturers have stated that they need it. The testimony of merchants is scoffed at because they sometimes import goods into this country; and the information called for by the Department of State, which would have enlightened us with respect to wages and cost of production in Germany, has been suppressed by the committee with a persistency that warrants the belief that it would not sustain the work of the committee. We have before us a tariff bill the rates of which have been, according to forty-odd admissions made by the chairman of the Finance Committee, fixed by the manufacturers, who, he says, ought to be followed, because they are giving employment to American labor, American capital, and sustaining American industry. I grant you, Mr. President, that their testimony should be taken and should be weighed; but they are directly interested parties and their testimony should not be considered final and absolute. The testimony of foreign experts as to the cost of production should be considered, the statistics of foreign countries ought to be taken, scanned very critically, to be sure, because foreign countries are interested parties; examined perhaps more critically than the testimony of an interested manufacturer in this country, but nevertheless it should be taken and weighed carefully if an honest effort is being made to frame a tariff on principle. No court excludes testimony that is material and relevant because it is offered by interested parties; but this Finance Committee assumes that it has higher authority than the Senate it is supposed to serve. Senators are denied access to testimony that ought to be submitted for consideration, and the committee takes the absurd position that it is disloyal and unpatriotic to consider statistics furnished by a foreign government or to seek any other testimony than that of manufacturers, who are interested parties and who want the highest possible rates.

BILL MADE LIKE THIS CAN NOT STAND.

Mr. President, such a system is inherently wrong. While it may temporarily postpone a just and fair revision of duties, it will not finally settle this tariff question. We are not sovereigns here; we are but servants. The sovereigns are in the workshops, on the farms, in the factories, in the stores and countingrooms. It is the average interest of the whole people we should serve, not certain special interests. The question is, Are we framing this bill with a view to all the interests of all the people of this country or just with reference to the manufacturers of this country? The manufacturers ought not to be injured, but they should be given just the measure of protection that constitutes the difference in the cost of production between this and competing countries. They should not be guaranteed a profit. It is not the duty of government to guarantee a particular class of its citizens a profit in business. We are here to act, I say, not for manufacturers alone, but for the great body of the citizenship of this country, wherever they dwell, whatever they do. If a revision of the tariff is made on that basis, it will stand. If it is made in the interest of a section of this country or of a class, it can not be maintained.

It does not lie with any man to make a lasting impression upon this Senate or upon the country unless he builds upon a basis of truth. I am submitting a statement of experiments

conducted by the editor of the Textile World Record. It is either true or false. If true, it will stand. If false, it will be swept aside. Misrepresentation must in the end fail. It can do no lasting harm except to him who employs it.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary proceeded to call the roll, and the following Senators answered to their names:

Aldrich	Clark, Wyo.	Frye	Penrose
Bacon	Clarke, Ark.	Gallinger	Perkins
Bailey	Clay	Gamble	Rayner
Beveridge	Crane	Heyburn	Root
Borah	Crawford	Hughes	Scott
Bradley	Culberson	Johnson, N. Dak.	Smith, Mich.
Brandegee	Cullom	Johnston, Ala.	Smoot
Briggs	Cummins	Jones	Stephenson
Bristow	Curtis	Kean	Stone
Brown	Davis	La Follette	Sutherland
Bulkeley	Depew	Lodge	Taliaferro
Burkett	Dick	McCumber	Warner
Burrows	Dillingham	Martin	Warren
Burton	Dolliver	Money	Wetmore
Carter	du Pont	Nelson	
Chamberlain	Flint	Overman	
Clapp	Foster	Page	

Mr. SCOTT (when the name of Mr. ELKINS was called). My colleague [Mr. ELKINS] is unavoidably absent from the Senate this evening.

Mr. OVERMAN (when the name of Mr. SIMMONS was called). I desire to announce that my colleague [Mr. SIMMONS] is absent at home, sick.

The PRESIDENT pro tempore. Sixty-five Senators have responded to their names. There is a quorum present.

Mr. NELSON. Will the Senator from Wisconsin yield to me?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I do.

Mr. NELSON. Mr. President, I simply rise to express my great surprise at the fact that while the Finance Committee are ready to hear the various protected interests, they are unwilling to hear Senators when they discuss those same items of the tariff bill from another point of view.

Mr. LA FOLLETTE. Mr. President, I was just saying, when interrupted by the call for a quorum, that it is not possible for Congress to inflict a permanent injury on the people by an unjust revision of these tariff schedules. We are about to pass a bill at this session that will impose additional burdens upon the consumers of the country. They asked for relief. This bill will increase the cost of living in every home in the land. I say it will not stand. Public indignation will compel its repeal. This is a free country. We may grow arrogant in official position. Given a long lease of authority we may become indifferent to the rights of those from whom we take our power; but, Mr. President, the rural free delivery, the improvement of our highways, the daily press, and the public platform will carry the truth to the people every day, and this Congress can not write and maintain legislation on the statute books that inflicts injustice upon 90,000,000 enlightened American citizens.

PEOPLE DEMANDED REVISION DOWNWARD.

Upon the whole we are revising this tariff upward, not downward; and that is not what we were commissioned to do. Nor was this extra session forced upon us merely to rewrite the Dingley law. The people certainly were not clamoring for a higher tariff so strongly as to force a call for an extra session, and if they were satisfied with existing rates we certainly would not be here. We are here because the people for more than five years have been demanding that the Dingley rates should be reduced. They know that great progress has been made in the industrial life of the American people. They know that all this industrial reorganization has cheapened production; that fabulous fortunes are being acquired by those who control industrial organizations. In the meantime they know that life has grown harder day by day for the great mass of the American people. The cost of living has increased year after year, without a corresponding increase in the earning power of the average man. They know it is wrong. They have talked it over at home and with their merchant, their groceryman, their butcher. They know that the foolish claim made in the course of this debate, that the increased cost of living is chargeable to the retail merchant, is a subterfuge to cover up the enormous profits of those who suppress domestic competition behind a tariff that excludes foreign competition.

HOW THE BURDEN IS LOADED ON THE CONSUMER.

So, Mr. President, any unjust profit that is made possible by this legislative enactment will be multiplied to the consumer and will become a matter of very serious import to him when it is placed, not only upon one product but upon another and another until it reaches everything that goes upon his table, everything that goes to clothe and warm his family and provide for their comfort.

The Senator from Iowa [Mr. DOLLIVER] and other Senators have analyzed this bill and made plain to the understanding of everybody the wrongs that are being imposed upon consumers by this revision. Others will supplement this work. And I say to you that in every nook and corner of this great land of ours the people are going to understand this tariff question. You can not write in the laws of this country an unjust tariff bill and have it stand. The country will not permit it.

TAKE TIME TO DO THE WORK PROPERLY.

Personally I do not believe, Mr. President, we can ever get onto a practical, workable, scientific basis for tariff revision without the help of a tariff commission. But we must revise this tariff without the aid of an expert commission. Let us take time to gather all information necessary to enable us to frame a law such as we promised, based on the difference in the cost of production. It is not too late yet, Mr. President. It is midsummer. What of that? A big task; all this work to do over again. For I doubt if we can justify any of the duties proposed in this bill under the Republican party platform. There has been no thoroughgoing investigation such as the changed conditions called for upon which to base revision. We had better go back and begin over. We may smile about it now, but it will not be a matter for levity hereafter.

BILL MUST BE APPROVED BY THE NINETY MILLION.

Mr. President, in the atmosphere of this Senate Chamber, we are cut off, alienated, and segregated from the popular thought and feeling of the country. We come here to serve out our time—brief for some of us, long for others—but even for those who serve longest, how brief! It is only a little time and we all pass off the stage, to be held in memory but for a few fleeting years in the communities where we live. Let us do our work here, mindful every hour that we are not doing it to meet the approval of the Senator from Rhode Island. In so far as we shall take pride in what we do, in so far as our children will take pride in what we do, Mr. President, it will be only as it shall accord with what is just to all the people of this country, not to the sixty or seventy manufacturers who are organized in the American Woolen Company, but to the ninety millions of people who work on the hillsides and at the forges and in the countinghouses and shops of every city and hamlet of the land.

EVERY INTEREST SHOULD BE CONSIDERED—NONE WRONGED.

The great manufacturers have their rights, which should be duly regarded. I would not disparage the men who are manufacturing under this wool schedule. I would wrong no man and do injustice to no corporation. I would give to these men all they are entitled to fairly, according to the protective principles that should be applied in the making of every tariff bill. But you are doing more than that, and you do not furnish the facts to justify what you are doing. You can not make lasting, under existing economic conditions, a tariff schedule that you can not justify with facts—established facts.

Mr. President, if I do not get in every one of these statements of Mr. Dale it will not make such a tremendous amount of difference. Mr. Dale and the Senator from Wyoming [Mr. WARREN], and the Senator from Utah [Mr. SMOOT], and the Senator from Wisconsin will not cut so very much figure in this whole problem after all. Everlasting right is what is going to settle it finally.

Mr. President, I digressed, and I apologize for it. I did not intend to, and I come back, if I may have the attention of the Senate, for just one or two more of these examples; then I will ask leave to print the balance of them. But I will print them all; I will not leave out one, and if the Senate will permit, I will print the pictures. [Laughter.]

Now, the next piece, Mr. President, shows this: On the 10,000 yards analyzed by Mr. Dale it did not take 4 pounds of wool to make a yard of cloth, but if you assess the 4-pound duty, which the Dingley law authorizes, the compensatory duty alone amounts to 102 per cent. Just the compensatory duty; besides that, you know, the manufacturer has his protective duty.

Now, had that sample of cloth, which you will find in my remarks in the speech in the RECORD as No. E382, been assessed for just the amount of wool that was actually put into it, it would only have received a 23 per cent compensatory duty. Under the Dingley law it is wrongfully assessed a compensatory duty of 102 per cent on top of the protective tariff duty.

I pass from this with the request that I may be permitted to print in the RECORD all the analyses which I have in my possession which have been made by Mr. Dale without reading them, if the President will kindly submit that request to the Senate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none. The order is made.

The matter referred to is as follows:

A25.—Worsted serge; 18½ ounces per yard, 54 inches wide; 10,000 yards, at $1, $10,000; 11,500 pounds cloth. This requires 21,941 pounds grease wool.

Dingley duty.	Duty.	Per cent.
11,500 pounds cloth, at 44 cents	$5,060.00	50.6
55 per cent of $10,000	5,500.00	55
Total duty	10,560.00	105.6
Actual compensatory required:		
21,941 pounds grease wool, at 11 cents	2,413.51	24.1
Actual protection	8,146.49	81.5

A96.—Cotton warp dress goods; 6.7 ounces per yard, 50 inches wide; 10,000 yards at 25 cents, $2,500; 4,187 pounds cloth. This requires 4,515 pounds of grease wool.

Dingley duty.	Duty.	Per cent.
4,187 pounds cloth, at 44 cents	$1,842.28	73.7
50 per cent of $2,500	1,250.00	50
Total duty	3,092.28	123.7
Actual compensatory required:		
4,515 pounds grease wool, at 11 cents	496.65	19.9
Actual protection	2,595.63	103.8

C96.—Worsted dress goods; 6.7 ounces per yard, 50 inches wide; 10,000 yards, at 40 cents, $4,000; 4,187 pounds cloth. This will require 9,769 pounds grease wool.

Dingley duty.	Duty.	Per cent.
4,187 lbs. cloth, 44c	$1,842.28	46
55 per cent of $4,000	2,200.00	55
Total duty	4,042.28	101
Actual compensatory required:		
9,760 lbs. grease wool, 11c	1,073.60	26.8
Actual protection	2,968.68	74.2

E119.—Worsted serge, piece dyed; 1½ ounces per yard, 56 inches; 10,000 yards, at 90 cents, $9,000; 9,062 pounds cloth. This would require 20,945 pounds grease wool.

Dingley duty.	Duty.	Per cent.
9,062 pounds cloth, 44 cents	$3,987.28	44.3
55 per cent of $9,000	4,950.00	55
Total duty	8,937.28	99.3
Actual compensatory required:		
20,945 pounds, 11 cents	2,303.95	25.6
Actual protection	6,633.33	73.7

A220.—Cotton worsted. 1½ ounces, 55 inches wide. 10,000 yards at 50 cents, $5,000. 8,750 pounds cloth. This would require 3,125 pounds grease wool.

Dingley duty.	Duty.	Per cent.
8,750 pounds, 44 cents	$3,850.00	77
50 per cent of $5,000	2,500.00	50
Total duty	6,350.00	127
Actual compensatory required:		
3,125 pounds, 11 cents	343.75	6.8
Actual protection	6,006.25	120.2

A207.—Cotton warp casket cloth, cotton, wool, and shoddy; 15⅓ ounces per yard, 68 inches wide; 10,000 yards at 50 cents, $5,000; 9,688 pounds cloth. This will require 2,375 pounds cotton warp, 1,600 pounds grease wool, 1,125 pounds raw cotton, 9,563 pounds shoddy.

Dingley duty.		Duty.	Per cent.
9,688 pounds cloth, 44 cents		$4,262.72	85.2
50 per cent of $5,000		2,500.00	50
Total duty		6,762.72	135.2
Actual compensatory required:			
1,600 pounds, 11 cents	$1,760.00		
9,563 pounds, 5 cents	478.15		
		2,238.15	44.8
Actual protection		4,524.57	90.4

608.—Piece dyed Kersey, 25 ounces per yard, 55 inches. Stock: Back warp, 40 per cent; Oregon, 60 per cent shoddy; face warp and filling, 50 per cent; California, 50 per cent shoddy, 10,000 yards, $1.25, $12,500; 15,625 pounds cloth. This would require 32,426 pounds wool in grease, 13,167 pounds shoddy.

Dingley duty.		Duty.	Per cent.
15,625 pounds, 44 cents		$6,875.00	55
55 per cent of $12,500		6,875.00	55
Total duty		13,750.00	110
Actual compensatory required:			
32,426 pounds, 11 cents	$3,566.86		
13,167 pounds, 5 cents	658.35		
		4,225.21	33.2
Actual protection		9,524.79	76.8

E382.—Cotton warp beaver; 28 ounces per yard, 55 inches; 10,000 yards at 75 cents, $7,500; 17,500 pounds. This quantity would require 3,611 pounds raw cotton, 1,309 pounds cotton warp, 22,123 pounds shoddy, 4,886 pounds fine wool, 1,137 pounds coarse wool.

Dingley duty.		Duty.	Per cent.
17,500 pounds, 44 cents		$7,700.00	102.7
50 per cent of $7,500		3,750.00	50
Total duty		11,450.00	152.7
Actual compensatory required:			
6,023 pounds, 11 cents	$662.53		
22,123 pounds, 5 cents	1,106.15		
		1,768.68	23.6
Actual protection		9,681.32	129.1

E24.—Irish frieze. 3½ ounces per yard, 55 inches. Stock, 50 per cent wool and 50 per cent waste. 10,000 yards at $1, $10,000. 21,250 pounds cloth. This requires 25,625 pounds grease wool, 17,719 pounds shoddy and waste.

Dingley duty.		Duty.	Per cent.
21,250 pounds, at 44 cents		$9,350.00	93.5
50 per cent of $10,000		5,000.00	50
Total duty		14,350.00	143.5
Actual compensatory required:			
23,625 pounds, at 11 cents	$2,598.75		
17,719 pounds, at 5 cents	885.95		
		3,484.70	34.8
Actual protection		10,865.30	108.7

A211.—Wool cassimere, territory wool, 13 ounces per yard, 54 inches wide, 10,000 yards at 85 cents, $8,500; 8,125 pounds cloth. This will require 32,143 pounds grease wool, shrinking 65 per cent.

Dingley duty.	Duty.	Per cent.
8,125 pounds cloth, 44 cents	$3,575.00	42
55 per cent of $8,500	4,675.00	55
Total duty	8,250.00	97
Actual compensatory required:		
32,143 pounds, 11 cents	3,535.73	41.6
Actual protection	4,714.27	55.4

DE.—Wool dress goods, piece dyed, 6 ounces per yard, 50 inches wide. 10,000 yards at 40 cents, $4,000; 3,750 pounds cloth. This would require 14,823 pounds grease wool, shrinking 65 per cent.

Dingley duty.	Duty.	Per cent.
3,750 pounds, 44 cents	$1,650.00	41.2
55 per cent of $4,000	2,200.00	55
Total duty	3,850.00	96.2
Actual compensatory required:		
14,823 pounds, 11 cents	1,630.53	40.8
Actual protection	2,219.47	55.4

WRONG MUST BE MET IN NEXT CAMPAIGN.

Mr. LA FOLLETTE. The analyses of Samuel S. Dale, which I have just presented, show that in the cases of these various pieces of cloth a duty has been assessed against them which can not be justified. There is no justification for it. They prove the absolutely vicious character of this feature of the woolen schedule. These compensatory duties should be revised. The users of these woolen cloths demand it. They are willing to give to the manufacturer all of the duty necessary to protect him against labor which takes a lower wage than our labor and lives according to different standards. They are content that the manufacturer shall have the difference in the cost of pro-

duction, but deny on top of that his right to a duty running from 25 to 100 and a hundred per cent more than he is entitled to as a compensatory duty. We might just as well settle that question here and now. If this great wrong is not corrected now, you will have to confront it in the campaign two years and four years from this time. This issue will not be dropped here by the progressive Republicans. It will be fought out to a finish. We have faith in the power of public opinion. The right will finally prevail.

GOVERNMENT EXPERT CLARK PROVES PROTECTIVE DUTIES EXCESSIVE.

Mr. President, I have shown that the compensatory duty runs from 25 to a hundred per cent more than is sufficient to compensate for the duties levied on wool—and I now propose to demonstrate by analysis of the cloth, made by impartial and competent authority, that the protective duty is itself excessive.

One of the most reliable sources of information as to the cost of production in the woolen industry is the report on the manufacture of wools, worsted, and shoddy in France and England by W. A. Graham Clark, special agent of the Department of Commerce and Labor.

I pause here to say that this special investigation, made by Mr. Clark, has been challenged. I will not cite it without giving you the information that its results have been denied by the beneficiaries of these exorbitant rates.

Mr. OVERMAN. He is a North Carolina boy.

Mr. LA FOLLETTE. He is a North Carolina boy. He is the son of the chief justice of your State, who is one of the greatest lawyers and publicists in America.

RELIABILITY OF MR. CLARK'S INVESTIGATION.

Mr. Clark, at the time he made this investigation, had been doing work of this character for the Government for about two years. He has traveled in nearly all of the principal foreign countries in which information of value to the textile industry could be gathered. He is a graduate of Harvard University and has supplemented his general education with technical courses in the textile schools of New England. At the time that he entered the government service he had been for some time in the actual charge and management of a cotton mill, and he is, therefore, a man of practical experience. His appointment was made upon the recommendation of a great number of manufacturers, and he was practically selected for this work by the textile manufacturers of the country, and that, too, without regard to whether they were woolen or cotton manufacturers. His reports have always been received by the trade with the highest approval until he reported the facts with respect to wages and the cost of production in the woolen industry. Then he was singled out as a target for criticism and disapproval. I believe that if legislation to revise the tariff had not been impending at the time this report was made public, its results would have been accepted by these manufacturers with the approval accorded to reports of prior investigations made by Mr. Clark.

Mr. Clark gives a detailed analysis of the cost of production of eight typical samples of worsted and woolen cloths, which seem to contain ample material upon which to base a calculation of what the duty on woolen cloth should be to afford full protection on the basis of the difference in the cost of production here and abroad. Before taking up the discussion of the figures in connection with each sample, it will be necessary to consider two general points applicable to all of these samples, viz, the difference in the cost of labor in England and this country, and the cost of spinning the wool and weaving the yarn into cloth.

DIFFERENCE IN THE WAGE COST.

As to labor: On page 25 of his report, Mr. Clark gives the following table of wages in the worsted industry in Italy, France, England, and the United States:

	Italy.	France.	England.	United States.
Sorters	$4.60	$6.40	$7.30	$12.50
Washers or dyers	3.00	4.25	5.60	7.00
Carders	2.30	4.00	3.90	6.00
Gill boxes	2.30	3.70	3.00	6.00
Comb minders	2.30	3.70	3.00	6.00
Bobs spinner	7.00	9.25	12.00	18.00
Mule spinner	5.80	6.20	7.30	9.50
Ring spinner	2.30	4.00	3.00	6.00
Weavers	3.00	4.60	4.00	9.00
Fullers and pressers	3.50	4.25	6.00	7.00

This table shows that the wages are lowest in Italy, higher in France, still higher in England, and highest in the United States. Mr. Clark also adds that the cost of living is lowest in Italy, higher in England, still higher in France, and highest in the United States. At the same time, as would have been expected, the productive efficiency of labor is lowest in Italy, higher in France, still higher in England, and highest in the United States. Mr. Clark does not furnish any figures that would show the extent to which the greater efficiency in the United States offsets the greater cost of labor. Mr. Clark's table shows that wages in the worsted industry in this country are from 17 to 125 per cent higher than in England.

To be on the safe side, as a protectionist, I shall assume in my calculations that the labor cost in this country is double that of England, thus making no allowance for the higher efficiency of labor in this country.

Mr. GALLINGER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from New Hampshire?

Mr. LA FOLLETTE. I do.

Mr. GALLINGER. I have examined this report with a great deal of interest, and the Senator will note in the letter of submittal, dated Bradford, England, November 1, 1908, found on page 5, Mr. Clark says "in general it may be said that the cost of the manufacture of worsteds in England is about half that in the United States."

Mr. LA FOLLETTE. I had already stated that.

Mr. GALLINGER. Yes; I understood the Senator so to say.

Mr. LA FOLLETTE. I want to be entirely fair.

Mr. GALLINGER. I understood the Senator to say that, and I was merely confirming his statement.

Mr. LA FOLLETTE. It is all right to call attention to it.

Mr. GALLINGER. That was the only purpose.

Mr. LA FOLLETTE. I think we ought to start in on that basis, and I would not stand for a duty a hair's breadth lower than would be safe to the industries of the country.

I have Mr. Clark's samples here—the identical cloth that he brought over to this country. The samples were kindly loaned me by the Bureau of Manufactures.

SHOWING MADE ON THE CLARK SAMPLES.

The samples produced by Mr. Clark came from British weaving mills which buy their yarn. In order to get at the proportion which the labor cost of combing and spinning bears to the cost of yarn, I have made use of tables given on pages 70, 73, and 74 of Mr. Clark's report, which give in detail the cost of turning out worsted yarn in a mill with a capacity of 7,500 pounds per week.

The following table, taken from page 74, shows in detail the cost of worsted spinning 1/20s:

	Per year.	
	£ s.	
Departmental costing:		
Interest and depreciation (10 years), at 4½ per cent	214 16	=$1,045.50
Rent, 530 square yards, at 3s. 6d	92 15	= 451.37
Motive power, say 60 indicated horsepower, at £5	300 0	= 1,459.95
Repairs	20 0	= 97.33
Lighting, rates, taxes, and insurance	100 0	= 486.65
Materials	50 0	= 243.33
Miscellaneous expenses	10 0	= 48.66
Wages, 50 weeks, at £14 7s. 6d	718 15	= 3,497.50
Wages, 52 weeks, at £2	104 0	= 506.12
Total	1,610 6	= 7,836.44

Production, 7,500 pounds per week. Cost per pound, £1,610 6s. ($7,836.44) ÷ (7,500 by 50) = 1.03d. (2.06 cents) per pound.

Adding the last two items in the table, representing wages, we get the total labor cost per year, $4,003.62. The total production per year is 7,500 pounds multiplied by 50, or 375,000 pounds, which gives the labor cost of spinning a pound 1.07 cents. The cost of combing is given on page 70 of Mr. Clark's report at 4 cents, making the total wage cost 5.07 cents per pound. The selling price of 1/20s worsted yarn is given on page 70 of Mr. Clark's report at 59.6 cents per pound, making the labor cost 8½ per cent of the total cost of yarn.

In the case of 2/44s yarn, the table of costs given on page 73 of Mr. Clark's report is as follows:

Worsted spinning, 2/44s.

	Per year.	
	£ s.	
Departmental costing:		
Interest and depreciation (10 years) on £6,500, at 4⅘	814 11	=$3,964.00
Rent, 2,000 square yards, at 3s. 6d	350 0	= 1,703.27
Motive power, say 200 indicated horsepower, at £5	600 0	= 2,919.90
Repairs	50 0	= 243.32
Lighting	120 0	= 583.98
Rates, taxes, and insurance	250 0	= 1,216.62
Materials	70 0	= 340.66
Miscellaneous expenses	30 0	= 146.00
Wages, 50 weeks, at £59 8s. 6d	2,971 5	=14,454.50
Wages, 52 weeks, at £4	208 0	= 1,012.24
Total	5,463 16	=26,584.49

Production, 7,500 pounds per week. Cost per pound, £5,463 16s. ($26,584.49) ÷ (7,500 by 50) = 3.54d. (7.08 cents) per pound.

ALLOWS AN EXCESSIVE LABOR COST.

Using the same method of calculation as in the first illustration, we get the cost of spinning per pound of yarn 4.1 cents and adding to that 4 cents per pound for combing, we get 8.1 cents. The cost of 2/44s yarn, as given on page 70, is 66.6 cents per pound, so that the proportion of the total wage cost to the cost of 2/44s yarn is 12 per cent.

Although 12 per cent is the highest percentage of labor cost of spinning given in Mr. Clark's report, I shall apply that figure in all cases; thus deliberately allowing for the proportion of labor cost of yarn an excessive proportion which, in the case of 1/20s yarn, will be 50 per cent too high.

I have taken these two cases of the labor cost of spinning the yarn, because in these two cases it is given in very great detail—in greater detail than in the lower classes. It was difficult, if not impossible, for the tariff expert of the Bureau of Statistics to get the figures in the lower number of yarns, and for that reason I give all the way through, in the costs which I shall submit to the Senate and incorporate in my remarks, the cost which applies to these two first samples. So no one can complain that this industry is being dealt with unfairly in the computation which is being made, and while this computation runs somewhat into detail, I beg the indulgence and patience of Senators, for the demonstration it makes is a very important one in the consideration of this bill.

We are now in a position to take up the several samples of cloth submitted by Mr. Clark, pieces of which I secured from the Bureau of Manufactures for presentation to the Senate.

The first sample is No. 1. It is a fancy worsted suiting; 1,056 yards of this cloth was made high grade; weight per square yard, 13.6 ounces; threads per inch in warp, 42; filling, 40; grade, botany No. 70, at 74 cents; yarn, 1,530 pounds; 2/16s. Then follows a table, which I ask leave to submit in connection with what I shall say here to-night, without reading to the Senate.

The PRESIDENT pro tempore. The Chair hears no objection.

The table is as follows:

Sample No. 1.—Fancy worsted suiting.

[1,056 yards, high grade; weight per square yard, 13.6 ounces; threads per inch in warp, 42; filling, 40; grade, botany No. 70, at 74 cents; yarn, 1,530 pounds, 2/16s.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material	$1,132.20				
Office expense				$0.34	$0.16
Discounts, terms, etc		$30.60			
Warehouse				2.96	1.64
Patterns				.24	.24
Weaving		11.70	$3.12	4.56	4.70
Mending				1.20	1.20
Finishing and dyeing		10.08	1.78	5.98	4.98
Total	1,132.20	52.38	4.90	15.28	12.92

	Power.	Supplies.	Wages.	Salaries.	Total.
Material					$1,132.20
Office expense		$0.12		$20.18	20.80
Discounts, terms, etc					30.60
Warehouse		1.48	$2.96	20.56	29.60
Patterns		1.16	26.88	5.08	33.60
Weaving	$3.92	1.30	82.64	18.94	130.88
Mending			21.60		24.00
Finishing and dyeing	10.36	12.60	48.60	2.10	96.48
Total	14.28	16.66	182.68	66.86	1,498.16

Cost per yard, 58 inches, $1.419.

Mr. LA FOLLETTE. From data contained in the above table we derive the following figures:

Cost of yarn, 76 per cent of the cost of the finished goods (cloth)		$1,132.20
Cost per running yard (58 inches)		$1.419
Weight per square yard	ounces	13.6
Weight per running yard	do	21.896
Compensatory duty per running yard, at 44 cents per pound		60.214
Ad valorem duty, at 55 per cent ad valorem		78.1
Total duty		$1.38314

Or 97 per cent ad valorem.

Let us see what the wages for weaving this cloth are in England, and let us see what the wages for spinning the yarn woven into this cloth are in England, for we have the means of figuring it out here:

	Per cent of cost.
Wages, weaving	12.2
Wages, spinning (12 per cent of selling cost of yarn)	9.1
Total wages	21.3

CASES WHERE EXCESSIVE DUTY IS DEMONSTRATED.

On the assumption that the labor cost in this country is double that in England, the protective duty on that account should be 21.3 per cent of the cost of the cloth, instead of 55 per cent allowed by the Dingley tariff and retained in the Payne and Aldrich bills, making an excess of protective duty of 33.7 per cent.

This measures the excess of duty which these manufacturers will be able to exact under this law if we reenact the same duties in the pending bill.

But the 55 per cent does not represent the full amount of protection accorded to woolen cloth. There is also a compensatory duty of 44 cents a pound based on the assumption that it takes 4 pounds of grease wool to produce 1 pound of cloth. This assumption has been ridiculed by those who have any familiarity with the industry, as it has no reference to actual facts. To arrive at correct figures, a series of careful tests, extending over a long period and covering various kinds of cloth, was made, and the results published in the Textile World Record, January, 1909. I have presented to the Senate the results of these tests, which clearly establish that the 44 cents per pound compensatory duty is a fraud upon the consumers of this kind of cloth in this country.

I shall discuss the results of these tests more fully in the course of my remarks. For the present it is sufficient to say that these tests demonstrate beyond the peradventure of a doubt that a proportion of 2 pounds of wool to 1 pound of cloth of this grade is more nearly correct as an average than the allowance made in this bill and in the present law. On that basis the compensating duty per running yard of cloth would be one-half the figure given in the above estimate, or 30.107 cents per yard, equal to 21.2 per cent ad valorem. Summing up these figures, we find that the total duty should be made up of the following items:

	Per cent.
Compensatory duty	21.2
Protective duty	21.3
Total	42.5

as against the actual duty of 97 per cent, making an excess of duty equal to 54.5 per cent ad valorem.

The figures for the other samples are calculated on the same basis and can be given without further comment.

Sample No. 2, submitted by Mr. Clark, shows an excess of duty of 52.1 per cent. I will later put the entire table in the RECORD.

The next sample of cloth submitted by him is No. 3. The compensatory duty per running yard of this cloth at 44 cents per pound is 52 per cent; the protective duty is 55 per cent ad valorem. The total duty on that cloth is $1.09 per yard, or 106.6 per cent ad valorem.

Now, the wages for weaving that cloth amount to 16 per cent of the cost; the wages for spinning, 12 per cent of the cost of yarn, or 8.5 per cent of the total cost; the protective duty to cover wages should be 25.1 per cent; the compensatory duty should be 28 cents per yard, or 27.5 per cent; and the total duty should be 52.6 per cent; the present duty is 106 per cent, an excess of 54 per cent.

Sample No. 4, without going through the samples in detail, carries an excess of 56 per cent.

Sample No. 5, an excess duty as shown by an analysis of 49 per cent.

NO WONDER THE CLARK REPORT IS ATTACKED.

Do Senators marvel that these overprotected industries complain about the report of Mr. Clark? Mr. Clark is a trained scientist. He went into this investigation with no prejudice against the manufacturers. He is an American citizen. He was sent out by this Government to make a thoroughgoing and impartial investigation, and can anyone, for a moment, believe that he would bring back anything to this country that was not in accordance with his best understanding and best judgment, and if he did err in any respect that he would err against this country?

Mr. President, with this testimony before or accessible to the Finance Committee, having been presented by Mr. Clark to the Ways and Means Committee, it is almost inconceivable that

this Schedule K could have been passed over without a complete revision. The only possible excuse is that it is a very intricate schedule. It appears through nearly all the tariff legislation since this schedule was adopted, that no committee has had the courage to undertake its reconstruction upon a thoroughgoing scientific basis. In a way that may be some extenuation for the Finance Committee, but, Mr. President, we are not called upon to rush through a piece of legislation within any given time. The tariff question is of as much importance to this Nation as any nation in the world, and there is no other civilized power of any standing that would enact legislation as we are proceeding with this bill.

I directed attention to the fact a few days ago that France took two years to investigate this subject before a bill was presented to its Parliament. A committee of 32 members was put in charge, divided into sections, each given a separate schedule, and put in charge of a thoroughgoing investigation in preparation for legislation.

UP AGAINST A STONE WALL.

You know, Mr. President, every one of us knows, what we have been asked to do. It is next to an impossibility for any man to inform himself about this bill. This bill, put through the House under a special rule after a few weeks' investigation by the committee in charge, was brought into this Chamber, and in forty-eight hours, by the mandate of the chairman of the Finance Committee, we were compelled to begin its consideration by paragraphs for amendment. Yet we are all held responsible for the hasty judgment that we are compelled to form on this floor, without any detailed information.

We are up against a stone wall. It makes no difference what it provides or fails to provide, the legislation reported by the committee will go through. The system of making up committees insures that. It places all legislative power in the hands of a few men. I protest against it as a wrongful use of power, and shall continue to protest against it here and elsewhere as a violation of the fundamental principles of representative government.

Mr. President, allow me to read a recapitulation of these eight samples: On the first sample, omitting the fractions, the excess of duty is 54 per cent; on the second sample the excess of duty is 52 per cent; on the third sample it is 54 per cent; on the fourth sample 56 per cent; on the fifth sample 49 per cent; sixth sample 44 per cent; seventh sample 63 per cent; eighth sample 55 per cent; and on an average of all these samples there is an excess of duty of 53.8 per cent.

Mark you, these facts are presented here, I repeat, not upon biased and prejudiced testimony secured from among the beneficiaries of the excessive rates, but on the testimony of disinterested men employed by this Government to get truthful information. These facts are not presented by me to break down the protection system, but as a stanch advocate of maintaining it on a rational basis—a better friend, if I may say so, than those who insist on maintaining such excessive duties as to discredit the system and ultimately destroy it.

Now, Mr. President, I am not going to take the time of the Senate to go through all these samples. They all prove the same thing, and the proof of the iniquities of Schedule K is so overwhelming as to make it difficult, indeed, to believe that even the Senator from Rhode Island will not permit some revision in behalf of the woolgrower and consumer.

Mr. President, I have ready to lay before Senators a table which takes account of every increase. That table will be printed and put upon the desks of Senators within twenty-four hours, giving the increases and decreases exactly as they were at the time this bill was reported. If I can enlist sufficient expert help, I will have every amendment that has been adopted incorporated as a correction in that table when this bill is ready to go to a vote, so that Senators will have a revised statement of increases and decreases correctly figured according to the approved methods of the Bureau of Statistics, not counting so many decreases against so many increases—that is folly—but computed by "weighted averages," as it is termed, so that Members of this body and the country shall have full opportunity to know what changes from present rates are really made in this bill.

And now, Mr. President, I have some amendments which I propose to present. I shall offer them later, when the general debate upon this schedule is closed and the paragraphs taken up for amendment. If adopted my amendments will completely revise this schedule, reducing duties to a just compensatory and protective basis.

Mr. President, I ask permission to print in the RECORD the tables of Mr. Clark's report in full without taking the time of the Senate to read them to-night.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Without objection, the order will be made.

The matter referred to is as follows:

Sample No. 2.—Fancy worsted suiting.

[1,056 yards, medium quality; weight per square yard, 11.8 ounces; threads per inch in warp 45, filling 48; grade, dark gray botany No. 64 at 66 cents; No. 64 at 74 cents; yarn, 1,370 pounds, 2/20s.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material	$908.20				
Office expense			$0.36	$0.18	$0.18
Discounts, terms, etc		$27.40			
Warehouse				3.12	1.72
Patterns				.16	.06
Weaving		12.36	3.30	4.80	4.94
Mending				1.20	1.20
Finishing and dyeing		6.30	1.08	3.72	3.12
Total	908.20	46.06	4.38	13.36	11.22

	Power.	Supplies.	Wages.	Salaries.	Total.
Material					$908.20
Office expense		$0.12	$20.82	$0.12	21.60
Discounts, terms, etc					27.40
Warehouse		1.56	3.12	21.68	31.20
Patterns		.72	16.56	3.28	20.80
Weaving	$4.12	1.38	86.40	19.90	157.20
Mending			21.60		24.00
Finishing and dyeing	6.48	8.10	30.48	72	60.00
Total	10.60	11.88	179.00	45.70	1,250.40

Cost per yard, 58 inches, $1.165.

Cost of yarn, $908.20 = 74 per cent of the cost of finished goods (cloth).		
Cost per running yard, 58 inches		$1.165
Weight per square yard	ounces	11.8
Weight per yard, 58 inches	do	18.998
Compensatory duty per running yard at 44 cents per pound	cents	52.228
Protective duty at 55 per cent ad valorem	do	64.075
Total duty		$1.16303

(Or practically 100 per cent ad valorem.)

Wages, weaving	per cent of cost	14.5
Wages, spinning (12 per cent of cost of yarn)	do	9
Total wages	do	23.5

Mr. LA FOLLETTE. Compensatory duty should be 22 cents per pound, or 26.1 cents per yard, equaling 24.4 per cent of cost of cloth.

Total duty should therefore be—

	Per cent.
Protective duty	23.5
Compensatory duty	24.4
Total duty	47.9

Making present duty, 100 per cent; excess of duty, 52.1 per cent.

Sample No. 3.—Fancy worsted and woolen suiting.

[1,056 yards; weight per square yard, 11.9 ounces; threads per inch in warp 50, filling 54; grade, botany No. 1, 60s, at 67 cents; No. 2, 60s, at 67 cents; woolen weft, at 30 cents; yarn, 570 pounds, No. 1, 2/28s; 330 pounds, No. 2/24s; 534 pounds, woolen, 2 5/8 runs.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material	$764.28				
Office expense		$19.08			
Discounts, terms, etc				$0.36	$0.18
Warehouse				3.12	1.70
Patterns				.16	.06
Weaving		12.36	$3.30	4.80	4.94
Mending				1.20	1.22
Finishing and dyeing		6.30	1.08	3.72	3.12
Total	764.28	37.74	4.38	13.36	11.22

Sample No. 3.—Fancy worsted and woolen suiting—Continued.

	Power.	Supplies.	Wages.	Salaries.	Total.
Material					$764.28
Office expense					19.08
Discounts, terms, etc		$0.12	$20.82	$0.12	21.60
Warehouse		1.56	3.12	21.68	31.20
Patterns		.72	16.58	3.28	20.80
Weaving	$4.12	1.38	86.40	19.90	137.20
Mending			21.60		24.00
Finishing and dyeing	6.48	8.10	30.48	.72	60.00
Total	10.60	11.88	179.00	45.70	1,078.16

Cost per yard, 58 inches, $1.021.

Cost of yarn, $764.28=71 per cent of the cost of finished goods.	
Cost per running yard, 58-inch	$1.021
Weight per square yard, ounces	11.9
Weight per running yard, 58-inch, do	19.159
Compensatory duty per running yard, at 44 cents per pound, cents	52.668
Protective duty, at 55 per cent ad valorem, cents	56.155
Total duty	1.09
Or 106.6 per cent ad valorem.	
Wages, weaving, per cent of cost	16.6
Wages, spinning, 12 per cent of cost of yarn, do	8.5
Protective duty, to cover wages, should be, per cent	25.1
Compensatory duty should be 28.078 cents per yard, do	27.5
Total duty should be, do	52.6

Present duty 106.6 per cent. Excess of duty 54 per cent.

Sample No. 4.—Piece dyed indigo suiting.

[1,056 yards; weight per square yard, 14 ounces; threads per inch in warp 44, filling 48; grade, botany No. 80, at 66 cents; yarn, 1,500 pounds, 2/20s.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material	$990.00				
Office expense				$0.36	$0.18
Discounts, terms, etc		$30.00			
Warehouse				3.12	1.72
Patterns					
Weaving		9.84	$2.64	3.84	3.90
Mending				1.20	1.20
Finishing and dyeing		15.12	2.56	8.90	7.50
Total	990.00	54.96	5.20	17.42	14.50

	Power.	Supplies.	Wages.	Salaries.	Total.
Material					$990.00
Office expense		$0.12	$20.82	$0.12	21.60
Discounts, terms, etc					30.00
Warehouse		1.56	3.12	21.68	31.20
Patterns					
Weaving	$3.26	1.10	69.12	15.98	109.68
Mending			21.60		24.00
Finishing and dyeing	15.60	141.84	72.48		264.00
Total	18.86	144.62	187.14	37.78	1,470.48

Cost per yard, 58 inches, $1.392.

Cost of yarn, $990=67 per cent of cost of finished goods.	
Cost per running yard 58 inches	$1.392
Weight per square yard, ounces	14
Weight per running yard, do	22.54
Compensatory duty, per running yard, at 44 cents per pound, cents	61.996
Protective duty, at 55 per cent ad valorem, cents	76.560
Total duty	$1.38556
Or 99.5 per cent ad valorem.	
Wages, weaving, per cent	12.7
Wages, spinning (12 per cent of cost of yarn), do	8.0
Protective duty to cover wages should be, do	20.7
Compensatory duty should be 30.993 cents per yard, do	22.2
Total duty should be	42.9

Present duty, 99.5 per cent; excess of duty, 56.6 per cent.

Sample No. 5.—Wool-dyed indigo suiting.

[1,056 yards; weight per square yard, 9.8 ounces; threads per inch in warp 48, filling 48; grade, botany worsted No. 70, at 80 cents per pound; yarn, 1,180 pounds, 2/24s.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material	$944.00				
Office expense				$0.36	$0.18
Discounts, terms, etc		$31.20			
Warehouse				3.12	1.72
Patterns				.16	.06
Weaving		10.44	$2.78	4.08	4.20
Mending				1.20	1.20
Finishing and dyeing		10.08	1.76	5.96	5.00
Total	944.00	51.72	4.54	14.88	12.36

	Power.	Supplies.	Wages.	Salaries.	Total.
Material					$944.00
Office expense		$0.12	$20.82	$0.12	21.60
Discounts, terms, etc					31.20
Warehouse		1.56	3.12	21.68	31.20
Patterns		.72	16.58	3.28	20.80
Weaving	$3.48	1.16	73.20	16.66	116.00
Mending			21.60		24.00
Finishing and dyeing	10.36	12.96	48.60	1.28	96.00
Total	13.84	16.52	183.92	43.02	1,284.80

Cost per yard, 58 inches, $1.216.

Cost of yarn, $944=73.5 per cent of cost of finished goods.	
Cost per running yard, 58-inch	1.216
Weight of square yard, ounces	9.8
Weight of running yard, 58-inch, do	15.778
Compensatory duty per running yard, at rate of 44 cents per pound, cents	43.384
Protective duty, at rate of 55 per cent ad valorem, do	66.88
Total duty	$1.10264
Or 90.7 per cent ad valorem.	
Wages, weaving, per cent of cost	14.3
Wages, spinning, 12 per cent of cost of yarn, per cent	8.8
Protective duty, to cover wages, should be, do	23.1
Compensatory duty should be 21.692 cents, or, do	17.8
Total duty should be, do	40.9

Present duty, 90.7 per cent. Excess of duty, 49.6 per cent.

Sample No. 6.—Wool dyed indigo suiting.

[1,056 yards; weight per square yard, 9.8 ounces; threads per inch in warp, 48, filling 48; grade, botany worsted (white) No. 70, at 68 cents (black) No. 70, at 68 cents; white spun silk, at $3; yarn, 500 pounds, 2/28s; 25 pounds, 10/4s silk.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material	$415.00				
Office expense				$0.36	$0.18
Discounts, terms, etc		$33.60			
Warehouse				3.12	1.72
Patterns				.44	.44
Weaving		15.96	$4.26	6.24	6.36
Mending				1.20	1.20
Finishing and dyeing		10.08	1.76	5.96	5.00
Total	415.00	59.64	6.02	17.32	14.90

	Power.	Supplies.	Wages.	Salaries.	Total.
Material					$415.00
Office expense		$0.12	$20.82	$0.12	21.60
Discounts, terms, etc					33.60
Warehouse		1.56	3.12	69.68	79.20
Patterns		2.00	46.08	8.64	57.60
Weaving	$5.34	1.78	109.44	28.22	177.60
Mending			21.60		24.00
Finishing and dyeing	10.36	12.96	48.60	1.28	96.00
Total	15.70	18.42	249.66	107.94	904.60

Cost per yard, 58 inches, $0.856.

Cost of yarn, $415—46 per cent of cost of finished goods.	
Cost per running yard, 58 inches.....cents..	85.6
Weight per square yard.....ounces..	8.8
Weight per running yard, 58 inches.....do.....	14.168
Compensatory duty per running yard, at rate of 44 cents per pound.....cents..	38.962
Protective duty, at rate of 35 per cent ad valorem.....do.....	47.08
Total duty.....do.....	86.042
Or 100.5 per cent ad valorem.	
Wages, weaving.....per cent of cost..	27.6
Wages, spinning (12 per cent of cost of yarn).....per cent..	5.5
Protective duty to cover wages should be.....do.....	33.1
Compensatory duty should be 19.481 cents per yard.....do.....	22.7
Total duty should be.....do.....	55.8
Present duty 100.5 per cent excess of duty.....do.....	44.7

Sample No. 7.—Fancy tweed, low quality.

[1,056 yards; weight per square yard, 11.9 ounces; threads per inch in warp 36, filling 32; grade, woolen blend at 20 cents, cotton yarn at 22 cents, worsted yarn and twist at 56 cents; material 1,310 pounds, woolen blend, 250 pounds, 1/20s., 60 pounds, 2/14s.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material	$350.62				
Office expense					
Discounts, terms, etc		$3.72		$0.18	$0.10
Warehouse				1.52	.76
Patterns				.08	.08
Weaving		8.20	$2.20	3.20	3.52
Mending				.60	.60
Finishing and dyeing		5.04	.86	2.98	2.50
Carding, spinning, and twisting		19.80	1.48	7.44	5.72
Total	350.62	36.76	4.54	16.00	13.28

	Power.	Supplies.	Wages.	Salaries.	Total.
Material					$350.62
Office expense					
Discounts, terms, etc		$0.06	$11.60	$0.06	15.72
Warehouse	$0.08	.76	10.56	1.52	15.20
Patterns		.42	9.60	1.82	12.00
Weaving	2.74	.10	57.60	13.64	91.20
Mending			10.80		12.00
Finishing and dyeing	5.18	6.48	24.36	.60	48.00
Carding, spinning, and twisting	9.70	4.64	27.68	7.54	84.00
Total	17.70	12.46	152.20	25.18	628.74

Cost per yard, 58-inch, 59.5 cents.	
Cost of yarn, 56 per cent of cost of finished goods.	
Cost per running yard, 58 inches.....cents..	59.5
Weight per square yard.....ounces..	11.9
Weight per running yard, 58 inches.....do.....	19.159
Compensatory duty per running yard, at rate of 44 cents per pound.....cents..	52.668
Protective duty at 50 per cent ad valorem.....do.....	29.75
Total duty.....do.....	82.418
Or 138.5 per cent ad valorem.	
Wages, weaving.....per cent of cost..	24.2
Wages, spinning (12 per cent cost of yarn).....	6.7
Protective duty to cover wages should be.....per cent..	30.9
Compensatory duty should be 26.334 cents per yard or...do.....	44.2
Total duty should be.....do.....	75.1
Present duty, 138.5 per cent; excess of duty.....do.....	63.4

Sample No. 8.—Fancy fine woolen overcoating.

[1,056 yards; weight per square yard, 11.9 ounces; threads per inch in warp 60, filling 60; grade, fine Saxony woolen blend, at 56 cents; wool, 1,420 pounds.]

	Yarn.	Interest and depreciation.	Repairs.	Rent.	Gas, etc.
Material	$795.20				
Office expense		$33.60		$0.36	$0.18
Discounts, terms, etc					
Warehouse				3.12	1.72
Patterns				.44	.24
Weaving		17.28	$4.60	6.72	6.90
Mending				1.20	
Finishing and dyeing		12.60	2.16	7.44	6.24
Carding and spinning		34.80	2.40	13.10	10.08
Total	795.20	98.28	9.16	32.38	25.36

Sample No. 8.—Fancy fine woolen overcoating—Continued.

	Power.	Supplies.	Wages.	Salaries.	Total.
Material					$705.20
Office expense		$0.12	$20.82	$0.12	55.20
Discounts, terms, etc					
Warehouse		1.56	3.12	21.68	31.20
Patterns		2.00	46.08	8.64	57.40
Weaving	$5.76	1.92	120.48	28.34	192.00
Mending			21.60		22.80
Finishing and dyeing	12.96	16.20	60.96	1.44	120.00
Carding and spinning	17.04	8.16	48.60	11.86	146.04
Total	35.76	29.96	321.66	72.08	1,419.84

Cost per yard, 58-inch, $1.344.	
Cost of yarn, 56 per cent of cost of finished goods.	
Cost per running yard, 58 inches.....	$1.344
Weight per square yard.....ounces..	11.9
Weight per running yard, 58 inches.....do.....	19.159
Compensatory duty per running yard, at 44 cents per pound.....cents..	52.668
Protective duty, at 55 per cent ad valorem.....do.....	73.92
Total duty.....	$1.26588
Or 94.2 per cent ad valorem.	
Wages, weaving.....per cent ad valorem..	22.7
Wages, spinning (12 per cent of cost of yarn).....per cent..	6.7
Protective duty to cover wages should be.....do.....	29.4
Compensatory duty should be 26.334 cents per yard...do.....	19.6
Total duty should be.....do.....	39.0
Present duty, 94.2 per cent; excess of duty.....do.....	55.2

Mr. LA FOLLETTE. Mr. President, may I inquire of some one who is authorized to speak for the Finance Committee whether it is proposed to take any votes to-night? I have some amendments which I desire to submit, and upon which I have something which I should like to say. I would naturally prefer to say it in connection with the amendments at the time they are presented and to be voted upon, and if I could do that I would like to do so. It is now 10.20, and if there is some one here authorized to speak for the Finance Committee, I should like to know if an adjournment could be taken at this time, so that I might offer my amendments and the observations which I have to make with respect to them at the session to-morrow morning.

Mr. FLINT. The chairman of the Finance Committee is absent just now, but he will be in the Chamber in a moment, and I will confer with him in reference to an adjournment.

Mr. OVERMAN. In the meantime, I suggest the want of a quorum.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clark, Wyo.	Foster	Page
Bacon	Clarke, Ark.	Gallinger	Penrose
Bailey	Clay	Gamble	Perkins
Beveridge	Crane	Gore	Rayner
Bradley	Crawford	Guggenheim	Root
Brandegee	Culberson	Heyburn	Scott
Briggs	Cullom	Hughes	Smith, Mich.
Bristow	Cummins	Johnston, Ala.	Smoot
Brown	Curtis	Kean	Stephenson
Bulkeley	Davis	La Follette	Stone
Burkett	Depew	Lodge	Taliaferro
Burnham	Dick	McCumber	Warner
Burrows	Dillingham	McLaurin	Warren
Burton	Dolliver	Martin	Wetmore
Carter	du Pont	Money	
Chamberlain	Fletcher	Nelson	
Clapp	Flint	Overman	

The PRESIDING OFFICER. Sixty-five Senators have answered to their names. A quorum of the Senate is present.

Mr. ALDRICH. I understand that the Senator from Wisconsin prefers to have the matter go over until to-morrow morning, that he may present some amendments.

Mr. LA FOLLETTE. It is pretty nearly adjournment time, and I would rather not undertake to present my amendments to-night, if it is the intention of the Senator from Rhode Island to adjourn.

Mr. ALDRICH. I move that the Senate adjourn.

The motion was agreed to, and (at 10 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Thursday, June 10, 1909, at 10.30 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate June 9, 1909.

REGISTER OF THE LAND OFFICE.

William S. McLain, of Presho, S. Dak., to be register of the land office at Bellefourche, S. Dak., a newly created office by act of Congress approved February 6, 1909.

APPOINTMENTS IN THE ARMY.

MEDICAL CORPS.

With rank of first lieutenant.

Henry Clay Coburn, jr., May 23, 1909, vice First Lieut. James Carroll, assistant surgeon, appointed surgeon with the rank of major March 2, 1907.

Arnold Dwight Tuttle, May 24, 1909, vice Capt. James M. Kennedy, assistant surgeon, promoted March 20, 1907.

John Brockenbrough Harvie Waring, May 24, 1909, vice Capt. Deane C. Howard, assistant surgeon, promoted April 24, 1907.

William Richard Dear, May 25, 1909, vice Capt. William H. Wilson, assistant surgeon, promoted May 10, 1907.

Charles Edward Doerr, May 25, 1909, vice First Lieut. Robert Smart, assistant surgeon, honorably discharged June 29, 1907.

Daniel Parker Card, May 26, 1909, vice Capt. John R. Devereux, assistant surgeon, resigned June 30, 1907.

Ralph Harvard Goldthwaite, May 26, 1909, vice Capt. Samuel L. Steer, assistant surgeon, resigned July 3, 1907.

Frederick Starr Wright, May 26, 1909, vice Capt. Samuel E. Lambert, assistant surgeon, resigned July 27, 1907.

Daniel Warwick Harmon, May 27, 1909, vice First Lieut. Harold W. Cowper, assistant surgeon, resigned March 18, 1908.

James Carre Magee, May 27, 1909, vice Capt. Charles E. B. Flagg, assistant surgeon, promoted March 31, 1908.

Corydon Goodrich Snow, May 27, 1909, vice Capt. William F. Lewis, assistant surgeon, promoted April 10, 1908.

Norman Lincoln McDiarmid, May 28, 1909, vice Capt. Thomas S. Bratton, assistant surgeon, promoted April 15, 1908.

Clarence Albert Treuholtz, May 28, 1909, vice Capt. Thomas J. Kirkpatrick, assistant surgeon, promoted April 22, 1908.

Eben Clayton Hill, May 29, 1909, to fill an original vacancy.

George Hudson McLellan, May 29, 1909, to fill an original vacancy.

Alexander Dwight Parce, May 30, 1909, to fill an original vacancy.

James Arthur Wilson, May 30, 1909, to fill an original vacancy.

Armin Mueller, May 31, 1909, to fill an original vacancy.

Thomas James Leary, May 31, 1909, to fill an original vacancy.

Morrison Clay Stayer, May 31, 1909, to fill an original vacancy.

Robert William Kerr, June 1, 1909, to fill an original vacancy.

Lee Roy Dunbar, June 2, 1909, to fill an original vacancy.

Leon Connallin Garcia, June 2, 1909, to fill an original vacancy.

William Stephens Shields, June 2, 1909, to fill an original vacancy.

Addison Dimmitt Davis, June 2, 1909, to fill an original vacancy.

William Hope Smith, June 3, 1909, to fill an original vacancy.

Clarence Elmer Fronk, June 3, 1909, to fill an original vacancy.

Rozier Clagett Bayly, June 4, 1909, to fill an original vacancy.

George Dawson Heath, jr., June 4, 1909, vice Capt. John H. Stone, Medical Corps, promoted April 23, 1908.

CHAPLAIN.

Rev. Robert R. Fleming, jr., of Illinois, to be chaplain, with the rank of first lieutenant from April 20, 1909, vice Wilkinson, resigned.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Lieut. Col. Arthur Williams, Fifteenth Infantry, to be colonel from June 5, 1909, vice Col. Richard T. Yeatman, Eleventh Infantry, appointed brigadier-general.

Maj. Hunter Liggett, Thirteenth Infantry, to be lieutenant-colonel from June 5, 1909, vice Lieut. Col. Arthur Williams, Fifteenth Infantry, promoted.

Capt. Frank L. Winn, Twelfth Infantry, to be major from June 5, 1909, vice Maj. Hunter Liggett, Thirteenth Infantry, promoted.

First Lieut. Will H. Point, Twenty-ninth Infantry, to be captain from May 12, 1909, vice Capt. George C. Martin, Sixth Infantry, retired from active service on that date.

Second Lieut. Joseph M. Cummins, Eighteenth Infantry, to be first lieutenant from May 12, 1909, vice First Lieut. Will H. Point, Twenty-ninth Infantry, promoted.

PROMOTIONS IN THE NAVY.

Midshipmen to be ensigns in the navy from the 7th day of June, 1909, to fill vacancies existing in that grade on that date:

Richard S. Galloway,
Clarence N. Hincamp,
Edgar A. Ewing,
Riley F. McConnell,
Joseph W. Jewell,
Ralph R. Stewart,
Robert L. Montgomery,
Charles E. Hovey,
Ralph C. Parker,
Ezra G. Allen,
Emanuel A. Lofquist,
Jere H. Brooks,
Henry C. Gearing, jr.,
Elmer W. Tod,
Thaddeus A. Thomson, jr.,
Virginius E. Clark,
George W. Simpson,
Reuben R. Smith,
Homer H. Norton,
Alfred H. Miles,
Reginald E. Gillmor,
Carl C. Krakow,
James Parker, jr.,
Charles F. Pousland,
John F. Cox,
Grattan C. Dichman,
Harry A. McClure,
Louis J. Gulliver,
Cortlandt C. Baughman,
Richard B. Coffman,
Jonas H. Ingram,
Emory F. Clement,
Robert F. Gross,
Patrick N. L. Bellinger,
William T. Mallison,
Philip O. Griffiths,
Newton H. White, jr.,
Burton A. Strait,
Herbert A. Jones,
Samuel A. Clement, and
Richard F. Bernard.

First Lieut. William E. Smith, United States Marine Corps, to be a captain in the Marine Corps from the 16th day of January, 1909, vice Capt. George C. Reid, promoted.

The following-named machinists to be chief machinists in the navy from the 3d day of March, 1909, after the completion of six years' service in present grade, in accordance with the provisions of an act of Congress approved March 3, 1909:

James H. Morrison,
Edward A. Manck,
Thomas O'Donnell,
Arthur Cottrell,
Kellum D. Grant, and
Ellwood W. Andrews.

POSTMASTERS.

KANSAS.

Griffith R. Hughes to be postmaster at Fort Scott, Kans., in place of Orlando A. Cheney, deceased.

MASSACHUSETTS.

Arthur W. Alden to be postmaster at Randolph, Mass., in place of Herbert A. Howard, resigned.

MICHIGAN.

Robert E. Newville to be postmaster at Boyne City (late Boyne), Mich., in place of Robert E. Newville; to change name of office.

MINNESOTA.

Grace M. Henderson to be postmaster at Verndale, Minn., in place of Henry M. Henderson, deceased.

OHIO.

Frank A. Chatfield to be postmaster at Bloomville, Ohio. Office became presidential January 1, 1908.

RHODE ISLAND.

William H. Barclay to be postmaster at Pawtucket, R. I., in place of Almon K. Goodwin, deceased.

TEXAS.

N. C. Schlemmer to be postmaster at Austin, Tex., in place of George B. Zimpelman, deceased.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 9, 1909.

ASSISTANT ATTORNEY-GENERAL.

William R. Harr to be Assistant Attorney-General.

CONSUL.

Gebhard Willrich to be consul at Quebec, Canada.

PROMOTION IN THE ARMY.

JUDGE-ADVOCATE-GENERAL'S DEPARTMENT.

Capt. Milton F. Davis to be judge-advocate with the rank of major.

PROMOTIONS IN THE NAVY.

The following-named ensigns to be lieutenants (junior grade) in the navy:

Cleon W. Mauldin,
Chester L. Hand,
Aubrey K. Shoup, and
John J. McCracken.

The following-named lieutenants (junior grade) to be lieutenants in the navy:

Cleon W. Mauldin,
Chester L. Hand,
Aubrey K. Shoup, and
John J. McCracken.

Passed Asst. Surg. Richard B. Williams to be a surgeon in the navy.

First Lieut. Albert N. Brunzell to be a captain in the Marine Corps.

Second Lieut. Paul A. Capron to be a first lieutenant in the Marine Corps.

The following-named machinists to be chief machinists in the navy:

Charles H. Hosung,
Adam Gibson,
Charles G. Nelson,
Fred J. Korte,
Clarence M. Wingate,
Jannis V. Jacobsen,
George W. Johson, and
Francis J. McAllister.

Carpenter Charles E. Richardson to be a chief carpenter in the navy.

POSTMASTERS.

COLORADO.

Charles W. White, at Julesburg, Colo.

ILLINOIS.

Jennie M. De Roo, at Fort Sheridan, Ill.
M. M. Hitchcock, at Berwyn, Ill.
James P. Jack, at Newton, Ill.
William W. Lowry, at Auburn, Ill.

IOWA.

Henry E. Westrope, at Corning, Iowa.

MAINE.

Fred W. Preble, at Bingham, Me.

MASSACHUSETTS.

Ralph W. Emerson, at Chelmsford, Mass.

NEW JERSEY.

Herbert C. Farrand, at Bloomfield, N. J.

NEW YORK.

Ivans Lewis Hubbard, at Bay Shore, N. Y.
Agnes M. Nolan, at Chateaugay, N. Y.

OKLAHOMA.

A. H. Holland, at Cushing, Okla.
William N. Walker, at Stillwater, Okla.

RHODE ISLAND.

William H. Barclay, at Pawtucket, R. I.

WEST VIRGINIA.

Lancey W. Dragoo, at Smithfield, W. Va.
William J. Crutcher, at Holden, W. Va.
Mary Hateley, at Follansbee, W. Va.
Frederick Moore, at Belington, W. Va.

SENATE.

THURSDAY, *June 10, 1909.*

The Senate met at 10.30 o'clock a. m.

Rev. Ulysses G. B. Pierce, D. D., of the city of Washington, offered the following prayer:

O God, our heavenly Father, with whom do live all the spirits of those who depart hence to labor with Thee, with tender heart we halt and hesitate to acknowledge the mystery of Thy providence. We know, alas, that in the midst of life we are in death. Open our eyes also, our Father, that we may know that in the midst of death we are in life.

For Thy servant whom Thou hast called to Thy higher labors we thank Thee, who art the giver of every good and perfect gift. Grant, we pray Thee, that his mantle of charity, of faith, and of love may in some measure fall upon all of us, that here and now in a measure we may walk like him with God. And unto Thee shall be ascribed all the glory, in life and death, now and forever more. Amen.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

The PRESIDENT pro tempore presented a petition of the Board of Trade of Wilmington, Del., praying for the creation of a department of public works for the purpose of considering all work in connection with creating, maintaining, and lighting of the navigable waters of the country, which was referred to the Committee on Commerce.

Mr. SCOTT presented a memorial of sundry citizens of Wheeling, W. Va., remonstrating against any increase of the duty on print paper and wood pulp, as proposed in the so-called "Payne tariff bill," which was ordered to lie on the table.

Mr. ROOT presented a memorial of sundry citizens of Oswego, N. Y., remonstrating against the imposition of a duty on tea in bulk, which was ordered to lie on the table.

He also presented petitions of sundry citizens of New York, praying for the retention of the duty on print paper and wood pulp as contained in the Dingley tariff law, which were ordered to lie on the table.

He also presented petitions of sundry citizens of New York, praying that no change be made in the rate of duty imposed by the House on print paper and wood pulp, which were ordered to lie on the table.

He also presented memorials of sundry citizens of New York, remonstrating against the inclusion in the pending tariff bill of any duty on news print paper and wood pulp, which were ordered to lie on the table.

Mr. DEPEW presented petitions of sundry citizens of New York, praying for the restoration of the duty on foreign oil production, which were ordered to lie on the table.

He also presented memorials of members of the New York Times Chapel, of New York City; of members of the Quadri Color Company of New York City; of the employees of the Stereotype department of the New York World, of New York City; of the members of the Evening Telegram Chapel, of New York City; of the members of the American Press Association Stereotypers' Chapel, of New York City; of the members of Harper & Bros.' Chapel, of New York City; of the Stereotypers employed by the New York Volks-Zeitung, of New York City; and of the members of the German Herold Chapel, of New York City, remonstrating against the inclusion in the new tariff bill of any duty on news print paper and wood pulp; which were ordered to lie on the table.

He also presented a memorial of sundry photo-engravers employed by the Quadri Color Company, of New York City, N. Y., remonstrating against the adoption of the duty recommended on post cards in the new tariff bill, which was ordered to lie on the table.

Mr. BURNHAM presented a memorial of Local Union No. 30, Pulp, Sulphite, and Paper Mill Workers, of Berlin, N. H., remonstrating against any reduction of the duty on print paper and wood pulp as contained in the Dingley law, which was ordered to lie on the table.

Mr. DU PONT presented a petition of the Board of Trade of Wilmington, Del., praying for the creation of a department of public works, which was referred to the Committee on Commerce.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SCOTT:

A bill (S. 2564) for the relief of the trustees of the Baptist Church of Beckley, W. Va.; to the Committee on Claims.

By Mr. PAGE:

A bill (S. 2565) granting an increase of pension to George M. Lanpher (with the accompanying papers); to the Committee on Pensions.

By Mr. McENERY:

A bill (S. 2566) for the relief of Jean Marie Heriard;

A bill (S. 2567) for the relief of Edward Haskinson;

A bill (S. 2568) for the relief of Mrs. Martha B. King;

A bill (S. 2569) for the relief of W. G. Wheeler;

A bill (S. 2570) for the relief of Washington West;

A bill (S. 2571) for the relief of Mrs. Katherine Smith;

A bill (S. 2572) for the relief of heirs or estate of Mrs. E. J. Penny, deceased;

A bill (S. 2573) for the relief of heirs or estate of H. Pierce, deceased;

A bill (S. 2574) for the relief of heirs or estates of R. J. Packer and Mrs. R. V. Packer, deceased;

A bill (S. 2575) for the relief of heirs or estate of Mrs. Mary A. Meredith, deceased;

A bill (S. 2576) for the relief of heirs or estate of Charles Jollivet, deceased;

A bill (S. 2577) for the relief of Turner Merritt;

A bill (S. 2578) for the relief of Louis P. Turner;

A bill (S. 2579) for the relief of heirs or estate of George W. Hackett, deceased;

A bill (S. 2580) for the relief of heirs or estate of Henry J. Heard, deceased;

A bill (S. 2581) for the relief of heirs or estate of Patrick McCormack, deceased;

A bill (S. 2582) for the relief of heirs or estate of George Sallinger, deceased;

A bill (S. 2583) for the relief of heirs or estate of Edward Sigur, deceased;

A bill (S. 2584) for the relief of heirs or estates of Henry Vedrines and Alexis Hebert, deceased;

A bill (S. 2585) for the relief of Julien Semere;

A bill (S. 2586) for the relief of Evelyn Clark;

A bill (S. 2587) for the relief of heirs or estate of William Burgess, deceased;

A bill (S. 2588) for the relief of heirs or estate of Isaac Bloom, deceased;

A bill (S. 2589) for the relief of James Goodwin;

A bill (S. 2590) for the relief of E. A. Givens;

A bill (S. 2591) for the relief of heirs of Thomas J. Hickman, deceased;

A bill (S. 2592) for the relief of heirs or estate of Jacob Israel, deceased;

A bill (S. 2593) for the relief of heirs or estate of Henrietta Bauers, deceased;

A bill (S. 2594) for the relief of heirs or estate of H. T. Burges, deceased; and

A bill (S. 2595) for the relief of the heirs or estate of Louis Vuagnat, deceased; to the Committee on Claims.

AMENDMENT TO THE TARIFF BILL.

Mr. JONES submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

THE TARIFF.

The PRESIDENT pro tempore. The morning business is closed, and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The PRESIDENT pro tempore. The pending question is on the amendment offered by the Senator from Iowa [Mr. DOLLIVER].

Mr. BRISTOW. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Bulkeley	Crawford	Dixon
Bacon	Burkett	Cullom	Dolliver
Beveridge	Burnham	Cummins	Fletcher
Borah	Burrows	Curtis	Flint
Brandegee	Burton	Davis	Foster
Briggs	Chamberlain	Depew	Frazier
Bristow	Clark, Wyo.	Dick	Frye
Brown	Clay	Dillingham	Gallinger
Gamble	Lodge	Page	Stephenson
Guggenheim	McCumber	Paynter	Stone
Heyburn	McLaurin	Pearose	Sutherland
Hughes	Martin	Perkins	Taliaferro
Johnson, S. Dak.	Money	Piles	Taylor
Johnston, Ala.	Nelson	Root	Warner
Jones	Newlands	Scott	Warren
Kean	Oliver	Simmons	Wetmore
La Follette	Overman	Smoot	

Mr. JOHNSTON of Alabama. My colleague [Mr. BANKHEAD] is unavoidably absent to-day.

The PRESIDENT pro tempore. Sixty-seven Senators have answered to their names. There is a quorum present.

PORT OF SCRANTON, MISS.

Mr. MONEY. Mr. President, according to the unanimous-consent agreement we can do no legislative business except the census bill and the tariff bill, but I have a bill that will take about a minute to dispose of which it is absolutely essential should have immediate consideration. It will not take five minutes. It is Senate bill 2493, simply proposing to make the port of Scranton a port of entry. It has been so considered for many years. There are about 300 vessels clearing there every year, and now by a ruling of the Secretary of the Treasury, made the other day, upon application for a ruling from shippers abroad—in Philadelphia and Baltimore, I will say, to be specific—he has ruled that it is simply a port of delivery, and he requests that this bill be passed. It has been reported by the Committee on Commerce. The ruling works a great hardship, because vessels wishing to deliver at that port will have to sail 35 miles and pay double pilotage and it will cause loss of time and a general dislocation of business.

I hope the Senate will permit the bill to pass. There will be no debate about it whatever.

The PRESIDENT pro tempore. The Senator from Mississippi asks unanimous consent for the present consideration of a bill which will be read for information.

The bill (S. 2493) to make Scranton, in the State of Mississippi, a subport of entry, and for other purposes, was read, and there being no objection, the Senate, as in Committee of the Whole, proceeded to its consideration. It provides that Scranton, in the State of Mississippi, is hereby made a subport of entry in the district of Pearl River, and the necessary customs officers may, in the discretion of the Secretary of the Treasury, be stationed at said subport with authority to enter and clear vessels, receive duties, fees, and other moneys, and perform such other service as, in his judgment, the interest of commerce may require, and said officers shall receive such compensation as he may allow.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The PRESIDENT pro tempore. The Secretary will report the pending amendment offered by the Senator from Iowa [Mr. DOLLIVER].

The SECRETARY. On page 129, beginning in line 25, it is proposed to strike out paragraph 373, and in lieu thereof to insert the following:

373. On yarns made wholly or in part of wool, valued at not more than 40 cents per pound, 27½ cents per pound on the wool contained therein; valued at more than 40 cents per pound, 38½ cents per pound on the wool contained therein; and, in addition thereto, on all the foregoing, 35 per cent ad valorem.

Mr. DOLLIVER. Mr. President, I desire to state briefly that this amendment is intended to modify the historic scheme of compensatory duties which have appeared in our wool and woolen schedule now for forty-two years, by making the compensatory assessment not upon the weight of the yarn, but upon the weight of the wool contents of the yarn.

Many of these yarns are made very cheap by the admixture of various forms of low-grade cotton and cotton wastes. I hold it to be unjust and unreasonable and resulting in excessive assessments of duty to make the compensatory rate applicable to the entire weight of the merchandise, when the real compensation should be based upon the contents of the merchandise, our competing product having been raised in price by reason of our duties upon wool.

Mr. WARREN. Mr. President, I wish to ask the Senator a question. The Senator knows, of course, that, with one exception, in all our tariff laws in the past the tariff has applied

alike, whether an article was of wool or part wool. That is intended to prevent fraud and difficulty in collecting duties.

In my judgment, if they come in, being called "wool," they should pay as much tariff as if they were all wool. As I said, in something like twenty tariff laws that has always been thought necessary, except in one act, where it applied to an article whose chief value was of wool. In all the others it has applied where wool has been a component part, whether 1 per cent or 90 per cent. I do not care to see the bar raised to let in articles that may be 1 per cent or 10 per cent wool at such differentials as the amendment proposes. A lot of substitutes let in in that way should all come in at the value they would come in at if all wool.

Mr. DOLLIVER. Mr. President, the Senator from Wyoming is in error in supposing that these goods are sneaked in under the pretense of being wool. On the contrary, there is no concealment or uncertainty about the material of which they are made. When we come to the law referring to cloths the statute expressly in one paragraph covers goods in which the entire warp is made of cotton or other vegetable fiber.

Mr. WARREN. It states what it shall be—cotton warp and wool filling.

Mr. DOLLIVER. The statute covers only goods that are of that character, and describes them. So the Senator is in error in supposing that these goods are sneaked in containing vegetable fiber unknown to anybody for the purpose of destroying the efficiency of the wool tariff.

I simply desire to say that it is not only perfectly reasonable that this tariff should be assessed upon the wool, but when I come to the next amendment which I propose to offer I shall show that it is perfectly feasible in the present state of our administrative system.

Mr. ALDRICH. I ask that the vote be taken by yeas and nays.

Mr. BACON. Mr. President, one moment, please. It is difficult for us to understand the exact effect of this amendment. It has not been printed, and we have only heard it read. I understand, though, from the general tenor of the remarks of the Senator from Iowa that the effect of it will be to reduce the duty.

Mr. DOLLIVER. Substantially.

Mr. BACON. In this connection I desire to state, not only with reference to this amendment, but to others which will doubtless be offered by the Senator from Iowa, and possibly by the Senator from Wisconsin [Mr. LA FOLLETTE], that I do not wish to be misunderstood in giving my vote for them. In common with others on this side of the Chamber, who, I presume, agree with me, I shall vote for these amendments, not because they put the duties where I or my colleagues think they ought to be. I think they will still be too high. I shall vote for them simply because they reduce the duties.

There is another thing I wish to say. I do not myself approve of the plan of specific duties in this schedule, and in voting for the specific duties which are contained in this amendment, and will be contained in others which will be offered, I do not wish to be understood as approving specific duties. My vote is cast for them solely upon the ground that, according to my understanding of these amendments, they will reduce the rates of duty from those proposed in the bill. While they are not of the character which we prefer, and do not reduce the duties to the point which we regard as sufficiently low, we support them simply because they are an improvement, in our judgment, upon the provisions of the pending measure.

The PRESIDENT pro tempore. On this amendment the Senator from Rhode Island demands the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DILLINGHAM (when his name was called). I have a general pair with the senior Senator from South Carolina [Mr. TILLMAN], who is absent. I transfer my pair to the senior Senator from Montana [Mr. CARTER] and I vote "nay."

The PRESIDENT pro tempore (when Mr. FRYE's name was called). The junior Senator from Maine is paired with the senior Senator from Virginia [Mr. DANIEL]. The Senator from Virginia is detained at his house by illness. I will announce this pair for the day.

The PRESIDENT pro tempore (when Mr. HALE's name was called). My colleague [Mr. HALE] is detained at his home by illness. He is paired, I think, with the Senator from Alabama [Mr. BANKHEAD].

The roll call was concluded.

Mr. McLAURIN. I understand that the Senator from Nevada [Mr. NIXON] is paired with the Senator from Alabama [Mr. BANKHEAD]. On this vote I am paired with the senior Senator from Maine [Mr. HALE.]

Mr. BAILEY (after having voted in the affirmative). I desire to inquire if the Senator from West Virginia [Mr. ELKINS] has voted.

The PRESIDENT pro tempore. The Chair is informed that he has not.

Mr. BAILEY. I, then, desire to withdraw my vote, as I have a general pair with the Senator from West Virginia [Mr. ELKINS]. I make that announcement for the day.

Mr. CLARKE of Arkansas. I am paired with the junior Senator from Delaware [Mr. RICHARDSON], who is absent. If he were present, I should vote "yea." I will not make the announcement again to-day.

Mr. BANKHEAD. I am paired with the junior Senator from Nevada [Mr. NIXON], and therefore I will withhold my vote.

The result was announced—yeas 31, nays 43, as follows:

YEAS—31.

Bacon	Culberson	Hughes	Paynter
Beveridge	Cummins	Johnston, Ala.	Rayner
Bristow	Davis	La Follette	Simmons
Brown	Dolliver	Martin	Smith, Md.
Burkett	Fletcher	Money	Stone
Chamberlain	Foster	Nelson	Taliaferro
Clapp	Frazier	Newlands	Taylor
Clay	Gore	Overman	

NAYS—43.

Aldrich	Crane	Guggenheim	Piles
Borah	Crawford	Heyburn	Root
Bourne	Cullom	Johnson, N. Dak.	Scott
Bradley	Curtis	Kean	Smith, Mich.
Brandegee	Depew	Lodge	Smoot
Briggs	Dick	McCumber	Stephenson
Bulkeley	Dillingham	McEnery	Sutherland
Burnham	Dixon	Oliver	Warner
Burrows	Flint	Page	Warren
Burton	Gallinger	Penrose	Wetmore
Clark, Wyo.	Gamble	Perkins	

NOT VOTING—17.

Bailey	du Pont	McLaurin	Smith, S. C.
Bankhead	Elkins	Nixon	Tillman
Carter	Frye	Owen	
Clarke, Ark.	Hale	Richardson	
Daniel	Jones	Shively	

So Mr. DOLLIVER's amendment was rejected.

The PRESIDENT pro tempore. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

The PRESIDENT pro tempore. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 374, on cloths, knit fabrics, and all manufactures of every description, and so forth.

Mr. DOLLIVER. Mr. President, I desire to offer a substitute for paragraph 374.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Iowa will be stated.

The SECRETARY. In lieu of paragraph 374, it is proposed to insert:

374. Cloths, knit fabrics, women's and children's dress goods, coat linings, Italian cloths, bunting and goods of similar character or description, and all manufactures made wholly or in part of wool, not specially provided for in this section, valued at not more than 40 cents per pound, 33 cents per pound on the wool contained therein; valued above 40 cents per pound, 44 cents per pound on the wool contained therein; and in addition thereto, on all the foregoing, 50 per cent ad valorem: *Provided*, That all manufactures in part of wool not specially provided for in this schedule, when composed in chief value of a material other than wool, shall be subject to the rate at which the same would be chargeable under this section if composed wholly of the material thereof of chief value, and in addition thereto shall be subject to a duty of 44 cents per pound on the wool contained therein.

Mr. DOLLIVER. Mr. President, a proposition very similar to that embodied in the amendment which I have just submitted was once debated in the Senate. It was offered, as the RECORD will disclose the debate in reference to it, upon the 4th of May, 1897. At that time it was occupying a single sentence. My former colleague, the venerable Senator Allison, having the bill in charge, said that there was no way in which such a provision could be administered. With that brief statement, and without intimating his opinion as to intrinsic merits of such a proposition, it was dismissed from the consideration of the Senate. I am glad to be able to state to the Senate that within the last twelve years we have found how to administer a provision like that. We have expended large sums of money in improving our methods at the appraisers' stores under our administrative customs law, and to-day it is perfectly feasible to report with accuracy every fiber of wool contained in any kind

of cloth by weight. There is no difficulty of any sort at our analytical bureaus. In the case of a mixed fabric composed of cotton and woolen threads, a small sample of the cloth is unraveled, the cotton and woolen threads are weighed separately, and the percentage of weight of each material so found is accordingly applied to the entire cloth. Similar analyses are being made daily in order to properly classify, or find the "materials of chief value," in various mixed fabrics composed of wool, cotton, silk, and so forth. In cases where the wool and cotton are mixed in the yarns, samples of the goods are sent to the laboratory of the appraisers' office for chemical analyses, where, I am advised, the chemist finds no difficulty whatever in ascertaining the amounts of wool or cotton or other vegetable fiber contained therein.

In examining the testimony taken before the Committee on Ways and Means, I find that Mr. W. A. Graham Clark, the textile expert of the Bureau of Manufactures, stated as follows (p. 5723):

The CHAIRMAN. Would it be possible at the custom-house (feasible or practicable) to ascertain the weight of the wool in those cotton-warp goods?

Mr. CLARK. Yes, sir; very easily. Take a piece of cloth that is made of cotton and worsted, say cotton warp and worsted weft; you would soak it in 5 per cent solution of sulphuric acid or oil of vitriol. As the water is driven off the acid attacks the cotton and leaves the wool. If you will look at it you will then see the cotton warp showing where the vegetable cellulose has been changed to a friable hydro-cellulose. Shake it and this drops to powder, leaving you only the ends of wool weft.

The CHAIRMAN. That is a comparatively simple process and can be done exactly?

Mr. CLARK. Exactly. Weigh the sample before and weigh what is left.

The CHAIRMAN. Is it practicable to fix a rate of duty per pound on the wool contained in those goods?

Mr. CLARK. Yes, sir.

In the RECORD of May 4, page 1718, it will be seen that Mr. S. S. Dale, a qualified expert in the woolen business, testified that "it is very easy to distinguish wool from vegetable materials, and if the proposed amendments to Schedule K were adopted, it would go far toward correcting the inequality resulting from the 3 or 4 to 1 ratios."

It is therefore apparent that the proposed method of assessing the wool compensatory duties upon the wool actually contained in mixed goods, made only "in part of wool," is feasible and practicable, and I firmly believe no good reason can possibly be advanced to maintain the present antiquated and manifestly unfair method of applying these high "compensatory wool rates" upon vegetable materials. Nor is this proposed plan of fixing the wool duty on "the wool contained" in the goods a new scheme, for the same idea is carried out in many of the provisions of our tariff; for example, the new Senate amendment on zinc provides various rates per pound, according to the "zinc contained in the ore."

Paragraph 171 provides a duty on antimony ore of "1 cent per pound on the antimony contents therein contained."

Paragraph 179 provides on "Lead-bearing ore of all kinds, 1½ cents per pound on the lead contained therein."

Similar provisions are found in many places in our tariff, and I hardly think that even the most biased of those who are interested in retaining the present cumbersome, confusing, and deceptive arrangement of duties on woolen-cotton mixed goods can fairly claim that the proposed method of simply applying the wool duty to the wool contents of imported merchandise would be as difficult for appraising officers as it is for them to properly classify and appraise various other lines of importations under the complex and confusing classifications of the tariff schedules. Take, for example, the variety of things an examiner or appraiser of silk goods must ascertain in order to properly classify and appraise such goods under the Senate bill's new silk schedule. He must find out whether the goods are "in the gum" or "ungummed," also "the per cent in weight of silk" and the "number of single threads per square inch," and "in ascertaining the number of single-warp threads to the inch, double-warp threads shall be counted as two single threads, and so on."

And in the case of cotton goods, as previously shown, the examiner of such goods must find the count of threads per square inch, counting not only the ordinary warp and filling threads, but under that very remarkable new provision in the Senate bill amendment to the cotton schedule, "if the cloth contains other than the ordinary warp and filling threads superimposed to form a figure, whether clipped or unclipped," such extra threads must also be counted, notwithstanding the courts have held it impracticable to so count them. The "weight per square yard" must also be determined in fixing the proper rate of the duty, and the bewildered examiner must also send a sample of the goods to the analytical bureau to ascertain whether any thread or threads in the fabric have been mercerized "or subjected to a similar process;" then he must find the exact value, whether the market value, for instance, is 12 or 12¼ cents per square yard, for this difference of one-half cent, or a difference of one quarter of a cent, over or below any of the proposed dividing lines makes quite a difference in the duty.

So it goes throughout these textile schedules, the examiners or appraising officers being obliged to ascertain this multitude of bewildering details in order to properly classify and appraise the goods; such as the "number of leas" in linen thread; the number of "points or spaces" in Nottingham lace curtains, pillow shams, and so forth; the number of "picks" and the "length of pile" in plushes and velvets.

In comparison with all these specifications and details in the various schedules of our tariff the amendments I have proposed are models of simplicity and fairness.

In order to facilitate the appraisement of woolen goods and articles containing an admixture of wool, and also to minimize any opportunity to defraud the Government of the proper duties under the proposed method of levying duties, I also propose a new provision making it obligatory on the part of the foreign exporter of such goods to specify in detail, in his consulated invoice, the correct weight of the wool contained in each article embraced in said invoice, and that the weights so specified shall be binding in the ascertainment of duty upon importation into our country, except in cases where the appraising officers find such weights underestimated. And if the weights are not so stated on the invoices, the weights fixed by the appraising officers shall stand as the correct weights.

The proposed rates on woolen and worsted cloths would operate as follows:

	Cents.	
Valued at 30 cents per pound, containing 33 per cent wool:		
33 per cent of 33 cents	11	
50 per cent of 30 cents	15	
	26	= 87 per cent.
Present duties on similar cloth valued at 30 cents per pound:		
1 pound at 33 cents	33	
30 cents at 50 per cent	15	
	48	=160 per cent.
Valued at 42 cents per pound, containing 45 per cent of wool:		
45 per cent of 44 cents	19.8	
42 cents at 50 per cent	21	
	40.8	= 95 per cent.
Present duty on similar cloth valued at 42 cents per pound:		
1 pound at 44 cents	44	
42 cents at 50 per cent	21	
	65	=147 per cent.
Valued at 52 cents per pound, containing 55 per cent of wool:		
55 per cent of 44 cents	24	
52 cents at 50 per cent	26	
	50	= 96 per cent.
Present duty on similar cloth valued at 52 cents per pound:		
1 pound at 44 cents	44	
52 cents at 50 per cent	26	
	70	=134 per cent.
Valued at 62 cents per pound, containing 65 per cent of wool:		
65 per cent of 44 cents	28.6	
62 cents at 50 per cent	31	
	59.6	= 96 per cent.
Present duty on similar cloth valued at 62 cents per pound:		
1 pound at 44 cents	44	
62 cents at 50 per cent	31	
	75	=120 per cent.
Valued at 75 cents per pound, containing 80 per cent of wool:		
75 per cent of 44 cents	35.2	
75 cents at 50 per cent	37.5	
	72.7	= 96 per cent.
Present duty on similar cloth valued at 75 cents per pound:		
1 pound at 44 cents	44	
75 cents at 55 per cent	41.2	
	85.2	=115 per cent.
Valued at $1 per pound, containing all wool:		
1 pound at 44 cents	44	
$1 at 50 per cent	50	
	94	= 94 per cent.

	Cents.
Present duty on similar cloth valued at $1 per pound, all wool:	
1 pound at 44 cents	44
$1 at 55 per cent	55
	99 = 99 per cent.

Mr. President, I have added to my amendment a little proviso intended to deliver the woolen schedule from the scandals and absurdities which have crept into it during the last forty-two years. I spoke not very long ago of a case where a cotton blanket, with a woolen fringe or cord about the end to prevent unraveling, had been classified as a woolen blanket and assessed at the full wool duty of 22 cents a pound and 30 per cent ad valorem because it was in part of wool. The Senator from Rhode Island [Mr. ALDRICH] and the Senator from Utah [Mr. SMOOT] arose at the same time to say that such a thing was impossible and that such a blanket could not be made. Are they still of that opinion?

Mr. SMOOT. Mr. President, as a manufacturer of woolen goods, I will state that it is sometimes possible to put a cotton selvedge upon a woolen cloth, but I never yet have seen in this country or in any other country or heard of any such thing as putting a woolen selvedge upon a cotton cloth, because I can not conceive how it could be gigged. I can not conceive how it could be finished. The shrinkage in wool is different from that of cotton, and the gigging of it would simply cut the selvage entirely off.

Mr. DOLLIVER. If the Senator from Utah had listened carefully to what I said some weeks ago, and to what I have just said, he would not have introduced the word "selvedge" into this controversy, because I spoke of a woolen fringe; and I have seen that term used in reference to an article of woolen manufacture in a decision of the appraisers' office in New York.

Mr. SMOOT. Mr. President, I want to say that I have seen a great many blankets in my life, but I never saw a blanket fringed; and if fringe was ever put upon a blanket, it was put there for no other purpose on earth than to deceive. I have seen fringes upon shawls, but I have never seen fringe upon a blanket.

Mr. DOLLIVER. I have, of course, seen a good many blankets, without giving very much attention to them; and I have read a good many Treasury decisions in the last few weeks, giving them the attention that they appeared to deserve. I read one of the reports called "General Appraiser's Decisions," on page 4313, wherein the blanket is described as a cotton blanket, the body of which is composed of cotton, the ends being whipped with colored threads of wool. So it seems that such a blanket can be made. I know of nothing to prevent the sewing of woolen fringe on any colored cotton blanket or other article, or any good reason why our tariff should be so framed that the wool duties must be applicable to all articles, no matter what they are composed of, if they happen to contain a small percentage of wool.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. The whipping of the ends of a blanket is not, certainly, a fringe. The Senator was unhappy in the use of the word, and I think, when he comes to think the matter over, he will certainly admit that the whipping of an end of a blanket is not a fringe.

Mr. DOLLIVER. When I find a thing attached to the edge of something I call it a fringe, and I do not intend to parley with my friend about the propriety of the language.

The Senator from Rhode Island resented my statement that rubber boots, if imported, would be classified as wearing apparel of wool if they were lined with wool. Does he still dispute the accuracy of that statement?

Mr. ALDRICH. I will not interrupt the Senator now. He can go on with the discussion.

Mr. DOLLIVER. And yet they would be so classified, and if anybody would be so foolish as to import them, knowing that that rate would be assessed upon them—for rubber boots are not especially provided for in the tariff—and if any part of wool they would be classified as wearing apparel in part of wool at 44 cents per pound and 60 per cent ad valorem. I think I know that by a careful perusal of the Treasury decisions, because in Treasury decision 17511 slippers of vegetable fiber and part wool were held to be dutiable as wearing apparel in part wool at 44 cents per pound and 60 per cent ad valorem.

In another case shoes made out of rawhide, with a little comforting fringe of wool around the tops of them, were classified as woolen wearing apparel.

In one case corn plasters—and I should like the attention of everybody to this, because it seems to have reached the limit of absurdity—corn plasters, those little things that you put between your toes on the advice of a corn doctor, were held dutiable under the provisions covering wearing apparel in part of wool by Treasury decision 12665. Do you think a corn plaster ought to be classified under the tariff laws of a modern nation as wearing apparel? [Laughter.]

You have seen those good old mottoes that our mothers used to make with woolen yarn on cardboard, "Welcome"—and there never was a hospitality in this world more beautiful than that which lay behind those quaint old cardboards—and "God bless our home"—even those, when they come to the custom-house, if they should, by this Treasury decision are assessed up to 33 cents a pound and 50 per cent ad valorem, because they are cloth "in part of wool."

Mr. GALLINGER. I will ask the Senator if he knows of an instance where those mottoes have been imported?

Mr. DOLLIVER. I reckon they have. I can tell you what happened to them, because I find in general appraisers' decision 5039 that exact decision made in reference to mottoes.

Mr. GALLINGER. There was probably but one such case.

Mr. DOLLIVER. In another case "mercerized cotton cloth; all cotton, except for some polka dots of goat hair which were glued upon the fabric, was held to be dutiable as cloth in part of wool at 44 cents per pound and 55 per cent ad valorem" because of the goat-hair polka dots. The same cloth without these goat-hair dots would have paid but 40 per cent ad valorem under the cotton schedule.

Mr. WARREN. Does the Senator think that if a poker game is indulged in with camel's hair the hair should come in free?

Mr. DOLLIVER. I hope the Senator will not introduce mysterious figures of speech with which I am not familiar. [Laughter.]

Mr. WARREN. I only thought the Senator was groping about for light on certain subjects.

Mr. DOLLIVER. Now what did the appraisers say about this polka-dot proposition?

Mr. WARREN. They probably said they would raise the limit. [Laughter.]

Mr. DOLLIVER. Now, let me tell you just what they did about it. They raised the limit from the duty provided in the cotton schedule, where the goods belonged, or rather, as a famous woman, once the wife of a foreign minister in this capital used to say, "Now, seeing that we are gentlemen, let us remove the limit. [Laughter.]

Mr. WARREN. How did the game go on?

Mr. DOLLIVER. I am going to tell you. The polka dots lost out.

Mr. WARREN. As they ought to.

Mr DOLLIVER No; I will tell you what the Board of General Appraisers in this case said. They said:

> The suggestion that the construction leads to the imposition of a duty which is exorbitant in amount and prohibitory in results is one that is more properly addressed to the Congress.

And that gave me the idea that I ought to present it here. Possibly I was mistaken. Maybe the appraisers did not know into what a state Congress had come; maybe they did not have it in their minds that Congress could get into such shape that everything is framed in solid framework in advance, not to be disturbed by any suggestion from any quarter. I am afraid there will be a good many heartburnings when this comedy is over. I do not want to be around near the seat of my honored friend from Delaware [Mr. DU PONT] when his potatoes, with tears in their eyes, going out of the bill, meet the stockings of the Senator from Pennsylvania [Mr. PENROSE] coming in. [Laughter.]

I believe the Board of Appraisers were right, and that the time has come to wipe out these absurd provisions of our tariff. When I suggested striking a similar provision for "in part" from the metal schedule the other day, I again incurred the displeasure of the Senator from Rhode Island, who stated that it had been in our tariff so long it ought to remain there, and that if it were not for that provision some wicked importer might succeed in bringing in fishhooks with feather flies as feathers, or sieves or something else in part of metal, at the rates they should come in under according to the material of which they were chiefly made. The truth is, these ancient "catch-all" provisions for "in part of" deserve to be denounced as the most vicious and unequal tariff provisions ever devised, and no matter what they were originally worked into our tariffs for, they should no longer remain. Their only purpose now is

to serve for excuses to classify any articles "in part of metal," or "in part of wool," and so forth, at rates of duty higher than the Congress intends to put upon them. In all cases where two or more rates are applicable the higher rate must be applied; and no matter how absurd or unreasonable the classification and rate so fixed, if a merchant succeeds in getting a fair ruling from the Board of General Appraisers, or the courts overruling these ridiculous classifications, there seem to be some who will still claim that the courts are in the wrong in making a sensible decision, and that the merchants are "committing frauds" upon the Government in thus trying to protect their rights. It seems to be for this reason that an attempt is to be made to create a new customs court of appeals, to take these cases from the federal courts.

And so, Mr. President, I have in the amendment asked the Senate to make this compensatory duty, which is intended to reimburse the domestic manufacturers for the extra price they are compelled to pay for their wool by reason of the wool tariff, assessable only on the wool in the goods. I want the assessment of these articles made, not on the weight of the article, which may contain many things beside wool, but upon the weight of the wool contained in the article; and then I add a proviso, applicable to the wool schedule, that when things come in they shall be assessed according to what they are, and if they have wool in them that the assessment shall be made on that wool upon the basis of the wool contents which they exhibit. That is all I desire to say.

Mr. ALDRICH. I ask that the vote on the amendment be taken by yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DILLINGHAM (when his name was called). Owing to my general pair with the senior Senator from South Carolina [Mr. TILLMAN], I withhold my vote.

Mr. GUGGENHEIM (when his name was called). I am paired with the senior Senator from Kentucky [Mr. PAYNTER], who is detained from the Senate Chamber, and therefore withhold my vote.

Mr. JONES (when his name was called). On the preceding vote, as well as on all the other votes of the day, I am paired with the junior Senator from South Carolina [Mr. SMITH].

Mr. McLAURIN (when his name was called). On this vote I am paired with the senior Senator from Maine [Mr. HALE]. I transfer that pair to the Senator from Oklahoma [Mr. OWEN], and vote. I vote "yea."

Mr. ALDRICH (when Mr. WETMORE'S name was called). My colleague [Mr. WETMORE] is temporarily detained from the Chamber. He is paired on this vote with the junior Senator from Indiana [Mr. SHIVELY]. My colleague, if present, would vote "nay."

The roll call was concluded.

Mr. BANKHEAD. I am paired with the junior Senator from Nevada [Mr. NIXON]. I make this announcement for the rest of the day.

Mr. SCOTT. My colleague [Mr. ELKINS] is unavoidably detained from the Chamber. He is paired with the junior Senator from Texas [Mr. BAILEY]. I make this announcement now without having to repeat it during the day.

Mr. DILLINGHAM. I transfer my pair with the senior Senator from South Carolina [Mr. TILLMAN] to the Senator from Michigan [Mr. SMITH], and vote. I vote "nay."

The result was announced—yeas 30, nays 42, as follows:

YEAS—30.

Bacon	Culberson	Hughes	Rayner
Beveridge	Cummins	Johnston, Ala.	Simmons
Bristow	Davis	La Follette	Smith, Md.
Brown	Dolliver	McLaurin	Stone
Burkett	Fletcher	Martin	Taliaferro
Chamberlain	Foster	Money	Taylor
Clapp	Frazier	Nelson	
Clay	Gore	Overman	

NAYS—42.

Aldrich	Clark, Wyo.	Gallinger	Perkins
Borah	Crane	Gamble	Piles
Bourne	Crawford	Heyburn	Root
Bradley	Cullom	Johnson, N. Dak.	Scott
Brandegee	Curtis	Kean	Smoot
Briggs	Depew	Lodge	Stephenson
Bulkeley	Dick	McCumber	Sutherland
Burnham	Dillingham	McEnery	Warner
Burrows	Dixon	Oliver	Warren
Burton	du Pont	Page	
Carter	Flint	Penrose	

NOT VOTING—19.

Bailey	Frye	Nixon	Smith, Mich.
Bankhead	Guggenheim	Owen	Smith, S. C.
Clarke, Ark.	Hale	Paynter	Tillman
Daniel	Jones	Richardson	Wetmore
Elkins	Newlands	Shively	

So Mr. DOLLIVER'S amendment was rejected.

The PRESIDENT pro tempore. The paragraph will be agreed to——

Mr. ALDRICH. Let the paragraph be agreed to.

Mr. DOLLIVER. I desire to offer a substitute for it.

The PRESIDENT pro tempore. The Senator from Iowa offers an amendment, which will be stated.

The SECRETARY. As a substitute for paragraph 374 it is proposed to insert the following:

374. Woolen or worsted cloths, woolen or worsted shawls, and all manufactures of every description made wholly or in part of wool, worsted, the hair of the goat, alpaca, or other animals not specially enumerated or provided for in this act, valued at not exceeding 40 cents per pound, 35 cents per pound, and in addition thereto 35 per cent ad valorem; valued at above 40 cents per pound and not exceeding 60 cents per pound, 35 cents per pound and 40 per cent ad valorem; valued above 60 cents per pound, 45 cents per pound, and in addition thereto 40 per cent ad valorem.

Mr. DOLLIVER. Mr. President, I offer a substitute for this paragraph, because it has, among other things, the sacredness of age and the marks of authority. It was the paragraph prepared by the Senate Finance Committee in 1888, a short time prior to the enactment of the McKinley law, by the honored Senator from Rhode Island and my former colleague, the venerable Senator Allison. It was reported by the committee after exhaustive investigation. It was presented to the Senate in an admirable report which bears the name of the Senator from Rhode Island and commanded every Republican vote in this body. It is materially below the level of the rates now proposed, and yet not very much. I offer it in the vain hope that those who respect antiquity and are prone to follow authority will not find it in violation of their sense of duty to vote for an amendment which two years before the McKinley bill was enacted commanded the support of every Republican in the Senate of the United States.

Mr. ALDRICH. Mr. President, this paragraph which has been presented, was, I think, a part of the bill of 1888, but it is an entirely different scheme. It is a different scheme as to wools and a different scheme as to woolens. It has no place here.

Mr. DOLLIVER. The Senator is in error in supposing that the scheme is different in any way. It is the scheme of the McKinley bill, and the McKinley bill was the scheme of 1888, because the only thing that the Ways and Means Committee did was to take the great bill prepared by the Senator from Rhode Island and make a few immaterial amendments to it.

Mr. BACON. Mr. President, I ask that the amendment be again reported.

The Secretary again read the amendment.

Mr. BACON. I should like to inquire of the Senator from Iowa what is the proportion of reduction that he recognizes in the proposed amendment?

Mr. DOLLIVER. If the Senator will read the bill, paragraph 374, he will see it says that where the value is not more than 40 cents per pound the duty shall be three times the duty imposed by this section on account of wools of the unwashed class.

This makes a specific assesment of 35 cents per pound, and it is a very substantial variation of that duty.

Mr. BACON. What is the conclusion the Senator reaches about that as to the proportion, approximately?

Mr. DOLLIVER. I have a computation made here, which I will insert in the RECORD. I have already passed it up.

Mr. ALDRICH. I repeat that this was perhaps the provision in the bill of 1888. It was not the McKinley rates. When they were offered here and became the law they were entirely different from these and were upon a different scheme. The Senate act, to which the Senator refers, had a different scheme as to wools and woolens. This is taking out one part—a disjointed piece—which is entirely unlike the present law.

Mr. WARREN. The Senator speaks of it as an act. It was a bill.

Mr. ALDRICH. It was never enacted.

Mr. DOLLIVER. It was a bill drawn with such care and such a wise regard to the American public that we fought that campaign upon it under General Harrison's leadership. This is not an isolated passage, and I will do that which lies within the reach of any man to see what difference there is between the scheme of the act of 1890 and the Senate amendment to the Mills bill in 1888.

Mr. ALDRICH. The act reported in the House by Mr. McKinley did not incorporate these provisions at all. It incorporated provision of an entirely different character, so that these suggestions, based upon lower rates on wool, were a part of the scheme never adopted by the Senate, except as a substitute for the Mills bill.

Mr. DOLLIVER. The Senator from Rhode Island asks us to go back to the McKinley bill, and I differ with him only in

desiring to go back sixteen months further, and I took the testimony of Mr. Dale to show that the sixteen months did not make any difference in that industry which would make it improper to go back to authentic information. I have been accused on this floor of wanting in honoring the memory of a man who was once my colleague on this floor——

Mr. BACON. As the Senator from Iowa bases his contention for the support of this amendment upon the statement that it is the soundest Republican doctrine and that every Republican should vote for it, it is proper that I should say a word somewhat along the line of what I have already said to the Senate.

In voting for this amendment, I do not do so because I think that is the rate at which the duty should be assessed. I recognize it as a Republican rate, not a rate in accordance with Democratic views as to what the rates of tariff should be.

In other words, Mr. President, I shall support it because I regard it as a less evil than the provision in the present bill. I recognize that there are gradations of evil in the protective tariff as there are gradations of good in the revenue tariff. I do not recognize gradations of good in the protective-tariff system. In other words, I think it is bad and worse, and not better and good. Therefore, I shall, in the exercise of the discretion and judgment which I have as to which is the least oppressive to the people, vote for the amendment of the Senator from Iowa as the least of the two evils—not only as to this amendment, but I wish this statement to stand as to other amendments of which he has given notice. But, speaking of all of them, as an abstract proposition, I should be opposed to them, and I only vote for them because of their relation to the other; and I think it proper that I should state that before his schedule shall have been disposed of I propose to offer amendments, which I have already offered, which shall express the rate of duties which we think are proper rates of duty upon this schedule.

Mr. STONE. Mr. President, in the timely declaration of the Senator from Georgia, I think he might with entire propriety have gone a step further and assumed that he was speaking for his colleagues on this side.

Mr. BACON. I have had no opportunity to be put in a position where I could assume to do so. I had a few moments ago said I believed my position was shared by others on this side. I am glad to have the statement of the Senator from Missouri to that effect.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Iowa.

Mr. DOLLIVER. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DILLINGHAM (when his name was called). Again I announce my pair with the senior Senator from South Carolina [Mr. TILLMAN]. If he were present, I should vote "nay."

Mr. McLAURIN (when his name was called). I am paired with the junior Senator from Michigan [Mr. SMITH], and therefore withhold my vote.

The roll call was concluded.

Mr. DILLINGHAM. I take occasion to transfer my general pair with the senior Senator from South Carolina [Mr. TILLMAN] to the senior Senator from Maine [Mr. HALE] for the entire day. I will make no further announcement of it. I will vote. I vote "nay."

Mr. FLINT (after having voted in the negative). I find that the senior Senator from Texas [Mr. CULBERSON] has not voted. I have a general pair with that Senator, and therefore withdraw my vote.

The result was announced—yeas 30, nays 43, as follows:

YEAS—30.

Bacon	Cummins	Johnston, Ala.	Rayner
Beveridge	Davis	La Follette	Simmons
Bristow	Dolliver	Martin	Smith, Md.
Brown	Fletcher	Money	Stone
Burkett	Foster	Nelson	Taliaferro
Chamberlain	Frazier	Newlands	Taylor
Clapp	Gore	Overman	
Clay	Hughes	Paynter	

NAYS—43.

Aldrich	Clark, Wyo.	Gamble	Penrose
Borah	Crane	Guggenheim	Perkins
Bourne	Crawford	Heyburn	Piles
Bradley	Cullom	Johnson, N. Dak.	Root
Brandegee	Curtis	Kean	Scott
Briggs	Depew	Lodge	Smoot
Bulkeley	Dick	McCumber	Stephenson
Burnham	Dillingham	McEnery	Sutherland
Burrows	Dixon	Nixon	Warner
Burton	du Pont	Oliver	Warren
Carter	Gallinger	Page	

NOT VOTING—18.

Bailey	Elkins	McLaurin	Smith, S. C.
Bankhead	Flint	Owen	Tillman
Clarke, Ark.	Frye	Richardson	Wetmore
Culberson	Hale	Shively	
Daniel	Jones	Smith, Mich.	

So Mr. DOLLIVER's amendment was rejected.

The paragraph was agreed to.

The SECRETARY. Paragraph 375, blankets, flannels, and so forth.

Mr. DOLLIVER. I desire to offer a substitute for the paragraph.

The SECRETARY. In lieu of paragraph 375 it is proposed to insert the following:

375. Blankets and flannels for underwear, composed wholly or in part of wool, valued at not more than 40 cents per pound, 22 cents per pound on the wool contained therein, and in addition thereto 30 per cent ad valorem; valued at more than 40 cents and not more than 50 cents per pound, 33 cents per pound on the wool contained therein, and in addition thereto 35 per cent ad valorem. Blankets composed wholly or in part of wool, valued at more than 50 cents per pound, 33 cents per pound on the wool contained therein, and in addition thereto 40 per cent ad valorem. Flannels composed wholly or in part of wool, valued at above 50 cents per pound, shall be classified and pay the same duties as women's and children's dress goods.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Iowa.

Mr. DOLLIVER. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON], who is absent. If he were present, I should vote "nay."

Mr. JONES (when his name was called). I am paired with the junior Senator from South Carolina [Mr. SMITH]. If he were present, I should vote "nay."

The roll call was concluded.

Mr. NIXON (after having voted in the negative). I understand that I am paired with the junior Senator from Alabama [Mr. BANKHEAD]. I withdraw my vote.

The result was announced—yeas 31, nays 43, as follows:

YEAS—31.

Bacon	Cummins	Johnston, Ala.	Owen
Beveridge	Davis	La Follette	Paynter
Bristow	Dolliver	McLaurin	Rayner
Brown	Fletcher	Martin	Simmons
Burkett	Foster	Money	Smith, Md.
Chamberlain	Frazier	Nelson	Taliaferro
Clapp	Gore	Newlands	Taylor
Clay	Hughes	Overman	

NAYS—43.

Aldrich	Clark, Wyo.	Gamble	Perkins
Borah	Crane	Guggenheim	Piles
Bourne	Crawford	Heyburn	Root
Bradley	Cullom	Johnson, N. Dak.	Scott
Brandegee	Curtis	Kean	Smith, Mich.
Briggs	Depew	Lodge	Smoot
Bulkeley	Dick	McCumber	Stephenson
Burnham	Dillingham	McEnery	Sutherland
Burrows	Dixon	Oliver	Warner
Burton	du Pont	Page	Warren
Carter	Gallinger	Penrose	

NOT VOTING—17.

Bailey	Elkins	Nixon	Tillman
Bankhead	Flint	Richardson	Wetmore
Clarke, Ark.	Frye	Shively	
Culberson	Hale	Smith, S. C.	
Daniel	Jones	Stone	

So Mr. DOLLIVER's amendment was rejected.

The PRESIDENT pro tempore. The paragraph is agreed to.

Mr. DOLLIVER. To what paragraph does the Chair refer?

The PRESIDENT pro tempore. Paragraph 375.

Mr. DOLLIVER. I desire, before the paragraph is agreed to, to offer an amendment as a substitute for it.

The PRESIDENT pro tempore. It is an open question.

Mr. CLAPP. I understand the Senator from Iowa has a number of these amendments. Are they in such a form that we might, perhaps, vote on them all with one roll call?

Mr. DOLLIVER. I find upon examination that they are not exactly in that form. There are only two or three more of them, and we will be through with them in a very few minutes.

The PRESIDENT pro tempore. The Senator from Iowa offers an amendment, which will be read.

The SECRETARY. It is proposed to strike out paragraph 375 and to insert a new paragraph 375, as follows:

375. Flannels, blankets, and hats, composed wholly or in part of wool, the hair of the goat, alpaca, or other animals, valued at not exceeding 30 cents per pound, 10 cents per pound; valued at above 30 cents per pound and not exceeding 40 cents per pound, 12 cents per pound; valued at above 40 cents per pound and not exceeding 60 cents per pound, 18 cents per pound; and in addition thereto, upon all the

above-named articles, 35 per cent ad valorem; valued at above 60 cents per pound, 45 cents per pound, and in addition thereto, 40 per cent ad valorem.

Mr. DOLLIVER. Mr. President, I desire the Senate to understand distinctly that this amendment is the prevailing phraseology of paragraph 355 of the Allison-Aldrich bill of 1888. I desire to say further that the Senator from Rhode Island is in error when he says that there was any difference in the wool duties on the scheme and schedule of that bill as compared to the McKinley Act or the present proposed bill that would explain this variation in the duties on blankets and these cheap cloths.

Mr. ALDRICH. The Senator from Iowa is mistaken in his last statement. The duty on wools of the third class by the act of 1888 was 2½ cents a pound.

Mr. DOLLIVER. Exactly; but——

Mr. ALDRICH. Any Senator at all familiar with the classification of wools knows that third-class wools then, as now, enter largely into the manufacture of blankets—more largely than any other class of wools.

Mr. DOLLIVER. That is true, possibly, of some kind of blankets, and especially horse blankets; but the duty on first and second class wool——

Mr. ALDRICH. On all blankets.

Mr. DOLLIVER. It is exactly now as in 1888.

Mr. ALDRICH. On the first and second, but not on the third class.

Mr. DOLLIVER. The duty on all these noils, wastes, and by-products is exactly the same.

Mr. ALDRICH. Oh, no.

Mr. DOLLIVER. I beg the Senator's pardon; I have the bill before me.

Mr. ALDRICH. So have I.

Mr. DOLLIVER. On top waste, roving waste, slubbing waste, garnetted waste, 30 cents per pound, just as that duty, although they did make a small concession in behalf of woolen rags, making them 10 cents, as I desired to do yesterday, but I encountered a storm of indignation from the Senator from Utah and the Senator from Wyoming.

Mr. SMOOT. The duty on woolen rags is 10 cents a pound now. What the Senator from Iowa wanted was 6 cents.

Mr. DOLLIVER. I think I ought to have had it.

Mr. SMOOT. The Senator was not stating the facts as they were; that is all.

Mr. DOLLIVER. Now, Mr. President, the act of 1888 received at the hands of the wisest and best men we had then not a few days' attention nor a few weeks, but attention month after month, day and night, as the Senator from Rhode Island will testify. What I ask now is that he permit me to make the same criticism of the bill that is pending here that he and Mr. Allison made of the Mills bill, that it put the heaviest duties upon the blankets and clothing of the humble people of the United States who were not able to bear them. That is demagogy now, and a man almost gets out of his party for saying that now. Yet the criticism hurled by the Senator from Rhode Island on the Mills bill was that by making uniform rates of duty it bore with such hardship on the poor that the Senate had rendered the country a real service when they modified those rates.

But I do not care to debate it. I simply desire the yeas and nays on the proposition to go back to the Allison bill rather than to some subsequent or previous measure.

The PRESIDENT pro tempore. On this amendment the Senator from Iowa demands the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I again announce my pair with the senior Senator from Texas [Mr. CULBERSON].

The roll call was concluded.

Mr. FOSTER (after having voted in the affirmative). I inquire if the senior Senator from North Dakota [Mr. MCCUMBER] has voted?

The PRESIDENT pro tempore. The Chair is informed that the Senator has not voted.

Mr. FOSTER. Then I withdraw my vote.

Mr. FLINT. I am paired with the senior Senator from Texas [Mr. CULBERSON]. I transfer that pair to the junior Senator from Montana [Mr. DIXON] and vote "nay."

The result was announced—yeas 29, nays 43, as follows:

YEAS—29.

Bacon	Clay	La Follette	Rayner
Bankhead	Cummins	McLaurin	Simmons
Beveridge	Davis	Martin	Smith, Md.
Bristow	Dolliver	Nelson	Taliaferro
Brown	Frazier	Newlands	Taylor
Burkett	Gore	Overman	
Chamberlain	Hughes	Owen	
Clapp	Johnston, Ala.	Paynter	

NAYS—43.

Aldrich	Clark, Wyo.	Gamble	Perkins
Borah	Crane	Guggenheim	Piles
Bourne	Crawford	Heyburn	Root
Bradley	Cullom	Johnson, N. Dak.	Scott
Brandegee	Curtis	Kean	Smith, Mich.
Briggs	Depew	Lodge	Smoot
Bulkeley	Dick	McEnery	Stephenson
Burnham	Dillingham	Nixon	Sutherland
Burrows	du Pont	Oliver	Warner
Burton	Flint	Page	Warren
Carter	Gallinger	Penrose	

NOT VOTING—19

Bailey	Elkins	Jones	Smith, S. C.
Clarke, Ark.	Fletcher	McCumber	Stone
Culberson	Foster	Money	Tillman
Daniel	Frye	Richardson	Wetmore
Dixon	Hale	Shively	

So Mr. DOLLIVER's amendment was rejected.

The PRESIDENT pro tempore. The paragraph is agreed to.

The Secretary will read the next paragraph.

Mr. OWEN. Before the paragraph is agreed to, I desire to offer an amendment.

The PRESIDENT pro tempore. The Senator is offering an amendment to paragraph 375?

Mr. OWEN. Yes, sir.

The PRESIDENT pro tempore. The Chair will regard the paragraph as open.

Mr. SCOTT. I thought paragraph 375 had been adopted. It will have to be reconsidered if the Senator wants to move to amend it.

The PRESIDENT pro tempore. The Chair will regard the question as open.

Mr. LODGE. The Senator from Oklahoma rose before the agreement was announced.

Mr. OWEN. I do not think it is absolutely essential for a Senator to rise in his place instantly in order to offer an amendment, and I do not agree to the rule of the Senate suggested by the Senator from Massachusetts.

Mr. LODGE. I quite agree if it had been agreed to it ought to be left open, and I think the Senator was before the time.

Mr. OWEN. I was simply answering the suggestion of the Senator from Massachusetts that it might not be offered even if it had been agreed to.

Mr. LODGE. I did not mean to suggest that at all.

The PRESIDENT pro tempore. The amendment proposed by the Senator from Oklahoma will be read.

The SECRETARY. It is proposed to add at the end of paragraph 375 the following:

That the rate fixed on all articles enumerated in this paragraph shall be reduced 5 per cent per annum of the rate fixed in this act, annually on June 30, for each of the next ensuing ten fiscal years: *Provided*, That if such graduated reduction shall cause a diminution of the annual revenue from any one or more of the above enumerated articles, the President is authorized and directed to fix the rate on any such article or articles at the point at which such article or articles severally are found to have the greatest normal revenue-producing power, but not at a rate higher than the rate fixed in this act: *Provided further*, That the rate shall not be reduced or fixed below the point at which it would produce an amount equal to the difference in the cost of the production of any such article in the United States or abroad.

Mr. OWEN. Mr. President, I shall not ask for a yea-and-nay vote on this proposed amendment. I shall be content with its being voted down by the majority, by the usual majority supporting the committee.

Mr. ALDRICH. I think it is desirable to have a yea-and-nay vote on the proposition. I would be very glad to have a yea-and-nay vote.

Mr. OWEN. I have no objection to a yea-and-nay vote. Before that is taken, I shall therefore briefly explain its purport.

The theory of the majority, as expressed by the platform of 1904, is as follows:

The measure of protection should always at least equal the difference in the cost of production at home and abroad.

The platform of 1908 asserts that—

In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit—

And so forth.

Now, Mr. President, in the particular paragraph on blankets and flannel for underwear, paragraph 375, the rates run from 107.60 per cent on blankets valued at not more than 40 cents per pound up to 165 per cent on blankets more than 3 yards in length valued at more than 40 cents per pound.

I wish to call the attention of the Senate and of the country to the actual labor cost in blankets. The report of Carroll D. Wright, to which I have heretofore called attention, on the matter of blankets in case No. 390, puts the labor cost at 15 per cent of the value of the product, and yet this bill puts the tariff at over 100 per cent on the bald pretense of protecting American labor.

In case No. 391 of blankets the total cost of labor in transforming the materials is 15 per cent, and yet the pending bill puts this rate at exceeding 100 per cent on the pretense of protecting American labor.

In case No. 392 the total labor cost is 18 per cent, and yet this bill puts the rate at over 100 per cent on the pretense of protecting labor.

The Senator from Rhode Island, representing the Committee on Finance, on last Monday stated on the floor of the Senate that the labor cost was 80 to 90 per cent of all these products in the face of this official report in answer to a resolution of the Senate saying that the labor cost of these blankets is 15 per cent, and yet a rate of 165 per cent is put upon the blankets in order to give a monopoly to those who manufacture blankets in this country and enable them to levy a tax upon people who must use blankets for their protection against the inclemency of winter's weather.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Montana?

Mr. OWEN. With great pleasure.

Mr. CARTER. I ask the Senator whether in his judgment the proposal presented by his amendment could not be made applicable to every paragraph in this bill; that is, vest in the President discretion to reduce duties below the rate fixed in the paragraph when in his judgment the revenue would not thereby be impaired and the best revenue-producing point could be reached?

Mr. OWEN. Undoubtedly, Mr. President, that could be done.

Mr. CARTER. Then, Mr. President, I desire to ask the Senator if it would not be more simple to make the tariff bill consist of about three sentences, providing that the ad valorem rate on all articles presented to the custom houses for entrance into the United States should be fixed at, say, 200 per cent, provided that the President may reduce the rate below that amount when in his discretion the public revenues will thereby be benefited?

Mr. OWEN. Has the Senator concluded?

Mr. CARTER. I have concluded. Why engage in these multifarious paragraphs and subdivisions if we could prescribe a maximum ad valorem duty for the admission of all articles at the custom-houses, leaving the discretion with the President to reduce the duties when in his opinion such reductions would not impair the revenue, but would reach the best revenue-producing point upon each article?

Mr. GALLINGER. A sliding scale.

Mr. CARTER. A sliding scale. In other words, we could not tell from day to day what the duty would be next week on any particular article unless we were advised of what the President's opinion might be at that future date.

Mr. BEVERIDGE. Mr. President——

Mr. OWEN. I will answer the Senator from Montana first and yield to the Senator from Indiana second.

In answer to the suggestion of the Senator from Montana, I reply that legislative power can not be vested in the Executive.

Mr. CARTER. Mr. President——

Mr. OWEN. Excuse me, Mr. President. I will answer the Senator from Montana first and yield to the Senator from Montana second.

Executive power is vested in the executive and legislative power is vested in the legislative branch of the Government. No one understands that more distinctly than the Senator from Oklahoma.

But it is not vesting in the President of the United States legislative power when he is directed by the legislative power to do a certain thing in a certain contingency. I will place in the RECORD the decisions of the Supreme Court of the United States on that point for the information of the Senate and, incidentally, for the information of the Senator from Montana.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Montana?

Mr. OWEN. I yield, with pleasure.

Mr. CARTER. If a legislative power can be vested in the President, as this amendment proposes, why not a considerable amount of legislative power or all legislative power?

Mr. OWEN. Mr. President, I will answer the Senator from Montana by calling his attention to the fact that this very bill proposes to vest in the President the right to reduce a proposed additional 25 per cent tax upon all goods at his discretion, and if the objection to my proposed amendment of the Senator from Montana is well taken, it is equally well taken to the 25 per cent maximum and minimum amendment of the committee itself.

Mr. BEVERIDGE. Will the Senator permit me?

Mr. OWEN. I will, with pleasure.

Mr. BEVERIDGE. Does not the Senator make this distinction, that in the case of the maximum and minimum provision to which he is now calling attention, as in the case of the maximum and minimum provision in one section of the present law, the legislature fixes its will and the Executive becomes the instrument of the legislature in applying that will under certain contingencies, whereas in the amendment the Senator proposes the President is not directed to fix any specific rates, thus carrying out specifically the legislative will as its executive instrument, but is authorized to fix rates of his own? The Senator observes that distinction.

Mr. OWEN. I do not.

Mr. BEVERIDGE. Then of course——

Mr. OWEN. There is a distinction without a difference, Mr. President. The spirit and purpose of both is substantially the same, that the legislative will is recorded and the Executive is required to carry it out. Every Executive must exercise some degree of discretion.

Mr. BEVERIDGE. But the first thing I observe in the Senator's amendment is that from line 7 to the semicolon on line 11 it authorizes the President to perform all the legislative power which we might perform ourselves. Of course, the Senator can perceive that fixing the tariff rates at whatever we like is purely a legislative power. This authorizes and directs the President not to apply a definite and specific rate fixed by ourselves, but any rate that he sees fit to fix in his discretion. In other words, the executive mind is directed to perform the functions of the legislative mind.

Mr. CARTER. Mr. President——

Mr. OWEN. I will yield with pleasure to the Senator from Montana when I have answered his colleague from Indiana. In this particular paragraph, item 1, blankets not more than 40 cents per pound, the legislative will is 107.6 per cent ad valorem. The legislative will under my proposed amendment next year would be 5 per cent less, which is as absolutely and mathematically an expression of the legislative will as it is possible to give. So, in each succeeding year the diminution is mathematically accurate, with a proviso, however, that when it goes below the maximum revenue-producing point it shall no longer be lowered, but the legislative will requires it to be definitely fixed at the maximum revenue-producing point found by means of this series of successive reductions. Therefore the Executive would be merely carrying out the legislative will and he would be an Executive and not a legislator. I yield to the Senator from Montana.

Mr. CARTER. Mr. President, the Senator from Indiana [Mr. BEVERIDGE] presents the facts upon a minimum rate with which the discretion of the President may operate; the Senator from Oklahoma [Mr. OWEN] presents a maximum rate, and leaves the President with unrestrained discretion down to nothing or a complete abolition of duty altogether. I will say to the Senator from Oklahoma that, in the case of the reciprocity agreement, it will be remembered that a treaty was required in order to put the new rate into effect. The Constitution provides that treaties shall constitute the supreme law of the land; and I doubt very much whether, without consulting Congress or framing a treaty, it will be competent for the President of the United States, even under the minimum and maximum provisions, to change a rate of duty where the Constitution vests the supreme power in Congress in this matter of taxation.

Mr. OWEN. Mr. President, I will now, with the permission of the Senator from Montana, ask him a question. How does he justify 165 per cent ad valorem when the cost of labor in the material is but 15 per cent?

Mr. CARTER. Mr. President, I was one of the auditors of the Senator from Wisconsin [Mr. LA FOLLETTE] last night, and heard him remark that the cost to the manufacturer of agricultural implements had increased, as far as steel products were concerned, over 100 per cent since the Dingley law went into operation. I could have assisted him somewhat on that in another illustration. The cost of wool has increased during the operation of the Dingley law 200 per cent, and measured by the price of wool to-day it has increased 275 per cent. The increase in the cost of the raw material was the difference between the conditions, doubtless, to which the Senator refers and conditions that have come to pass under the present law.

Mr. OWEN. I do not know whether or not the Senator from Montana intends to be humorous, but I should like him to make an answer to my question.

Mr. CARTER. I should like to know what the Senator from Oklahoma refers to specifically. I undoubtedly assume that the Senator has in his mind some peculiar phase of industrial life,

where a particular by-product, or some article, is produced at 15 cents, for instance, and that the duty, according to his method of calculation of the matter, amounts to what—60 per cent?

Mr. OWEN. To 160 per cent.

Mr. CARTER. To 160 per cent; or the duty, for instance, on wool at 11 cents.

Mr. OWEN. The Senator evidently did not hear my question.

Mr. CARTER. I wanted to say to the Senator that the duty on wool, as the price stood with us in 1897, is now in the neighborhood of 200 per cent, and yet it is a perfectly fair duty and the country has prospered under its operations. In the case doubtless in the mind of the Senator the application of a duty of 100 per cent instead of 60 per cent would, by its fruits, justify the levy.

Mr. OWEN. Mr. President, I understand the Senator from Montana, in fixing the rates on the paragraph in question, not to be guided by the difference in the cost of production at home and abroad at all?

Mr. CARTER. Mr. President, the highest markets this country has ever been inflicted with, so far as the consumer is concerned, have been the markets when controlled by the foreign manufacturer and jobber. The Senator from Oklahoma well knows that when we shipped in iron rails here of English manufacture we paid $130 a ton for them and more.

Mr. GALLINGER. We paid $170 a ton at one time.

Mr. CARTER. Yes; at one time we paid $170 a ton. We did not manufacture a single steel rail in this country. To-day, under this "oppressive tariff" to which the Senator refers, we are buying the best steel rails manufactured in the world for about 15 per cent of the cost of the old iron rails.

Mr. OWEN. And about $8 a ton more than the manufacturers sell the same rails to foreigners, Mr. President.

Mr. CARTER. Mr. President——

Mr. OWEN. Our people pay about $8 more than the foreigners pay for the same rails. The Senator from Montana, however, has not answered my question. I ask him whether or not he thinks the difference in the cost of production in this country and abroad shall control in these matters, and I have illustrated it by pointing out that the labor cost on these woolen goods is only 15 to 20 per cent, and yet the tariff is put as high as 165 per cent.

Mr. CARTER. Mr. President, undoubtedly the purpose of legislation on the protective basis is to equalize the difference in the cost of production here and abroad.

Mr. OWEN. Now, Mr. President, I call the Senator's attention to the fact that the cost of labor in these blankets is from 15 to 20 per cent; and I ask him how he justifies putting upon them, over and above the total cost of American labor, an additional tariff of from 80 to 140 per cent ad valorem up to 100 to 165 per cent duty?

Mr. CARTER. Mr. President, the Senator from Oklahoma is calculating the hard-time wages of 1897 and 1898 as the basis of the American wages, and comparing them with the wages abroad of to-day.

Mr. OWEN. Mr. President, on the contrary, I am agreeing, so far as this calculation is concerned, that the labor cost of the European product is absolutely nothing, and I call the attention of the Senator from Montana that the increase of wool price since 1898, the date of Commissioner of Labor Wright's report, up to 1907 has not been greater than the reported increase of labor, so his percentages are not affected by such changes.

Mr. CARTER. Mr. President, it was pretty nearly nothing in this country on the date the Senator's figures were made. In 1897 there were men in the country who could not get a day's work if they were willing to take a plate of soup as compensation.

Mr. OWEN. Mr. President, that does not answer the question at all, because the labor wages of that time—in 1897—are clearly shown; and while it is true that in 1896 the market price of the whole world was at a low tide because of the preceding panic of 1893, it is not true that the cost of labor in percentages to value of product is now above what it then was.

Mr. CARTER. Mr. President, in the production of a blanket the Senator wishes to make the comparison with the last man who touches the blanket in the factory. In order to estimate the cost of production it is necessary to go back to the sheep herder on the plains. That sheep herder in our competing country in South Africa receives $3.66 a month, while out on the plains in this country he receives $40 a month. Down in South Africa he receives a sack of corn and a sheep to board him for a month, while out in our country he must have as good a bill of fare as they give in the ordinary hotel in Washington, or he will not stay by the job. These differences from the beginning must be computed and considered, in order to ascertain the elements of cost.

Mr. OWEN. Mr. President, they were considered as far as justified by common sense when the calculation was made by Carroll D. Wright. He puts the labor cost of producing yarn, for example, to which I call the Senator's attention, and which bears directly upon this matter—because I call his attention to the fact that even as to woolen yarn Carroll D. Wright, in Table 430, puts the cost of the labor of transforming materials at 2.6 cents per pound for No. 1 yarn and 45.22 per cent for the cost of material, less than 6 per cent of the cost of the finished product being for labor.

Mr. BACON. Will the Senator from Oklahoma permit me to ask the Senator from Montana one question, not to interrupt further than a question?

Mr. OWEN. With pleasure.

Mr. BACON. Does the Senator from Montana think that, in order that the sheep herders of Montana shall be furnished with board on the scale of a Washington hotel, the price of wool should be raised to all the consumers of the United States, so that that purpose may be effected?

Mr. CARTER. Mr. President, if you eliminate the sheep herder of the country altogether and cut out the 311,000,000 pounds of wool we contribute to the factories of the country, you will pay more for your wool than you are paying for it to-day.

Mr. BACON. But the Senator from Montana does not deem it wise to answer that question yes or no.

Mr. CARTER. Mr. President, the Senator from Georgia proposes to settle a great, far-reaching economic question with the answer "yes" or "no." That, I think, is one of the elementary difficulties with the Senator's school of political economy in dealing with these questions. Each matter is taken in an isolated state, without any reference whatever to the surrounding conditions and circumstances; for instance, the standard of living, the standard of civilization, the education of the people, the manner of feeding and clothing them in this country, we think ought to be maintained. The maintenance of the standard, however, embraces certain costs in every avenue of life and endeavor which do not apply to the rice-eating millions of China; yet, if the Senator's theory should be carried into effect, the cotton of Georgia and South Carolina, instead of being manufactured in that country into merchantable shape, would be shipped to China, where the labor determines the element of cost to the best possible advantage of anywhere in the world.

Mr. BACON. The Senator from Montana well knows the fact, Mr. President, that the labor employed in the production of cotton does not receive the hundredth part of a mill of benefit from the protective tariff.

Mr. CARTER. I refer to the cotton mills, Mr. President. It is not a new idea. As a matter of fact, the cotton of the Mississippi Valley has been for over ten years in process of shipment up along the Mississippi River to St. Paul; thence across the country to Seattle; thence across the ocean to Japan, where cotton fabrics are being manufactured by labor so low that it is appalling to contemplate the reduction of American workmen to the standard; and if you take down the barriers and consider these workmen separate and apart from the civilization and conditions under which we live, of course you would, as a pure matter of economy, leave the southern people to raise the cotton, dismantle the factories in the South and in New England, and ship the cotton to the Orient, where it can be manufactured cheapest.

Mr. BACON. Is that the Senator's answer to my question whether or not the sheep herder of Montana should be furnished Washington City hotel board at the expense of the people of the United States?

Mr. CARTER. Mr. President, that sheep herder is entitled to good treatment. He is a part of a mighty system; he is a part of the economy of the country. It is believed that, in order to maintain a supplemental food supply to put the country where it can raise its own clothing, and thus maintain a certain coveted measure of industrial independence, that even at the expense of paying our sheep herders more than the South African native gets, we ought still to keep them employed.

Mr. BACON. If the Senator from Oklahoma will pardon me—and I will not trespass further on his time—I want to say to the Senator from Montana that it is indeed a mighty

system which is so compact and so powerful that it can levy taxes upon 85,000,000 people in order to benefit less than 5,000,000.

Mr. CARTER. Mr. President, may I now ask the Senator from Georgia a question?

Mr. OWEN. Mr. President, I yield to the Senator from Montana to ask a question of the Senator from Georgia.

Mr. CARTER. I thank the Senator from Oklahoma. I inquire of the Senator from Georgia whether he would, in order to get wool cheaper, reduce the American sheep herder to $3.66 a month in open competition with the South African native?

Mr. BACON. I would put the Montana sheep herder exactly where the Georgia cotton laborer is—making his living by the sweat of his brow, and receiving pay according to the value of his labor. I do not propose to ask that the people of Montana shall be taxed for the purpose of paying the wages of the Georgia cotton laborer, nor do I desire that the people of Georgia shall be taxed in order to pay the wages of the Montana sheep herder.

Mr. CARTER. Mr. President, I hope the Montana sheep herder will never be compelled to work for the wages paid the Georgia cotton-field hand. I wish his wages could be better; but the cotton production is, I think, the greatest monopoly of all the crops in the world, and I am glad we have the monopoly in the United States.

Mr. BACON. "Monopoly," Mr. President, when it has to meet in the markets of the world the prices of the world! The Senator does not weigh his words.

Mr. CARTER. The area within which cotton——

Mr. OWEN. I decline to yield further to this interesting colloquy of the Senators from Montana and Georgia.

Mr. CARTER. The area within which cotton can be grown is so circumscribed on the globe that the monopoly is a natural one.

The PRESIDENT pro tempore. The Senator from Oklahoma declines to yield further.

Mr. ALDRICH. Will the Senator from Oklahoma allow me to ask the Senator from Georgia a question?

Mr. OWEN. With great pleasure.

Mr. ALDRICH. I am afraid this great proposition of the Senator from Oklahoma is getting obscured in this debate, and I am anxious——

Mr. OWEN. It will not remain so.

Mr. ALDRICH. And I am anxious to know whether the Senator from Georgia is engaging in this debate for the purpose of supporting the Senator from Oklahoma or for other reasons? We are not able to distinguish.

Mr. BACON. I did not hear the question.

Mr. ALDRICH. I was wondering whether the Senator from Georgia was opposing or supporting the proposition of the Senator from Oklahoma?

Mr. BACON. Mr. President, I was not paying attention particularly to the debate that was being maintained by the Senator from Oklahoma, but I did catch——

Mr. ALDRICH. I was a little afraid the Senator was ignorant——

Mr. BACON. But I did catch the most remarkable proposition which was made by the Senator from Montana [Mr. CARTER], that the sheep herders of Montana were entitled to be paid wages which would enable them to get board equal to the board of any hotel in Washington City, and I knew that if that was done my people would have to pay part of the expense. That was what I was protesting against.

Mr. ALDRICH. I may not be a good judge of these propositions, but I think the proposition of the Senator from Oklahoma is much more strange than the one suggested by the Senator from Montana.

Mr. BACON. The Senator from Oklahoma is quite capable of dealing with this question himself without my interposition, and I do not intend to interpose. I was simply struck by that remarkable proposition of the Senator from Montana. I am glad the Senator has made it, because it illustrates more perfectly than I have heard in this debate the iniquities of a protective-tariff system, by which in one State the laborer shall be paid wages which would give him board at the New Willard, and the people of the United States shall be compelled to pay a high price for wool in order that that end may be accomplished. That is the argument reduced to a nutshell; and it applies in greater or less degree to the proposition of the protective system as to other industries—to tax the people of the country at large to sustain private enterprises and increase their profits.

Mr. ALDRICH. I was anxious to ascertain whether this proposition of the Senator from Oklahoma was presented after conference with his associates upon the other side of the Chamber, because it looks to me like an entirely new departure in tariff legislation, and it might revolutionize parties if it should be adopted. I am anxious to get a vote upon it as soon as possible.

Mr. OWEN. Before the vote is taken I will pursue the inquiry which I made of the Senator from Montana and which he so skillfully side stepped that he got into the Chinese labor question and the sheep herders of South Africa before it ended. I now desire to ask a question of the Senator from Rhode Island, who is the chairman of the Committee on Finance, who knows all about cost, and who was kind enough last Monday night to advise me that the labor cost of materials was between 80 and 90 per cent, and kind enough to invite me to take the matter into prayerful consideration and go home and study it over and overcome my being new in the discussion of the tariff. He suggested that I was very new to the tariff debate, and therefore must be excused if somewhat irrational. I agree with him in his compassionate regard for a new Member, and hope that if anything I say seems to be unlearned or unsound, it may be considered as due to my inexperience in the discussion of the tariff.

Mr. RAYNER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from Maryland?

Mr. OWEN. Excuse me, Mr. President.

Mr. RAYNER. Will the Senator allow me?

Mr. OWEN. I would prefer not to yield now, but I will yield to the Senator.

Mr. RAYNER. All that I desired was this: I dislike to disagree with the Senator from Oklahoma, but his amendment strikes me as absolutely invalid. I think it goes directly——

Mr. OWEN. I decline to yield for a speech by the Senator from Maryland.

The PRESIDENT pro tempore. The Senator from Oklahoma declines to yield further.

Mr. OWEN. Mr. President, the Senate has fallen into a practice, when a Senator is making an argument and trying to establish a proposition, of incursive discussion that leads the speaker far afield from that which he is attempting to establish. I should like to courteously suggest that, as a rule of propriety, this practice would be "more honored in the breach than the observance." I do not think it is courteous to Senators on the floor, when they are trying to establish a proposition, to introduce a side issue leading them far away from that which they are discussing. While I am always anxious to be perfectly considerate of every Senator while I am on the floor, and will always yield for any reasonable question, I do not think that the practice to which I have referred ought to be pursued in the Senate. I have often felt like entering protest against it, and I do so now.

Mr. GORE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to his colleague?

Mr. OWEN. For a question.

Mr. GORE. Mr. President, I think it would be material if the Senator from Montana or the Senator from Wyoming would state what the price of wool was last September. The Senator from Montana has stated that it is 200 per cent more now than it was in 1897. I should like some one to state the price of wool in Wyoming and Montana last September.

Mr. CARTER rose.

Mr. OWEN. I yield to the Senator from Montana.

Mr. CARTER. Mr. President, I can not definitely state what the market price was last September, but my recollection is that the market price was about 18 to 20 cents per pound; it is about 24 cents now. The price in 1896 and 1897 ran down to about 6 or 8 cents per pound.

Mr. GORE. Mr. President, just a word.

Mr. OWEN. I yield to the Senator from Oklahoma.

Mr. GORE. I happened to be in Wyoming last September, and was informed by people engaged in the growing of sheep and wool that the price was less than 14 cents. I do not think it was one-third of that in 1897, though in 1894 and 1895 it got down pretty low.

Mr. CARTER. There are certain clips of wool of inferior kind that always sell some cents below the regular market price.

Mr. OWEN. Now, Mr. President, coming back to my question to the Senator from Rhode Island, he advised us that the labor cost of materials in the United States ran from 80 to 90

per cent. I call his attention to Carroll D. Wright's Table No. 430, on woolen yarns:

No. 430.—Woolen yarn: United States; 1897–98; unit, 1 pound; No. 1 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0260	5.44
Cost of materials and all other items except labor	.4522	94.56
Total cost	.4782	100.00

That does not correspond with the view of the Senator from Rhode Island as to 80 per cent being the labor cost, and I should like to have him explain it.

Mr. ALDRICH. Mr. President, the Senator from Oklahoma entirely misapprehended my statement. I will repeat it for him. I said the cost of every material and of every product is from 80 to 90 per cent labor, I care not what it is—I mean in the last analysis. In making that computation, you have to commence, of course, with the ore in the ground, with the elemental unit of production, whatever it may be. Everything beyond that is cost of labor. That is the proposition that I make; and I think the Senator will have great difficulty in arriving at any other conclusion if he investigates the subject carefully, as I am sure he will.

Mr. OWEN. Mr. President, the answer of the Senator from Rhode Island that every product is substantially composed of labor is true in a broad sort of fashion. That everything used by man is the result of his labor is generally true, but it has no bearing upon and no relation to the question of the labor cost in yarns. According to this table, the labor cost in yarns is 5 per cent, and the Senator from Rhode Island stands here and demands 145 per cent tax upon yarn on the ground of its labor cost. Granted that 100 per cent of the cost of yarn was labor, granted that capital has no interest in it whatever, still that 45 per cent above 100 per cent is an excess even on the ridiculous theory of the Senator from Rhode Island. But it is not true, as a matter of fact, that yarn has over 5 to 10 per cent of labor cost as compared with the cost of the material and the other items entering into the cost of the gross value of the product.

Mr. ALDRICH. I heard the Senator a few moments ago make the statement that if the cost of the foreign product was nothing, then——

Mr. OWEN. Excuse me; the Senator did not apprehend what I said. I said if the labor cost were nothing.

Mr. ALDRICH. Well, I understood the Senator to say if the cost of the foreign product was nothing.

Mr. OWEN. I said the labor cost.

Mr. ALDRICH. One proposition is just as good as another for my purposes.

Mr. OWEN. If one proposition is just as good as another for the Senator's purposes, he can state any proposition he pleases, but he must not make me responsible for it.

Mr. ALDRICH. If the Senator will wait patiently, I will give him a concrete illustration.

Mr. OWEN. I have great patience, and will wait.

Mr. ALDRICH. If the labor cost is nothing abroad and 10 cents in this country, what rate would have to be put upon the foreign value to equalize that condition? That is a mathematical problem which I should like to have the Senator work out.

Mr. OWEN. That is a mathematical problem which is very easily ascertained and worked out.

Mr. ALDRICH. What percentage would the Senator put upon the labor cost to equalize conditions?

Mr. OWEN. It is perfectly easy to determine the value of the labor cost in the United States; it is perfectly easy to determine the ad valorem which shall equal that cost.

Mr. ALDRICH. In case it cost nothing abroad, what would it be in figures?

Mr. OWEN. That is a question broadly stated, applying to four or five thousand items, which the Senator well knows is impossible of mathematical answer, and therefore he asks somewhat triumphantly a question which no man can answer. It reminds me, I was going to say, of an ancient adage——

Mr. ALDRICH. I will give a concrete illustration. Suppose that an article cost nothing abroad and 10 cents here, what percentage of duty would the Senator put upon the foreign article to equalize conditions in the United States?

Mr. OWEN. Mr. President, take the question of yarn, for example. Supposing that the total labor cost in the United States was 2.6 cents a pound, which is shown in Table 430 of Carroll D. Wright's report on labor cost; there is a cost of 2.6 cents a pound. If the value of the yarn was 26 cents, 10 per cent ad valorem would precisely equal that cost. There is a specific answer to the Senator from Rhode Island, mathematically.

Mr. ALDRICH. Will the Senator make that statement over again? My attention was diverted for a moment. I shall be glad to hear what he said.

Mr. OWEN. I will restate it with great pleasure. Carroll D. Wright's table, No. 430, shows that the total labor cost in a pound of No. 1 yarn is 2.6 cents a pound. If the wool entering our ports was valued at 26 cents per pound, 10 per cent ad valorem would meet the labor cost in the United States, granting that the labor cost in England was nothing; and 10 per cent is somewhat lower than 145 per cent, fixed in this bill as the tariff rate by the Senator from Rhode Island.

Mr. ALDRICH. The Senator does not understand my question or else certainly what he says now is not an answer to it. I will repeat what I said the other day. If the Senator had been familiar with tariff discussions, he would have been aware of the fact that this question of labor cost has always been injected and occupied a great deal of space in such discussions.

I want to say to him now that the labor cost at any single stage in this long process of manufacture has nothing whatever to do with duties, and can not be made to have. For example, take a jackknife. Jackknives are made abroad largely by farming out the different operations to people engaged in one particular process. For instance, one party might be grinding the blade, and it might cost a cent on that jackknife in one country and half a cent in another. That has nothing to do with the duties on jackknives. We are not dealing with a single part of or one process in this long series of operations any more than we are in yarns. It costs to pack yarns into boxes, for instance, a fraction of 1 per cent. Are you going to regulate the duty upon the cost of packing? Certainly not. It costs something to run the wool through the different processes, from one to another. Are you going to take one of those and talk about the labor cost involved?

The whole scheme is ridiculous. It does not get anywhere practically. What we want to compare is the total cost of production in one country and the other and equalize conditions on the total cost of production; and that total cost of production, in the last analysis, as I have stated, and I will repeat it, is based upon the cost of labor. If labor costs 50 per cent more in this country than it does in another country, or double what it costs in another country, that relative cost of production in the two countries is governed entirely by the scale of wages all through the production and all through every part of the life of the Nation. If you pay in Washington $3 a day for a policeman and they pay $1 in London, that difference of $2, or $1, or whatever it is, appears in additional taxes. It appears in the scale of living. It appears in the ultimate cost of production for every article; and the Senator will get back, I think, in the end to the proposition which I made the other day, that the ultimate cost of production of every article is 90 per cent labor; and if we live on a higher scale here, paying higher wages, we certainly, in the comparative cost of production, have to take all the wage scales of the United States into consideration. That is my answer to the Senator.

Mr. OWEN. I have a certain intellectual sympathy with the Senator from Rhode Island in his effort to defend the indefensible.

Mr. ALDRICH. There is no intellectual effort involved in it at all. It is just simply a plain statement of facts. I do not think it requires any intellectual effort either to make the statement or to understand it.

Mr. OWEN. The cost of production involves primarily as its chief factor, upon which the most part of all the debate has turned and the main discussion has occurred, the cost of labor and difference in the cost of production. I therefore, in the attempt to bring this matter to a clear comprehension of the relative cost of production, take the primary factor of the relative cost of labor, which can be presented plainly. The Senator from Rhode Island naturally and ingeniously obscures the issue by going into broad generalities and talking about the question of labor generally and the difficulty of determining the factors in manufacturing the thousands of involved items which enter into the general schedules, and he thereby skillfully obscures the issue, so as to make it incomprehensible to the ordinary investigator. But when I call his attention to the fact that Carroll D. Wright's table shows that in woolen yarn No. 1 the percentage of labor cost is almost a trifle less than 6 per cent of the value of the product, he explains it by a generality and

waves it lightly aside and imputes to me a lack of understanding as explaining why I ask the question.

Mr. ALDRICH. I will try this illustration. I will try to make an application of the rule I have stated to the very thing he has under consideration. He says it costs 2 cents a pound—labor cost—in making yarn. The cost of yarns in this country depends largely upon the cost of wool in yarns, and if wool costs 22 cents in Montana, and 11 cents for the same character in Australia, the American manufacturer pays 11 cents a pound more for his wool from which that yarn is made, to start with, and the same differences between the ultimate foreign and the domestic cost of production runs through every item. So you may be perfectly certain that you must, in your ultimate cost of production, consider the conditions of labor in both countries, both being in competition. The scale of wages in both countries determines the difference in the cost of production.

Mr. OWEN. The difference in the cost of wages in this country is conceded to be 2.6 cents a pound for No. 1 wool, and nothing more.

Mr. ALDRICH. Oh, not for No. 1 wool.

Mr. OWEN. No. 1 yarn. That is the Wright table, No. 430.

Mr. ALDRICH. He is talking about transforming materials from one stage to another and nothing else.

Mr. OWEN. Granting every possible concession that the Senator from Rhode Island can insist upon within the bounds of reason, when the labor cost of transforming wool into No. 1 wool yarn is between 5 and 6 per cent, there is no possibility by which a rate of 145 per cent can be justified.

Mr. GALLINGER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Oklahoma yield to the Senator from New Hampshire?

Mr. OWEN. I yield with pleasure.

Mr. GALLINGER. The Senator is reading, I believe, from a document issued in 1898 or thereabouts.

Mr. OWEN. Eighteen hundred and ninety-eight to ninety-nine.

Mr. GALLINGER. If the Senator will turn to this document, just printed, which was quoted by the Senator from Wisconsin [Mr. LA FOLLETTE] last evening with such approbation, prepared by W. A. Graham Clark, special agent of the Department of Commerce and Labor, he will find, on page 5, that Mr. Clark says:

> In general it may be said that the cost of manufacture of worsteds in England is about half that in the United States.

The Senator says it is 5 or 6 per cent. But here is Mr. Clark's statement that it costs twice as much in this country as in England.

Mr. OWEN. The Senator is making a comparison of the cost in England and in the United States of worsted goods, where they obtain their wool at about half the price of what obtains here. I am talking about the labor cost in No. 1 wool yarn, as given in the Wright table, which has not yet been set aside as unsound. I am not talking about the cost of yarns or of wool in Montana and Australia, as the Senator from Rhode Island well knows, and I am not talking about the cost of manufactures of worsteds as the Senator from New Hampshire. They ingeniously and with intellectual cleverness confuse the issue of 145 per cent tariff on yarn being excessive.

Mr. GALLINGER. We pay more for our wool.

Mr. OWEN. I agree that the difference in the price of wool must be provided for in determining the difference in the cost of production, but when I call your attention to the labor cost in No. 1 yarn and when I call your attention to it as one of the important parts of the cost of production, in order that we may determine the difference in the cost of production at home and abroad, I can not help but call the attention of the country to the vital fact that the Committee on Finance has furnished us with no record whatever of the labor cost of these articles nor of the cost of production, and has left it impossible for anybody to determine the difference in the cost of production at home and abroad. It can not be done with the data given to the Senate for that purpose, and I hold the party in power and the Finance Committee directly responsible for this fatal and deliberate omission.

Mr. ALDRICH. I have tried, with considerable patience, to explain this matter for the reason that these claims as to the labor cost of production appear and reappear in tariff discussions; and I want to state the fact that the labor cost of production at a single stage in a long process of manufacturing has no value whatever in determining either the relative cost of production or the proper rate of duty which must be assessed to equalize the cost of production. If the Senator, with his analytical mind, will follow the advice which I gave him the other day, and will read that in the RECORD to-morrow, he must agree with me as to the accuracy of the statement I have made.

Mr. OWEN. I did read the matter in the RECORD. I examined it with critical care, and I find it utterly unfounded and utterly worthless. I mean to be respectful about it. But I am giving the honest judgment of my mind upon that statement made by the Senator from Rhode Island.

Mr. ALDRICH. Do I understand that the Senator bases this scheme of his upon a misconstruction of the statement which I made?

Mr. OWEN. Is the Senator alluding to the excellent amendment which I have offered?

Mr. ALDRICH. Yes; I was alluding to that, and I hope to test the Senate at an early hour as to their views and judgment upon the amendment.

Mr. OWEN. I base that amendment upon the theory of the Senator from Rhode Island and upon the Republican pledges of a tariff based on cost of production, and upon the Democratic view of a tariff for revenue, and not upon any conclusions of my own. Assuming the correctness of the declarations made by the Senator from Rhode Island that he is guided by the difference in the cost of production, my amendment could not possibly do harm. It might serve a useful purpose in bringing into effect the pledges made by the Republican party in 1904 and 1908, that the tariff should be written in the light of the difference in the cost of production at home and abroad, always assuming that the tariff ought not to go below a revenue-producing point, which is the Democratic view, because that is essential to the maintenance of our Government.

Mr. ALDRICH. Does not the Senator see, while he is discussing in one breath the differences in the cost of production, that he is discussing mainly the difference in the labor cost at a single stage of the process?

Mr. OWEN. I have discussed the labor cost from these tables, taking the elementary cost of labor in wool yarns, taking the labor cost with the yarn as the crudest form of manufactured material in the woolen schedule, and I call the attention of the Senator, first, that there is only 5 and 6 per cent of cost of labor in the yarn, and then in blankets the labor cost is only 15 and 20 per cent.

Mr. ALDRICH. The Senator must be willing to admit, I think, that there is nothing whatever about the labor cost in the Chicago platform, and he is discussing a rule which no party has ever laid down, which no political economist has ever laid down, and which no party that had any idea or knowledge of tariff legislation has ever laid down. He is discussing something entirely immaterial and entirely outside of any of the questions to which I have alluded.

Mr. OWEN. I have sought in vain to obtain from some member of the Finance Committee, somewhere, the difference in the cost of production at home and abroad. The Senate of the United States has not been furnished with that information. The Senate will not be furnished with it. The inquiry is regarded as unreasonable and unsound, not in accordance with party promises, not in accordance with the desire of the people of the United States.

I desire to emphasize this because I believe the people of the United States do not feel willing to give greater advantages to our manufacturing classes than will put them upon an equality and a parity with manufacturers abroad; that it is not the intention of the American people to allow monopoly to be sheltered under this tariff; that it ought not to be done, and therefore I call attention to the Republican party pledges, and I call attention to the fact that the Committee on Finance has given us no data to show the difference between the cost of production at home and abroad, and when it is repeatedly called for and when it is emphasized we have mere glittering generalities, subtle evasions, and the vague mal apropos that everything which is made consists altogether of labor, that there is nothing in it but labor, and therefore we must deal with these questions as altogether the product of labor, and that nothing enters into it except labor.

Mr. GALLINGER. Mr. President——

Mr. OWEN. I yield to the Senator from New Hampshire.

Mr. GALLINGER. If the Senator will again turn to this recent publication of Mr. W. A. Graham Clark, he will find that, treating of an all-wool sateen, of botany wool, on page 88, he concludes his observations by saying:

> This shows the American cost of manufacture per yard to be 127 per cent higher than the English.

And he gives a concrete sample, and yet the Senator says it is 5 or 6 per cent.

Mr. OWEN. I call attention, in reply to the Senator from New Hampshire, to the fact that again he side steps and dis-

cusses "all-wool sateen" and does not consider the point I make—that the estimated cost in Belgium of woolen yarn is 3 cents a pound, which is higher than the American cost.

Mr. GALLINGER. I am quoting from a recent publication, which has been quoted with great approbation on the other side of the Chamber.

Mr. OWEN. I have not seen the recent publication. But "sateen" has nothing to do with my point on the labor cost of No. 1 yarn, which has more labor cost in Belgium than in the United States.

Mr. CARTER. To begin with, it is perfectly safe to say that the difference in labor cost in producing the wool out of which the cotton yarn is made exceeds 100 per cent in this country, as against the markets in which Germany and England draw their wool supply. How that 100 per cent of excess is reduced to 5½ or 6 per cent in the computation of the Senator is a mystery, unless it be true that, according to the suggestion made by the Senator from Rhode Island, the Senator from Oklahoma, in his computation, disregards the various elements that enter into the matter of cost and selects only one of the many incidents of labor from the beginning to the close of the finished yarn.

Mr. OWEN. I call the attention of the Senator from Montana to the fact that I have shown the exact number of cents that the material in these articles costs, as well as the exact number of cents of labor cost.

Mr. CARTER. In producing yarn, it is first necessary to raise wool. Following the raising of the wool, it is necessary to shear it from the sheep.

Mr. OWEN. That is a very remarkable circumstance, and I am much struck with it.

Mr. CARTER. They sometimes pull it off. Then this item of shearing, for instance, costs from a cent and a half per head up to 4 and in some instances 5 cents in Australia. In the United States the cost of shearing is from 10 to 14 cents per head. Then comes the matter of scouring, and after the wool is scoured it has to go through the process into roving; then into another form; finally into yarn.

The Senator proposes to take the mere cost of transforming the rovings into yarn and say that that is the total difference in the cost of producing the yarn in the United States and the cost abroad, when he starts out with more than 100 per cent difference in the cost of producing the wool to start with.

Mr. OWEN. As far as this particular item is concerned, I simply call attention to the labor cost in making No. 1 yarn from wool, whether the wool be cut off or pulled out of the sheep by bodily force.

Mr. SMOOT. Mr. President——

Mr. OWEN. I yield with pleasure to the Senator from Utah in the midst of my explanation.

Mr. SMOOT. Does the Senator base his argument upon No. 1 yarn as numbered or as to the quality of the wool?

Mr. OWEN. I base my argument on No. 1 yarn, from table 430 of Carroll D. Wright's report, and the yarn described therein.

Mr. SMOOT. It would make a great deal of difference whether it is No. 1 quality or a No. 1 yarn; and I want to tell the Senator right now that there is no No. 1 yarn as numbered used anywhere in the manufacture of goods. A No. 1 yarn means that there is a pound of wool drawn out 640 yards, and there is no such number as that used in the manufacture of goods. No. 8 is about the first we use, and those are used only in blankets. Every number increases in fineness and it costs that much more to make the yarn. So if the figures which the Senator is reading here mean No. 1 yarn, then of course they are useless, and if they mean No. 1 grade of wool, I want to ask what number of yarn Mr. Wright is figuring on.

Mr. OWEN. Carroll D. Wright gives the precise cost of the materials and other items entering into the manufacture of No. 1 yarn, in Table 430, and he gives the cost of labor in transforming the materials; the cost of the materials and all other items except labor are 45.22 cents per pound. The cost of labor to transform the material is 2.6 cents per pound. In Table 431 he gives the cost likewise of No. 2 yarn; in Table 433, No. 3 yarn, and so on down to No. 10 yarn. The use to which No. 1 yarn is put is utterly immaterial and irrelevant to the discussion, as the Senator from Utah must know.

Mr. SMOOT. I see from the statement there what the Senator is driving at, and I want to call his attention to the fact that he is talking about No. 1 yarn—a great, coarse thread, almost coarser than is used in any kind of goods in this country.

Mr. OWEN. I am glad the Senator has discovered that there is a No. 1 yarn. He denied its existence but a few moments ago.

Mr. SMOOT. I say again it is not used in this country. I know what No. 1 yarn means. No. 1 yarn means that a pound of wool is drawn out 640 yards, and the Senator must know, if he knows anything of the wool business or the manufacturing of it, that that would be a very, very coarse wool thread indeed, almost a roving, and it is not used in the manufacture of goods. As I have said, the finest wool yarn that is used in the coarsest kinds of blankets is about an 8, and it runs from that up to 60. Take the difference between the manufacture of an 8 yarn and a No. 60 yarn. The whole argument of the Senator, based upon No. 1 yarn, is wrong in theory. It does not work in practice and it does not fit any goods manufactured in this country.

Mr. OWEN. The labor cost of producing blankets is 15 to 20 per cent.

Mr. SMOOT. Allow me to tell the Senator that no doubt on the cheapest-grade blanket that is made, the very cheapest, it would be 15 per cent, but I can tell the Senator that I have made blankets by the hundreds of thousands where the labor cost of making a blanket was 40 per cent.

Mr. OWEN. That may account for things which have happened in the Senator's woolen business.

Mr. SMOOT. It will happen to anybody who knows anything about the manufacture of goods.

Mr. OWEN. It is very interesting to know at least from some authority what the labor cost is in the making of blankets. So it is 40 per cent?

Mr. SMOOT. On some grades it is.

Mr. OWEN. Forty per cent under the highest-priced condition of labor that Utah affords, I think.

Mr. SMOOT. It is about the same as in other sections of the country, I think.

Mr. OWEN. The labor cost increases as you go west, in all lines. Everybody knows that to be true, and I suppose the Senator has overlooked the fact that it is true.

Mr. SMOOT. No, I have not overlooked it; I know what all the mills are paying in this country, and I know what we pay. The labor cost in the mills in Utah is about the same as in the East. Perhaps there may be some little difference on the lowest grade of labor, as an advantage to Utah, but the great bulk of labor is about the same there as in the East.

Mr. OWEN. I will ask the Senator from Utah whether he agrees with the Senator from Rhode Island that the labor cost is between 80 and 90 per cent, notwithstanding his experience of 40 per cent?

Mr. SMOOT. I am not going to discuss a question which was discussed when I was not here, and without knowing upon what basis it was made, but I judge from what the Senator says here that if he did make the statement that there was 80 per cent labor cost, it was the amount of labor from the raw product to the finished product, or in other words, to take a concrete case, from iron ore to the needle, and then I will agree with the Senator from Rhode Island that it is 80 per cent.

Mr. OWEN. If that were true, then I call the attention of the Senator to the fact that this tariff would be cumulative and would be several thousand per cent before you get to the finished product.

Mr. SMOOT. It is bound to be, from the very fact in the case I cited. Take the ore, which is worth only $2.50 a ton. It must be more than a thousand per cent between the ore and the manufacture of the finest needles.

Mr. OWEN. I am glad to hear the Senator improve upon the estimate of 80 or 90 per cent of the Senator from Rhode Island.

Mr. SMOOT. I will ask the Senator, Does he not believe it is?

Mr. OWEN. When you take the ore out of the ground and treat it, step by step, its increased value is due to human labor; but that proposition has no point in the proposition under discussion. It is a general truth that all things made are the products of labor.

Mr. SMOOT. That is right.

Mr. OWEN. That has nothing to do with the case where a manufacturer can bring in the material here.

Mr. SMOOT. Mr. President——

Mr. OWEN. Excuse me. I must be allowed to answer.

Mr. SMOOT. Certainly.

Mr. OWEN. When these yarns have to be brought in here as a product, finished up to a certain point, and then converted into a blanket, the labor cost in handling that yarn must be considered as a new proposition, beginning with the yarn in question; and that percentage of labor in making a blanket is what Carroll D. Wright's report says is 15 to 20 per cent. Our

blanket manufacturers can bring in the product for use in weaving blankets and use it as raw material for the purpose of making blankets; and then the question is, How much of labor cost is involved in making the blankets with that material purchased and ready for blanket making in their hands?

Mr. SMOOT. The Senator's argument places him even in a worse position than he was before, because for the coarsest kind of blanket you can take the wool, after being scoured and placed upon the cards, and get it at 15 per cent of the labor cost—not the yarn, the Senator says—ready to put into the loom. I do not think it would be 15 per cent from the yarn itself manufactured to simply weave it into a blanket. Certainly the Senator has made his case worse than ever.

Mr. OWEN. It is perfectly patent to anyone who considers this matter at all that the manufacturer who is protected in blankets by 165 per cent, and who gets his material, the yarn ready to go into the blanket, is only entitled to the protection covering the difference in the cost of labor.

Mr. SMOOT. The Senator evidently does not understand the processes of manufacturing woolen goods. If I could only take him into a woolen mill and show him the steps, I know the Senator could see it. It is a pretty hard thing, it seems to me, to show him by words in a way that the Senator can understand.

Mr. OWEN. I understand perfectly well the question of the cost of production involving the material and the labor. I have been through woolen mills and seen every step. I have been discussing the labor cost alone. The question of the material is provided for by the tariff duty upon wool and the various forms of wool. But in addition to that there is also the further tax provided for blankets and for every variety of woolen manufacture.

Mr. SMOOT. Mr. President, the Senator does not mean to say that one hundred and odd more percentage outside of the duty is upon the wool and the manufacture of yarn?

Mr. OWEN. I do not. I am calling attention to the elements which enter into this manufacture, and I have called attention to it because I think that these schedules ought to be written in the light of the difference in the cost of production at home and abroad. That is not being done, and I submitted the proposed amendment merely to call the attention of the Senate to this matter. Having done so, I now withdraw the amendment.

The PRESIDING OFFICER. The Senator from Oklahoma withdraws the amendment. Paragraph 375 is agreed to. The Secretary will state the next amendment passed over.

The SECRETARY. In paragraph 376, page 131, line 26, after the words "ad valorem," the committee proposes to insert the following proviso:

Provided, That on all the foregoing, weighing over 4 ounces per square yard, the duty shall be the same as imposed by this schedule on cloths.

Mr. DOLLIVER. Mr. President, I desire to call the attention of the Senate to the fact that the proviso carries these goods—it makes no difference what they are made of—if they weigh more than 4 ounces to the yard, back into the paragraph assessing duties upon woolen cloth, where they will encounter 44 cents a pound, owing to the compensation of the manufacturer and the cloth duty ad valorem. The House omitted it in view of the fact that these goods confessedly are not made of wool. I do not think that the amendment ought to be adopted.

Mr. ALDRICH. The provision was dropped out by mistake. It is in the present law and certainly it ought to be restored. It is the Dingley law and should be voted in.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the committee, which has been read.

The amendment was agreed to.

Mr. DOLLIVER. Before the paragraph is agreed to, I desire to offer the amendment which I send to the desk.

The PRESIDENT pro tempore. The amendment will be read.

The SECRETARY. In lieu of paragraph 376 it is proposed to insert:

376. Women's and children's dress goods, coat linings, Italian cloths, and goods of similar character or description, of which the warp consists wholly of cotton or other vegetable fiber, and the remainder of the fabric composed wholly or in part of wool, valued at not more than 20 cents per square yard, 11 cents per square yard and 25 per cent ad valorem; valued at more than 20 cents per square yard, 11 cents per square yard and 35 per cent ad valorem: *Provided*, That on all the foregoing weighing over 4 ounces per square yard the duty shall be the same as is imposed by this schedule on cloths.

Mr. DOLLIVER. Mr. President, I offer that amendment because it appears to me to be a more rational classification of these various kinds of cloths, which are not woolen cloths at all. They are described in the paragraph as cloths that are composed wholly of cotton or other vegetable fiber, so far as the warp is concerned. The remainder of the fabric may be composed in whole or in part of wool. So in these cloths there is no pretense made that they are woolen cloths except that they may have the weft of wool, though it is not necessary even for them to have all the weft of wool. I am told by expert weavers that when the warp is entirely cotton it is technically impossible to have the weft entirely of wool.

Mr. President, in 1897 Governor Dingley, chairman of the Ways and Means Committee, had by his side a very wise counselor, especially upon the woolen schedule, and I hold in my hand the letter of the chairman of the Ways and Means Committee of the House, dated January 26, 1897, in his own handwriting, introducing Colonel Tichenor, confidential adviser of the committee, to two gentlemen—the president and the secretary of the American Woolen Manufacturers' Association. I also hold in my hand Colonel Tichenor's letter to Governor Dingley, found among his papers, dated Washington, D. C., June 26, 1897, in which he calls attention to the fact that various changes have been made by the Senate committee in its bill on wools of classes 1 and 2, and reciting what he regarded as proper paragraphs covering yarns, cloths, blankets, and women's dress goods.

I have had such confidence in his knowledge in the mechanism of this tariff schedule, and I have had so many evidences of his dissatisfaction with the excesses and extravagances that have crept into the assessments of these rates, that I have taken the liberty to cut out of this yellow manuscript containing his notes upon the tariff law of 1897 this one, being in the form of a letter to Governor Dingley—paragraph 376 as Colonel Tichenor thought it ought to have been written in the Dingley tariff law.

Mr. ALDRICH. Has the Senator put that letter in the RECORD?

Mr. DOLLIVER. I have it not at hand here. I have a great mass of papers that I have not brought forward so as to avoid controversies of one sort and another which I do not desire to have arise at this stage of our proceedings.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Iowa.

Mr. DOLLIVER. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. JONES (when his name was called). I am paired with the junior Senator from South Carolina [Mr. SMITH]. I transfer that pair to my colleague [Mr. PILES], and I vote "nay."

The roll call having been concluded, the result was announced—yeas 30, nays 41, as follows:

YEAS—30.

Bacon	Clay	Hughes	Overman
Bankhead	Culberson	Johnston, Ala.	Owen
Beveridge	Cummins	La Follette	Paynter
Bristow	Davis	McLaurin	Rayner
Brown	Dolliver	Martin	Taliaferro
Burkett	Fletcher	Money	Taylor
Chamberlain	Foster	Nelson	
Clapp	Gore	Newlands	

NAYS—41.

Aldrich	Crawford	Guggenheim	Perkins
Bradley	Cullom	Heyburn	Root
Brandegee	Curtis	Johnson, N. Dak.	Scott
Briggs	Depew	Jones	Smith, Mich.
Bulkeley	Dick	Kean	Smoot
Burnham	Dillingham	Lodge	Stephenson
Burrows	Dixon	McCumber	Sutherland
Burton	du Pont	Nixon	Warner
Carter	Flint	Oliver	
Clark, Wyo.	Gallinger	Page	
Crane	Gamble	Penrose	

NOT VOTING—20.

Bailey	Elkins	Piles	Smith, S. C.
Borah	Frazier	Richardson	Stone
Bourne	Frye	Shively	Tillman
Clarke, Ark.	Hale	Simmons	Warren
Daniel	McEnery	Smith, Md.	Wetmore

So Mr. DOLLIVER's amendment was rejected.

The PRESIDENT pro tempore. The paragraph is agreed to as amended. The next paragraph will be read.

The Secretary read paragraph 377, as follows:

377. On women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar description or character composed wholly or in part of wool, and not specially provided for in this section, the duty shall be 11 cents per square yard; and in addition thereto on all the foregoing valued at not above 70 cents per pound, 50 per cent ad valorem; valued above 70 cents per pound, 55 per cent ad valorem: *Provided*, That on all the foregoing weighing over 4 ounces per square yard the duty shall be the same as imposed by this schedule on cloths.

Mr. DOLLIVER. I desire to offer a substitute for paragraph 377.

The PRESIDENT pro tempore. The Secretary will read the proposed amendment.

The SECRETARY. In lieu of paragraph 377, it is proposed to insert a new paragraph 377, as follows:

377. Women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar character or description, composed wholly or in part of wool, not specially provided for in this section, 12 cents per square yard and 35 per cent ad valorem: *Provided*, That on all the foregoing weighing over 4 ounces per square yard the duty shall be the same as imposed by this schedule on cloths.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was rejected.

Mr. ALDRICH. I ask that the paragraph be agreed to.

The PRESIDENT pro tempore. Paragraph 377 will be agreed to. The amendment of the committee in the next paragraph will be stated.

The SECRETARY. In paragraph 378, page 132, line 15, the committee proposes to strike out the words "wool hats" and insert the word "including," so as to make the paragraph read:

378. On clothing, ready-made, and articles of wearing apparel of every description, including shawls whether knitted or woven, and knitted articles of every description made up or manufactured wholly or in part, felts not woven, and not specially provided for in this section, composed wholly or in part of wool, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto 60 per cent ad valorem.

The amendment was agreed to.

Mr. DOLLIVER. I desire to offer a substitute for the paragraph.

The PRESIDENT pro tempore. The amendment will be read.

The SECRETARY. In lieu of paragraph 378 it is proposed to insert:

378. Clothing, ready-made, and articles of wearing apparel of every description, including shawls whether knitted or woven, and knitted articles of every description, made up or manufactured wholly or in part, felts not woven, and not specially provided for in this section, composed wholly or in part of wool, 44 cents per pound on the wool contained therein, and in addition thereto 60 per cent ad valorem.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Iowa.

The amendment was rejected.

The PRESIDENT pro tempore. The paragraph as amended is agreed to. The next paragraph will be read.

The Secretary read the next paragraph, as follows:

379. Webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is a component material, whether containing india rubber or not, 50 cents per pound and 60 per cent ad valorem.

Mr. DOLLIVER. I desire to offer a substitute for paragraph 379.

The PRESIDENT pro tempore. The amendment will be read.

The SECRETARY. In lieu of paragraph 379 it is proposed to insert:

379. Webbings, gorings, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is a component material, whether containing india rubber or not, 50 cents per pound on the wool contained therein and in addition thereto 60 per cent ad valorem: *Provided*, That if the duties upon any article held to be dutiable under Schedule K of this section shall exceed 100 per cent ad valorem, duty shall be assessed thereon at 100 per cent ad valorem.

Mr. DOLLIVER. Mr. President, I desire to say a word about the proviso. The main part of the amendment is the pending paragraph, except that it provides for the compensatory assessment of a specific duty on the basis of the wool contents of the article rather than upon the weight of the article itself. I have already discussed that question somewhat at length, and I will not say anything more about it except that if the duty is assessed upon the wool contents of the article it will be very materially less than if it is assessed at random upon the weight of the article without regard to the wool that is in it. But the proviso coming in at the end of these paragraphs, which undertakes to assess duties upon articles manufactured of wool, is intended for a very distinct purpose, and it is by this statute to make it hereafter unlawful to assess any duties, specific or ad valorem or compound, upon any of these articles which in the aggregate raise the duty above 100 per cent ad valorem. I have every reason to believe that the maximum limit of the duty will not only adequately but amply protect every woolen manufacturing interest in the United States, and I have an idea that the Senate could do nothing more calculated to popularize the wool tariff than to take it out of the mouths of its enemies to say that we have so framed it that in any case the duty can rise in the neighborhood of 200 per cent. I say, make a maximum duty 100 per cent—no legitimate American manufacturing interest can suffer—and we have at least taken a step in the direction of refuting the evil reputation that has for so many years clustered about this schedule.

I am anxious also to have it done for another reason, I will say to the Senator from Rhode Island. I believe that it is the duty of the Senate and of its committees and of the joint committee upon conference to take some careful, well-considered steps to revise the woolen schedule. This amendment brings into question practically every paragraph in it and puts within the jurisdiction of the committee of conference all the questions which it would be necessary for them to examine in giving the Congress and the country the benefit of a final, careful, conscientious, patriotic review of this schedule, with a view to its revision according to the platform of our party and according to the just expectations of the American people.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Iowa.

Mr. DOLLIVER. I demand the yeas and nays.

The yeas and nays were ordered.

Mr. CRAWFORD. I should like to hear the amendment read again.

The PRESIDENT pro tempore. The amendment will again be read.

The Secretary again read the amendment.

Mr. ALDRICH. The amendment of the Senator from Iowa contains two changes from the paragraph in existing law and as reported from the Finance Committee. First, it proposes to assess the duties upon the wool contained in these articles, which is an entire revolution and destruction of the wool tariff duties. If we are going to assess the duties upon wool contained in these different articles, we might as well abolish the wool schedule entirely.

The second proposition of the Senator from Iowa is that no duty shall be assessed at over 100 per cent ad valorem. This amendment has been always offered whenever the wool schedule has been before Congress for consideration. Our friends upon the other side have always placed great reliance upon a proposition of this kind.

The duties upon wool sometimes in the nature of things amount to much more than 100 per cent ad valorem. That is inevitable. As I stated the other night, in suggestions upon another subject, with a specific duty on first-class wool of 11 cents, and going up gradually for washed and scoured wools, many times the duty levied for the protection of the American woolgrower is more than 100 per cent ad valorem, and in cases like that, of course, it is necessary that there should be a compensatory duty which is greater than that which is imposed upon the wool. There are very few cases of this kind in any event, but if we should undertake to adopt this proposed paragraph as it stands woolen goods would be imported into the United States instead of wool.

We have had experience of that kind several times in our history. In 1883 and in 1894, by an improper adjustment between the wools and woolens, all the wools were imported into the United States in the form of wool goods, and the woolgrowers of the country were relegated to a condition which I will not undertake to describe, but which the Senator from Montana [Mr. CARTER] described this morning in very eloquent terms.

No; this amendment is only another disguise for breaking down the wool and woolen paragraphs by the use of terms which look well upon their face, but which are in effect destructive of the wool tariff.

Mr. CLAPP. The Senator from Iowa has repeatedly stated to the Senate that it is possible to measure this duty by the amount of wool that is contained in the article. Do I understand the Senator from Rhode Island to say that that is not a fact?

Mr. ALDRICH. I say, practically, that it is not a fact.

Mr. CLAPP. Why practically?

Mr. ALDRICH. Because you can not undertake in a completed fabric to so dissect it as to find out just what amount of wool is in it. In the first place, you can not tell what the character of the wool is, whether wool of the first class, second class, or third class. There is no chemical process which can tell the difference between the fibers in the various classes of

wool. It will be impossible beyond that to tell the precise character. How are you going to find out about it? We would have to have in every custom-house in the United States a chemical laboratory, and not only a chemical laboratory in the ordinary sense, but a chemical laboratory to take into consideration not every invoice of woolen goods, but every piece of woolen goods which comes into the United States, because one piece might contain 90 per cent, the next piece might contain 78 per cent, and the next piece might contain 60 per cent of wool.

I remember perfectly well the proposition which was made in the Senate in 1897 which the Senator from Iowa has alluded to, I was not here when the thing was done, but I remember that we discussed in the committee scores of times that very proposition. There was not a man then in the Senate, I mean sitting on this side of the Chamber and anxious to have protective duties levied on wool and woolens, who did not agree that it was absolutely impossible to undertake by a chemical examination of the various cloths what was the actual amount of wool contained in them.

This wool and woolen schedule is very elaborate. The Senator says we ought to take it up in conference. It is a very elaborate schedule. It has been considered for years. It has been agreed to on all hands. The Senator from Iowa must be as certain as I am that the conference committee between the two Houses is not going to take up this question with a view to its adjustment according to new lines. That would be impossible, unless we propose to stay here for six months.

I am quite willing that the body to whom we propose to refer these matters in the amendment to the maximum and minimum provisions shall take up the question of the conditions between these competing countries or of these industries. I should be very glad to have those people take up this question of whether any legislation on the wool and woolen duties is necessary; but I am absolutely as certain as that I stand here that, whenever a readjustment is made, if it ever is made, it can not be made upon the suggestion that as to goods imported into the United States the rate is going to be fixed by reference to the amount of wool contained in any of those articles. In the case of goods brought into the United States, articles of wearing apparel for instance, how is a customs officer to take a cloak or a dress or any of those things and cut out a piece for examination by chemical analysis in order to show the actual percentage of wool? Then, how is anybody going to know whether that wool is of one class or another, whether it shall pay the duty of 7 cents a pound or 12 cents a pound? The whole scheme is as impracticable as it is possible for any proposition to be.

Mr. CLAPP. Mr. President, the Senator from Rhode Island combines two propositions in one. I assume that the customs officers have got to know what the class of woolen goods may be under this bill as it is now framed.

Mr. ALDRICH. Oh, no.

Mr. CLAPP. The Senator from Iowa [Mr. DOLLIVER] says that twelve years ago this was not a practicable proposition, but that in the advance in this matter to-day, it has become practicable. I have sat here, Mr. President, for a couple of days and have listened to the arguments made by the Senator from Iowa and the Senator from Wisconsin [Mr. LA FOLLETTE] yesterday, and I must say that it seems to me that they have not been answered. It does seem to me that some recognition should be made of the arguments and illustrations offered in criticism of this schedule. I have asked a question, and it does not yet seem to me that the Senator from Rhode Island has given a sufficient answer why a duty should not be collected on the wool itself.

Mr. ALDRICH. Mr. President, if the Senator wants the evidence of anyone, I can bring him thousands of people who are engaged practically in the manufacture of these goods, and they will all tell him just what I tell him and just what the Senator from Utah [Mr. SMOOT], who is a practical manufacturer, has told him, that it is utterly impracticable. You might as well discard the whole wool tariff if you are going to change the basis of it in this way.

Mr. CLAPP. Mr. President, I have heard several propositions here. I heard the proposition on mercerized cotton, a proposition that placed the duty some several hundred times above the possible addition to one grade of mercerized cotton. I sat in this Chamber and heard the answer made that there was no remedy for that. I do believe that there is a remedy for these inequalities, but I am not going to take the time of the Senate now to discuss them.

The Senator from Rhode Island says that 100 per cent is not high enough; that that would force the importation of the goods, instead of the wool, into the country.

Mr. ALDRICH. I say it might.

Mr. CLAPP. The Senator from Rhode Island says it might. I want to ask him if the illustration he made that those woolen goods came in over a tariff wall of 100 per cent——

Mr. ALDRICH. No.

Mr. CLAPP. Well, what is proposed here is to place the limit at 100 per cent.

Mr. SMOOT. I will give the Senator a concrete case——

Mr. ALDRICH. Just one word, and then I shall be very glad to yield.

Mr. President, this question of adjustment between wool and woolens has been before Congress as an active, live question since 1867 on the present basis. The best men who were ever in this body, or in any other, have considered this question very carefully, and have considered every aspect of it from top to bottom. The present law is based upon the act which Mr. McKinley introduced in the House of Representatives, and which became a law in 1890. The present law was framed and reported to the House of Representatives by Governor Dingley; and I think there was no man who has ever had a seat in either House of Congress who pursued his investigations upon questions of this kind with more intelligence and more conscientious care for the interests of the Government and the interests of the people of the United States than did Governor Dingley. Mr. Allison, who sat in this Chamber, gave months and months to the consideration of this case. Has there been any newly discovered wisdom and virtue in regard to this matter; have there been any new experts brought here or suggested in reference to this matter, that the judgment of these men should be overthrown upon the mere say so of anybody? I think not.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Rhode Island yield to the Senator from Montana?

Mr. ALDRICH. I yield to the Senator from Montana.

Mr. CARTER. Undoubtedly the 100 per cent proposed as the total duty on the imported cloth is necessary as a protection to the woolgrower of this country.

Mr. ALDRICH. That is true.

Mr. DOLLIVER. But, Mr. President, the duties now collected in a specific form, reduced to their equivalent ad valorem, are less than 60 per cent.

Mr. CARTER. Mr. President, it is a question merely of valuation which classifies. I think it will appear as a fact capable of demonstration that the average cost to our competitors of producing wool is more than 11 cents per pound, and at anything less than 16 cents a pound the American woolgrower must go out of business. Even at 16 cents per pound he can not continue his investment unless totally disregarding profits upon it and depreciation as well.

Mr. WARREN. Right along the line of the remarks made by the Senator from Rhode Island [Mr. ALDRICH], who has just taken his seat, I have a few facts here which may throw some light upon the subject; but before I go into figures, I want to say that this matter has been tried both ways in tariff laws. In 1816 the tariff was placed upon manufactures in which wool was "the article of chief value," but in the other tariff laws the duty has always been put upon the fabric of which "wool was a component part," it mattered not whether it was 1 per cent, 50 per cent, or 100 per cent. That was done, in my judgment, for two reasons—not only to protect the grower of wool, but also to protect the consumers and laborers of this country. For instance, if an article came in here that had 5 per cent of wool and 95 per cent of substitutes, possibly substitutes upon which there was no duty, it came in practically free; it would be just that much manufactured in another country coming in against the manufacturers and laborers of this country and taking away just that much labor. So that it is maintained that what is put in here is not entirely a compensation for the wool which is in it, but is largely to protect the workingmen and the workingwomen in this country. We have had some trial of that heretofore.

I now go back to the official figures for 1880. That was before the change of the tariff of 1883, which was made against, as it seems it proved to be against, the interest of the manufacturers. As they were in dull business, or out of business, it reacted upon the woolgrowers and affected them also. These two industries suffered alike. I will give the official figures.

In 1880 we imported of raw wool—good, pure stock that could be made up into clothing—128,131,747 pounds. During that same period we imported only $33,911,093 worth of woolen goods. It only amounted to that much of the woolen manufactures. All of the balance for our consumption was manufactured at home. That period of success in both lines went on until the legislation of 1883, which went into effect in 1884. Of course I am skipping that date because we have not the census

figures; but we took the census again in 1890. It will be understood that while ten years passed, three of them would have been in favor of my contention of increased use of raw wool and decreased use of manufactured woolen cloth in our imports, as against seven the other way. So it is fair to presume that whatever benefits or losses occurred would be the result of about three or four years' gain and six or seven years' loss, one deducted from the other.

Now, we will proceed to sheep. On January 1, 1884, we had 50,626,626 sheep. That was the time when the 1883 tariff went into effect. On January 1, 1894—and I take that period because it was before the disastrous effect of the Wilson law, and therefore any losses occurring in that period must have been, if on account of any tariff regulation, on account of that tariff of 1883, which went into effect in 1884—from 50,626,626 sheep we went down to 45,048,017, showing a decrease in sheep of more than five and a half million head.

As I said before, that is really the destruction of seven years of bad times, caused by bad legislation, less three years of good, which makes a very great loss, even if you apply it to the whole ten years; but a still greater loss if applied to the portion left after the subtraction, giving an equivalent of four years net.

I will say that in 1880, just before this, we had in this country 2,330 woolen manufacturing establishments, all doing a fairly prosperous business. The value of their product was $238,085,686.

Now, we will note the result. We used, in round numbers, $33,000,000 worth of imported woolen manufactures and over 128,000,000 pounds of imported raw wool at that time. In 1890, ten years thereafter, the 2,330 woolen manufactories had decreased to 1,693 factories, and the total product of our home manufacture of wool, with all the growth of the country, which should have given us a very large increase, amounted to only $270,527,511, and showed an increase of about 1¼ per cent per year, which is infinitesimal when you compare it with the growth of the population for that time. In the meantime, instead of $33,000,000 worth of imported woolens, we imported over fifty-six and a half million dollars' worth.

When it comes to the importations of wool, which, with the great increase in the manufacture of woolen cloth and the increase in population, ought to have shown a very great result, they had shrunk to 105,431,285 pounds. That shows the effect of permitting manufactures of woolen goods to come in here to the detriment of both the woolgrower and the manufacturer, but more especially to the detriment of the laboring class of people who would find employment in the manufacture of these goods.

The goods might have but one thread of wool, or they might be all cotton; but, at the same time, if we can manufacture the goods here, the whole labor engaged in the manufacture is done by our own citizens and, therefore, adds that much to the wealth of the country.

Mr. BACON. Mr. President, will the Senator from Wyoming permit me to ask him a question?

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Georgia?

Mr. WARREN. I do.

Mr. BACON. The Senator speaks about the number of sheep and their diminution along about 1894 and 1895. I want to call the attention of the Senator to the figures for 1903 and 1905. It appears that in 1903 we had 63,964,876 sheep, and that two years thereafter we had only 45,170,423, a decrease of more than 18,000,000. How does the Senator account for that? That was almost ten years after the Wilson bill was passed.

Mr. WARREN. I am very glad the Senator asked that question. The first figures that he read, if he will notice, are not from the census, or mid-census, that occurs every five years between the decennial censuses, but are made up, without any regard to the figures of the census, upon estimates sent in. Such figures merely represent their opinions, while I am quoting from the official figures of the census of the United States.

Mr. CARTER. Mr. President, if the Senator will permit me a moment——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Montana?

Mr. WARREN. Yes.

Mr. CARTER. I will state to the Senator from Georgia that which is generally known, and I think he will at once take note of it. The European wool market became thoroughly demoralized in 1902. The lowest price was reached for wool in the European market in 1903 that had ever been reached in the history of the wool market.

The result of that demoralization was the introduction into our markets, notwithstanding our duties, of an excess of European wool for sale at any price, and it was sold in many instances at a very great loss. The Senator will recall the market disturbances that occurred in England beginning with and growing out of the Boer war, the great demand for money, the inability to hold stocks that had accumulated, and the consequent throwing upon the market of the wool that had accumulated. That wool found its way into the American market with the duty paid. If it had not been for our duty at that time there would have been the most ruinous prices in this country ever encountered in the history of the trade.

Mr. BACON. If the Senator will pardon me for just a moment, I want to say that my object in calling attention to it was to illustrate the fact that our friends on the other side of the Chamber, when they are in the wrong, can always find some other reasons for it than those which are to be attributed to the tariff, if it happened to occur during the existence of a protective tariff. They find some reasons other than the tariff for the panic of 1907, although they do not think there could have been any other reason for the panic of 1893 and 1894.

Mr. WARREN. The Senator asked me a question, and I hope he will permit me to answer.

Mr. BACON. I beg the Senator's pardon. I was not responsible for the Senator not having an opportunity to answer.

Mr. WARREN. I have carefully examined the figures as to sheep, and I want to say that if the Senator will look upon a certain page of the report of the Woolen Manufacturers' Association he will find the total given as 38,000,000 at the time the official statistics here give the number at about 54,000,000. Those figures vary greatly; but when you come to examine the matter, you find that the association has taken into consideration only the grown sheep that were sheared and has excluded all the others.

Mr. BACON. If the Senator will permit me right there; he does not think any of those inaccuracies occurred when the census was taken in regard to the number of sheep along about 1894? I suppose the figures are always absolutely accurate then.

Mr. WARREN. If the Senator will allow me to finish, there is another thing in connection with a census of sheep. There is a time when a lamb becomes a sheep, or a calf becomes old enough to count; but those dates have been shifted in the counting of sheep. On the 25th day of December you may ask any farmer how many sheep he has and he will give you the number of grown sheep; but if you ask him after he has separated his flocks, taken his inventory, and arranged his bands for winter, then the lambs have become more than half a year old, and so in counting he puts them into the regular list of sheep.

The Senator will find recorded the differences that I mentioned. There have been times of difference, but when we accept these regular census figures of the United States, taken every decade, we do so with the assurance that they have been taken the same way every time and can be depended upon for each ten-year period.

Mr. BACON. Well, Mr. President, I do not dispute that at all; but I simply want to call attention to the fact that here is a fluctuation, according to these figures, of 18,000,000 sheep, and when that is called to the attention of Senators on the other side, these reasons are given why they are inaccurate; but Senators never recognize any inaccuracy when they hold up the fact that there was a diminution of sheep along about the nineties, after the Wilson bill was passed.

Mr. DOLLIVER. Mr. President, I desire to add a word on both subjects which were previously discussed by the Senator from Rhode Island. The question is whether it is impossible with modern apparatus to report at the custom-house the exact wool contents of a cloth containing wool. The Senator from Rhode Island says it is not. I say to you that it is. Within the last few years we have installed there apparatus by which in more than one way the exact wool contents of a piece of cloth can be determined with accuracy. You can do it without chemicals by merely taking the cloth, removing the wool fibers from a square yard of it, and weighing them; and that is done every day, according to the testimony of Mr. Clark, the expert of the Department of Commerce and Labor engaged in this textile-industry business.

Mr. CARTER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Montana?

Mr. DOLLIVER. Certainly.

Mr. CARTER. Accepting the statement of the Senator, which I hope is correct, and have no doubt it is correct——

Mr. DOLLIVER. The Senator's confidence does not appear to be shared by his colleague from Utah.

Mr. SMOOT. It certainly is not.

Mr. CARTER. I will be glad to have the Senator permit me to finish the question. The Senator now states—and I say I hope it is true, and because of his statement I accept it—that it is possible by a chemical analysis to determine the quantity of wool in a given garment composed of wool and other material.

Assuming that to be true, what could be done in the way of a chemical analysis of the beautiful and tasteful necktie the Senator is now wearing should it appear for assessment at the custom-house? Would you put it through a chemical process, and then offer it for sale?

Mr. DOLLIVER. The present Treasury regulations require these materials to be accompanied by samples from which the character of these goods can be tested, and if they do not now sufficiently do so, it does not require very much ingenuity to require a dress presented here to be accompanied by an authentic sample of the material of which it is composed. In the case of ready-made clothing, however, it is not uncommon to take one suit of clothes and sacrifice it to the good cause of getting the duty accurately assessed.

Mr. SMOOT. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. SMOOT. I wish again to say to the Senator from Iowa that no man living can take a piece of woolen cloth that is manufactured as the great bulk of woolen cloths are manufactured in this country to-day, cut out a sample, pull out the fibers, weigh them, and tell the amount of the wool in a yard.

Mr. CARTER. Or quality.

Mr. DOLLIVER. We are not looking for quality just now.

Mr. SMOOT. I want to say to the Senator that many times flocks, and I mean by "flocks" the shearings from a piece of cloth that has no fiber whatever, is fulled into cassimeres and put upon the back of the cloth to make up the weight.

Mr. DOLLIVER. That can not be accounted for by counting the threads evidently.

Mr. SMOOT. There are no threads in flocks; there is no fiber in flocks.

Mr. DOLLIVER. There must be fiber and thread in a piece of cloth.

Mr. SMOOT. They put it into the cloth to give it weight; it never was woven there; it never was in the thread.

Mr. DOLLIVER. I should be glad if the Senator would wait a moment, as I desire to ask him another question. He can answer both propositions together.

Mr. SMOOT. Very well; I will answer later.

Mr. DOLLIVER. I put into the RECORD this morning the statement made by the textile expert of the Department of Commerce and Labor, who appeared before the Ways and Means Committee of the House, in which he said exactly what I am now saying and told exactly how the business is done. I know that he told the truth, because in the humble office where I have been trying to transact a little good business for the last few weeks I have had the exact machinery and the exact chemicals by which every item of wool in any kind of cloth is almost instantaneously reported by the almost total destruction of all other contents of the cloth.

When I saw that done before me, when I found myself able to take a piece of cloth, partly cotton or other vegetable matter, and destroy absolutely the vegetable fiber, leaving undisturbed the wool fiber in a practically pure condition, I knew that the textile expert of the Department of Commerce and Labor told the truth when he said the custom-house is now equipped with adequate facilities to report with absolute accuracy the wool contained in every cloth that is in question there.

Mr. SMOOT. Mr. President, I want to say to the Senator from Iowa that I know, as well as he or any living man, that the wool fiber of a piece of goods can be determined by a chemical analysis. I have never disputed the question that the wool within the cloth could be tested as against vegetable fiber, and the Senator from Iowa can not say that I have ever said to the contrary; but I do say——

Mr. DOLLIVER. But the Senator's honored colleague from Rhode Island made a very elaborate statement that led people to think in that direction.

Mr. ALDRICH. Mr. President, I said, and I repeat, that it is not practicable to attempt to make such an examination of goods coming into this country as to accurately define what the rates of duty should be.

Mr. SMOOT. Mr. President, yesterday this question was discussed here. I said then that where a piece of cloth was mixed with wool and cotton the chemical test would show the amount of animal fiber and vegetable fiber in it.

Mr. DOLLIVER. No; the chemical test in that case totally destroys the vegetable fiber.

Mr. SMOOT. Then, if it destroys it, what is left will show what was destroyed. That is the only way that it can be shown. I have tested thousands and thousands of pieces of cloth, and I say that no living man can take a piece of cloth and, as the Senator from Iowa stated, by pulling the fiber out and weighing the fiber tell the amount of wool that is contained in a yard of cloth.

Mr. DOLLIVER. Would the Senator from Utah mind answering me a question?

Mr. SMOOT. Let me finish the answer to this question, and then I will answer any other question with pleasure.

As I said, woolen cloths are frequently made heavier by shearings or flocks being sewed in and fulled in the back. They full them in the texture; they are not woven in the cloth. The cloth is fulled from 72 inches to 54 inches, the flocks are fulled in between the threads and become part of the back of the cloth; but as soon as the fibers of the threads are drawn out they drop to the ground, and there is no fiber in flocks. But that is not what we are trying to get at here.

No foreign manufacturer would ever think of importing cloths into this country with cotton in them if they were to be subject to a chemical test. They would use rags, mungo, and waste of the lowest kinds that are of animal fiber, and no chemical test would ever show them. No one could show whether they were 80 per cent wool and 20 per cent animal fiber, consisting of wool waste, or 40 per cent animal fiber and 60 per cent wool. It is impossible for the Senator or anybody else to correctly make such a test.

Mr. DOLLIVER. I am going to ask the privilege of resuming for a minute at this point.

Mr. SMOOT. Of course I do not want to trespass upon the time of the Senator from Iowa, if he objects.

Mr. DOLLIVER. I want the Senator to have a very full opportunity to go into this business, but it has a tendency to obscure the purpose of my remarks.

Mr. SMOOT. Not in the least.

Mr. DOLLIVER. Although I am glad to say it does not have a tendency to refute them. So I will ask to resume and will yield presently.

Mr. SMOOT. May I answer the question of the Senator from Minnesota?

Mr. DOLLIVER. I shall be glad to have the Senator engage in a controversy with the Senator from Minnesota.

Mr. SMOOT. The question that was asked by the Senator from Minnesota as to the 100 per cent amendment of the Senator from Iowa, and also by the Senator from North Dakota, is a fair one, and perhaps upon its face looks absolutely just. But let me call attention to what the result of that might be and would have been in the year 1902 if there had been this limit of 100 per cent, as by the amendment of the Senator from Iowa is put to this section, which means all the wool schedule and would take in all the wool schedule, as the amendment provides. This would be the result: If wool had a duty of 11 cents on it as it has to-day, and the foreign price of wool was 11 cents, then there would be 100 per cent on the wool and not one single solitary cent protection for the manufacturers of goods. What would be the result?

Mr. DOLLIVER. But the 100 per cent stands at the custom-house, and no manufacturer of foreign goods could approach that custom-house without getting ready to pay his 100 per cent on the goods.

Mr. SMOOT. He has an advantage right there, upon the price of the wool, of 100 per cent, and so if it stands there what advantage would it be to the American manufacturer? None whatever. The result would be that instead of shipping wool here, the manufactured articles would come in.

Mr. CLAPP. Does the Senator from Utah contend that under the amendment of the Senator from Iowa woolen goods could be shipped in here by paying a duty equal only to 100 per cent on the price of the wool itself?

Mr. SMOOT. I claim that if wool, as it was in 1902, was down to 11 cents—and I want to say these medium wools were in bond in New York that year for 10½ cents—if that were the case, then there would be no protection whatever for our manufacturers as long as we had 11 cents duty on wool. That is exactly what this amendment would amount to if perchance the wool should drop to that price to-day.

Mr. CLAPP. Suppose wool dropped to any price. Do I understand the Senator to say that the manufacturer of woolen goods under this amendment would have no protection except the 100 per cent on the wool itself?

Mr. SMOOT. If the amendment that the Senator from Iowa has offered was adopted, they would not have.

Mr. CLAPP. That is what we are discussing—the amendment of the Senator from Iowa.

Mr. SMOOT. That is just what I say. If only 100 per cent was upon the wool alone, then the American manufacturer would have no protection upon the manufacture of the goods.

Mr. CLAPP. The Senator has just admitted that the American manufacturer would be protected on his manufactured article by the amendment of the Senator from Iowa, without reference to the 100 per cent on the wool itself.

Mr. SMOOT. No; Mr. President, I never in the world admitted that, but said just to the contrary.

Mr. CLAPP. Then I ask the Senator again if he means that under this amendment, if wool was worth only 11 cents a pound——

Mr. SMOOT. In a foreign country.

Mr. CLAPP. In a foreign country——

Mr. SMOOT. And 22 cents here.

Mr. CLAPP. And cloth was imported into this country worth a dollar a yard, the only duty would be 11 cents, because that would be 100 per cent on the wool. If that is not so, then there is nothing to the argument.

Mr. SMOOT. I say this: If wool in a foreign country was 11 cents, and we had to pay here 22 cents for the same grade of home wool, then that is 100 per cent the manufacturers start out against them in manufacturing as against the foreign competitor.

Mr. CLAPP. In manufacturing foreign wool.

Mr. SMOOT. What is the difference?

Mr. CLAPP. We are protecting the domestic wool.

Mr. SMOOT. What is the difference if the price here is 22 cents for the domestic wool?

Mr. ALDRICH. Does the Senator from Minnesota think it would be desirable so to arrange these duties that the goods would all come in in manufactured form, as they certainly would under his suggestion?

Mr. SMOOT. They certainly would.

Mr. ALDRICH. If the foreign manufacturer buys his wool at 11 cents and the American manufacturer pays 22, and there is not an adequate protection upon the woolen cloth, of course all the wool will come in in manufactured form. That is perfectly obvious.

Mr. CLAPP. Undoubtedly; but that is not the scope of this amendment.

Mr. ALDRICH. Absolutely.

Mr. CLAPP. It can not be.

Mr. ALDRICH. That is my judgment.

Mr. NELSON. Will the Senator from Iowa yield to me for a moment?

Mr. DOLLIVER. Certainly.

Mr. NELSON. As an illustration of the peculiarities of the woolen schedule, I desire to call the attention of the Senator from Iowa—for it is no use to call the attention of anyone else—to paragraph 376 in the bill, which is paragraph 368 of the Dingley law.

Mr. DOLLIVER. To what paragraph does the Senator refer?

Mr. NELSON. Paragraph 376, on page 131, being paragraph 368 of the Dingley Act. That provides, and the law is identical:

On women's and children's dress goods, coat linings, Italian cloths, and goods of similar description and character of which the warp consists wholly of cotton or other vegetable material with the remainder of the fabric composed wholly or in part of wool, valued at not exceeding 15 cents per square yard, the duty shall be 7 cents per square yard.

In that case, when a piece of cloth of that kind comes in, they have to determine whether the warp is all cotton or vegetable fiber.

Mr. DOLLIVER. They have; unless the Senator from Utah is there on the spot to convince them it can not be done.

Mr. NELSON. And they have to determine as to the filling, whether there is any wool in it. They have to separate the filling from the warp in that case.

Mr. DOLLIVER. They would be fairly successful in that if they could keep the Senator from Utah away.

Mr. NELSON. I want to call the attention of the Senator from Iowa to a further fact.

Mr. SMOOT. Mr. President——

Mr. NELSON. The Senator from Utah will please rest quietly while I am talking to the Senator from Iowa.

Mr. SMOOT. Oh, yes; I am resting.

Mr. NELSON. I read from Tariff Notes:

Importations of women's and children's dress goods, coat linings, Italian cloths, and similar goods, the warp consisting wholly of cotton or other vegetable material, the remainder of the fabric consisting wholly or in part of wool: Value, $2,950,121.95; duties, $2,959,029.76; ad valorem, 100.

A little over a hundred per cent on a cloth where the warp itself was entirely cotton and where there could not by any possibility have been more wool than just the filling. Would not that amount practically to a duty of 200 per cent, or nearly that, on the wool in the cloth?

Mr. DOLLIVER. It requires a sort of aerial system of navigation to tell exactly what that would amount to.

Mr. ALDRICH. Will the Senator allow me for a moment?

Mr. DOLLIVER. Certainly.

Mr. ALDRICH. I suggest to the Senator from Minnesota that the fact that there was $2,900,000 worth of these goods imported, upon which a duty of $2,900,000 was assessed, is the very best evidence in the world that under existing conditions that duty is not excessive.

Mr. DOLLIVER. That importation was an insignificant item compared with the vast item of domestic production within that line of business, as the Senator from Rhode Island well knows.

Mr. ALDRICH. I hope so.

Mr. SMOOT. The intimation, of course, was that the Senator from Utah had in some way denied the fact that a cotton warp could be determined. I never have stated that it could not be determined. I never have stated that wool filling could not be determined. Anybody knows that it can be determined, but that is entirely different from determining the quality as to the woolen thread, whether it is waste wool or pure wool.

Mr. DOLLIVER. The Senator will also do me the credit of saying that I never pretended that there was any process which would report the various grades and values of the wool contained in cloth or anything else, except the wool fiber itself. That is all I have contended for, and I am anxious to have these duties, which purport to be compensatory to the people who have lost money by reason of buying American wool, assessed upon the basis of the wool content of the cloth, for the very purpose of avoiding appearance of humbuggery and deception as well as extortion that is involved in the situation in which we now live.

That has another advantage. As I said the other day, this inability to sort the character of cloths, classifying the wool-fiber content in it, makes this bill as I propose to amend it practically as high as the Senate bill, so far as goods are concerned actually of wool and not taking into account the character of the wool. This simply undertakes to prevent the assessment of the wool compensatory duty upon cotton cloth.

Mr. SMOOT. In further evidence of what the Senator from Rhode Island said in relation to every piece of cloth being tested—and it would require the testing of every piece of cloth—I want to say that I have made cassimere for one clothing manufacturer with 15 per cent of cotton, and have made exactly the same identical pattern of cassimere with all wool in it. The price was different, but no one on earth could tell the difference from looking at the cloth, and no one could tell without testing it by a chemical test. Therefore any foreign manufacturer could have a hundred looms running, and he could have half of them running on all-wool goods and the other half on the goods with 20 or 25 per cent of cotton. Those goods could be shipped in the same identical bale, and unless they were tested, and every piece of them tested, no one would know or could tell whether it was all wool or whether it was part cotton.

Mr. DOLLIVER. Does not the Senator know that only 1 package out of 10 imported is sampled and examined now in the appraiser's department, and if that package is found to correspond to the invoice the consignment is passed by the customs officials as correct? Is not that taken as conclusive?

Mr. SMOOT. Yes; if——

Mr. DOLLIVER. If all the packages of imported goods were sampled and examined, no building could be put up in New York large enough to accommodate the transaction which the Senator seems to think is necessary in connection with imported merchandise.

Mr. SMOOT. The Senator had better reverse that, and say that would be the case if his amendment were accepted here. I am perfectly aware of the fact that under the present law the administration of goods entering here is such that one sample of goods out of a case or bale is sufficient; but if the Senator's amendment was accepted here every piece would have to be tested, and there would not be buildings enough, as he says, in New York for the purpose.

Mr. DOLLIVER. On the contrary, a very simple Treasury regulation, such as I shall offer in a moment as an amendment, would make it just as simple to assess these woolens upon this basis as to tell whether silk is gummed or ungummed.

Mr. BEVERIDGE. Will the Senator from Iowa allow me to ask a question of the Senator from Utah?

Mr. DOLLIVER. Certainly.

Mr. BEVERIDGE. The Senator gave an illustration from his own business a moment ago, in which he said he had made a piece of cloth; what was it?

Mr. SMOOT. Cassimere.

Mr. BEVERIDGE. Which had 15 per cent of wool in it.

Mr. SMOOT. Oh, no; of cotton.

Mr. BEVERIDGE. Cotton; and then another one of exactly the same pattern of all wool. Is that correct?

Mr. SMOOT. All wool.

Mr. BEVERIDGE. Yet the Senator had the benefit of the compensatory duty on the one containing 15 per cent of cotton, precisely as on the one containing all wool. Is that correct?

Mr. SMOOT. I am very glad——

Mr. BEVERIDGE. No; I am going to follow it by another question.

Mr. SMOOT. It is not correct from the very fact that I stated, when I stated the circumstance, that I sold for less money the goods containing 15 per cent of cotton than the goods of all wool. Therefore I did not take advantage of the compensatory duty.

Mr. BEVERIDGE. The compensatory duty, as I understand, is based upon the supposition that there are about 4 pounds of wool in 1 pound of cloth. Is that correct?

Mr. SMOOT. That is correct as a supposition, but sometimes it takes more than that.

Mr. BEVERIDGE. Pardon me until I ask a question. Then I will ask the Senator from Rhode Island one perhaps.

Mr. ALDRICH. I will be glad to answer the Senator's question.

Mr. BEVERIDGE. I know, but the illustration that the Senator from Utah gave is a little bit troublesome. Both of these pieces of cloth, both of which were supposed, so far as the theory of the compensatory duty is concerned, to be all wool, were operated on precisely alike by the compensatory duty, if they were operated on at all. There is plainly 15 per cent of error, to put it very mildly and kindly; and does not the Senator from Utah think that something ought to be done to correct such a situation?

Mr. SMOOT. I want to say to the Senator that he is wrong again when he says——

Mr. BEVERIDGE. If I am wrong, I am taking the Senator's own statement.

Mr. SMOOT. And the Senator will acknowledge it. He says there is a difference there of 15 per cent.

Mr. BEVERIDGE. You said that.

Mr. SMOOT. Oh, no. There was 15 per cent of cotton in the piece of goods. Yet it took just as much work——

Mr. BEVERIDGE. I am not talking about work.

Mr. SMOOT. It was finished just in the same way; it was pressed in the same press; and there was upon it all the work that it took to make the all-wool piece of goods.

Mr. BEVERIDGE. But the compensatory duty is not based upon the work or the press or anything else. It is based upon the amount of wool, and the Senator said he made one piece of cassimere that contained 15 per cent of cotton and the rest wool, and another one of precisely the same pattern that contained no cotton and all wool. There was, on the Senator's statement, a discrepancy of 15 per cent, and yet the compensatory duty, which is based upon the supposition that the piece contains all wool, operates on both alike.

Mr. SMOOT. If they were sold at the same price——

Mr. BEVERIDGE. It operates regardless of the selling or the work or the labor or any of the rest of the elements the Senator has spoken of, because it is based upon the matter of wool.

As a matter of fact, since the Senator from Utah will not answer it, I will ask the Senator from Rhode Island a question.

Mr. ALDRICH. I will be very glad to answer.

Mr. BEVERIDGE. It was in my mind a moment ago. I listened to his argument, demonstrating to his satisfaction that the proposition was objectionable because it was not practicable to test how much wool was in a piece of cloth. But the Senator from Iowa immediately followed that by a statement that he had seen the operation under his own eyes. He further followed that by the statement that at present the method is to require—or it could be done—an examination of a sample of the various goods that come in. I ask the Senator from Rhode Island this question: Assuming that this method is practicable, does not the Senator think it would be better to have the compensatory duty based upon the actual amount of wool in a piece of cloth, instead of upon the incorrect assumption that it is all wool, when it is not? I ask that question upon the assumption that it is practicable to do so.

Mr. ALDRICH. The Senator from Indiana evidently has not read this schedule, or perhaps any paragraphs in it, if he supposes that the compensatory duty in all these paragraphs, as applicable to all kinds of woolen goods, is four times the amount of the duty put upon first-class wool.

Mr. BEVERIDGE. Oh, no.

Mr. ALDRICH. What does the Senator think is the compensatory duty as fixed in the different paragraphs? Will the Senator explain that?

Mr. BEVERIDGE. I wish the Senator would not get away from my question by bringing up here something else.

Mr. ALDRICH. I will not.

Mr. BEVERIDGE. I listened to the Senator's very plausible statement that the chief objection to the method as proposed by the Senator from Iowa was that it was not practicable, for various reasons which he advanced. That was followed immediately by the statement of the Senator from Iowa that he had actually seen the process before his own eyes, and therefore he personally knew it could be done. So my question is confined to this: If the Senator from Rhode Island should happen to be incorrect about its not being practicable, and if the Senator from Iowa is correct in saying it is practicable, would it not be a fairer thing, a better thing? The Senator can answer that yes or no, or as he pleases.

Mr. ALDRICH. The compensatory duties in this schedule are graduated according to the percentage of wool which is probably in the cloth. To use the illustration which the Senator from Utah has used, a cloth which had 85 per cent of wool pays a different compensatory duty from a cloth which has 15 per cent of wool, according to the value of the cloth. These provisions in regard to compensatory duties are very complex in their character. They have been figured accurately as to the value of the goods. There are scores of compensatory duties in these various paragraphs, if the Senator from Indiana would take the time to examine them. This idea that 4 pounds of wool would apply in all cases is very misleading.

Mr. CLAPP. Mr. President——

Mr. ALDRICH. It applies to only a very small percentage of the importations; and in the other paragraphs the percentages are fixed according to the value of the goods, and the value of the goods is regulated by the amount of wool in it. These goods which contain 15 per cent of wool and 85 per cent of cotton would probably pay 20 cents a yard difference. Some of these goods pay only 7 cents a yard and others 44 cents compensatory duty. The compensatory duty runs, as I have just stated, from 7 cents to 44 cents to the yard, and that difference in compensatory duty is fixed by the value of the goods, and the value of the goods is fixed by the percentage of wool in almost all these cases.

The Senator from Indiana will see that if we adopt a new scale of compensatory duties, the whole schedule has to be turned upside down and adjusted according to this new schedule, because the value of the goods is not dependent entirely upon the proportion of wool that it contains. That might be the very worst test of the value of the goods. For instance, as the Senator from Utah has suggested, it might in one case be composed of flocks, of waste, or of any kind of material which is of the lowest possible value, and in another case it might be composed of all first-class wool. I say again, a test dependent only upon the proportion of wool to the entire fabric would be extremely misleading.

Now, beyond that, the value of these goods depends upon the other materials as well as upon the wool contained in them. They might be silk, for instance. A cloth might be composed of wool and silk—of a mixture of wool and silk—when the silk itself would be more valuable than the wool—three or four times, four or five, eight or ten times as valuable as the wool. To undertake to fix the compensatory duty upon that single element of all these elements which go into the values of these various cloths would be most unreasonable and most inaccurate—that is, if we want to assess these duties as we should, with a spirit of fairness over the entire scale.

The proposition of the Senator from Iowa turns the whole woolen schedule into chaos and confusion, and I venture to say that no expert in the world could within the next three weeks or the next three months undertake to readjust this schedule along the lines which the Senator from Iowa has suggested.

Now I yield to the Senator from Minnesota.

Mr. CLAPP. I certainly do not mean to question the purpose of any Senator, but it does so happen that whenever we ask a question we never can get the attempt at an answer directed to the question itself. It may not be wise to base the woolen schedule upon the wool itself, but I take it that the compensatory duty on woolen goods is measured in relation to the wool and not in relation to the cotton. The Senator from Utah stated yesterday a piece of goods which might be called "woolen goods" might have a percentage of cotton in it and yet be just as valuable as though that percentage of cotton was in fact wool. If that is true——

Mr. SMOOT. Wool waste.

Mr. CLAPP. Wool waste. I do not care what you call it. If that is true, then the Senator from Indiana is absolutely right—that if two pieces of goods were of the same value, and one of them contained 15 per cent of cotton, the compensatory duty protecting both of those pieces of goods would be absolutely the same amount, although one of them had only 85 per cent of wool.

I am not discussing at this time the wisdom of this. I am discussing the question of the Senator from Indiana, and I say again, he is absolutely right. If the prices of the two pieces of goods are the same, though one of those pieces may have 25 or even 50 per cent of cotton in it, in the woolen schedule it is protected and compensated by the same identical compensatory duty as though every fiber was wool.

Mr. ALDRICH. Will the Senator permit me to ask him a question? Suppose there are two fabrics, one containing 75 per cent of pure wool, clean wool, and the other containing 75 per cent of rags. Does the Senator think they ought to pay the same compensatory duty?

Mr. CLAPP. I do not.

Mr. ALDRICH. That is the whole question.

Mr. CLAPP. But I do think the compensatory duty levied in the woolen schedule should be limited to the wool and not apply to cotton.

Mr. ALDRICH. That is exactly what this schedule does and always has, by levying twice in one case the amount of duty upon first class, two and a half times in another case, three in another, and four in another, all based upon the idea that a certain percentage of wool appears in these fabrics. The whole schedule has been arranged precisely upon that basis.

Mr. CLAPP. With reference to the value of the goods, not with reference to the proportion of wool in them.

Mr. ALDRICH. Because the value of the goods——

Mr. CLAPP. Admit that——

Mr. ALDRICH. Because the value of the goods is the only test which experience has shown could be applied. That is the reason.

Mr. CLAPP. It is the only test that has heretofore been applied.

Mr. ALDRICH. It is the only test that now can be applied.

Mr. CLAPP. That may be, but nevertheless the Senator from Indiana and myself are correct when we say that under this woolen schedule a compensatory duty based on wool may apply to goods made in part of cotton, and pay the same duty if that piece of goods happened to be of the same value of another piece made entirely of wool.

Mr. ALDRICH. That is undoubtedly true. That is always true of any specific duty which covers a wide range of goods and a certain range of value. It must always apply unequally. There is nobody here who denies that or doubts it. Of course you can not make a specific rate unless you want to have thousands and thousands of items in these schedules. You can not make a specific rate of duty which would apply to every piece of cloth that was imported. You must have certain provisions as to value and as to the character of the goods. Under the present law the test of value is the test of the proportion of wool contained, and I say that is the only practical test that can possibly be applied.

Mr. BEVERIDGE. Mr. President, just one word further. In the illustration given by the Senator from Minnesota, two pieces of goods of equal value, one containing 50 per cent wool and the other 100 per cent waste or anything, no matter what it consists of, are subjected to the same compensatory duty, and does it not amount practically to just that much more duty upon such cotton as may be in it? Is it not an additional protection to cotton, under the guise of wool, when cotton has already been protected highly?

Mr. ALDRICH. The Senator from Indiana is taking a practically impossible case. Suppose it were possible, which could not be true——

Mr. BEVERIDGE. Suppose it possible; something else might happen.

Mr. ALDRICH. Let me suggest to the Senator from Indiana why it is not possible. If one cloth contains 85 per cent cotton and 15 per cent wool, and another cloth contains 15 per cent wool and 85 per cent cotton, the value would not be the same, and could not possibly be. That is out of the question. So the Senator is speaking about a case which never could arise.

Mr. BEVERIDGE. Then, will the Senator answer a hypothetical case, although it is based upon the direct statement of the Senator from Iowa? Suppose there are two pieces. One of them contains a certain per cent of cotton, the other a certain per cent of what you call waste—wool waste. Does it not follow that you give the cotton the full protection in addition?

Mr. ALDRICH. If the fabric was composed in part of cotton and in part of wool waste, those facts would fix the value high enough, the foreign value as well as the domestic value, and it would be assessed for duty in proportion to that value, at a rate based upon that value. That is the only test, I say again, that can possibly be applied.

Mr. BEVERIDGE. So we are all agreed, so far as this class goes, that the compensatory duty depends, after all, on the amount of cotton. The cotton is determined by the price. The price therefore is the test as to the amount of cotton in it, and the purpose in determining the compensatory duty according to the price is to determine how much cotton there is in it. Now, that being the case——

Mr. ALDRICH. That does not follow at all.

Mr. BEVERIDGE. Did not the Senator say that?

Mr. ALDRICH. It might be cotton or anything else.

Mr. BEVERIDGE. I meant to say that the amount of wool was determined by the price. The price is the test as to the amount of wool.

Mr. ALDRICH. The Senator should have put the proposition the other way. The wool determines the price, not the price the wool.

Mr. BEVERIDGE. Very well; it is a question of testing the amount of wool in a piece of goods, which is determined by the price. So it reduces itself to the fact that the only test is the amount of wool which is in the piece of goods on which what we are trying to determine is the price. Now, the question, it seems to me, is whether that is the best and the most accurate test. The Senator from Iowa says that the exact amount of wool in the piece of goods can be scientifically determined. If that should be true, if that is practicable, would not that be the better and more just method, because it must be apparent even to an uninstructed man, and I confess I am one, that the price could not accurately measure the amount of wool? It has beeen demonstrated here by exact figures——

Mr. ALDRICH. The Senator is mistaken on two points. In the first place, it is not possible practically to determine with such——

Mr. BEVERIDGE. The Senator from Iowa said he had seen it under his own eyes.

Mr. ALDRICH. Everything can be done in a laboratory if you have time and space enough.

Mr. BEVERIDGE. I understand the Senator will not answer the supposititious question, which is based on the direct statement of the Senator from Iowa.

Mr. ALDRICH. I will answer it in a moment. I say in the first place this method of assessing duties is not practical; and if it were practical, I will say that, if the proportion of wool contained should be shown by a chemical test, it is not an accurate test of the value of the goods, and can not be in the nature of things. Seventy-five per cent of waste or 75 per cent of pure wool would be assessed at the same duty, and that certainly is not just or accurate or proper as a basis for the collection of duties.

So, if even the Senator's first contention was correct, and I say it is not, his last contention would fall, because it does not afford an accurate test of the value of the goods.

Mr. McLAURIN. Mr. President, on Tuesday last, the 8th of this month, the Senator from Idaho [Mr. HEYBURN] made a statement that shortly before that time the price of wool had dropped from 21 to 12 cents a pound. I asked the innocent question whether the Wilson tariff law had anything to do with causing that drop. I think it was a very pertinent question, for the reason that everything that has happened wrong in this Government since 1892 has been attributed by the Republican party to the Wilson tariff law, which was enacted on the 28th day of August, 1894. The senior Senator from Wyoming [Mr. WARREN] offered to answer that question by saying that wool, during the existence of the Wilson tariff act, was sold in his State at from 4¼ to 6 cents a pound. I did not think that that was relevant to the question that I propounded. I do not suppose that the Senator from Wyoming thought so. But that was the best that could be answered.

I have here the prices of wool, given in the American Wool and Cotton Reporter for January 2, 1896, which was a part of the time when the Wilson tariff law was in effect, and it does not show that in Wyoming any wool was as low as 4¼ or 6 cents a pound; but the lowest was from 7 to 9 cents a pound.

Mr. WARREN. Will the Senator permit me?

Mr. McLAURIN. Certainly.

Mr. WARREN. Are the prices given there the prices in Wyoming or the prices on the market?

Mr. McLAURIN. Yes, sir; and the prices all over the country.

Mr. WARREN. The Senator may rely upon the Wool and Cotton Reporter, but I will produce, if he will give me time, certificate after certificate showing the exact amount of money received from an exact amount of wool; and in some places it went down as low as between 4 and 5 cents a pound to the grower, loaded on the cars, for the entire clip.

Mr. McLAURIN. Of course there may have been straggling instances of a very inferior grade of wool that went down as low as 4¼ cents, but this American Wool and Cotton Reporter published——

Mr. WARREN. Mr. President——

Mr. McLAURIN. In one moment. It is published by Frank P. Bennett & Co., of Boston, Mass., and is considered an authority.

Mr. WARREN. By the Senator from Mississippi. But would he put a published price-current list from a Boston newspaper against the accounts of sale in actual transactions in Wyoming?

Mr. McLAURIN. I think it is an authority all over this country. It certainly is not a free-trade journal. It is a protective journal and protective people edit and publish it.

Mr. WARREN. At present; but let me say to the Senator——

Mr. McLAURIN. At that time.

Mr. WARREN. Yes. Let me say to the Senator, first, that I have seen the Wool and Cotton Reporter probably almost since its first issue came out. I know the gentleman he speaks of well, and I have known him for many years. I know something of the wool market. I want to say to the Senator, without any reflection upon Mr. Bennett or his paper, the Cotton and Wool Reporter, that clips which sold for less than 5 cents during the time mentioned have since been contracted for on the sheep's back at as high as 24 cents.

Mr. McLAURIN. I can hardly understand how those clips that were sold for 6 and 7 cents could have been contracted for afterwards on the sheep's back. But, aside from that——

Mr. WARREN. The Senator evades the question.

Mr. McLAURIN. I am not begging the question.

Mr. WARREN. He understands what I meant. A clip for the year 1907 would be loaded on the cars and perhaps bring 5 cents a pound, or even less. The clip from the same sheep the following year might bring an entirely different figure, and it would be the same clip, in the way we speak of such matters.

Mr. McLAURIN. Yes, Mr. President. Here is the American Wool and Cotton Reporter, devoted exclusively to this business, in Boston, Mass.; 530 Atlantic avenue, I believe, is where they do business. This book gives the price of these articles every year. It is a paper that is edited, and it gives the price every year; and here is the price that is given as the lowest price in Wyoming in 1896. There is one article of wool here as low as 7 to 9 cents, another from 8 to 11 cents, and another from 10 to 12 cents in the State of Wyoming. The lowest that is given is burred and defective wool in the State of California, that is from 6 to 7 cents. There is wool here that is quoted as high as 17 to 18 cents in the States of Texas and Georgia.

I do not desire to take up the time of the Senate, but I ask to insert this in the RECORD without reading it. It will give the prices of these wools, and I think that even the Senator from Wyoming may rely upon it.

Mr. WARREN. Mr. President, it may be that I shall have to go to Boston and to some building on Atlantic avenue to find out what the prices of wool have been in Wyoming, but I want to say to the Senator that the prices of wool in Wyoming have been as I stated. While most of those men who were compelled to take 5 and 6 cents were so ashamed of such a low price that they might hesitate about producing their vouchers, I can, nevertheless, show invoice after invoice, return after return of accounts of sales from men who do business along the same avenue, Atlantic avenue, in Boston, in proof of the low prices I have indicated, and which will show that the figures the Senator is now asking us to accept as the rule in Wyoming are totally and absolutely wide of the facts, so far as prices of Wyoming wool in Wyoming are concerned. But, Mr. President, the price of Wyoming wool in Boston would, of course, show 2½ to 4 cents increase, on account of transportation, commission, and other charges, the railroad freight alone costing 1½ to 2½ cents per pound.

Mr. McLAURIN. I was just wondering how high the Senator from Wyoming would be to have to go down to the seventh story of a building in Boston.

Mr. WARREN. It depends upon how low down I would have to go to get to the low price of wool.

Mr. McLAURIN. I am not in favor of free wool; I favor a revenue tariff on wool; but I am not in favor of a tariff on manufactured goods and then a tariff on wool, and then adding another tariff to the manufacturer to compensate him for the privilege that he gives to the Congress of the United States to tax wool. That is what is meant by a compensatory duty.

Mr. WARREN. I have no doubt but that the Senator legislates always as honestly as it is possible for the Senator from Wyoming or any other Senator in this body to legislate.

Mr. McLAURIN. These are statistics that I think are reliable. I ask unanimous consent to insert them in the RECORD without reading them.

The PRESIDING OFFICER (Mr. KEAN in the chair). Without objection, the request of the Senator from Mississippi will be complied with.

The matter referred to is as follows:

Quotations of leading grades of wool in the seaboard markets.

[From the American Wool and Cotton Reporter, January 2, 1896.]

WASHED CLOTHING FLEECES.	Cents.
Ohio, Pennsylvania, and West Virginia XX and above	19 –20
Ohio, Pennsylvania, and West Virginia X	17½–18
Ohio, Pennsylvania, and West Virginia No. 1	21 –22
No. 1, ½ combing	22 –23
Ohio, Pennsylvania, and West Virginia No. 2	22
Ohio, Pennsylvania, and West Virginia coarse	22
Michigan, Wisconsin, and New York X and above	16 –17
Michigan, Wisconsin, and New York No. 1	20 –21
No. 1, ½ bleached, combing	21 –22
Michigan, Wisconsin, and New York No. 2	21 –22
Michigan, Wisconsin, and New York coarse	21 –22
WASHED COMBING AND DELAINE.	
Fine delaine, Ohio and Pennsylvania	20 –21
Fine delaine, Michigan and Wisconsin	18 –19
No. 1 combing, ¾ and ½ bleached	22 –23
No. 2 combing, ½ bleached	22 –23
Coarse combing, brushed	21 –22
UNWASHED COMBING.	
¼ blood	17 –18
Kentucky, Indiana, and similar wool, ¾ and ½	18 –19
Illinois, Missouri, and Wisconsin	17 –18
Coarse, braid	17 –18
UNWASHED LIGHT AND BRIGHT.	
Ohio and Pennsylvania fine, unmercerized	15
Michigan and New York fine, unmercerized	13 –14
Ohio and Pennsylvania fine, unwashed	14
Michigan and New York fine, unwashed	12 –13
¼ blood unwashed	16 –17
Kentucky, Indiana, and similar wools, ¾ and ½ bleached	17 –18
Illinois, Missouri, and Wisconsin	16 –17
Coarse, unwashed	15 –16
Bucks	9 –10
TEXAS, GEORGIA, AND LAKE.	
Spring, 12 months, choice	12 –13
Spring, average	11 –12
Spring, 6 to 8 months	10 –11
Fall choice	10 –11
Fall average	9 –10
Georgia and lake	18 –19
CALIFORNIA.	
Northern spring, free	12 –15
Middle country, spring	11 –12
Southern spring	9 –10
Burry and defective	6 – 7
Free fall, northern	11
Free fall, southern	10
Defective, fall	6 – 7
OREGON.	
Eastern Oregon, choice	12 –13
Eastern Oregon, average	10 –11
Eastern Oregon, heavy	9 –10
Valley Oregon, No. 1	13
Valley Oregon, No. 2	15
Valley Oregon, No. 3	15
TERRITORY.	
Idaho fine	10 –11
Idaho fine, medium	11 –12
Idaho medium	12 –13
Kansas fine and fine medium	11 –12
Kansas medium	14
Wyoming fine	7 – 9
Wyoming fine, medium	8 –11
Wyoming medium	10 –12
Utah fine	10 –11
Utah fine, medium	12 –13
Utah medium	14 –15
Dakota fine	11 –12
Dakota fine, medium	12 –13
Dakota medium	14 –15
Montana fine, choice	12 –13
Montana fine, average	11 –12
Montana fine, choice medium	13 –14
Montana fine, medium average	12 –13
Montana medium, choice	14 –15
Montana medium, average	13 –14
Montana low	15
Washington fine	8 –10

	Cents.
Washington fine, medium	10 –11
Washington medium	11 –12
Colorado fine	9 –11
Colorado fine, medium	10 –12
Colorado medium	12 –13
Colorado coarse	10 –12
Southern Colorado and New Mexico, unimproved	12½–14
Southern Colorado and New Mexico, improved	13 –16
ARIZONA.	
Heavy clips	8 – 9
Average clips	11
Strictly choice	13
WESTERN AND ORDINARY PULLED, SCOURED.	
Extra and fine A	32 –33
A lambs	30 –31
B lambs	26 –27
C lambs	20 –23
No. 2	15 –18
Combing, nominal	28 –30
CHOICE BRUSHED, SCOURED.	
Extra and fine A	34 –36
A lambs	31 –32
B lambs	28 –29
C lambs	23 –25
Combing, nominal	29 –30
Fine combing, nominal	32 –33
California finest	33 –35
California second	30 –32
California defective	20 –30
FOREIGN.	
Australian:	
Combing, choice	21 –24
Combing, good	19 –21
Crossbreds	22 –24
Clothing	18 –20
Choicest clothing	21 –24
Cape and Natal	14 –16
Montevideo	15 –16
South American, pulled	27 –29
English coarse	24 –26
English ¼ to ⅜	25
Canadian combed, fleece	25 –26
Canadian combed, pulled	26 –27

Mr. NELSON. Mr. President, I rise for only a moment to say that it strikes me that the most unique argument advanced against any amendment to this bill is the argument advanced by the Senator from Rhode Island. In substance it is that the wool schedule is of such a complicated character that you ought not to change it in any particular, because that would involve a revision of the whole schedule.

Mr. President, I was foolish enough to believe when this session of Congress met that we were to revise the tariff, and if there was any one schedule in the whole tariff bill that needed revision it was the woolen schedule. The cotton schedule is a very complicated schedule, but perhaps not as much as the woolen schedule. Yet the Senator from Rhode Island found no difficulty in advancing and changing the duties in the cotton schedule. I think if the Finance Committee had given their attention to the wool schedule they could have had an opportunity, and the Senate would have given them an opportunity, to consider that schedule. It will not do to come in and say that this schedule is so complicated, so artistic, so artificial, that to meddle with it in any particular now would involve a revision of that schedule, and we have not time to go into that work now; that it should be done at some future time. There is always a future time in the eyes of some people when we attempt to make reforms. They are always postponing the work of reform. So here we have been told in reference to the woolen schedule: "To be sure there may be incongruities in it, but it is too late to do anything now; we will have to postpone it to some other time."

Now, that, it seems to me, is not such a revision of the tariff as the Republican party contemplated and assured the people of the country of in the last campaign.

Mr. HEYBURN. Mr. President, I have only a word or two to say in response to the suggestions of the Senator from Mississippi [Mr. McLAURIN]. The statements which I made as to the price of wool and sheep were based upon my own personal knowledge and not taken from any trade journal. I know what was offered for wool at the period to which I referred in 1896. I saw 2,000,000 pounds of wool at Mountain Home, in Idaho—and I can give the specific facts—that were under shelter waiting for a market, and I saw the wool buyer who was there for the purpose of securing the wool. I talked with him. I saw a number of wool owners who live there. I saw the proprietor of the warehouse in which the wool was sheltered. I gained my knowledge from those people. The best offer for that wool, which was a high-grade wool, was 6 cents a pound. I made personal inquiry in order that I might know facts from the original party. The parties at Mountain Home did not sell it for 6 cents a pound, but that was the best offer they got. I spoke to them that night and I told them to hold on to their wool, that the Republican party was coming into power and that conditions would be restored under which their wool would be worth a great deal more. So far as those people were concerned they did not sell the wool.

I went to Caldwell, in the State of Idaho, on the line of the road, and I saw practically the same conditions, with approximately the same quantities of wool. I saw those men in conversation with the would-be purchaser. I knew him and talked to him and talked to the men, and I gave them the same advice, and there was a great deal of that wool that was held over until the price had advanced and the people were able to market it. There were some people who were so situated, financially, that they could not carry their wool over, and they sold it for what they could get. Some borrowed enough money upon the wool to enable them to carry it. But the picture I gave the day before yesterday in regard to the conditions of the wool market there was not taken from any Boston trade journal.

Mr. WARREN obtained the floor.

Mr. McLAURIN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Mississippi?

Mr. WARREN. Certainly.

Mr. McLAURIN. If the Senator from Wyoming has the floor I will wait until he gets through. I wish to make one or two remarks in reference to what was said by the Senator from Idaho.

Mr. WARREN. If the Senator wishes, I will yield now.

Mr. McLAURIN. I just want to say that the Senator from Idaho has been late in giving us this disquisition on the wool market in his State during the time of the Wilson law. He did not undertake to do that day before yesterday when this matter was up. That which brought out the controversy was this language of the Senator from Idaho:

> I saw wool not very long ago drop from 21 cents to 12 cents.

Now, that is what was said by the Senator with reference——

Mr. HEYBURN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Mississippi yield to the Senator from Idaho?

Mr. McLAURIN. Just wait a moment. After a colloquy had occurred between the Senator from Wyoming and me, the Senator from Idaho said:

> I will call his attention to figures, however, which have been handed to me. In 1896, 38,298,183 sheep sold for $65,167,735; that is, they were averaged at that; and in the year of grace 1907, 53,240,282 sheep had a value of $204,210,129. A mere inspection of the figures is sufficient.

That is what he said.

Mr. HEYBURN. That was eleven years after the period——

Mr. McLAURIN. That is all right; but the point I want to make is that the Senator has given his testimony as to the price of wool during the time of the existence of the Wilson law. That testimony he did not give day before yesterday, and I guess it ought to be closed out, because it is not in rebuttal, and he ought to have put in all of his direct evidence in his case.

Mr. HEYBURN. Will the Senator permit me at that point?

Mr. McLAURIN. Certainly.

Mr. HEYBURN. The price to which I referred, which was in 1907, was double the price that wool was at the lowest point under the Wilson law.

Mr. McLAURIN. Now, Mr. President, the Senator from Idaho in his statement is correct as far as he knows anything about it in his State, in his neighborhood; but in opposition to his information and his knowledge about it I put on record the American Wool and Cotton Reporter——

Mr. HEYBURN. If the Senator will permit me just a moment, the price to which wool fell under the financial disturbance of nearly two years ago was the result of the financial condition of the country at that short period of time, but it revived so quickly after the Republican party had readjusted the finances of the country and brought about the change that probably a very small quantity of wool, if any, was sold at that reduced price.

Mr. McLAURIN. I should like to ask the Senator from Idaho if he meant two years ago during the panic when he said it dropped not long ago from 21 to 12 cents?

Mr. HEYBURN. I referred to a period two years ago or thereabouts.

Mr. McLAURIN. As I understood the Senator day before yesterday, the remedy was applied overnight, and the whole trouble was cured the next morning.

Mr. HEYBURN. I was speaking within the range of the liberty of speech. I was demonstrating a position, illustrating a point, and the language was sufficiently applicable. So I do not feel called upon to state how many days or hours we were considering the financial measure.

Mr. WARREN. Mr. President——

Mr. McLAURIN. With the Senator's permission, I will yield in just a moment. I should like to ask the Senator from Iowa if wool remained at the price of 12 cents until the rearrangement by the Republican party of the financial laws of the country?

Mr. HEYBURN. It did not happen to be at a time of the year when wool was being sold. The wool had been marketed at a very much better price, from 16½ to 18½ cents, which is always a good price for wool.

Mr. WARREN. I will say to the Senator, the minimum in one case was in the neighborhood of 4 or 5 cents during the panic and advanced to 8, 9, 11, 12, or whatever the statement made by the Senator, according to the class of wool and where it was.

Mr. HEYBURN. While I used 1906, it was true in 1905 and it was true all the time that the Wilson-Gorman law was in force. I do not mean those exact figures, but as the market became exhausted or drained the price of wool went down; the herds had decreased, and there was nothing to bring it up until the absolute assurance contained in the duty provided by the Dingley law, which brought confidence to investment, confidence to the owners, and confidence to the purchasers of the product.

Mr. McLAURIN. Does the Senator understand that the Wilson law was in force in 1905 or 1906?

Mr. HEYBURN. The Senator from Mississippi, I know, does not intend to draw schoolmaster lines. Of course that was an inadvertence of speech. We were speaking all the time of when the Wilson-Gorman law was in effect, which was in 1894–95, and since, and until the Republicans changed it in 1897.

Mr. McLAURIN. I thought the Senator just a while ago was speaking of the time of the panic of 1907.

Mr. HEYBURN. I do not think the Senator's mind is at all confused as between those periods or as to the application of my remarks to the respective periods.

Mr. McLAURIN. The Senator's mind is not confused. It is a matter of the confusion of language by the Senator from Idaho.

Mr. WARREN. I have observed with no particular apprehension the system of reform which prevails here. I am a friend of reform. I am myself a reformer. The reform my friend the Senator from Iowa seeks to effect is one that I hope he will be successful in demonstrating; that is, this test of wool and woolens was easily made here in the Senate from the testimony of a Senator, but it is very difficult practically.

I will be glad to join the Senator when that time shall come when those who have practical knowledge of the subject can accept his theory; but it seems to me, Mr. President, that we ought to be guided somewhat by experience at all times, and certainly if we are about to effect a radical reform.

Now, if I shall give no offense to certain Senators present, and there are none whom I respect more, I may say that, regarding this proposed test, "I am from Missouri, and I have got to be shown." I go back to the experience of this country in the various tariff laws; I have searched them carefully, and they go back as far as 1790. After trial, up to 1816, the tariff law of that year was fixed to apply to such materials as we are now discussing under this amendment, as "manufactures of which wool is the material of chief value." We had long years of trial under that, and in 1824 the tariff read "of which wool is a component part." We have gone on, tariff law after tariff law; we have followed that along, and our friends on the other side, to whom I hope I give no offense, in their tariff law of 1894 made it read the same way, notwithstanding the same law made wool absolutely free. They were so certain that the tests ought to be applied in the way of assessing the duty on manufactured goods, where wool was a component part, that they used the same language respecting this particular section. All the other sections applied the same way to cloth that was made of part wool; in other words, they assessed the same duty upon an article in which wool was a component part, whether it was 1 per cent or 99 per cent wool.

So I say to my esteemed friend from Iowa—whom I expect to follow some time when he has got his reform sufficiently complete so that we may possibly swallow it—that I would rather trust to the Nation's experience that has been passed along to us, and been tried satisfactorily by both parties. I would rather wait until we have got more than the approval of one Senator, to whom some specialist has been able to demonstrate in the Senator's committee room that it is possible to determine under some circumstances whether certain goods contain a bit of wool or a bit of cotton or some substitute.

The PRESIDENT pro tempore. The question is on the amendment proposed by the Senator from Iowa [Mr. DOLLIVER], on which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. JONES (when the name of Mr. PILES was called). My colleague [Mr. PILES] is paired for the remainder of the day with the junior Senator from South Carolina [Mr. SMITH].

The roll call was concluded.

Mr. LODGE (after having voted in the negative). I ask if the Senator from Georgia [Mr. CLAY], with whom I am paired, has voted.

The PRESIDENT pro tempore. The Chair is informed that he has not.

Mr. LODGE. Having a general pair with that Senator, I withdraw my vote.

Mr. WARREN (after having voted in the negative). I ask if the Senator from Mississippi [Mr. MONEY] has voted.

The PRESIDENT pro tempore. The Chair is informed that the Senator from Mississippi has not voted.

Mr. WARREN. I wish an arrangement made, so that he may stand paired with the Senator from Oregon [Mr. BOURNE] for the remainder of the day. I say that, of course, in case the Senator remains away from the Chamber, as I understand he has left for the day.

The result was announced—yeas 32, nays 43, as follows:

YEAS—32.

Bacon	Culberson	Hughes	Owen
Bankhead	Cummins	Johnston, Ala.	Paynter
Beveridge	Davis	La Follette	Rayner
Bristow	Dolliver	McLaurin	Simmons
Brown	Fletcher	Martin	Smith, Md.
Burkett	Foster	Nelson	Stone
Chamberlain	Frazier	Newlands	Taliaferro
Clapp	Gore	Overman	Taylor

NAYS—43.

Aldrich	Crane	Gamble	Penrose
Borah	Crawford	Guggenheim	Perkins
Bradley	Cullom	Heyburn	Root
Brandegee	Curtis	Johnson, N. Dak.	Scott
Briggs	Depew	Jones	Smith, Mich.
Bulkeley	Dick	Kean	Smoot
Burnham	Dillingham	McCumber	Stephenson
Burrows	Dixon	McEnery	Sutherland
Burton	du Pont	Nixon	Warner
Carter	Flint	Oliver	Warren
Clark, Wyo.	Gallinger	Page	

NOT VOTING—16.

Bailey	Daniel	Lodge	Shively
Bourne,	Elkins	Money	Smith, S. C.
Clarke, Ark.	Frye	Piles	Tillman
Clay	Hale	Richardson	Wetmore

So Mr. DOLLIVER's amendment was rejected.

Mr. DOLLIVER. Mr. President, I desire to offer an amendment on page 135, line 12.

Mr. ALDRICH. I ask that the pending paragraph may first be agreed to.

The PRESIDENT pro tempore. In the absence of objection, the paragraph is agreed to.

Mr. DOLLIVER. The amendment which I offer is an extra paragraph. I shall not ask to have it read, as it is administrative in character, and calculated to throw some light upon amendments that have previously been voted upon, which, but for the appearance of this amendment in the RECORD, might be a little obscure. As I have said, I shall not even ask to have it read.

The PRESIDENT pro tempore. In the absence of objection, the proposed amendment will be printed in the RECORD.

The amendment referred to is as follows:

Page 135, after line 12, insert the following:

"391¾. All invoices of manufactured or partly manufactured articles subject to duty under this schedule shall specify separately the quantity of wool contained in every such article, and duty shall not be assessed upon a less quantity of wool than so stated in the invoice, and any such article concerning which the invoice does not specify the

quantity of wool shall be assessed as if composed wholly of wool. This schedule shall take effect ninety days after the passage of this act, and until that time Schedule K of the act approved July 24, 1897, entitled 'An act to provide revenue for the Government and to encourage the industries of the United States,' shall remain in full force and effect."

Mr. DOLLIVER. Now, Mr. President, I desire to return to paragraph 370, with a view of offering an amendment to that paragraph.

Mr. ALDRICH. It will be necessary to ask for a reconsideration of the vote by which that paragraph was adopted; and I ask that the vote be reconsidered, for the purpose of allowing the Senator from Iowa [Mr. DOLLIVER] to offer his amendment.

Mr. BURKETT. It seems to me that the amendment proposed by the Senator from Iowa [Mr. DOLLIVER] should be acted upon one way or the other.

Mr. DOLLIVER. Mr. President, I do not desire to have anything more done with the amendment than to have it printed in the RECORD.

The PRESIDENT pro tempore. Is there objection to reconsidering the vote by which paragraph 370 was agreed to? The Chair hears none. The amendment proposed by the Senator from Iowa to that paragraph will be stated.

The SECRETARY. At the end of the paragraph it is proposed to strike out the period and in lieu thereof to insert a colon and the following proviso:

Provided, That in no event shall the duty on any of the foregoing articles in paragraphs 368, 369, or 370 exceed 60 per cent ad valorem.

Mr. DOLLIVER. Mr. President, I desire to say that those paragraphs are the ones which assess the duties upon by-products of worsted manufacture, what are commonly called "wool extracts" and "wool wastes." One of the most pathetic complaints made to me—and I confess that it has touched my sympathies considerably—is the fact that the framework of our duties on wool is such that only the wools of the lighter shrinkage can be imported, thereby excluding a large part of the woolen-manufacturing interests of the United States from the right to participate in the foreign wool market, and leaving them to supplement the shortage of their home supply for manufacturing purposes by buying where they can noils and these various forms of wastes and wool extracts. They claim that the men who make these wastes are the men who are competing with them for the privilege of selling goods in this market.

They say, with a force that has greatly impressed me, that the law ought not to leave them to be dealt with on the extortionate terms of those who are interested in a business which, according to many statements that have been made here, has in some way practically extinguished the profits of the carded woolen manufactures, the knit-goods manufactures, and other of the more humble forms of woolen-goods manufactures in the United States. They say—and I stand ready to make their statements good—that the rates which we have fixed on these wastes, or some of them, rise to an incredible equivalent ad valorem percentage. They are willing to pay as much on these wastes as the equivalent ad valorem which people are called upon to pay on wool, but they do not like to be compelled to buy of their competitors the necessary materials of their craft protected by a rate higher than we have been accustomed to assess on wool itself.

Consequently, I have drawn that little amendment, attaching it to paragraph 370, and providing that these wool wastes shall be assessed just exactly as this bill assesses them, but that none of the articles mentioned in these paragraphs shall, in the aggregate, bear a duty in excess of 60 per cent. That equalizes them and places that level of charge and assessment high enough adequately to protect all interests and to deliver them, so they say, out of the hands of their adversaries.

Mr. CARTER. Mr. President, the Senator might just as well extend his amendment to include all the wool of all the farms and ranches of the United States as to include only these so-called "wastes." It must be remembered that these wastes are a product of scoured wool, superior to the scoured wool itself, except as to noils.

Mr. DOLLIVER. And rags.

Mr. CARTER. The rags of the world we do not desire to invite into the market or into the clothing of the people of the United States.

Mr. President, the Senator's amendment does not apply to rags exclusively. It takes in quantities of wool advanced in the cost of manufacture beyond the scoured stage, and reduces the duty of 11 cents a pound on wool of the first class in certain market conditions to less than 5 cents per pound alleged protection. That reduction would bring us to a point in the woolgrowing industry in this country which would be no better than free trade in wool, because the one would destroy the flocks as quickly as the other.

Mr. DOLLIVER. Mr. President, what the Senator from Montana says would be true if the facts back of his statement could be verified; but the truth is that the equivalent ad valorem upon wool is now 45 per cent—not more, and possibly less—and it would be a godsend to States like Montana and Wyoming if they could be sure that they would have 45 per cent on the value of their wool standing all the time between them and the foreign imports of wool into the United States. But I can demonstrate that this simple scheme of wool assessment takes away from the good people in Montana and Wyoming what it appears to give them, and that in reality I would be conferring a blessing upon Montana if I could secure to every sheep husbandman there an authentic, bona fide ad valorem of 45 per cent on the wool that enters the market of the United States. I do not desire to mix that question up, although if the Senator from Montana desires, I will offer another amendment and ask that they be considered together. It might embarrass me if they were both adopted; but they might as well die peacefully in the same transaction. [Laughter.]

The PRESIDENT pro tempore. The amendment will be stated.

The SECRETARY. Add at the same place the following proviso:

Provided, That in no case shall the duty upon wools, wool wastes, noils, or any of the foregoing articles in the previous paragraphs of this schedule exceed 60 per cent ad valorem.

Mr. ALDRICH. Mr. President, the representatives of the woolgrowers have always believed that an indirect attack, through wool duties, upon noils and similar products would be fatal to the wool duties, and I agree with them.

Mr. BACON. I should like to inquire of the Senator from Iowa if I am correct in understanding that the maximum which he puts upon wool, according to his own statement, exceeds the present duty on wool by 15 per cent?

Mr. DOLLIVER. It does; but it is the maximum. I do not desire to interfere with the actual wool duties that are collected.

Mr. BACON. Is it 15 per cent in excess?

Mr. DOLLIVER. That is the maximum. I am trying to equalize the duties. We have got here on wools at a given rate an equivalent ad valorem of 45 per cent, and yet in the same bill the wool wastes cast up, many of them, in the process of manufacture are assessed at a higher rate than the assessment upon wool itself.

Mr. SMOOT. Mr. President, I desire to call attention to the fact that if the price of wool should drop in a foreign country to 15 cents, under a maximum ad valorem duty of 60 per cent a pound, we would only have a duty of 9 cents on wool, instead of 11 cents; and when wool is low is the very time that the woolgrower wants his protection. I certainly hope that the amendment will not be adopted.

Mr. DOLLIVER. I ask for the yeas and nays on the first amendment. I shall not press the second.

Mr. OWEN. Before the yeas and nays are taken I should like to submit a table giving the actual market value of wool from 1885 to 1907, as compiled by Messrs. Mauger and Avery, of New York. I submit this table for the purpose of showing, in connection with the argument made against the suggestions which I submitted in regard to the relative cost of labor to the gross product in the matter of woolen yarns and blankets, that the value of wool has not changed in such a way as to make any substantial difference in the relation of the labor cost toward the gross product of the material; in other words, the cost of wool which has been washed was, in 1898, 29 cents for fine wool and 34 cents in 1907, a change of 5 cents a pound only. The tables of Carroll D. Wright were made up as of 1898 and were printed in 1897, so that his figures on the cost of materials will show a comparatively small variation in the price of wool in 1898 and 1897.

I submit also a table of labor cost, showing that the increased labor cost to 1906, as far as the tables are brought up, was a little more than the increase in the price of wool. So that the ratio submitted by Carroll D. Wright's tables will not be modified in any degree whatever by the change in the price of wool as compared with the change in the labor cost.

The PRESIDENT pro tempore. In the absence of objection, the tables will be printed as requested.

The tables referred to follow.

Market value of wool, 1885 to 1907.

NO. 193.—FINE, MEDIUM, AND COARSE WASHED CLOTHING OHIO FLEECE WOOL IN THE EASTERN MARKETS: PRICES AT THE BEGINNING OF JANUARY, APRIL, JULY, AND OCTOBER, 1885 TO 1907.

[Data furnished by Messrs. Mauger & Avery, New York.]

Year.	January.			April.			July.			October.		
	Fine.	Medium.	Coarse.	Fine.	Medium.	Coarse.	Fine.	Medium.	Coarse.	Fine.	Medium.	Coarse.
	Cents.	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*
1885	34	33	29	32	32	28	32	31	28	33	35	32
1886	35	36	32	33	34	30	33	33	29	35	38	34
1887	33	38	34	33	37	33	34	37	34	32	36	34
1888	31	35	33	31	34	33	29	33	31	31	34	31
1889	34	38	33	33	37	31	35	39	32	33	37	31
1890	33	37	29	32	36	29	33	37	29	33	37	31
1891	33	37	31	32	37	31	31	35	29	31	35	30
1892	30	35	31	29	34	31	28	34	30	29	33	29
1893	29	33	29	30	32	31	24	26	25	23	24	21
1894	23	24	21	21	23	20	20	21	18	19	21	19
1895	17½	20	19	16½	20	18	18	21	19	18	21	19
1896	19	21½	19	19	21	18	17	18	17	18	19	18
1897	19	21	19	21	22½	20	21½	23½	21	27	29	25
1898	29	30	26	29	29½	25½	28	29	24½	28½	30	24½
1899	26½	29	24	25½	28	24	29	31½	27	31	33½	29
1900	35	36½	31½	32½	35½	30½	28½	31½	27½	26½	28½	26½
1901	27	29	26	25	27	24½	25	26	22	25	26½	23
1902	25½	26½	24	25	26½	24	26	26½	25	28	28½	25½
1903	30	31	27	29½	30½	26	31½	31½	27	32	31½	28
1904	33½	32½	29½	33½	32½	29½	32½	32½	30½	32½	33½	31½
1905	34	35	36	34	36	36	36	39	36	35	35	34
1906	34	38	36	34	38	36	33	37	36	34	38	33
1907	34	39	36	34	38	36	34	36	35	35	38	34

NOTE BY MESSRS. MAUGER & AVERY.—This table exhibits in a concise form the prices of the three grades of a standard domestic fleece wool in the seaboard markets at the beginning of each quarter. In its present shape it is deemed to be intelligible to all interested in wool. In the special features of character and condition, "washed Ohio fleece wool" is less subject to variation than any other description, and thus is more a basis of value than any other class. Wool, owing to its wide variety, difference in character and condition, and liability to shrink in cleaning, is precluded from speculative operations which apply to products which may be dealt in as "futures." For these reasons the prices of wool are not liable to the same changes as cotton, wheat, etc.

Wages and hours of labor.

NO. 109.—WAGES AND HOURS OF LABOR: PER CENT OF INCREASE (+) OR DECREASE (−) IN 1906, AS COMPARED WITH PREVIOUS YEARS, IN EMPLOYEES, HOURS PER WEEK, WAGES PER HOUR, FULL-TIME WEEKLY EARNINGS PER EMPLOYEE, RETAIL PRICES OF FOOD, AND PURCHASING POWER OF HOURLY WAGES AND OF FULL-TIME WEEKLY EARNINGS PER EMPLOYEE, MEASURED BY RETAIL PRICES OF FOOD, 1890 TO 1906.

[From reports of the Bureau of Labor, Department of Commerce and Labor. Computed from the relative figures shown on page 210.]

Calendar year.	Per cent of increase (+) or decrease (−) in 1906 as compared with previous years.						
	Employees.	Hours per week.	Wages per hour.	Full-time weekly earnings per employee.	Retail prices of food, weighted according to family consumption.	Purchasing power, measured by retail prices of food, of—	
						Hourly wages.	Full-time weekly earnings per employee.
Average 1890-1899	+42.9	−4.6	+24.2	+18.5	+15.7	+ 7.3	+2.4
1890	+50.7	−5.3	+23.8	+17.3	+13.0	+ 9.6	+3.9
1891	+46.9	−5.1	+23.8	+17.6	+11.5	+11.1	+5.5
1892	+44.1	−5.1	+23.2	+17.0	+13.5	+ 8.5	+3.0
1893	+43.8	−4.9	+23.1	+17.1	+10.8	+11.1	+5.7
1894	+51.9	−4.4	+26.9	+21.3	+16.0	+ 9.3	+4.5
1895	+48.2	−4.7	+26.3	+20.4	+18.3	+ 6.8	+1.8
1896	+44.9	−4.4	+24.6	+19.1	+21.2	+ 2.8	−1.7
1897	+41.6	−4.2	+24.7	+19.5	+20.1	+ 3.8	− .6
1898	+34.3	−4.3	+24.0	+18.6	+17.2	+ 5.7	+1.2
1899	+27.5	−3.8	+21.8	+17.1	+16.3	+ 4.7	+ .7
1900	+23.6	−3.3	+17.7	+13.8	+14.4	+ 2.8	− .6
1901	+20.0	−2.8	+15.0	+11.9	+10.0	+ 4.5	+1.7
1902	+15.6	−2.0	+10.7	+ 8.5	+ 4.3	+ 6.0	+4.0
1903	+13.0	−1.2	+ 6.8	+ 5.5	+ 4.9	+ 1.8	+ .6
1904	+13.7	− .5	+ 6.2	+ 5.6	+ 3.6	+ 2.5	+2.0
1905	+ 7.0	− .5	+ 4.5	+ 3.9	+ 2.9	+ 1.4	+1.0

The PRESIDENT pro tempore. On the pending amendment the Senator from Iowa [Mr. DOLLIVER] has demanded the yeas and nays.

Mr. DOLLIVER. Mr. President, before the yeas and nays are taken I desire to say another word, which I overlooked. This amendment does not propose to fix any rate; it fixes a maximum rate, beyond which the assessment shall not go. In many cases the specific rate as reported by the Senate committee will be less than this maximum rate; but in the case of the cheaper varieties of noils and many varieties of these wastes, if we allowed the specific rate to stand at 10 cents, as the Senate committee has fixed it, the equivalent ad valorem would be something fabulous and very oppressive to these good people. Therefore I merely include this maximum limitation, so that in the calculation of these specific assessments, when they rise above 60 per cent, these two lines that I put in will stop it there, thereby not only reducing it somewhat, but equalizing it throughout the schedule.

Now, I want to say another word——

Mr. BACON. Before the Senator passes from that, the point he was on, I wish to know if I understand him correctly. I understand the Senator now to say that, while the 60 per cent maximum does exceed by 15 per cent the average of the duties on wool, there are some duties collected under the specifics which rise above 60 per cent. Am I correct in that?

Mr. DOLLIVER. I will say to the Senator from Georgia that the amendment upon which the vote is about to be taken does not allude to wool, but is confined entirely to noils and wool by-products.

I would like to have the attention of my friend from Montana [Mr. CARTER]. There has never been an hour in my life that I have not been interested in the prosperity of the section of the country which has been honored for so many years by his public service. I am a frequent visitor there. I have become attached to its people. I have been especially attached to them, because it seemed to me when I first went there that they were making

a hard fight. In those twenty years a great many changes for the better have occurred. Irrigation, increase of population, variety of agricultural pursuits—all these things have combined not only to fill up the country with good people, but to put a great variety of industries upon a sound footing. I have studied their interests, and I shall never cast a vote here that would injure or prejudice that great community between the Rocky Mountains and the ocean, which, within my own lifetime, has taken a distinct place on the commercial and industrial map of the United States.

I want to say to the Senator from Montana, to his colleagues, and to all those who are associated with him in taking care of the interests of that great community, that they are not being taken care of under the tariff act of 1897. On the contrary, in the Senate Chamber within this very week they are being put forward to apologize for impossible propositions. Every representative of the worsted mills has fallen to the rear. Speeches have been made by these great thinkers and students, speeches requiring days and weeks of preparation, and they have not been accorded even the poor compliment of the attendance and attention of men who are using them in this Chamber to defend this historic humbug called "Schedule K" in the tariff laws of the United States.

I want to tell them exactly what has been done to their woolen interests, and I reduced it to writing in the midnight hour last night in order that I might make it brief, and that it might at least get a reading if it does not get a hearing in the Senate of the United States.

The scoured-wool rate of 33 cents per pound is a delusion and deception, for, of course, no wool would be imported in its scoured condition and pay a duty of 33 cents per pound when it can be imported at 11 cents per pound, regardless of its value or shrinkage, which is equivalent to only about 16 to 20 cents per scoured pound. In fact, I am advised by numerous wool experts that on most of the imported wool the duty of 11 cents per grease pound will only amount to about 19 cents per scoured pound, owing to the light shrinkage of the wools imported by the worsted manufacturers. It is manifest, therefore, that, inasmuch as the present duty of 20 cents per pound upon noils is based upon the supposition that a scoured duty of 33 cents per pound is paid, when in fact only about 19 cents is paid, the proper duty on noils should be based upon the actual average duty per scoured pound collected and not upon an imaginary duty. If 20 cents per pound were the proper rate for noils, based on the scoured pound duty of 33 cents per pound, the proper rate for noils, based upon the actual average duty paid per scoured pound of only 18 cents, would be 10 cents per pound.

For many years I have wondered why the sheep industry has been languishing in the United States. I have pored over the statistics, and every now and then I find that twenty years ago we had more sheep than we have now. Every now and then I find a year when the wool production was greater than it is now. I called in experts to advise me, people capable of interpreting wool statistics.

They told me things I feel I ought to communicate to the Senate. They state as a statistical proposition that the wool industry in America, instead of being helped, has been crushed and ruined for practical purposes by this obsolete and nearly forgotten statute of 1867, which has become so sacred in our jurisprudence that nobody dares to look at it and nobody can inquire into it without being ordered out of the party which he has loved and served all the days of his life.

What has become of the sheep of Pennsylvania, of Ohio, of West Virginia, of Virginia, of the Middle West, of Iowa, of Minnesota? What has become of that great industry? It has moved to the West, and you can not even interpret the census statistics about sheep because when you state that the pounds of wool have increased along comes some practical man and says, "Yes; the pounds of wool have increased, because on the sandy areas of the Southwest the wool has accumulated pounds upon pounds of sand that enter into these statistics of the wool product, as produced by the pound, in the United States." I say, for practical purposes——

Mr. WARREN. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. I do.

Mr. WARREN. I take it for granted the Senator, after having so pathetically mentioned here what we all feel a great deal of sorrow over—the disappearance of sheep in the Eastern States and some others—would not willingly remove them from the few States left that can produce them.

Mr. DOLLIVER. I am about to offer an amendment to give an inducement to the return of sheep not only to the West, but to the East.

Mr. WARREN. Furthermore, let me say, the Senator may have better information than I, but I had pretty early information. I know I am an older man than the Senator. I am sure the wools of this country way back many years ago were calculated, so far as they grew here, on an average shrinkage of 66⅔ per cent, and upon that basis this 3 to 1 scoured wool ratio was established. That, taking it altogether to-day, is just about the shrinkage of American wools. Some wools that may be imported skirted and selected may shrink as low as 20 per cent, but there is no regular wool product of any country on earth that is imported here or that can be imported which shrinks very much less than 35 per cent, and from that up to a shrinkage of even more than the shrinkage of wools of this country, which I have mentioned.

I want the Senator to tell me, if he will, whether he has had any delegations of woolgrowers here who insist that we shall submit to some new process of establishing what the ratio shall be through this chemical operation with which the Senator has amused himself during the summer evenings lately?

Mr. DOLLIVER. I have not had delegations here. I have had a good many letters from woolgrowers, and I put into the RECORD of yesterday's proceedings a very intelligent letter by a very bright man, the president of the Woolgrowers' Association of the State of Minnesota. I do not know that I am called upon to produce witnesses here about this matter. I know that the carded-woolen industry is here, by as able manufacturers as ever came into the corridors of this Capitol, asking that certain things be done and certain evils be remedied, and I know that instead of being received kindly, as they should have been received, they have been received with indifference and with affront by the Finance Committee, or, at least, by members of the Finance Committee, as I called to the attention of the Senate the other day in a little colloquy with the Senator from Utah.

They feel not only that they have been denied a hearing, but that they have been denied that respectful consideration which men ought to have whose business is being destroyed by the laws of the United States.

I hold in my hand a letter, which I received not very long ago——

Mr. WARREN. Will the Senator right here allow me to ask him a question regarding the letter which he introduced yesterday, and which he says made complaint? If I correctly heard that letter read, its chief complaint was against allowing importation at lower duty of the very products that the Senator now wishes to come in cheaper, and advocated that they should bear a higher duty.

Mr. DOLLIVER. If my friend understood that to be the complaint of the letter, he shows himself to be a very poor interpreter of correspondence.

Mr. WARREN. The RECORD will show.

Mr. DOLLIVER. I ask the Secretary to read the letter I send to the desk.

The PRESIDENT pro tempore. The Secretary will read as requested.

Mr. DOLLIVER. I want the country to know——

Mr. WARREN. Is this the letter the Senator had read yesterday?

Mr. DOLLIVER. I expect the Senator from Wyoming not to interrupt the serenity of my situation here. It is not the letter of yesterday.

Mr. WARREN. I should like to have it read again.

Mr. DOLLIVER. I should dislike to have it treated with the very poor attention it received yesterday.

Mr. WARREN. I should like to have it read again to determine whether my interpretation or that of the Senator is correct.

Mr. DOLLIVER. Let the Secretary read.

The PRESIDENT pro tempore. The Secretary will read as requested.

The Secretary read as follows:

THE LEICESTER AND CONTINENTAL MILLS COMPANY,
Germantown, Philadelphia, June 9, 1909.

Hon. JONATHAN P. DOLLIVER,
United States Senate, Washington, D. C.

DEAR SIR: I desire to commend you for the stand you are taking in the interests of the carded woolen manufacturers, and trust you will be able to do us some good. In reading over the Daily Trade Record of June 9, I notice in your debate in the Senate, when you explained that the carded-wool manufacturers were mad at the Senator from Utah, and that the Senator from Utah stated "if the men reported such a tale, they reported something that never happened." I desire to state that the Senator from Utah is mistaken; the occurrence that you recite did happen, and in my presence, during one of the visitations by the carded woolen manufacturers to the Senate committee. This was in April. The first knock-out blow that we received at that

time came from the senior Senator from Pennsylvania. The writer of this letter asked to see the Senator from Pennsylvania before the manufacturers came before the committee. The Senator came out of the committee room where I met him, and introduced him to Mr. M. D. Ring, who can verify my statement. After introducing myself to the Senator, and also introducing Mr. Ring, I stated my object in appearing before the committee, and asked him to do all he could to help us, stating to him the deplorable condition of the woolen trade (not worsted), and that we needed assistance at the hands of the committee in order to keep our mills running and to make a living. The Senator from Pennsylvania kindly told us, and these are his exact words, "Well, Brown, if you folks can't make a living in the business that you are in, get out of it and go into something else." I replied to the Senator that that was simply impossible without losing all capital and all money that we have been struggling to get together for years, but if they would give us the proper legislation there would be no necessity for us getting out of business, but there would be work not only for the woolen manufacturers, but also for the worsted man.

As for Senator SMOOT, during the meeting in the Senate Finance Committee room he tried to cast every obstruction in our way and prevent us from getting a square hearing, and in fact was reproved by one of the Senators, who said he would like to hear the woolen manufacturers, and requested Mr. SMOOT to keep still a little while so that we could be heard. The Senator from Utah was not quite as blunt as our friend from Pennsylvania, but he did say, "Why do not you do as I intend to do, and that is to put in worsted machinery?" If the Senator could remember all that was said to him he could readily recall my answer to him, which was, that we did not all have as much money as he to do such things and had to hold on to our woolen machinery, and trust to the assistance of our Representatives to help us in our business.

You will pardon me for trespassing upon your time, but when the Senator from Utah desires to cast reflections on the manufacturers, who have been treated as we were treated, I think it about time that somebody stated the true circumstances of the case. You can use this letter as you wish, as I can back up these statements with witnesses and dates.

Very respectfully, yours, EVERETT H. BROWN.

Mr. DOLLIVER. These complaints and anxieties of a great community of business men in the United States have not alone come to me from Pennsylvania, but from very many States and from nearly every section of the United States. I have had a good many weeks' struggle to make it understood that I am not here as an enemy of the protective tariff. I am not here for the purpose of so framing this measure as to injure American industries. Every word I have uttered, every amendment I have prepared and submitted to the Senate has had for its purpose to give more work, not less, to American workmen, more business to the American people, and to bring back to these industries that have languished under our laws that prosperity and success to which they are entitled under the equal administration of a tariff system.

I ask the Secretary to read this letter, handed to me to-day by the honored senior Senator from Minnesota.

The PRESIDENT pro tempore. The Secretary will read as requested.

The Secretary read as follows:

MANKATO MILLS COMPANY,
Mankato, Minn., April 19, 1909.

Hon. KNUTE NELSON,
Senate Chamber, Washington, D. C.

DEAR SIR: Since the receipt of a copy of the Payne bill we have been studying the woolen schedule, and we are convinced that in its present form it is most unsatisfactory to the carded woolen industry of this country. Apparently the wool schedule in the Payne bill is practically the same as it was in the old Dingley bill, and the injustice of this schedule lies in the fact that a specific duty is placed upon wool without any reference whatever to the shrinkage of wool.

If there must be a duty on wool, and if that duty must be a specific one, then we can not understand why it should not be based upon scoured wool instead of wool in the grease, although there is no question that under the present schedule, as well as the proposed schedule, the worsted manufacturers of this country can certainly have no cause for complaint.

There are no worsted mills in the State of Minnesota that we know of. There are, however, a few woolen mills, and it is in the interest of these mills that we are writing you to-day for the express purpose of showing you the rank injustice that is being done to the carded woolen industry under the old as well as the new proposed tariff.

A specific duty of 11 cents per pound on wool in the grease amounts to a very light tax per scoured pound on wool of light shrinkage. On wool that shrinks only 15 per cent, this 11 cents per pound specific duty is equivalent to 13 cents per scoured pound. This light-shrinkage wool is the wool that the worsted manufacturers use. On the other hand, on wool that shrinks 80 per cent, which is the only wool that can be used in the manufacture of woolen goods, this same specific duty of 11 cents per pound is equal to 55 cents per scoured pound. Do you not see the injustice of this schedule?

The worsted manufacturer is compelled to use long-staple combing wool, and it is these wools that have a very light shrinkage. It is a fact that the very unsatisfactory condition of the carded woolen industry of this country to-day is due, in a large measure, to the absolute unfairness of the present wool schedule. To make matters worse for the carded woolen industry, the present, as well as at the proposed new, tariff imposes a duty on all by-products of the American worsted manufacturer. We refer to noils and worsted waste.

While the new bill proposes a reduction of 2 cents per pound, compared with the old Dingley bill, the duty is still so high as to effectually keep out foreign noils and worsted waste. In our minds, therefore, an 18-cent duty is just as prohibitive as a 20-cent duty on noils and worsted waste.

We would like to see the by-product of worsted manufacturer, mentioned above, put on the free list if possible, and the duty on wool reduced and changed so that heavy shrinkage wools will not be dutiable to as large an extent as light shrinkage wool. On the other hand, so far as a duty on our own product, woolen hosiery, is concerned, we are perfectly willing to see the duty taken off of woolen hosiery manufactured in foreign countries, providing those countries do not impose any duty on woolen hosiery made in the United States.

There is no question but that a most unsatisfactory state of affairs exists to-day in this country so far as the carded woolen industry is concerned. We would be very glad indeed, were such a thing possible, to take the money we have invested in this business and loan it at 5 per cent per annum, rather than continue to run our plant, as with the margin of profit becoming less and less each year, there is apparently very little future for anyone who continues to manufacture woolen goods.

We trust, therefore, that in view of the facts above stated, it will be possible for you to use your influence toward procuring a decided reduction of the duty on noils, worsted waste, etc., and also a readjustment of the wool schedule which will be at least fair to the carded woolen industry of this country.

Yours, very truly, MANKATO MILLS COMPANY,
MUNSON BURTON, *Vice-President.*

Mr. WARREN. Will the Senator permit me?

Mr. DOLLIVER. Certainly.

Mr. WARREN. I think the desire of the writer is perfectly plain. He wants free wool, if he can have it, or free noils rather, which amounts to the same thing. Every pound of noils displaces 2 or 3 pounds of wool in grease, according to the shrinkage of the wool, and it is a case where the manufacturer wants his raw material free, either that which comes from his competitor in noils or from the farmers in grease wool. He wishes to make prices on noils and raw wool and yet retain the right to make his own prices upon his own product.

Mr. DOLLIVER. It is not necessary for me to say that I do not accord with the opinion expressed in the letter that noils, or wool either, should be free. That is not the chief matter in the letter. That is a matter of minor consideration. The statement he makes is that the duties are so arranged as to practically exclude his branch of the business from an interest in the foreign market.

Mr. WARREN. It does show he has no consideration for the farmer or the man who raises the sheep.

Mr. DOLLIVER. That far I do not follow him. I stand for both. I want to equalize the situation. I want the farmer adequately protected and the manufacturer adequately protected and the rates so adjusted as to equalize burdens between all classes of people interested in this matter in the United States.

Mr. PENROSE. Will the Senator permit me?

Mr. DOLLIVER. Certainly.

Mr. PENROSE. I ask the Senator whether he would permit me at this time to have read—they are quite short—resolutions of the Manufacturers' Club of Philadelphia?

Mr. DOLLIVER. I do not think they belong in the few remarks I am engaged now in delivering.

Mr. PENROSE. The Senator read a letter from a gentleman in Philadelphia bearing on this matter.

Mr. DOLLIVER. If the Senator desires to——

Mr. PENROSE. I will postpone it until another time. I thought it was pertinent to these remarks.

Mr. DOLLIVER. Let it follow immediately. I know what some of the manufacturers in Philadelphia want; but if they were unanimous in Philadelphia on your side, I would have had a great deal more leisure in the last sixty days.

I desire the Secretary to read a telegram coming to me to-day from a woolen mill in Minnesota.

The PRESIDENT pro tempore. Without objection, the Secretary will read as requested.

The Secretary read as follows:

MANKATO, MINN., *June 9, 1909.*

Hon. J. P. DOLLIVER,
Senate Chamber, Washington, D. C.:

Your stand on wool schedule, unassailable from every standpoint except to users of imported combing wools, in whose interests we all believe the tariff is designed. It is incredible that any woolgrower could be deluded into belief that his interests and those of manufacturers using foreign wool could be identical, for every pound imported displaces that much American wool to greater extent than shoddy or waste. If they think high tariff so good for them, reverse the position of the worsted and carded manufacturers; let the former enjoy a prohibitory tariff for a while in place of the latter to extent of per cent the carded people now pay, and give carded people per cent the worsted people pay. There will be practical demonstration present tariff has blighted the carded-wool industry and enriched the worsted manufacturers, making luxuries pay less tax than the cheaper grades.

MANKATO MILLS COMPANY.

Mr. DOLLIVER. Mr. President, I have offered an amendment not to make noils and other wool waste free, but to fix a maximum ad valorem upon them, so that these good people who have to use them will not be confronted with a duty that is not only prohibitory, but 15 per cent in excess of the duties which we have assessed upon carded wools.

Mr. CARTER. Mr. President, it would be ungracious in me not to recognize very fully and cordially, as I cheerfully do, the kindly words of the Senator from Iowa on the State of Montana and the people abiding there. I regret, however, that the compliment was followed by the advocacy of an amendment

which would cause the good people of that State to change their occupations about as radically as the Senator from Pennsylvania directed the carded-wool people to do.

The Senator's remarks would leave the Senate with the impression that this amendment merely fixes a maximum for certain rags and waste, products of the tailor shop, the ragpicker, and the worsted manufacturer. If any Senator will turn to the bill and scrutinize the paragraphs embraced in this amendment, he will perceive that the articles thus affected constitute a body of wool superior in quality to wool in the grease, to washed wool, and to scoured wool. Top waste, for instance, which he would have admitted at this reduced rate, is, as I have taken occasion heretofore to allege and now assert again, superior in quality to scoured wool, which is assessed at 33 cents a pound by this bill. It is wholly immaterial to the woolgrower how the duty is reduced if reduced so as to put him out of business.

The remarks of the Senator from Iowa and the letters presented in support of his observations here make it quite manifest that his inspiration, or that his point of view, if you please, upon the wool question is obtained from the manufacturers of so-called "carded woolens." The people engaged in that line of business are entitled to consideration, undoubtedly; they are a worthy body of people; but the Congress can not in any manner, shape, or form stay the tide of changing fashions or the public demand for goods.

In 1867, when the structure of this tariff on wool was framed substantially as it is to-day, 99 per cent of the wool manufactured in the United States was manufactured by the carded-woolen process. To-day, owing to change of fashion and improvement of machinery, the manufacturers by the worsted process have largely driven the carded manufacturers out of the market. The wool crop of the United States, or three-fourths of it, is sold to the worsted manufacturers and about one-fourth to the carded-wool men. The carded manufacturers supplement their purchases of first-class and second-class wool by rags and shoddy and mungo and all kinds of wastes. None of these wastes can be used in the manufacture of what is known as "worsted cloth."

Now it is proposed by the importation of rags and shoddy and high-grade wool at reduced duty, to bring to the rescue of a failing industry the strong arm of the law, not to give equal terms, but to give unequal terms, because the law would be interposed in case this amendment should be adopted to stay the natural tendency of the people of this country to buy the best instead of the worst. The natural desire of the people of the country is to wear goods made of pure wool in the best fashion the manufacturing art has devised rather than to wear clothes made of rags, picked up through the streets of the cities, or the waste products of other manufacturing establishments.

Our people are rather particular in the kind of goods they buy. And let it be understood that the average farmer realizes the difference between a good article and a bad article. Let an individual attempt to sell a poor quality of farm machinery, be it a rake or a thrasher or a mower or a reaper, and he will soon find that the farmer demands the best and the latest pattern.

You can not to-morrow sell at any price a machine, though never used a day, if it is 2 years old in manufacture, because the farmer demands the up-to-date, efficient piece of machinery. It is so with his clothing. The manufacturers of the country who can supply the best will take the market, and the laws of the United States can no more stay that national tendency than they can control the currents of the winds or the movements of the tides.

Mr. President, the manufacturer from Minnesota, quoted by the Senator from Iowa, is a candid man who does not deal in concealment or evasion. What he desires is that these so-called "wastes" shall come in free, and he would go beyond that and have the wool itself free. If that view shall finally be determined to be in harmony with the wish of a majority of the American people, they can so pronounce in due time. But at this time our sailing orders require that we shall protect the farmer and protect the manufacturer; that we shall protect the American producer against the producer of any other country in the world.

Mr. President, I do not question the sincere desire of the Senator from Iowa to do that which is just and right toward the farmer and the sheep grower of the plains, but the natural effect of his action would be entirely at variance with his purpose in this respect.

Mr. DOLLIVER. What does my friend from Montana mean by that? He knows that the present duty on wool reduced to an equivalent ad valorem is 45 per cent. He knows that I have suggested a maximum here for the different by-products of cloth manufacture at 60 per cent. In what possible way could any unfriendly result take place under such a proposition to the good people who are interested in sheep husbandry in Montana?

Mr. CARTER. Top waste and slubbing waste, together with roving waste and garnetted waste, all represent qualities of wool superior to scoured wool.

Mr. DOLLIVER. The quality of wool they represent depends upon the quality of wool out of which they are made.

Mr. CARTER. The original fleece, of course, gives the refined product in scoured wool, but the process of manufacture refines the wool still more.

Mr. DOLLIVER. Exactly; scoured, but the duty on scoured wool is only 33 per cent.

Mr. CARTER. The waste to which the amendment of the Senator is applicable is superior in quality to scoured wool, because the noils are eliminated in the process of carding and combing, and it is of this final refinement of wool that top waste and the other forms of waste mentioned in paragraph 368 is composed.

Mr. DOLLIVER. By what process does the honored Senator from Montana get so excited about top waste, and yet seems placid and calm in the presence of an importation of 24,000,000 pounds of wool of the second class coming into the United States during the current year, at an average scoured assessment on the contents of the fleece of 15 cents a pound?

Mr. CARTER. I shall not divert my contention with the Senator as to his mode of procedure in this transaction.

Mr. WARREN. Will the Senator permit me? The Senator from Iowa does not give the correct facts. I have not the figures for the last month or two, but when he says that for the current year the importation is at the rate of 22,000,000 pounds of second-class wool, he is about 100 per cent or a little more incorrect in his figures.

Mr. CARTER. That is a trifling per cent, as things go here.

Mr. DOLLIVER. The figures for 1907 were 12,000,000 pounds, but when the manufacturers began to come here last winter it indicated a stimulus of that trade to the amount of 2,000,000 pounds a month. If that should continue, it would be 24,000,000 pounds in the year.

Mr. WARREN. I have the figures in my committee room.

Mr. CARTER. Mr. President, I would in the beginning have cooperated with the Senator from Iowa to somewhat better the conditions applicable to second-class wool. I do think now that the bill could be improved in many particulars, but if I had charge of its improvement I would not propose the amendment suggested by the Senator from Iowa, who after all the paragraphs relating to compensatory duties on woolens and the protective duties on wool have been applied has come at the close of the entire proceeding to strike down the woolen duties themselves after the compensatory duties have been agreed to.

Mr. DOLLIVER. I come back because I had hoped to get the other things done. If they had been done, I might not have come back.

Mr. CARTER. Of course, if the other things had been done it would probably not have been necessary to have come back. But the bill has been approved as to all things practically requiring compensatory duties, and now comes the Senator to change the base itself by putting a lid, if you please, upon the woolgrower above which he may not rise regardless of the shifting changes in the market price of wool.

Mr. DOLLIVER. Will the Senator from Montana permit me to make a suggestion at that point?

Mr. CARTER. Certainly.

Mr. DOLLIVER. He said that the act of 1867 was adopted at a time when the carded woolen business occupied the larger field of woolen manufacture, and that is true. But there is one thing that the Senator has overlooked. The few people who are in the worsted manufacturing business seemed to be a little sharper than some of the farmers from Ohio who spoke for the wool raisers' association. This increase was in a far-off period before the time of the Senator from Montana, as he will undoubtedly admit——

Mr. CARTER. Cheerfully admit.

Mr. DOLLIVER (continuing). And while the worsted interest was not very largely represented, the people who did represent it seemed to know more about what was being done than anybody else.

I sought information in all directions to find out how that linotype line happened to be dropped out of the paragraph describing the classes of wool so smoothly that you could hardly recognize its absence. It takes a man of some literary ability, it takes some repeated readings, before he can see that the effect of the language is to introduce these English combing wools washed at exactly the same rate they would pay if unwashed, whereas they pay a duty of 11 cents unwashed, and it is doubled if they are washed.

I asked everybody how that happened. I consulted the oracles, I read in books, I asked every elderly gentleman who looked as though he had ever been in the sheep business, if he knew anything about it. I finally got hold of a venerable man whom you will see sitting yonder in the corner listening to me now—the oldest expert in wool in America, a Philadelphia wool merchant, manufacturer, trader, general manager. Everything about the wool business he knows, and when he came into my office and began to talk with me, I said to myself there is a man who is worth talking to. Among the first things I said to him was, "Mr. Green, do you know anything about how that sentence happened to be dropped out of the tariff act of 1877?" A very benevolent smile came over the face of Mr. Green, and he answered in these words:

Q. Have you ever given any attention to the phraseology of the wool tariff?—A. I have.

Q. There is one thing in this wool tariff that I have not been able to understand—a good many things, in fact, but this one particularly. Why has the language been so arranged as to double the rate on wool of the first class which are washed and at the same time leave the original rate on wools of the second class whether they are washed or not?—A. In 1867 the only wools that were imported into this country of the first class were from the Cape of Good Hope and from South America, the latter called "mestizo." The Cape wool shrank from 60 to 70 per cent; the mestizo shrank from 65 to 75 per cent. That was practically two-thirds. Washed wool was taken then at 20 cents and unwashed wool at 10 cents.

He refers to the assessment upon the varieties of wool.

Q. You refer to the high shrinkage of wools. Now, in the case of the other wools of low shrinkage, the law seems to have made no distinction as to whether they were washed or unwashed?

Now comes the answer:

A. Mr. Edmunds, who was treasurer of the Pacific Mills, at that time the largest worsted mills in the country, said: "This will not do for me. I must use either English or Canadian wools." They are all washed; and while he had a compensatory duty based on unwashed, he succeeded in getting the duty on washed wool the same as had been put on unwashed. His mills were, and are now, located at Lawrence, Mass.

So, while there may not have been very many of these good people present they seem to dominate the situation with a shrewdness and sagacity that has deceived even the elect.

Mr. BAILEY. Will the Senator from Montana permit me?

The PRESIDENT pro tempore. Does the Senator from Montana yield to the Senator from Texas?

Mr. CARTER. Certainly.

Mr. BAILEY. It is obvious that we can not dispose of the wool schedule and at the same time dispose of what might be called the "regular order" to-day, and as a number of Senators want to know what is to be done, I ask unanimous consent that the consideration of the income-tax amendment to the bill, which was fixed for to-day, be fixed for to-morrow as of to-day, or the same as to-day.

Mr. ALDRICH. With the same rights that it would have to-day.

Mr. BAILEY. With precisely the same rights in all respects.

Mr. ALDRICH. I have no objection to its going over to-day, to come up at any time when the Senator calls it up.

The PRESIDENT pro tempore. The Senator from Texas asks that the income-tax amendment may be postponed until to-morrow, having the same rights that it has to-day. Is there objection? The Chair hears none.

Mr. BAILEY. Now, if the Senator will indulge me one moment, I have not wanted to interfere with the consideration and conclusion of this schedule; but as soon as the schedule is completed to-morrow, or if it is concluded this afternoon and to-night, then the first thing to-morrow I will call up the income-tax amendment; if the schedule is not concluded this afternoon or to-night, then as soon as it is completed to-morrow I will call it up.

Mr. CARTER. Mr. President, I shall not detain the Senate on the pending amendment further than to say that the adoption of this amendment will involve a complete recasting of Schedule K. There can be no adjustment at this time on the lines proposed by the Senator from Iowa. This is not a perfect schedule, and I know it; I realize very fully that it can be made more perfect; but, Mr. President, all legislation in the Congress of the United States, as in every parliamentary body in the world, represents but a consensus of opinion, a basis upon which men can actually accommodate their views one to another and abide by a result in order to obtain any result at all.

Mr. BEVERIDGE. Mr. President, will the Senator permit a question?

Mr. CARTER. I will be glad to do so.

Mr. BEVERIDGE. Does the Senator think it desirable that the schedule should be recast, it being defective?

Mr. CARTER. Mr. President, any schedule passed by the combined wisdom of all the experts ever collected together will still be a defective schedule.

Mr. BEVERIDGE. That may be; but my question was whether the Senator thought it would be well to have it recast.

Mr. CARTER. The Senator will permit me to reply to him completely?

Mr. BEVERIDGE. Certainly.

Mr. CARTER. Acknowledging the infirmities of the schedule, predicting that any schedule hereafter made to take its place will be defective from the point of view of some one, we accept this schedule as the best now obtainable, and accept it cheerfully, because under its provisions this great woolen industry has prospered, and its prosperity is sufficient vindication of the wisdom of those who framed the schedule.

Mr. BEVERIDGE. Mr. President, then the Senator's statement amounts in the end to this: That, after all, it is about as good a schedule as human wisdom could get, since the Senator said that any schedule that was constructed by any human wisdom would still be defective. My question merely was, in view of his statement the other day, whether, if it were possible, he thought the schedule could be improved by recasting. I call the Senator's attention to the fact that he has not answered that question, and I would be obliged if he would answer it.

Mr. CARTER. I will be glad to answer the question. I say to the Senator now that I could, by striking out a few lines and inserting a few lines in this wool schedule, make it a more perfect workable schedule from the standpoint of the woolgrower than it now is; but I venture to predict that 20 Senators would rise instanter and announce that there were other people in this country aside from woolgrowers who had some rights within the Congress and under the law. If our friend the manufacturer from Minnesota could have his way, he would put wool and woolens on the free list, and that would be, according to his judgment, a perfect and peaceful way out of this trouble, but it would be death to the woolgrower.

When wool goes to the free list I know that so many fortunes would be lost and so many homes would be ruined in the State I have the honor of representing in part that I would stand on this floor as long as I had the strength to stand here rather than suffer the adoption of any such amendment.

Mr. BEVERIDGE. So would I, Mr. President; but I call the attention of the Senator to the meaning of his words. He said that he himself by changing two or three lines and by striking out two or three lines could improve it from the point of the grower. The Senator from Iowa has demonstrated here with some clearness that he can improve it from the point of view of the manufacturer. Those two statements——

Mr. ALDRICH. I should like to enter a protest against the Senator from Iowa as a representative of the woolen manufacturers.

Mr. BEVERIDGE. He certainly represents some of them. Those two statements show that the schedule could be improved upon. Now, then, if it is true that it is ever to be recast, when will it be recast if not now?

Mr. CARTER. Mr. President——

Mr. BEVERIDGE. And if we are not going to recast it now will not the same legislative situation the Senator suggested the other day meet us then, and thus will the time ever come when it will be recast? We are here now to do this work if it needs to be done.

Just one word more and I will sit down. I will join the Senator with as much earnestness as he about the proposition of being against any free wool. I have entertained that position ever since I was grown and I always shall until I am convinced to the contrary. But I have not heard any amendment here that proposes any such thing as that.

I renew the question as to whether the Senator does not think if the schedule needs improvement and can be improved upon that now is the time to do it; and if now is not the time to do it, will the time ever come, in the Senator's judgment, when the same objection will not be made?

Mr. CARTER. The schedules have been in some measure improved from time to time since 1867. This wool schedule from the woolgrowers' point of view represents the very best judgment of the most thoroughly enlightened men upon this subject it has ever been my privilege to know.

Mr. BEVERIDGE. The Senator said he could improve it himself.

Mr. CARTER. Judge William Lawrence, of Ohio, who aided by his counsel and advice in the preparation of the bill of 1890, and again the bill of 1897, understood the wood schedule from the woolgrowers' point of view better than any man of his time. He observed defects in the schedule as finally adopted, but he recognized what no one will dispute, that the schedules represented the best obtainable, rather than what anybody desired.

The Senator is aware of the fact, because he has used his influence to produce it, that there will be an amendment offered to this bill to provide for a careful scrutiny not only of these schedules, but of the whole mass of data upon which they are based, with a view to hereafter making recommendations which may lead to the harmonizing of the schedules, the filling up of the low places and the leveling down of the high places upon a proposed scientific basis.

I hope that commission or committee or bureau, or whatsoever it may be designated, may finally bring forward something of a more symmetrical and effective character than any of the bills that have been heretofore enacted by Congress. But Congress, in the last analysis, will be compelled to pass the bill, and the bill will represent in every case just what the votes of the two Houses make it. It will probably embrace, after the scientific experts have exhausted their skill and research, certain inequalities and certain features, which, from the point of view of those in one line of production, will be regarded as unjust, whereas the particular point of objection will be regarded as the chief element of perfection in the bill from another point of view. As long as men have varied and varying interests, the matter must ultimately be settled by three hundred and odd Representatives of the people in one House, and 90-odd Senators in this Chamber. The views of the commission will finally be filtered through the judgment of each body, and the bodies will represent the convictions and interests of the people of the respective districts and States. The bill framed by the experts, or on their recommendations, will be amended in Congress to conform to the average judgment of the American people as announced through the ballot box.

Mr. PENROSE. I ask unanimous consent to have the Secretary read the resolutions of the Manufacturers' Club of Philadelphia, which I send to the desk.

The PRESIDENT pro tempore. The Secretary will read, as requested, there being no objection.

The Secretary read as follows:

MANUFACTURERS' CLUB OF PHILADELPHIA,
OFFICE OF THE PRESIDENT.

Whereas the existing tariff law relating to wool and woolens, in conjunction with the general prosperity maintained by the protective system, has so developed woolgrowing and woolen manufacturing that we now produce about three-fourths of the wool and 93 per cent of the cloth required for clothing the American people, which clothing they buy at very moderate prices, as is evidenced by the fact that they wear more and better clothing than any other people; and

Whereas the old trick of the free-traders of endeavoring to separate the woolgrower from the manufacturer by changing the equitable arrangement of Schedule K in such manner as to admit into this market foreign products of wool at less than relative duties placed on raw wool, thus destroying the woolgrowers' market, is foreshadowed in the recent speech of Senator DOLLIVER of Iowa: Therefore

Resolved by the board of directors of the Manufacturers' Club of Philadelphia, That we call upon all Senators and Representatives in Congress who are loyal to the Republican party and its platform to stand unswervingly for the wool and woolens schedule as it now is in the Senate bill.

N. T. FOLWELL, *President*.
[SEAL.] ELMER P. WEISEL, *Secretary*.

Mr. SMOOT. Mr. President, I wish to refer just a minute to a letter written by Mr. Brown, from Baltimore, and to the paper read by the Senator from Iowa. He charged that these carded-woolen people have been denied a hearing.

Mr. DOLLIVER. No; they had a hearing, but, with the temperature reduced so low, it made a deep impression upon their feelings.

Mr. SMOOT. I took the words of the Senator down as he gave them, and of course I was referring to what the Senator said; but, as modified, I will proceed to state just what did happen.

The carded-woolen people were the only woolen manufacturers who appeared before the Finance Committee. They were given a hearing, and they had Mr. Dobson there to speak for them, and he made his statement to the committee. Not only that, Mr. President, but they asked that I meet with them the next day. I made the appointment in my office for 8 o'clock in the morning, and I spent over an hour with carded-woolen men from Maine and other States, going over the whole situation; and I have met them on two other occasions.

I thought I had given them a respectful hearing. I listened to what they had to say. I discussed the question with them as one having an interest in the business, telling them exactly where I thought the trouble was. It ill becomes Mr. Brown, it seems to me, to write a letter complaining that I have not given a hearing to him.

Mr. President, I want to say further that I have had my office full of men representing the interests both for and against, some mornings from 7.30 until after midnight, for week in and week out.

I do not believe there is an American citizen who has ever asked me to give him a hearing, if I had the physical strength to do it, that I have not listened to what he had to say.

Mr. President, I fully sympathize with the condition of the carded-wool people; and when they say now that the question of noils is the very thing that has brought them to this unhappy condition I want to tell them it is not true. In all my history as a manufacturer of wools I purchased only one single lot of noils in my life. I never used them but once. In the most prosperous years I ever had as a woolen manufacturer there never was a time but that I used almost pure wool.

I know what is the matter, as I have stated it to the Senate before. It is that the styles have changed. The American people are wearing worsteds instead of woolens. The improvement in machinery has brought this about. I believe that some time or other the styles will change again, and then the carded wool people will be successful once more.

Mr. President, I wanted to say this much in relation to the charge here of Mr. Brown from Pennsylvania.

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BACON. The Senator offered two amendments. Which one is this?

Mr. DOLLIVER. This is the first offered. I offered the second for the information of the Senate and for the accommodation of my friend from Montana.

Mr. BACON. It is only the first that is now to be voted upon?

Mr. DOLLIVER. The first.

Mr. BACON. It does not include wool.

Mr. DOLLIVER. No.

The PRESIDENT pro tempore. The Secretary will call the roll on agreeing to the amendment of the Senator from Iowa.

The Secretary proceeded to call the roll.

Mr. BRIGGS (when his name was called). I am paired with the junior Senator from Maryland [Mr. SMITH]. If he were present, I should vote "nay."

The PRESIDENT pro tempore (when Mr. HALE's name was called). My colleague [Mr. HALE] is detained at home by illness. If present and permitted to vote, he would vote "yea."

Mr. McCUMBER (when his name was called). I have a general pair with the junior Senator from Louisiana [Mr. FOSTER]. He being absent from the Chamber, I withhold my vote.

Mr. McLAURIN (when his name was called). I am paired with the junior Senator from Michigan [Mr. SMITH].

Mr. WARREN (when his name was called). The standing pair which I have with the Senator from Mississippi [Mr. MONEY], who is absent from the Chamber on account of illness, has been transferred, so that he will stand paired with the Senator from Oregon [Mr. BOURNE], leaving me at liberty to vote. I vote "nay."

Mr. ALDRICH (when Mr. WETMORE's name was called). My colleague [Mr. WETMORE] is unavoidably absent from the Senate to-day. He is paired on this vote with the Senator from Indiana [Mr. SHIVELY]. My colleague, if present, would vote "nay."

The roll call was concluded.

Mr. DEPEW (after having voted in the negative). Has the senior Senator from Maryland [Mr. RAYNER], with whom I am paired, voted?

The PRESIDENT pro tempore. The Chair is informed that the Senator from Maryland has not voted.

Mr. DEPEW. Then, I withdraw my vote, having a pair with that Senator.

The result was announced—yeas 27, nays 39, as follows:

YEAS—27.

Bacon	Chamberlain	Foster	Nelson
Bailey	Clapp	Frazier	Newlands
Bankhead	Clay	Gore	Overman
Beveridge	Cummins	Hughes	Paynter
Bristow	Davis	Johnston, Ala.	Simmons
Brown	Dolliver	La Follette	Stone
Burkett	Fletcher	Martin	

NAYS—39.

Aldrich	Crane	Gamble	Penrose
Borah	Crawford	Guggenheim	Perkins
Bradley	Cullom	Heyburn	Root
Brandegee	Curtis	Johnson, N. Dak.	Scott
Bulkeley	Dick	Jones	Smoot
Burnham	Dillingham	Kean	Stephenson
Burrows	Dixon	Lodge	Sutherland
Burton	du Pont	McEnery	Warner
Carter	Elkins	Oliver	Warren
Clark, Wyo.	Gallinger	Page	

NOT VOTING—25.

Bourne	Frye	Piles	Taliaferro
Briggs	Hale	Rayner	Taylor
Clarke, Ark.	McCumber	Richardson	Tillman
Culberson	McLaurin	Shively	Wetmore
Daniel	Money	Smith, Md.	
Depew	Nixon	Smith, Mich.	
Flint	Owen	Smith, S. C.	

So Mr. DOLLIVER's amendment was rejected.

The PRESIDING OFFICER (Mr. KEAN in the chair). The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. WARREN. Mr. President, the Senator from Wisconsin [Mr. LA FOLLETTE] presented last night for printing a very valuable report of one W. A. Graham Clark, and it has been ordered to go into the RECORD. The National Association of Woolen Manufacturers made a careful analysis of that report, and I will ask that it also may go into the RECORD, so that we may have the benefit of their ideas upon the same subject, as they all tend to a betterment of the woolen condition.

The PRESIDING OFFICER. Without objection, the request of the Senator from Wyoming will be granted.

The paper referred to is as follows:

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,
Washington, D. C., June 10, 1909.

Hon. FRANCIS E. WARREN,
United States Senate, Washington, D. C.

DEAR SIR: In view of the bitter attack which Senator LA FOLLETTE, of Wisconsin, has made upon American wool manufacturers and their industry, using as justification for his charges a recent report and testimony of Mr. W. A. Graham Clark, special agent of the Department of Commerce and Labor, it seems both just and necessary that there should be laid before the Senate and printed in the RECORD the analysis of Mr. Clark's report and testimony prepared by the tariff committee of the National Association of Wool Manufacturers.

Senator LA FOLLETTE has stated, in substance, that Mr. Clark was selected with the knowledge and approval of American manufacturers, and that he was repudiated by them only because the results of his inquiry abroad were not favorable to their interests.

As a matter of fact, the wool manufacturers of this country were not consulted in any way about the appointment of Mr. Clark as an expert to examine the wool industry of foreign countries. He was selected entirely without their knowledge, and he was totally unknown to them. When it became noised about that Mr. Clark was to present a report on the wool industry, this association had considerable trouble in ascertaining the identity of Mr. Clark, for no one had ever heard of him as being associated with the woolen business.

Indeed, Mr. Clark had never spent an hour of his life in the woolen business. He had, for a short time, run a cotton mill in a southern State, and he was originally appointed and sent abroad as an expert to report upon the cotton industries, apparently without the slightest thought that he would be called on to consider the wholly different and unfamiliar industry of wool manufacture.

After twenty-eight months spent abroad in investigating the cotton industry, Mr. Clark seems suddenly to have been instructed to make an inquiry into the wool manufacturing industry of Europe, and on this work, for which several years might well have been allowed to an experienced and competent authority, Mr. Clark appears to have spent just two months in gathering the information on which Senator La Follette relies as the basis of his violent onslaught on the American wool manufacturing industry.

The grotesque inadequacy of a two months' inquiry by a special agent entirely unfamiliar with the subject aroused an immediate protest from American wool manufacturers. This association, through its tariff committee in February last, made formal remonstrance to the Committee on Ways and Means against the injustice to Mr. Clark, and the far more serious injustice to the wool manufacturing industry of America involved in the presentation of Mr. Clark's report and testimony, after only two months' inquiry abroad, as to the woolen industry, with which he was entirely unfamiliar, after having given twenty-eight months to the cotton industry, with which his short business career had been identified.

We would like to emphasize that this association did not in any way question the sincerity of Mr. Clark, or his personal zeal or intelligence. The point emphasized in the remonstrance was simply this—that it was so unfair as to be absolutely indefensible, to depute a man who had no knowledge of the wool manufacture in any practical way to make an investigation of this great industry in Europe, to give him only two months for this purpose, when two or three years ought to have been granted to competent authority, and then to cite the facts and figures thus hastily collected as a justification for striking down the protection given to the wool manufacturing industry of the United States.

Senator LA FOLLETTE has criticised the short time and the brief consideration granted to the present revision of the tariff, and he has laid stress upon the inadequacy of the preparation. But we venture to submit that nowhere is this alleged inadequacy so manifest and indefensible as in the work of the very witness whom the Senator from Wisconsin summons and eulogizes as a great authority in wool manufacture, though apparently Mr. Clark has never spent in the serious pursuit of this business a single hour of his life.

In our remonstrance against the inadequacy of Mr. Clark's equipment and information, and the very serious errors contained both in his report and in his testimony, the tariff committee of this association submitted to the Committee on Ways and Means a careful analysis and an answer to Mr. Clark's well-meant, but gravely misleading, assertions. In view of the conspicuous use made of these assertions by Senator LA FOLLETTE, we ask that, in the interests of truth and fair play to the wool manufacture of America, this remonstrance and analysis be submitted to the Senate and printed in the RECORD.

Sincerely, yours,

WINTHROP L. MARVIN, *Secretary.*

AN ANALYSIS OF THE REPORT ON THE "MANUFACTURE OF WOOLEN, WORSTED, AND SHODDY IN FRANCE AND ENGLAND, AND JUTE IN SCOTLAND," MADE TO THE BUREAU OF MANUFACTURES OF THE DEPARTMENT OF COMMERCE AND LABOR, BY MR. W. A. GRAHAM CLARK, SPECIAL AGENT OF THE DEPARTMENT, ON NOVEMBER 1, 1908; COVERING ALSO THE TESTIMONY OF MR. CLARK BEFORE THE COMMITTEE ON WAYS AND MEANS ON DECEMBER 11 AND 22, 1908, SO FAR AS THEY RELATE TO THE MANUFACTURE OF WOOL IN ENGLAND AND THE UNITED STATES.

The object of this analysis is, if possible, to aid the Committee on Ways and Means in arriving at a clear determination of what there is that is new and of value as to comparative costs of manufacture in the wool-manufacturing industry in Great Britain and the United States in the report of Mr. W. A. Graham Clark, special agent of the Bureau of Manufactures of the Department of Commerce and Labor, submitted on November 1, 1908, and in the testimony of Mr. Clark before the committee on December 11 and 22, 1908.

It is supposed that the Bureau of Manufactures was established primarily for the purpose of collecting information which might be of assistance to the manufacturing industries of this country. It is therefore natural to presume that information obtained with this object in view would be collected with such care and accuracy as to leave no question as to its absolute impartiality and reliability. It is because of this presumption in favor of the work of Mr. Clark as an expert, selected to collect such information for a government department, that much of interest and practical value to the wool-manufacturing industry of this country would be expected in his report. While it is true that much of the information reported by him is interesting from a general standpoint, it is nevertheless to be regretted that a careful reading of his report shows that his data as to comparative costs cover such a narrow field, contain so many inaccuracies, and are based so little on actual manufacturing experience as to raise a serious question as to its practical value.

We shall confine our attention to such errors as we deem of sufficient importance to call to the attention of the committee.

THE ENGLISH WOOLEN INDUSTRY.

There can be no question that the wool-manufacturing industry in England, which Mr. Clark was asked to investigate in two short months, is a matter of such intricacy and difficulty as to tax the knowledge and lifelong experience of the most skilled and best-informed manufacturers. Any doubt on this point must be dispelled by Mr. Clark's own description of the condition of that industry in England. He writes as follows:

"Employment in all branches of the wool industry is more or less irregular, for not only are there good and bad years, but the fluctuations of the demand for various kinds of wool manufactures sometimes throw a whole locality making some specialty into the depths of distress, and at the same time perhaps raise another to the heights of prosperity. This changing demand sometimes acts only between towns making various specialties and at others affects a whole country. When there is a great demand for very soft draping goods, France is prosperous and England can hardly keep her mills going, while, when the demand is for firmer worsteds and tailor-made goods, England will be prosperous and perhaps France losing ground. Sometimes woolen goods are in demand and then worsteds. One season the all-wool goods may bring in the most profit and another season, with high-priced wool, only the sections making mixed goods can show any profit at all. The wool industry is thus subject to many fluctuations, and in that sense is not a stable industry as are, for instance, certain branches of the cotton trade making staple cloths that are in demand year in and year out. In the wool trade there have to be new styles gotten out for the summer and winter, and the demand of the public for variety is growing all the time, so that the mills have to employ a larger number of men in their designing and sales departments, which adds to the cost."

The president of our association informed you as follows:

"There are very few, if any, woolen fabrics that can be considered staple fabrics. Such as might possibly be so regarded are not made exactly alike by either foreign or domestic manufacturers; nor are they made exactly alike by the same manufacturers for a continuous period. So-called "staple fabrics" are nearly always undergoing changes of construction, in conformity, with the varying quantities and character of raw-wool production and changing prices to meet the demands of buyers to produce garments at fixed prices. The variety of fabrics included under the classifications of Schedule K is so extensive that they can not be enumerated, much less compared.

"* * * In this connection it is necessary to consider the infinite variety of patterns, styles, colorings, and combinations embraced in this immense variety of fabrics, all of which are constantly changing under the capricious dictates of fashion."

COMMON BASIS OF FACT NECESSARY FOR COMPARISON OF COSTS.

There would also seem to be no question but that data as to comparative costs of manufacture in different countries, to be of practical value, must be collected in accordance with some common basis and standard of calculation. In the statement made before your committee by the president of our association, we gave you as a reason for not furnishing you with information relating to comparative costs of production of woolen goods in foreign countries and in the United States, that it is not obtainable, and we tried to show that a comparison of foreign and domestic costs is not practicable. We feel confident that a careful scrutiny of Mr. Clark's report and testimony fully bears out this contention.

At the very outset of any inquiry into comparative costs, we are, as our president stated to the committee, confronted with the fact that:

"Every avenue of information regarding the foreign wool manufacture is jealously guarded from American inquiry by foreign manufacturers;"

and by the fundamental questions:

"* * * What is the cost of production and what is meant by the relative cost of production in different countries?"

It must also be clear, as stated by him, that:

"* * * in order to determine the actual cost it will be found necessary to establish a given basis for calculations in order to make the comparisons of value."

We can not emphasize too strongly the great inherent difficulties in the way of the most highly qualified expert in obtaining trustworthy information as to foreign costs in this industry, not only because of its difficult and complex nature, and the natural jealousy with which English manufacturers guard their trade secrets and processes from our manufacturers and each other, but also because of the natural desire of such foreign manufacturers to have the protective tariff of this country broken down, in order to open our mar-

kets to their goods. For the latter reason, if for no other, any information as to foreign costs which any foreign manufacturer might seem willing to disclose should be subjected to the most careful scrutiny and analysis as to its sources, the possible selfish motive back of it, and the basis upon which such costs were determined.

COMMON STANDARD OF COMPARISON NECESSARY.

It is naturally a source of surprise that Mr. Clark, who was selected by the Bureau of Manufactures for this difficult task, should neither have had previous experience in the industry nor, so far as we know, sufficient, if any, knowledge as to costs of manufacture in this country to have made it possible for him to collect information abroad in accordance with any common fixed standard or basis for determining such costs.

Disclaiming any purpose to criticise Mr. Clark personally, we deem it necessary to point out that he was apparently sent abroad for entirely different purposes, and was, as an afterthought and without opportunity for preparation, given the task of investigating the wool industry in Great Britain and Europe upon completion of the special work for which he had been particularly sent abroad. The time allowed him, two months, was altogether inadequate. He testified as to the purpose of his trip abroad as follows:

"I have just returned from a twenty-eight months' trip, having been investigating the markets for cotton manufactures in Asia and the methods of cotton manufacturers in Europe, and for the last two months I have been working specially on getting information from the English wool mills in regard to their cost of manufacture for the use of this committee."

He also stated to the committee that he was called from Scotland while investigating the jute industry to take up the woolen business, and that he had been a practical cotton manufacturer for six years. His knowledge of the entire industry is apparently limited to that obtained by him by having—

"been through lots of woolen mills" while abroad "and studied the process," and "talked with the manufacturers."

His information as to the English industry is apparently limited to that obtained by visits to Bradford, Huddersfield, and, possibly, Leeds.

RELATIVE ADVANTAGES OF WOOL MANUFACTURERS OF ENGLAND OVER OUR MANUFACTURERS.

As we have before stated, some of the information given by Mr. Clark is interesting, and some in a general way true. We regard it as undoubtedly true, as he states, that English wool manufacturers have the following advantages over our wool manufacturers: (1) Cheaper first cost of machinery and building; (2) cheaper money; (3) cheaper raw material; (4) cheaper labor; (5) cheaper power; and (6) cheaper supplies. While we agree with Mr. Clark's general conclusions on this matter, he fails to furnish us with sufficient reliable data upon which to determine the relative advantages as to any of the particular items. This we shall now endeavor to show to the committee.

CHEAPER FIRST COST OF MACHINERY AND BUILDING IN ENGLAND.

On page 4490, first print No. 31, Mr. Clark states that our machinery and costs of building are at least one-fourth or 25 per cent higher than in England; while on page 4492 he states that English machinery is from one-third to one-half cheaper than ours, a difference of from 50 per cent to 100 per cent. Such a wide margin of variation can hardly be based on sufficiently accurate information to be of aid to the committee.

CHEAPER RAW MATERIAL IN ENGLAND.

As to wool as a raw material, Mr. Clark apparently has no first-hand information. He testified as to his knowledge of Rocky Mountain wools, which constitute the greater proportion of the wool raised in the United States, as follows:

"I have no actual knowledge excepting what is contained in the textile magazines and papers and what I have learned from talks with men in the business."

He states that—

"The different wools vary so in quality that a cost comparison between England and America is difficult to make. In London in 1907 fine greasy Australian crossbred wool averaged 30 cents a pound, and in Boston similar wool from Pennsylvania averaged 68 cents a pound, which gives some basis of comparison."

It is difficult to understand why wool worth 30 cents in London could not be landed in Boston at 30 cents a pound plus 11 cents duty and other expenses of importation, probably not over 1¼ cents a pound.

It would seem clear that Mr. Clark's knowledge in regard to wool is too indefinite to be of practical assistance.

But in spite of this fact he undertakes to make the general statement that the shrinkage of wools in general used by our manufacturers would not be two-thirds, but would run from 50 per cent to 60 per cent. This shrinkage is too small, and Mr. Clark's statement is erroneous. The actual facts in this matter, so far as an average can be struck, are covered by the information already given to the committee by our association.

LABOR CHEAPER IN ENGLAND BY ONE-HALF OR MORE.

While Mr. Clark's statement that labor is much cheaper in England is correct, he again furnishes no accurate data on which to base a comparison. Our president stated to you that on information received the night before he appeared before the committee, so far as he was able to judge—

* * * The wages in the worsted and woolen industry in Great Britain are about one-half, rather less than one-half, the wages paid in New England and Pennsylvania."

This cost, however, was limited to wages of operatives. On the subject of wages of wool industry in England, Mr. Clark says that—

" * * * the industry is so complex and changeable that even if organized it would be difficult to secure any uniform scale of wages."

In his report to the Bureau of Manufactures he said:

"In the wool industry there is not only a great difference between the two branches of woolen manufacturing and worsted manufacturing, but in each case there is wide room for variations in methods and in number of machines employed."

"There is a great variety of materials employed and in the qualities and proportions of mixture of these materials, with consequent variation in production per machine; and as neither the employers nor the employees are strongly organized there is an absence of any universally accepted wage schedules."

As to the table of wages in the Bradford district given, Mr. Clark says:

"The foregoing wages may be taken as typical of the Bradford worsted industry, but there is more or less variation between the mills in the town and in the country, and there is no uniformity even between two mills running side by side."

To the committee he stated as to women's dress goods and their manufacture in Bradford:

"I have not the complete wage cost throughout on that because the worsted industry is a very special industry."

It must be clear that in a matter of such difficulty and intricacy as the wages question, Mr. Clark on his own statements has furnished nothing of definite value as a basis for comparison.

CHEAPER COSTS IN ALL OTHER ITEMS.

According to Mr. Clark these other items of cost cover everything after the yarn and the weaving, and include dyes, chemicals and other supplies, charges on money, interest on capital, insurance, and depreciation. In one place in his testimony he gives these costs in England as 5 cents a yard, as against 4.2 cents in the United States, and in another place he gives these expenses both in England and the United States as 4.2 cents, apparently on the same fabric. He figures out this equality or advantage on the part of the United States, although he had previously stated to the committee that—

" * * * In general everything that enters into the cost of manufacture of woolen and worsted goods is cheaper in England than America."

Such discrepancies between conclusions, and what purport to be facts, indicate the danger of using any of his work as a basis for legislation. A few more specifications will confirm this.

HIGH COST OF CLOTHES NOT DUE TO HIGH WOOL, BUT TO TAILOR.

Mr. Clark stated to the committee:

"High clothes are due more to high wool than to high wages."

Unless the word "clothes" has been erroneously substituted for cloths, he is clearly in error. It must be clear that the difference between the cost of the cloth in the manufacturer's hands and the cost of the finished suit of clothes in the tailor's hands is due almost entirely to labor cost, and that even then the additional cost depends largely upon the name and charges of the particular tailor. It is also to be observed that the difference between the cost of a suit of clothes in New York, given by Mr. Clark as $35, and the cost of a similar suit of clothes in Leeds, which he stated as from about $20 to $25, is not as great proportionately as the difference between the costs of manufacture in the two countries, as to which the English cost is given by Mr. Clark as about one-half or less.

Mr. Clark also stated that wool makes up 60 per cent of the cost of the goods. The general understanding among manufacturers is that the wool makes up 50 per cent of the cost of the cloth, and that the cloth represents about 50 per cent of the cost of a suit of clothes, in the wholesale clothing business. The result would be that the wool would represent only about 25 per cent of the cost of the clothes. A suit of clothes which costs about $13 would ordinarily be sold at retail for about $22. Furthermore, the question is complicated by the varying profits and selling expense connected with each stage of manufacture. The fact is that the proportion of wool in the cloth varies so, because of the immense and constantly changing variety of fabrics in which it is used, that it is impossible to strike an average, and the question of such proportion is a matter solely of individual opinion. The lack of specific data furnished by Mr. Clark confirms this fact. It must also be noted that he ignores entirely in his calculation what a large part labor represents in the cost of the wool.

INACCURATE COMPARISON OF CONSUMPTION OF WOOL IN GREAT BRITAIN AND THE UNITED STATES.

Mr. Clark's statement and table as to materials used in the wool industry in Great Britain and the United States contains two important errors.

The table is as follows:

	United States Government product census, 1905.		English estimates, 1907.	
	Value.	Per cent.	Value.	Per cent.
Wool and hair	$648,881,691	65	$640,300,000	63
Shoddy	191,261,993	19	210,000,000	22
Cotton	102,743,256	10	125,000,000	12
Others (silk lining, jute, etc.)	58,446,835	6	60,000,000	6
Total	1,001,333,775		1,035,300,000	

The columns headed "Value" should clearly represent pounds of weight. The figures as to the United States are taken from the census of 1905. An analysis of these figures will show that Mr. Clark has included twice in his table 70,801,994 pounds of shoddy and 5,720,319 pounds of cotton, which were produced from materials purchased otherwise reported, or from waste and clippings arising in the process of manufacture already once reported.

INACCURATE USE OF STATISTICS AS TO WOOL CONSUMPTION.

Mr. Clark states that:

"The per capita consumption of wool is increasing in the United Kingdom, and is not increasing in the United States."

In support of his contention that the consumption of raw wool in the United States is not increasing, he gives a table taken from the Statistical Abstract (U. S., 1907). In using this table Mr. Clark does not take into consideration the fact that while the United States exports a very small quantity of wool manufactures, it imports a considerable quantity of such manufactures, as indicated by a table in the statement made by our president before the committee, showing an increase of imports of manufactures of wool entered for consumption under the present tariff during the fiscal years ending June 30, 1898 to 1907, or from $13,500,241 to $22,357,206 foreign values, or from $24,150,565 to $42,349,232 duty-paid values. These imports of manufactures must clearly be included in any determination of the per capita consumption of wool in the United States.

The following is a table compiled from the census reports of 1890, 1900, and 1905 showing the quantity of "new wool in condition purchased" (i. e., greasy or scoured), exclusive of alpaca, angora, camel, and all other hairs, used in the United States wool manufacture, includ-

ing hosiery, knit goods, and shoddy, with the population of the United States and per capita consumption as shown by the wool used:

	New wool "in condition purchased."	Population.	Per capita consumption in mills.
	Pounds.		*Pounds.*
1890	374,102,813	62,662,250	5.97
1900	412,745,779	76,303,387	5.41
1905	501,424,203	83,143,000	6.03

These figures, of course, show a smaller per capita consumption than Mr. Clark's, because they cover only new wool, while the figures used by him included other items. He obtained his figures as to the United Kingdom from the table of the Bradford Chamber of Commerce Report for 1907, which purports to show the total quantity of wool retained in the United Kingdom and not the quantity consumed. Part of the wool retained might afterwards be exported either in a raw or manufactured condition. An examination of this table will further show that there is included in the wool 210,000,000 pounds of shoddy. Furthermore, in using this table as a basis for comparison of relative consumption of wool, it must be borne in mind that while the United States exports a very small quantity of wool manufactures, Great Britain exports, on Mr. Clark's figures, about 40 per cent of its entire production, amounting to $185,600,000 in 1907.

OUR IMPORTS OF WOOL MANUFACTURES—PERCENTAGE.

He states that our imports of wool goods are less than 5 per cent of our requirements. He figures on the foreign value of the goods, rather than on the basis of the foreign value plus duty, which would indicate the amount to which such goods displace domestic goods, and would, therefore, seem to be the proper basis to be used in considering the effect of a tariff. On this basis the percentage of imports would be slightly less than 10 per cent, and Mr. Clark's own figures show a little more than 5 per cent, instead of a little less than 5 per cent, as he states.

He makes the unsupported statement that cotton goods are sold in this country as wool goods. This is not true in so far as the manufacturers are concerned, and Mr. Clark must have been misinformed.

DUTY ON YARN NOT HIGHER THAN DUTY ON CLOTH—PERCENTAGES FALLACIOUS.

In referring to a piece of finished English cloth and its constituent elements, Mr. Clark states that the duty on the yarn in this cloth is higher than the duty on the cloth itself, and that the duty on the tops is much higher than the duty on the scoured wool. This statement as to the duties on the yarn and cloth is incorrect and misleading. It gives a striking illustration of the fallacies which may result from using percentages, and corroborates the statement made by our president on cross-examination at the time he made our original statement.

Assuming the percentages as stated by Mr. Clark to be correct, the actual duty would be as follows:

	Cents per pound.
On scoured wool	33.00
On tops	70.27
On warp yarn	65.23
On weft yarn	62.34
On cloth	96.23

That is, Mr. Clark is wrong in saying that the duty on the yarn is higher than the duty on the cloth. It is well known that the increased duty on tops, as compared with the duty on yarns, was intended to prevent the importation of wool in that form.

COMPARISON OF MEN'S AND WOMEN'S WAGES SHOULD NOT BE WITH EACH OTHER.

The comparison made between the weavers' wage, based on the average in Huddersfield and Bradford, and what Mr. Clark calls the the average of $9 in this country emphasizes the insufficiency of the information obtained by Mr. Clark as a basis for comparison of costs. To make a comparison, the weavers' wage in Huddersfield of $6 a week for work on wide men's wear looms, and probably confined to men as weavers, should be compared with the weavers in this country on similar fabrics, where it is almost universally a man's jjob and where the earnings are more likely to be from $14 to $18 than as low as $9. On the other hand, $9 to $12, which might be called the wage on dress goods in this country, as he states, might properly be comparable with $3.75 in Bradford.

MANY OTHER INACCURACIES.

The following inaccuracies appear in Mr. Clark's testimony at his second appearance before the committee:

In figuring the cost of "Sample A," the report repeatedly states the cost in terms of pounds, when it should be the cost in a yard of cloth.

He states that ordinarily there would not be more than 66⅔ per cent of wool in the filling on a pure cotton warp. As a matter of fact, the wool filling is frequently 70 per cent or more.

He states that a rag machine will tear rags into their "original fiber." It is not possible to obtain the original fiber at anywhere near its original length.

He states that shoddy can not be used by itself. As a matter of fact, it is used alone in some fabrics.

He states that there is a larger percentage of shoddy and cotton being used in the woolen manufactures of this country every year. This is a matter which varies much according to style.

He states that a suit of clothes at $25 in this country would not probably be altogether new wool. As a matter of fact, navy and black summer serge suits, which contain no shoddy, sell for about $15 and sometimes for less.

We hand to the committee herewith two all-wool suits, one purchased at retail in New York City for $20 and the other purchased in Boston for $25.

ACCURATE INFORMATION AS TO COMPARATIVE COSTS IMPORTANT.

We have left until the last the most important field which Mr. Clark has undertaken to cover, to wit, comparative costs of manufacture in Great Britain and the United States.

The only specific information given us by Mr. Clark as to comparative costs of fabrics in the two countries is limited to four fabrics, samples A, B, C, and D on pages 86 to 88 of his report. In addition, Mr. Clark has also undertaken to give the theoretical cost in a theoretical mill of a plain worsted coating, figure 4, on page 69 of the report. The only other information as to specific fabrics obtained by him is as to 14 other samples of English cloth, as to which he has only the costs of such fabrics in England. Mr. Clark's information as to costs in America was apparently obtained after his return to this country at the suggestion of an English manufacturer, who informed him that there was a mill in this country manufacturing a fabric similar to that which the Englishman was making. Rather than take up the time of the committee further than is absolutely necessary, we shall confine our analysis of Mr. Clark's work on the subject of comparison of costs to a consideration of the data furnished by him as to samples A, B, C, and D, and as to the theoretical fabric made in the theoretical mill and represented by figure 4, on page 69 of his report.

COMPARISON OF ENGLISH AND AMERICAN COSTS.

As representing the immense dress-goods industry of England we have only these four samples, A, B, C, and D, obtained from the city of Bradford. Samples A and B are cotton-warp fabrics with worsted filling. Sample C is an all-wool sateen, and sample D an all-wool serge. The city of Bradford plays an important part in the dress-goods industry only as to the manufacture of so-called "Bradford stuffs," of which Mr. Clark has only furnished two samples, A and B, out of an infinite variety.

SAMPLES A AND B.

For practical purposes the information obtained as to samples A and B is almost valueless at the outset, because they represent a fabric known to the trade as "cotton-warp cashmeres," which were formerly made in large quantities in this country, but are now out of fashion and nearly obsolete, having become so because of their poor intrinsic worth.

The information as to these samples is of still less value because of lack of sufficient detail to permit a fair comparison with American costs, and because of the numerous inaccuracies and discrepancies in the figures given, and the deductions drawn therefrom by Mr. Clark. He has not given us the separate costs for the cotton-warp and worsted-weft yarns. He states that the British manufacturer bought his yarns. The cost of the yarn must, therefore, include profits of manufacture and sale up to the point of weaving. The cost given by Mr. Clark must also include profits on the different processes of manufacture subsequent to the weaving, owing to the division and specialization of the different processes which Mr. Clark tells us exist in England, where, as a general rule, each manufacturer only carries out one process in the manufacture. In the United States, on the contrary, the processes are not so much subdivided, and it is not unusual for the same manufacturer to carry on all processes from the raw wool to the finished cloth. The costs obtained by Mr. Clark on the four domestic samples would appear to have been figured on this basis rather than on the English basis; that is, on a radically different basis.

It is to be noted that the details of construction of the English samples given by Mr. Clark are apparently based on tests made by the conditioning house of Bradford, England. The object of these tests is apparently not to determine the structure of the cloth in the gray state—that is, as it leaves the loom—but to determine whether finished goods sold by sample come up to the sample. The original analyses by this Bradford conditioning house of the samples obtained by Mr. Clark are in the possession of the Bureau of Manufactures. These analyses show the counts or sizes of the cotton warp and worsted weft yarn, together with the average twists in the yarns, only as they appear in the finished fabric. The weight of the original cloth in the gray is not given. The strength and elasticity of the cloth are given, warp way and weft way. A chemical test is also given, showing the proportion of the cotton and wool in the piece, calculated from the clean and dry weight of the cloth. While such analyses may be commercially valuable as determining the question, as before stated, of whether a cloth delivered is in accordance with sample, in cases of dispute, they are intrinsically of little value as a basis for comparison in considering the manufacture of other fabrics. The different processes of finishing cloth after the weaving produce effects of such marked difference in the finished fabric, as compared with the cloth in the gray, as to render the results of such analyses uncertain and of doubtful value.

SAMPLE A.—COTTON WARP PIECE-DYED CASHMERE WITH LOW BOTANY WOOL FILLING.

The inaccuracies and discrepancies between Mr. Clark's records of the construction and weights of this fabric, and the weights and construction as we find them to be from the actual sample obtained by Mr. Clark, are so numerous as to make it impossible to use his data as a basis for comparison with American fabrics. The following is a comparative analysis of sample A:

	Mr. Clark's records.	American analysis.
	Ounces.	*Ounces.*
Total weight finished	3.22	2.91
Weight of warp	1.28	1.16
Weight of weft	1.94	1.75

It is true that these variations can be accounted for partially by different atmospheric conditions in the two countries, but we do not think that this would account for more than one-half of the variation.

Assuming this cloth to have been made from yarns purchased in the United States, under conditions existing on the 29th day of January, 1909, the cost to the mill would be as follows:

4.81 pounds of combed yarn	$2.45
.12 pounds of combed yarn for selvage	.09
7.8 pounds fine Botany worsted	11.32
Total materials	13.86
Cost of weaving	4.23
Cost of dyeing, finishing, packing, and delivering	2.30
Selling cards	.12
Plant charges	1.11
Interest charges from purchase of yarn to payment for goods	.82
Total	22.44

This cost is for a piece containing 65 yards finished, and would represent a cost per yard of 34.5 cents, exclusive of selling expenses.

If a weaving plant were fitted up exclusively to make this particular fabric or absolutely similar fabrics in large quantities, the cost might possibly be reduced 2½ cents per yard by securing the yarns at lower prices, and manufacturing at a reduced cost resulting therefrom. This might reduce the cost to 32 cents per yard. The foreign cost, as given by Mr. Clark, is 15.6 cents per yard; that is, the American cost under the most favorable conditions, and not including selling expenses, would be 105.1 per cent greater than the foreign cost, whereas Mr. Clark states it to be 67 per cent.

Mr. Clark gives the weft ends per inch in this cloth as 72, although the weight and structure of the finished cloth would necessitate about 92 weft ends.

The cost of these goods 42 inches wide is given by Mr. Clark as 15.6 cents per linear yard. In figuring the cost per square yard, the basis on which the duty is fixed, Mr. Clark figures a cost of 14.7 cents, as quoted in his testimony before the committee, although it is perfectly clear from his own figures that the cost per square yard would be 13.371 cents.

The filling in this cloth is described as low Botany wool, spun to the size or count of 66. We are positive that this wool could not have been what is commercially known as low Botany wool, and must have been fine Botany wool, because low Botany wool taken alone can not be spun to as fine a count as 66 for commercial purposes. The differences in the relative weights of materials in sample A, and the so-called similar cloth used for a basis of comparison in this country, would seem to indicate that the fabrics must have been different. These weights are as follows:

	Sample A.	American cloth.
	Ounces.	*Ounces.*
Weight per yard	3.22	3.36
Weight of warp	1.28 (39.8 per cent)	1.46 (43.5 per cent)
Weight of weft	1.94 (60.2 per cent)	1.9 (56.5 per cent)

These inaccuracies and this lack of similarity in data indicate the inherent danger in making comparisons of costs except upon accurate and fixed bases of calculation.

SAMPLE B.—CASHMERE MADE OF COTTON AND BOTANY WORSTED, CROSS DYED.

In this sample again it is clear, from the quantities and weights of materials and structure of fabric given by Mr. Clark, that yarn of the sizes described by him would produce a fabric lighter than finished weight given.

This sample purports to be made of 1/50's cotton warp. On the weight given it would seem to be clear that the yarn must have been as heavy as 40's. It can not be true that the warp in this case is 50's as compared with sample A, purporting to have the same size of warp, because in sample B there are 68 less ends given in the warp, and yet the weight of warp is given as 25 per cent greater per yard than in sample A.

The weft yarn in sample B is given as size 66, while its weight would correspond to the weight of 60's. This difference might be accounted for by the use of glue to stiffen the goods, which would at the same time add to the weight. We find no mention of any extraneous substance in Mr. Clark's figures, and yet the weight of materials is of most vital consideration in determining costs of goods.

In both samples A and B, as to foreign cost we are given the supposed construction, yarn cost, weaving wage, expenses, and dyeing cost. It is most unusual and hardly credible that a Bradford mill did its own dyeing. It is most unusual and hardly credible that a British mill sold its goods in a finished condition, as the custom in that country is to divide and specialize the processes of weaving and dyeing and finishing.

An analysis of this cloth shows the following variations:

	Mr. Clark's records.	American analysis.
Ends of warp	71	75½
Weft ends per inch	93	96½
Weight of cloth, ounces	3.86	3.71
Weight of warp, ounces	1.6	1.65
Weight of weft, ounces	2.26	2.06

These variations are too great to be accounted for purely by atmospheric conditions. The estimated American cost of sample B would be as follows:

Cotton warp yarn, per cut	$2.75
Worsted weft yarn	13.33
Weaving	5.37
Dyeing, finishing, packing, and delivering	2.96
Selling cards	.15
Plant charges	1.41
Interest charges until goods are paid for	.98
Total at mill	26.95

This would be the cost of a piece containing 67 yards, representing a cost per yard of 40.2 cents, exclusive of selling expenses.

It is also possible in this case that a weaving plant fitted up especially to make these goods in large quantity might, by purchasing materials at lower prices, and with the reduced cost resulting from purchases and manufacture in quantity, make a saving of 3 cents per yard, leaving a cost of 37.2 cents. The foreign cost is given as 17.85 cents; that is, the American cost under the most advantageous circumstances, and not including selling expenses, would be 108.4 per cent greater, whereas Mr. Clark states it to be 67 per cent greater.

It is to be noted that this piece was cross-dyed; that is, the warp was dyed before weaving and the cloth dyed after being woven, although this is not noted in Mr. Clark's report. In this sample, as in sample A, Mr. Clark apparently derives his construction from the finished cloth. It is to be noted that, according to the Bradford Conditioning House test, the count of the cotton warp is 36.4 and of the worsted weft 62.7, although Mr. Clark's statement gives the cotton warp as 50's and the worsted weft as 66's.

The chemical test made to determine the relative quantities of cotton and wool in the fabric is not objectionable for determining the variations between two pieces of cloth purporting to be the same, but it is misleading as to the proportion of cotton and wool in any given piece of cloth under natural atmospheric conditions, because under natural conditions there is a large amount of moisture in the cloth. It is to be observed that in the test the materials have been reduced to a clean and dry weight. As, however, the natural moisture in the cotton is only about one-half that in the wool, and the quantity of the wool is greater in proportion, under natural conditions the percentages would be materially changed. This merely shows how inadequately Mr. Clark has indicated the intricate and puzzling conditions which arise in determining costs of manufacture.

SAMPLE C.—ALL-WOOL SATEEN.

A comparison of Mr. Clark's figures and our American analysis is as follows:

	Mr. Clark's records.	American analysis.
Warp ends	110	112½
Picks of filling	53	54
Total weight of weft per yard, ounces	7.07	6.79
Total weight of worsted warp, ounces	4.7	4.4
Total weight of filling, ounces	2.37	2.39
(These analyses agree as well as could be expected.)		
Ends of worsted warp	62	62
Number of worsted weft	30	28

	American estimate of cost.
Worsted yarn	$48.54
Weaving	4.74
Dyeing, finishing, packing, and delivering	5.04
Selling cards	.34
Plant charges	.89
Interest charges	2.35
Total	61.90

This is the cost on a piece of 84 yards, representing a cost per yard of 76.4 cents, exclusive of selling expenses. If the mill were fitted up especially to make these goods and nothing else, these costs could be somewhat reduced, possibly by about 4 cents per yard, making a cost of 72.4 cents. The foreign cost is given as 31.12 cents. The American cost would be, therefore, 132.6 per cent greater. This agrees very well with the American cost quoted by Mr. Clark.

Sample D—All-wool serge made of crossbred wool.

	Mr. Clark's records.	American analysis.
Ends of warp	53	54½
Picks of filling	42	42½
Total weight, ounces	6.16	5.81
Weight of warp, do	3.42	3.05
Weight of weft, do	2.74	2.76

The variations in the total weight, about 5 per cent, might possibly be accounted for by differences in atmospheric conditions. This is a fabric of very peculiar character which must have been subject to unusual shrinkage from the gray yarn to the finished cloth, over and above the usual loss in finishing this class of goods, the unusual shrinkage being produced by the singeing and scouring processes.

American cost of yarn	$36.98
Weaving	3.83
Dyeing, finishing, packing, and delivering	5.23
Selling cards	.28
Plant charges	.82
Interest charges	1.85
Total	48.99

This would be the cost on a piece of 91 yards, representing a cost per yard of 42½ cents, exclusive of selling expenses.

If this cloth could be made at all in this country under our climatic conditions, and if a mill were especially fitted up to do it, the cost could probably be reduced 2½ cents per yard, but we regard it as a cloth that it would not be practicable to make in the United States.

A THEORETICAL FABRIC MADE IN A THEORETICAL MILL.

We will now consider Mr. Clark's figures as to the cost of the worsted coating represented by figure 4, on page 69, of his report.

All of the data relating to the manufacture of this cloth appears to be purely theoretical, and derived from a great many sources. None of it purports to have been obtained from actual results of any one manufacturer. The whole structure is evidently built up in this way:

A. An imaginary machinery equipment for 100 wide looms is assumed. This does not include power plant or buildings, the cost of power and rent being determined on some hypothetical basis, as to which the detail is not stated.

B. Then a fabric is imagined, namely, a 60-inch wide worsted coating, made according to a certain formula, of which a sample of cloth put in evidence purports to be the finished result.

C. Then the practically impossible assumption is made that on this fabric 100 looms could be run for one year (fifty weeks) continuously without interruption and with a yield of 70 per cent of their theoretically maximum product; in other words, that a maximum daily product could be secured continuously throughout a whole year.

D. By calculation it is then determined how many pounds of worsted yarn of a certain kind and quality would be required to keep this weaving mill in operation during the year. This amount is fixed at 512,000 pounds.

E. Then theoretical calculations are entered into to determine the cost of this yarn to the weaver, basing the whole amount, a year's

product of 512,000 pounds, upon a fixed price, namely, 11½d. for Port Phillip greasy wool. As the present price of Port Phillip wool of the kind described is, within about two months of the date of Mr. Clark's report, 14½d. in London, an advance of about 30 per cent over the price named by Mr. Clark, it would hardly seem safe to establish such a mill on the assumption of a fixed price of wool for a whole year, particularly in a business so variable and subject to changes of fashion, as Mr. Clark describes this business to be.

F.—It is assumed that every yard of these goods will be perfect; that there will be no seconds; that the number of pounds of worsted yarn estimated will produce 8,000 pieces 61½ yards each, each yard being 37 inches long; and that the goods will weigh when finished 16.15 ounces to the lineal yard.

These are all theoretical calculations, so far as appears, none of the alleged facts having been taken from the books of manufacturing concerns. It must be clear that this method of arriving at the cost of an article can not fairly be regarded as a correct basis on which to establish a business, and that the results hoped for can not be depended upon.

Furthermore, it would seem as if Mr. Clark had left out in his calculations certain necessary elements of cost under the English system of carrying on the wool-manufacturing business. For example, he bases his calculations upon a price of wool fixed at 11½d. per pound for a whole year's supply. It is evident that some one must have to stand the expense of carrying this wool from the time the contract of purchase is made until the wool is all manufactured, which might extend several months beyond the time of the last delivery of the wool, and yet Mr. Clark only includes such expense for a period of three months. It would also appear that Mr. Clark has omitted the selling charges and profits of the merchants who take part in the intermediate transactions in the course of manufacture in England, and has only considered the commissions paid by those merchants for work done on their wool and tops by other persons, for instance, the wool comber and spinner.

Furthermore, it is a physical impossibility to produce 496,640 pounds of finished cloth from 512,000 pounds of worsted yarn. This result would show a waste between the worsted yarn and the finished cloth of only 3 per cent. This should be at least 10 per cent. The following calculation will show the amount of cloth ordinarily obtainable from 100 pounds of yarn.

According to the trade terms quoted by Mr. Clark, the yarn is sold in England on the basis of containing 18¼ per cent of moisture—that is, in each 100 pounds of yarn there would be 84.56 pounds of yarn in a bone-dry condition. According to the trade terms in England, cloth in a standard condition contains 16 per cent of moisture; 16 per cent of 84.56 pounds is equivalent to 13.53 pounds, which, added to 84.56 pounds, would give 98.09 pounds of cloth. From this, however, there must be deducted the amount of oil and other foreign substances in the yarn, which would be not less than 5 per cent of its original weight, i. e., 5 pounds. Deducting this from 98.09 pounds, we have 93.09 pounds of cloth under normal conditions. This shows a shrinkage of about 7 per cent from the original 100 pounds of yarn. From this there must be deducted also the amount of absolutely necessary waste made in the preparation of the warp and in the manufacture of the cloth, which surely could not be less than 3 per cent, or 3 pounds. Deducting this from 93.09 pounds, we have practically 90 pounds of finished cloth from 100 pounds of worsted yarn, or a shrinkage of 10 per cent, instead of 97 pounds and a 3 per cent shrinkage, as estimated by Mr. Clark. In actual practice in the United States, in the manufacture of goods of this class it is not expected to get over 16 ounces of finished cloth from 18 ounces of worsted yarn, and the percentage of loss varies from 10 per cent to a much higher percentage, according to the nature of the cloth and conditions of manufacture.

Furthermore, the testimony of leading manufacturers who have been consulted in regard to this matter is unanimous that, from the formula laid down by Mr. Clark on page 69 of his report, it would not be possible to manufacture this cloth, either in the weight stated to be required or the width; in other words, that the formula given by Mr. Clark would not produce the cloth that is alleged to have been produced from that formula. Following is a letter from one of our leading manufacturers demonstrating this fact:

Mr. WILLIAM WHITMAN,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: We have studied over the particulars of the plain worsted coating which you sent us very carefully, and we do not think it is possible to make this cloth to finish 60 inches wide and weigh 16.15 ounces with particulars given. The way we would make this cloth from the size of yarn given to finish 60 inches wide and to weigh finished 16 ounces would be as follows: Seventy-two ends of 2/44's worsted warp per inch, 72 picks of 1/20's worsted filling per inch, goods to be laid 78 inches wide in loom, to finish 60 inches wide. It would take 72 yards of warp to produce 61½ yards of finished cloth, and each piece would require 34½ pounds of warp and 35½ pounds of filling.

Yours, very truly,
DUNN WORSTED MILLS,
E. S. DUNN, *Treasurer.*

This being the case, of what value can Mr. Clark's calculations be? Instead of taking 64 pounds of worsted yarn to make 62.08 pounds of finished cloth, as Mr. Clark states, it would take at least 68.9 pounds, according to Mr. Dunn, and this is the opinion of American manufacturers who have been consulted.

A careful checking of the figures given by Mr. Clark on pages 69–79 of his report will show many inaccuracies. We shall not endeavor to point them out in detail. As indicating the danger of using Mr. Clark's work we wish, however, to call attention to one important fact. On page 70 of his report he estimates a return of 46 pounds of tops from 100 pounds of wool. In testifying to the committee he stated that there would be a return of 40 pounds of tops out of 100 pounds of wool, shrinkage 50 per cent. A difference of 6 pounds in the amount of tops, at 48.6 cents per pound, would obviously make a great difference in the cost of cloth.

DOUBLE COST REQUIRES TWICE THE PROFITS TO PAY THE SAME PERCENTAGE.

If it be true that in the United States the cost of plant, equipment, and manufacture is double that in England, it is obvious that, in order that the manufacturer in this country may be compensated at the same rate as the foreign manufacturer, his aggregate profits must be double in amount those of the foreign manufacturer.

CONCLUSION.

In conclusion, we submit that Mr. Clark has not furnished to the committee, nor did he have for use in his investigation, what is absolutely essential to a comparative study of costs, to wit, a common fixed basis for collecting data relating to such costs. And we say that facts as to costs obtained in accordance with the varying conceptions of individual manufacturers can not safely be compared.

He has obtained only 18 samples of the fabrics of an industry in which the variety is infinite and which, he says, are controlled by the "vagaries of fashion," and which our president informed you were subject to the "capricious dictates of fashion." For purposes of comparison he has taken the trouble to obtain from one wool-manufacturing establishment, out of over 1,200 in this country, the costs of 4 samples supposed to be similar to 4 of the English samples which he obtained. Two of the 4 fabrics are going out of fashion and nearly obsolete. This is all the basis which we have for comparison of costs of fabrics, and the details of these costs were not obtained on a known or common basis, nor have we any means of testing their truth or accuracy. Furthermore, though Mr. Clark is undoubtedly a clever student and a truthful young man, his lack of knowledge of the business would not enable him to test information imparted to him in such manner as to confirm in any degree its accuracy.

We wish to register our protest against the unfairness done to Mr. Clark in giving him the task of investigating such a complex and difficult industry upon such inadequate notice.

We wish further to register our protest against the unfairness to our industry resulting from the selection for such an important matter of a man unfamiliar with the industry either in this country or abroad. The most expert manufacturer could not hope to obtain a clear insight into such an industry in two months. It is not reassuring as to the value of government expert work that an executive department should, for the purpose of aiding the Committee on Ways and Means in their work of revising the tariff, conduct in such a perfunctory manner an investigation into the costs of an industry which, according to the census report of 1905, employed in this country 185,592 persons, used a capital of $370,861,691, used materials of a cost of $242,561,096 and produced a finished product of $380,934,003. A private manufacturer who undertook to carry on his own business on a knowledge of costs thus obtained would meet nothing but bankruptcy.

It is furthermore to be regretted that in spite of the short and inadequate investigation of comparative costs that Mr. Clark was allowed to make, and in spite of the uncertain nature of the data which he has reported, he should have had in mind, while carrying on an impartial investigation of comparative costs, the question of the effect of the duties placed on the cloth by this country as indicated by the table on page 86 of his report. Nothing could be more misleading than this table unless Mr. Clark's data as to American costs was accurate and fairly representative of the costs in the entire industry. We feel that there can be no question that they are neither representative nor of practical value as a basis for comparison.

It is our opinion that the discrepancies between the details of construction and English costs of samples A, B, C, and D as given by Mr. Clark, and the results shown by analyses made in this country, are so marked as to raise a grave doubt as to whether the American manufacturer who furnished the American costs to Mr. Clark did not act under a misapprehension as to the problem submitted to him, and whether he was correctly informed of the basis of calculation of the English costs or the purpose for which the information was to be used. And we feel convinced that the results of Mr. Clark's work fully confirm the opinion expressed to the committee by our president, that reliable information as to foreign costs of manufacture is not obtainable.

Very truly, yours,
William Whitman, Boston, President and Chairman ex Officio; Frederic S. Clark, North Billerica, Mass.; Charles H. Harding, Philadelphia, Pa.; Louis B. Goodall, Sanford, Me.; Joseph R. Grundy, Philadelphia, Pa.; John Hopewell, Boston, Mass.; John P. Wood, Philadelphia, Pa.; J. R. MacColl, Pawtucket, R. I.; Francis T. Maxwell, Rockville, Conn.; J. F. Maynard, Utica, N. Y.; Thomas Oakes, Bloomfield, N. J., Tariff Committee National Association of Wool Manufacturers; Winthrop L. Marvin, Secretary.

SUMMARY OF THE STATEMENT OF THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS IN RELATION TO THE REPORT OF W. A. GRAHAM CLARK TO THE BUREAU OF MANUFACTURES ON NOVEMBER 1, 1908, AND HIS TESTIMONY BEFORE THE COMMITTEE ON WAYS AND MEANS ON DECEMBER 11 AND 22, 1908.

P. 152. The purpose of this statement is to aid the committee in determining what new and valuable information Mr. Clark obtained.

P. 152. The Bureau of Manufactures is supposed to have been established to aid our industries; therefore the work of its agents should be impartial and reliable. Mr. Clark's report, however, although interesting, covers too limited a field, is too full of inaccuracies, and based too little on manufacturing experience to be of practical value.

P. 153. Mr. Clark's and Mr. Whitman's description of the unstable and complex nature of the industry agree.

P. 154. Common basis of fact necessary for comparison of costs.

P. 155. Mr. Clark's report and testimony bear out the contention of our association before the committee that information as to comparative costs of production in foreign countries and the United States is not obtainable, and a comparison of foreign and domestic costs is not practicable, for the following reasons:

"Foreigners guard trade secrets jealously.

"There is no common or definite understanding of what is meant by cost of production.

"A certain basis of calculation is necessary to make comparisons.

"The most highly qualified expert would find it a difficult matter to obtain reliable data.

"Foreign manufacturers have a selfish interest in breaking down our tariff, and information given by them should be carefully scrutinized."

COMMON STANDARD OF COMPARISON NECESSARY.

P. 155. Mr. Clark had had no practical experience in the industry or knowledge of it on which to base his study of comparative costs. He was apparently sent abroad for other purposes, and the two months given him were too short.

RELATIVE ADVANTAGES OF WOOL MANUFACTURERS OF ENGLAND OVER OUR MANUFACTURERS.

Paragraph 156. Some of Mr. Clark's information is in a general way interesting and true, yet his data is too indefinite to be of practical value in the following among other very important particulars.

CHEAPER FIRST COST OF MACHINERY AND BUILDING IN ENGLAND.

Paragraph 156. He states that machinery and building are one-half to one-third cheaper in England, making ours cost from 50 per cent to 100 per cent more.

CHEAPER RAW MATERIAL IN ENGLAND.

Paragraph 157. He states that he had no first-hand knowledge of wool, and yet makes the erroneous statement that the average shrinkage of wool used in this country is 50 per cent to 60 per cent.

LABOR CHEAPER IN ENGLAND BY ONE-HALF OR MORE.

Paragraph 157. He found no uniform scale of wages in England, giving as reasons the complexity and changeableness of the industry and lack of labor organization. Our president stated to the committee that in so far as he was able to judge, English wages were one-half or less than one-half of wages in New England and Pennsylvania.

CHEAPER COSTS IN ALL OTHER ITEMS.

Paragraph 159. Costs of sample A, subsequent to weaving, are stated to be equal in both countries, which is inconsistent with Mr. Clark's general conclusion that all costs in England are less.

HIGH COST OF CLOTHES NOT DUE TO HIGH WOOL BUT TO TAILOR.

Paragraph 159. Mr. Clark undertakes to fix the proportion of the value of the wool to the value of a suit of clothes as 60 per cent. He ignores the labor cost in production of the wool. The general understanding among wholesale clothing manufactures is that the wool represents about 25 per cent, although the infinite variety of fabrics makes such an average a matter of individual opinion. A suit costing $13 will ordinarily sell at retail for $22.

INACCURATE COMPARISON OF CONSUMPTION OF WOOL IN GREAT BRITAIN AND THE UNITED STATES.

Paragraph 160. Mr. Clark's table states values instead of weight of materials used in the wool industry. He includes certain items twice and ignores the imports and exports. He does not distinguish between wool retained which may be manufactured and exported and wool for consumption.

Paragraph 161. He uses foreign values, instead of duty-paid values, in estimating the relation between our imports and our total wool consumption.

Paragraph 162. The duties from the wool to the cloth are given to disprove the statement that the duty on the yarn is higher than on the cloth. Percentages are shown to be fallacious.

Paragraph 163. The increased duty on tops is stated to be to prevent importation in that form.

Paragraph 163. Mr. Clark is shown to be in error in comparing men's with women's wages.

Paragraph 164. Many other inaccuracies.—Two all-wool suits are introduced as exhibits; New York retail price $20, Boston retail price $25, to disprove statement that an all-wool suit can not be bought in this country for $25.

ACCURATE INFORMATION AS TO COMPARATIVE COSTS IMPORTANT.

Paragraph 164. Mr. Clark's information as to comparative costs is limited to four samples. His only additional information as to special fabrics is limited to 14 samples as to which he obtained English and not American costs, and a theoretical fabric made in a theoretical mill.

Paragraph 165. Samples A and B.—These are cotton-warp dress goods which are nearly obsolete. The details of construction are insufficient and inaccurate, and the costs are apparently figured on a radically different basis because of the different division of manufacture in England and in this country. Details of construction are apparently based on analyses of the finished fabric.

Paragraph 167. Sample A. Cotton-warp piece-dyed cashmere with low botany-wool filling.—Inaccuracies and discrepancies make comparison impossible, partly, but not wholly, accounted for by different atmospheric conditions.

Paragraph 168. American analyses and comparison of costs give American cost 105.1 per cent greater, instead of 67 per cent. Selling expenses not included.

Sample B. Cashmere made of cotton and botany worsted cross dyed.—Inaccuracies and discrepancies make comparison impossible; not accounted for by different atmospheric conditions.

Paragraph 169. American analyses and comparison give American cost 108.4 per cent greater, instead of 67 per cent. Selling expenses not included.

Paragraph 171. Sample C. All wool sateen.—American analyses and comparison give American cost 132.6 per cent greater, exclusive of selling expenses. This compares very well with the American cost quoted by Mr. Clark.

Paragraph 172. Sample D. All wool serge made of crossbred wool.—American analyses and cost given, exclusive of selling expenses. This cloth it would not be practicable to make in the United States.

Paragraph 172. Theoretical fabric made in a theoretical mill.—Mr. Clark's figures here are not based on actual manufacturing experience or results. His results are impossible for the following among other reasons:

Paragraph 173. His estimated production is too great. Paragraph 174. He does not include part of the cost of carrying his wool which he buys at a fixed price on a year's contract. His estimate of the amount of wool necessary is too small. Paragraph 174. He figures his waste between the yarn and the finished cloth as 3 per cent instead of 10 per cent. Present price of the wool which he figures at 11½d. is now 14½d. American manufacturers say unanimously that it is impossible to produce the fabric on the details of construction given by him. Letter of Mr. Dunn to this effect quoted. Paragraph 176. He estimates a larger return of tops, i. e., 46 pounds, per 100 pounds of wool, as against about 40 pounds in his testimony before the committee.

Paragraph 176. Double the cost of plant, equipment, and manufacturing requires double profits to give the same rate of compensation.

Paragraph 176. Conclusion.—Mr. Clark's report confirms the fact that reliable information as to foreign costs is not obtainable and suggests a doubt as to the correctness of the basis on which the American costs of samples A, B, C, and D were figured.

Mr. WARREN. Mr. President, if the Senator from Wisconsin is willing, I should be glad if the article which I have just asked to have printed might follow immediately the one that he asked to have inserted in the RECORD last night.

Mr. LA FOLLETTE. Mr. President, I prefer that it should take its place in the proceedings of to-day. As I said last night, it emanates from interested parties and is a prejudiced criticism of the work of the government expert in the report which he made to the Government as to industries in Great Britain.

Mr. WARREN. I withdraw the request. Let it go into the RECORD in regular course.

Mr. President, there have been two or three articles—I do not know whether they are exactly the same—from an expert, Mr. Dale, printed in the RECORD, and, as they have called up a great question, I have here some practical suggestions relating to the same matter from the National Woolen Manufacturers' Association, which I ask may go into the RECORD.

The PRESIDING OFFICER. Without objection, the request of the Senator from Wyoming will be agreed to. The Chair hears none.

The matter referred to is as follows:

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,
Washington, D. C., June 10, 1909.

Hon. FRANCIS E. WARREN,
United States Senate, Washington, D. C.

DEAR SIR: The attack by Mr. Samuel S. Dale, of Boston, on the compensatory duties of Schedule A—an attack brought before the Senate by Senators opposed to the present tariff system—is no new line of hostility. Precisely the same attack, based on similar figures, can be found in the congressional debates in every tariff revision for forty years.

This method is perfectly familiar. It is well known that the shrinkage of wool varies so greatly that of some kinds of wool in the raw state only 2 pounds are required to make a pound of finished cloth, while of other wools 6 pounds are required. Mr. Dale has followed the usual expedient of limiting his examination chiefly or altogether to wools of low shrinkage, which of course give the desired result.

In reply to Mr. Dale we desire to submit the testimony of a large group of representative practical manufacturers, already presented to the Committee on Ways and Means. These statements are based upon standard fabrics in large use. They show that in the making of these fabrics from 3⅓ to upward of 4 pounds of unwashed wool have actually been required to make 1 pound of finished cloth, and that therefore on these standard goods the present compensatory duties are no more than adequate.

Mr. Dale is one of many editors engaged in writing on the textile industries. The publication to which he is attached is not the single organ of the wool industry, as has been represented to the Senate, but is one of several publications. The majority of these publications, and presumably the majority of these editors, are not in accord with Mr. Dale in his attitude toward the protective tariff and the wool schedule.

Without disparagement of Mr. Dale, it may be fairly said that the manufacturers whose testimony as to the adequacy of the compensatory duties are submitted herewith, have had a very much larger experience than Mr. Dale in practical wool manufacture, and are qualified to speak out of a very much broader observation.

Sincerely, yours,

WINTHROP L. MARVIN, *Secretary.*

COMPENSATORY DUTIES.

STATEMENTS OF PRACTICAL MANUFACTURERS AS SUBMITTED TO THE COMMITTEE ON WAYS AND MEANS BY THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS.

The statement of an average shrinkage of 60.5 per cent in American wools represents the loss up to and including the scouring process—not the further shrinkage in the various processes of manufacture. On this point we now present the largest amount of testimony from practical manufacturers ever procured and given to Congress. First are the letters of a group of manufacturers who state the shrinkage between the greasy wool and the finished cloth.

Thomas Oakes & Co., of Bloomfield, N. J., submit five samples of carded woolen cloth, in which from 3 pounds to 4.16 pounds of greasy wool are required to make 1 pound of finished cloth, and also four samples of worsteds in which from 3.7 to 4 pounds of greasy wool are required to make a pound of finished cloth.

The Talbot Mills, of North Billerica, Mass., submit two samples of carded woolen cloth, and state that it requires 3.52 pounds of greasy wool to make a pound of finished cloth.

S. Slater & Sons, of Webster, Mass., submit two samples of black broadcloths, in one of which 3.69 pounds of greasy wool are required to make 1 pound of finished cloth, and in the other 4.64 pounds of greasy wool are required to make 1 pound of finished cloth.

M. T. Stevens & Sons Company, of North Andover, Mass., submit three samples of dress goods and three of broadcloths, in which from 3.34 to 4.03 pounds of greasy wool are required to produce 1 pound of finished cloth.

The Globe Woolen Company, of Utica, N. Y., submit samples and state that 3 pounds 1 ounce of greasy wool are required to make 1 pound of carded woolen cloth, and that 2 pounds 9 ounces and 2 pounds 15 ounces of greasy wool are required to make 1 pound of worsted cloth, according to the samples presented.

The Forstmann & Huffmann Company, of Passaic, N. J., state that 100 pounds of greasy wool will yield from 24 to 34 pounds of finished cloth, according to samples submitted by the company.

The letters in full are as follows:

BLOOMFIELD, N. J., *December 16, 1908.*

Mr. WILLIAM WHITMAN,
President National Association of Wool Manufacturers.

DEAR SIR: At the hearing before the Ways and Means Committee, held at Washington on the 2d instant, many of the questions asked and some of the testimony filed with that committee indicated a very erroneous and exaggerated idea of the compensatory duty as now incorporated in the Dingley tariff laws.

To convince ourselves as to the real facts, we have examined our own records as manufacturers of fine woolens and worsteds, and herewith submit to you samples of our product, with all particulars pertaining to their manufacture. We have selected such cloths as are made of fine wools, both foreign and domestic, in order to give a fair and comprehensive comparison as to the compensatory duty at its present ratio of 4 to 1.

We have given this our careful attention, taking the data used from our books in the different departments, and we stand ready to vouch for its accuracy.

We wish to say that we manufacture all our yarns, both woolen and worsteds, and use only the finer qualities of wool, and no cotton is used whatever. Our woolen goods are largely faced or napped goods, and the loss in weight is probably greater in their manufacture than any other class of woolen goods, due to excessive fulling or felting, napping, and shearing.

We submit five samples of woolen goods designated by letters A, B, C, D, E.

Carded woolen cloth.

Fabric.	Wool made of—	Grease wool required.	Cloth finished.
		Pounds.	*Pound.*
A—Kersey	Australian geelong, 80's	3.00	1
B—Uniform	XXX territory	4.16	1
C—Beaver uniform	XXX Ohio	3.7	1
D—Doeskin uniform	XXX territory	4.05	1
E—Kersey	Cape	3.84	1

Worsted cloths made of combed wools.

We also submit four samples of worsteds, as follows, viz:

	Wool made of—	Grease wool required.	Cloth finished.
		Pounds.	*Pound.*
F	Ohio delaine	3.7	1
G	do	3.85	1
H	Fine territory	4	1
I	Ohio delaine	3.7	1

Yours, very truly, THOS. OAKES & Co.

TALBOT MILLS,
North Billerica, Mass., December 18, 1908.

WILLIAM WHITMAN, ESQ.,
President National Association of Wool Manufacturers,
683 Atlantic avenue, Boston, Mass.

DEAR SIR: Replying to yours 11th instant, I send you herewith the following samples of carded woolen cloths:

A, piece dye cassimere, weighing 11½ ounces to 56 inches in width.

B, piece dye carriage lining, weighing 7½ ounces to 54 inches in width. The latter is really what would be called a sacking. These are both made from a blend of 50 per cent fine Texas, eight months, shrinking 63 per cent, and 50 per cent California, eight months, shrinking 60 per cent.

It takes 3.52 pounds of this wool to make 1 pound of finished cloth.

Yours, truly,

FREDERIC S. CLARK, *President.*

S. SLATER & SONS (INCORPORATED) WOOLEN MILL,
Webster, Mass., January 5, 1909.

WILLIAM WHITMAN, ESQ.,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: Acknowledging receipt of your letter of December 11, we would report as follows:

A. With this letter please find two samples of black broadcloths made of carded wools.

B. The quantity of greasy wool in 1 pound of each cloth (by greasy wool meaning before sorting), Silesian twill, 3.69 pounds; 444 cloth, 4.64 pounds.

C. The class and character of the wool in the Silesian twill is first-class XXX grade clothing wool.

D. The Silesian twill is made of one-half fine Australian foreign and half fine Ohio domestic, and the 444 cloth is made entirely of domestic wool. We do not make worsted cloths, so can not send samples or answer the questions under that heading.

Respectfully,

FRANK BULKELEY SMITH, *Treasurer.*

M. T. STEVENS & SONS COMPANY,
North Andover, Mass., January 1, 1909.

Goods.	Weight per square yard.	Quality of stock.	Pounds wool required to produce one pound of goods.
	Ounces.		
E—Dress goods	3.75	Fine medium territory	3.71
F—Dress goods	4.5	do	3.66
D—Dress goods	5.7	do	3.89
A—Broadcloth	5.5	do	3.84
B—Broadcloth	6.3	do	4.03
C—Broadcloth	6.9	Cape and Port Phillip	3.34

GLOBE WOOLEN COMPANY,
Utica, N. Y., December 29, 1908.

Mr. WILLIAM WHITMAN,
Harding-Whitman Company, 73 Chauncy street, Boston, Mass.

DEAR SIR: We inclose statement regarding carded woolen cloths and worsted cloths made from combed wools, as you have requested, and which we trust will convey the information you desire.

We also return the letter written by Mr. Robert Middleton to Mr. Rufus S. Frost.

Under separate cover we have sent you samples of cloth described in the statement inclosed.

Yours, truly, GLOBE WOOLEN COMPANY.

Carded woolen cloth.

Samples.	Greasy wool in 1 pound of cloth.	Class.	Character.	Foreign or domestic.
TC	3 pounds 1 ounce	1	XX. Ohio clothing washed.	Domestic.
13	do	1	do	Do.

Worsted cloths made of combed wool.

Samples.	Greasy wool in 1 pound of cloth.	Class.	Character.	Foreign or domestic.
1103	2 pounds 9 ounces	1	Ohio ¼'s unwashed	Domestic.
319½	2 pounds 15 ounces	1	80's Australian	Australian.

FORSTMANN, HUFFMANN & Co.,
Passaic, N. J., January 8, 1909.

STATEMENTS REGARDING SAMPLES OF WOOL AND CLOTH.

Out of 100 pounds of imported greasy wool (sample No. 8) we produce 33 pounds of cloth No. VI.

Out of 100 pounds of scoured wool of the same grade (sample No. 12) we produce 81 pounds of finished cloth No. VI.

Out of 100 pounds of the greasy wool which is used for the manufacture of cloths Nos. IV, V, and VII, and which is also imported, we produce 24 pounds of finished cloth.

Out of 100 pounds of scoured wool of the same grade (sample No. 10) we produce 78 pounds of the three above-mentioned cloths Nos. IV, V, and VII.

Out of 100 pounds of greasy wool No. 9, which is of domestic origin, we produce 31 pounds of cloth No. I, 34 pounds of cloth No. II, and 32 pounds of cloth No. III.

Out of 100 pounds of scoured wool of the same grade of domestic wool (sample No. 11) we produce 78 pounds of cloth No. I, 84 pounds of cloth No. II, and 81 pounds of cloth No. III.

Taking into consideration the fact that the cost of freight and wages for sorting and scouring wool are much higher for the American than for the European manufacturer, the duty of 44 cents per pound on such finished cloths as are represented by samples Nos. I to VII does not give any protection with the duty of 11 cents per pound on greasy wool.

JULIUS FORSTMANN.

FROM WOOL TO TOPS.

An important statement from Harry Hartley & Co., top manufacturers, of Boston, is submitted, showing the amount of top produced from various wools grown in the United States. This shows that 100 pounds of fine merino territory wool yields 21.73 pounds of tops; 100 pounds of fine medium territory wool yields 24.45 pounds of tops; 100 pounds of medium half-blood territory wool yields 28.80 pounds of tops; 100 pounds of fine unwashed Ohio and Michigan wool yields 26.47 pounds of tops; 100 pounds of average fine Texas wool yields 24.45 pounds of tops; 100 pounds of twelve months' Texas wool, long staple, yields 27.90 pounds of tops; and 100 pounds of quarter-blood territory wool yields 37.30 pounds of tops. This statement further confirms the soundness of the proposition that 4 pounds of wool are, on the average, required to produce a pound of finished cloth. It should be remembered that from the top there is a further considerable shrinkage in the process of manufacturing. The statement of Harry Hartley & Co. is, in full, as follows:

HARRY HARTLEY & CO. (INC.).

Particulars of amount of top yielded by various wools grown in the United States.

Fine merino territory wool (American). Take 100 pounds: Taking off string, dung locks, and refuse (4 per cent) leaves 96 pounds of sorted wool. Shrinking, 70 per cent, yielding 30 per cent of clean wool, yields 28.80 pounds of scoured wool. In carding it makes 8 per cent of card and burr waste, yields 26.50 pounds of carded sliver. In combing it makes 18 per cent of noil (waste), yields 21.73 pounds of top. Result, 100 pounds of fine territory wool yields 21.73 pounds of top.

As the shrinkage of fine territory wool varies from 68 to 73 per cent, I have taken an average shrinkage as 70 per cent.

Fine medium territory wool. Take 100 pounds: Taking off strings, dung locks, and refuse (4 per cent) leaves 96 pounds of sorted wool. Shrinking 67 per cent, yielding 33 per cent of clean wool, yields 31.68 pounds of scoured wool. In carding it makes 7 per cent of card and burr waste, yields 29.46 pounds of carded sliver. In combing it makes 17 per cent of noil (waste), leaves 24.45 pounds of top. Result, 100 pounds of fine medium territory wool yields 24.45 pounds of top.

Medium half-blood territory wool (American). Take 100 pounds: Taking off string, dung locks, fribs, and refuse (4 per cent) leaves 96 pounds of sorted wool. Shrinking 62 per cent, yielding 38 per cent of scoured wool, yields 36.48 pounds of scoured wool. In carding it makes 6 per cent of card and burr waste, yields 34.29 pounds of carded wool. In combing it makes 16 per cent of noil (waste), yields 28.80 pounds of top. Result, 100 pounds of half-blood territory wool yields 28.80 pounds of top.

Fine unwashed Ohio and Michigan wool. Take 100 pounds: Taking off strings, dung locks, and refuse (8 per cent) leaves 92 pounds of sorted wool. Shrinking 64 per cent, yielding 36 per cent, yields 33.12 pounds of scoured wool. In carding it makes 5 per cent of card and burr waste, yields 31.46 pounds of carded sliver. In combing it makes 15 per cent of noil (waste), leaves 26.74 pounds of top. Result, 100 pounds of fine unwashed Ohio and Michigan wool yields 26.47 pounds of top.

Average fine Texas wool. Take 100 pounds: Taking off strings, dung locks, and refuse (4 per cent) leaves 96 pounds sorted wool. Shrinking 67 per cent, yielding 33 per cent, yields 31.68 pounds scoured wool. In carding it makes 7 per cent of card and bur waste, 29.46 pounds carded sliver. In combing it makes 17 per cent of noils (waste), 24.45 pounds top. Result, 100 pounds of average fine Texas wool yield 24.45 pounds top.

Twelve months' Texas wool, long staple. Take 100 pounds: Taking off string, tags (dung locks), and refuse (3 per cent) leaves 97 pounds sorted wool. Shrinking 64 per cent, yielding 36 per cent of scoured

wool, 34.92 pounds scoured wool. In carding it makes 6 per cent of card and bur waste, 32.82 pounds carded sliver. In combing it makes 15 per cent of noils (waste), 27.90 pounds top. Result, 100 pounds of merino Texas yields 27.90 pounds top.

Quarter-blood territory wool (American). Take 100 pounds: Taking off strings, dung locks, fribs, and refuse (3 per cent) leaves 97 pounds sorted wool. Shrinking 54 per cent, yielding 46 per cent of scoured wool, 44.62 pounds scoured wool. In carding it makes 5 per cent of card and bur waste, 42.39 pounds carded sliver. In combing into top it makes 12 per cent of noils, 37.30 pounds top. Result, 100 pounds of quarter-blood territory yields 37.30 pounds top.

SCOURED WOOL TO CLOTH.

The statements submitted above have shown the total shrinkage from mited below show separately the shrinkage from the scoured wool to the top, a partially manufactured product. Further statements submitted below show separately the shrinkage from the scoured wool to the finished cloth in the processes of manufacturing, and in some cases also the shrinkage from the greasy wool to the scoured wool. That 3 pounds of greasy wool are required to make 1 pound of scoured wool has long been a fundamental proposition in the framing of the tariffs of the United States. These statements that follow show conclusively the additional shrinkage from the scoured wool to the finished fabric.

The Talbot Mills, of North Billerica, Mass., state that on the basis of their three samples submitted it requires 1½ pounds of scoured wool to produce 1 pound of cloth.

The Botany Worsted Mills, of Passaic, N. J., whose managers have important experience on both sides of the ocean, state that the loss between the top and the finished dress goods approximates from 15 to 20 per cent, and that 100 pounds of scoured wool produces about 60 to 65 per cent of finished cloth, and give other important particulars. Four samples of dress goods are submitted.

The Hockanum Company, of Rockville, Conn., submits samples of fine worsteds made from Australian yarn, and states than 100 pounds of yarn in the gray produces 81.2 pounds of finished cloth.

The Globe Woolen Company, of Utica, N. Y., submits samples of carded woolen and worsted cloth, and states that 1 pound of scoured wool will yield 11.25 ounces of woolen cloth, and that 1 pound of scoured wool will yield in one sample 10.41 ounces, and in another 11.40 ounces of worsted cloth.

George E. Kunhardt, of Lawrence, Mass., submits eight samples of wools, worsteds, and serges, and states that in one fabric 1 pound of scoured wool yields 0.78 pound of finished cloth, and in the other 1 pound of scoured wool yields 0.83 pound of finished cloth.

The Rock Manufacturing Company, of Rockville, Conn., submits a sample of uniform cloth, and states that 4,000 pounds of fine domestic wool in the grease will yield 1,280 pounds of clean white wool, and that this wool will yield 921.60 pounds of finished cloth.

The Waterloo Woolen Manufacturing Company submits two samples of blue broadcloth, and states that the quantity of scoured wool in each pound of cloth is approximately 1⅓ pounds. It adds that although the shrinkage of the Australian wool used in one of the samples is given as 56 per cent,

* * * It is proper to state that in Europe similar goods are made from wools of a much higher shrinkage. On account of the specific duty on wool, it is necessary to select for importation such as is of low shrinkage. Owing to the relatively small quantity of this, there is keen competition among purchasers for America. It follows that European manufacturers obtain equally good wool of heavier shrinkage at a lower price per scoured pound. It follows also that America can import only in very limited quantities the fine wools grown in South America and the Cape of Good Hope.

Thomas Oakes & Co., of Bloomfield, N. J., state that from 1.38 to 1.44 pounds of scoured wool are required to produce a pound of finished cloth, according to samples submitted by them.

M. T. Stevens & Sons Co., of North Andover, Mass., submit samples of dress goods and broadcloth, and state that from 1.30 to 1.40 pounds of scoured wool are required to produce 1 pound of cloth.

The letters are published below:

TALBOT MILLS,
North Billerica, Mass., January 2, 1909.

WILLIAM WHITMAN, Esq.,
President National Association Wool Manufacturers,
Boston, Mass.

DEAR SIR: Replying to yours of December 30, the samples already sent in, A and B, require 1½ pounds of scoured wool per pound of cloth.

Yours, truly,

FREDERIC S. CLARK, *President.*

Passaic, N. J., January 4, 1909.

WM. WHITMAN, Esq.,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: In answer to your esteemed favors of December 15 and 18, 1908, and as requested, we beg to reply to your several queries as follows:

1. One hundred pounds wool in the grease usually yield from 25 per cent in territory up to 44 per cent of best Australian finished top.

2. One hundred pounds wool in the grease render the following results:

	Australian.	Fine territory.	One-half blood domestic.
	Per cent.	*Per cent.*	*Per cent.*
Sorted wool.....about...	85	80	80
Top and noil.....do.....	44½	26	32
Tops, standard condition.....do.....	39½	21½	27½

3. The loss between top and finished dress goods approximates 15 per cent to 22 per cent.

4. One hundred pounds scoured wool would produce about 60 per cent to 65 per cent finished cloth.

5. Regarding the question of comparative scale of wages here and as paid on the European continent, we beg to say that so far as we are informed the wages in this country are at least twice that paid abroad, and in many cases three times higher.

The Australian wools that we use are the lighter shrinkage wools from that country, which, under existing conditions, we can import to better advantage than the heavier shrinkage wools which form the bulk of the clip.

By express we are sending you four specimens of our dress goods, marked as follows:

"Style No. 3 (low);" "style No. 6 (med.);" "style No. 7 (fine);" "style No. 4 (best)," which we hope will serve your purpose.

We also take pleasure in acknowledging receipt of your favor on the 2d instant, with pamphlet referred to by you, for which we thank you.

We trust the above information will aid you in convincing the Ways and Means Committee of the importance that the compensatory duties as now fixed be maintained on our class of goods, and that they will see the justice to so recommend the present tariff to be continued in the new tariff law they intend to introduce.

We remain, yours, very truly,

BOTANY WORSTED MILLS,
FERD. KUHN, *Treasurer.*

HOCKANUM COMPANY,
Rockville, Conn., January 6, 1909.

Mr. WILLIAM WHITMAN,
78 Chauncy street, Boston, Mass.

DEAR SIR: At your request we are sending you a number of samples of fine worsteds made from Australian worsted yarns. Our experience in manufacturing these goods is that they show an average shrinking from the worsted yarn in the gray to the finished cloth of 19 per cent, and we account for this 19 per cent shrinking as follows: Six per cent loss in dyeing; 5½ per cent loss in waste; 8½ per cent loss in finishing. Thus, 100 pounds of yarn in gray produces 94 pounds after dyeing, 88.7 pounds greasy cloth, 81.2 pounds of finished cloth.

Trusting that this is what you want,

Yours, very truly,

F. T. MAXWELL, *Treasurer.*

GLOBE WOOLEN COMPANY,
Utica, N. Y., January 1, 1909.

Mr. WILLIAM WHITMAN, *President,*
683 Atlantic avenue, Boston, Mass.

DEAR SIR: Your favor of December 30 received. Inclosed please find statement showing weight of finished cloth in each of the samples we sent you that can be made from 1 pound of scoured wool. The inclosed statement, taken in connection with our statements sent you dated December 23, 1908, will show the details of shrinkage from greasy wool to finished cloth.

The 80 Australian referred to means grade of wool and not size of yarn.

Yours, truly,

GLOBE WOOLEN COMPANY,
JOHN SIMSON, *Superintendent.*

Carded woolen cloth.

Sample.	Weight of scoured wool.	Weight of finished cloth.
	Ounces.	*Ounces.*
Tc	16	11.25
18	16	11.25

Worsted cloths made of combed wool.

Sample.	Weight of scoured wool.	Weight of finished cloth.
	Ounces.	*Ounces.*
1108	16	11.40
3198	16	10.41

LAWRENCE, MASS., *January 4, 1909.*

NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,
Boston, Mass.

GENTLEMEN: With reference to your favor of December 31, and answering the inquiries you made in your letter of December 11, we are herewith inclosing eight reference samples: First, two fancy woolens, our 5600 and 6000 lines; second, three fancy worsteds, our 4450, 5250, and 8200 lines; and third, serges, our 160, 180, and 300.

In paragraph 3 we designate the loss between scoured wool and finished cloth on our woolen fabrics.

We hope this matter is sent you in satisfactory shape.

Yours, faithfully,

GEORGE E. KUNHARDT.

I. *Carded woolen cloths.*

A.	B.	C.	D.	
5600	4 pounds 9 ounces	Class 1	Domestic	Fall California.
6000	3 pounds 1 ounce	do	do	California and territory.

II. *Worsted cloths made of worsted yarns.*

A.	B yarn.	
160	17.3 ounces	2/40s X Arlington gray yarn, colored.
180	17.3 ounces	2/42s XXX special Arlington gray yarn.
300	17.5 ounces	2/28s Arlington gray yarn.

III. LOSS BETWEEN SCOURED WOOL AND FINISHED CLOTH.

In the above 5,600 line the equivalent for 1 pound of scoured wool is 0.78 pound of finished cloth.

In the above 6,000 line the equivalent for 1 pound of scoured wool is 0.83 pound finished cloth.

MEMORANDUM.

If 1 pound of scoured wool makes 0.78 pound finished cloth, it would require 20.5 ounces of scoured wool to make 1 pound of finished cloth.

If 1 pound of scoured wool makes 0.83 pound finished cloth, it would require 19.3 ounces of scoured wool to make 1 pound of finished cloth.

THE ROCK MANUFACTURING COMPANY,
Rockville, Conn., December 17, 1908.

GENTLEMEN: We hand you herewith our method of figuring the cost per finished yarn of the wool used in making an indigo, wool-dyed, steam-finished dark blue uniform cloth, to weigh 16 ounces per linear yard.

Taking 4,000 pounds of fine domestic wool in the grease, there will be a shrinkage during the process of scouring of 68 per cent. This will give 1,280 pounds of clean white wool.

During the various processes of manufacture—carbonizing, coloring, carding, spinning, dressing, weaving, and finishing—there will be an additional shrinkage of 28 per cent, which will leave 921.60 pounds of finished cloth.

	Pounds.
Fine domestic wool in the grease	4,000
68 per cent shrinkage during scouring	2,720
Clean white wool	1,280
28 per cent shrinkage during manufacture	358.4
Pounds of finished cloth	921.6

Four and one-half pounds of greasy wool to 1 pound of cloth.

We hand you below a sample of the cloth produced by the above schedule.

Truly, yours,

THE ROCK MANUFACTURING COMPANY.

WATERLOO WOOLEN MANUFACTURING COMPANY,
New York, January 4, 1909.

WILLIAM WHITMAN, Esq.,
President National Association of Wool Manufacturers.

DEAR SIR: Replying to your various communications, I have sent you two samples, as follows:

CARDED WOOLEN CLOTHS.

(1) Blue broadcloth, 54 inches wide inside selvage, weight 16 ounces per linear yard, made from Australian 70s merino; quantity of greasy wool in each pound of cloth, 55 ounces, on the basis of 56 per cent shrinkage. Quantity of scoured wool in each pound of cloth, approximately 1¼ pounds.

(2) Blue broadcloth, 54 inches wide inside selvage, weight 16 ounces per linear yard, made from fine unwashed fleece wool grown in Ohio, West Virginia, or Pennsylvania; quantity of greasy wool in each pound of cloth, 67 ounces, on the basis of 64 per cent shrinkage. Quantity of scoured wool in each pound of cloth, approximately 1¼ pounds.

2. We do not make worsted cloths from combed wools.

3. We spin all of the woolen yarns used in our fabrics.

Although the shrinkage of the Australian wool used in sample No. 1 is given as 56 per cent, it is proper to state that in Europe similar goods are made from wools of a much higher shrinkage. On account of the specific duty on wool, it is necessary to select for importation such as is of low shrinkage. Owing to the relatively small quantity of this there is keen competition among purchasers for America. It follows that European manufacturers obtain equally good wool of heavier shrinkage at a lower price per scoured pound. It follows also that America can import only in very limited quantities the fine wools grown in South America and the Cape of Good Hope.

It is stated above that approximately 1¼ pounds of scoured wools are required to make 1 pound of goods. This is subject to variation, depending on the amount of vegetable matter, kemp, and short fiber in each purchase of wool, upon the amount of finish given the cloth, and is also influenced by the fact that most broadcloth manufacturers deliver goods weighing more than the contract calls for. Thus 1¼ pounds of scoured wool will produce sometimes .975 pound of cloth, sometimes 1.08 pounds of cloth, the variation between these limits depending on the factors mentioned above.

Yours, truly,

WATERLOO WOOLEN MANUFACTURING CO.,
A. M. PATTERSON, *President.*

BLOOMFIELD, N. J., *January 9, 1909.*

WILLIAM WHITMAN, Esq.,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: We have your favor of yesterday's date requesting that we send the quantity represented in pounds of scoured wool required for 1 pound of finished cloth in the several samples previously sent to you. We forwarded yesterday the same information represented by percentages, but now inclose the same, as you request, in pounds:

Pounds scoured wool to 1 pound finished wool.

Woolens:	
Sample A	1.44
Sample B	1.41
Sample C	1.40
Sample D	1.38
Sample E	1.38
Worsteds:	
Sample F	1.41
Sample G	1.42
Sample H	1.44
Sample I	1.41

The results, so far as our samples are concerned, are so uniform we think an average of 1.40 would fairly represent the scoured quantity for 1 pound finished product.

Yours, truly,

THOMAS OAKES & CO.

M. T. STEVENS & SONS COMPANY,
North Andover, Mass., January 11, 1909.

Goods.	Weight per square yard.	Quality of stock.	Pounds clean wool required to produce one pound of goods.
Dress goods:	*Ounces.*		
E	8.75	Fine medium territory	1.30
F	4.5	do	1.30
D	5.7	do	1.32
Broadcloth:			
A	5.5	do	1.32
B	6.3	do	1.4
C	6.9	Cape and Port Phillip	1.4

A SUMMARIZED STATEMENT.

The tables of Harry Hartley & Co. show the actual quantity in pounds of wool top, worsted yarn, and finished goods made from 100 pounds of greasy wool in the bale, and the equivalent number of pounds of greasy wool required for the cloth, recapitulated as follows:

Character of wool.	Pounds of tops.	Pounds of worsted yarn.	Pounds of finished goods.	Equivalent of greasy wool in cloth.
Fine merino territory	21.73	20.64	17.55	5.7
Fine medium territory	24.45	23.23	19.75	5.1
Medium one-half blood territory	28.80	27.36	23.27	4.3
Fine medium unwashed Ohio and Michigan	26.47	25.15	21.38	4.7
Average fine Texas	24.45	23.23	19.75	5.1
Twelve months Texas, long staple	27.90	26.50	22.53	4.4
One-quarter blood territory	37.20	35.43	30.12	3.3

From the best estimate obtainable the average shrinkage from greasy wool to scoured wool of the entire wool product of the United States is at least 60 per cent.

On this basis, 100 pounds of such greasy wool would, as a broad, general statement, yield, on the average, 97½ pounds of sorts, 39 pounds of scoured wool, 31.2 pounds of top, 29½ pounds of worsted yarn, 25 pounds of finished worsted cloth.

From the testimony already received we have the following results:

Carded woolen cloths.—Ten exhibits; 24 samples from mills making finished goods from greasy wool bought in the bale. Average, 3.73 pounds of wool to 1 pound of cloth; lowest, 3 pounds; highest, 4.64 pounds.

Carded woolen cloths.—Eight exhibits; 28 samples showing the amount of scoured wool required to make 1 pound of finished cloth. Average, 1.37 pounds; lowest, 1.20 pounds; highest, 1.55 pounds.

Compensating duty required on the basis of scoured wool dutiable at 33 cents equals 45.21 cents.

Worsted cloths from mills making their own tops and yarns.—Three exhibits; 12 samples. Average, 3.66 pounds of wool to 1 pound of finished cloth; lowest, 2.56 pounds; highest, 4.55 pounds.

Worsted cloths from mills making their own tops and yarns.—Three exhibits; 12 samples showing the number of pounds of scoured wool required to make 1 pound of finished cloth. Average, 1.55 pounds of scoured wool to 1 pound of finished cloth; lowest, 1.40 pounds; highest, 1.78 pounds.

Compensating duty required on the basis of scoured wool dutiable at 33 cents equals 51.15 cents.

Worsted cloths made by manufacturers who purchase their worsted yarns, showing loss between yarn and cloth.—Two exhibits; 11 samples; 8 Australian worsted yarn; 1 Australian and territory yarn; 2 fine medium territory yarn; 18.84 ounces of worsted yarn are required to make 1 pound of finished goods; shrinkage, 15+ per cent.

These exact statements, drawn from the actual business experience of representative importers of wool and manufacturers of woolen and worsted fabrics, are strong cumulative testimony that the standard of 4 pounds of greasy wool to 1 pound of finished cloth, the long-recognized basis of the compensatory duty, is a just standard, and that it ought to be embodied in the wool and woolen schedule of the tariff law which the Committee on Ways and Means is now considering. It is not denied that there are wools less than 4 pounds of which will produce a pound of cloth.

Those hostile interests which attack our compensatory duty as a part of the protective system are in the habit of selecting such wools, as has been done by certain English manufacturers of Bradford, in a brief submitted to your committee by their representatives, F. Butterfield & Co., of New York. But, on the other hand, there are wools in constant use in this country, of both foreign and domestic production, more than 4 pounds of which are required to produce a pound of finished cloth.

That statement of Senator ALDRICH, chairman of the Senate Committee on Finance, which we have already quoted, goes right to the heart of this question of compensatory duties when, referring to the foes of a protective policy, Senator ALDRICH says:

"They have selected certain kinds of wool, and declared that in these particular instances the proportion of shrinkage and waste is only as 2 or 3 pounds of wool to 1 of cloth. I grant there are such instances; but as it is the weakest link in the chain or the lowest point in the levee that determines efficiency, so we are bound to take the highest shrinkage wools accessible to foreigners and to calculate the compensatory duty on the basis of these. If our manufacturers are excluded from the use of this class of wools, their competitors do use them, and it is against these that the equalization of conditions is to be effected.

"Again, it has been argued that the formula is wrong, because certain fabrics are produced in which 4 pounds of wool, even of this high-shrinking quality, are not required to manufacture a pound of goods, while the compensatory duty is fixed at four times the wool duty. Goods woven on cotton warps or containing some admixture of

shoddy are cited. I grant the facts in this instance also. But we must, as I have already shown, arrange the compensation on the basis of the best cloths; otherwise we should determine, by our legislation, that the manufacture in this country shall be confined to the lower grades of goods. That would be to affix the brand of permanent inferiority upon our woolen manufactures. Nor is it possible in a tariff bill to so adjust a system of compensatory duties that it shall exactly fit the amount of wool consumed in an almost infinite variety of fabrics."

Another objection that may be urged to accepting the proportion of 4 pounds of wool to 1 pound of cloth, and allowing a compensatory duty on this basis, is that the great shrinkage in the wool is not always fully lost—as in the case of noils, for instance. But the manifest reply to this, which has been presented before and is now emphasized again, is that though these noils have a value, that value is very much less than the foreign or original cost of the wool from which they were made—less than the foreign cost of the wool, exclusive of the duty. Thus, it is plain that the manufacturer, who pays the duty on the wool and the noils included in it, does not recover the duty paid upon the noils when he sells them. Therefore the value of the noils can rightfully be eliminated from the calculation.

What the tariff makers have sought in past years is to fix a fair average standard, sufficient under all normal circumstances to compensate American wool manufacturers for the relatively high rates of duty which they are required to pay upon their raw material. This standard of 4 pounds of greasy wool to 1 pound of cloth, though often assailed by rival foreign manufacturing interests and their representatives in the United States, has stood the test of forty years of critical examination, and we urge you respectfully that it once more be adopted by your committee in the preparation of the new tariff law.

Very truly, yours,

William Whitman, Boston, president and chairman ex officio; Frederic S. Clark, North Billerica, Mass.; Walter Erben, Philadelphia, Pa.; Louis B. Goodall, Sanford, Me.; Edwin Farnham Greene, Boston, Mass.; Joseph R. Grundy, Philadelphia, Pa.; John Hopewell, Boston, Mass.; George E. Kunhardt, Lawrence, Mass.; J. R. MacColl, Pawtucket, R. I.; Francis T. Maxwell, Rockville, Conn.; J. F. Maynard, Utica, N. Y.; Thomas Oakes, Bloomfield, N. J.; Winthrop L. Marvin, Secretary, Tariff Committee National Association of Wool Manufacturers.

Compensatory Duties.

ADDITIONAL STATEMENT SUBMITTED BY THE NATIONAL ASSOCIATION OF WOOL MANUFACTURERS, FEBRUARY 10, 1909.

BOSTON, MASS., *February 9, 1909.*

Hon. SERENO E. PAYNE,
Chairman of the Committee on Ways and Means,
House of Representatives, Washington, D. C.

DEAR SIR: We wish to submit to you herewith some supplementary statements from manufacturers relative to the compensatory duties, showing the amount of greasy wool required to make a pound of cloth, the shrinkage between top and yarn, etc.

The American Woolen Company submits 10 samples of woolen and worsted fabrics, and states that from 3.34 to 4.55 pounds of greasy wool are required to produce 1 pound of these fabrics.

John and James Dobson, of the Falls of Schuylkill Carpet and Plush Mills, submit four samples of cloths, and state that with the exception of the Australian wool it takes more than 4 pounds of unwashed wool to make a pound of these cloths—the Australian a little less.

The Middlesex Company submits two samples of uniform cloth, and states that a little more than 4 pounds of greasy wool are required to make 1 pound of one of these fabrics and slightly over 5 pounds to make 1 pound of the other.

Statements of the Pocasset Worsted Company, S. Slater & Sons, the Standish Worsted Company, and the Dunn Worsted Mills relate to the shrinkage between tops and yarn, yarn and cloth, scoured wool and cloth, etc.

This testimony is confirmatory of other statements of manufacturers already submitted by us to your committee.

We submit, also, a statement of Brown & Adams, wool commission merchants of Boston, that Australian fine wools will shrink from 45 to 65 per cent, Cape wools from 55 to 75 per cent, and South American wools from 50 to 72 per cent—confirming in general statements already filed with the committee from John G. Wright and Farnsworth, Thayer & Stevenson, that 4 pounds of greasy wool to 1 pound of finished cloth is the proper basis of a compensatory duty.

Very truly, yours,

William Whitman, Boston, president and chairman ex officio; Frederic S. Clark, North Billerica, Mass.; Charles H. Harding, Philadelphia, Pa.; Louis B. Goodall, Sanford, Me.; Joseph R. Grundy, Philadelphia, Pa.; John Hopewell, Boston, Mass.; John P. Wood, Philadelphia, Pa.; J. R. MacColl, Pawtucket, R. I.; Francis T. Maxwell, Rockville, Conn.; J. F. Maynard, Utica, N. Y., and Thomas Oakes, Bloomfield, N. J., tariff committee, National Association of Wool Manufacturers; Winthrop L. Marvin, secretary.

AMERICAN WOOLEN COMPANY,
WM. M. WOOD, *President,*
Boston, Mass., January 18, 1909.

WM. WHITMAN, Esq.,
President National Association of Wool Manufacturers,
73 Chauncey Street, Boston, Mass.

DEAR SIR: We forward you herewith samples of woolen and worsted fabrics and trust the information given below is what you require.

Sample "A": 9½ ounces broadcloth made from domestic wool. Requires 4 pounds of grease wool or 22½ ounces of clean wool to make 1 pound of cloth.

Sample "B": 20 ounces kersey made of Australian wool. Requires 3½ pounds of grease wool or 22 ounces of clean wool per pound of cloth.

Sample "C": 16 ounces kersey made from Australian wool. Requires 3½ pounds of grease wool or 22 ounces clean wool per pound of cloth.

Sample "D": 17 ounces indigo kersey made from domestic wool. Requires 4 pounds of grease wool or 22½ ounces clean wool per pound of cloth.

Sample "1": 13½ ounces worsted cloth made from domestic wool. Requires 3.34 pounds of grease wool or 1.64 pounds of clean wool per pound of cloth.

Sample "2": 16 ounces worsted made of territory wool. Requires 4.24 pounds of grease wool or 1.70 pounds of clean wool per pound of cloth.

Sample "3": 18 ounces worsted made from territory wool. Requires 4.34 pounds of grease wool or 1.78 pounds of clean wool per pound of cloth.

Sample "4": 16 ounces worsted made from territory wool. Requires 4.55 pounds of grease wool or 1.54 pounds of clean wool per pound of cloth.

Sample "5": 15 ounces worsted made from Australian wool. Requires 3.37 pounds of grease wool or 1.61 pounds of clean wool per pound of cloth.

Sample "6": 18 ounces worsted made from Australian wool. Requires 3.37 pounds of grease wool or 1.61 pounds of clean wool per pound of cloth.

Yours, truly,

AMERICAN WOOLEN COMPANY,
C. J. BODFISH,
Manufacturing Secretary.

FALLS OF SCHUYLKILL
CARPET AND PLUSH MILLS,
Philadelphia, January 16, 1909.

Mr. WILLIAM WHITMAN,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: I herewith send you four different samples of cloths, numbered 1 to 4, inclusive.

No. 1 is a cloth made from all Australian wool. I also send you the amount of scoured fine wool that it will take to make a pound of this cloth, calculated, as you will see, as per sheet inclosed.

I also send you sample marked No. 2, made from half Australian and half domestic fine Montana, with the same calculations.

I also send you samples made from Ohio wool, marked No. 3, with the same calculations.

I also send you samples No. 4, made from territory wool, with calculations.

In making these calculations, I take 4 pounds of each kind of wool in unwashed condition. I think you will find these calculations as near accurate as it is possible to get them. The shrinkage of wools you can ascertain in Boston as well as I can. Of course, these are from actual experience. The higher the finish of the goods in the way of broadcloth, the more the shrinkage will be.

You will notice that the manufacture of broadcloth is a very different proposition from the manufacture of a worsted piece of goods. In many cases these goods are in the fulling mills for a whole day to be felted; the higher the felting the heavier the loss.

You will notice that, with the exception of the Australian wool, it takes more than 4 pounds of unwashed wool to make a pound of cloth; the Australian takes a little less. The wools grown in Silesia, in Russia, and the Cape of Good Hope have a much higher shrinkage than the Australian wools, but the average is about the American standard of shrinkage.

Hoping the above information will be of service to you, I remain,

Yours, very respectfully,

JAMES DOBSON.

MIDDLESEX COMPANY,
Lowell, Mass., January 14, 1909.

WM. WHITMAN, Esq.,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: I beg to hand you herewith two samples of cloth manufactured by the Middlesex Company. These are of a type produced by this company for a great many years and are used in making uniforms.

Sample No. 1 is made of fine Ohio wool, and from 100 pounds of wool in the bale we made 24.36 pounds of cloth, or a little more than 4 pounds of wool to a pound of cloth.

Sample No. 2 is made chiefly from Idaho wool, and from 100 pounds of this wool we made 19.87 pounds of cloth, or slightly over 5 pounds of wool to a pound of cloth.

From this it appears that the specific or compensating duty, which is based on the theory that 4 pounds of wool are required to make 1 pound of cloth, is not placed too high as far as it concerns the uniform cloths made by this company.

Yours, respectfully, C. BROOKS STEVENS, *Treasurer.*

POCASSET WORSTED COMPANY,
Boston, Mass., January 11, 1909.

Mr. WILLIAM WHITMAN,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR MR. WHITMAN: Replying to your letter of January 9, I am inclosing a memorandum giving the shrinkage losses from top to worsted yarn for the years 1905, 1906, 1907, and 1908. These losses include the invisible losses, and they are exactly as taken from our books. They are figured on the basis of a half-blood quality similar to your 4's quality. During the year 1908 the loss is smaller than during the previous years, and this is accounted for by the fact that we have been using finer qualities of wool. We have found, when using quarter blood, both domestic and foreign, our shrinkage loss to go up as high as 16 per cent, and on low quarter bloods I can readily believe that it will in some instances go above 20 per cent.

I am also inclosing some data giving prices of labor in England for a worsted yarn mill similar to the Pocasset; and also data on the selling price of worsted yarn and worsted tops in various qualities in Bradford in November, 1908. You may find it of interest to tabulate these figures, and they may be of value to your committee in showing the exact conditions, as regards costs, at the present time in this country and Bradford.

Roughly speaking, I find that the labor costs in our own mill are about 130 per cent higher than the costs here given. I think it is fair to assume that general fixed charges in this country are about double to what they are in England. In tabulating some of these figures I seem to find that if the duty on wool is dropped from 11 to 8 cents, it will be necessary to have a larger ad valorem duty on worsted yarn in order to compensate for this drop, especially on yarns from 40's up to

70's. As the tariff is now, we could readily have a little higher tariff on numbers like 70's and 80's, we finding that we have been unable to compete in the general market against yarn imported from Germany and England in these numbers. Of course we do not care to make any great amount in these numbers, but if a scientific duty is arranged it should be arranged so that all classes of worsted yarn should be proportionate in the protection they have from the tariff.

Very truly, yours,

F. C. FLETCHER.

Pocasset Worsted Company—Memorandum of shrinkages between the top and the finished yarn, including waste and invisible loss.

	Per cent.
1905	10.12
1906	10.60
1907	10.12
1908	8.92

These shrinkages are based on a half-blood quality. During the year 1908 the qualities run in the mill were finer than a half-blood; during the other years about an average half-blood. When using three-eighths and quarter-blood wools we have had the shrinkages go as high as 16 per cent. The invisible loss, largely moisture, averages about 2½ per cent.

BOSTON, MASS., *January 13, 1909.*

WILLIAM WHITMAN,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: I am in receipt of your letter of January 15. In the shrinkage report which I gave you there was included the waste made in the spinning, this shrinkage showing the total difference between the pounds of top used during the year and the yarn produced, taking waste of all kinds made in the mill. We find in making tests on small lots that there is a great variation in the percentage of shrinkage, owing to the invisible loss being different on different days. We also find that there is a loss between the tops at 13½ per cent condition and the yarn shipped out of from 2½ to 3 per cent, and our yearly figures of invisible loss bear out the average loss figured from week to week.

Another point which I might mention is that we take a great deal of sliver out of the top in the drawing, seldom finding the top clear enough all the way through to allow none of the sliver to be taken out in one or the other of the preparations. It is possible that we make more waste here than a mill ordinarily would do which makes the tops in its own mill, and to some degree this might account for a seemingly higher proportion of waste than you figure at the Arlington Mills.

Trusting the above answers your question,

Very truly, yours,

F. C. FLETCHER.

MARLBOROUGH-BLENHEIM,
Atlantic City, N. J., January 14, 1909.

WILLIAM WHITMAN, Esq.

DEAR SIR: Inclosed please find original letter from Mr. Spaulding Bartlett to me under date of January 19, answering the questions in yours to me of January 7.

I am, very truly, yours,

FRANK BULKELEY SMITH,
Treas., S. Slater Sons, Inc.

S. SLATER & SON (Incorporated),
Webster, Mass., January 12, 1909.

FRANK BULKELEY SMITH, Esq.,
Marlborough-Blenheim, Atlantic City, N. J.

DEAR SIR: Yours of the 11th, from Baltimore, inclosing Mr. Whitman's letter of January 7, is received, and I would answer his questions as follows:

1. Silesian twill. The fine Ohio wool used in the manufacture of this cloth was washed.

2. The 444 cloth was made of unwashed wool, and in using the word "domestic" we do not intend to distinguish it from territory wool because it was made of territory wool, but used the word "domestic" because, in Mr. Whitman's letter of December 11, under the head, "Carded woolen cloths," question D, he asks us to state in the case of each whether it is made of foreign or domestic wool.

3. It takes 20.8 ounces of scoured wool to make 1 pound of finished cloth of the character of the two samples sent him; that is, the Silesian twill and the 444 cloth.

Respectfully,

S. BARTLETT.

B. F. Mellor, president The Standish Worsted Company, makers of high-grade cloth; mills, Plymouth, Mass.

PLYMOUTH, MASS., *January 20, 1909.*

Messrs. HARDING, WHITMAN & CO., *Boston, Mass.*
Mr. WM. WHITMAN.

DEAR SIR: Yours of the 14th received and noted. In reply please find inclosed four samples of our cloth, two light and two heavy weights. On sample marked No. 1 we require 13½ ounces of yarn and the cloth finishes 12½ ounces. On sample marked No. 2 we require 15 ounces of stock and the cloth weighs 13½ ounces. On sample marked No. 3 we require 18½ ounces of stock and the cloth weighs 17 ounces. On the sample marked No. 4 we require 18½ ounces of stock and the cloth weighs 17 ounces.

These samples represent the various kinds of yarn which we use in largest quantities, and we hope they will give you the information you desire.

Yours, truly,

THE STANDISH WORSTED COMPANY,
E. H. DOW.

DUNN WORSTED MILLS,
Woonsocket, R. I., January 18, 1909.

Mr. WILLIAM WHITMAN,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: Your favor of the 14th received during writer's absence, hence the delay in answering same. Under separate cover we are mailing you samples of cloth made from XXXX grade, XXX grade, and PX grade. We do not make a cloth from grade similar to Prime. These goods we have made for some length of time, and writer has gone over our figures very carefully and finds that they average as follows: XXXX stock averages 1.10 pounds of worsted yarn to make 1 pound of worsted cloth. XXX stock averages 1.113 of worsted yarn to make 1 pound of worsted goods. PX stock averages 1.16 pounds of worsted yarn to make 1 pound of worsted goods. We trust this information will be satisfactory to you.

Yours, very truly,

DUNN WORSTED MILLS,
E. L. DUNN, *Treasurer.*

BROWN & ADAMS,
Boston, January 13, 1909.

WILLIAM WHITMAN, Esq.,
President National Association of Wool Manufacturers,
Boston, Mass.

DEAR SIR: In response to your question as to the shrinkages of foreign wools we beg to reply that, based on our experience as wool merchants, covering a long period of years, it is our belief that by far the larger proportion of the foreign wools grown of merino blood will shrink on the average over 56 per cent. To be more specific, would say that the Australian fine wools as a class will shrink all the way from 45 per cent to 65 per cent. Wools from the Cape of Good Hope, the shrinkage is from 55 to 75 per cent. From South America, from 50 to 72 per cent. The Spanish wools will average around 64 per cent, the French wools around 65 per cent, and the German wools around 65 per cent.

Very truly, yours,

BROWN & ADAMS.

THE BUSTED RAG TRUST.

Mr. WARREN. Mr. President, we were informed by the Senator from Iowa [Mr. DOLLIVER] that there was a rag trust. I have some information here—I think some of it comes from the same newspaper from which the Senator quoted—and while this information may differ from his, I do not think it will differ very much, as it looks as though it were more a "rag bust" than a rag turst. I submit it, however, and ask that it may be printed. It is not long, only two or three small items and a couple of letters.

Mr. DOLLIVER. I have no objection to its being printed. It appears that this American United Woolen By-Products Company is in the hands of receivers. I learn that it went into the receivers' hands not on account of its failure to succeed in business, but because of a controversy as to who should be the president of it, the original organizer claiming that they ought not to move him out because he had introduced the rest of them to a very good thing. [Laughter.]

Mr. WARREN. As this relates to the general subject of trusts and we are anxious to get all the information we can regarding them, and as there is not much of it, I ask that this matter may go into the RECORD. It is a most formidable trust. It claims to owe as much as $13,634 and to have assets amounting to approximately $8,000.

The PRESIDING OFFICER. In the absence of objection, the request will be granted.

The matter referred to is as follows:

BUSINESS TROUBLES—NEW YORK—THE UNITED WOOLEN BY-PRODUCTS COMPANY.

[From the Daily Trade Record, May 21, 1909.]

Following an unrecorded assignment made by the company to Samuel S. Levor, associated with the F. B. Q. Clothing Company for the benefit of creditors, an involuntary petition in bankruptcy was filed yesterday against the United Woolen By-Products Company, of 35 Vestry street. The petition was filed by Colins, Wells & Hughes for these creditors: Hays, Levi & Co., $279; The Washington Clothing Company, $275, and The Fechheimer-Fishel Company, $286. It was alleged that the company made an assignment on May 19 and admitted in writing its inability to pay its debts.

When it became known yesterday morning that the stockholders of the company had agreed to an assignment being made at a meeting the evening before, the bankruptcy petition was anticipated. As stated yesterday, a sheriff went into the place on Tuesday on a judgment for electrical work. The liabilities of the company are $13,634 and the assets approximately $8,000.

[From the Commercial Bulletin, May 22, 1909.]

It is reported that at a meeting of the creditors of the United Woolen By-Products Company, of New York, held some days ago, resolutions were adopted to call a meeting this week for the purpose of making a general assignment of the business for the benefit of the creditors. The liabilities of the company are said to be more than $13,500, while the value of the stock on hand is estimated at $8,000.

UNITED WOOLEN BY-PRODUCTS COMPANY.

[From the Commercial Bulletin, May 29, 1909.]

Every little while the clothing manufacturers of the country are approached by some "wise guy," who tells them that they are being unmercifully robbed by the dealer in woolen rags, that they are not receiving what they should from the dealers for their clips and that the only sure "get-rich-quick" method of disposing of their new clips is to form a combination with other clothing manufacturers and sell through a concern to be formed by themselves, thus eliminating the wholesale dealer, and thereby reaping the enormous profits that should rightfully go to them. The scheme has been tried time and time again, but never with success. The latest concern in this line to fail was the United Woolen By-Products Company, of 25 Vestry street, New York, a petition in bankruptcy having been filed against them by the following creditors: Hays, Levi & Co., $279; Washington Clothing Company, $275; and Fechheimer Fishel Company, $286.

The following is what the New York Journal of Commerce and Commercial Bulletin has to say about them:

"It was alleged that the company is insolvent, on May 19 made an assignment, and admitted in writing inability to pay its debts and willingness to be adjudged bankrupt. Deputy Sheriff Porges had already made a levy on the assets under an execution of $271 in favor of the Charles A. Borne Company, and put a keeper in the place of business."

The company was incorporated on December 27, 1907, with a capital stock of $3,000,000, and great things were expected of the new concern,

which sought to revolutionize the business in this line. The original plan was to form an association of clothing and cloak manufacturers, take from them their woolen clippings, and disposing of them to shoddy and paper manufacturers. Stock of the corporation was to be given to the members in payment for clippings up to July 1, 1908, after which cash was to be paid for the clippings.

The business depression following the panic of 1907, it is said, operated against the venture; there was a lack of cash capital, dissentions arose among those interested in the corporation regarding the policy of the business, and various changes took place among the company. Since the start there have been four presidents, the last one, Joseph I. Klatz, having taken charge about three weeks ago. Meetings have recently been held to devise plans to pay off the claims of creditors and liquidate the assets, and it was finally decided to make an assignment for the benefit of all the creditors.

NEW YORK CITY, *June 9, 1909.*

Mr. WINTHROP L. MARVIN,
New Willard Hotel, Washington, D. C.

DEAR SIR: I received your telegram to-day, as follows:

"Can you ascertain and send to me the capitalization, volume of business, and other important details of United Woolen By-Products Company, referred to by our enemies in Congress as a gigantic trust?"

To which I sent the following reply:

"Telegram received. New York corporation. Capital stock, $3,000,000. Will send further details."

Since sending above, which I confirm, I have learned that this so-called "trust" is now in bankruptcy. I inclose clipping from the Daily Trade Record of May 21. This is the same $3,000,000 company referred to in my telegram. I verified this by later reports in the papers.

Yours, very truly, MALCOLM D. WHITMAN.

S. RAWITSER & CO. (Incorporated),
Rawitser, N. Y., June 9, 1909.

Hon. FRANCIS E. WARREN,
United States Senate Chamber, Washington, D. C.

DEAR SIR: I have read in this evening's paper that the question of a rag trust has come before you. To enlighten you about the so-called "United By-Products Company," would say that a concern under that name was formed about two years ago, simply combining a lot of clothing house people, who wanted to dispose of their own cuttings, perhaps with the idea that they could do so to better advantage. I would also say that it was merely a small affair and the concern has since gone into the hands of a receiver. I give you this information, not because I am looking for any advertising, but because I think it may be well for you to know.

Respectfully, yours, S. RAWITSER & CO. (Incorporated),
H. RAWITSER, *Treasurer.*

The PRESIDING OFFICER. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is paragraph 380.

Mr. DOLLIVER. I desire to ask unanimous consent for a reconsideration of the vote by which paragraph 365 was adopted, for the purpose of offering the last amendment which I intend to offer.

The PRESIDING OFFICER. The Senator from Iowa asks unanimous consent to reconsider the vote by which paragraph 365 was agreed to. Without objection, the vote is reconsidered.

Mr. DOLLIVER. I send the amendment which I offer to the Secretary's desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Iowa will be stated.

The SECRETARY. On page 128, it is proposed to strike out paragraph 365, from line 9 to line 11, inclusive, and to insert:

365. The duty upon all wools and hair of the first and second classes shall be based upon the shrinkage which would result in scouring such wools, under such regulations as the Secretary of the Treasury may prescribe; if shrinking 65 per cent or more, 11 cents per pound; if shrinking less than 65 per cent and not more than 55 per cent, 13 cents per pound; if shrinking less than 55 per cent and not more than 45 per cent, 16 cents per pound; if shrinking less than 45 per cent and not more than 35 per cent, 20 cents per pound; if shrinking less than 35 per cent and not more than 25 per cent, 24 cents per pound; if shrinking less than 25 per cent and not more than 15 per cent, 27 cents per pound; if shrinking less than 15 per cent, 33 cents per pound.

Mr. BACON. I should like to inquire of the Senator whether that amendment makes a reduction of the rates as found in paragraph 365 of the bill?

Mr. DOLLIVER. Mr. President, the paragraph for which this amendment is offered as a substitute contains a specific assessment of 11 cents a pound on first-class wools and of 12 cents a pound on second-class wools, without any regard to their shrinkage. As I have previously shown, in the case of wools of a very large shrinkage that makes a very great assessment. For example, if the shrinkage is 70 per cent, a man who brings in 100 pounds of that wool, after his scouring process is over, finds himself with only 30 pounds of wool upon which he has paid 11 cents, which indicates that he has paid on the scoured contents of his cargo 36⅔ cents a pound, whereas if the wool shrinks, for example, 20 per cent, his duty paid upon the scoured contents of the fleece is only 15 cents a pound. So, with this fixed specific on wools without any regard to their shrinkage, we have that tremendous variation by which the man importing low-shrinkage wools gets them in at a very exorbitant rate.

I have undertaken to state these duties. This is keeping them specific, but making them proportional to the shrinkage and, as near as may be, corresponding to the equivalent for each shrinkage to the duty assessed in this Senate bill. I would not be surprised, however, if this stimulated a little the duties upon wool. Some of them have been very low.

My own interpretation of the wool statistics of the United States is that our brethren who are raising sheep have been in the enjoyment of an imaginary protection for a good many years. Otherwise, it would be hard to account for the slow progress of wool husbandry in America; otherwise, it would be hard to account for the gradual disappearance of the sheep-fold from the farms of West Virginia, Pennsylvania, Indiana, Illinois, Wisconsin, and my own State; otherwise, it would be difficult to understand why, in a climate as cold as that of the United States, the production of wool is, for practical purposes, at a standstill and the clothing of the people gradually taking the direction of cheap substitutes for wool, which are neither an improvement upon its quality nor upon its beauty.

Mr. WARREN. Mr. President, will the Senator from Iowa allow me to ask him a question?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Yes.

Mr. WARREN. Mr. President, I want to say to the Senator that an examination of the statistics would show that the wool production here has not stood still, but that it has always gone up rapidly under proper legislation, and that it has always gone down rapidly under improper legislation. When you can lose in the space of seven years one-half, or nearly so, of the production of wool, it takes some time to get back to where you were when you started on the downward grade.

Mr. DOLLIVER. Mr. President, there have been no variations in the progress of sheep husbandry in the United States; but the thing which impressed me in studying the statistics was that this production of wool has been hanging around 300,000,000 pounds annually for a good many years, practically for a whole generation, and I feel that there must be something wrong in the situation, which in a country of such enterprise as ours has left the statistics of wool production in such a shape as that.

During my recent discourse on this subject the Senator from Wyoming kindly called my attention to the fact that the wools of the second class, bearing a duty of but 12 cents a pound when washed, constitute only a small part of our total importations of wool. I find, however—if I may have the attention of the Senator from Wyoming—that at the present time such wools arriving in our ports have reached 2,000,000 pounds per month, which, if continued at that rate for a year, would amount to 24,000,000 pounds, upon which the worsted spinners and weavers would save during the year, on 12 cents a pound duty, the amount of $2,500,000.

Mr. WARREN. If the Senator were a shepherd and knew of the habits of the sheep, of course he would understand that just at present this country is receiving wool as it is sheared abroad. This is soon after the shearing season of most countries, and the average, which has been less perhaps than 12,000,000 pounds per year, will probably be struck before the end of the present year. The main portion of the wool comes in immediately after shearing.

Mr. DOLLIVER. Mr. President, I intend to put in some place in some of these little discourses a statistical table giving the origin of these imports; and while it is true that it is now getting past shearing time here [laughter], there are antipodes on this earth where shearing time comes in another portion of the year, and on that other side of the world a good deal of wool business is being transacted, if I am correctly informed.

The thing about that business that bothers me most is that this steady stream of second-class wool coming in here at a scoured duty of 15 cents a pound is the exact wool that is in conflict and competition with the wools of my own State and the States of West Virginia, Pennsylvania, Missouri, and a number of our Middle Western States.

Mr. WARREN. But you do not raise much wool in Iowa, do you?

Mr. DOLLIVER. We are not raising very much now, because we find here a little automatic mechanism that was devised in 1867, by which a man looking for this particular kind of wool, if he finds the price of it going up 1 cent above the London price plus 15 cents that would have to be paid for the scoured duty upon it, turns away from us and seeks his profit in dealing with the foreign market. So I have felt a deep interest

in this subject, and every time my friend from Wyoming has become so excited about noils and about cheap wastes and about roving wastes and slubbing wastes and ring wastes, and is kind enough to tell the people that they are more important than second-class wool, I made up my mind that when I got a chance to do so I would give my friend from Wyoming an opportunity to help me consolidate these two classes of wool. It will not hurt anybody, as the amount is negligible, according to his own statement. Let us consolidate them, and do away with this little peculiarity that crept into our statutes so many years ago.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. DOLLIVER. Certainly.

Mr. WARREN. The Senator's State is one of the most beautiful that I know of. I have to pass through it from end to end very often during every year; and as I see such beautiful sheep among the pastures, I ask, Is the Senator quite sure that they grow second-class wool?

Mr. DOLLIVER. They look like English mutton sheep to me; most of them.

Mr. WARREN. Yes; but English mutton sheep is not a long-wool or a second-class wool sheep, but happens to be a short-wool sheep, and the wool the Senator speaks of is very largely Southdown and similar grades.

Mr. DOLLIVER. The reason that I think that these sheep of ours are No. 2 is the fact that they seem to be a diminishing quantity, passing off the scene of action like the carded woolen industry of Provo and Philadelphia.

Mr. WARREN. Well, the Senator's State is so productive in corn and other products that it becomes impossible for the poor and humble sheep herder to raise sheep.

Mr. DOLLIVER. Examination of the amendments which I offer must soon convince any fair-minded man that I propose no such radical change in the tariff rates upon either wool or woolen goods as might injure any domestic industry, or which should offer any excuse for lowering the wages of any operatives in our mills. Nor will anything be found in these amendments that can possibly justify the statement that I am engaged in an attempt to pull down that ancient "citadel of protection," the "wool schedule," or that I stand in anything like the same position as those Democrats who favored free wool, and who put wool upon the free list of the Wilson-Gorman bill. On the contrary, I shall show that I am a fairer and more consistent protectionist than those who have so criticised me, for my amendments are drawn, not to excessively protect a small coterie of worsted top and yarn spinners and weavers, but to better and more equally protect all interests, from the woolgrower to the consumer; though by such proper readjustment and equalization of tariff rates it is possible that the excessive profits of the worsted combination (due to a large extent to the discriminations in their favor because of the inequalities of Schedule K) may be slightly reduced. In any event, I believe it to be the duty of this Congress to so readjust and equalize the rates of duty on wool and woolen goods that they shall no longer discriminate in favor of one branch of the industry to the detriment of any other, or benefit a favored few at the expense of the many.

As the foundation of the Woolen Schedule K rests upon the classifications and rates of duty on the various kinds of wool, I have endeavored, and I believe succeeded, in working out a new arrangement for equalizing the duties upon wools of the first and second classes, according to their shrinkages, which will result in strengthening the "citadel's" foundation and give greater protection to the woolgrower; or at least give him the protection he has been misled into believing he is now receiving, but which he is not receiving, because of the peculiar provisions of the present and former tariffs fixing a duty of 11 cents per pound on unwashed wools of the first class, and only 12 cents per pound on washed wools of the second class, regardless of their value or shrinkage.

This arbitrary and manifestly unfair and unequal method of assessing the wool duties has operated to deceive the woolgrowers, and to discriminate against the carded woolen manufacturers using high-shrinking wools of the first class, and has greatly favored the worsted spinners, top makers, and weavers, who import most of the light-shrinking wools of the first class, and nearly all the washed wools of the second class, upon which the saving in duties is very great because of their light shrinkage and the consequent amount of clear wool recovered in scouring.

While the tariff provides that "wool imported in the scoured condition shall pay three times the duty on unwashed wool," the woolgrowers should be no longer deceived into believing they derive any benefit by reason of this provision, for no wools are imported in the scoured condition. For why should the worsted manufacturer import his wool in the scoured condition and pay a duty of 33 cents per pound thereon, when he can import wools which will shrink less than 50 per cent in scouring at 11 cents per pound, equal to only 22 cents per scoured pound? As a matter of fact, most of the wool imported by the worsted manufacturers shrink less than 50 per cent in scouring, while the duty per scoured pound on wool of the second class, shrinking but 20 per cent, would amount to but 15 cents. On the other hand, the carded woolen manufacturers are practically debarred from importing their high shrinking wools, as the 11-cent per pound rate on wools such as they use, shrinking, say, 65 per cent in scouring, would amount to 31 cents per scoured pound, or to 33 cents per pound on such wool shrinking 66 per cent, the shrinkage on which the present scoured rate of three times 11 cents is based.

During my recent discourse on this subject the Senator from Wyoming [Mr. WARREN] kindly called my attention to the fact that wools of the second class, bearing a duty of only 12 cents per pound when washed, constituted but a small part of our total importations of wools. I find, however, that at the present time such wool is arriving at our ports at the rate of about 2,000,000 pounds per month, and if continued at this rate for a year would amount to 24,000,000 pounds, upon which the worsted spinners and weavers would save 10 or 12 cents per pound duty, or about $2,500,000 per year; a neat little saving, to be divided among a few needy New England gentlemen at the expense of the domestic woolgrowers, particularly of Virginia, Indiana, Tennessee, Kentucky, Wisconsin, Missouri, Iowa, and other States where wool of this class is most largely grown, for these 24,000,000 pounds of imported wool of class 2 would take the place of at least twice the amount of the heavy shrinking domestic wools, and also operate to depress the prices of our own wools.

It is therefore proposed to readjust the rates upon all wools of the first and second classes in a manner that will make the duty as nearly uniform and equal as possible to all users. There are three ways this can be accomplished. First, by the adoption of an ad valorem rate, which would bear uniformly on all grades or values of wools. Second, a compound rate of, say, 4 or 5 cents per pound and the rest ad valorem, the specific rate tending to steady the protective feature and the ad valorem to equalize the duties. Third, an arrangement of duties based on the various percentages of shrinkage in scouring or upon the scoured contents. It is this last method that I have adopted in the proposed amendment, using the present rate of 11 cents per pound as the basis for such wools having a shrinkage of 65 per cent or more, and increasing the rate for each 10 per cent less shrinkage, until the completely scoured stage is reached, when the duty will remain as at present, viz, 33 cents per pound. Analysis of this carefully prepared arrangement of progressive rates, according to shrinkage, shows that the average duties on all classes of wool will be as nearly the equivalent of the present "scoured rate" of 33 cents per pound as can be arrived at through the adoption of specific rates.

	Cents.
Shrinking 66 per cent, at 11 cents per pound	33
Shrinking 60 per cent, at 13 cents per pound	32½
Shrinking 50 per cent, at 16 cents per pound	32
Shrinking 40 per cent, at 20 cents per pound	33
Shrinking 30 per cent, at 23 cents per pound	32⅝
Shrinking 20 per cent, at 26 cents per pound	32½
Shrinking 10 per cent, at 30 cents per pound	33
Shrinking less than 5 per cent, at 33 cents per pound	33

Under the present tariff the duties on wools of the first and second classes are as follows, according to the shrinkage of the wools in scouring:

	Cents.
First class, at 11 cents per pound:	
Shrinking 30 per cent	14
Shrinking 35 per cent	16
Shrinking 40 per cent	18
Shrinking 45 per cent	20
Shrinking 50 per cent	22
Second class, at 12 cents per pound:	
Shrinking 15 per cent	14
Shrinking 20 per cent	15
Shrinking 25 per cent	16

The proposed method of fixing the duties upon wools according to their shrinkage is merely for the purpose of more properly equalizing the duties and making effective the theory upon which the duty on scoured wools have been assessed for so long, viz: That imported wools shrink 66 per cent in scouring, and therefore the duty on scoured wools should be three times the duty of 11 cents per pound on unwashed wools, or 33 cents per scoured pound. As it is clear that all wools do not shrink the same, it is necessary, in order to make this theory effective, giving the woolgrowers the "scoured" wool protection he be-

lieves he is getting, and to properly equalize the rates so that all the woolen and worsted manufacturers shall be on the same basis as far as their customs duties are concerned, to readjust these duties in some such manner as I have proposed. I do not claim that the plan I have proposed is perfect. It will not operate as uniformly and fairly on all grades and values of wools as an ad valorem rate; but it is a far better and more equal arrangement of duties than the present system and will prove fairer to all interests. While it is subject to the same criticism as all those provisions in our tariff based upon dividing lines of values, or "percentages of contents," it is no more objectionable than the other similar provisions to which I have alluded, and it does possess the great advantage over the present system of greatly eliminating the inequalities and discriminations we now so thoroughly understand exist in the application of one specific rate of duty to an article of wide range of values.

There certainly is no other article in our tariff schedules of such general and necessary use as wool or which has such a wide range of values that is afflicted with but one specific rate of duty, regardless of its value or the amount of dirt it contains, and so forth. On all other articles in our tariff that enter into general use and where the range of values is as wide as upon wool, some method is adopted to properly equalize the duties, either by the adoption of ad valorem duties, which is the fairest method in such cases, or by the use of compound rates, or by fixing the duty upon the actual useful contents that may be recovered, as in the case of zinc, lead, or antimony ores; and surely it is time that our tariff experts should be able to devise some scheme or plan to properly readjust and equalize the duties in this ancient woolen schedule, which has been practically unchanged for forty years. It is not a question how well adapted this schedule may have been to all concerned when it was originally devised in 1867. All conditions in the woolen trade and in woolgrowing have greatly changed in the past forty years. In 1867 we produced about 81 per cent of the wool we consumed and imported but about 19 per cent. In 1868 we produced about 89 per cent and imported but about 11 per cent. In 1907, however, see the change that has taken place, for we produced but about 60 per cent and imported 40 per cent. In 1867, when the compensatory scheme of 4 pounds of wool to 1 pound of cloth was agreed upon, our woolen cloths were very different in character from the present worsted and cotton light-weight mixtures. They were then "all wool and a yard wide."

In fact, "worsted" cloths were unknown at that time. It is clear, therefore, that we must so revise this old woolen schedule and bring it up to date by equalizing its rates properly to fit changed conditions, as we have done with all the other schedules in our tariff many times during the past forty years, for otherwise we shall starve the great carded woolen industry in its efforts to receive its necessary raw materials at reasonable prices. And this carded woolen industry is one that I believe is more worthy of protecting than the worsted industry, in whose favor the present schedules discriminate, for the carded woolen mills largely outnumber the worsted mills; they are scattered all over the country, and employ more operatives at better wages; their capitalization, however, is somewhat less, and their production less than the worsted interests, as they are in no combination.

Now, Mr. President, the effect of the amendment which I have offered is to consolidate these two classes of wool to a state of duties not in the crude terms of other generations, but in the carefully adjusted scheme of proportionate specifics, based upon the shrinkage of the wool, so that there will be a perfect equalization of the burdens of the wool tariff as they fall upon all departments of the woolen industry, giving to each one his fair share of the burden, and incidentally operating to lift up those who have fallen down and to offer to a great American industry a consolation which it appears from their own statement they were not able to secure within the hospitable doors of our Finance Committee.

Mr. PENROSE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Pennsylvania?

Mr. DOLLIVER. Certainly.

Mr. PENROSE. The Senator from Iowa has referred two or three times to the sheep in Pennsylvania. I observe from the bulletin of the National Association of Wool Manufacturers that there are 950,000 sheep of shearing age in Pennsylvania as of April 1, 1908.

Mr. DOLLIVER. What is the shearing age of sheep in Pennsylvania? [Laughter.]

Mr. PENROSE. I do not know. I know of my own knowledge that the bulk of these sheep are raised in two counties in the western part of the State. I have heard directly from those two counties, and they have urged me to support Schedule K as it stands reported by the Senate Finance Committee.

Mr. SCOTT. Will the Senator from Iowa yield to me for a moment?

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from West Virginia?

Mr. DOLLIVER. Certainly.

Mr. SCOTT. Mr. President, the Senator from Iowa has alluded to West Virginia several times. I am very glad that he has fond recollections of his early boyhood days that he passed in West Virginia and has not forgotten us. I find that we have 525,000 sheep in West Virginia, and the wool is classed 75 per cent fine. If any set of woolgrowers would be affected by this particular schedule, it certainly would be ours, and yet our people are asking me to do everything I can in order to secure the passage of Schedule K at the rates as they are now in the bill.

The flocks in West Virginia, as the Senator from Iowa knows, are owned by small farmers, who only have from 40 to 60 head of sheep each. They sell the wool, and probably realize $100 or $125 for the entire clip of the wool for one year. During the year they usually go to the country store at the crossroads or close towns and there run what we call a "store bill," for groceries and for their children's clothing and shoes, and so forth, and they agree to pay for the bills of goods when they sell their wool. I am sure the Senator wants to help me protect those old friends of his in West Virginia who are carrying on this industry in a modest way, for there are no large herds of sheep in West Virginia like they have in the Western States.

Mr. A. R. Jacobs, of Clinton, W. Va., probably one of the best posted men on sheep and wool industry in our State, gives the following cost of growing an average pound of wool of what is known as "Ohio," "Pennsylvania," and "West Virginia" wools. This statement he made before the Ways and Means Committee of the House:

Pasturing 100 head of sheep 7½ months, at 8 cents per head per month	$60.00
Feeding 100 head of sheep 4½ months, one-half bushel corn and oats mixed per day, at 30 cents, for 30 days	40.50
Feeding 100 head of sheep 4½ months, 8 tons of hay, at $8 per ton on the farm	64.00
Washing 100 head of sheep	2.00
Shearing 100 head of sheep, at 7 cents per head	7.00
Labor attending to the same sheep	25.00
Total	198.50
Wool from 100 average sheep shearing 5½ pounds, at 30 cents per pound	165.00
We can keep a flock of about 500 average sheep on one of our best 350 to 400 acre farms.	
Cost of keeping 100 head, $198.50, or 500 head	$992.50
Wool from 100 head, $165; from 500 head	825.00
Fertilizer from sheds and droppings	10.00
Sale of increase of stock	300.00
Total	1,225.00
Extra feed and care rearing lambs	35.00
	1,190.00
Cost of keeping 500 head	992.50
Profit	198.50

From this, Mr. President, you can see that the profit in the woolgrowing industry is very meager indeed.

Mr. DOLLIVER. What class of wool are those people raising?

Mr. SCOTT. Wool that is 75 per cent fine.

Mr. DOLLIVER. What class? Class 1 or 2?

Mr. SCOTT. The very best that is grown.

Mr. DOLLIVER. What class? The worst class is taxed the most. The duty on No. 1 is 11 cents and the duty on No. 2 is 12 cents.

Mr. SCOTT. We are willing to stand in the 11-cent class, I will say to the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I again announce my pair with the senior Senator from Texas [Mr. CULBERSON].

Mr. GUGGENHEIM (when his name was called). I again announce my pair with the senior Senator from Kentucky [Mr. PAYNTER].

Mr. McLAURIN (when his name was called). I am paired with the junior Senator from Michigan [Mr. SMITH].

Mr. BRIGGS (when the name of Mr. SMITH of Maryland was called). I have a pair with the junior Senator from Maryland [Mr. SMITH]. If he were present I should vote "nay."

Mr. WARREN (when his name was called). As already announced, I am regularly paired with the Senator from Mississippi [Mr. MONEY], but by the arrangement which has been heretofore made he stands paired with the Senator from Oregon [Mr. BOURNE], which leaves me at liberty to vote. I vote "nay."

The roll call was concluded.

Mr. CURTIS (after having voted in the negative). I desire to ask if the senior Senator from Tennessee [Mr. FRAZIER] has voted?

The PRESIDING OFFICER. The Chair is informed that he has not.

Mr. CURTIS. Then I desire to withdraw my vote, and announce my pair with that Senator.

Mr. DEPEW. I wish to announce my pair with the senior Senator from Maryland [Mr. RAYNER], and therefore I withhold my vote.

The result was announced—yeas 21, nays 37, as follows:

YEAS—21.

Bacon	Clapp	Gore	Newlands
Bankhead	Clay	Hughes	Overman
Beveridge	Cummins	Johnston, Ala.	Simmons
Bristow	Davis	La Follette	
Brown	Dolliver	Martin	
Burkett	Fletcher	Nelson	

NAYS—37.

Aldrich	Clark, Wyo.	Gamble	Root
Borah	Crane	Heyburn	Scott
Bradley	Crawford	Johnson, N. Dak.	Smoot
Brandegee	Cullom	Jones	Stephenson
Bulkeley	Dick	Kean	Sutherland
Burnham	Dillingham	Lodge	Warner
Burrows	Dixon	Oliver	Warren
Burton	du Pont	Page	
Carter	Elkins	Penrose	
Chamberlain	Gallinger	Perkins	

NOT VOTING—33.

Bailey	Foster	Nixon	Smith, S. C.
Bourne	Frazier	Owen	Stone
Briggs	Frye	Paynter	Taliaferro
Clarke, Ark.	Guggenheim	Piles	Taylor
Culberson	Hale	Rayner	Tillman
Curtis	McCumber	Richardson	Wetmore
Daniel	McEnery	Shively	
Depew	McLaurin	Smith, Md.	
Flint	Money	Smith, Mich.	

So Mr. DOLLIVER's amendment was rejected.

The PRESIDING OFFICER. Without objection, the paragraph will be agreed to. The Chair hears no objection.

The hour of 5.30 o'clock having arrived, the Senate stands in recess until 8 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. BULKELEY. I desire to introduce an amendment to the pending bill, which I ask may be printed and referred to the Committee on Finance.

The PRESIDENT pro tempore. It will be received, printed, and referred to the Committee on Finance.

Mr. GALLINGER. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clark, Wyo.	Foster	Overman
Bacon	Clay	Frye	Page
Beveridge	Crane	Gallinger	Penrose
Borah	Crawford	Gamble	Perkins
Bradley	Culberson	Gore	Root
Brandegee	Cullom	Heyburn	Scott
Briggs	Cummins	Johnston, Ala.	Simmons
Bristow	Curtis	Jones	Smoot
Brown	Davis	Kean	Stephenson
Bulkeley	Depew	La Follette	Stone
Burkett	Dick	Lodge	Sutherland
Burnham	Dillingham	McCumber	Warner
Burrows	Dolliver	McEnery	Warren
Burton	du Pont	McLaurin	Wetmore
Carter	Elkins	Martin	
Chamberlain	Fletcher	Nelson	
Clapp	Flint	Oliver	

The PRESIDENT pro tempore. Sixty-five Senators have responded to their names. There is a quorum present. The question is on paragraph 380.

Mr. McCUMBER. Mr. President, at this time I want to place in the RECORD some statements which shall give a concise and comprehensive view of the whole wool schedule, not only for my own ready reference, but for the benefit of those who have neither the time nor the inclination to go through the whole complex mass, the labyrinth of arguments presented on this schedule.

I want this statement to show just what protection the woolgrower is securing upon that which his labor produces, and just what added protection the manufacturer is receiving upon his output.

I want it to show, as nearly as can be shown, the cost of production of woolen fabrics abroad and the cost of producing the same character of fabrics at home.

Then I want it to show the ad valorem percentage of duties upon imports, and see how nearly those duties measure the added cost of production in this country.

I understand, as everyone understands, that in the nature of things there can be no specific duty that will operate with exact or equal justice upon every article of its class imported. It could only so operate when goods of only one value enter into the imports. If, therefore, you should take the cheapest piece of goods manufactured of a particular class of goods and apply the specific duty, it would be excessively high. If you should take the highest valued product of the class, it would be excessively low. No better demonstration of that fact could be given than that which was brought out by the Senator from Iowa in presenting the lowest added value of goods by reason of mercerization, and the Senator from Massachusetts, who presented goods of the highest added value by mercerization.

The Senator from Iowa presented a concrete case where the few added threads of mercerization only added one-eighth of a cent per yard to the cost of the goods, while the duty for mercerized cloth is 1 cent per yard additional. The Senator from Massachusetts exhibited an article showing 12 cents added value for mercerization. The lowest extreme would show, as stated by the Senator from Iowa, a duty eight times higher than the added cost by mercerization, while the highest valued goods would show a duty only one-twelfth as much as the added cost.

Neither of these concrete cases represents any average, and is therefore an improper guide. Taking the goods whose value is added to by mercerization we find that of the great bulk the 1 cent additional duty is fairly compensatory.

The only duty that could work with exact justice upon all articles and which would furnish a basis to which you could apply the difference between the cost of production at home and abroad would be an ad valorem duty. Years of experience have demonstrated that the ad valorem duties are subject to greater inequalities by undervaluations and other injustices than the specific duties, and not only the enlightened judgment of this country, acquired through experience, but also that of every other country is leading toward the substitution of specific duties wherever possible.

To give a comprehensive view of the woolen importations and corresponding duties we must reduce to an average ad valorem in order that we may determine whether or not we are applying the proper measurement of duties in changing to the specific.

I shall take as a basis of my calculation the imports of wool for the year 1907. A glance at the table of importations will show that almost all of the wool product imported comes in under "Class 1, unwashed," "Class 3, unwashed on the skin," and "Class 3, washed and unwashed not on the skin." All other importations of wool are of such a negligible quantity that they need not be taken into consideration, as they would not influence to any appreciable extent the result of the deductions.

The following is a table showing the importations of wool for the year 1907 of the classes and kinds which I have mentioned, and I ask that this table be inserted as a part of my remarks:

1907.	Pounds.	Value.	Duties collected.	Ad valorem.
				Per cent.
Class 1, unwashed	90,045,325	$22,249,752	$9,904,985	44.52
Class 3, unwashed on skin	1,836,804	200,159	55,104	26.73
Class 3, washed and unwashed not on skin	43,924,853	4,891,660	1,756,994	35.92
Total pounds imported	135,806,982			
Total value		27,347,571		
Total duties collected			11,717,083	
Average ad valorem				42.85

This per cent represents the average duty paid by the American manufacturer on the great bulk of all the wool imported which he manufactures into cloths, there being only a negligible

quantity of washed and scoured wool imported under the first class of wools and comparatively little under the second class of wools.

From estimates of imports and duties for the ensuing year reported by the Finance Committee, page 53, it will be found that the average ad valorem duty upon woolen goods described as—

	Per cent.
"Luxuries" is placed at	88.47
The average ad valorem duty on all other imported woolen goods is	45.85
The average ad valorem duty on all kinds is	67.16
Average ad valorem on the wools imported	45.85
Average ad valorem on manufactured goods in excess of average ad valorem on wools entering into them	24.21

The following estimates will show whether this average duty of 67.16 per cent is excessive or fair. The tables which were presented by me yesterday show that the average charge for labor in the United States is more than double the amount paid in Great Britain in the woolen-textile trade. Using this double cost of labor as a basis, and assuming that the labor represents 80 per cent of the cost of an article and the raw material 20 per cent of its cost, we will have this comparison:

Cost of production in Great Britain:	
Labor	$0.80
Material	.20
Total	1.00
Add to this 67.16 per cent duty, the average under this bill	.67
Making the cost of the British article, when imported into this country	1.67
Cost of production in United States:	
Labor—double cost of British	1.60
Original cost of material	.20
Duty on material 42 per cent of 20 cents	.08
Total cost in the United States	1.88

As against British cost, with duties paid, $1.67.

This would show a duty levied under this bill of about 21 per cent less than the difference between cost abroad and at home, if those two items alone made up the cost. This would have to be overcome with other advantages which might lessen the American cost of production.

But there are those who deny vigorously that the wage cost in the United States is double the wage cost in Great Britain or Germany. I believe that it is double. My belief is sustained by the comparative table of wages which I received the other day from the Department of Commerce and Labor and inserted in the RECORD. But assuming that it is not double, assuming that it is only 75 per cent higher in the United States—I do not think any Senator will say it is less than 75 per cent higher in the United States—taking the British cost of 80 cents would make the American cost $1.40. Add to this the 20 cents original cost of material, plus 8 cents duty, and you would have $1.68, which it costs the American manufacturer on the average as against the $1.67 that it costs the British manufacturer to lay down the same goods in the port of New York, exclusive of very light ocean freight.

So, measured by that standard, if there were no other elements to be considered than that of the cost of the material and the cost of the labor, the average duty provided by this bill accurately measures within 1 cent the difference between the cost of production in Great Britain and the cost of production in the United States. In other words, we would now have the American cost of production, $1.68, and the British cost, with the duty added, $1.67.

This would make the duty levied practically represent the difference between the cost of production at home and abroad and place the American and the British merchant on about equal terms. Of course the American would have the further advantage resulting from closer proximity, both to the product entering into the manufactured article and to the field of consumption, and, it may be said, a further advantage in being able, with a given number of employees, to produce a greater quantity of manufactured fabrics. But, giving him these advantages, we only fairly fulfill the requirements that the tariff should represent the difference between the cost of production at home and abroad, including a reasonable return upon investment in favor of the American producer.

Is the duty upon the wool itself too high for reasonable protection to the American farmer or woolgrower? I went into that subject the other day, and I think I showed conclusively that it was not too high; that we have not yet recouped the losses that we incurred during the time when it was lessened; that we had to almost go out of the business of sheep raising in my State.

Believing that the farmer's protection is not too high, we are then brought face to face with the question, Can we reduce the manufacturer's protection without injuring the farmer? Every farmer in this country who raises sheep understands that the value of his product is always determined by the amount of wool raised in this country and the amount imported into this country. The less the imports the greater the demand for and the value of his wool product, and the greater the imports the less the demand and value.

Therefore, if we give the farmer adequate protection, so that, we will say, there is imported into this country only $135,000,000 worth of wool, and if we take away the differential from the manufacturer, so that instead of importing wool he imports $200,000,000 of woolen goods, does not the farmer suffer the same result as though we had lowered the tariff upon his own products and allowed more wool to come in?

In other words, if we introduce $200,000,000 worth more of woolen goods, we introduce a proportionately greater amount of wool, which is in those goods, into the country and thereby depress the market for the American woolgrower. It is just as bad for the farmer whether the wool comes in raw or in woolen fabrics; there is just so much more wool in the country to depress the price.

Mr. President, it would be just as reasonable for me to stand here and insist that while the Senate should give the farmer a protection of 30 cents a bushel upon his wheat, at the same time we should take away the protection upon the flour and let the flour come in and take the place of his wheat. I certainly would fail very materially to perform my duty if I did not insist upon a duty on the flour which would be as much greater than that upon the wheat as will measure the difference between the value of the wheat and the value of the flour. I can not excuse myself in attempting to represent the farmer honestly and fairly if I excite his hope that I will keep out the Canadian wheat by reason of the 30-cent-per-bushel barrier and at the same time allow the Canadian wheat to come in in the shape of flour. What I have said with reference to wheat would also apply to the case of flax if I should cut off the duty upon linseed oil, the product of the flax.

What I wish to make clear to the Senate and to those farmers who may read any portion of these debates is that the farmer's protection depends upon the protection to both the raw wool and to the woolen textile trade in the United Sates. Not only from concrete reasoning upon the subject, but from past experiences, he can see that his product has gone up or gone down just in proportion as the prosperity of the manufacturer has gone up or down. Then taking these averages—and I have shown conclusively by the records that the average protection is only 67 per cent for the manufacturer and that he pays 42.85 per cent added cost for the wool that is imported and goes into his manufactured fabrics, over and above what he would pay if wool were free, and that the difference between the American cost and the British cost is such as to render it necessary to have that much of a spread between the tariff on the wool and the tariff on the cloth manufactured from it—I feel that I am protecting his interest only when I vote for a duty, on an average, I say, that will represent this difference between the cost of his manufactured article in the foreign country and in this country.

There may be some instances, Mr. President, in which on a particular article the duty in favor of the manufacturer may considerably more than measure this difference, and upon another particular article it may be considerably less than what will measure the difference in the cost.

It may be also true that the cost of production of one article in Great Britain may be almost as much as in the United States while in the production of another article it may be almost three times as much in the United States. But taking them all upon the principle of averages, and that is all we can do when we fix a bill upon specific duties, the average protection is not more than is necessary to measure the difference between the cost at home and abroad, and it is as necessary for the North Dakota producer of wool as it is for the producer of the fabric made out of that wool.

Mr. President, there is just one other thought in connection with this matter that I wish to present. There is no reason in the world why we should not produce in the United States all the wool that is necessary to manufacture in the United States the same as we produce all the wheat in the United States that is necessary to manufacture into the flour in the United States. Why do we not do it? We do not do it simply because the woolen industry has not paid. Whenever we can so protect the woolen industry, both the farmer and the manufacturer in the United States, that the woolen industry on the farm will pay more for the labor that is employed in it than the wheat produced by the same labor, the farmers will go into raising more sheep and less wheat, and the result will be that we will be

able to furnish all the wool that is necessary for use in this country.

Mr. President, we have had commissions appointed in the United States to look after the interests of the farmer and to devise ways and means of making the rural life so agreeable that the young men will not leave the farms and come to the city. Those are beautiful ideas, but they will never amount to anything. There is just one thing that will make farm life more attractive than any other, and that is to make it pay better. The question of dollars and cents is always the determining question which sends the boy to the farm or sends him into the city. The young man who gets up at 4 o'clock in the morning and starts to milk cows to bring milk into this city from his farm 5 miles distant, through mud and slush and in all kinds of weather, and gets back home again and completes his chores at 10 o'clock at night, and finds that he has just made a living, while an average clerk, working from 9 o'clock in the morning until half past 4 in the afternoon, is receiving from $1,200 to $1,400 per annum, naturally feels that he would prefer to come to the city.

Now, I want to make all of our farming industries so valuable, by needed protection and other assistance, that the farming interests will be as profitable for the same number of hours of labor per day as any other industry in the United States. When the young man on the farm, coming to town, finds that the merchant closes his store at 6 o'clock in the afternoon in these beautiful summer days and then takes his family in his automobile and gives them a ride through the country and brings them back to a beautiful home, he is naturally attracted into mercantile business. The only way to keep him at home is to demonstrate to him that the laws of this country will so assist his business that he will make as much upon the farm as in the city, that he can cease all his labors at 6 o'clock, and that his business will be just as profitable as that of the merchant in the city.

No other scheme on earth is going to keep him on the farm. Neither circulating libraries nor singing birds; nothing but prosperity will make farm life attractive.

I feel that I am assisting a little in that line in protecting his wool against the competition of wool raised by 5 cents per day labor in India, or 15 cents per day labor in South America, and protecting that wool whether it comes in competition with the wool fleece produced by that cheap labor, or the cheap wool fabrics produced by the cheaper labor. So far as I can secure it I want the benefit of the American for the product of the American farmer and the American woolgrower.

Mr. GORE. Mr. President, I desire to say that I have been very much enlightened by the luminous discussion of the wool and woolen schedule during this afternoon.

I think we would have had a perfect flood of light upon this schedule if it were not for the conflicting statements and the contradictory theories advanced by the disinterested Senators on the other side. Those Senators have been engaged so long and so constantly in pulling the wool over the eyes of the people that I believe they have really gotten to woolgathering themselves.

The senior Senator from Wyoming [Mr. WARREN] stated this afternoon that the production of sheep and the production of wool in the United States have always responded to favorable tariff legislation. A resolution from the manufacturers of Philadelphia, presented by the senior Senator from Pennsylvania [Mr. PENROSE] this afternoon, stated that, owing to the protection vouchsafed to the growers of wool and the manufacturers, we have come to produce three-fourths of all the wool in the United States which is required for domestic production, and that the golden prosperity insured by protective tariff had brought about these beneficent results.

Mr. President, the only trouble I experience is that I have never been able to believe two statements that were absolutely contradictory. I have never been able to accept theories that were diametrically antagonistic to each other. But that occasions no trouble to a stand-pat protectionist. The fact that statements and arguments are contradictory to each other causes no perplexity to his luminous intellect.

The production of wool and of sheep in the United States either does respond to our tariff legislation, as alleged by the Senator from Wyoming this afternoon, or it does not. One or the other is certainly true.

I wish to present several questions to the Senator from Wyoming [Mr. WARREN], the Senator from Montana [Mr. CARTER], and the Senator from Utah [Mr. SMOOT], questions which must be answered before we can accept their theory that the production of sheep and wool responds to favorable tariff legislation.

The senior Senator from Georgia [Mr. BACON] this afternoon propounded a very pertinent question to the Senators from Wyoming and Montana. He asked why it was that we had in this country in 1903, 63,000,000 head of sheep, and two years later, in 1905, we had only 45,000,000 head of sheep. The Senator asked why it was that under a high-protective tariff the number of sheep in the United States diminished 18,000,000 in two years. The Senator from Georgia was entitled to a candid answer to his inquiry, and he received two answers. The Senator from Wyoming stated with great complacency that the returns for 1903 were "mere estimates"—"mere opinions"—a sort of uninspired guess. That is not the first time that statistics quoted from an official document have been whistled down the wind by a mere suggestion that they were the fancies of an enthusiast.

But, sir, that answer hardly convinced my judgment, and the senior Senator from Montana came to the rescue of his colleague. The Senator from Montana is the Œdipus of the Republican party, the only one who can solve the riddle of the sphinx, the only man who can reconcile irreconcilable statements, the only man who can extract the mote of truth from the mountain of error. This new Richmond came to the rescue, and what was his answer to that question? He said the reason why we had 18,000,000 more sheep in 1903 than we had in 1905 was because the European wool market was demoralized in 1902, in consequence of the Boer war of 1899.

Now, Mr. President, that is getting down to business. That is what a lawyer would call "the proximate cause." That answer struck me as having a great deal of force. It was extremely persuasive, to my judgment. The Senator was interrupted in the course of his lucid observations, and I was left to infer that the reason that the number of sheep decreased in the United States was this: The sheep in South Africa belonged to the International Peace Society; when the black clouds of war were lowering in that region they migrated to the United States; and later on, when that "cruel war was o'er," when the white-winged angel of peace and the black-winged angel of death hovered over the prostrate form of those stricken Republics, those sheep slowly and sorrowfully wended their way back to the green fields and the pleasant pastures; they trekked their way back to the verdant veldts of the once glorious Transvaal.

There was some confusion in the Senate, and I could not quite understand his reference to the demoralization of the wool market in Europe in 1902. The Senator assured us that wool was cheaper in Europe that year than it had ever been during the history of the trade, and the senior Senator from Utah set the seal of Solomon on the whole fairy tale by saying that wool was placed in bond in the custom-house in New York, I believe, for 10½ cents.

So, amid the confusion, I was driven to the conclusion that wool was so cheap in Europe and throughout the world that it stimulated the production of sheep in the United States. That was the reasoning of the Senator from Montana, and that was his conclusion.

That is not the only phenomenon connected with this response of wool and sheep and favorable tariff legislation in the United States. Here is another question I want those Senators to answer for the benefit of those who are unenlightened, like myself, and for the benefit of the Philadelphia woolen manufacturers. Those gentlemen, no doubt, have founded their conclusions upon supposed facts. They believe that the tariff really helps the growers of sheep, as well as the manufacturers of wool, and if they were convinced that it did not, they would change their theory and their views upon the tariff question. They are governed by what they believe is a scientific investigation of facts, and are not warped by their own sordid interests in the proposition.

I want the Senator from Wyoming when he next elaborates upon the response of sheep and wool to tariff legislation to tell the Senate why it was that in 1885 there were 50,000,000 head of sheep in the United States, and in 1890 there were only 44,000,000 head of sheep in the United States. The tariff had not varied one centime during that five years, and yet sheep had decreased 6,000,000 head in five years, more than 1,000,000 head per year. Was that in response to favorable tariff legislation?

Not only that, but from 1890 to 1895, during the terrible panic, sheep decreased from 44,000,000 to 42,000,000 head, a decrease of 2,000,000 during those five years, whereas there had been a decrease of 6,000,000 head during the previous five years.

Now, there had been unfavorable tariff legislation during the meantime, and yet sheep had not decreased in number one-half so much under the unfavorable legislation during that five years as they had decreased during the preceding five years under favorable legislation. I want the Senator from Wyoming to tell the Senate why that was when he again states with so

much eloquence and confidence that wool and sheep "respond to favorable tariff legislation."

I know just about what the Senator from Wyoming will say, I have heard him dilate so much upon the panic of 1893. He will say that during the years from 1885 to 1890 those sheep—

Dipped into the future far as sheepish eyes could see,
Saw a vision of the world and all the panics that should be.

Those sheep caught glimpses of the shadow, of the coming panic, and they instantaneously committed suicide. [Laughter.]

That is why the sheep decreased 6,000,000 from 1885 to 1890 under favorable legislation.

Well, you ask why the process did not go on with an increasing ratio. Eighteen hundred and ninety-three arrived, the panic actually burst upon the country, and the sheep of the country increased 3,000,000 head that year over the number we had the preceding year, the panic to the contrary notwithstanding. The sheep seemed to thrive on the panic and increased 3,000,000 head.

Now, why was that? Why, Mr. President, those sheep saw that the panic was already here. They consulted the stars. They cast a horoscope. They penetrated the future again, and they discovered that the Wilson-Gorman tariff law would not be enacted for fifteen months, and they stopped the process of self-destruction. You see, the sheep in this country have been close students of tariff schedules, and when the panic came in the spring of 1893 they knew that it was not due to the unfavorable tariff legislation in the Wilson bill, and which was not to supervene for fifteen months yet to come. You see, those sheep knew that the panic of 1893 was not due to the tariff act of 1894, but they deserve no credit for that conclusion. Any "mutton head" ought to know that, Mr. President, if I may be pardoned for that elegant phrase. [Laughter.] Anyone who knows that the cause must precede the effect knows that the panic of 1893 was not attributable to the tariff act of 1894.

But, Mr. President, there were more sheep in the United States in 1895, during the very heart of the panic, than there were in 1900, after the Dingley law had been enacted for three years, and during the very time that the Republican party declared in national platform that they had restored a prosperity more general and abounding than was ever known. Yet the sheep of 1900 did not equal by 1,000,000 the sheep of 1895.

Mr. President, I propose to be entirely fair, because I want those Senators to look the facts in the face. The number of sheep in this country did decrease from 1894 to 1897. There was a decrease of 8,000,000 head of sheep in the United States. During those four years there was a decrease equivalent to the decrease from 1885 to 1890; but, Mr. President, let me remind the Senators again that from 1903 to 1905 there was a decrease of 18,000,000 head of sheep in this country, according to the official report, and from 1893 to 1894, only one year, there was a decrease of 12,000,000 head of sheep.

Now, sir, during the entire operation of the Wilson tariff law, which placed wool on the free list, the number of sheep in the United States decreased 8,000,000 head, and yet during two years under the present Dingley law they decreased 18,000,000 head—more than twice as many—and during the one year from 1903 to 1904 they decreased 12,000,000 head, not quite twice as much as during the entire operation of the Wilson tariff law, which placed wool absolutely upon the free list.

But, Mr. President, that is not the only question that I want those Senators to answer who say that sheep and wool respond to "favorable tariff legislation." I want the Senator from Montana or the Senator from Wyoming to answer this one other question. I will not call upon the senior Senator from Utah to answer it. Of course he could answer it. That good-natured Senator has already demonstrated that he knows less about more things than any other Member of this body. [Laughter.]

Now, Mr. President, when the eloquent Senator from Wyoming comes to explain how prosperity, how sheep and wool trailed along in the wake of favorable tariff legislation, I want him to go up against this question: In 1895, in the very heart and storm of the panic, we produced in this country 309,000,000 pounds of wool, more wool than was ever produced in one single year in the United States during our entire history up to that time. That was a larger production of wool than we have ever seen in the United States from the beginning of our Government until the present hour, except in 1902 and the estimates for 1908.

Now, let the Senator explain why, if the production of wool responds to tariff legislation, we produced more wool in 1895 than we ever did produce under high tariff prior to that time, or than we have ever produced under a high tariff since that time, except, as I have said, in 1902 and the estimates for 1908.

Not only did the number of sheep decrease 6,000,000 from 1885 to 1890 when the tariff was unchanged, but the production of wool decreased during the same five years 32,000,000 pounds; and during the next five years, the panic and unfavorable tariff legislation to the contrary notwithstanding, the production of wool in the United States increased 33,000,000 pounds. I have just a curiosity to know if wool responds to the tariff, why, under a free-wool tariff, production increased?

I know that facts do not weigh in the balance against these theories and perhaps it is an idle curiosity, but I want an answer.

Mr. WARREN. I have just come into the Chamber and I do not know whether I heard the Senator's figures correctly. In what year does he claim the high production occurred?

Mr. GORE. In 1895.

Mr. WARREN. Does the Senator know why it was higher in 1895?

Mr. GORE. Yes, sir; the panic was prevalent that year and the sheep were sorrowful; they had long faces and naturally grew more wool under those circumstances. [Laughter.]

Mr. WARREN. Whenever——

Mr. GORE. I suppose, Mr. President, that those figures were merely the estimate of an enthusiast, as the Senator said about the 63,000,000 sheep in 1903.

Mr. WARREN. I do not hear the Senator. Will he make that statement again, please?

Mr. GORE. Oh! The Senator said this afternoon that the high-water mark in the number of sheep in 1903, the statement that we had 63,000,000 of sheep, was a mere statement or estimate of an enthusiast. I say, probably that was the reason why we produced more wool in 1895.

Mr. WARREN. The Senator does not wish, I know, to quote me incorrectly. I did not say that.

Mr. GORE. I so understood the Senator. Of course, I may have misunderstood him. I am perfectly willing to leave it to the CONGRESSIONAL RECORD.

Mr. WARREN. Well, if the Senator will leave it there.

Mr. GORE. I am sorry the Senator was not in, because I had propounded several inquiries. There are, of course, good reasons why the production of wool was more in 1895.

Mr. WARREN. Would the Senator like to have me answer that now?

Mr. GORE. Yes, sir.

Mr. WARREN. In that year there was the regular clip of the sheep, and added to that were the pelts and the wool of the sheep that were slaughtered by those who could no longer afford to hold them at the price that wool was bringing. It always follows; a slaughter of the animals of course increases the skins; and in the case of sheep it increases the wool for a time, as in this way there are practically two clips in one year from those slaughtered.

Mr. GORE. Mr. President, that could not be.

Mr. WARREN. If the Senator will notice, or if he has the figures in his mind, and I dare say he has, he starts with 1895. Three hundred and nine million and some pounds was the production of wool. In 1896 we had but 272,000,000 pounds. As I said, the year before the law went into effect which disastrously affected sheep, in 1894, the clip increased by the addition of felts and pulled wool, as I have stated. The clip following that shows the fact that in 1896 we were down to 272,000,000 pounds, and in 1897 down to 259,000,000 pounds of wool.

Mr. GORE. Mr. President, that is merely another one of those fairy tales with which the disinterested Senators on the other side meet these arguments. I have but one objection to the Senator's answer and to the Senator's theory, and that is, that it is not true; and that is a tolerably serious objection to any argument except to a "standpatter."

Now, I will convince the Senator that he is wrong.

Mr. WARREN. Does the Senator mean that I have quoted wrong figures?

Mr. GORE. I mean your theory that it was dead sheep. [Laughter.]

Mr. WARREN. I will say to the Senator that I quoted the figures of the United States census. I presume the Senator may know more than the United States officials do about those things.

Mr. GORE. No, sir; I am not at all pretentious, but I know more than to yield any credence to that fanciful theory advanced by the Senator from Wyoming, and I will convince every Senator here that it is not true and that it is not founded on facts. I allude not, of course, to the Senator's veracity, but to his theory. I believe that he imagines that that is true. Now, let us see. In 1890 we had 44,000,000 head of sheep. The

wool amounted to 276,000,000 pounds. In 1895 we had 42,000,000 head of sheep, and we cut 309,000,000 pounds of wool, and the year before that we only had 44,000,000 head of sheep. So the Senator gets 33,000,000 pounds of wool from 2,000,000 dead sheep. The dead ones must be far more prolific than the live ones. [Laughter.] Mr. President, the death rate amounted to only 2,000,000 between the two years.

If the Senator did not say that the sheep amounted to 63,000,000 in 1903 and sunk down in 1905 to 45,000,000, if he did not say that the former figures were the estimate of an enthusiast, I again propound to him the question to explain, if favorable tariff legislation influenced wool and sheep production, why it was that under the present high tariff the number diminished in the United States from 1903 to 1905 the enormous number of 18,000,000, and from 1903 to 1904, in one year, they decreased 12,000,000 head? I do not think I am in error as to those figures. When he or some one else has the leisure I should like to know why it was that the number of sheep decreased 12,000,000 head in one year, and that without any variation in the tariff? Of course, if the tariff had been changed, we could easily account for the diminution of wool and sheep according to his theory. It has occurred to me that possibly the reason that sheep declined from 1903 to 1904 12,000,000 head was that the sheep were apprehensive of Judge Parker's election and thought that the "strenuous one" would go to his Waterloo, and were simply hedging on that account. [Laughter.]

Mr. WARREN. Mr. President, as I stated, I do not wish to interrupt the Senator's flow of oratory, but I know he does not want to misquote me. What I said to-day was that, counting the sheep had proceeded along for a time, counting not only all the sheep, but the lambs less than a year old. From the date which the Senator mentioned the mode of counting was changed so as to count only the adult sheep, and that makes the difference, as the Senator would have discovered if he had also followed out the amount of the wool clip for those years.

Mr. GORE. Let me understand the Senator. He says they counted all the sheep up to this time.

Mr. WARREN. I do not say that they counted them all the time. I say that the count to which the Senator refers was a count obtained from sources which gave the lambs with the sheep; but that a change was made, so that the lambs were not carried to the count of the sheep until later in the season. So it makes the difference of just what the lamb crop was at that particular time.

Mr. GORE. You only counted the grown sheep up to 1904 or 1905? Will the Senator state why that change was made?

Mr. WARREN. The Senator can see from the wool clip that you could hardly have an increase of that many sheep, and shear them, and still show a shortage; or, rather, you could not have quite so large a shortage as that and have it show directly the opposite in the wool product of that year.

Mr. GORE. I notice the variation of the clip was also very striking from 1902 to 1904 and 1905. I supposed they sheared the lambs in 1902, as the fleece that year was the largest in our history. It has never been equaled since; it had never been equaled before. That seems to sustain the idea that there was a pretty goodly number of sheep. We would offhand conclude that, if there was more wool, there were more sheep; but, of course, I do not undertake to combat all these theories trumped up to explain these figures. I am not swearing by any figures. I merely had the curiosity to know why it was. This baby sheep business, of course, will prove satisfactory to everybody; but the variations before that in the number of sheep is quite as hard to explain and will call for some other theory than this.

Mr. President, I do not know whether or not it ever occurred to these Senators to examine the quotations of cotton. Cotton is unprotected. I have seen cotton sell for less than 4 cents a pound. I have seen cotton vary in prosperous times from 6 cents to more than 12 cents a pound. Did it ever occur to Senators that the same economic conditions, that the same trade conditions which influence cotton, might possibly influence wool also? Is the great universal law of supply and demand limited to cotton alone, and is wool exempted from its operations? Do the laws of trade and commerce take cognizance of vegetable fiber and have no jurisdiction over animal fiber? The same conditions which explain the variations of the cotton market will explain the variations in the wool market. And cotton is unprotected. The cotton farmer does not lean upon the strong arm of the Government; he does not thrust his hand into the pocket of any other citizen in this country in order to compensate himself for his product; yet his fabric varies in the market, and wool and woolen fabrics vary in the market in almost equal measure, and that is attributable to identically the same causes, to identically the same influences and conditions.

Mr. LA FOLLETTE. Mr. President, when I concluded what I had to say last night, I had arrived at a point in my argument where I wished to submit some amendments to Schedule K, but the lateness of the hour caused me to defer submitting them at that time. The Senator from Iowa [Mr. DOLLIVER] had already submitted amendments, which were pending, and had others which he desired to offer to complete the plan of changing Schedule K, hence I have deferred offering the amendments which I wished to submit to the Senate until the present time.

While seeking to accomplish generally the same purposes that the Senator from Iowa had in mind, my plan is somewhat different. I submit amendments, which begin with ad valorem duties on raw wool. I believe that to be, under all the circumstances, the best plan of amendment which can be made to this schedule; and, according to that plan, I have worked out 24 amendments which I wish to submit to the Senate.

I have said to the Senator from Rhode Island that I should like to submit these amendments en bloc, and with the indulgence of the Senate, asking for a vote upon all of the amendments at one time, because they are all a part of one scheme or plan of modification of Schedule K.

So I send to the Secretary's desk and ask to have the several amendments read for the information of the Senate, after which I will briefly explain their purpose and effect.

The PRESIDENT pro tempore. The Secretary will state the amendments.

The Secretary read as follows:

Amend paragraph 356 by striking out the word "three" in line 23, on page 124, and insert the word "two."

Amend paragraph 357 by striking out the same and inserting in lieu thereof the following:

357. Class one, all wools not hereinafter included in class 2.

Strike out paragraph 358.

Amend paragraph 359 by striking out the word "three" in line 14, on page 125, and insert in lieu thereof the word "two."

Amend paragraph 361 by inserting after the word "duty" in line 9, on page 126, the words "as class one" and by striking out all of the balance of line 9 and all of line 10.

Amend paragraph 362 by striking out the same and inserting in lieu thereof the following:

Paragraph 362. The duty on wools of the first class shall be 45 per cent ad valorem.

Strike out all of paragraph 363.

Amend paragraph 364 by striking out all of line 9, on page 127, after the word "be," and inserting in lieu thereof the following: "Thirty-five per cent ad valorem;" also by striking out all of lines 10 to 20, inclusive, on said page 127.

Strike out all of paragraphs 365 and 366.

Strike out all of paragraph 367.

Amend the committee amendment to paragraph 368 by striking out the words "30 cents per pound" in line 10, on page 129, and insert in lieu thereof the words "45 per cent ad valorem."

Amend paragraph 369 by striking out the words "25 cents per pound" in line 11, on page 129, and the words "20 cents per pound" in line 14, and inserting after the word section, in line 14, the words "45 per cent ad valorem."

Amend paragraph 370 by striking out all of line 15, on page 129, after the word "flocks" and all of line 16, and insert in lieu thereof the words "45 per cent ad valorem."

Amend paragraph 371 to read as follows: 371. Tops, 50 per cent ad valorem.

Amend paragraph 373 by striking out all of the paragraph after the word "pound" on line 26, on page 129, and inserting in lieu thereof the words "55 per cent."

Amend paragraph 374 by striking out the words "or in part of wool" in line 9, on page 130, and inserting in lieu thereof the words "of wool, or of which wool is the component material of chief value."

Also amend the paragraph by striking out all of the paragraph after the word "section," and inserting in lieu thereof the words "65 per cent ad valorem."

Strike out all of paragraphs 375, 376, 377, 378, and 379.

Amend paragraph 380 by striking out all of the paragraph after the word "description" in line 11, on page 133, and inserting in lieu thereof the words "60 per cent ad valorem."

Amend paragraph 381 by striking out all of the paragraph after the word "description" in line 15, on page 133, and inserting in lieu thereof the words "60 per cent ad valorem."

Amend paragraph 382 by striking out all of the paragraph after the word "description," in line 18, on page 133, and inserting in lieu thereof the words "60 per cent ad valorem."

Amend paragraph 383 by striking out all of the paragraph after the word "description," in line 23, on page 133, and inserting in lieu thereof the words "60 per cent ad valorem."

Amend paragraph 384 by striking out all of the paragraph after the word "otherwise," in line 1, on page 134, and inserting in lieu thereof the words "60 per cent ad valorem."

Amend paragraph 385 by striking out all of the paragraph after the word "carpets," in line 4, on page 134, and inserting in lieu thereof the words "60 per cent ad valorem."

Amend paragraph 386 by striking out all of the paragraph after the word "carpets," in line 6, on page 134, and inserting in lieu thereof the words "60 per cent ad valorem."

Amend paragraph 387 by striking out all of the paragraph after the word "rugs," in line 11, on page 134, and inserting in lieu thereof the words "60 per cent ad valorem."

Amend paragraph 388 by striking out all of the paragraph after the word "otherwise," in lines 15 and 16, on page 134, and inserting in lieu thereof the words "60 per cent ad valorem."

Mr. LA FOLLETTE. The object of changing from specific to ad valorem duties in this schedule is not, so far as the raw wool is concerned, to lower the existing rates, but to impose a protective ad valorem duty upon the wools imported. The average rate of the present law reduced to an ad valorem basis is now a fraction less than 45 per cent. The actual result is that high-class wools coming into competition with wools in this country pay less than 45 per cent, while a lower grade of wools of classes 1 and 2 pay a much higher duty than 45 per cent. For instance, one shipment of wool having a shrinkage of 20 per cent and another shipment having a shrinkage of 80 per cent would pay the same amount of duty, while really the first shipment will contain four times as much wool as the second. By substituting an ad valorem duty duties will be paid upon the actual value of the wool regardless of the shrinkage or waste or dirt that may be in the same, and at the same time will better protect the woolgrowers of this country.

The theory of these amendments, carried through all of them, is that in all cases a compensating duty of 45 per cent ad valorem shall be imposed, whether the wool be imported raw or advanced in manufacture, and when wool is advanced in manufacture an additional ad valorem is imposed to cover the difference in the cost of production at home and abroad in the manufactured state.

The purpose of the amendment to paragraph 356 is to divide the raw wool into two classes instead of three. Classes 1 and 2 under the Dingley law, as shown by Estimated Revenues, have practically the same value; and if the duty is to be placed on an ad valorem basis, there is no occasion for having more than one class to cover any of the wool described in classes 1 and 2 of the existing law.

The amendment to paragraph 357 puts into class 1 all wools now described in paragraphs 357 and 358 of the bill, and the class is described as being "all wools not hereinafter included in class 2."

Paragraph 358 is stricken out because the classification therein provided is thrown into class 1 and covered by the amendment to paragraph 357.

Paragraph 359 is proposed to be amended by striking out the word "three" and inserting the word "two," the only change being made in numbering the class, but leaving the description as it is in the bill.

Paragraph 360 is not changed in any way.

The amendment to paragraph 361 merely provides that the wool therein described shall be classified as Class 1, this for the reason that as before stated, classes 1 and 2 in the present bill are both thrown into Class 1.

The amendment to paragraph 362 strikes out all of the paragraph and inserts in lieu thereof a provision for a 45 per cent ad valorem duty upon all wool in Class 1. This 45 per cent as stated before is a little higher than the present duty paid upon woolens in classes 1 and 2 when reduced to equivalent ad valorems. Its purpose is not to reduce the duties upon woolens in this class, but to equalize them, maintaining them as a whole at as high a protective point as is provided in the recent law.

Paragraph 363 is stricken out because if an ad valorem basis is provided the 45 per cent duty will automatically adjust itself to washed and unwashed wools; that is to say, unwashed wool being less valuable than washed wool, when the 45 per cent duty is applied to it will pay a less rate of duty than the 45 per cent rate applied to washed wools.

The amendment to paragraph 364 imposes a duty for wools upon class 2 (under the present law class 3). The ad valorem duty proposed is 35 per cent, which is the average of the present specific rates reduced to equivalent ad valorems now imposed upon wools in this class.

Paragraph 365 is stricken out because fully covered by the proposed amendment to paragraph 362.

Paragraphs 366 and 367 are stricken out for the same reason.

The amendment to paragraph 368 changes the rate upon top waste and the other wastes therein designated from 30 cents per pound to 45 per cent ad valorem. It is thought that these wastes, being a by-product of manufacture, should not pay a higher duty than the raw wool.

The amendment to paragraph 369 and the duty therein imposed is for the same reasons as have been stated with reference to paragraph 368.

The amendment to paragraph 370 strikes out the specific duty of 10 cents per pound and inserts an ad valorem duty of 45 per cent ad valorem.

The statement made with reference to the amendment to paragraphs 368 and 369 apply to this amendment.

The amendment to paragraph 371 imposes an ad valorem duty upon tops of 50 per cent, 45 per cent for the wool and 5 per cent protective duty to cover difference in labor cost at home and abroad.

Paragraph 372 is not changed.

The amendment to paragraph 373 changes the duty upon yarns from specific duties to an ad valorem rate of 55 per cent. This rate is arrived at by allowing 45 per cent as a compensatory duty for the wool and 10 per cent ad valorem for the difference in the cost of manufacture between this country and abroad. In arriving at this 10 per cent for difference in cost of production it has been assumed that wages in this country are 100 per cent higher than abroad, and the 10 per cent ad valorem allowed upon the full value of the yarn gives a protective duty of 100 per cent upon the labor cost.

The amendment to paragraph 374 is in line 9, by striking out the words "or in part of wool" and inserting in lieu thereof the words "of wool or of which wool is the component material of chief value." This amendment is for the purpose of bringing within the provisions of Schedule K manufactures containing wool only if such manufacturers have as their component material wool of chief value.

The next amendment to this paragraph strikes out the specific duties and imposes a duty of 65 per cent ad valorem upon the manufactures of wool. Here, too, this 65 per cent is made up of a compensatory duty of 45 per cent upon the material, which I have shown is 65 per cent of the total value of the product; and 45 per cent upon the material is therefore equal to an ad valorem rate of 30 per cent upon the total value of the product. In addition, I have allowed 30 per cent of the total value as a protective duty to cover the difference in the cost of manufacture in this country and abroad, and, as I have already shown to the Senate, this 30 per cent protective duty goes upon the assumption that the wages in this country are 100 per cent higher than abroad, and the 30 per cent more than covers this difference in cost.

Paragraphs 375, 376, 377, 378, and 379 are stricken out, for the reason that the 65 per cent ad valorem duty provided in paragraph 374 will cover all of the products mentioned in these various sections and provide for all of them a compensatory duty of 45 per cent for the wool and 100 per cent upon the wage cost.

The amendments to paragraphs 380 to 388, inclusive, relate to carpets of various kinds and substitute for the specific duties proposed in the bill an ad valorem duty of 60 per cent.

Here, too, a compensatory duty of 45 per cent is provided for the wool and 100 per cent for the difference in the cost of production. To again explain how this is arrived at, it is assumed that 65 per cent of the value of these carpets is for the material, and 45 per cent ad valorem duty upon this 65 per cent gives 30 per cent. Therefore, a duty of 30 per cent upon the total value of the product is equal to a duty of 45 per cent upon the value of the material. The additional 30 per cent is to cover the difference in the cost of manufacture here and abroad, and this 30 per cent upon the total value gives a protective duty of 100 per cent upon the wage cost.

The effect of these amendments, if adopted, will be to impose ad valorem duties as follows:

	Per cent.
Upon wool of class 1	45
Upon wool of class 2	35
Upon tops	50
Upon yarn	55
Upon carpets	60
Upon all other manufactures of wool or having wool as component part of chief value	65

Mr. ALDRICH. Mr. President, I ask that the votes by which these various paragraphs were agreed to be reconsidered for the purpose of allowing these amendments to be offered and to be voted upon together.

The PRESIDENT pro tempore. That can only be done by unanimous consent.

Mr. ALDRICH. That was my request, that by unanimous consent that be done.

The PRESIDENT pro tempore. Is there objection? The Chair hears none.

Mr. LA FOLLETTE. Now, Mr. President, I will just say generally that the plan contemplated by these amendments combines classes 1 and 2 in the first class and makes class 3 the second class. It applies an ad valorem duty of 45 per cent to what is now classes 1 and 2 of the Dingley law and an ad valorem duty of 35 per cent to what is now class 3 of the Dingley law. I speak now of the raw wool. That is a bit higher than the present ad valorem upon those classes.

Mr. President, I wish to send to the Secretary's desk and have read a letter which I received in my mail to-night from Mr. Edward Moir, the president of the Carded Woolen Manufacturers' Association.

The PRESIDENT pro tempore. Without objection, the Secretary will read.

The Secretary read as follows:

THE CARDED WOOLEN MANUFACTURERS' ASSOCIATION,
Boston, Mass., June 10, 1909.

Hon. ROBERT M. LA FOLLETTE,
Washington, D. C.

DEAR SIR: Since early in the year, when tariff revision became the burning question of the hour, we, the carded woolen manufacturers of the country, have in numerous ways made known the changes that were necessary in the wool schedule in order that even-handed justice might be given the woolgrower, the carded-woolen manufacturer, the worsted spinner, and the consuming public.

Our latest appeal is in a letter to our Chief Executive, on whom will fall the burden of approving or rejecting the bill you are now at work upon. Thinking that this statement of our grievances may aid you to appreciate the importance and justice of our demands, we herewith present a copy of our letter to President Taft, where at considerable length we show the inequalities of the tariff schedule as affecting wool and wool goods, and strongly recommend an ad valorem duty on wool, so that a tax on grease and dirt, which are substantially all discounted in the price paid for wool, may be eliminated from the tariff.

Yours, very truly,

EDWARD MOIR, *President.*

Mr. CULBERSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Texas?

Mr. LA FOLLETTE. I do.

Mr. CULBERSON. I simply want to know from the Senator if I understood him correctly as saying that the amendments proposed by him provide duties in excess of the existing Dingley rates?

Mr. LA FOLLETTE. Oh, no; I said that with respect to the rates upon raw wool the present rates, figured upon the imports, are a fraction less, as I make it, than 45 per cent. I fix the rates at an even 45 per cent in the amendments, which makes it a fraction more upon raw wool; but these duties, taken throughout the schedule as I have prepared them, applying ad valorem rates instead of the present specific rates as compensatory duties, make a reduction upon all of the manufactures of wool in conformity with the investigations made by the special agent, Mr. Clark, which I presented to the Senate last night.

Mr. CULBERSON. But as to raw wool, as I understand, the amendents propose rates slightly in advance of the Dingley rates?

Mr. LA FOLLETTE. A fraction of a per cent in advance. The amendments can not be objected to, Mr. President, as a reduction upon raw wool; and I might as well say it now as at any other time that if anybody is to be indulged by continuing Dingley rates it might as well be the one producer in this country who rarely gets any direct benefit from a protective tariff. Outside, perhaps, of the duties upon barley and the duties upon wool the agriculturist of this country can not be said to receive anything from the protective tariff except an indirect, roundabout benefit which he takes from feeding the people who are employed in the protected manufactures.

Mr. President, I propose to follow the letter of Mr. Moir with the letter which accompanied the communication which I received from him, which that association has addressed to the President of the United States. I ask that the Secretary read the appeal to the President by this association of the Carded Woolen Manufacturers' Association.

The PRESIDENT pro tempore. Without objection, the Secretary will read.

The Secretary read as follows:

CARDED WOOLEN MANUFACTURERS' ASSOCIATION,
Boston, Mass., June 2, 1909.

SIR: We appear before you to-day for the purpose of stating certain facts relating to the tariff on wool and wool products, in order that you may know of the serious burdens now resting on the carded woolen industry and on the consumer of wool goods.

A TARIFF ON GREASE AND DIRT.

Schedule K is the same in the Dingley law and in the Payne bill now before the Senate. Both provide for a specific duty of 11 cents and 12 cents a pound on wool in the grease. This is the first grievance to which we call your attention. Grease wool contains widely varying proportions of grease and dirt, which is washed out in the first process—scouring—and is of no value whatever to the wool manufacturer. This wool grease and dirt amounts in many cases to as much as 80 per cent of the grease weight of the wool, while on some light-shrinking grades it is much less, as low as 15 per cent.

From this you will understand how wide is the variation in the duty on clean wool. With a shrinkage of 80 per cent, a duty of 11 cents per grease pound is 55 cents per clean pound. With a shrinkage of 20 per cent, the same 11-cent duty on the grease weight is only 14 cents per clean pound. The result is that the light-shrinking lots of wool can be imported at a very low duty, while the tariff on the heavy-shrinking wools is so high that they can not be imported at all. An application of the Dingley tariff to 80,000,000 pounds of wool recently sold at auction at London, Liverpool, Melbourne, and Sydney showed that the ad valorem equivalent of the Dingley 11-cent duty on grease wool varied from 23 per cent to 733 per cent.

NURSING THE WORSTED TRUST.

The bulk of the wool suited for our branch of the industry, carded woolen manufacturing, is heavy shrinking, while the wool suited for the other branch of the industry, worsted manufacturing, is light shrinking. The burden under which we are suffering arises from this fact, and hence our appeal to the House of Representatives, to the Senate, and now to you for relief from this injustice. The conditions we have described result not only in the oppression and ruin of the carded woolen industry, dotting the country with idle mills, but also in special privileges of immense value to the worsted-spinning industry, which is being rapidly concentrated into a few wealthy, prosperous, and powerful combinations.

A DELUSION AND A SHAM.

At the same time the wool grower is deprived of the protection contemplated by the Dingley tariff law. That law fixes the duty on scoured wool at three times the duty on unwashed grease wool; that is, at 33 cents a scoured pound for class 1 wool, and 36 cents a scoured pound for class 2 wool. This is on the assumption that it requires 3 pounds of grease wool to give 1 pound of scoured wool, and this assumption is further indicated by the Dingley and Payne provision for compensatory duties on goods, based on the ratio of 4 pounds of grease wool to 1 pound of finished cloth, allowing for a loss of 25 per cent in manufacturing.

This legal promise of 33 cents a pound to the woolgrower has proved in practice to be a delusion and a sham, for the law that gives the promise of such protection breaks it by allowing the importation of light shrinking wool at the 11-cent rate. The protection to the woolgrower is measured not by the Dingley duty of 33 cents a pound on scoured wool, but by the equivalent per second pound of the 11-cent duty on grease wool actually imported, which equivalent runs as low as 14 cents, and in practice rarely exceeds 20 cents. The average shrinkage of the grease wool imported during the past five years is 40 per cent, equal to a duty of 18.6 cents per scoured pound.

Thus under this present wool tariff the woolgrowers are deprived of the expected protection, the carded wool manufacturers are deprived of all access to the foreign wool suited to their requirements, while the worsted spinners enjoy valuable special privileges by being permitted to import the wool they require at a very low rate of duty per scoured pound.

WASHED WOOL PRIVILEGE FOR THE WORSTED SPINNER.

Besides the inequality to which we have just called your attention, there are other serious abuses in the Dingley tariff on wool. First, we will mention the provision by which wool of the first class, if washed on the sheep's back, is subjected to a double duty of 22 cents a pound, while wool of the second class, if so washed on the sheep's back, is admitted at the single rate of 12 cents a pound. The result is that all wool of the second class is imported in the washed condition in order to avoid the payment of duty on grease and dirt, while the very heavy wool of the first class can not be imported at all. The discrimination against one class of people and in favor of another under this arrangement of the tariff arises from the fact that the second-class wool is used for the manufacture of worsted, while the wool adapted for carded woolen goods is of the first class. We demand the abolition of this discrimination and special privilege under the law.

SCOURED WOOL DISCRIMINATION AGAINST CARDED WOOLEN MANUFACTURERS.

Another inequality from which we ask relief is that provision of the Dingley and Payne bills which makes the duty on scoured wools three times the duty on grease wools. This is based on the asumption that 3 pounds of grease wool is required to yield 1 pound of scoured wool, whereas a very large part of the world's wool clip shrinks much less than two-thirds. The result of this inequality is to prohibit the importation of scoured wool and confine the imports to grease wool shrinking less than two-thirds. The discrimination against one class of people and in favor of another under this arrangement of the tariff arises from the fact that worsted spinners ordinarily buy wool in the grease, whereas scoured wools are used by the carded woolen manufacturers. Thus the scoured wool clause of the Dingley and Payne tariff bills constitutes a burdensome discrimination against the carded woolen manufacturers, from which we demand relief.

PARTS OF ONE INDUSTRY.

We desire to call your attention to the fact that the carded woolen and worsted branches of wool manufacturing, although distinct in respect to certain technical processes and grades of material used, still are competing branches of trade, because worsted and carded woolen goods are used for the same purposes. Consequently these tariff discriminations against the carded woolen industry aid the worsted branch of the business by injuring the latter's competitor.

MORE FAVORS FOR THE WORSTED SPINNERS.

Another and very serious defect in the Dingley and Payne bills is the practically prohibitory duties on the by-products of wool manufacturing. Here, again, we find a discrimination against one class of people and special privilege for another, because these by-products can be used only by carded woolen manufacturers, while worsted spinners, although they can not use them, have them for sale. This is one of the most serious of the tariff abuses from which we ask relief, as the duties on such by-products vary from 50 to 200 per cent.

The present wool schedule is practically that of 1867, which was primarily a war-revenue tax; and as all other schedules have been adjusted to meet changed conditions, this schedule should be redrawn to meet the changed conditions of woolgrowing and the wants of the manufacturers. Take Ohio wool, for example. The quality of wool grown in Ohio has changed in quality as well as in quantity. Fine merino was at one time the staple growth, but in a few years more that quality of wool will not be grown in Ohio. Much of the wool now grown there is from the mutton variety of sheep, and this wool carries a net protection of about 20 cents per scoured pound against 33 to 44 cents to the grower in the West.

EQUAL OPPORTUNITY UNDER THE LAW.

We ask for an equal opportunity with all others under the law, in order that we may enjoy the reward of our labor, skill, and enterprise in the business in which we are engaged. It is in this capacity of carded woolen manufacturers that we make our appeal to you. But our demands should be granted not only in justice to us as carded woolen manufacturers, but in justice to the consumer of wool goods. We expressly disclaim any intention of representing here to-day the special interests of the consumer. We, however, call your attention to the fact that every burden on the carded woolen industry that we have mentioned is also a burden on the consumer of wool goods, whether underclothing, outside clothing, blankets, or other articles made of wool; and that the special privileges granted to the worsted branch of this industry result in an increase of these burdens not only on the carded woolen manufacturers, but also on the consumers in this country.

AD VALOREM TARIFF THE ONLY COMPLETE REMEDY.

It would not be possible at this time to go into detailed discussion of the proper remedies for the abuses to which we have called your attention.

We will state, however, that it is our firm belief that the only complete remedy for these inequalities is a tariff based on value. Specific duties based on the scoured weight of the wool and graduated on by-products by classifications according to value, or compound duties consisting of both specific and ad valorem rates, would give partial relief. But if the exigencies of the situation ever lead the Government to adopt any of these partial remedies, it should not be forgotten that they are partial, and that the only complete remedy is in an ad valorem tariff. The protective rate on wool goods is ad valorem, and if this can be made effective on manufactured goods, there can be no doubt of its efficiency on the raw material.

INVESTIGATE AND UPROOT ABUSES.

We ask that the tariff on wool and wool goods be thoroughly investigated and revised. We desire to have the principle of protection maintained for all producers, whether of wool, wool goods, or clothing. And we are as ready to have inequalities corrected in the tariff on wool goods as in the tariff on raw materials. We are ready to go into the consideration of the technical details of this problem with you or anyone you may designate, and to any extent you may desire. We are ready to do this with representatives of the woolgrowers, worsted manufacturers, and of the Government. We suggested such a conference to the Ways and Means Committee of the House of Representatives. We have at all times been willing to carry out that suggestion, confident that the better the truth is known the better will be our chances to gain an equal opportunity under the law.

EVENHANDED JUSTICE, NO MORE AND NO LESS.

We represent an industry that covers nearly every State in the Union, has over three times as many establishments as has worsted manufacturing, and a greater number of employees. Under the present schedule many woolen mills have been closed, and a continuance of that schedule means great distress to many mill owners and operatives. We believed that the platform of the Republican party meant an honest revision of the tariff. On a recent visit to the Finance Committee we placed the injustice of the wool duties before it and were told that while we had a grievance the schedule could not be opened. We feel indignant that such treatment should be meted out to us; that the cardinal principles of fair play and evenhanded justice, under which we are supposed to live, should be cast aside or subordinated to a coalition of forces that are specially favored under the Dingley bill. Therefore, Mr. President, we appeal to you to use your influence in the proper quarter, so that this industry may have what it is entitled to under our Constitution—evenhanded justice, neither more nor less.

Respectfully, yours,

EDWARD MOIR,
President Carded Woolen Manufacturers' Association.

His Excellency The PRESIDENT,
Washington, D. C.

Mr. LA FOLLETTE. Mr. President, from many letters received from woolen manufacturers, I offer one which I send to the Clerk's desk and ask to have read.

The PRESIDENT pro tempore. The Secretary will read as requested.

The Secretary read as follows:

COOPER UNDERWEAR COMPANY,
Kenosha, Wis., April 23, 1909.

Hon. ROBERT M. LA FOLLETTE,
United States Senate, Washington, D. C.

DEAR SIR: We have your letter of April 22. We thought we had made plain in our letter of the 19th where there is a discrimination against the 1,500 wool manufacturers in favor of the few manufacturers of worsteds. The discrimination consists in this: That the duty on clothing wool and on combing wools is the same, and also because the duty is based upon the wool in the grease instead of in the scoured state.

As explained to you in ours of the 19th, clothing wools used by the woolen mills are high-shrinkage wools. Wools in that state carry a large amount of grease and foreign matter, which is scoured out in cleaning, but upon which dirt a duty is paid pound for pound with the wool.

The illustration we gave in ours of the 19th is that worsted and combing wools shrink even as low as 15 per cent. This 15 per cent of dirt, of course, pays the 11 cents per pound duty. Upon clothing wools, however, which are used by the woolen mills, the shrinkage is even as high as 80 per cent, and on this 80 per cent of dirt 11 cents duty is assessed and paid, which makes the wool pay five times the duty that it would pay if it was assessed on the scoured pound.

The point we make is this: That the duty should be based on the scoured pound, so that combing wools and clothing wools would bear the same duty. If not based on the scoured pound then the combing wools should bear at least three times as much duty. And in many instances it should pay five times as much to bring the two wools to a parity.

It is a fact that the best of the woolen mills are almost paralyzed by the competition they meet from the worsted mills which is due to the discrimination, although unintentional, of the two classes of wool used by the two industries which are using the same rate of duty in the unscoured state, but which duty should be assessed on the wool clean, which would put them on an even basis.

To prove what we say regarding the fact that woolen mills are paying more duty than the worsted mills you will please look about you and nearly every man you meet is wearing a suit of worsted, whereas a few years ago they were all wearing serges, cheviots, and other classes of woolen fabrics made by the woolen mills.

We trust we have made ourselves clear to you, if not, we will be glad to write you again. We certainly assure you that this matter is a vital question with the woolen mills, and as stated before there are 10 to 1 worsted mill. The woolen mills are smaller in size, are scattered over the country, and can not concentrate their efforts in asking for justice in the matter of tariff as simply and as easily as can the large worsted mills, which readily get together and work solidly for their ends.

Trusting that this matter may receive your consideration, and that your efforts be effective, and thanking you in advance, we remain,

Very truly, yours,

COOPER UNDERWEAR CO.,
Per HENRY S. COOPER,
President and Treasurer.

Mr. LA FOLLETTE. I have just this to say in recapitulation with respect to these amendments. In the first place, they change the classification of raw wool from three classes to two, and from specific to ad valorem duties. On the first and second class wool, which is made class 1 by my amendment, a duty of 45 per cent is imposed. This is practically the duty in the Dingley law. Upon the coarse wools embraced in class 3 of the Dingley law, provided for as class 2 in my amendment, I provide for an ad valorem duty of 35 per cent, which is practically the duty of to-day. It is not an increase of the existing duty upon the imports of the year upon which the table of estimates is based of more than the smallest fraction of a per cent, due to the fact that I state the ad valorem in round numbers for the two classes at 45 and 35 per cent ad valorem.

In reference to the amendments which follow, they simply carry over into the manufactured product the application of this ad valorem duty based, however, with respect to the protective duty and the compensatory duty, upon the investigations conducted by the government expert, which I submitted last evening.

There are many reasons for substituting an ad valorem duty on raw wool for the present specific duty. Without hurting the producer of raw wool the substitution will benefit the consumer and help the carded-wool industry in the desperate struggle for existence to which it is driven by the worsted industry.

While the average duty on raw wool is about 45 per cent, it is much higher on the coarse heavy-shrinking wools used by the poor and considerably below that on the finer light-shrinking wools used by the rich. If a 45 per cent duty on all imported woolens were imposed, it would accord the same measure of protection to the farmer as it does to-day, and do away with the inequality just referred to.

Mr. BEVERIDGE. Will the Senator let me ask him a question?

Mr. LA FOLLETTE. Certainly.

Mr. BEVERIDGE. I gather from these letters which the Senator has had read and that I heard here this afternoon that there seems to be a conflict between what are called the "carded-wool people" and the worsted industry. Do any of these amendments, while helping the carded-wool people, while remedying what they think is an injustice, at the same time injure the worsted people in any way?

Mr. LA FOLLETTE. They take no duty away from any industry to which it would be fairly entitled in accordance with any just standard of protection. It accords to the manufacturer of worsted cloths, as well as to the manufacturer of woolen cloths, the measure of duty to which he is fairly entitled, as shown by the analyses which have been very carefully worked out by government experts.

Mr. BEVERIDGE. I could not understand the objection of the worsted people to it, except upon one or two possible grounds. One, that these amendments, or any amendments which have been offered, might in some way injure them, or the other one which has been suggested here, that the worsted people really wanted to see the carded people go out of business. But the direct question is whether or not any of these amendments would do what might reasonably be called any possible injury to the worsted industry.

Mr. LA FOLLETTE. No; these amendments would place the worsted industry and the woolen industry on an equal footing.

Mr. BEVERIDGE. Would they put it at any disadvantage?

Mr. LA FOLLETTE. At no disadvantage whatever. Under the amendments which I offer the worsted industry would be given duties to cover the difference in cost of production against foreign competition.

Mr. BEVERIDGE. Or would it give the carded people any advantage over them?

Mr. LA FOLLETTE. No; it would not. It would place them upon an equality with the worsted industry, whereas they are, under the provisions of the Dingley law, at a very great disadvantage.

The amendments which I propose would enable the carded-wool manufacturer to import cheap wool, where to-day the prohibitive duty compels him to make use of cotton and shoddy. This would, by no means, displace any of the domestic wools, since we can only supply to-day 60 per cent of our demand. It would merely enable the poor people to wear all-wool clothes,

where to-day they have to content themselves with shoddy and cotton.

The position of the carded-wool industry is such as to invite the earnest attention of Congress. It is the last branch of the wool industry which is still accessible to the man with moderate capital, since it does not require as complicated machinery or as expensive a plant as is necessary in the worsted industry. With the American Woolen Company in control of about 60 per cent of the output of American woolen cloth, and with the independent manufacturers of worsted cloth organizing into another combination, the carded-wool industry accords the only chance for the small manufacturer. Instead of being encouraged in its struggle for an independent existence, Congress lends its powerful aid to the trust in helping crush the carded-wool manufacturer out of existence.

I have already shown how the wool manufacturer is discriminated against through the specific duty on raw wool. The same discrimination pursues him in the distinction made between wools of the first and second class, those of the first class being subject to 11 cents per pound if unwashed, twice that amount if washed, and three times that amount if scoured, while the duty on wools of the second class, which are used by the worsted manufacturers only, is 12 cents a pound, whether washed or unwashed.

To sum up the disadvantage to the carded-wool industry: First, there is the natural disadvantage of being obliged to use the heavy shrinking wools which, under the specific duty, are subject to a much higher rate than the light wools used by the worsted industry. Second, the necessity of importing a heavy wool in the grease under what amounts to a penalty under the tariff of paying double duties if the wool is imported washed, while the powerful trust, which is already favored by technical conditions in the use of lighter wools, is granted an additional favor by Congress, which generously allows it to pay the same duty on washed wool as it does on unwashed. But Congress is not content to leave the small manufacturer with this handicap, as against this powerful trust, and adds another one by imposing an unreasonably high duty which can not be defended on any grounds of logic or fact on two products of the worsted industry, which constitute the raw material of yarn, viz, tops and noils. Tops are the long wools separated in the process of combing in the worsted mills, which are used in spinning worsted yarn. Although they are less advanced in the process of manufacture than yarn, they are subject to the same duty as woolen cloth, which is the final product of several stages of manufacture, in each of which labor is an important factor.

Mr. President, I do not know, I say, whether it will be possible to fix the attention of the Senate long enough upon these different manifestations of injustice to effect any change in this legislation.

But, Mr. President, I am going to do as best I can my part and share to make a record of it, and to get it before the country, because I am looking forward to a time when we shall secure a real revision of the tariff—a revision in accordance with the public interest and public demand; a revision in keeping with the promises of the Republican party.

Such revision is not provided in this bill, but it will come.

Mr. CLAPP. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Minnesota?

Mr. LA FOLLETTE. I do.

Mr. CLAPP. I followed the Senator last evening very carefully in his analysis of this question and listened very attentively to the reading of the amendments, and I am disposed to vote for the amendments. I believe they are calculated to reach an evil; that, while they leave the worsted manufacturer protected as to foreign competition, they take from the worsted manufacturer some advantages which to-day he has over the carded industry.

But I want to say to the Senator here are 24 amendments, I think, going to this whole subject. I do not believe that anyone, except those who may have listened very carefully last night and very carefully to the reading of the amendments, can efficiently apply those amendments to the present system, even with the careful statement which the Senator is making at this time, and with all the explanation which the Senator will be able to make this evening. If there was any way of bringing it about—I do not know whether we can—so as to have those amendments printed, that Senators could take them and compare them with the present law, I believe it would be at least more satisfactory to those of us who are trying to make an effort to place before the Senate the proposition for a change in this system.

I do not know whether that can be done or not. If it can not be, I feel very certain that the Senator's amendments are going to suffer in the votes which will be had upon them by reason of Senators who might desire to vote for them not seeing their way clear sufficiently to understand them.

Mr. LA FOLLETTE. I shall be very glad indeed to have these amendments printed in the RECORD and voted upon to-morrow morning, if that will meet with the approval of the Senate.

Mr. CLAPP. I am going to ask unanimous consent that the amendments may lie over and be printed, and be acted upon in the morning.

Mr. ALDRICH. Does the Senator from Minnesota seriously think that he will have time between now and to-morrow morning to master the intricacies of the various amendments?

Mr. CLAPP. The intricacies of these amendments are not as formidable as they were a few days ago. I think a great many Senators are beginning to realize that this system which has stood here for years after all does not meet the situation. I believe a great many Senators are beginning to realize that notwithstanding the legislation sought to have been enacted for the sheep grower, somehow the sheep industry in this country has not prospered under the legislation as it ought to have prospered. I believe that the average Senators, with the discussions we have had upon this question and with the study that has been given to the question, will be able, if they could have the amendments printed so that they could take them and compare them line for line and page for page, so that they will know just what change would be effected by these proposed amendments—they would be prepared, at least, much better to-morrow morning than they will be prepared to-night to vote upon them.

Mr. LA FOLLETTE. I will say to the Senator from Minnesota that there is not anything complicated or formidable at all about these amendments or about Schedule K.

Mr. CLAPP. It may sound egotistical, but I undertake to say that we have been led to believe that there is something mysterious, something incomprehensible in these things that the ordinary individual is not able even to get a sort of glimmering idea of, but in the analysis of this question in the last few days that has, to my mind at least, very largely disappeared.

Mr. ALDRICH. I must have misapprehended the suggestion of the Senator from Minnesota. I understood the Senator from Minnesota to suggest that the amendments go over in order that they might be examined for the purpose of finding out what the effect of them would be. I understand that now everybody has arrived at a conclusion.

Mr. CLAPP. I submit that that is not a fair criticism upon what I said.

Mr. ALDRICH. Then I misunderstood the Senator.

Mr. CLAPP. What I said was that if the amendments could be printed, Senators could then take the amendments and read them and have them on their desks and compare them with the bill, whereas to-night in the one or two readings of the amendments before the Senate it would be difficult for Senators to understand just the force and scope of the amendments in their relations to the pending bill. That is what I said.

Mr. BEVERIDGE. I will state to the Senator from Rhode Island that when the Senator from Minnesota made the request, which was not a very extraordinary request, but rather a reasonable one, the Senator from Rhode Island responded as a reason for refusing it, Does the Senator from Minnesota think that he can master the intricacies of Schedule K and these amendments by to-morrow morning? Then the Senator from Minnesota responded that it was not so mysterious, after all.

Mr. ALDRICH. I understood from his last statement that he had already mastered the mysteries——

Mr. BEVERIDGE. How could he master the mysteries by hearing 24 amendments read?

Mr. ALDRICH. And that he was ready to vote, as far as he was concerned.

Mr. CLAPP. I did say that having paid particular attention last night to the analysis of this question, and having paid particular attention to the reading of the amendments, I was prepared, and for one I am prepared now, to vote for these amendments.

But I want to say this, Mr. President: We are legislating to-day for a great people, and one thing is absolutely certain, as was uttered by the Secretary of the Treasury last Saturday night at Chicago. Either this bill will meet the approval of the American people or the agitation upon revision will be immediately renewed by the American people.

It may be, sir, that when the proposition of the Senator from Wisconsin comes to be analyzed it is not worth considering; but when we stand confronted here by a system that has existed for years, a system that has been passed repeatedly and passed upon the theory that it was in the interest of the in-

dustry of America, and when in the face of that assertion and that legislation we have seen that industry fall far short of prospering as it should; when we realize the importance and the market in this land of ours for mutton, as no other market perhaps in the world, and that coupled with this industry while the tariff sought to protect and develop the industry, we have seen the industry fail to prosper as it should prosper, I believe that, standing here to-night for the American people, we can well afford to devote even one night's time to the proposition of printing and placing before the Members of this body the proposition of the Senator from the State of Wisconsin. It will not be time entirely lost, even though it should turn out that, upon an analysis of the proposed amendments, few, if any, Senators could support them.

This question is worth looking into, because we stand confronted to-night by the undeniable fact that for some reason the effort in the past to develop the sheep industry of this country has not succeeded as under all the conditions, with our climatic conditions and our great population furnishing a great market for the mutton itself, the industry should have developed. Somewhere in the system of the past there is a radical mistake. I do not say, sir, that the Senator from Wisconsin has found the remedy; but it does seem to me that, in view of the importance of this question, we can well afford to let the amendments be printed, so that Senators may have them on their desks to-morrow morning.

While I am on my feet there is one other thing I want to say. In an ordinary session of Congress, when one Senator is busy with the work of his committee and another Senator is busy with the work of his committee, and the work of a particular committee does not come to the other Senators in their respective every-day experience, it is very natural that when a bill comes in here recommended by a committee, as those who are not on that committee would not have an opportunity to study the question, being engaged with the work of their own committees, having little opportunity, if any at all, we accept the report of the committee.

But, Mr. President, I have heard it time and time again that we must stand by the committee here. I undertake to say that in this discussion and in this revision of the tariff there is nothing sacred in the report of this committee. The report of this committee is entitled to respect only so far as the experience of its members and the time and study which they have given to the subject entitles it to receive.

In an extra session, when there is no other committee work, every Member of the Senate has the same amount of time, the same opportunity by access to the sources of information, the hearings before the House committee, that the members of this committee have. Consequently, instead of accepting the dictum of a committee, as we so often do when we can not take up the work outside of our own committees, in this case, when we are here with nothing else to do but to study this question, I submit that one man's investigation, if he possesses the same ability of investigation, is as good as another man's. I for one do not subscribe to the doctrine that in an extra session of Congress, when every Member has the same time to spend and has access to the same sources of information, that we have to take the dictum of a committee, especially in a case where it stands self-confessed that in all the years that have gone, when with but few exceptions the legislation was designed to build up and develop a particular industry, we find that industry languishing under the legislation of past years.

Again I ask the Senate for unanimous consent that the amendments of the Senator from Wisconsin may lie upon the table and be printed, and that the matter be taken up on the assembling of the Senate to-morrow morning.

Mr. ALDRICH obtained the floor.

Mr. NEWLANDS. Will the Senator permit me?

The PRESIDENT pro tempore. Does the Senator from Rhode Island yield to the Senator from Nevada?

Mr. ALDRICH. For what purpose does the Senator desire to interrupt me?

Mr. NEWLANDS. I wish to suggest to the Senator, if he will permit me, that the consideration of these amendments and the vote will certainly exhaust this evening. I understand the request of the Senator from Minnesota to be simply that we postpone the vote until to-morrow morning at 10.30 o'clock. The vote will take only seven minutes and a half; so it only trespasses upon to-morrow that short space of time in yielding to the suggestion of the Senator from Minnesota.

Mr. ALDRICH. Mr. President, the propositions of the Senator from Wisconsin are, to my mind, perfectly simple. The Senator proposes to levy an ad valorem duty upon all classes of wool of 45 per cent.

Mr. LA FOLLETTE. Not upon all classes of wool; upon wools of the first and second class. Let me correct the Senator from Rhode Island.

Mr. ALDRICH. Wools of the first and second class. That is a perfectly simple proposition. The Senator from Wisconsin estimates that that will increase duties upon first and second class wools slightly. That is his estimate. It is a perfectly simple proposition whether that slight increase shall be made and whether Senators would like to put an ad valorem rate in place of specifics.

It seems to me there is nothing unreasonable in asking that a vote be taken upon this proposition. We have had, I do not know how many, but I should say a score of votes, to-day in the Senate, yeas and nays, involving all these propositions.

The Senator from Minnesota says that Senators are not obliged to follow the committee. No member of the committee has ever made such a suggestion, and I have never seen any indication of a desire on the part of certain Senators to follow the committee so far, and there certainly has been no fault found that they have not. They have been exercising their independent judgment and they have been voting against the committee, as they have a perfect right to do. There has been no restraint put upon anybody that I know of to vote with the committee on any vote in connection with the bill.

Now, we have passed upon these questions to-day by a great variety of votes, involving, I think, every phase of this subject. I am quite sure that neither the Senator from Wisconsin nor the Senator from Minnesota nor the Senator from Indiana expects the Senate to reverse its deliberate action to-day and vote for an ad valorem duty on wool. I do not believe there is a man in this Chamber who has the slightest idea that the Senate will change its action in this respect and try to impose an ad valorem duty on wool.

I do not want to be unreasonable about this business. If we can get an agreement to take the vote upon the assembling of the Senate to-morrow without any further discussion, I certainly will agree to it. I do not want to be unreasonable about it. I am willing to go on with the free list and spend the time between now and 11 o'clock in accomplishing something upon the bill, with the understanding that the vote shall be taken upon the amendments of the Senator from Wisconsin upon the assembling of the Senate to-morrow morning at a quarter to 11.

Mr. KEAN. Without further debate?

Mr. ALDRICH. Without further debate.

Mr. BEVERIDGE. Mr. President——

Mr. ALDRICH. The Senator from Wisconsin has not yielded the floor.

Mr. LA FOLLETTE. No; I have not yielded the floor.

Mr. ALDRICH. There is an attempt, I understand, to reach some agreement.

Mr. BEVERIDGE. I wish to make a suggestion to the Senator as to agreeing to vote immediately upon the assembling of the Senate to-morrow morning, or in ten or fifteen minutes. The Senator will at once see that that would not be reasonable or just to a Senator who wanted to study these amendments and who would have a question or two questions to ask before voting upon them. He could not ask them.

Mr. ALDRICH. What time would the Senator suggest?

Mr. BEVERIDGE. I do not know; I am suggesting merely any time that is reasonable; but the suggestion to vote immediately upon assembling is hardly reasonable.

Mr. ALDRICH. The discussion can go on to-night. I suggest that at 11 o'clock to-morrow morning we take a vote on the propositions of the Senator from Wisconsin without further discussion. The Senator from Georgia [Mr. BACON] also has certain amendments which he desires to have voted on, and I should like to include those if we could.

Mr. LA FOLLETTE. I think the Senator from Georgia has intimated that he wishes to take fifteen or twenty minutes in presenting his amendments.

Mr. ALDRICH. I did not mean to cut off the Senator from Georgia. It would be perfectly agreeable for me to vote at half past 11 to-morrow morning upon these propositions.

Mr. CUMMINS. Mr. President, I understand that there is a proposition——

Mr. LA FOLLETTE. I yield to the Senator from Iowa.

The PRESIDENT pro tempore. The Chair thought the Senator from Wisconsin had yielded the floor.

Mr. LA FOLLETTE. No; I had not yielded.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Iowa?

Mr. LA FOLLETTE. I yield to the Senator from Iowa, as I have yielded to other Senators.

Mr. CUMMINS. I understand there is a proposition to vote at a quarter to 11 in the morning.

Mr. ALDRICH. At half-past 11, I am willing to make it, if that is satisfactory to the Senate.

Mr. CUMMINS. It depends entirely upon how much time the Senator from Wisconsin will occupy in submitting his amendments. I have some observations to make upon this schedule.

Mr. LA FOLLETTE. I will get through in a very few minutes. I will conclude to-night.

Mr. CUMMINS. The observations I desire to make, however, I would prefer to submit after I have had an opportunity to read the amendments, and therefore I hope the Senator from Rhode Island will consent to the suggestion made by the Senator from Minnesota. I shall not detain the Senate very long upon the subject.

Mr. ALDRICH. Suppose we say 12 o'clock. I think that would certainly give sufficient time. I should like to dispose of this schedule. I certainly have not cut anybody off from a reasonable discussion. I am yielding to the suggestions of Senators. I expected to get a vote on these amendments to-night. The Senator from Wisconsin expected to get a vote on the amendments to-night. Both of us expected that. But I want to be perfectly reasonable about it, and if we can fix some time, say 12 o'clock to-morrow, that will be agreeable to me.

Mr. CUMMINS. I am entirely willing to agree to vote at 12 o'clock if I can have fifteen or twenty minutes between half past 10 and 12.

Mr. LA FOLLETTE. It is not necessary to spend all this time in higgling over this matter. I believe that the time for adjournment expires at 11 o'clock.

Mr. BEVERIDGE. It does. That is the regular order.

Mr. LA FOLLETTE. I was perfectly willing that the amendments should be disposed of this evening if they could be disposed of all at one time, because I did not wish to consume the time of the Senate. I know what will happen to the amendments when they are voted upon perfectly well, no matter how well they are explained and how perfectly satisfactory they are to everybody who wants to reform the abuses of Schedule K. I understand that; and with a view of getting along with this matter, I submitted to the Senator from Rhode Island that the vote might be taken upon all of the amendments together, because when Senators have worked them out as I have they will find that they are consistent and are based upon a principle which starts with an ad valorem duty of 45 per cent or less on wools which are now known as "wools of the first and second class," and 35 per cent on wools of the third class. It then applies the compensatory duty and the protective duty according to the results of the investigations which have been made showing what the labor cost and the wage cost is which should be protected by the duty.

Now, Mr. President, if it is going to be any hardship for members to vote upon this matter to-night we can get along, I think, by debating it to 11 o'clock and then voting on it when we get to it to-morrow. We do not have to bargain and deal about this business.

Mr. CLAY rose.

Mr. LA FOLLETTE. I will yield in a moment. As far as I was concerned, I was perfectly willing if I could make it appear so that Senators could understand it, and there was not any disposition to debate it further, to have a vote upon it, and to dispose of it.

I confess that I have held the floor in debating the schedule on cotton and the schedule on wools, it may be somewhat at length; but I do not believe that there is anybody who will say that I have done anything that was not the entire right of a Senator to do here who in good faith is discussing the measure.

Mr. ALDRICH. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Rhode Island?

Mr. LA FOLLETTE. I must yield first to the Senator from Georgia.

Mr. CLAY. Go ahead.

Mr. ALDRICH. My desire was to accommodate all the Senators. As that does not seem to be possible, to the satisfaction of all Senators, I withdraw the suggestion, and we will go on with the bill.

Mr. CLAY. I simply desire to ask the Senator from Wisconsin a question. It is a difficult matter to understand 24 amendments. I do not desire to vote on 24 amendments unless I know what they are. I should like to ask the Senator, taking the entire amendments, how do they compare with the Dingley rates and how do they compare with the rates fixed by the Senate committee's bill? I understood the Senator from Rhode Island to state that the rates proposed by the Senator from Wisconsin are higher than those in the pending bill.

Mr. LA FOLLETTE. Applying the ad valorem on the raw wools it figures out a fraction less than 45 per cent on the average rate of duties in class 1 and class 2, and in order not to write into the proposed amendments 44 and a fraction per cent, I put it at round numbers, 45 per cent. It may be said to be the slightest fraction of a percentage of increase over existing duties as measured upon the imports of this year.

But it is fair to say that the proposed amendment on raw wool is an ad valorem of the same duty as the specific duty in the existing law. Then, I have carried into the manufactured goods the same ad valorem to take the place of the specific compensatory duty, but I base it upon the measure of compensation, which it is shown by the investigations they are entitled to receive in order to fully compensate for the wool that actually enters into the cloth. Then for the protective duty I have carried in the same calculation based upon the investigations by the government experts.

Mr. BAILEY. Mr. President——

Mr. LA FOLLETTE. I yield to the Senator from Texas.

Mr. BAILEY. I hope the Senator from Wisconsin will go one step further and say what I know to be the fact, that all the amendments together make a very substantial reduction over the rates as fixed in the bill by the Senate committee.

Mr. LA FOLLETTE. They make a much more complete and thorough reduction than any amendments which have been offered to the Senate upon this schedule, taken altogether, and yet do not go one shade below what is a fair protective duty as ascertained by thoroughgoing investigations of all the industries covered in Schedule K.

Mr. BAILEY. Therefore it is the Senator's desire, as they together form a complete system, to have them voted upon at the same time.

Mr. LA FOLLETTE. I thought that would be better. I do not stickle about that. I am perfectly willing to have the first amendment fixing an ad valorem duty instead of a specific duty on wool voted upon separately, if that is desired by Senators.

Mr. BAILEY. I will say to the Senator that I myself would not hesitate to apply an ad valorem duty of 45 per cent as against a specific duty that amounts to an ad valorem equivalent of 44.52, and that is substantially what it is; yet there might be Senators who would not want to vote for even a fraction of 1 per cent increase on a particular amendment. Therefore, a Senator in that frame of mind voting upon all the amendments together would more than offset this particular increase by the other and greater decreases.

Mr. LA FOLLETTE. That is true.

Mr. BAILEY. I should like to have the Senator make it plain in the RECORD that the whole reason for making this increase of a mere fraction of 1 per cent was simply to make an ad valorem duty——

Mr. LA FOLLETTE. In round numbers.

Mr. BAILEY. I do not recall that anybody who ever prepared a tariff bill has followed the ad valorem duties by fractional per cents.

Mr. LA FOLLETTE. I do not think that can be found anywhere in the tariff history of the country. I took 45 per cent as the nearest per cent which could be stated in full numbers without the fraction, that was all. If I had taken 44 per cent, it would have been objected to as a reduction upon the duties on raw wool by Senators who otherwise might be willing to support the general plan of a reduction along the whole line involved in all these amendments.

Mr. President, I am going over this matter as carefully as I can in order to have it well and thoroughly understood. When interrupted by the question I had just brought again to the attention of the Senate the unjust advantage that has been given to the worsted industry. There has been worked into this tariff legislation a proposition that they shall have an unreasonably high duty upon two products of the worsted industry which constitute the raw material for the woolen industry, namely, tops and noils.

I suppose that the Senate understands what constitutes tops. Some correspondence has been printed in the CONGRESSIONAL RECORD which, upon its face, has the appearance of an influence exerted by these worsted mills to their great advantage at the time of the framing of the Dingley law.

Let us get in our minds here to-night just what tops are. Tops are the long wools which are separated in the process of combing in the worsted mills, such as the Whitman Mill, for instance. These long-combing fibers are used in spinning worsted yarns. They are not so much advanced as yarn in the process of manufacturing. They have not had so much labor

put upon them, and yet they are subject to the same duty as the woolen cloth. That does not look reasonable, does it? That appears to be a sort of carbuncle on this perfect system of protection on this sacred wool schedule which nobody has been permitted to lay hands on during all these years. Can anybody justify that discrimination? I have not heard any justification for it. Do Senators think that discrimination should be legislated again into this revision of the tariff by this Congress? Are Senators willing to go out and defend a new tariff bill that shall have this same provision in it, which seems to have gotten its place in the old Dingley law through influences—as disclosed by the correspondence placed before this body—that have not been explained, and that, without explanation, on their face do not look just exactly right?

It does seem to me that anyone can defend economically the proposition that these tops combed out of wool, not made into yarn, shall have the same duty as woolen cloth. There ought to be some explanation of that. That correspondence is a piece of evidence that points pretty strongly to this worsted industry having had an undue influence in the making of Schedule K, and it gives pretty strong support to the claim of these half-starved woolen mills all over the country that somebody has made this tariff in favor of this rich and powerful organization that has been built up to dominate the wool industry, to crowd out woolens, and to make the people of the country purchase and wear worsteds instead.

Now, I say again, although tops are less advanced in the process of manufacture than yarns, they are subject to the same duty as woolen cloth, which is the final product of several stages of manufacture, in each of which labor is a most important factor. As a result of this, such concerns like Mr. Whitman's Arlington Mills, which makes both tops and yarn, are able to charge an unfairly high price for the tops to the small spinning mills and to deprive them of their raw material whenever the large spinners choose to do so. The small spinner is completely at the mercy of the large mills, because the prohibitive duty on tops completely cuts off the foreign supply.

The story of the surreptitious removal of all reference to tops in the Dingley bill, through manipulation behind closed doors in the Senate Finance Committee by paid representatives of the worsted industry, is on record in the hearings of the Ways and Means Committee (p. 5490-5492), reluctantly admitted by the chief manipulator of that industry.

Sensational disclosures made at the hearings before the Ways and Means Committee compelled its chairman to make a specific provision for tops in paragraph 371 of the bill, by which they were to be subject to the same duty as scoured wool of which they are made, and 6 cents per pound in addition.

That was enough. Such was the opinion of Chairman PAYNE and of his committee after going into this matter with a great deal of care. I will not say that the same interest which wrought this change in the duty in 1897, which gave to tops its special and particular place, has been operating again; but, for some reason or other, the provision of the Ways and Means Committee is completely stricken out in the Senate bill and tops, not being specially mentioned, go back to the place they had in the Dingley law, and continue to enjoy the protection which is accorded to woolen cloth.

The average ad valorem duty on raw wool is less than 45 per cent. My amendment proposes a duty of 45 per cent on wool, which is a little higher than the average, and therefore can not be assailed on the ground of insufficient protection. It will have the advantage, however, of doing away with the inequalities in the present specific duties on raw wool, which results in excessive rates on the cheaper grades, and very low rates on the more expensive grades of wool.

On page 5709 of the hearings before the Ways and Means Committee Mr. Clark testified that wages make up to 20 to 25 per cent of the cost of the goods, as against 60 per cent for material. This agrees with the figures given above.

Mr. Whitman, speaking as the chairman of a committee appointed by the National Association of Wool Manufacturers, to disprove Mr. Clark's figures, makes a statement on page 160 of the Bulletin of the National Association of Wool Manufacturers for March, 1909, in which he takes issue with Mr. Clark's statement that wool makes up 60 per cent of the cost of the goods, saying that—

> The general understanding among manufacturers is that the wool makes up 50 per cent of the cost of the cloth.

He takes no issue, however, with the other part of Mr. Clark's statement as to the proportion of wages to the total cost of the cloth, apparently because the figures can not be assailed.

Mr. Whitman, as I have just stated, assumes that the material constitutes 50 per cent of the value of the cloth. Mr. Moir, representing the carded-wool industry, estimates the wool as 65 per cent of the value of the cloth. In a statement to the Ways and Means Committee, which appears on page 5660, Mr. Clark's estimate quoted above is 60 per cent.

To give the woolen industry the benefit of the doubt, as a protectionist, I shall take the highest figure again, namely, 65 per cent. In that case the compensating duty on woolen cloth on the basis of an ad valorem duty of 45 per cent on raw wool should be 45 per cent of 65, or 30 per cent. Although I have shown the labor cost to be 25 per cent, I shall allow, in order to be on the safe side, 30 per cent, and will assume that wages are 100 per cent higher than in England, while Mr. Clark found them from 17 per cent to 125 per cent. Therefore, I am allowing the most ample margins in applying the ad valorem duties to this woolen schedule.

On the basis of these very liberal assumptions the protective duty on woolen cloth should be 30 per cent, making a total duty of 30 per cent and 30 per cent, or 60 per cent ad valorem. Since allowing 30 per cent for labor and 65 per cent for material, it leaves 5 per cent of the total cost unaccounted for.

I shall add this 5 per cent also to the duty, making the total duty 65 per cent ad valorem, which I offer as an amendment for the present complicated compound duties on various manufactures of wool. To enlarge a little on how the rate is obtained, the compensatory duty of 45 per cent on the wool should be carried through the entire schedule. A piece of cloth valued at $1 has in it 65 cents worth of wool. That is allowing all that Mr. Whitman claims to be material; it is allowing more than Mr. Clark finds to be material, and allowing all that Mr. Moir claims to be material.

A piece of cloth valued, as I say, at $1, has in it 65 cents worth of wool; the compensatory duty of 45 per cent upon that 65 cents of material is 30 cents when you reduce it to a specific equivalent.

Mr. BEVERIDGE. Mr. President——

The PRESIDING OFFICER (Mr. HEYBURN in the chair). Does the Senator from Wisconsin yield to the Senator from Indiana?

Mr. LA FOLLETTE. I do.

Mr. BEVERIDGE. What is the other 60 per cent?

Mr. LA FOLLETTE. It is labor.

Mr. BEVERIDGE. Oh, I see.

Mr. LA FOLLETTE. All that, overhead charges and everything.

Mr. BEVERIDGE. I see. I misunderstood. The whole material is how much?

Mr. LA FOLLETTE. Mr. Whitman says that 65 per cent should be charged up against material.

The compensatory duty of 45 per cent upon this 65 cents is 30 cents, which is the amount of the compensatory duty which should be paid. Thirty cents is 30 per cent of the value of the cloth; therefore an ad valorem duty of 30 per cent is equal to the duty of 45 per cent upon the raw wool.

Next, the labor cost of the material is 30 cents, or 30 per cent of the total value. Assuming that wages are 100 per cent higher in this country than abroad, the protective duty, therefore, on the one dollar's worth of cloth should be 30 cents, or 30 per cent of the total value.

Therefore we have 30 per cent for the material and 30 per cent for the labor to be provided for in an ad valorem duty.

The material being 65 per cent of the value and the labor 30 per cent of the value, we have 5 per cent of the value unaccounted for, but which is really made up of the expense of manufacture other than labor. I assume that even in this the cost in this country is 100 per cent greater than abroad. Therefore, in arriving at 65 per cent as the proper ad valorem duty, it is made up as follows:

	Per cent.
Material	30
Labor	30
Other expense	5

Making a total of 65 per cent, which more than covers all proper compensatory and protective duties required.

The proposed rate would do away with the crying inequality of the compound duties which result in much higher rates on cheaper cloth than the rates on the expensive varieties, as I have had occasion to demonstrate in the course of my remarks.

Mr. President, I am advised that it is desired on the part of the Finance Committee to take an adjournment at this time; and therefore I yield the floor. I ask, Mr. President, that my amendments may be printed in the RECORD and that they also be printed and placed upon the desks of Senators to-morrow morning.

The PRESIDING OFFICER. In the absence of objection, it is so ordered.

[The amendments referred to appear earlier in the course of Mr. LA FOLLETTE's remarks.]

Mr. WARREN. Mr. President, the Senator who has just yielded the floor [Mr. LA FOLLETTE] introduced some matter earlier in the evening that referred to the woolgrowers, and so forth. I have here a telegram just received from the National Woolgrowers' Association, and as it contains but a few lines, I ask that it be read.

The PRESIDING OFFICER. In the absence of objection, the Secretary will read as requested.

The Secretary read as follows:

CHEYENNE, WYO., *June 9, 1909.*

Gen. CHARLES H. GROSVENOR,
Washington, D. C.:

The National Woolgrowers' Association, representing over 500,000 sheep farmers of the United States, requests that you transmit to each Member of the United States Senate the earnest request that he support Schedule K duties on wool and woolens, as reported by the Senate Finance Committee. Any revision of these duties downward will destroy an industry employing more than 3,000,000 hands in growing and manufacturing wool.

THE NATIONAL WOOLGROWERS' ASSOCIATION,
GEO. S. WALKER, *Secretary.*

DEATH OF REV. EDWARD EVERETT HALE.

Mr. LODGE. Mr. President, it is with deep regret, which I know is shared by all Senators, that I rise to make formal announcement of the death of the Chaplain of the Senate, the Rev. Edward Everett Hale. I am sure that all Senators who have known him here during the past six years will feel in his death the loss of a personal friend and of one whose kindness has made him beloved, I think, by everybody with whom he has been brought in contact.

He was a man of great patriotism; and so long as men love works of the imagination and love their country his famous story will be read. A brilliant writer, a great preacher; he was greatest of all, I think, in the unwearied service to which his long life was given in behalf of humanity. If any man ever had the right to say to the Recording Angel the words of Abou Ben Adhem, "Write me as one who loves his fellow-men," it was he.

Mr. GALLINGER. Mr. President, supplementing the appropriate and touching words of the honored Senator from Massachusetts [Mr. LODGE] and voicing the feelings of my own heart, I beg to submit the following resolution, and ask unanimous consent for its present consideration.

The PRESIDING OFFICER. The Secretary will read the resolution.

The Secretary read the resolution (S. Res. 57) as follows:

Senate resolution 57.

Resolved, That we have heard with profound regret and sorrow of the death of Rev. Edward E. Hale, D. D., late Chaplain of the Senate of the United States. Doctor Hale's services to literature, philanthropy, and religion are known the world over and place him in the front rank of the Nation's benefactors. The Senate desires in this way to place on record its appreciation of the distinguished character and eminent services of this great and good man.

The resolution was considered by unanimous consent and unanimously agreed to.

Mr. LODGE. I move that the Senate adjourn.

The motion was unanimously agreed to, and (at 10 o'clock and 50 minutes p. m.) the Senate adjourned until to-morrow, Friday, June 11, 1909, at 10.30 o'clock a. m.

HOUSE OF REPRESENTATIVES.

THURSDAY, *June 10, 1909.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, offered the following prayer:

Infinite and Eternal Spirit, Father of all souls, above all, through all, and in us all, humbly and reverently do we bow in Thy presence, acknowledging with love and gratitude all that has come down to us out of the past to the uplift, ennobling, and purifying of mankind; and we most fervently pray that if there be any virtue, and if there be any praise, we may cherish these things in our hearts and strive earnestly as individuals and as a Nation to live whatsoever things are true, whatsoever things are honest, whatsoever things are just, whatsoever things are pure, whatsoever things are lovely, whatsoever things are of good report, that Thy kingdom may come and Thy will be done in earth as it is in heaven.

Our hearts are touched profoundly by the news of the death of the Rev. Edward Everett Hale, Chaplain of the United States Senate, who for so long has been a conspicuous figure in the affairs of our Nation, contributing in his sermons, in his writings, in his prayers, in his life to the uplift of mankind. God grant to be with the aged wife and the children, that they may be comforted in the thought of all he has contributed and left to us, and Thine be the praise forever. Amen.

The Journal of the proceedings of Monday last was read and approved.

WITHDRAWAL OF PAPERS.

Mr. HUBBARD of West Virginia was given leave to withdraw from the files of the House, without leaving copies, papers in the case of H. R. Huffman, Sixtieth Congress, no adverse report having been made thereon.

LEAVE OF ABSENCE.

Leave of absence was granted as follows:

To Mr. SLEMP, by unanimous consent, for ten days, on account of important business.

To Mr. GRIEST, indefinitely, because of illness.

To Mr. FOSS, on account of illness in his family.

APPROPRIATIONS FOR RIVER AND HARBOR IMPROVEMENTS.

Mr. PAYNE. Mr. Speaker, I move that the House do now adjourn.

Mr. FITZGERALD. Pending that, Mr. Speaker, I ask the gentleman from New York to withhold his motion for a moment. I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The Clerk read as follows:

House resolution 74.

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to transmit to the House of Representatives the following information, namely:

The amounts of all appropriations for river and harbor improvements, with the date of each appropriation and the specific purpose for which it was made, which appropriations are affected by section 10 of the act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1910, and for other purposes," approved March 4, 1909.

Mr. FITZGERALD. If the gentleman from New York will permit me, I will state the object of this resolution. The sundry civil act approved March 4, 1909, required that all unexpended balances of appropriations of a certain character on the books of the Treasurer on July 1, 1904, which were not expended or which had not been obligated by contract, should be covered into the general fund. It is now asserted that this may seriously affect a number of appropriations which have been made for river and harbor improvements.

The War Department claims that there are some appropriations more than five years old for river and harbor improvements which have not yet been obligated by contract. A request has been made that section 10 of the sundry civil act passed in the last session be amended so as to eliminate from its operations certain appropriations for river and harbor improvement. It seems to me that the Members of the House should know if there are appropriations more than five years old for river and harbor improvements for which no contracts have yet been made, and the information is necessary also in order to determine whether this act should be amended to exempt appropriations of this character. Every Member of the House who is interested in river and harbor improvements should be glad to know whether appropriations made for such purpose prior to July 1, 1904, have been lying idle in the Treasury more than five years without even a contract having been made for their expenditure.

Mr. ALEXANDER of New York. Mr. Speaker, I think the resolution a very proper one. The information has already been compiled by the Chief of Engineers, who has furnished it to some of us, including the chairman of the Committee on Appropriations, for the purpose outlined by the gentleman from New York [Mr. FITZGERALD].

Mr. PARKER. Mr. Speaker, may I ask the gentleman from New York, before he takes his seat, whether this information is in the hands of the Secretary of the Treasury or in the hands of the Board of Engineers?

Mr. FITZGERALD. I was in some doubt as to whether the Secretary of the Treasury or the Secretary of War should be asked for this information, but the provisions of the act require the Secretary of the Treasury to cover the money into the Treasury, and I have no doubt that if he be asked for the information he will obtain it, even if he has to consult the Department of War.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The question is on the resolution.

The question was taken, and the resolution was agreed to.

ADJOURNMENT.

Mr. PAYNE. Mr. Speaker, I renew my motion that the House do now adjourn.

The motion was agreed to; and accordingly (at 12 o'clock and 11 minutes p. m.) the House adjourned until Monday, June 14, 1909.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, the following executive communications were taken from the Speaker's table and referred by the Speaker as follows:

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the conclusions of fact and law in the French spoliation cases relating to the sloop *Diana*, Henry Nicoll, master (S. Doc. No. 84)—to the Committee on Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of Paschal Henshaw *v.* The United States (H. Doc. No. 46)—to the Committee on War Claims and ordered to be printed.

A letter from the Secretary of the Interior, transmitting papers relating to the pension of Israel Sturges, with certain explanations relating thereto (H. Doc. No. 47)—to the Committee on Invalid Pensions and ordered to print letter of transmittal only.

A letter from the Secretary of the Treasury, transmitting a copy of a letter from the Attorney-General submitting an estimate of appropriation for salaries of district judges (H. Doc. No. 48)—to the Committee on Appropriations and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a copy of a letter from the Secretary of War submitting an estimate of appropriation for expenses of Brownsville inquiry (H. Doc. No. 49)—to the Committee on Appropriations and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report of survey of Mississippi River, with a view to a 14-foot channel, and consideration of a waterway from Chicago to St. Louis (H. Doc. No. 50)—to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. WICKERSHAM: A bill (H. R. 10576) to provide for the purchase of a site and the erection of a public building thereon at Juneau, in the Territory of Alaska—to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 10577) to amend an act entitled "An act for the protection of the lives of miners in the Territories," and for other purposes—to the Committee on Mines and Mining.

By Mr. HANNA: A bill (H. R. 10578) to establish a fish-culture station at the city of Fargo, in the State of North Dakota—to the Committee on the Merchant Marine and Fisheries.

By Mr. GREENE: A bill (H. R. 10579) to promote the merchant marine and foreign trade of the United States, to provide auxiliaries for the national defense, and for other purposes—to the Committee on the Merchant Marine and Fisheries.

By Mr. SIMS: A bill (H. R. 10580) providing for the establishment of a system of local rural parcel post—to the Committee on the Post-Office and Post-Roads.

Also, a bill (H. R. 10581) relating to star-route mail contractors, etc.—to the Committee on the Post-Office and Post-Roads.

Also, a bill (H. R. 10582) relating to star-route mail contractors, etc.—to the Committee on the Post-Office and Post-Roads.

By Mr. ANDREWS: A bill (H. R. 10583) giving pensionable status to United States volunteers who had rendered prior service to Confederate States army, and for other purposes—to the Committee on Invalid Pensions.

By Mr. HAMER: A bill (H. R. 10584) authorizing States and Territories to select lands in lieu of lands included within forest reserves—to the Committee on the Public Lands.

By Mr. MURPHY: Resolution (H. Res. 75) directing the Secretary of the Interior to transmit to the House of Representatives the report of Cyrus Bede, Indian inspector—to the Committee on Indian Affairs.

By the SPEAKER: Memorial of the legislature of Wisconsin, favoring federal aid for road improvement—to the Committee on Agriculture.

Also, memorial of the legislature of Wisconsin, praying for legislation to prevent the increase of railroad rates except upon notice filed with the Interstate Commerce Commission—to the Committee on Interstate and Foreign Commerce.

By Mr. KOPP: Memorial of the legislature of Wisconsin, asking Congress to enact a law providing for physical valuation of railroads—to the Committee on Interstate and Foreign Commerce.

By Mr. ESCH: Memorial of the legislature of Wisconsin, asking Congress to enact a law providing for physical valuation of railroads—to the Committee on Interstate and Foreign Commerce.

By Mr. CARY: Memorial of the legislature of Wisconsin, asking Congress to enact a law providing for the physical valuation of railroads—to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 10585) to muster out and grant an honorable discharge to Sampson McGhee—to the Committee on Military Affairs.

By Mr. BROWNLOW: A bill (H. R. 10586) granting an increase of pension to Edgar H. Cooper—to the Committee on Invalid Pensions.

By Mr. CLINE: A bill (H. R. 10587) granting an increase of pension to William A. Withers—to the Committee on Invalid Pensions.

By Mr. COCKS of New York: A bill (H. R. 10588) granting an increase of pension to Margaret Kuhlwein—to the Committee on Pensions.

By Mr. CULLOP: A bill (H. R. 10589) granting an increase of pension to John A. Thomas—to the Committee on Invalid Pensions.

By Mr. ELVINS: A bill (H. R. 10590) granting a pension to Louisa H. Highley—to the Committee on Pensions.

Also, a bill (H. R. 10591) to carry into effect the findings of the Court of Claims in the matter of the claim of the county court of Ste. Genevieve County, Mo.—to the Committee on War Claims.

By Mr. FITZGERALD: A bill (H. R. 10592) granting an increase of pension to Cornelius Horgan—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10593) granting an increase of pension to Enoch W. Lawrence—to the Committee on Invalid Pensions.

By Mr. GRANT: A bill (H. R. 10594) granting a pension to Thomas J. Bradshaw—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10595) to complete the military record of Dolphas McCraery—to the Committee on Military Affairs.

By Mr. HANNA: A bill (H. R. 10596) granting an increase of pension to Ole O. Jordet—to the Committee on Invalid Pensions.

By Mr. HUBBARD of West Virginia: A bill (H. R. 10597) granting an increase of pension to William A. Newman—to the Committee on Invalid Pensions.

By Mr. KENDALL: A bill (H. R. 10598) granting an increase of pension to William A. Mallonee—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10599) granting an increase of pension to Albert N. Barnes—to the Committee on Invalid Pensions.

By Mr. KENNEDY of Ohio: A bill (H. R. 10600) granting a pension to Annie Bye—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10601) granting an increase of pension to Henry Older—to the Committee on Invalid Pensions.

By Mr. KOPP: A bill (H. R. 10602) granting an increase of pension to Lewis Sippy—to the Committee on Invalid Pensions.

By Mr. McCALL: A bill (H. R. 10603) granting an increase of pension to William W. Lindsey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10604) to correct the military record of Henry A. Hunting—to the Committee on Military Affairs.

Also, a bill (H. R. 10605) to amend the military record of Aaron T. Wakefield—to the Committee on Military Affairs.

By Mr. MURPHY: A bill (H. R. 10606) granting an increase of pension to John W. Jones—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10607) to remove the charge of desertion from the military record of John C. Bennett—to the Committee on Military Affairs.

By Mr. PARKER: A bill (H. R. 10608) granting an increase of pension to August C. Studer—to the Committee on Invalid Pensions.

By Mr. SIMMONS: A bill (H. R. 10609) granting an increase of pension to Lovina C. Smith—to the Committee on Invalid Pensions.

By Mr. TENER: A bill (H. R. 10610) granting an increase of

pension to Joseph Swihart—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10611) granting an increase of pension to James D. Leech—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10612) granting an increase of pension to William H. Fetter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10613) to correct the military record of Harvey H. Young—to the Committee on Military Affairs.

By Mr. THOMAS of Kentucky: A bill (H. R. 10614) granting an increase of pension to John L. G. Thompson—to the Committee on Invalid Pensions.

By Mr. WOODYARD: A bill (H. R. 10615) granting an increase of pension to George T. Coltrider—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10616) granting an increase of pension to George Ward—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10617) for the relief of the heirs of A. G. Hoyman, deceased—to the Committee on War Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By the SPEAKER: Memorial of the Councils of the Order of United American Mechanics, of Steelton, Wanamie, and Philadelphia, Pa., praying for legislation for the exclusion of Asiatics—to the Committee on Foreign Affairs.

By Mr. ANDERSON: Petition of William Demuth & Co., of New York, N. Y., against restitution of 25 per cent duty on brier wood—to the Committee on Ways and Means.

By Mr. CALDER: Petition of American Forestry Association, for creation of Appalachian and White Mountain forest reservation—to the Committee on Agriculture.

Also, petition of William Demuth, against restitution of 25 per cent duty on brier wood—to the Committee on Ways and Means.

Also, petition of sundry bonding and surety companies against appropriation of $200,000 for creation of a fidelity bond bureau—to the Committee on Appropriations.

Also, petition of Austin, Nichols & Co., of New York, N. Y., against increase of duty on sweetened biscuits—to the Committee on Ways and Means.

Also, petition of Flandrau & Co., of New York City, against raising tariff on foreign automobiles—to the Committee on Ways and Means.

By Mr. CLINE: Petition of Woman's League and 30 others, of Fort Wayne, Ind., for reduction of duty on gloves and hosiery—to the Committee on Ways and Means.

By Mr. COCKS of New York: Petition of Washington Camp, No. 9, Patriotic Order Sons of America, of College Point, N. Y., for abrogation of extradition treaty with Russia—to the Committee on Foreign Affairs.

By Mr. HANNA: Petition of many business men of Dickinson, N. Dak., against parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. HAYES: Papers to accompany bills for relief of Theo. Messenger and David W. Travis—to the Committee on Invalid Pensions.

By Mr. HEALD: Petition of Wilmington Board of Trade, for creation of a national department of public works, chief of same to be member of the Cabinet—to the Committee on Interstate and Foreign Commerce.

By Mr. LOVERING: Petition of citizens of Sandwich, Mass., against increase of duty on gloves—to the Committee on Ways and Means.

By Mr. MACON: Paper to accompany bill for relief of Mrs. America C. Hatley—to the Committee on Invalid Pensions.

By Mr. MANN: Petition of Commercial Exchange, of Philadelphia, Pa., favoring treaty of reciprocity with Canada—to the Committee on Ways and Means.

Also, petition of board of presidents and ex-presidents of United Societies of Philadelphia for Relief and Protection of Immigrants, against raise of tax from $4 to $10 on immigrants—to the Committee on Immigration and Naturalization.

Also, petition of National Agricultural League, in New York City, for removal of duty on wood pulp—to the Committee on Ways and Means.

By Mr. PATTERSON: Paper to accompany bill for relief of Claude M. Crawford—to the Committee on Pensions.

By Mr. RUCKER of Missouri: Petition of many business men of Newtown, Mo., against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. SCOTT: Petition of Bankers' Association of Kansas and Mercantile Club of Kansas City, urging early vote on the tariff bill—to the Committee on Ways and Means.

By Mr. YOUNG of Michigan: Petition of Red Jacket Lodge, Brotherhood of Railway Trainmen, No. 367, of Calumet, Mich., favoring S. 1986 and H. R. 7553, full-crew law—to the Committee on Interstate and Foreign Commerce.

SENATE.

FRIDAY, *June 11, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, D. D., of the city of Washington.

The VICE-PRESIDENT resumed the chair.

The Journal of yesterday's proceedings was read and approved.

ACTS OF PORTO RICO.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a copy of the acts and resolutions of the fourth legislative assembly of Porto Rico, in special session, September 8 to 18, 1908, which, with the accompanying paper, was referred to the Committee on Pacific Islands and Porto Rico.

PRICES OF AGRICULTURAL IMPLEMENTS.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of Commerce and Labor, transmitting, in further response to a resolution of the 7th instant, certain additional information relative to the prices at which agricultural implements manufactured in the United States are sold in foreign countries (S. Doc. No. 6, pt. 2), which, with the accompanying papers, was referred to the Committee on Finance and ordered to be printed.

PETITIONS AND MEMORIALS.

Mr. DEPEW presented a petition of William McKinley Council, No. 125, Junior Order United American Mechanics, of Lockport, N. Y., praying for the passage of the so-called "Overman amendment" to the pending tariff bill, proposing to increase the head tax on immigrants from $4 to $10, which was ordered to lie on the table.

He also presented memorials of members of the M. B. Brown job room chapel, of New York City; of the Street & Smith electrotype chapel, of New York City; and of the J. J. Little & Ives chapel, of New York City, all in the State of New York, remonstrating against the inclusion in the new tariff bill of any duty on news print paper and wood pulp, which were ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. NELSON, from the Committee on Public Lands, to whom was referred the bill (H. R. 9609) to grant to John Rivett privilege to make commutation of his homestead entry, reported it without amendment.

Mr. MARTIN, from the Committee on Commerce, to whom was referred the bill (S. 2459) authorizing the Minnesota, Dakota and Pacific Railway Company to build a bridge across the Missouri River, reported it with amendments and submitted a report (No. 6) thereon.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PAGE:

A bill (S. 2596) granting an increase of pension to Hobart J. Marr;

A bill (S. 2597) granting a pension to Annie E. Belden;

A bill (S. 2598) granting an increase of pension to Augustus J. Crane; and

A bill (S. 2599) granting an increase of pension to Augustus F. French (with the accompanying papers); to the Committee on Pensions.

By Mr. PERKINS:

A bill (S. 2600) granting a pension to Margaret Samuel Sprigg; to the Committee on Pensions.

By Mr. DU PONT:

A bill (S. 2601) granting an increase of pension to Charles H. Windsor (with the accompanying papers); to the Committee on Pensions.

AMENDMENTS TO THE TARIFF BILL.

Mr. CLARK of Wyoming submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was referred to the Committee on Finance and ordered to be printed.

Mr. McCUMBER submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue,

equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

THE TARIFF.

The VICE-PRESIDENT. Is there further morning business? If not, the morning business is closed, and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The Secretary will state the pending amendment.

The SECRETARY. Page 133, paragraph 380; no amendment in the paragraph.

Mr. ALDRICH. I understood the pending question to be on the amendments offered by the Senator from Wisconsin [Mr. LA FOLLETTE.]

The VICE-PRESIDENT. The Chair understands that the various amendments offered by the Senator from Wisconsin are, by unanimous consent, to be voted on en bloc.

Mr. ALDRICH. Yes; together. I ask that the vote be taken by yeas and nays.

The yeas and nays were ordered.

The VICE-PRESIDENT. The question is on agreeing to the amendments offered by the Senator from Wisconsin.

Mr. CUMMINS. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Gallinger	Overman
Bacon	Crane	Guggenheim	Page
Beveridge	Crawford	Heyburn	Paynter
Brandegee	Cullom	Hughes	Penrose
Briggs	Cummins	Johnson, N. Dak.	Perkins
Bristow	Curtis	Kean	Piles
Brown	Davis	La Follette	Rayner
Bulkeley	Depew	Lodge	Root
Burkett	Dick	McCumber	Scott
Burnham	Dillingham	McEnery	Smoot
Burrows	Dolliver	McLaurin	Stephenson
Burton	Elkins	Martin	Stone
Carter	Flint	Money	Sutherland
Chamberlain	Foster	Nelson	Taylor
Clapp	Frazier	Nixon	Tillman
Clark, Wyo.	Frye	Oliver	Warren

Mr. PILES. My colleague [Mr. JONES] is necessarily detained for a short time this morning.

Mr. FRYE. My colleague [Mr. HALE] is detained at home by ill health.

Mr. BURROWS. My colleague [Mr. SMITH of Michigan] is necessarily absent from the Chamber.

The VICE-PRESIDENT. Sixty-four Senators have answered to the roll call. A quorum of the Senate is present.

Mr. CUMMINS. Mr. President, I understand the question before the Senate is upon the amendments offered by the Senator from Wisconsin [Mr. LA FOLLETTE]. I intend to vote for these amendments, not because I am absolutely sure that they are right, but because I am absolutely sure that the paragraphs which they seek to amend are wrong. I have had sufficient opportunity this morning to examine the amendments offered by the Senator from Wisconsin to ascertain that they employ a correct principle, and I believe that the conclusions reached are accurate. I have not had time, however, to personally apply the principle announced in the amendments to the various paragraphs to which they are directed.

I have risen, Mr. President, not so much to attempt to further explain these amendments as to make some suggestions relating to the schedule as a whole, which I hope will meet with favor on the part of the Finance Committee. I have very little hope that the amendments offered by the Senator from Wisconsin will be adopted. The history of this schedule in its discussion here rather teaches us that the amendments will not be adopted, not because they are wanting in merit, but because they do not meet the approval of the Finance Committee.

I intend, if these amendments are unsuccessful, to present a motion to recommit the schedule to the Finance Committee. I can not believe that the members of this committee remain indifferent to the showing that has been made with respect to the injustice and inequality of the duties that they have reported. I can understand that they may not agree with the amendments offered by my colleague, the Senator from Iowa [Mr. DOLLIVER]; I can understand that they are not satisfied with the amendments offered by the Senator from Wisconsin; but I can not and I will not believe, until I am compelled to do it through the medium of a vote, that the members of this committee are unwilling to make the changes in some form, in some manner, that are so imperatively required by the undisputed facts as they have been developed in this debate. Therefore, inasmuch as they do not like the amendments which have been offered for the purpose of correcting these obvious defects, I want to give them an opportunity to correct them in their own way, under instructions which I believe will represent the real sentiment of this body, as I know that they will represent the real sentiments of the great majority of the people of the United States.

I intend to take up the schedule, not for the purpose of attempting to add to the richness of illustration presented by my colleague, not to attempt to add to the fullness and the conclusiveness of the showing presented by the Senator from Wisconsin, but to suggest to the committee plain and obvious defects which demand a remedy.

It will not do, Mr. President, to assume that the people are unacquainted with the woolen schedule. There is nothing mysterious about the woolen schedule. There is nothing difficult to understand about the woolen schedule. Its wrongs are just as apparent as though they had been written across the face of the bill in letters of fire. The people have been studying this schedule for a good many years. The demand for a revision of the tariff arose partially out of a knowledge of the injustice of the woolen schedule. It is quite true that the people as a whole have not given a technical study to every schedule in this tariff bill. There were a few of the schedules, however, which came into intimate contact with their daily lives and the merits of which they were compelled to consider day after day and night after night. The steel schedule was one of them; the lumber schedule was one of them; the woolen schedule was another of them; and it is a grievous error to suppose that the great part of the thinking, studious men of the United States do not understand the woolen schedule sufficiently to have a judgment with respect to it.

I have been debating the woolen schedule before the people of Iowa for eight years. I have given it some study during these eight years, and my people know something with regard to the consequences and the effects of these duties. I shall in a very brief time point out what I know and what you know, because what I know arises from information just as open to all of you as it has been to me.

We all want to protect the woolgrower. I have no suggestion to make that will indicate a desire upon my part to reduce the duty on wool. I believe that the duty on wool is due to the woolgrower of the United States, for the reason that it costs that much more in the United States, all things considered, to raise wool than it does to produce it in those countries with which we must compete. The duty on wool is amply, it is fully, it is completely vindicated by the policy of the Republican party and by the platform whose behests we ought to carry out in this revision of the tariff. Therefore, I have nothing to say touching any reduction in the duties upon wool.

I intend to offer presently a motion, which I may as well read at this time, in order that I may direct my remarks directly to it.

I shall move to recommit Schedule K, with instructions to again consider the same and to report a schedule as follows, to wit: First, with the duties on wool unchanged; second, with so-called "compensatory duties" to the woolen manufacturers that will measure the difference between the price which domestic manufacturers pay for wool and the price paid by their chief foreign competitors; third, a further duty upon imported woolen manufactures that will represent the difference between the cost of production at home and abroad, with a fair manufacturer's profit added, less the compensatory duties already given to domestic manufacturers because of the higher price they are compelled to pay for wool.

We have been treating our tariff and our platform at times as though the measure of protection was simply the difference between wages, or the efficiency of labor, if you please, at home and abroad. That is not the test. It never has been and it never ought to be. Our test of protection is a duty that will enable the domestic manufacturer to meet his rival in the markets of his own country successfully and carry on with a fair profit the enterprise in which he is engaged. That measure of duty involves a consideration, not only of the difference between the cost of labor at home and abroad, but it involves a consideration of the difference between the cost of materials at home and abroad; and it is just as essential to protect our manufacturers against the added cost of material as it is to protect them against an added cost of labor, if they are to meet their competitors in our markets successfully.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Idaho?

Mr. CUMMINS. I do.

Mr. HEYBURN. I should like to ask a question. I think I will first take occasion to say that the presentation of the question by the Senator from Iowa this morning is the clearest presentation of his position, and the position of his party and those who control it that has been made. How much of a margin would you give the American manufacturer in the field of the production of wool and in the field of the manufacture over and above the even balance between home and abroad? That is the interesting question.

Mr. CUMMINS. That margin of balance can not be defined. It is better determined by experience than by the attempt to express it in a definite percentage.

Mr. HEYBURN. We would have to do it.

Mr. CUMMINS. Precisely; and it is, therefore, a matter of sound judgment. It must be remembered, however, that the foreign manufacturer must make profit as well as the domestic manufacturer. The end——

Mr. HEYBURN rose.

Mr. CUMMINS. Allow me to complete the sentence. The end to be sought, after all, is the meeting of the two manufacturers in our markets, with an advantage on the side of our manufacturer. That is the rule which should be applied. It is the rule which I recognize and have attempted to enforce in every vote I have given in this Chamber and in every word I have attempted to express upon the subject.

Mr. HEYBURN. Mr. President, that brings us to the question as to who is to determine what is the margin of profit which our producer, whether he produces the raw material or the manufactured product, should have as against the foreign competitor, and who should fix it. I contend that the producer should fix it. There has been a contention here that we should fix it through the medium of the duty.

Mr. CUMMINS. Mr. President, therein lies the difference between the Senator from Idaho and myself. I say it is the duty of the Senate to fix that difference. It is inseparable from the duty that is involved in the making of a tariff law. We must derive our information from every source from which we can obtain it. It is not fair to accept the statement of the domestic manufacturer without allowance. It is not fair to accept the statement of one who desires to import goods into our country without allowance. We must try that question precisely as we are compelled to try all questions, and give to it our most intelligent, dispassionate, and impartial consideration, and reach a judgment upon it giving, I agree, the benefit of the doubt to our own manufacturers.

Mr. HEYBURN. Would it interrupt the Senator if I should ask him one more question?

Mr. CUMMINS. Not at all.

Mr. HEYBURN. Would not such a bill be correctly entitled "A bill to protect the foreign competitor against the American producer?"

Mr. CUMMINS. Mr. President, on the contrary, it would be a bill named just as this one is named—a bill to give to our manufacturers our market, provided those manufacturers are willing to occupy it with a fair and reasonable profit upon the ventures in which they are engaged; but if they are not willing to take our market without advancing their profits beyond a fair and reasonable allowance upon the capital which they have invested in their enterprises, then they have no right to occupy it, and it is the highest patriotism to invite somebody else to occupy it if our own manufacturers and our own producers will not do this simple justice to those who must use and consume their products.

Mr. HEYBURN. Mr. President, if the Senator will allow me to retract and interrupt him once more——

Mr. CUMMINS. Gladly.

Mr. HEYBURN. The serious question in my mind—though it has not been very serious, either—but the question in my mind that has always practically controlled it, has been who should determine what was a reasonable profit to our people—not to the foreign producer, but to our people. I should like to suggest to the Senator that the rule he suggests as to profits might be applicable to large enterprises, but it would absolutely wipe out small enterprises, because they must make a larger percentage than the large ones.

Mr. CUMMINS. Mr. President, I do not think the Senator from Idaho understands my position. The Senate and the House of Representatives must fix these duties; and these duties determine whether our manufacturers shall take our market or whether the foreign manufacturers shall take our market. Therefore it is necessarily an exercise of judgment upon the part of the Congress of the United States. If the Senator from Idaho means to assert that the Senate must accept the opinion of a manufacturer as to the terms upon which he can enter and occupy our market, I repudiate that idea, because then the ordinary natural selfishness of the human heart would leave no limit whatsoever to our duties. There is not a manufacturer in the United States but who, if he could have his own way, would prohibit the importations of articles made in the business in which he is engaged; there is not a woolen manufacturer in the United States who, if he had his own way, but would put such a duty upon every yard or pound of woolen cloth that it would be utterly impossible under any circumstances, no matter how high the domestic manufacturer might raise his price, to relieve that injustice by the competition of a foreign concern. I can not think that we will ever accept, or that we ever have accepted, any such criterion for the composition of our tariff laws.

Now, I come directly to the schedule under consideration. I am delighted that the Senator from Montana [Mr. CARTER] does me the honor to make one of my auditors in the Senate Chamber. I wish the Senator from Wyoming [Mr. WARREN] did me a like honor, for I intend to talk to them and men like them, because they represent, and they are chiefly interested in, the protection of the woolgrower. I have no greater interest in the woolgrower than I have in the woolen manufacturer, because I do not represent a State that is largely, at least, concerned in the growing of sheep. We have a great many sheep; we should like to have more; but as I view the economic side of this particular question as it relates to my particular State, we can put our farms to a little better use, in the main, and to a little more profitable use, in the main, than the breeding and development of sheep. Therefore it seems to me that I speak from a somewhat impartial standpoint.

Let us see, first, looking at it from the woolgrower's point of view, what the woolgrower wants. Assuming that this duty is sufficient—and I shall not discuss that, because I do not ask the committee to change the duty on wool in any way—he wants, first, a duty so imposed that it will increase the price of his wool. He wants a price for his wool that he could not get if he were in competition with the world. I turn to the Senator from Utah [Mr. SMOOT], who has given the subject profound study, and I am glad to see that he nods assent to that proposition. If that is not true, then the whole schedule is a delusion, a snare, a sham, and a farce.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Idaho?

Mr. CUMMINS. I do.

Mr. HEYBURN. If the Senator will permit me, I understood him to state the proposition that the first thing that the woolgrower wants is protection; that is, a duty upon wool. That is not the first thing he wants. He wants, first, a market at home.

Mr. CUMMINS. Mr. President, the Senator from Idaho is simply quarreling with me as to precedence. I was about to state the other fundamental, the other essential, of this schedule so far as the woolgrower is concerned; and I assure the Senator from Idaho that I will give the suggestion he has just made sufficient prominence to satisfy anyone.

I repeat that the first consideration for the woolgrower is a duty on wool that will add the amount of the duty to the world's price.

Mr. President, I do not, of course, concur with the general view of my associates on the other side of the Chamber that the duty is always added to the price of the product. On the contrary, there are a great many things within these schedules in which the duty is not added to the price which the American consumer must pay. I admit that. If I could not admit that, if I could not believe it, I should not be a protectionist, as I am. In the case of wool, however, in the case of a product which we produce in a lesser quantity than our market demands and uses, I say that the duty on wool, as a broad and general proposition, is added to the American price of wool, and in its operation accomplishing that result the woolgrower is benefited by the duty so imposed. If the duty is not added to the price of wool, then this bill commits the gravest outrage in giving to the manufacturer a compensatory duty based upon the hypothesis that he pays more for his wool than does his foreign competitor. To me the proposition that I have just outlined is irrefutable; there is no one who can assail it, and I am in favor of it because it does raise the price of wool to the American woolgrower. If it did not, I could not find it in my conscience to give my adherence to any plan of industrial economy that involves or embraces a schedule of this character.

Therefore I begin this investigation from the point of view that the woolgrower first wants to increase the price of his product by the amount of this duty; and it is our obligation, having assumed that as the basis of this schedule, to see that throughout he gets the benefit of the duty so imposed. I make the suggestion merely in passing that the reason, as I

view the subject, that the American woolgrower is not now supplying the entire American market lies in the fact that he does not get the benefit of the full duty that we have imposed in the first paragraph of this schedule upon his product.

Now, as to the second thing which the woolgrower wants. I am quite willing to put it first, if you please, because there are no ranks in these necessities; you can not rank necessities. If a thing is absolutely essential to a man's life or to the prosperity of his business, then one of them is just as high in rank as the other; and I agree with the Senator from Idaho that the second in order, though not in importance—equal in importance—that the American woolgrower has a right to ask is a market in which he can dispose of his product; that is a created condition, which will require the manufacturer of woolens in the United States to buy his wool, and all the wool that he produces, at the price enhanced by the duty laid upon wool. If you have not accomplished these two things for the woolgrower, then your efforts here will end in dismal failure, as they have ended in times past in partial failure. Therefore we have the woolgrower now wanting, first, that price for his wool created by the imposition of 11 cents a pound upon one class of wool, 12 cents a pound upon another class of wool, and 4 cents a pound, I believe, upon another.

Mr. WARREN. The duty on first-class wool is 11 cents a pound, on second-class wool 12 cents a pound; on third-class wool 7 cents a pound for wool worth over 12 cents; and 4 cents a pound for third-class wool worth 12 cents or less per pound.

Mr. CUMMINS. Those are the changes made by the pending bill. I had the present law in mind.

Mr. WARREN. The proposed rates are as I have stated them to the Senator.

Mr. CUMMINS. Precisely. I had it in mind accurately. You want a market that will enable him to dispose of this product at that amount above the amount which these manufacturers could buy their wool for if they were admitted into the markets of the world. Now, I want that conclusion, theoretical as announced in the bill, to be realized in fact; and I want to do nothing that will destroy by a hair's breadth the encouragement that has been given and that ought to be given to the producers of wool.

The agriculturists of the United States are benefited by a protective tariff, vastly benefited, as I will admit, yet there are but few of the products of the soil, there are but few of the products of the farm that are directly the beneficiaries of the protective tariff, and, therefore, when we can find one, I want to do what I can do to see that it receives all the benefit and all the advantage which a protective tariff can confer upon it.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Idaho?

Mr. CUMMINS. I do.

Mr. HEYBURN. Would the Senator object to specifying what products of the farm are not protected in his State?

Mr. CUMMINS. There are a great many things that are not protected, as I view the situation. I know that my friend the Senator from North Dakota [Mr. McCUMBER] does not agree with me in respect to these things; but I do not believe that we in Iowa receive any direct benefit for the 400,000,000 bushels of corn that we raise every year; I do not believe that we receive any direct benefit from the duty on the 8,000,000 or 10,000,000 hogs that we market every year; I do not believe that of the $700,000,000 of agricultural products that we pour every year into the channels of trade protection advances the price of a tithe of them.

I want Senators to remember that I come from a State that probably puts more in value into the channels of trade every year than any other State of the Union in agricultural products. We will this year supply the people of the United States and the people of the world with a product that will surpass in value $700,000,000, and it is idle for even any enthusiast to assert that the price of these products is directly affected by the protective tariff. We are benefited, however—and I want, in passing, to acknowledge the benefit, for I am just as firm a believer in the policy of saving our own markets as one who may live in New England, in New York, or in California—we are benefited because protection creates a great, prosperous multitude of men and women and children in America who use our products, who are able to buy them, and who are able to pay for them. If, instead of exporting from the United States something like $800,000,000 in a year of agricultural products, we were compelled to export practically all, or a very large proportion of the things which we produce of that kind, then the price in America would be very much less than it is now for all of them. I want no man to be able to accuse me of any infidelity or want of allegiance to the doctrine of protection simply because we are not directly and immediately advantaged by the protective law. But here is a point where protection does help the agricultural producer. It adds just that much to the value, to the price, of his yearly output of wool.

Mr. WARREN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Wyoming?

Mr. WARREN. Would it disturb the Senator if I made an observation there?

Mr. CUMMINS. It would not.

Mr. WARREN. The Senator is proceeding in a very able and in a very fair way, and I think, from the drift of his remarks, I see where he will probably land in the matter of the duty on wool. As the Senator proposes to be candid and fair, I want to be just as candid and fair.

The protection upon wool is valuable, and without it the woolgrower of this country can not succeed. It is valuable to him because it does raise the price of his product sufficiently so that he can pay the difference in labor and the difference in other expenses, for that is the plan of the protective tariff system in this country. There never has been a plan—and I do not know that there ever will be during my lifetime—where the levying of a duty is ideal; but the trouble here comes in the hundreds of varieties of wool, sometimes even in the same flock. There is an individuality about the growth of wool upon sheep much the same, and, perhaps, I might go further and say even more than the individuality of the hair on men's heads or the features of men's faces. The duty of 11 cents on first class was applied upon the supposition that wool shrunk two-thirds—it is 33 cents on scoured wool. Of course, wool seldom comes in scoured, because the wools of other countries, or some of them, shrink less, and because in late years we have always permitted, as I have said, a concession as to skirted wool.

What we fear in the change which the Senator's colleague [Mr. DOLLIVER] so ably espouses is this: An ad valorem duty has never in all of the existence of the country and the growth of the wool industry been satisfactory to the woolgrowers, for many reasons. I will simply mention two for the Senator to consider as he goes along. One is the impossibility of application practically—and when I say "impossibility," I mean so far as we know at present. The second is this: In order to raise wool, of course the farmer has to have sheep and they have to be cared for. He has to have his mother flock, and it is a matter of years to bring the flock up. He must have from year to year a sufficient income to support his business or it goes to the wall.

In times when the world's product goes up and goes down, there is a great variation in the price of wool. If he is raising at a high expense a clip of wool and the world's market goes down, and he goes into the market where wool is, we will say, 10 cents a pound, that is the very time when he needs the most protection, but under an ad valorem system it is the very time when he gets the least, because if the duty were 45 per cent and the price of wool were 10 cents he would get but 4½ cents per pound protection. A year or two of that kind would, to use the phrase of the farmer, "clean him out," and he would have no sheep left, and when the pendulum swings, and the year comes when wool is worth 20 cents, he can not avail himself of the benefit, because his sheep are gone. On the other hand, the price of wool might go to 30 cents. Then, under an ad valorem system, he would have protection amounting to 13½ cents at the time when he needed it least. So that the adoption of an ad valorem system, even though the ad valorem could be determined all right, would not give the woolgrower the assistance that a specific duty does, even though the latter may be somewhat imperfect. I want to say to the Senator that to all the western wool that we grow the duty of 11 cents is not applicable as 11 cents. It amounts to about 7 or 7½ cents actually, because that is the average, shrinkages considered.

In the large study I have given to this question, I have never found, up to the present time, a better method than that now proposed, and I do not see any prospect of a better method.

So the woolgrower had better stick to what he has than to adopt some new principle or idea that will weaken him in his protection.

The woolgrower under the present tariff is fairly successful, and our numbers are increasing, taking the United States together. The trouble has been heretofore that when he has gone up 10 stairs toward success, some change in the tariff has been made which has knocked him down 9, and he has had to recover those 9 stairs before he could start over again from a place as high up as he was before.

Mr. CUMMINS. Mr. President, the Senator from Wyoming is in error. Of course, I have not suggested anything up to this time——

Mr. WARREN. I had no reason to say that, except the general drift of his remarks. So, if I have offended the Senator, I will withdraw that.

Mr. CUMMINS. That would furnish the foundation for the argument made by him. I admit the force of the argument of the Senator from Wyoming. I would not willingly change an existing specific duty into ad valorem, and never unless it becomes absolutely necessary to correct a far greater injustice than the imposition of ad valorem can inflict.

Mr. WARREN. Mr. President——

Mr. CUMMINS. Just a moment, if the Senator will allow me.

Mr. WARREN. I want to thank the Senator for his statement, and to say I am sorry I misunderstood him.

Mr. CUMMINS. I began my argument before the Senator from Wyoming came into the Chamber, and I think I had better repeat that part of it, or at least state that part of it, so that he may know it, inasmuch as I am really appealing to the Senator from Wyoming and the Senator from Montana as representing at least the foundation stone in this great structure. I am speaking now upon a motion, which I intend to make when these amendments are disposed of, to recommit this schedule to the Finance Committee with instructions. I have stated that the inaccuracy and, as I thought, the injustice of the schedule had been shown so clearly and positively that no man could deny the force of the facts that have been developed. I suggested that the Finance Committee evidently was not satisfied with the amendments offered by my colleague [Mr. DOLLIVER].

Mr. ALDRICH. I think perhaps the Senator had better amend his statement by saying that the Senate was not satisfied.

Mr. CUMMINS. Mr. President, I know that to be true; but I am sure that I am accurate when I say that the Finance Committee was not satisfied with the amendments, because not a single member of the Finance Committee voted for them.

Mr. ALDRICH. That is very true, for the very best of reasons, I think.

Mr. CUMMINS. Mr. President, I shall not now enter into the reasons, but the Senator from Rhode Island ought not to correct me until I make a misstatement. I said that the Finance Committee was not satisfied with the amendments. I did not know, however, and do not know yet, that the Finance Committee is blindly, determinedly adhering to a schedule that has been shown here to be so imperfect and so inadequate and so antiquated as to be incapable of meeting present conditions. I am trying to convince the Finance Committee now. I am not in opposition to it; I am not challenging motives; and I am not aspersing character; but I want you to listen to me, and if I convince you that you ought to make some change, then what I ask is that you take the subject and make the change under certain instructions and following out certain principles.

I realize how difficult it is for a Senator on the floor to present amendments upon a subject like this which will compose a harmonious whole. I can understand some of the repugnance of the Finance Committee to accept these amendments, however just and meritorious they may seem to be. I can understand how the Committee on Finance would prefer, if it is convinced, as I intend to convince it, if it is not already convinced, that there ought to be a change here, to retake this schedule and rewrite it from that comprehensive standpoint the committee now occupies.

I had stated the difficulties about accepting these amendments which have been offered by my colleague and by the Senator from Wisconsin, and I proposed to move to recommit the schedule with certain instructions, and the very first instruction was to leave the duty on wool unchanged; and therefore the Senator from Wyoming was quite in error when he assumed that I am requesting the Finance Committee in this motion to put an ad valorem duty on wool. I do not ask it. I recognize all the difficulties that have been so graphically pointed out by the Senator from Utah and the Senator from Wyoming.

I have, as it seems to me, sufficiently pointed out that what the farmer wants is to see the duty carried through the manufacture of woolen garments and woolen cloths. He wants to get in the one case 11 cents a pound, and in the other 12 cents, and in the other 4 cents, and in the other 7 cents upon his wool. He wants to see the result of those duties in the ultimate product into which his wool goes, and therefore, as I said, and I repeat, he wants a market that will take his wool at that price; and therefore he is just as much interested in the prosperity of the woolen manufacturer as he is in his flock of sheep, because the duty on wool would be of no value to him if the woolen manufacturer should pass out of existence. Therefore I am in favor, thoroughly and heartily in favor, of giving to the woolen manufacturer that measure of protection which will enable him to hold our market reasonably against his foreign competitor.

We come now to the next step in this argument. What does the woolen manufacturer want? I do not mean what his avarice or greed prompts him to ask, but what does he need in order that he may hold his own market, may manufacture the wools of the United States as well as those he must import, and sell them at a profit to his own people? I look at the subject from the manufacturer's standpoint for a moment. What he needs and what he must have is a compensation that will put him upon even terms with his foreign competitor with respect to the price of the wool which he must buy in order to carry on his undertaking. Is there a Senator here who disagrees with that proposition?

Mr. HEYBURN. Yes; I disagree with the "even terms." I disagree with the rule which gives the American producer only even terms. He must have an advantage and a very decided one before my idea of protection is realized.

Mr. CUMMINS. The Senator from Idaho has so keen a mind, it advances so rapidly to the ultimate end, that he often assumes that a speaker is omitting consideration of the element which he attempts to inject. I have no objection whatever to the suggestion of the Senator from Idaho. I know that is true, and I will presently bring that element into it. I can not give all the elements at the same moment and in the same sentence.

I repeat that he first needs to be put upon an equality with his foreign competitor with respect to the price of the wool, which is his chief raw material, and if he is compelled to pay more for his wool than the manufacturer of Bradford or any other point in England, Germany, or France, of course he can not get into our markets at all. Therefore the first purpose of this bill, after it leaves the woolgrower, is to give to the American manufacturer that opportunity. We have agreed that the duty on wool raises the American price ordinarily by just the amount of the duty, and the American manufacturer must pay the foreign price with the duty added, and we therefore, in order to sustain and encourage the manufacturer, must give him as a protection a duty that will represent the difference between the price that he must pay for the wool he uses in his work and the price which his English competitor must pay for the wool he buys for his work, providing their output is the same.

That must be perfectly obvious to every person who gives this subject the respect of even casual examination. Therefore I have asked in this instruction to the Finance Committee that it work out some plan to do this and no more, because, if it has not been demonstrated here that the present plan does more than to give to the manufacturer this difference between the price which he pays for wool and the price which his foreign competitor pays for wool, then I would despair of the force of either facts or argument. I do not believe there is a Senator here who will say that what is known in this bill as a "compensatory duty" accurately measures the difference between what the domestic manufacturer in a year pays for his wool and the amount which the foreign manufacturer pays for his wool, and that is what the compensatory duty is for. That is why we levy it. That is why we separate it from what is known as the "protective duty."

We have used in this schedule what is very rarely used—namely, compensatory duties. I do not know—probably the members of the Finance Committee can advise me upon that point—another schedule in the tariff in which the protective duty is separated, so that one part of it may fall upon the material and another part of it upon the other elements or factors of the business. It may be that there are such other schedules, but I do not recall them.

Mr. ALDRICH. The same principle runs through the whole tariff bill.

Mr. CUMMINS. I agree to that, but the practice is confined to this schedule.

Mr. ALDRICH. The practice varies in different paragraphs and schedules according to the articles.

Mr. CUMMINS. I do not believe there is another schedule in the tariff in which expressly, confessedly, there is an attempt to separate the protection that shall be given for the material and the protection that shall be given for labor and other factors of expense.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. Certainly.

Mr. SMOOT. There is a very good reason for that, and I should like to call the Senator's attention to it. There is no

other article manufactured from what may be called the "raw material," as the manufacturer calls wool, that loses so much in the manufacturing. If I could take the Senator into a woolen mill——

Mr. CUMMINS. May I interrupt the Senator from Utah for a moment?

Mr. SMOOT. Yes.

Mr. CUMMINS. I know he is advancing to refute an argument I do not intend to make against this separation. I agree with the Senator's view that the woolen schedule is one in which it must be made. I am not prepared to admit that there are other schedules in which the same separation with propriety might not be made. But I am not arguing against the long-continued practice of separating the protective duty upon the raw material from the protective duty upon the process of manufacturing. What I am attempting here is to make the manufacturer good for the additional price that he must pay for wool, and nothing more, in the so-called "compensatory duties."

I know it has been established by that overwhelming proof which leaves no opportunity for uncertainty or indecision that the woolen manufacturer in these compensatory duties gets more than the difference between the price he pays for wool and the price that the English manufacturer pays for wool. He gets more. First, because the plan of shrinkage is a false and an artificial plan, and does not correspond actually to the experience of men.

The average shrinkage of wool imported in the United States or produced in the United States is not the proportion named in this bill, and therefore the domestic manufacturer does not pay that much more for his wool, as compared with his foreign competitor. I am not going into those figures. They have been amplified and illustrated and poured upon the Senate in such overwhelming current that no man can resist the conclusion, and it is not attempted on the part of the Senator from Montana and the Senator from Wyoming. They very frankly admit that the shrinkage proportion is not the true shrinkage proportion; but they do not know any way, apparently, in which they can substitute a better plan for determining the shrinkage. But there have been pointed out here plans that deserve at least the very careful and prayerful consideration of the members of the Finance Committee. To me it is idle, and worse than idle, to say, in the full noontide of our knowledge and our intelligence and our advance in science, that there is not a better plan for ascertaining the shrinkage in wool than the arbitrary proportion which has been chosen by this committee, and that was chosen forty years ago or more, in order to determine the compensatory duty which manufacturers are entitled to in order to enable them to legitimately and profitably prosecute their enterprises.

Do not go to the people with the statement that the woolgrower of America is not getting the full benefit of his duty and that the wool manufacturer is getting more than his fair compensatory duty because it is impossible to ascertain the real wool in a given bale or fleece or cargo. It is not true, and no man can assert it or will assert it, except as accompanied with that vague and indefinite statement that the modern and the scientific methods for doing justice to the farmer and taking away from the manufacturer his undue advantage are not practicable. There never has been an advance which has not been denounced as impracticable. There never was a new machine that was not rejected because it was too complicated, because it was too mysterious. You can not mention a single step that we have ever taken in the world's progress that was not criticised just exactly as the method proposed or some like method is here criticised with respect to ascertaining the amount of wool in a single package or bale or bundle.

I am doing this with all the earnestness at my command, and I am doing it because for years I have been profoundly convinced that you were doing the people of this country a grave injustice, which can not be corrected or repaired too soon, by continuing this false and artificial plan. That is my first request; that is the first statement with regard to compensation to the manufacturer. You give him more than the additional price that he pays, and if your other duty is right, you give him a part of the profit which should belong to the woolgrower, or if it does not attach to the woolgrower, you give him a part of the money that is due to the people who wear the clothes which are the result of the woolen manufacturer's capital and labor.

I now advance to the second point. What I have stated is upon this hypothesis that you ought to protect the cloth. It is just as fatal to the woolgrower in America to allow foreign cloth to take our markets as it is to destroy the duty on his wool. Everybody understands that. Therefore I want this compensation given so that the manufacturer can live, and all the manufacturers, although I do not intend at this time, and possibly not at any time, to enter into the hardships imposed upon the carded wool manufacturers. But what I have said is based upon the hypothesis that when a hundred pounds of cloth are weighed, that cloth is all wool.

Now I return again to my proposition—and I am going to make it mathematical. I am not going to leave a loophole for escape. What you are trying to do is to put the domestic manufacturer, so far as this part of the duty is concerned, on an even plane with his foreign competitor. That is your object. That is your purpose. You ought to do it. I applaud it. I will do everything in my power to carry it out. There is the foreign manufacturer with his thousand pounds of cloth, we will say, all wool. Here is the domestic manufacturer with his thousand pounds of cloth, all wool. Imagine them coming up into competition with each other.

The compensatory duty, as I have been attempting to describe, fastens itself upon that thousand pounds of woolen cloth and says that before the foreigner can bring in his thousand pounds of woolen cloth he must pay a duty. Mark you, I am not speaking of all the duty that will measure the difference between what the English manufacturer of that thousand pounds paid for his wool and what the domestic manufacturer paid for his wool. I have considered that feature. I am passing now to another phase of the compensatory duty.

Mr. HEYBURN. Before passing to it, is it not well to inquire whether or not you would place the English merchant with his cloth on an equal footing with the American merchant? Would you not give the American merchant a margin of profit which should not be fixed by the English merchant?

Mr. CUMMINS. Certainly.

Mr. HEYBURN. I understood the Senator's statement to be that they were to be started evenly under the law. I would not start them evenly, and I would not allow the foreign merchant to fix the price or the profit of the American merchant.

Mr. CUMMINS. I am getting them ready for a start. I have not yet started them. I will start them presently. You will see we have handicapped the foreign competitor—I am speaking now simply of the compensatory duty. Hold that in your mind. I have already shown by a simple reference to what has occurred here that the manufacturer gets much more than the compensatory duty, simply because the shrinkage proportion is not the true proportion. The shrinkage proportion of the law is not the shrinkage proportion of commerce. But now I pass to another step.

Suppose the English manufacturer has a thousand pounds of cloth and half of it is cotton and half of it wool. He comes with his thousand pounds to the American shores and applies at our custom-houses for admission. We are still offering to give to our manufacturer the compensation which is due him on account of the difference in the price of wool in England and the United States. But what more do we do? We again exact toll of the wool producer in the United States or we exact it of the consumer in the United States, possibly one and sometimes the other, by putting a duty upon that cloth in favor of our own woolen manufacturers, not measured by the difference between the price that the English manufacturer had to pay for the wool in that cloth and the price which the home manufacturer must pay for the wool in a like cloth, but we exact a duty upon the hypothesis that the cloth thus presented is all wool, and we thus give to the woolen manufacturer of America as a compensatory duty relating to the price of the wool a still further unfair and unjust advantage.

I am not saying there should be no duty assessed on the cloth, with respect to that portion of it which is not of wool, but we do not want any compensatory duty upon it because the home manufacturer gets his cotton cheaper than the English manufacturer gets his cotton. It is worse than idle to put a compensatory duty upon cloth half cotton, upon the theory that you are going to try to give to the home manufacturer a compensation for the difference between what he pays for wool and what his foreign competitor pays for wool in that manufacture.

Mr. WARREN. Mr. President——

Mr. CUMMINS. Just a moment, now. That cloth is dutiable and ought to be dutiable, because it costs more to make it here than it costs abroad, and I am for putting a duty on it that will make up that difference; but when you put upon it, in favor of the home manufacturer, a duty of a compensatory kind, measured upon the wool that it might have if it were all wool, and try to give to the home manufacturer in that way what he is out at the end of the year, because he has had to pay more for his wool than the English manufacturer paid for his wool, you are defying all the laws of logic, you are defying the principle of your party, you are destroying the structure that we are endeavoring to build up, you are

subjecting the policy of the party to unmeasured censure, unlimited ridicule, and to eventual defeat and destruction.

Mr. McCUMBER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from North Dakota?

Mr. CUMMINS. I do.

Mr. McCUMBER. I have listened with a great deal of interest to the Senator's exposition of this matter, and I want to ask him a question right here, so that he may explain it at this point, because it is an interesting step in his argument. The Senator, as I understood him, would base the compensatory duty upon the actual amount of wool that is in the cloth. Now, how would the Senator determine—assuming that he can determine how much wool there is in it—the character of the wool in it—whether it is of the first or second class; whether it is of the higher-grade wool or whether it is the lowest class, or shoddy or chopped up woolen rags which are not worth one-tenth of what the higher-priced wool would be? In order, as I understand, to get the compensatory duty, he must know what the value of the wool in that cloth is. Now, how is he going to get at that?

Mr. CUMMINS. Mr. President, of course the question which has been put to me by the Senator from North Dakota applies as well to cloth that is composed wholly of wool as to cloth that is composed partially of wool, because in using the term "wool," as far as its manufacture is concerned, I have embraced these wastes of life and of commerce that are ordinarily known as "wool rags." There is no difficulty whatever in that.

Mr. McCUMBER. I appreciate the fact that there may be a class of wool used that makes it a little cheaper than cotton goods would be.

Mr. CUMMINS. Precisely. One of the ways to ascertain that is to apply the very same rule that we have applied with regard to third-class wool. When a cloth is manufactured of the materials just mentioned by the Senator from North Dakota it, of course, bears a lower price. That is one test. But there is another test, so far as separating the vegetable from the animal fiber is concerned, which I think everyone recognizes.

Now, I would not be nice and finical about this matter. I am perfectly willing that they shall put on the same duty that they do now; that the duty shall be imposed upon the theory that it is the highest priced wool, if you like; I do not believe you can reach all these fine shades of distinction; but what I am objecting to is that you are giving to the manufacturer a compensatory duty upon cotton.

Mr. WARREN. Will the Senator allow me a moment?

Mr. CUMMINS. Certainly.

Mr. WARREN. The Senator spoke of a duty on goods half cotton. I think he has overlooked the fact that there is a special rate upon that class of goods, and lower duties. There is a lower duty on goods half cotton, that are of cotton warp.

Mr. CUMMINS. Yes; there is a lower compensatory duty.

Mr. WARREN. There is a lower compensatory duty and lower duties all the way up. Again, upon the other classes where some portion of old wool is taken into the cloth, the Senator has admitted what must be admitted, that it is very hard to tell whether it may be rags or flocks, or whether it may be pure wool. It is so difficult to determine old from new, shoddy from fleece wool, that it has been thought better in protecting the woolgrower, also the consumer, the wearer, to have the importer pay just the same as if it were all good wool, because it displaces just that much all good wool, as against the business of our domestic woolgrowers, if it comes in, no matter what its quality, and no matter what its value. It also furnishes the consumer with an inferior, poor-wearing garment. But when you proceed up the line beyond the compensatory duties and take up the specific duties upon the cloth there the ratio of percentage is reduced, so that if a man really wants to wear the cheaper goods—shoddy goods—they can be imported at a cheaper figure, because the ad valorem that applies to the cloth is less.

Mr. CUMMINS. I understand, I think, the suggestion made by the Senator from Wyoming. It is true, but the principle is not changed. No matter what duty you impose, if it is a duty based upon the hypothesis that the cloth is all wool, it is wrong; wrong in principle and, as I think, wrong in effect. It is not true either that a cloth imported, half wool and half cotton, takes the place of a cloth of all wool in the United States. It may take the place of cloth half wool and half cotton in the United States, but it does not supplant the use of domestic wool in that respect.

The Senator from Wyoming, I think, agrees with me. I think he understands and admits in his mind and in his conscience that the compensating duty given to the manufacturer, first, should be graduated according to the shrinkage of wool, the actual shrinkage, and, second, it should be limited to wool that is actually in the cloth imported, whether that wool be first class or second class, or whether it be rags or mungo, or what not.

Mr. WARREN rose.

Mr. CUMMINS. I pause.

Mr. WARREN. The Senator will mark the fact that upon the half-cotton and half-wool goods there has been provided a compensatory duty according to that proportion. That was something the true value of which could be determined. If the warp is cotton and the filling wool, it can be so determined, and that has been taken care of, and such goods are not of questionable material and value, but are desirable as cheap fabrics.

Mr. CUMMINS. Precisely.

Mr. WARREN. The idea of direct compensation was that the manufacturer should have his wool as if free, and that is precisely right in theory. It is precisely right in practice, as far as we have been able to apply it. But in the matter of these adulterants, the matter of flocks and wastes, upon the one side, you might say that it is not fair to assess the same duties upon flocks and mungo as upon wool, because it is worth a great deal less, and the manufacturer ought to buy where he can buy the cheapest and get the cheapest materials he can and bring them in here and pay only an ad valorem duty. But, on the other hand, as the Senator has well said, every pound brought here displaces a pound of washed wool, as against the growers of this country. Furthermore, it gives the wearer a poor fabric.

Therefore these duties have in view not only the interest of the grower of wool and the manufacturer, but, so far as may be, the interest of the consumer. We want people to get for as little as possible the best goods. As I explained the other day, worsted goods, all wool, 3 yards or a little more in a suit, at a dollar a yard, more or less, factory price, will make a suit of clothes of the first grade so cheap that there is no reasonable excuse for bringing in shoddy and no reason why the poor man, or the rich man, for that matter, should wear shoddy, as we are not a shoddy nation.

Mr. CUMMINS. Mr. President, I do not believe that the Senator from Wyoming upon reflection will think the argument he has just made to be sound. It might be if it were directed to a proper object, but it is not relevant to the question we are now considering.

I am not ready to enter upon a revision of the tariff with a view to correcting the habits or propensities of our people. This is too vast a subject. Sociology is one of the most interesting studies known to mankind, but I would despair if we were to attempt to revise this tariff so as to correct any delinquencies upon the part of our tastes or habits or customs. There are other schools in which we will better our morals and our practices. A tariff schedule is not the place for the education of human kind.

I am discussing it solely with reference to the financial condition of our manufacturers, not with regard to what the people ought to wear, what they are able to wear, or whether they prefer white or black or gray. I am only considering it to ascertain what the manufacturer can do under the conditions that we have created by this schedule, and I say again that because it can be done, it ought to be done. You make your schedule a byword among men. Were I to go out and defend this woolen schedule, if it be subject to the criticism that I have attempted to express; were I to answer the farmer and the merchant and the laborer when he says that, in pretending to give your woolen manufacturer a compensatory duty in order to equalize him with his competitor abroad, you have heaped upon him an advantage that belongs to no living man; that you have given him access to the Treasury of the people that he may plunder at his will and gratify all his greed and avarice, you have no answer to that. I want a schedule that will enable me in the next campaign to say to the people of my State that this compensatory duty that was given to the wool manufacturers scattered everywhere is a duty that simply compensates them for the higher price that they had to pay for wool, and they had to pay the higher price for wool because we put a duty on raw wool. That is the position in which I hope to be.

I have been fighting this tariff campaign for a good many years. I expect to fight it for a good many years to come. I had hoped when we began this debate—and you will remember that I expressed the hope—that the light of reason would so shine in upon these schedules, that the demands of justice would be so imperative, that these duties would be so revised that I might vote for this bill, and that I might defend it when we come to the great forum of the people. But if you insist upon putting on a duty of this kind, indefensible according to its own supporters and unjust according to the most casual analysis,

how can you expect any Republican who believes in the platform of his party, who understands something of its history and what it has tried to do for the people of the United States—how can you expect a Republican who regards his political faith and honor to vote for such a schedule or such a bill? How can you expect a Republican, born in the faith and nurtured in the principles of the party, to go before the people and defend the work that you are now proposing to the Senate?

I marvel at your blindness. I marvel that you are willing to commit the Republican party to such a schedule; for while granting the righteousness of the principle involved in it, it is so radical a misapplication of the policy to which we are all pledged that I can not conceive that the Senate will, upon reflection, agree to it.

Mr. McLAURIN. Mr. President——

Mr. CUMMINS. I will yield in just a moment, if the Senator from Mississippi will pardon me. I am not asking just now that you shall reconsider and accept these amendments that have been offered from the floor; for while I think they are right, yet I can understand that you may believe that they have been composed in a hurry, that they have been composed without taking into view the full situation; but how can you, in view of what has been disclosed, refuse to recommit this schedule and command the committee to report it in harmony with certain principles that lie at the foundation of the Republican structure, and, as I think, at the foundation of the welfare of the people of the United States?

I now yield to the Senator from Mississippi.

Mr. McLAURIN. I understood the Senator to say that he is in favor of a compensatory duty, because the manufacturers are required to pay a higher price for their wool by reason of the tariff upon the raw wool. Are the manufacturers, by reason of that tariff, required to pay a higher price for wool produced in this country, as well as a higher price for the imported wool?

Mr. CUMMINS. Certainly. It is the very object of the duty on wool not only to raise the price of our domestic production, but of course to raise the price of that which is imported to meet it in our market.

Mr. McLAURIN. I had understood that it was the argument of Republican Senators that the tariff did not raise the price of the manufactured article. It is my judgment, as it is that of the Senator from Iowa, I understand, that the tariff does raise the price of the manufactured article in this country, but I have understood that it has been the contention of Republican Senators that the manufacturer did not raise the price of his goods because of the tariff, but that the price was raised by the wholesalers, jobbers, and retailers, and there is where the high prices are put upon the consumer.

Mr. CUMMINS. Mr. President, there has been a very great deal of inaccurate talk on this floor with regard to the effect of tariff duties, both on the other side of the Chamber and upon this side of the Chamber. It is not true, as we all know, with regard to a great many of the articles upon which a duty is laid that the price is enhanced or advanced by the measure of the duty. That is perfectly evident everywhere. It is, on the contrary, just as evident that there are some things upon which, if a duty is imposed, the price is increased by just the amount of the duty.

Mr. McLAURIN. Mr. President——

Mr. CUMMINS. Allow me. There is no general rule that can be applied to the case. For instance, suppose that you put a duty of a dollar a pound on cotton, it would not raise the price of cotton one hair's breadth. Why? Because we produce more cotton than we consume, we export a large part of it, and the price is fixed in the markets of the world. With regard to wool, we produce much less wool than we use. We necessarily import a large part of that which we consume. Therefore the price of wool is fixed by the import into the United States, and the imported price is increased by the amount of duty levied upon it.

Mr. WARREN. If the Senator will allow me, the same will be as true of wool as of cotton when we have arrived at the same point and have sheep enough to furnish a full supply of wool.

Mr. CUMMINS. Precisely.

Mr. McLAURIN. Is the compensatory duty that is imposed intended to allow the manufacturers of this country to raise the price of their goods to the extent of the compensatory duty or to any extent at all?

Mr. CUMMINS. It is. It is to enable them to do business; and it is the belief of those who hold the Republican doctrine, it is profoundly my belief, that when the industry is thus begun, is thus developed, competition among the American manufacturers, aided by development of science and improvements in the arts, will eventually reduce the price of the ultimate product below what it would otherwise be.

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. CUMMINS. I do.

Mr. BEVERIDGE. The Senator said a moment ago that there was no rule which might measure the increase of price by the addition of the duty, but has not the Senator himself most aptly and clearly stated such a rule, to wit, that when we do not produce enough to supply our needs in that event, of course the duty would be added. Would not that be the rule? Second, where the production here was in the hands of a combination of sufficient size to fix the price, in that event it might, after all, be a rule that might be applied.

Mr. CUMMINS. Certainly; the Senator from Indiana has stated the matter, as he always does, with great clearness and felicity.

Now, I go just one step further. I shall consume but a moment in the further argument that I shall make. I now come to what we Republicans call "the real protective duty" in the woolen schedule. Of course, the compensatory duty is protective, but inasmuch as we have segregated it and called it a "compensatory duty," at least in our discussions, I put that aside now, because I have shown how, coupled with what else has been said here, this prescribes a scheme, a scale, that can not and will not be approved by the great mass of the intelligent people of the United States.

Now, we go forward to the protective part of this schedule. I will not go over the paragraphs, because you are all familiar with them; but it is sufficient to say that these paragraphs, in addition to the compensatory duty for the higher price of wool paid by our domestic manufacturers, levy a protective duty upon the manufactured product of 50 per cent on some, of 40 per cent on others. Possibly there may be one or two higher duties and one or two lower, but in a broad way the woolen manufacturers, so far as their manufactures are concerned, are protected in these paragraphs by an ad valorem duty of 50 per cent upon the value, the foreign value, of the imported product that seeks to enter our market. I would not much complain of that protective duty, I would make no complaint at all with respect to its principle, were it not that the manufacturer has already taken a great share out of either the woolgrower or the consumer under the guise of compensatory duties.

I want you to think for just a moment with respect to the protective duty. After you have given to the manufacturer his compensation for the increased cost of his material, what remains? The increased cost of his labor and the increased cost of any other things that he must buy or use in the course of his manufacture. It is not shown here, nor can it be shown, that there is any increased cost with respect to anything that the wool manufacturer uses materially except his labor, and I will agree, for the purposes of this argument, that he has to pay his labor two times as much as his foreign competitor. Now, what protective duty ought he to have in order to compensate him for the difference between the cost of labor abroad and at home?

Here is where the advantage is given to the manufacturer of our own country, and where it ought to be given. Here is where I would allow the scales always to tip in favor of the domestic manufacturer. But you are giving him 50 per cent of advantage in the production of an article of which the raw material upon average costs 65 per cent. Take a yard of cloth, or a hundred pounds of cloth, or a thousand pounds of cloth, whether it is abroad or whether it is at home, 65 per cent of the wholesale price of the thousand pounds of cloth is the amount which the manufacturer paid for his wool, and you have 35 per cent, at the outside, of the cost of this example of woolen cloth as the aggregate of the labor and all the other material and the expense incident to the manufacture. Will you go out next year before the people of this country and say that 50 per cent of the entire value of the article is necessary to protect the woolen manufacturer in an enterprise in which he pays out 65 per cent of it for his wool and concerning which you have already compensated him by giving him the duty I have already described?

Senators, you are simply courting the destruction of your party, if you have no regard for the welfare of the people. I know you want to do the thing that will bring prosperity and happiness to our homes and to our workingmen, to our farmers and our merchants and our professions, but you are simply courting annihilation for the party when you announce a duty so indefensible as the one I have just suggested.

Mr. HEYBURN. If the Senator will permit me, I will ask him if he could state an account with 100 yards of cloth, covering those items.

Mr. CUMMINS. I can not.

Mr. HEYBURN. And how much of it then would seem to be in excess of a fair account stated on that cloth?

Mr. CUMMINS. I can not state that account while I am on my feet. It would not be difficult——

Mr. HEYBURN. It would be necessary.

Mr. CUMMINS. It would not be difficult for me to state it in its application to any particular factory, if you will give me the capital invested.

Mr. HEYBURN. That is just what I wanted to have stated.

Mr. CUMMINS. Precisely.

Mr. HEYBURN. That is what I wanted to see in the account.

Mr. CUMMINS. It will be in the account.

Mr. HEYBURN. I wanted to see the capital invested originally; I wanted to see the capital used, and what it was doing, how long it was idle.

Mr. CUMMINS. Precisely.

Mr. HEYBURN. And when its profits commenced. Then I want the balance sheet before I will make up my mind.

Mr. CUMMINS. If the Senator from Idaho waits before voting upon this schedule until he receives all those things, we will have one less Republican vote than we have ordinarily had.

Mr. HEYBURN. I can present them in any five hours of the day.

Mr. CUMMINS. I think you would do the people of this country the greatest favor and confer upon your party the greatest advantage and benefit that any of its members could confer upon it, if this is to become a law, if you would present such a statement as will justify this duty in the eyes of unprejudiced men.

Mr. HEYBURN. Mr. President, I certainly am not to be compelled to believe that the Senator was asking a question for which he knew no answer, and one which nobody could answer, because there would be no profit in that.

Mr. CUMMINS. I can answer the question, but there is a vast difference between measuring the necessity or the degree of a duty and sitting down and making up an account that has reference to any particular industry. The foreign manufacturer must have interest on his investment; he must have a profit upon his product. The American manufacturer must also. I agree that the American manufacturer ought to have a higher profit, a greater reward upon his capital, than the foreign manufacturer; but there are extremes that are so absurd that you do not need to test them with particular details; you know they are wrong. I have said, and if it be not true somebody ought to correct me, that the 65 per cent of the mill price of a thousand pounds of woolen cloth is represented in the price paid for the wool, and that 35 per cent of it is represented in all other expenses. Then to say that you need a duty of 50 per cent of the value in order to equalize the difference between the way capital is rewarded in our own country and abroad, and to equalize the difference between the cost of labor here and elsewhere, even assuming that we pay twice as much as they, it seems to me does not need any ledger statement of profit and loss.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Idaho?

Mr. CUMMINS. I do.

Mr. HEYBURN. I do not desire to interrupt the Senator more than seems fair.

Mr. CUMMINS. I am very glad to have the Senator interrupt me, because I want to reach the truth about this matter.

Mr. HEYBURN. Well, Mr. President, when I want to reach the truth in regard to any question, especially one of business, I do it through this method: I state an account with the item, and it makes no difference how small or how large the item is, the result will be as instructive. For instance, it happened to occur to me that I had in my desk what perhaps numbers of other Senators have, an account stated with a beef; and it is so nearly along the line that I had in my mind that I will call attention to it.

Mr. CUMMINS. I have that.

Mr. HEYBURN. Yes. Well, now, is it not a very good example of a hundred yards of cloth?

Mr. CUMMINS. No.

Mr. HEYBURN. Why not?

Mr. CUMMINS. No. It bears no more resemblance to a hundred yards of cloth than do the brilliant rays of the sun to the sweet and tranquil light of the moon.

Mr. HEYBURN. Mr. President, I was not speaking from either a poetical or an artistic standpoint, but from a business standpoint.

Mr. CUMMINS. I am speaking also from a business standpoint. The Senator from Idaho knows perfectly well that the proportion of labor in various enterprises differs. He knows that the cost of the raw material in the various enterprises differs. Therefore, the statement of the cost of a steer sheds no light with regard to the cost of a thousand pounds of cloth as it is manufactured.

Mr. HEYBURN. Mr. President, I think it sheds an average light.

Mr. CUMMINS. That is the trouble. We deal in averages; we do not deal in anything but averages here. That is the difficulty.

Mr. HEYBURN. All of life is averages.

Mr. CUMMINS. You might just as well put an average duty of 100 per cent upon everything.

Mr. BEVERIDGE. We deal in averages instead of accuracies.

Mr. HEYBURN. Tariff bills are averages.

Mr. SMOOT. I do not want to deal in averages.

Mr. CUMMINS. I did not accuse the Senator from Utah of dealing in averages.

Mr. HEYBURN. I will ask the Senator from Utah to defer his differences until I have finished.

Mr. SMOOT. I thought the Senator was through.

Mr. HEYBURN. I do not care to have a new kind of difference injected into the interchange of ideas which the Senator from Iowa has so kindly granted me here.

Mr. CUMMINS. It is hard enough to settle one at a time.

Mr. HEYBURN. Yes.

Mr. SMOOT. I will sit down, if the Senator prefers.

Mr. HEYBURN. Very well.

Mr. President, here are four statements. No two of them represent the same exact quality of skill or efficiency in performing the act performed. That is true all the way through in business. It is true over the merchant's counter; it is true over the money changer's counter; and it is true in the field with the plow. No two men will do just the same quantity and produce just the same quality of work, and there is an average, a safe one, within which the functions of business move. Here are four accounts stated, each with a different subject. From them we get a result showing the relation of values to labor—that is, of the result to labor. You take 100 or 1,000 or 10,000 yards of cloth; you state the account, the merchant's account; the first item is the expense upon which his business operation rests—that is, either the acquisition of the property, or the use of the property, the accommodations that surround and are necessary for his business—the clerk hire, the salaries. That is the first item, because he can not do business at all without that item.

The second item is the capital that is necessary to be used in connection with that first item, and, further, in connection with acquiring a stock. As he is going to manufacture the stock, he considers the expense of the machinery, of maintaining and operating it to the point of production in the bale. Then he has the product.

He then states an account, including those former items, with that bale of cloth, so many yards of it, and it has cost him the aggregate items that I have enumerated. The relation which those items bear to that bale of cloth gives you its commercial or business status.

When you are comparing that man's rights in the field of labor or enterprise with the rights of somebody in some other country engaged in the same enterprise, you take that account stated as the basis, and you say to the other man, or to those who are speaking for him in endeavoring to enact a tariff law for the protection of the foreign merchant. "Now, let the other man state his account." Every item of it will be different. Then you have brought those two bales of cloth to the counter of the retailer, ready to pass into the hands of the consumer. They are rival merchants, the foreigner on one side and the American on the other, each of them compelled by the law of necessity and of business to realize enough to compensate or make him whole in the transaction, and, in addition to that, such profit as in his judgment warrants him in engaging or continuing in business.

Now, you are right up to that point with your account stated. That cloth may pass into the hands of middlemen—we will leave that element out of it. The man may make it up himself or do as he pleases with it; but is it not absolutely necessary at that point on the counter, as that product passes out to the consumer, that we must know every item that enters into the production of that article as to cost, and that in our duty to our own people we must say to the American merchant, "We are not going to compel you to sell for the same price as this foreigner, because that would be unfair to you and would enable him to fix your price;" but we are going to say, "Mr. American,

fix your price and we will fine the foreigner the difference between the price you want to sell it for and the price at which the foreigner brings in his goods."

With the permission of the Senator from Iowa, just a word further. The Senator is very frank to say that he does not deal in averages. An expression like that injected into the remarks of anyone at times creates a wrong impression. It is not the way to get ideas into a discussion to be measured alongside of a general statement such as I was making. The Senator from Iowa may not know it or believe it, but everything is a question of averages and not of superlatives.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Utah?

Mr. CUMMINS. I do.

Mr. SMOOT. Mr. President, I stated that I was not going to deal in averages. I want to understand the position of the Senator from Iowa. Do I understand the Senator from Iowa to make a statement here in the Senate that in that piece of cassimere cloth [exhibiting], costing net $1 a yard, 65 per cent of it is wool and that there is 35 per cent of other material in it?

Mr. CUMMINS. I have never seen that piece of goods before, and hence I could not have made that statement.

Mr. SMOOT. Mr. President, I will then say I understood the Senator to state that, taking a thousand pounds of cloth, 65 per cent of the value of it was the wool and that all the other expenses were 35 per cent.

Mr. CUMMINS. The testimony before the Ways and Means Committee of the other House varies from 50 per cent to 70 per cent as to the cost of the raw material that enters into all kinds of woolen cloths. That is an instance of averages which I very readily adopt.

Mr. SMOOT. Mr. President, I wish to say to the Senator from Iowa that that is a very unfair way to put it. I want to say to the Senator that I know, as well as I know that I live, that there is not 50 per cent of the value of that cloth in wool. If the Senator wishes to know absolutely what it is, I can dissect it for him and tell him just what is the amount of labor, the amount of dyestuffs, and the amount of overhead charges that should be put upon it, including the cost of selling and every detail entering into the cloth.

I want to say again to the Senator that the statement made as to a thousand pounds of cloth taking 65 per cent wool and putting all the other expenses at 35 per cent is a very unfair argument.

Mr. CUMMINS. Mr. President, if I have been unfair, it is because the only evidence before either the other House or the Senate is untrue, for I have my information from that source. Manifestly the Senator from Utah would readily know and see that that statement was not applied to any particular form of manufacture. It was stated by the manufacturers themselves, by their most enthusiastic and extreme advocates, as I remember, that the cost was 50 per cent in the raw material which they had to buy, and that all the other cost was 50 per cent. The better opinion seemed to be—and I am sure the Senator from Utah has read that testimony—that the cost of the material was 65 per cent, and, of course, there only remained 35 per cent for every other thing, including labor.

Mr. SMOOT. Mr. President, has not the Senator from Iowa misunderstood what the cost of material means? The cost of material that is in the wool is not only the wool itself, but it is the dyestuffs, it is the oils——

Mr. CUMMINS. I understand that perfectly.

Mr. SMOOT. But the statement which the Senator made was that there was 65 per cent of wool; that the cost of the wool was 65 per cent.

Mr. CUMMINS. I was speaking of wool as the chief raw material. The others bear a very small percentage to the wool itself, aside from the labor and the capital charges.

Mr. SMOOT. Mr. President, so far as that is concerned, if the Senator will now say that 65 per cent includes all of the material and all expenses outside of labor, then we are very near together. In my experience in manufacturing woolen goods, it is just about that percentage.

Mr. CUMMINS. I did not suppose that proposition would be doubted; but I have here something that will show what it is in regard to silk, which we will reach presently. It may shed some light upon it.

Mr. SMOOT. Mr. President, the manufacture of silk is an entirely different proposition from the manufacture of wool.

Mr. CUMMINS. I understand that; but there is a broad, general relation between the cost of the material and the cost of labor.

Mr. SMOOT. But not between silk and wool.

Mr. CUMMINS. I think there is.

Mr. BEVERIDGE. Will the Senator from Iowa permit me to ask a question of the Senator from Utah?

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Indiana?

Mr. CUMMINS. I do.

Mr. BEVERIDGE. The Senator from Iowa quotes as his authority the testimony given before the House committee, as showing that 65 per cent of the cloths which we are discussing was material. Does the Senator from Utah take issue with that?

Mr. SMOOT. The Senator from Iowa said it was 65 per cent wool, not material.

Mr. CUMMINS. That is substantially true.

Mr. BEVERIDGE. But does the Senator from Utah agree that 65 per cent of it is material?

Mr. SMOOT. Mr. President, I will agree that 65 per cent of it is wool, and all material that goes into the cloth and expenses attached to it, outside of labor——

Mr. BEVERIDGE. Then, how much of it is wool, I ask the Senator? Let us get down to accuracies.

Mr. SMOOT. That, of course, would depend a great deal upon the size of the yarn and the class of the goods; but I should judge, upon an average, it would be close to 50 per cent, probably a little under that.

Mr. BEVERIDGE. What is the rest of the material?

Mr. SMOOT. The rest of the material is dyestuffs, which constitute a very expensive element in the manufacture of cloth; then there are the oils that are used, and everything that goes into the washing of the wool.

Mr. BEVERIDGE. But as to the subject of materials that go into the wool, so far as they are concerned, the cost of the wool, the dyestuffs, and various other methods of preparation, which after all are a part of the wool, as we now find does constitute 65 per cent.

Mr. SMOOT. It is not part of the wool.

Mr. BEVERIDGE. It is part of the wool for the purposes of cloth, is it not? We do not speak of wool as the wool is grown on the sheeps' backs, of course, as a part of the cloth.

Mr. CUMMINS. While I admit there is no close comparison to be drawn between wool and silk, yet the material cost is not very different between the two articles. I happen to have a table showing the matter with respect to silk, and I intend to submit it to the Senate in order that Senators can see what that industry does in this regard. According to the census of 1905, the value of silk products of our own manufacture was only $133,288,072; the wages paid out and required to produce this $133,288,072 worth of silk amounted to $26,767,943; the salaries amounted to $4,000,000, in round numbers, and the miscellaneous expenses $14,000,000, making a total of all expenses, aside from material, of something like $45,000,000. The cost of the materials used was $15,861,188. So that my statement with regard to wool is not inaccurate. It is simply a reproduction of the testimony before the House committee. I ask the privilege here, in order either to contradict or to vindicate what I have said, of inserting at this point in my remarks that part of the testimony given before the Ways and Means Committee.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The matter referred to is as follows:

EXHIBIT C.

AVERAGE WAGES AND RELATIVE WAGES PER HOUR IN THE WOOLEN AND WORSTED INDUSTRY OF THE UNITED STATES.

[From Bulletin No. 77, Bureau of Labor, Department of Commerce and Labor, Washington, D. C., July, 1908.]

Average wages per hour, woolen and worsted goods.

Burlers, female	$0.1153
Carders, male	.1290
Card strippers, male	.1355
Dyers, male	.1500
Loom fixers, male	.2674
COMBERS.	
Male	.1239
Female	.0958
SPINNERS.	
Frame—	
Male	.1159
Female	.1185
Mule, male	.2066
WEAVERS.	
Male	.2116
Female	.1841

Relative wages per hour, woolen and worsted goods.

BURLERS, FEMALE.

Average, 1890–1899	100.0
1890	93.3
1891	93.7
1892	97.5
1893	100.5
1894	99.2

1895	99.6
1896	107.9
1897	100.4
1898	102.9
1899	105.5
1900	111.3
1901	108.3
1902	113.3
1903	119.4
1904	118.7
1905	124.4
1906	129.5
1907	136.7

CARDERS, MALE.

Average, 1890–1899	100.0
1890	99.1
1891	99.6
1892	101.7
1893	103.4
1894	98.5
1895	97.7
1896	98.1
1897	101.7
1898	99.8
1899	100.0
1900	110.9
1901	106.2
1902	106.7
1903	109.4
1904	115.0
1905	116.8
1906	121.0
1907	128.7

CARD STRIPPERS, MALE.

Average, 1890–1899	100.0
1890	92.4
1891	'99.3
1892	103.3
1893	99.5
1894	99.0
1895	96.5
1896	104.0
1897	100.2
1898	98.9
1899	106.7
1900	111.4
1901	112.2
1902	116.6
1903	117.6
1904	120.5
1905	121.8
1906	122.6
1907	125.5

COMBERS, MALE.

Average, 1890–1899	100.0
1890	95.7
1891	98.9
1892	95.7
1893	99.5
1894	107.2
1895	94.0
1896	104.6
1897	95.4
1898	95.9
1899	113.3
1900	106.6
1901	107.9
1902	103.8
1903	102.1
1904	93.3
1905	94.8
1906	95.3
1907	96.9

COMBERS, FEMALE.

Average, 1890–1899	100.0
1890	98.3
1891	98.8
1892	98.5
1893	101.3
1894	93.4
1895	96.3
1896	103.1
1897	102.9
1898	104.0
1899	103.3
1900	110.3
1901	111.1
1902	112.6
1903	110.4
1904	105.8
1905	101.7
1906	105.4
1907	106.5

DYERS, MALE.

Average, 1890–1899	100.0
1890	100.2
1891	101.5
1892	100.7
1893	103.1
1894	95.5
1895	96.5
1896	98.5
1897	99.4
1898	101.4
1899	102.6
1900	109.3
1901	106.8
1902	108.4
1903	108.2
1904	108.9
1905	109.3
1906	114.8
1907	122.3

LOOM FIXERS, MALE.

Average, 1890–1899	100.0
1890	98.3
1891	98.2
1892	100.2
1893	102.0
1894	96.4
1895	96.7
1896	101.2
1897	102.0
1898	102.0
1899	102.8
1900	112.5
1901	112.2
1902	114.0
1903	115.9
1904	112.7
1905	114.5
1906	122.7
1907	128.9

SPINNERS, FRAME, FEMALE.

Average, 1890–1899	100.0
1890	96.7
1891	97.6
1892	98.4
1893	103.5
1894	94.2
1895	95.1
1896	101.1
1897	102.5
1898	104.4
1899	106.5
1900	118.0
1901	115.4
1902	122.8
1903	123.2
1904	120.2
1905	121.6
1906	125.6
1907	139.8

SPINNERS, MULE, MALE.

Average, 1890–1899	100.0
1890	96.6
1891	95.5
1892	93.9
1893	101.5
1894	98.1
1895	96.2
1896	103.7
1897	104.2
1898	111.1
1899	99.0
1900	115.6
1901	114.3
1902	114.0
1903	124.8
1904	123.9
1905	131.1
1906	140.6
1907	143.3

WEAVERS, MALE.

Average, 1890–1899	100.0
1890	101.6
1891	102.2
1892	103.8
1893	109.7
1894	92.8
1895	94.9
1896	94.7
1897	98.0
1898	101.1
1899	100.9
1900	111.7
1901	113.6
1902	120.4
1903	124.7
1904	116.6
1905	123.8
1906	136.0
1907	142.1

WEAVERS, FEMALE.

Average, 1890–1899	100.0
1890	100.4
1891	99.1
1892	100.8
1893	106.7
1894	94.3
1895	93.8
1896	96.7
1897	100.7
1898	104.6
1899	102.4
1900	109.8
1901	112.5
1902	112.5
1903	115.9
1904	113.4
1905	117.1
1906	126.4
1907	137.1

Relative wages per hour for whole industry, woolen and worsted goods.

1890	98.1
1891	99.1
1892	99.6
1893	101.5
1894	97.2
1895	96.8
1896	100.9
1897	100.2
1898	102.5
1899	103.7
1900	110.4
1901	110.6
1902	113.5
1903	115.2
1904	116.4
1905	118.3
1906	124.0
1907	131.9

EXHIBIT D.

Statement showing the quantities and value of certain articles of clothing, equipage, and materials purchased by the Quartermaster's Department, United States Army, during the fiscal years 1904, 1905, 1906, 1907, and 1908, as called for in communication from the president National Association of Wool Manufacturers, dated November 20, 1903.

Articles.	1904.		1905.	
	Quantity.	Value.	Quantity.	Value.
ALL WOOL.				
Blankets, wool, heavy	11,172	$38,690.28	41,976	$146,493.84
Blankets, wool, light	17,311	42,961.28	29,289	82,686.72
Cloth, dark blue, army standard, yards	167,117	202,454.75	59,400	126,522.00
Cloth, dark blue, cap, do	3,528	6,491.52		
Cloth facing (all colors), do			2,200	5,775.00
Flannel, dark blue, blouse, do			1,000	2,375.00
Kersey, sky blue, 22-ounce, do	99,150	125,920.50	27,147	42,620.79
Stockings, wool, heavy, pairs	100,000	27,846.56	50,000	13,923.28
WORSTED.				
Breast cords	94,283	47,047.22	14,573	7,577.90
Cord edge braid, yards	300,000	7,187.50	10,300	248.92
Hat cords	244,803	12,240.15	238,247	11,912.35
Lasting, black, yards	100,382	109,165.42		
Lasting, olive drab, do	240,218	217,906.20	399,774	415,728.46
Trumpet cords	6,050	1,936.00	509	167.79
WOOL AND WORSTED.				
Cloth, covert, yards	288,514	675,122.76	353,775	704,012.25
Flannel, olive drab, do	454,283	288,469.70	221,352	154,946.40
Serge, olive drab, do	220,342	493,560.08	118,098	199,940.20
WOOL AND COTTON.				
Drawers, winter, heavy, pairs	72,740	42,192.68	25,131	15,581.22
Stockings, wool, light, do	384,994	71,721.31	431,740	77,713.20
Undershirts, wool, heavy	62,000	32,747.50		
Undershirts, wool, light	50,000	17,825.00	1,006	402.40

Articles.	1906.		1907.	
	Quantity.	Value.	Quantity.	Value.
ALL WOOL.				
Blankets, wool, heavy	67,090	$351,551.60	64,154	$320,694.62
Cloth, dark blue, army standard, yards	104,115	203,024.25	63,852	124,511.40
Cloth facing (all colors), do	11,704	15,435.00	3,280	10,828.75
Cloth facing, olive drab, do			750	3,000.00
Kersey, sky blue, 22-ounce, do	99,145	166,563.60	55,601	93,409.68
Stockings, wool, heavy, pairs			40,000	10,800.00
WORSTED.				
Breast cords	58,212	29,106.00	35	17.50
Cord edge braid, yards	195,600	4,727.00	92,436	2,426.45
Hat cords	52,355	2,617.75	79,681	3,984.05
Lasting, olive drab, yards	105,808	144,678.85	41,766	57,219.42
Trumpet cords	1,004	311.24	1,456	451.36
WOOL AND WORSTED.				
Cloth, covert, yards	69,924	139,143.76		
Flannel, olive drab, do	17,105	11,973.50	28,351	22,134.84
Serge, olive drab, do	119,970	146,363.40	133,804	163,240.88
WOOL AND COTTON.				
Drawers, winter, heavy, pairs	55,879	27,907.72	108,200	79,131.27
Stockings, wool, light, do	135,475	24,385.00	437,723	74,412.91
Undershirts, wool, heavy	75,164	51,111.52	30,000	21,900.00
Undershirts, wool, light	40,993	21,906.92	30,675	16,257.75

Statement showing the quantities and value of certain articles of clothing, etc.—Continued.

Articles.	1908.		Total for five years.	
	Quantity.	Value.	Quantity.	Value.
ALL WOOL.				
Blankets, wool, heavy	45,400	$222,101.22	229,798	$1,081,833.96
Blankets, wool, light			46,600	125,508.00
Cloth, dark blue, army standard, yards	14,341	26,674.20	408,825	773,186.06
Cloth, dark blue, cap, do			3,528	6,491.52
Cloth facing (all colors), do	3,530	12,584.92	20,704	44,623.67
Cloth facing, olive drab, do	100	450.00	850	3,450.00
Flannel, dark blue, blouse, do			1,000	2,375.00
Kersey, sky blue, 22-oz, do			281,043	428,514.57
Stockings, wool, heavy, pairs			190,000	52,569.84
WORSTED.				
Breast cords	9,330	4,665.00	176,433	88,413.68
Cord edge braid, yards	60,000	1,650.00	658,336	16,239.87
Hat cords	165,632	9,937.92	780,718	40,602.22
Lasting, black, yards			100,382	109,165.42
Lasting, olive drab, do	21,000	29,506.11	808,969	865,219.04
Trumpet cords	1,426	613.18	10,445	3,469.57
WOOL AND WORSTED.				
Cloth, covert, yards			712,213	1,518,283.77
Flannel, olive drab, do	98,763	109,626.93	817,854	587,151.37
Kersey, olive drab, 22-oz, do	115,875	243,405.00	115,875	243,405.00
Kersey, olive drab, 16-oz, do	112,425	191,182.88	112,425	191,182.88
Serge, olive drab, do	158	192.76	502,367	943,303.32
WOOL AND COTTON.				
Drawers, winter, heavy, pairs	45	35.10	262,200	174,987.99
Stockings, wool, light, do	776,372	124,219.52	2,166,304	372,451.94
Undershirts, wool, heavy			167,164	106,759.02
Undershirts, wool, light			131,674	56,482.07

WAR DEPARTMENT,
OFFICE OF THE QUARTERMASTER-GENERAL,
Washington, D. C., November 25, 1908.

Statement showing the quantities and value of clothing purchased for the navy—Woolen and worsted cloths.

CLOTH, BLUE, FOR CAPS AND TROUSERS, 17-OUNCE, ALL WOOL.

Year.	Quantity.	Value.
	Yards.	
1904	175,000	$339,500
1906	75,000	141,750
1907	100,000	177,000
1908	100,000	157,000
Total		815,250

CLOTH, BLUE, FOR OVERCOATS, 30-OUNCE, ALL WOOL.

1903	40,000	$88,560
1904	40,000	89,200
1907	30,000	82,050
1908	30,000	65,750
Total		325,560

FLANNEL, BLUE, 11-OUNCE, FOR OVERSHIRTS, ETC., ALL WOOL.

1904	100,000	$77,000
1905	200,000	199,750
1908	150,000	115,500
Total		392,250

FLANNEL, BLUE, 7-OUNCE, FOR LINING OVERCOATS, ETC., ALL WOOL.

1903	10,000	$8,700
1904	15,000	12,712
1907	15,000	12,675
1908	15,000	10,800
Total		44,887

SERGE, BLUE, 12½-OUNCE, FOR CHIEF PETTY OFFICERS' UNIFORMS, ALL WORSTED.

1904	80,000	$103,100
1908	20,000	27,400
Total		130,500

Statement showing the quantities and value of clothing purchased for the navy—Woolen and worsted cloths—Continued.

MOMIE CLOTH FOR CURTAIN MATERIAL ON SHIPBOARD, ALL WOOL.

Year.	Quantity.	Value.
	Yards.	
1905	3,500	$7,000
1906	6,113	9,500
1907	3,000	4,962
1908	5,250	8,000
Total		29,542

BILLIARD CLOTH FOR TABLE COVERS ON SHIPBOARD, ALL WOOL.

1904	300	$1,500
1905	600	2,090
1906	300	1,200
1907	830	3,410
1908	300	1,256
Total		10,050

BUNTING FOR FLAGS, PENNANTS, ETC., ALL WOOL.

1904	190,000	$39,040
1905	143,000	35,000
1906	192,000	48,729
1907	224,940	58,181
1908	239,700	59,323
Total		240,273

TOTAL, ALL KINDS.

1903	50,000	$97,200
1904	600,300	662,052
1905	347,100	244,440
1906	273,413	201,179
1907	373,770	338,208
1908	560,250	445,089

Woolen and worsted clothing.

None purchased; see paragraph 4 of indorsement.

Woolen and worsted knitted cloth.

None purchased.

Woolen and cotton mixed knitted cloth.

None purchased.

JERSEYS, ALL WOOL.

Year.	Quantity.	Value.
	Each.	
1904	45,000	$59,836
1906	20,000	36,948
1908	30,000	50,994

WATCH CAPS, ALL WOOL.

1904	60,000	$15,468
1906	20,000	5,898
1907	25,000	7,495
1908	30,000	8,604

GLOVES, ALL WOOL.

	Pairs.	
1905	30,000	$10,500
1906	35,000	13,082
1908	30,000	10,000

TOTALS.

	All units.	
1904	105,000	$75,304
1905	30,000	10,500
1906	75,000	55,928
1907	25,000	7,495
1908	90,000	69,688

Woolen and cotton mixed knitted goods.

UNDERSHIRTS, LIGHT AND HEAVY, 33⅓ PER CENT TO 35 PER CENT OF WOOL; NOT MORE THAN 65 TO 66⅔ PER CENT COTTON.

	Each.	
1904	75,000	$50,250
1903	250,000	230,875
1907	10,000	11,700
1908	70,000	40,720

Woolen and cotton mixed knitted goods—Continued.

DRAWERS, LIGHT AND HEAVY, 33⅓ PER CENT TO 35 PER CENT OF WOOL; NOT MORE THAN 65 TO 66⅔ PER CENT COTTON.

Year.	Quantity.	Value.
	Pairs.	
1903	250,000	$233,375
1907	10,000	11,700
1908	44,000	32,710

CARPETS, 20-OUNCE WOOLEN AND 11-OUNCE COTTON TO 1 RUNNING YARD.

	Yards.	
1904	1,800	* $1,975.00
1905	2,000	* 2,199.00
1906	3,000	* 3,541.00
1908	4,400	5,202.50

* Estimated.

RUGS, 35-OUNCE WOOLEN, 8-OUNCE LINEN, AND 10-OUNCE COTTON TO 1 RUNNING YARD, 27 INCHES WIDE.

1904	800	* $1,975
1905	900	* 2,199
1903	1,400	* 3,541
1908	4,900	13,676

* Estimated.

Woolen and worsted hosiery.

1903. Socks, all wool, 75,000 pairs $22,237.50
1908. Stockings, football, all wool, 540 pairs 513.00

Woolen and cotton mixed hosiery.

1906. Socks, merino, 65 per cent wool and 35 per cent cotton, 100,000 pairs $25,735
1907. Socks, merino, 65 per cent wool and 35 per cent cotton, 100,000 pairs 26,460

Any other articles in which wool is a component part.

1906. Blankets, all wool, 3½ pounds each, 30,000 ..... $88,433
1907. Blankets, all wool, 3½ pounds each, 50,000 126,000
1908. Blankets, all wool, 3½ pounds each, 53,000 129,124

Prison cloth (wool and cotton so proportioned that boiling for one hour in 2 per cent caustic potash solution leaves not more than 17 per cent dry insoluble matter).

1907. 16,000 yards $13,440
1908. 16,000 yards 10,350

Flannel, Shaker, gray (wool and cotton so proportioned that boiling for one hour in 2 per cent caustic potash solution leaves not more than 20 per cent dry insoluble matter).

1905. 2,400 yards $1,860
1906. 2,500 yards 1,825
1908. 4,000 yards 3,880

EXHIBIT E.

SYNOPSIS.

I. The German agreement was negotiated and signed, although no consultations were held with or advice given by any body of manufacturers or merchants as to the wisdom of its provisions, those engaged in these pursuits being thrown off their guard by the public and seemingly authoritative announcement that the commission sent to Berlin did not go to conclude a bargain or make promises, but, after investigation, to report the difficulties and demands of Germany.

II. Open hearings, conceded in some cases by the agreement, have been long opposed by many most familiar with customs procedure, the chairman of the Berlin commission himself going on record against them in 1906.

III. Since open hearings have been granted the attorney for German exporters says they have been beneficial to the foreign exporters and his connections in this country.

IV. Seven of the nine general appraisers opposed the open hearings, one of the two advocating them favoring them simply as an experiment for six months. Formerly the board secured evidence, because the records of tradespeople were carefully guarded. Since the agreement went into effect witnesses deemed material by the Government in establishing market value have declined to appear before the board in open session.

V. German exporters are not required to furnish statements of cost, except upon request of the appraiser of the port of entry. But witnesses needed here to make out a case for the Government must testify at open hearings, perhaps divulging important trade secrets.

VI. Where there is little or no competition between foreign and American goods the open hearings may be held with considerable success, but where there is commercial rivalry they fail.

VII. Although the President declared that under our practice the abuses under the administrative customs law had become gross and discreditable, not one purchasing importer appeared before the Committee on Ways and Means to protest against the alleged abuses.

VIII. Appraisements are not judicial proceedings, but simply ascertainments of value. In few States when property is assessed has the owner a right to be heard or to present witnesses. In appraisement and reappraisement cases the importer has the right to appear and also produce witnesses, together with the right of appeal, a method under which greater opportunities are offered for determining the taxable value of property than under any other.

IX. This method of determining dutiable value has been approved by the Supreme Court, who have held that the question is not to be tried before the appraisers as if it were an issue in a judicial tribunal.

X. Our system is much more liberal than that followed in Germany, where there is no appeal and no reappraisement.

XI. A tariff war between Germany and the United States was freely predicted when negotiations were undertaken. But foreign papers con-

versant with conditions in Germany pointed out that Germany could not afford to inaugurate such a war, or, if inaugurated, to wage it.

XII. Germany's exports to the United States during the fiscal year 1907 were valued at $161,500,000, of which $147,000,000 were manufactured goods. On the contrary, the exports of the United States to Germany were chiefly unmanufactured products, cotton and foodstuffs making up a large percentage of the total.

XIII. Germany is not a self-sufficing nation, can not get such supplies from her continental neighbors, and must secure them from this country. Under such conditions, it was not likely that the German authorities would have taken steps to make their importation more difficult or expensive.

XIV. Herr Max Goldberger, a privy councilor of the German Imperial Government, scouted the idea of an industrial war being waged by the two countries.

XV. German exporters have endeavored for years to conceal the market value and cost of production of goods sent to this country. Their hostility to the requirements of our law has been so marked that it is hard to believe they feel that certificates of values to be furnished by German chambers of commerce will lessen the frauds acknowledged to have been committed.

XVI. German chambers of commerce are semiofficial bodies through which German business men make known to the Government grievances to which they wish attention directed. When their certificates of value are accepted, no chance for cross-examination of those furnishing these values is given, whereas the opportunity to cross-examine witnesses at the reappraisement hearings was strongly urged as a right of the importer.

XVII. If the chambers of commerce are to certify the true values of exports, why did the President promise to recommend the amendment of the law to permit a 10 per cent undervaluation of imported merchandise?

XVIII. Competent attorneys declare the President, when he negotiated and proclaimed the agreement, exceeded his powers under the Dingley law, because the agreement alters not only the Treasury regulations, but the existing law, which can be changed only by Congress.

XIX. Advantages granted by the agreement caused a strong effort on the part of other countries to secure the extension of the same privilege to them. England's unofficial boards of trade now issue certificates as well as Germany's chambers of commerce, which we are told are official bodies—"part of the Government."

XX. The present tariff is not prohibitive. The value of partly manufactured goods imported freely into the United States exceeds by $25,000,000 the value of the same class of goods imported by Germany, while the value of wholly manufactured goods exceeds by $126,000,000 the value of those imported by Germany, and exceeds by $65,000,000 the value of those of France and Germany combined.

XXI. If European countries, neighbors of Germany, with which she has reciprocity treaties, fail of access to Germany's market in many lines of manufacture, the United States is not likely to succeed.

The German agreement and its defense by the chairman of the commission to Germany.[a]

AN EXAMINATION OF SOME POINTS INVOLVED.

In an annual report made to the National Association of Wool Manufacturers one year ago in noting the sending to Germany by the President of a commission, consisting of the Hon. S. N. D. North; N. I. Stone, tariff expert of the Department of Commerce and Labor; and James L. Gerry, Chief of the Customs Division of the Treasury Department, the writer said:

"The commission was not sent abroad to conclude a bargain or to make promises, but, after investigation and consultation, to make a report of the differences and the demands. The hope of the State Department is said to be that the American commissioners may 'be able to recommend some change in existing methods of administration of the Dingley Act where it bears hardest upon German exporters.'"

THAT STATEMENT SUPPORTED BY THE PRESIDENT'S MESSAGE.

That the object of the commission's appointment, as there set forth, was correct is shown by the President's message to Congress, wherein he says:

"This commission was engaged for several months in conference with a similar commission appointed by the German Government, under instructions, as far as practicable, to reach a common understanding as to all the facts regarding the tariffs of the United States and Germany material and relevant to the trade relations between the two countries."[b]

This commission not only made an "investigation," but actually concluded a bargain or agreement. Not only did they negotiate a temporary agreement, but they brought back with them a tentative draft of a permanent reciprocity treaty, Chairman North, in his defense of this temporary agreement, stating that Germany had granted the "Provisorium," extending her conventional tariff to our exports to her until July 1, 1907, "in belief and on the understanding that this extension would lead to the negotiation of a treaty of reciprocity which would place the commercial relations of the two nations on a permanent and equitable basis." Who, it may be asked, had the authority to make such a promise? The President could promise that a treaty would be negotiated, but he could not assure the Germans that it would be ratified by the Senate; and the mere negotiation, without that ratification, could not place "the commercial relations of the two nations on a permanent basis." Or can it be that this treaty was to become effective without the consent of the Senate?

It is not our purpose to go over in detail the various provisions of this compact and present arguments against them, but rather to sketch the several steps taken in reaching the agreement (which, more than any other event of the year, except the financial flurry, has disturbed the manufacturing and direct importing industries of the country), and glance at some of the reasons in justification of it advanced by the chairman of the commission, who was charged, apparently, by the administration to try to allay the fears of all interests alarmed, by explaining how much to the advantage of all will be the concessions so magnanimously granted by the German Government! In our opinion, the points emphasized by the chairman are not so important as some left untouched, and these we shall also notice.

THE ACTION WAS HASTY AND SECRET.

First, let us trace the steps taken in the consummation of this agreement. The commissioners sailed in December, 1906, their announced purpose being as above set forth. Some time late in February they returned with a report, which was kept so secret by the State Department that efforts as late as April 10, 1907, to get a copy of the agreement failed, the Acting Secretary of State writing, April 26, that "the preliminary schedules in question are not yet perfected, and any statement by the department as to what is offered by Germany or expected of her by the United States as compensating favors would be premature and might be misleading." At that date the agreement had been already signed at Washington by Secretary Root, although the German ambassador's signature was not attached to the document until May 2. Under date of April 4 the "project of a commercial agreement with Germany," together "with drafts of notes proposed to be exchanged," was transmitted by the Secretary of State to Secretary Cortelyou, of the Treasury, who, without training or preparation, had come, within a month, to the discharge of his new and perplexing duties. April 9, 1907, the new Secretary of the Treasury wrote to the Secretary of State that "the proposed modifications of the consular and customs regulations will, in my opinion, conduce to the proper administration of the law in cases where the ordinary procedure, as embodied in present regulations, is inadequate." Then he added: "After careful consideration of the matter [he had not had the papers more than four days] I am led to the conclusion that the negotiation of the proposed commercial agreement would promote friendly relations and otherwise be of benefit to this country."

SECRECY IN THIS COUNTRY—CANDOR IN GERMANY.

Whether the trade made with Germany was to the advantage of that country or to ours, as it has been declared to be, one can not help being struck by the secrecy with which the proceedings were conducted in this Republic and the openness and evident candor with which they were conducted in the Empire. In the United States no consultation was held with any body of merchants or manufacturers, so far as we have heard, before the agreement was drawn and signed. In Germany, on the contrary, the agreement was first submitted to the German Economic Association, an organization of industrial producers, and only after its indorsement was it transmitted to the Reichstag for consideration and confirmation. But that is not the only difference in the methods followed by the two Goverments, some provisions of this agreement being inserted, against the advice of the best experts of this country, by men most of whom had but little first-hand knowledge of the everyday workings of the custom-house and its practices.

THERE HAS BEEN MISAPPREHENSION ABOUT OPEN HEARINGS.

We are free to acknowledge that there has been considerable misapprehension respecting the provision in the agreement concerning open hearings in reappraisement proceedings. To us there seems to be but slight difference between the concessions made by Secretary Shaw in 1906, when he modified the regulations so that the general appraisers were given the privilege "to grant open hearings whenever it could be done without prejudicing the Government,"[a] and the stipulation in the agreement which provides that in "reappraisement cases the hearings shall be open and in the presence of the importer or his attorney, unless the board of appraisers shall certify to the Secretary of the Treasury that the public interest will suffer thereby;" and in that case a summary of the facts developed at the closed hearing upon which the reappraisement is based is to be furnished to the importer. The latter seems to contemplate that all reappraisement hearings shall be open unless the certificate shall be filed, while under the rule as modified by Secretary Shaw the hearings were to be open only when, in the opinion of the general appraisers, they could be so held "without prejudicing the Government."

When Mr. North attacked the closed hearing, designating it as "the American star-chamber proceeding," and wrote, "Now that this closed hearing has been done away with, I do not believe that it will ever again be heard of in our customs administration," his explanation, instead of clarifying the situation, deepened the misunderstanding and intensified the alarm he hoped to allay, the language of the agreement not justifying so sweeping a statement or furnishing the slightest basis for it.

RESPECTING CLOSED HEARINGS.

But let us examine his "explanation" of the agreement intended to allay "some apprehension regarding the details" and to correct an "unfounded prejudice against it."

Respecting the open or closed hearing, he correctly says it "is wholly a matter of regulation within the control of the Secretary of the Treasury, the law itself being silent upon the subject." Then he launches forth in praise of the open hearing, declaring that after a year's trial it "has proved a complete success;" that "the Government has had no difficulty in obtaining expert evidence, given under the sanctity of an oath. None of the dire consequences so freely predicted have been realized. On the contrary, the open hearing has proved an effective aid to the Government as a guard against undervaluation." Like Importer Downing and Attorney Wickham Smith, he assures those laboring under misapprehension that "the merchant who desires and expects to remain in the importing business is going to be more careful about invoices when he knows that the evidence of undervaluation is to become a part of the public record."

IS THE OPEN HEARING PRODUCING THE RESULT MR. NORTH DESCRIBES?

Who has benefited by the open hearings? Has the Government had no difficulty in obtaining expert evidence? And has the open hearing been "an effective aid to the Government as a guard against undervaluation?" A prominent customs attorney, who has been urging all kinds of alterations and modifications in the law, recently said, "The open hearings prescribed by the reciprocal tariff agreement with Germany have, in the main, been successful and meet with the approval of my clients, most of whom are prominent German exporters and their American representatives." After entering a strong protest against the taking of any ex parte testimony as being contrary to the letter and spirit of the German agreement, he said, "In instances where there have been 'real' open hearings the results have, in the main, been beneficial to the foreign exporter and his connection in this country." Respecting ex parte testimony, he continued: "Its taking is not contemplated by the German agreement, and its practice is vicious and full of danger to the honest (?) foreign exporter, and I sincerely trust that in the new treaty to be made with Germany there will be a cast-iron agreement that all hearings, under whatever circumstances the case may be, shall be free and open, and that no testimony shall be considered that is not given in the presence of the importer and his legal or other representatives." Given an inch they now demand an ell, and all in the interests of the honest foreign exporter and the revenues of this Government. The kind of open hearings now granted, he confesses, have been beneficial to the foreign exporter and his connection in this coun-

[a] Bulletin for September, 1907, pp. 267 and 273.
[b] Annual message to Congress, p. 60.

[a] See Hearings before Ways and Means Committee, 1906, p. 28.

try, and they meet with the approval of his clients, "most of whom are German exporters and their American representatives."

ON BOTH SIDES OF THE QUESTION.

Mr. North now "dubs" the closed hearing "the American star-chamber proceeding," having "no other defense than the one calmly advanced whenever the system was criticised, viz, that unless people are permitted to secretly testify against their neighbors and rivals they won't testify at all."

Were we so disposed we could quote from his reports to this association in which he wrote enthusiastically of the almost perfect basis to which the customs administrative law had been brought by the amendments of 1897, and also those in which he graphically described the losses suffered by the American manufacturers and honest purchasing importers from the laxer previous laws. But it is not necessary to go so far back to find his opinion respecting open hearings. About a year previous to his return from Berlin, when the Committee on Ways and Means was giving hearings on proposed amendments to the customs administrative law, seeking light and information from various sources, Mr. North, who had severed his connection with this association several years before to become Director of the Census, was quoted by Secretary Shaw as then being "absolutely against open hearings."[a] The query is, Which view of the open hearing is to be accepted and which rejected?

TESTIMONY AGAINST OPEN HEARINGS.

But laying aside these contradictory views, as well as the question of the advisability or inadvisability of open hearings, the fact remains that not only Secretary Shaw, but seven of the nine general appraisers went on record against open hearings, and one of those two favored them simply as an experiment for six months, recognizing the fact that it would be dangerous. Even he "was opposed to any legislation looking to open hearings because" he "thought it was too risky an experiment." The president of the Board of General Appraisers gave it as his opinion that "if we had open hearings we would never get through the volume of cases,"[b] while another member of the board said: "If they (the hearings) were conducted openly, the ability of the board to procure evidence would be destroyed and all reappraisements fail. It is due to the fact that the secrets of tradespeople are guarded that the board is enabled to get evidence. Frequently an importer's own witnesses will request that their testimony be taken privately, preferring that the information imparted be sacredly kept from competitors. The class of evidence sufficient to establish market value will be wholly improper and insufficient in a trial at law, and if the rule prevailing in the latter were necessary the Government would be wholly prevented from collecting its revenue."[c]

On this question the Supreme Court years ago recorded its opinion as follows:

"It is due to the merchants and others who give such information that their statements shall be taken in the presence of official persons only. It must often occur that persons in possession of facts which would be of value to the appraisers in determining market value would be deterred from appearing and testifying by publicity given to reappraisement proceedings."

Such was some of the testimony of men having actual experience with the workings of the administrative law and such the opinion of the Supreme Court; yet this commission (composed of three men), with the Secretary of State and the President, whose combined practical experience can not be compared with that of the general appraisers, calmly ignore these opinions and as calmly proceed to denounce the law and the regulations which embody the experience of years in the battle to prevent frauds on the federal revenue. Compare the chairman's sweeping statement with the following, made after several months of experience with the open hearings, by the general appraisers' chairman, who says:

"Witnesses deemed material by the Government in establishing proper market value have declined absolutely to appear before the board in open session and give their testimony, on the ground that important trade secrets and other information which is considered undesirable to give competitors would be brought out on cross-examination by the protestant's attorney. So acute has this situation become during the last five months that in some instances the board has been obliged to ask material witnesses for the Government to submit their testimony in writing. This testimony has been shown to the importer and his attorney in specific cases, but with the identity of the informant cut from the letter heads on which the testimony was written. Only in this way was it possible to obtain the desired information. On other occasions so strong has been the aversion of importers and domestic manufacturers and their representatives to appear at "open hearings" that the Government has been obliged to go without testimony of any kind, thereby practically permitting the case to go by default in favor of the importer whose goods were under consideration."

Chairman North scoffs at the idea that witnesses will refuse to testify unless permitted to do so privately, being deterred by the fear that trade secrets of importance will be drawn from them on cross-examination; but when the Germans demanded that section 8 of the law should be modified by new regulations he joined his fellow-commissioners in writing in their report that "the statements of cost required by the act require the expenditure of a great deal of time and energy on the part of German importers; they contemplate the divulgence of trade secrets of the utmost importance and value to the manufacturer, and they are only of importance to the appraisers of merchandise. We therefore agreed to recommend that the consular regulations be so amended that the statements * * * need not be executed except upon the request of the appraiser of the port after entry of the goods."[d]

Great consideration is shown for the German exporters who have to expend "much time and energy in the preparation of statements of cost, which contemplate the divulgence of trade secrets." But when witnesses are needed in this country to make out a case for the Government they must testify at open hearings, although by their testimony they may be obliged to divulge trade secrets of the "utmost importance" to them. Where does the consistency of this concession come in? It is beyond our ken, and must be credited as one of those advantages, which are so many, we are told, but which have not yet been discovered by those who have studied the terms of this agreement.

Another member of the board, who believes in liberality in the administration of customs, after his experience since July last, says:

"I believe that open hearings will never be an absolute success, although in some circumstances they may be practicable. The truth seems to be that where little or no competition exists between foreign goods and American productions open hearings may be had with considerable success, but that in cases where commercial rivalry between the United States and the foreign country is concerned the open hearings fail to the ground."

The writer does not pretend to say who is right in this matter, the chairman of the commission to Germany or the men who see the workings of the new regulations at close range. We simply record the facts.

The President, in his last annual message to Congress, joins in the clamor against the administration of the law, saying, "Under our practice as I found it to exist in this case the abuse had become gross and discreditable." Yet at a time when the German agents and their sympathizers and all enemies of the protective tariff were leaving no stone unturned to secure the concessions for which they had striven for years, it is rather remarkable, if the abuses under the law had become "gross and discreditable," as the President says, or the conditions had become "intolerable," as Mr. Smith described them, that not a single purchasing importer appeared in person before the Committee on Ways and Means to enter a vigorous and indignant protest against these abuses and conditions. It is true that many merchants signed the petition approving the amendments suggested by the New York Merchants' Association; but of the New York merchants favoring them, Secretary Shaw said that at least "two-thirds were engaged in the consignment business."[e] At the same time he quoted the representative of Marshall Field & Co.[b] as telling him that "they (the firm) had no more fears of the penalties of the customs law than they had fear of the penalties against murder or arson."

Can not the gentlemen responsible for the agreement be fairly likened to a man who, ill almost to death, seeks an eminent physician or surgeon and refuses to take his advice, or of a client who, in serious legal difficulties, employs a skillful attorney and refuses to follow his counsel?

A CASE OF MISCONCEPTION.

Mr. North inveighs further against the closed hearing in reappraisement cases, declaring that "a man may be deprived of his property and goods without due process of law, as that phrase has come to be otherwise universally understood in this country—i. e., without the privilege of knowing on whose evidence he is * * * penalized or what the character of that evidence is and without the right of cross-examination."

He has great horror of admitting any evidence without giving the importer the right of cross-examination; yet he and his fellow-commissioners agree that certificates of German chambers of commerce are to be admitted as competent evidence, although no chance to cross-examine the officials who sign the certificates can ever be obtained for those who protest against the value put upon the importation for which the certificate may be given.

Evidently he has read with close attention the argument (put in the form of questions) by Mr. Cockran in the hearing before the Committee on Ways and Means. Apparently he was greatly impressed thereby, for he has adopted the phrase of that voluble, gifted man. Yet he has qualified Mr. Cockran's use of the constitutional phrase "without due process of law" and construed its meaning in a way not contemplated by the expounders of that document. He can not be very familiar with the methods of appraising values of real estate, or he would not have assumed the untenable position of demanding that the right of cross-examination should be given importers in cases where a valuation is made of the importation. Let us repeat what we have once said, that the appraisements are not a proceeding, judicial in character, where the officers sit as judges and render decisions according to the preponderance of testimony produced, but they are simply an ascertainment of value. In few, if any, States has the owner of real estate the right to be heard in the first instance when his property is assessed; nor has he the chance to present witnesses or cross-examine the assessor, either then or on appeal. This summary method is adopted because otherwise it would be impossible for taxes to be levied and collected within a reasonable time. But in appraisement and reappraisement cases the importer has the right to appear himself and produce witnesses, together with the right of appeal from the decision of the appraiser to one general apraiser and from his decision to a board of three general appraisers, "a method," General Appraiser De Vries says[c] (if compared with the laws of any State in the Union or with the procedure in any other nation), "under which there are greater opportunities offered for the purpose of determining the taxable value of property than under any other."

THE SUPREME COURT HAS APPROVED OUR METHOD.

In a decision respecting the question of dutiable value of merchandise, the Supreme Court has well said:

"We are of opinion that under the statute the question of dutiable value of merchandise is not to be tried before the appraisers as if it were an issue in a judicial tribunal. Such is not the intention of the statute, and the practice has been to the contrary from the earliest history of the Government. No government could collect its revenues or perform its necessary functions if the system contended for by the plaintiffs were to prevail."[b]

THE OBJECTING COUNTRY HAS AN ARBITRARY SYSTEM.

Secretary Shaw, in his testimony to the Committee on Ways and Means, declared[d] that in Europe (he was speaking of Germany and France)—

"they have no reappraisement proceedings. It is a military system. A little company of soldiers with side arms stands on the dock. They look at your merchandise and do not tell you what it is worth, but mark what it is worth, pass it over to the cashier, and you pay it.

"If you complain enough they will go inside, see a man there, and talk with him. They come out, write their decision, pass it over, and that settles it. There is no appeal and there is no reappraisement."

If this description of the procedure in the country objecting to our law and practice is correct (and we have no reason to question its accuracy), which follows the "star-chamber" method and which the enlightened, liberal one?

[a] See Hearings before Committee on Ways and Means, House of Representatives, 59 Cong., 1st sess., p. 19.
[b] Ibid., p. 36.
[c] Ibid., p. 47.
[d] See message of the President to Congress, Jan. 22, 1908, p. 28.

[a] Ways and Means Hearings, 1906, p. 20.
[b] Ibid., p. 29.
[c] Ibid., p. 43.
[d] Ibid., p. 31.

WAS A TARIFF WAR LIKELY?

As a justification of this temporary agreement, a studied effort has been made to alarm the American public by proclaiming that if it had not been concluded, "the exports of American manufactured goods to Germany," as Mr. North states it, "would have been greatly reduced after July 1. This because on that date these exports would have become subject to the maximum duties which Germany universally applies to goods from all countries which fail to extend to her a corresponding equivalent for her minimum or conventional duties which are reserved for nations who consent to negotiate treaties carrying equivalent concessions or granting 'most-favored-nation' treatment."

The President, in his message to Congress, wrote: "Deeming it my duty to make every possible effort to prevent a tariff war between the United States and Germany * * * I sent to Berlin a commission."[a]

Mr. North writes that "the German agreement was negotiated by Secretary Root with the cordial approval of President Roosevelt, because they both believe that it will prevent a commercial war with Germany." The daily press was printing news items and editorials headed, "Our last chance with Germany," while a free-trade writer in the Journal of Political Economy, discussing "Reciprocity with Germany," in an article printed after the agreement was concluded, said: "It was plain that tariff warfare of unusual severity and extent was within the range of immediate possibility."

Was there real danger of tariff warfare "of unusual severity?" Before submitting some facts bearing on that question, let us quote a few extracts from a paper entitled "The tariff and the export trade of the United States,"[b] read before the American Academy of Political and Social Science in January, 1904:

"There was much talk in Europe and some fear in this country of a combination against the United States among European countries for retaliatory legislation for the exclusion of American-made products from these countries, on the ground that their own products are excluded from the United States by customs rates which are practically prohibitive in direct competition with American-made goods of the same general character.

"Fear has been expressed that the United States will ultimately find the great manufacturing nations of the world united in trade leagues against us. I can not share in this apprehension. * * * The whole course of the foreign commerce of the United States under a protective tariff justifies the conclusion that retaliatory legislation need not be feared, and that high duties on foreign products entering this country do not interfere in any perceptible degree or measurable manner with the outflow of American-made products. * * *

"So far as our agricultural products are concerned, the question of the influence of the tariff upon the export trade in them is hardly worth considering. The world takes our foodstuffs—as much of them as we can spare ourselves—because it can not get along without them. It takes our raw cotton because it has no other source of supply that can meet its demands, either in quantity or quality. It takes our meat products and lumber products because they are better and cheaper than it can get elsewhere."

CONDITIONS IN GERMANY DID NOT WARRANT A TARIFF WAR.

But it may be replied that Germany intended to apply her maximum rates to United States exports after July 1, 1907. Grant that there appeared to be some danger of her doing so, we answer by asking a question: Was she in a condition to take such action, and if taken, how long would she have continued that attitude? For an answer let us examine for a moment German conditions at the time of or shortly after the negotiation of this agreement.

In an article based on one contained in the semiofficial Continental Correspondence, treating of Germany's trade with America, the Literary Digest for October 26, 1907, says:

"In its effort to gain tariff modifications from the United States the Berlin Government has been urged on by the German manufacturers, who want our tariff bars lowered so they can sell more goods here. The German agrarians second this effort with the suggestion that if we do not capitulate, Germany should retaliate by raising its own tariff bars against American products. This is just what it can not very well do, however, for Germany must have our grain and meats, and to raise the tariff on these supplies, while enriching the agrarian landowners, would be to raise the cost of living in Germany—and that is what makes socialists. So the Government is letting well enough alone, and assuring the tariff complainants that they are doing splendidly and don't need any help.

"The tariff on imports into the United States imposed by law some ten years ago has not, according to the Continental Correspondence, interfered in any way with the sale of German goods in the United States. Of the increase in the German importations into this country this organ remarks:

"'In every respect the fiscal year ending in 1907 shows record figures. The value of German wares imported into the United States reached the amount of $161,500,000, while Germany bought $240,000,000 worth of American goods. That shows an excess of 50 per cent on the side of Germany's purchases, and seems at the first glance very disadvantageous for the fatherland; but we find that seven years ago this excess amounted to 90 per cent, and in 1898 even to 130 per cent of Germany's exports into the United States. In proportion, at least, the German balance of trade shows a considerable improvement. If we limit our attention to the increase in the last two years, we find even absolutely the same figures. Germany got in 1907 American goods of $43,000,000 value more than in 1905; and by the same amount of $43,000,000 we find the German imports into the United States higher in 1907 than in 1905. Now, if we go into details, we notice that among the American goods imported into Germany cotton is principally responsible for the increase. On account of the large demand of the German spinning mills and the higher prices, the United States increased their sales of raw cotton to Germany within two years by not less than $34,000,000, so that the cotton imported into Germany accounts for 80 per cent of this very remarkable increase.'"

"When we come to ask the proportion between the exports and imports of the United States and Germany, this writer tells us that while German exports to the United States are less than those of the United States to Germany in regard to raw materials, the contrary is the case when we calculate the interchange of manufactured articles. America exported to Germany $90,600,000 worth of such goods for the year ending 1907, but imported from Germany manufactured goods to the amount of $147,000,000."

Germany's era of prosperity, according to careful observers, was showing signs of waning; and if the conditions set forth in the following quotations were accurate, surely Germany was in no condition to engage in a tariff war with any country, much less the United States. The London Standard, perhaps not a friendly authority, said of the German period of remarkable commercial prosperity:

"The same unmistakable tendency toward a diminution of prosperity is noticeable in practically all the other German industries, which in the near future will be affected by the same wave of bad fortune. This termination of the unparalleled period of industrial success which Germany has now been enjoying for several years has long since been foreseen on the German bourses, so that capitalists whose money was invested in industrial undertakings have had time to make adequate preparations for the approaching depression."

Even German papers recognized the trend of affairs, as the following extract from the commercial columns of the National Zeitung (Berlin), printed during the very month when those threatened maximum duties were to be applied to American exports, will show. It said:

"The period of great prosperity is at an end. The Düsseldorf Iron and Steel Exchange, by the laconic bulletin it has recently issued, puts this fact beyond all doubt, and stamps with official authority all the forebodings as to an approaching decline in German industrial prosperity. The Düsseldorf Iron and Steel Exchange was the last quarter from which we should have looked for this frank avowal of its commercial decline. The reports hitherto issued have declared that the wave of industrial prosperity was permanent and the iron market was a fixed reality. But all concealment is now at an end. It is admitted, even by this authority, that the future is uncertain, and that the period of great prosperity, which has lasted for five years, comes to a close in 1907.

That these opinions were not without foundation is shown by a news item from Berlin under date of December 4, 1907, respecting the many immigrants returning from the United States and the alarm felt lest they would "entirely glut" the already overcrowded labor market in Germany. It said:

"Labor organizations are greatly troubled over the prospect of an influx at a time when the question of employment is acutely difficult. Commodities, even the barest necessities, are rising to almost famine prices. It was stated at a meeting of the municipal council of Schoeneberg, a suburb of Berlin, last night that there were 30,000 skilled and 35,000 unskilled workmen idle in Berlin alone. A proportionate number are idle in other industrial centers and in the farming regions. The trades unions have already been compelled to cut in half their doles to the unemployed. Similar conditions prevail in Austria, to which country more American emigrants have returned in a fortnight than departed. The prices of food are rising."[a]

FRIENDS OF GERMANY AVER THERE WAS NO DANGER OF SUCH WAR.

Even if conditions had been better in Germany than as above described, it is plain from the following views that the fear of a tariff war was much magnified, if, in fact, there was any basis for it at all.

A commercial paper which loses no chance to attack the protective system, and which has been the chief mouthpiece for German representatives and the German cause, in an editorial said: "Neither the manufacturers of Germany nor their workmen could afford to dispense with the raw material and the foodstuffs which they have been accustomed to buy from the United States."

In a recent article Herr Max Goldberger, a privy councilor of the German Imperial Government, said: "Serious men in both countries do not for a moment think that Germany and the United States will wage industrial war upon each other. Germany and the United States must compete with each other in peaceful fashion, for each is an excellent customer of the other, whose trade, if withdrawn, would inflict immediate and serious injury."

If these maximum rates had been imposed July 1, as threatened, how long would they have been enforced in the face of such conditions? Even under normal conditions, Germany could not have afforded to take part in a tariff war with the United States, and we believe she had no intention of so doing.

GERMANY IS NOT A SELF-SUFFICING NATION.

Germany's population is increasing at the rate of 1 per cent a year, a rate exceeded by that of the United States only, the productive capacity of her agriculture being totally inadequate to supply her increasing needs. Nor can she secure sufficient foodstuffs from the several countries with which she has concluded treaties of reciprocity to fill her wants. Austria, Hungary, and Italy need their own products to maintain their population, and Russia, whence Germany has drawn heretofore a portion of her supplies, is in no condition to support her starving peasants and her industrial workers, much less to send increased exports to Germany to supply any deficiency in her crops or decreased importations from the United States, if you please, granting full weight to the extreme statements of those who regarded the imposition of the maximum duties to American products as imminent.

With the Empire unable to provide food for the rapidly increasing numbers of her artisans, save by importing supplies from this country, with the cost of living increasing at an alarming rate, with the industrial prosperity receding and the necessity of keeping the industries of the country in position to furnish work for these same artisans, were the extreme statements of those who professed a fear that Germany's maximum duties would be applied to American exports justified? Under the conditions existing, would a wise government—and we presume it will be conceded that the German Government is wise—have taken the threatened step? And if taken, how long could the industrial captains have resisted the demand for higher wages which, in view of the greater cost of living, would surely have been made? How long, with the increased cost of production, could the manufacturers have enlarged the export of manufactures which must be sent abroad to pay for imports? The trade relations of the two countries have been examined so frequently and so analytically

[a] See annual message to Congress, p. 59.
[b] Pp. 1, 2, and 3 of pamphlet reprint.

[a] The foregoing statements are enforced by the following item from a recent number of the London Economist:

"The signs of business decline in Germany are multiplying and are growing visibly more serious. The most significant index to the situation, perhaps, is to be found in the report of the Steel Works Association for December, which was issued several days ago. It shows a surprisingly heavy shrinkage of business in steel material for further manufacture and in structural forms. A steady decline in the employment of labor is another most significant phenomenon of the day."

that it is unnecessary at this time for us to do more than remark that the exports of Germany to the United States are nearly all manufactures—which have been increasing under our present tariff and the customs administrative law, some portions of which have been so strenuously denounced by the President and Chairman North—while the exports of this country to Germany are nearly all raw materials for German manufacturers or food products, such as flour, corn meal, biscuits, oils, oleomargarine, and lard, classified by the census as products of manufacture. It is sufficient to ask whether Germany could have got along as well without our exports as we could without hers in case worst had come to worst and a tariff war had been declared, which few now think would have been done.

CERTIFICATES OF VALUE BY CHAMBERS OF COMMERCE.

Mr. North lays much emphasis on the great point gained by the American commission when the Germans agreed that German chambers of commerce in the district where the goods originate shall grant certificates which will officially guarantee the correctness of the "export price" given in the invoice. These certificates are to be accepted as "competent" (not necessarily conclusive) evidence by the customs officers and the general appraisers—a protection against individual fraud, which, he writes, "has never heretofore existed." It is hardly possible to think of the German exporter actually fighting for a chance to protect us against individual fraud and even urging the Government to go to the length of threatening a tariff war to gain that privilege.

HOW THE GERMAN EXPORTER VIEWS OUR LAWS AND PROCEDURE.

A different feeling on the part of the German exporter is shown by the following quotations from the speech made behind closed doors by the chairman of a commercial gathering in Berlin in October, 1905. These were all available to the commission before their departure from this country on their mission. How kindly disposed this eminent person (Secretary Shaw vouched for his prominence) was to assist the United States officials to get correct values can easily be seen. Complaining of the administration of the tariff law "in which is concealed the power and purpose to make entry of certain competing articles as difficult as possible," he declared that "the United States Government agents resort to the meanest and smallest measures." Then, citing specified complaints, he said:

"The first of these is the certification of the invoices by consular officers stationed in various districts of the Empire; second, the investigation by customs officials as to the correctness of statements in the invoices which have not the force or effect of an oath in the German Empire; third, the reexamination in cases where there is reason to doubt values by agents of their Treasury Department; and, fourth, of the high penalties for undervaluation."

Treating of market value, he remarked:

"Market value, as defined under American law, is the wholesale price at the time of export, and our trouble lies in having two sets of prices, one for export and the other for home trade. We have to resort to a division of shipments under the so-called '$100 clause' to keep our matters secret, save fees, and avoid control on that side."

In speaking of declarations in the invoices "compelling all sorts of statements as to how goods were obtained, * * * values in detail," etc., he continued:

"These things all lead to abuses, and we are promised that the means of gaining information through American consuls and agents will be shut off. Our boards of trade are fully awake to the dangers that surround us, and in making every effort to close the doors against this abuse they are hoping for the whole support of the Government.

"Experience has taught that the workings of paragraph 8 of the Dingley tariff has not fulfilled the purpose for which it was enacted, but, on the contrary, the information gained under this regulation concerning costs of production has been so defective that in many cases it has been misleading, because through the prudence of our officials we have taken care that investigations of this character shall throw little light upon the actual value of their consignments.

"In many cases trouble has been avoided by having invoices consulated remote from districts in which the goods are manufactured, but we must follow up this whole question as to the rights of consular or other officers to pry into our business, * * * and in this we are assured of the cordial support of our Government. Such treatment on the part of American officials and the cause for it is plain, and now that concessions must be made by the American Government, if we stand together firmly as a body, aided and supported by our boards of trade, we can bring about a change that will be of untold benefit to our American export trade."

These men or their predecessors, undervaluers for twenty years or more, have not regarded it and do not now regard it as improper to deprive our Treasury of the tariff duties as written in the statute books of the Nation. They have not hesitated to act on the advice, freely and unblushingly given in their trade journals and by their prominent spokesmen, to conspire to evade, by all means possible, the laws of this country. If the results are to be what Mr. North says they will be, and what all interested in honest dealings and obedience to the law wish them to be, one can not help but wonder at the universal and exceptional anxiety of these German consigning exporters for an agreement making it well-nigh impossible for them to escape the rigors of the law they have been antagonizing for many years. It is marvelous that these men, convicted decades ago by unbiased investigating committees of gross undervaluations (which, Mr. North impliedly admits, are still committed, but which, he argues, will be stopped by the new agreement), should urge their Government to the point of demanding an agreement which will deprive them of their illicit gains.

THIS SEEMS TO BE AN ANOMALY.

Imagine men holding such views, demanding a "change which will be of untold benefit to the American export trade," fighting for a chance to protect this Government against fraud! Fancy chambers of commerce, "fully awake to the dangers surrounding them," and through whose officials the German consignors have taken care that "investigations should throw little light" upon the actual value of their consignments, consumed with a burning desire to act as a protection against individual fraud upon the revenues of the United States! It is difficult to understand how the composite honesty and integrity of these "quasi official," "semiofficial" chambers of commerce can be much, if any, higher than the average honesty of the average member, who, if the extract quoted represents his feeling, was not strongly in favor of regulations providing for control on this side. If the concessions made (corresponding closely as they do with the specifications set out in the various remarks we have quoted) are to put a stop to individual fraud, or are to be even a protection against it, one does not readily understand the reason for Germany's alleged belligerent position.

If these chambers of commerce are to furnish evidence of absolutely correct values; if the values are to have the stamp of official approval, why did the commission provide that their certificates should be only "competent" (not necessarily conclusive) "evidence?" That provision shows either that the Germans did not understand the distinction between competent and conclusive or that the certificates of these chambers of commerce were not expected to be what Mr. North writes they will be—"the guaranty not merely of the chamber, but of the Government itself." He adds, "If they (the accredited special agents) have reason to question the accuracy of a chamber of commerce" over which the Imperial Government exercises the minutest supervision and of which Government the chamber is a part—"if they have reason to question the accuracy of a chamber of commerce certificate, they will have the right to ask that it be verified." If this official chamber, a "part of that Government," gives an inaccurate certificate, the agents will have a right to have the other part of the Government verify it. We dissent strongly from this idea of the efficacy of these certificates. In our view the provision, as worded, will do no harm to domestic interests so long as the appraisers follow the directions given them by Assistant Secretary Reynolds, of the Treasury, that "the United States did not mean to acknowledge foreign chambers of commerce as final authority in fixing export values. Their opinion is to be taken merely as evidence competent to be considered by the appraisers in their examination of commodities." This advice they have since followed, having thrown aside such certificates as of little value, if any, in determining questions before them. But if the certificates of these official bodies, "part of the Government," are to be treated with such lack of consideration (and the commission must have known they would be if they were not to be accepted as "conclusive"), why was such a chance given for misunderstanding and cause for complaint in the future? If the "backdoor" operations of the special agents were to be stopped for our benefit, although their methods were distasteful to Germany, why was this loose provision inserted? For it will be difficult to avoid unpleasantness with the German Government if its certificates are to be accepted as of no more worth than the testimony of any merchant witness. The commissioners can not now claim that they did not comprehend the exact status of these chambers of commerce, for Mr. North asserts "they are part of the Government" and argues that the chambers would not think of issuing false certificates of value. Instead of clearing away causes of discontent, the commissioners by this stipulation have added fuel to the flames.

WHAT ARE GERMAN CHAMBERS OF COMMERCE?

Officials differ so radically in their statements as to their character that after each utterance the mystery deepens. The President says the German chambers of commerce are "quasi official;" Secretary Straus says they are "semiofficial;" Mr. North says they are "part of the Government," while Commissioner Stone, "tariff expert of the Department of Commerce and Labor," differs radically from his fellow-commissioner as to the function of the chambers and agrees with Secretary Straus as to their status, for he says:*

"The chambers of commerce are semiofficial bodies whose functions and activities are strictly regulated by law. They are representative bodies consisting of men elected by the manufacturers and wholesale dealers in each district. Membership in the constituent body of the chamber of commerce is compulsory, and whether a business man takes part in the election of representative members of the organization or not he is required to contribute his share to cover its expenses. * * * The chambers of commerce serve as the medium through which confidential information as to trade openings abroad is communicated to manufacturers and exporters. It is to these bodies that German business men resort whenever they have any grievances to which they desire to call the attention of the Government. The chambers are especially valuable to the Government as sources of information which comes directly from the business interests involved."

Which does not support the statement that they are "part of the Government," and the inquirer is embarrassed by the conflicting and contradictory statements of the two commissioners.

If the chambers of commerce are "part of the Government," which we doubt, then the commission, instead of allaying antagonisms and irritations which were said to exist, increased the opportunities for such irritations and misunderstandings. If they are not "part of the Government," which we believe, the provision that their certificates should be merely competent evidence was not improper; for it is inconceivable that anyone would agree to permit men, chosen by foreign manufacturers and wholesale dealers, to be the final authority in fixing export values. This provision seems to be harmful when the language is strictly construed, but difficulties will be encountered if Mr. North's explanation of its meaning is accepted, and we do not wonder that there is some dissatisfaction over it in Germany.

THESE PROVISIONS ARE CONTRADICTORY.

Mr. North contends that "opportunities for the special Treasury agents to obtain evidence of undervaluations have not been lessened by the agreement that they shall be accredited to the German Government, but, on the contrary, their power and authority in this respect have been enormously strengthened and increased," this provision, in his opinion, being "another long step in the direction of the prevention of undervaluation"—more effective than any law Congress can pass for that purpose. "Instead of getting information by the back door, as heretofore, they will enter and leave by the front door. I anticipate that they will be given every facility to find out that the German people, as a rule, are just as honest and as high-minded in their commercial transactions as are the American people."

But the question arises, Why must provision be made for special agents, if the certificates of these chambers of commerce are to be official guaranties by a "part of the Government" of "the correct and honest price?"

Think of the necessity of providing that "these officers sent abroad," as ex-Assistant Secretary Hamlin has well said, "to examine suspected undervaluation schemes shall be personæ gratæ to the very persons they are sent to investigate, and that they shall be recalled whenever their presence ceases to be agreeable to the exporters!"

If under this agreement we are to have valuations never so honest and accurate, why did the President promise to urge Congress to amend the law (which he has since done) to provide for a 10 per cent undervaluation without penalty? Why the necessity for this provision, if the value of merchandise imported from Germany is to be surely ascer-

* See pamphlet entitled "Promotion of Foreign Commerce in Europe and the United States," by N. I. Stone, p. 14.

tained and knowledge of such valuation is to become "world-wide?" Why give this demoralizing privilege to a class of men who have been taught that it is not only not immoral, but not even "incorrect," to undervalue German goods for the purpose of entry into American ports, and who became notorious for their frauds upon the revenue complained of so bitterly in the eighties?

Consider these two contradictory provisions of this agreement and tell us, if the true value is to be so certified, why a right to undervalue up to 10 per cent must be written in the law. Think of providing that the German chambers of commerce shall certify "the true values" of exports, and the President promising to recommend an amendment to existing law that will permit undervaluations up to at least 10 per cent without penalty.

ABUSE OF SPECIAL AGENTS—THEIR WORK IN THE PAST YEAR.

These special agents, through whose indefatigable efforts much smuggling and many irregularities against our laws have been unearthed and prevented, come in for an additional "fling" from the President, who characterizes them as "detectives," whose employment, "though often necessary, tends toward abuse." It may not be necessary to employ special agents at all, as far as our actual knowledge of this service goes, but it is hardly to be expected that a body of men like the chairman of the Berlin meeting, whom we have quoted, will fall over one another in their efforts to furnish information to those officials, now that they must be personæ gratæ to the German Government. They may do so; but we have a suspicion that, in the future as in the past, through the prudence of their officials, investigations will throw "little light upon the actual value of their consignments." That there is still need for the services of these men who "get their information by the back door" may be gathered from the recent report of the Secretary of the Treasury, who, after nine months' experience in his position, wrote to Congress:[a]

"Special agents of the department have been actively and effectively employed during the last fiscal year in the prevention and detection of frauds on the customs revenue through undervaluation and irregular classification, as well as in the suppression of smuggling. They have cooperated with collectors of customs and appraising officers in all parts of the country and with the Board of General Appraisers, submitting information as to values. In many instances it is due to their efforts and their information that advances in value have been made by the appraising officers and such advances sustained when the cases came for final decision before the Board of General Appraisers. In the aggregate these advances have been large and the revenue from customs much increased thereby."

DID THE PRESIDENT EXCEED HIS POWERS?

While the agreement concerning the open hearing was misapprehended, there was still greater "misunderstanding" not only on this side, but by the Germans also, concerning section A, defining market value and construing provisions of section 19 of the customs administrative act. The agreement provides that the "export price" shall constitute market value where the goods in question are made wholly for export and not sold at home "in the usual wholesale quantities packed ready for shipment to the United States."

It has been claimed that this clause of the agreement alters not only the Treasury regulations, but the existing law. If that be true, then the President had no right to alter the law without the consent of Congress. In answer to this objection the President says that the method adopted for determining the actual market value of goods is in accordance "with what I am advised to be the true construction of the law."[b] Mr. North says that this interpretation of section 19 was submitted to the Attorney-General and by him decided "to be wholly within the letter of the law. Those who contend otherwise can not have carefully read section 19."

Without entering into an examination of the sections involved or making an argument against the right contended for, it will be sufficient to quote the opinions of several good lawyers in opposition to the construction insisted upon by Mr. North. The mere fact that in the opinion of the Attorney-General this interpretation of section 19 is "wholly within the letter of the law" does not make it so. Attorneys-General have been known to be wrong in the past in their views of the law, and it is within the range of possibilities that the present incumbent may be mistaken; for he is not so great a lawyer as to inspire the utmost confidence in the finality of his construction of any legal question. It was perfectly proper for the President and the commissioners to be guided by the opinion of their legal adviser; but it does not follow that all who dissent must accept his view of the law. It may excuse the commissioners for negotiating the agreement and the President for approving it, but it is not necessarily conclusive as to the correctness of the construction.

While the Attorney-General advises that the President had the right to make the alteration complained of, the Hon. Charles S. Hamlin, one-time Assistant Secretary of the Treasury under the Cleveland administration, and an attorney having quite as good professional standing in Boston as the Attorney-General had in Baltimore, dissents vigorously from that view, calls the President's action unconstitutional, and declares that he has "repealed some of the most important parts of the act of Congress known as the 'customs administrative act,' which for about seventeen years has been a portion of the law of the land."

The Hon. John S. Wise, a reputable lawyer of the New York bar, and a man of undoubted ability, has given the following opinion respecting the President's right to do what he has done. Mr. Wise says:

"By the third section of the Dingley Act power was undoubtedly granted to the President to enter into negotiations with foreign governments exporting the enumerated articles to the United States, with a view to the arrangement of commercial agreements, in which reciprocal and equivalent concessions may be secured, etc. And it was further declared that, whenever such government should enter into a commercial agreement with the United States, etc., which in the judgment of the President, should be reciprocal and equivalent, he was authorized and empowered to suspend, during the time of such agreement, by proclamation to that effect, the imposition and collection of the duties mentioned in the act on such articles, and thereupon and thereafter the duties levied, collected, and paid upon such articles were to be as described in section 3, at the alternative rate mentioned in section 3.

"That was the whole power of the President. There is not a word in the act authorizing him to make any agreement with any government concerning the method by which the valuations on the imported articles were to be ascertained as a basis for levying the duty.

"The commercial agreement entered into by the President on behalf of the United States with Germany does something more than agree upon the alternative and reduced tariff rates of duty.

"Article 2 expressly adopts, as part of and consideration for the agreement, an undertaking to assume by the President, on behalf of the United States, certain modifications of the customs and consular regulations set forth in the annexed diplomatic note. That diplomatic note (Par. A), which is to be read in the agreement as part of it, provides that whenever goods, etc., sold wholly for export can not be valued on the basis mentioned in section 19 of the customs administrative act, another rule of valuation shall be substituted to ascertain the market value, to wit: That 'market value shall be construed to mean the export price.' The export price must, in the nature of the case, be the price at which the goods are invoiced to their consignee in the United States. It must be an arbitrary sum. It would not be a price unless it was a fixed figure. It is fixed by a mutual agreement between vendor and vendee. It leaves nothing to be ascertained but the fact of price fixed upon, and is compulsory upon the government agents in assessing the tariff duty.

"Had the President a right to do this? There is nothing in the third section of the tariff act extending his powers to any such subject. His power was exhausted under the guaranty of the third section when he fixed the alternative rate by the commercial agreement. If any power to adopt this arbitrary basis of market value existed anywhere, it was in the Secretary of the Treasury under his power to make treasury regulations. If the regulation he made was valid, the commercial agreement could carry it out. If it was invalid, the commercial agreement could not validate it.

"It seems to me that neither the Secretary of the Treasury nor the Secretary of State nor the President had any authority to determine or to instruct their subordinates to construe the act so that the export price should determine the market value.

"The eleventh section of the customs administrative act, as amended by section 32 of the act of July 24, 1907, prescribes a method of ascertaining and determining the market value where the conditions named in section 19 fail, which seems to me to be complete and exclusive of any other method. It seems to me that this construction, agreed upon by this commercial agreement, abrogates the legal method of ascertaining market value, as defined by section 11, repeals its provision, and substitutes a new and inconsistent method of ascertaining market value for the complete method supplied by section 11.

"This action falls within a rule long recognized and repeatedly adjudicated, that no action of any department of the Government which in effect repeals an existing law and substitutes something else for it is legal. If I am correct, so much of the commercial agreement as adopts this rule is illegal, null, and void.

"If this rule to ascertain market value is to stand, it would seem to take away from the general appraisers all the powers conferred upon them by section 16 of the customs administrative act.

"The question reduced to its last analysis is:

"1. Had the President a right to make this commercial agreement?

"To that I answer 'yes.'

"2. In doing so, had he the right to alter a mode of appraisement applicable to all imported goods, whether they come in under commercial agreements or not, prescribed by sections 19 and 11 of the customs administrative act?

"To that I answer 'no.'

"Nothing is said in any law of power in the President to alter the prescribed mode of ascertaining values of goods imported. Until I am shown such, I am of opinion that in attempting to do so he has exceeded his authority."

It will be observed that Mr. North, in contending that the President when ordering the change "was wholly within the letter of the law," relies alone upon section 19; on the other hand, Mr. Wise, in reaching an opposite conclusion, bases it upon both sections 11 and 19, the former of which Mr. North ignores or overlooks.

We are not arguing for the incorrectness of the view held by the Attorney-General or for the correctness of the view of Mr. Hamlin or Mr. Wise; but it is plain that, with such divergence of opinion, all can not be right, and in our opinion there is just as much chance of the Attorney-General being wrong as the others. In view of these different opinions held by capable lawyers, we dissent strongly from Mr. North's positive statement that "the administration has agreed that hereafter it will consent to construe its customs administration law in accordance with 'its terms.'" Because the President has been so advised does not make it so, and Mr. North's position will be denied and contested until the Supreme Court decides otherwise.

IF TO OUR GREAT ADVANTAGE, WHY THE SCRAMBLE FOR LIKE PRIVILEGES?

In view of Mr. North's contention that the agreement is to be of inestimable value to the United States and of so little value to Germany, one marvels at the scramble among foreign countries to be permitted to give still more advantages to us; for soon after the German agreement became known various European powers, fearing that the concessions were exclusive, were clamoring for a chance to share in the good things Germany, in their opinion, had secured, and Secretary ROOT announced that they would be extended as a "free gift" to every country "which can comply with the conditions under which they were granted to Germany;" meaning, no doubt, that all countries in which chambers of commerce are "part of the government" would be extended the same concessions.

DIFFICULTIES ARISE.

England, our best customer, was soon "stirred up" over Secretary ROOT's further announcement that "it is impossible to accept any statement by a British chamber of commerce as evidence of value of goods exported, as is the case with the commercial bodies of Germany and France, as the latter are quasi official, while the British bodies are nonofficial." This was regarded by the British people "as a gratuitous slight and as a distinction inspired rather by a desire to hamper British trade than by a genuine belief that the valuations of the chambers could not be depended upon." A protest was made against that distinction and the President, together with the Secretary of State, seeing that it would be impossible to apply two different sets of customs regulations to the imports from different countries, reversed this ruling, and within a few days another announcement was made, this time to the effect that "certificates of invoices of shipments of British goods to America, issued by chambers of commerce, will be accepted by the Treasury officials on the same grounds as arranged in the German-American tariff agreement." And why should not the British exporters, who have never been undervaluers on the scale set by the German consigning exporters,

[a] See Report, p. 53.

[b] See annual message to Congress, p. 61.

object to the distinction drawn against their chambers of commerce, composed surely of men of as high moral character, honesty, and integrity as are the German bodies?

WHO ARE THE PRESIDENT'S EXPERTS?

Respecting certain of our methods of administration which have been the cause of much complaint on the part of German exporters, the President, in his annual message to Congress, said: "I became satisfied that certain vicious and unjustifiable practices had grown up in our customs administration, notably the practice of determining values of imports upon detective reports, never disclosed to the persons whose interests were affected. Under our practice as I found it to exist in this case the abuse had become gross and discreditable. * * * In the judgment of the most competent experts of the Treasury Department and the Department of Commerce and Labor, it was wholly unnecessary for the due collection of the customs revenues, and the attempt to defend it merely illustrates the demoralization which naturally follows from a long-continued course of reliance upon such methods."

This tirade against "the practices which have grown up in our customs administration" is based, the President writes, upon his "investigation" and upon the judgment of experts, who, in giving this opinion, are in opposition to the majority of the general appraisers; but he vouchsafes no names, that we may know their experience and their fitness for giving such opinion and such advice. No such conclusion, as the President says he reached, can be based on the testimony of the Secretary of the Treasury or the United States officials as given to the Committee on Ways and Means in February, 1906, when they were investigating this whole question. It is to be regretted that in view of so much adverse testimony then given Congress could not have been informed who these men are that know more about the custom-house practices than the Secretary of the Treasury and the general appraisers.

THE AGREEMENT WAS MADE FIRST; INFORMATION WAS SOUGHT LATER.

Notwithstanding the confident tone of the President, a slight experience under the agreement served to show that the opinion of the office experts in Washington and the views of "the competent experts in the operation and administration of the customs tariff" were not quite equal, after all, to that of men dealing every day with importation, and in September it was deemed necessary to send abroad another commission, consisting of Assistant Secretary Reynolds, of the Treasury, and General Appraisers de Vries and Waite, charged with the duty of making a thorough investigation of export prices and market values, for, it was stated, "within the few months between July and September, it had become apparent that determined efforts were being made abroad to enter goods into this country at the export rates rather than at the regular foreign value." The whole attitude of the commission, it was also stated, "was to be that of seeking light on a subject which has been giving much trouble to the customs tribunals, with the idea of suggesting such reforms as may be deemed necessary."

In addressing the members of the American Chamber of Commerce in Paris, Mr. de Vries remarked that the commission had gone "to France to study the organization of French chambers of commerce. Upon the signing of the German agreement, and after its extension to France and other countries, the Board of General Appraisers and the Treasury Department naturally desired to know the manner in which these chambers of commerce were constituted for the purpose of arriving at the weight which should be attributed by the board to the findings and certificates of these commercial bodies."

CERTIFICATES FROM OFFICIAL AND UNOFFICIAL BODIES ON AN EQUALITY.

Secretary Reynolds and his commission agreed with the British Government, according to a press dispatch, that "the board of trade shall investigate the local boards of trade and chambers of commerce and recommend those which it considers competent to undertake the work of certification." The effect of this arrangement is that these "commercial bodies," which, according to Secretary Straus, "are unofficial, very much the same as over here," have been given the same right to issue certificates of value as the German bodies which Mr. North says are "part of the Government." In view of this concession, what becomes of the effect of his assertion that the German certificates, because they are official, are to be a "protection against individual fraud which has never heretofore existed?" If the protection is secured in Germany because the certificates are given by a "part of the Government," what protection is there to be in the case of English certificates given by commercial bodies which are "unofficial, very much the same as over here?"

WAS WISDOM SHOWN IN THE NEGOTIATION?

All of which suggests the inference that the President and the Secretary of State, when they authorized the negotiation of the German agreement, did not see all the difficulties involved in the questions in dispute. If they had, it goes without saying that the President might have been more circumspect and cautious in his denunciation of the "vicious and unjustifiable practices which had grown up in our customs administration;" and the Secretary might have pictured in less glowing colors the great benefits which were to flow to us from the agreement.

The sending of the second commission to seek light after the agreement, under which the trouble arose, was signed and promulgated, reminds one of the man who locked the stable door after the horse was stolen. In our view, it would have been wiser to seek light on the troublesome subject and receive suggestions of needed reforms (if any were needed) before sending the first commission to conclude an agreement with Germany. If the first commission put "our commercial intercourse with that nation on an honorable, dignified, and self-respecting footing of international comity," why was the second commission necessary?

MISUNDERSTANDING STILL EXISTS IN GERMANY.

It seems now that the Germans insist upon an interpretation of certain sections of the agreement decidedly different from that taken by some of our officials. Mr. Ludwig Max Goldberger, a privy councilor of the German Empire, in a carefully prepared article recently published, contends that "market value" in the agreement means "export value," "the provision being valuable in that it establishes a standard." Mr. Goldberger glories in the fact that Germany is a "consigning nation;" which he regards as "a perfectly legitimate and unimpeachable business." He notices an address President Roosevelt is alleged to have made to the Textile Importers' Association, and criticises some of the statements said to have been made, declaring them to be by no means "free from recklessness and error." It is not pleasant for us to criticise the words or actions of the President, but it is much less pleasant to have the Executive accused by a representative of a foreign power of making statements "by no means free from recklessness and error."

WHAT GERMANY WISHES TO FORCE.

What Germany wishes is not a temporary agreement "attacked by strong interests in the country or one whose validity may be questioned," but a reciprocity treaty, which Herr Goldberger hopes will be permanent. This, he suggests, can be accomplished in one of two ways—either by adopting the recommendations of Mr. N. I. Stone, one of the members of the first commission, who proposes that article 3 of the Dingley law be so altered by Congress as to include a considerable number of imported articles in which states of different climate and yielding different productions have their interests centered, or (and this proposal Mr. Goldberger indorses) by modifying article 4 of the law so that without any time restriction the President may be empowered, with the assent of the Senate alone, to make reciprocity treaties upon a universal basis of 20 per cent duties. This, he declares, will not be an agreement but a "treaty which will live for a long time. Nothing short of a treaty can help us in Germany or you in the United States."

DISAPPOINTMENTS HAVE OCCURRED AND WILL OCCUR.

Since the negotiation of a reciprocity treaty has been promised Germany, it is well to discover the professions of some organizations favoring such a convention. The Bulletin of the American Reciprocal Tariff League says, "standing for adequate protection to all our industries, it (the league) believes that the time has come for the trading off of duties no longer needed in exchange for valuable trading privileges to be granted us abroad." If some industries are so strong as completely to dominate the domestic markets and require no protection, or can dispense with "duties no longer needed," what would it benefit the rivals abroad to have them traded off? If foreign powers were lured into the making of a treaty on such a basis, would they not soon realize what this Reciprocal Tariff League has found out in respect to German minimums,[a] that "the privileges granted do not enable them to export the goods?" And if the foreigners are enabled to export goods in quantities sufficient to gratify and satisfy them with the bargain made, would adequate protection be afforded all our industries? It seems plain to us that the league can not cling to its announced tenet of "adequate protection to all our industries" and at the same time "drive" for reciprocity treaties which trade off one industry for the benefit of another or some industries for the advantage of others. Trading off "duties not needed" is a snare and a delusion which is not likely to catch many victims abroad; and our experience with Germany, accepting as true the statement made by the league paper, is not calculated to make many on this side of the water believe that we made a great bargain in our first attempt with that country.

HERR GOLDBERGER OFFERS GRATUITOUS ADVICE.

Like the Austrian manufacturer from Brünn, Mr. Latzko, who advised the Committee on Ways and Means during the framing of the Wilson bill, Herr Goldberger repeats gratuitous advice given on a former occasion, which, he hopes, will not be "unpalatable to Congress." In part, he says:

"It is also my opinion that the producer himself, on calmer reflection, as soon as the years have brought hard times, which are never far off, even in countries of unlimited possibilities, will arrive at the conclusion that a steadier and sounder policy in foreign trade, such as the ever-increasing flood of industrial activity demands, can not be maintained and developed merely by framing tariff and commercial treaties valid for many years, but only by the abolition of an insecure and prohibitive protection system, which does not benefit the people in general, but only promotes to an inordinate degree the plans of a single group of men who are interested in its maintenance."

This privy councilor joins the chorus of that ignorant choir who constantly sing the refrain, "prohibitive tariff." It is amusing, coming from a German, inasmuch as the value of partly manufactured goods imported yearly into the United States exceeds by $25,000,000 the value of the same class of goods imported by Germany, while the value of wholly manufactured goods exceeds by $126,000,000 the value of those imported by Germany, and exceeds by $65,000,000 those of France and Germany combined. "Prohibitive protection system," forsooth!

It does not lie in the mouth of any German to complain of the American tariff or falsely to characterize it as "prohibitive," when, in the year 1905, Germany imported[b] not a pfennig's worth of fabrics of silk or wool, while her exports of silk fabrics were valued at $35,557,200 and her exports of wool fabrics at $69,900,600; nor a farthing's worth of clothing, while her exports were valued at $27,298,600; nor a penny's worth of aniline dyes, while her exports were valued at $23,936,600. This exclusion of foreign products in these various lines may have been due to "prohibitive" tariff rates for aught we know, or to a cost of production which was so low as to accomplish the result. Whether it is due to the one or the other, or to both, matters not; for were the markets free, what would it profit us if we found ourselves unable, by reason of greater cost of production, to compete with the highly developed German industries in their home markets? We challenge anyone to cite any similar schedule or any schedule of our tariff which produces the results in our markets that are to be found in the German figures of foreign trade for 1905.

IF EUROPEAN COUNTRIES FAIL OF ACCESS TO GERMANY'S MARKETS, COULD WE SUCCEED?

Neither Austria-Hungary, Italy, Servia, Roumania, Switzerland, Belgium, nor Russia, her continental neighbors, with which countries Germany has reciprocity treaties, nor Great Britain, the greatest exporting nation of the world, nor France, sent her a mark's worth of silk or wool fabrics in 1905 (these being the latest figures at our disposal), and there is no reason to believe that they have succeeded any better during any year since. She imported of bicycles and parts not a penny's worth, while her exports were valued at $7,092,400; of manufactures of copper, including brass, she imported none, while the value of her exports was $11,566,800; of iron and steel and manufactures thereof her exports were valued at $180,213,600, her imports of the same class being but $18,730,000, and all machinery, a portion, no doubt, being textile machinery, in the manufacture of which Germany as yet does not hold a preeminent position. The story is the same in leather and leather goods—no imports, and exports valued at $31,439,800—and the list could be extended if there were need. But enough have been given to

[a] Bulletin of the American Reciprocal Tariff League for November, 1907, p. 1.

[b] See Monthly Consular and Trade Reports, No. 317, February, 1907, p. 72.

show that if Germany's European neighbors, with the benefit of lowest rates under reciprocity treaties and with lower cost of production than the United States, failed to gain access to her markets in the classes of manufactures enumerated, surely no better results can be hoped for by us if given the minimum rates also.

NEITHER SIDE SEEMS WHOLLY PLEASED.

This temporary agreement wholly pleases neither Germany nor the editors of the American Reciprocal Tariff League Bulletin, who have said:

"Now, it is entirely true that the temporary agreement which has received the sanction of the administration is not exactly what our people want. Indeed it is far from it. * * * As a matter of fact, Germany's minimums on many of our products are too high to enable us to export the goods." [a] Two years ago we pointed out that these irreducible minimums on agricultural products and provisions were inserted in the German tariff at the demand of the agrarians, and that it was futile for these reciprocitarians in the United States to hope for great things from a "trade" with Germany. Now, after an agreement under which, as Secretary ROOT says, 96.7 per cent of our exports to Germany have the benefit of the lowest tariff rates, these insistent agitators confess that the minimums are still "too high to enable us to export the goods." Although we get so much and Germany so little from this agreement, we find that even those who vehemently favored the agreement and applauded its negotiation are now dissatisfied with the results obtained, which avail them nothing.

Compare the foregoing with the glowing announcement made by President Saunders of the league upon his recent peaceful invasion of Washington that "$75,000,000 of foreign gold will be one of the first fruits of reciprocity treaties with France and Germany." Was this intended for consumption by the credulous public, and the other to express the true feeling of disappointment entertained by the editors of the league paper? Which is to be accepted as true?

THE MOST OBJECTIONABLE FEATURES OF THE AGREEMENT.

But some of the most objectionable features of this agreement have not been touched upon thus far. We regard as the most dangerous feature of the agreement the implied promise of the President to negotiate a reciprocity treaty and his absolute promise, in the diplomatic note of Secretary ROOT to the German ambassador on May 2, 1907, to recommend to Congress the enactment of an amendment to section 7 of the customs administrative act of June, 1890, to provide that—

"If the appraised value of any article of imported merchandise subject to an ad valorem duty or to a duty based upon or regulated in any manner by the value thereof shall exceed the value declared in the entry by more than 10 per cent, there shall be levied, collected, and paid, in addition to the duties imposed by law on such merchandise, an additional duty of 1 per cent of the total appraised value thereof for each 1 per cent in excess of 10 per cent that such appraised value exceeds the value declared in the entry"—

Which means that undervaluations of 10 per cent will be allowed, and the invitation will be unanimously accepted.

THE PROMISE IS AGAINST ADVICE AND EXPERIENCE.

This promise was made contrary to the advice of the chairman of the Committee on Ways and Means,[b] who, at the hearings already referred to, said: "The law of 1890 contained a provision that unless there was a difference of 10 per cent there was no penalty. We changed the law afterwards, and we did it because of the representations of the Treasury Department and of the appraisers and everybody else connected with it, that dishonest importers could take their chances on 10 per cent of fraud, because it amounted to that in relation to the revenue; and it got to be almost the universal practice of a certain class of importers to guess 10 per cent below the actual value, because it did not harm them any, as they simply had to pay duty on the real value."

REASONABLE SUGGESTIONS WERE SPURNED.

Secretary Shaw suggested to the Ways and Means Committee, as one of the "gentlemanly concessions," that the penalty be remitted in every case when the undervaluation is less than 5 per cent and the Secretary of the Treasury be given the power to remit the next 5 per cent upon the recommendation of the Board of General Appraisers—the first of which seems to be reasonable enough, perhaps, taking into consideration the difference of opinion among experts as to values.

The amendment suggested by General Appraiser Fischer [c] provided that when the increased valuation did not exceed 5 per cent the penalty should be remitted if the general appraiser or Board of General Appraisers should certify that the increase was due to trade conditions only and was not an intentional undervaluation. This, he felt, would "protect the honest merchant and punish the other class."

But the President ignored this testimony and, in ignorance, let us say, of the iniquities practiced under the law of 1890 and previous laws, agrees to return to conditions which were intolerable.

In this day of great specialization (when no one man understands the whole of any modern business, much less the whole of all businesses) would it be wise to intrust the negotiation of a complete reciprocity treaty involving the manifold interests of our various industries to a man and his advisers who have agreed to make a recommendation such as the foregoing or a man who writes that "there must always be as a minimum a tariff which will at least make good the difference in cost of production here and abroad; that is, the difference in the labor cost here and abroad?" [d]

Who agrees with him that "cost of production" is the same thing as the "labor cost?" If only that were considered, what would become of the countless other differences, such as higher cost of materials in some lines, higher charges for fuel, higher interest charges, higher taxes, and many other items proper to be considered in reaching the "cost of production?" In this day of close trading, with large sales and small profits, these alone in this country are sufficient to spell success when they are favorable, or failure when they are unfavorable.

This ill-considered and ill-advised compact would not, we believe, have been approved by Congress. By that body it would have been viewed in an entirely impersonal way; and, in our opinion, open discussion of its provisions and promises would have condemned it to the defeat it merited. It is a conspicuous example of the difficulties and dangers to be encountered continually if the power to alter existing laws is to be lodged in the hands of one man, no matter how brilliant he may be or how pure his motives; and it is justification, if one were needed, of the opposition, long declared by this association, to reciprocity treaties and similar agreements with other nations.

[a] Bulletin American Reciprocal Tariff League for November, 1907, p. 4.
[b] See Hearings, p. 24.
[c] Ways and Means Hearings, 59th Cong., 1st sess. (1906), p. 67.
[d] See annual message, 1907, p. 14.

EXHIBIT F.

SYNOPSIS.

I. Importation by consignment and undervaluation have been complained of for nearly a century, the Hon. William H. Crawford, Secretary of the Treasury, sending a report to Congress on the subject January 19, 1818.

II. A margin of 10 per cent was allowed by the tariff laws of July 30, 1846, March 3, 1857, and June 30, 1864. Under them the importation by consignment, by which goods were entered at factory cost, thereby diminishing the duties, grew to formidable dimensions. The evils of the system were strongly pointed out by Stephen Colwell, member of the revenue commission of 1865–66.

III. In 1881, under section 2900 of the Revised Statutes, which continued the 10 per cent margin allowed by the tariff act of 1864, complaints of its evil effects became so numerous and persistent that the tariff commission of 1882 investigated the workings of the law and unanimously recommended the repeal of the section. As a substitute the commission provided for a variation of 5 per cent between the appraised and entered value.

IV. In 1884 the Hon. Charles J. Folger, Secretary of the Treasury, reported to Congress on the extensive undervaluation of imported merchandise, which worked great injury to importers refraining from such dishonest practice. He submitted a bill which withdrew all margin for undervaluation and provided drastic penalties for all discrepancy between the actual foreign value of imported merchandise and the invoice value, but it was not acted upon by Congress.

V. In 1885 an investigation of undervaluations was made under the direction of the Hon. Hugh McCulloch, Secretary of the Treasury, by three special agents of the Treasury. They reported that the general practice of undervaluation was admitted. It had been successfully practiced for so many years that nothing short of legislation, it was thought, could suppress it.

VI. The Senate Finance Committee next undertook an exhaustive examination of the evil and, in reporting in 1889 against the margin of 10 per cent permitted by section 2900 and in favor of reducing the leeway to 5 per cent, declared the intention of the change to be to prevent the present habitual practice of undervaluing.

VII. A Boston committee of merchants and manufacturers, investigating the same question in 1886, reported in favor of reducing the 10 per cent margin to 5 per cent.

VIII. Even after the creation of the Board of General Appraisers by the act of June 10, 1890, the effort to prevent undervaluations was not wholly successful, the 10 per cent margin being a factor in the failure.

IX. In 1893 the Hon. John G. Carlisle appointed a committee, of which ex-Secretary Charles S. Fairchild was chairman, to report on the workings of the administrative customs act of June 10, 1890. They reported against the 10 per cent margin allowed by it and recommended no margin whatever for difference of opinion as to values.

X. Before the Committee on Ways and Means in 1896, General Appraiser Tichenor favored a reduction of the margin for undervaluation from 10 to 5 per cent, a limit prevailing in Great Britain and on the Continent.

XI. On March 17, 1896, the House of Representatives passed an amendment to the customs administrative act abolishing all margin for undervaluation and providing for additional duties at the point where the appraised value exceeds the invoiced value, changes suggested by the Secretary of the Treasury, the Board of General Appraisers, and the commission appointed by Secretary Carlisle. No action, however, was taken by the Senate.

XII. The margin of 10 per cent was finally taken away by the law as amended in 1897, the importer being required to state the correct value.

XIII. Complaint having been made that the amended act of 1897 was too severe, in 1906, when Germany was pressing for modifications and the Committee on Ways and Means was hearing testimony, neither the Secretary of the Treasury, the general appraisers, nor any witness or bill before the committee suggested an unconditional return to the 10 per cent margin permitted by the act of June 10, 1890. Even the representative of the importers and the customs committee of the Merchants' Association of New York asked for only half that margin.

XIV. In spite of past experience under a 10 per cent margin its condemnation by commissions, committees, and Secretaries of the Treasury familiar with the wrongs committed under the privilege, the return to the old margin is recommended to Congress by the commission to Germany without furnishing a single reason for this reversal of policy.

XV. The privilege of undervaluation up to 10 per cent is especially advantageous to importers bringing into the country manufactures subject to an ad valorem duty. In cases where the statutes provide for dividing lines of value the rewards for undervaluation are most attractive, the injury done the honest importer and the domestic manufacturer is the most effective, and the loss to the federal revenue is the greatest.

XVI. Unless conclusive reasons for this retrograde step are furnished it would be unsafe and unwise to make the concession.

SHOULD THERE BE A 10 PER CENT MARGIN FOR UNDERVALUATION OF IMPORTED MERCHANDISE?—AN EXAMINATION OF THE QUESTION.

Carrying out his promise made in the diplomatic note of May 2, 1907, to the German ambassador, the President, in a special message to Congress on January 22, 1908, "earnestly recommended to the Congress the enactment into law" of an amendment to the customs administrative act to permit undervaluation of imported merchandise up to 10 per cent without the payment of additional duties for undervaluation. He added: "Besides promoting harmonious relations between the contracting parties to the agreement in question [Germany and the United States], I regard the proposed legislation as a meritorious measure for the improvement of our customs administrative act, the provisions of which are applicable to importations from all countries alike."

The changes urged by the President with which we are chiefly concerned in this investigation are to be found in section 7 of the administrative act, which, with the amendments made, would read as follows (the proposed changes being indicated by brackets for words to be stricken out and italics for those to be inserted):

"SEC. 7. That the owner, consignee, or agent of any imported merchandise [which has been actually purchased] may, at the time when he shall make and verify his written entry of such merchandise, but not afterwards, make such addition in the entry to *or such deductions from* the cost or value given in the invoice or pro forma invoice or statement in form of an invoice, which he shall produce with his entry, as in his opinion may raise *or lower* the same to the actual market value or wholesale price of such merchandise at the time of exportation to the United States, in the principal markets of the country from which the

same has been imported [but no such addition shall be made upon entry to the invoice value of any imported merchandise obtained otherwise than by actual purchase]; and the collector within whose district any merchandise may be imported, or entered, whether the same has been actually purchased or procured otherwise than by purchase, shall cause the actual market value or wholesale price of such merchandise to be appraised; and if the appraised value of any article of imported merchandise subject to an ad valorem duty or to a duty based upon or regulated in any manner by the value thereof shall exceed the value declared in the entry *by more than 10 per cent* there shall be levied, collected, and paid, in addition to the duties imposed by law on such merchandise, an additional duty of 1 per cent of the total appraised value thereof for each 1 per cent *in excess of 10 per cent* that such appraised value exceeds the value declared in the entry, but the additional duties shall only apply to the particular article or articles in each invoice that are so undervalued, *and shall not be imposed upon any article upon which the amount of duty imposed by law on account of the appraised value does not exceed the amount of duty that would be imposed if the appraised value did not exceed the entered value*, and shall be limited to [50] *25* per cent of the appraised value of such article or articles. Such additional duties shall [not] be construed to be penal, and *within the purview of sections 5292 and 5293, Revised Statutes, and sections 17 and 18, act June 22, 1874, and further* shall [not] be remitted, [nor payment thereof in any way avoided, except] in cases arising from [a] *unintentional* or manifest clerical error, [nor shall they be refunded] *but these duties shall not be refunded* in case of exportation of the merchandise [or on any other account,] nor shall they be subject to the benefit of drawback: *Provided*, That if the appraised value of any merchandise shall exceed the value declared in the entry by more than [50] *25* per cent, except when arising from *an unintentional* or a manifest clerical error, such entry shall be held to be presumptively fraudulent, and the collector of customs [shall] *may* seize such merchandise and proceed as in case of forfeiture for violation of the customs laws, and in any legal proceeding that may result from such seizure the undervaluation as shown by the appraisal shall be presumptive evidence of fraud, and the burden of proof shall be on the claimant to rebut the same and forfeiture shall be adjudged unless he shall rebut such presumption of fraudulent intent by sufficient evidence. The forfeiture provided for in this section shall *only* apply to [the whole of the merchandise or the value thereof in the case or package containing] the particular article or articles [in each invoice] which are undervalued: *Provided, further*, That all additional duties, penalties, or forfeitures applicable to merchandise entered by a duly certified invoice, shall be alike applicable to merchandise entered by a pro forma invoice, or statement in the form of an invoice, [and no forfeiture or disability of any kind incurred under the provisions of this section shall be remitted or mitigated by the Secretary of the Treasury.] The duty shall not, however, be assessed in any case upon an amount less than the [invoice or] entered value.

The proposal to allow a 10 per cent leeway we regard as a piece of legislation more dangerous to the business of honest importers, domestic industries, and the federal revenue than any made to Congress within the last dozen years, because if enacted into law it will turn back the wheels of progress for a quarter of a century and again grant opportunities for frauds upon the federal revenue, now needed for pressing wants, afford splendid opportunities for the immoral, if not the criminal, to flourish as the green bay tree, and drive out of the importing business the honest men engaged in it.

MR. ROOT SEES NO DANGER.

We recognize that that is a strong indictment of a recommendation made by the Secretary of State and indorsed by the President, who, we believe, would not knowingly urge or recommend any piece of legislation the effect of which would be to give the opportunities we have recorded in the foregoing paragraph. It is not based, however, on any arguments of the writer, but rests upon the testimony of numerous competent experts and conclusions reached by many committees, two commissions, and at least four Secretaries of the Treasury, together with the Board of General Appraisers, who, coming into closest contact with imported merchandise, know most intimately the evils produced by the consignment of that merchandise, and the undervaluation practiced by those who make it a business to evade the customs of this country.

The President accompanied his message with a communication from Secretary ROOT under date of January 9, 1908, in which Mr. ROOT said:

"The foregoing changes were carefully considered and approved by the representative of the Treasury Department on the American tariff commission sent to Berlin and have been unanimously recommended for adoption by the commission in its report.

"I have the honor to express the opinion that the enactment of the proposed amendment to the existing law would not only strengthen the present good understanding between the United States and Germany in respect of the commercial relations, but would promote harmonious trade relations with other powers without, at the same time, prejudicing in any way the fiscal or economic interests of the United States."

THE PURPOSE OF THIS PAPER.

It is to examine the country's experience with the undervaluation evil with which this Government has been struggling for almost a century, considering in this connection the opinion of Secretary ROOT with respect to the margin he urges, that this paper is written in the hope and full expectation that the writer can so fortify his position by quotations from various reports made by former Secretaries of the Treasury, the tariff commission of 1882, committees of the Senate and House, the testimony of custom-house officials, and the general appraisers, the chairman of the Ways and Means Committee, and the committee on customs of the Merchants' Association of New York, as to compel an admission from unbiased persons that the amendment permitting so great a margin for undervaluation would be inimical to the federal revenue, to the interests of the honest importer, the domestic manufacturer, and, in a word, to the "economic interests of the United States."

By calling the attention of our readers to the experiences of the past, and the advice of many competent men and committees who have known the frequency and extent of undervaluations under the old laws, it is our purpose to show that it would be extremely hazardous and unwise, in the light of that experience and that counsel, to return to the 10 per cent privilege for undervaluation.

This association, recognizing the difficulty in finding experts in appraisement of merchandise who will agree absolutely in their views of value, never advocated the provisions of the present law which were adopted on the advice, largely, of Treasury officials. On the contrary, in 1883, when the tariff commission of 1882 reported a bill, a leeway of 5 per cent was provided, and that provision was supported by Dr. John L. Hayes, secretary of this association, who was the chairman of the commission. In 1885, when making to the Hon. Daniel Manning, Secretary of the Treasury, recommendations for administrative tariff legislation, Doctor Hayes said: "There may be honest difference of opinion as to values. It is believed that the ordinary range of honest difference of opinion as to values will not exceed 5 per cent. No penalty should therefore be imposed when the difference does not exceed that percentage. There should be imposed a certain, though not ruinous, penalty for every experiment beyond that line, the penalty increasing in proportion to the extent of the undervaluation;" and in 1896, when the Committee on Ways and Means were giving hearings on the bill which practically became the law in 1897, the then secretary of this association, Mr. S. N. D. North, the successor of Doctor Hayes, appeared before the committee, and in suggesting that a 5 per cent leeway be given a trial, said:

"The argument in making 5 per cent the point where the additional duties shall begin was very well stated by this Boston committee when it said that by fixing the limit at 10 per cent, which was also the limit prior to the passage of the present administrative law, the law places a premium upon undervaluations below that figure. I do not think there is any escape from that conclusion. As a matter of fact, the undervaluations which the appraisers detect are generally kept below the 10 per cent point—I might almost say as a rule—simply for the purpose of avoiding encroachment beyond the penalty limit. It was the judgment of the tariff commission that a difference of 5 per cent was ample margin to allow for difference of opinion as to the value of imported articles. I see from the hearings held before this committee that Secretary Hamlin proposes that the penalty shall begin at once with any increase of appraisement over invoice value; and that it shall be 1 per cent for every 1 per cent of undervaluation, instead of 2 per cent for every 1 per cent as now. That proposition is a rather drastic one; but I believe a margin of 5 per cent is an ample margin to allow for differences of opinion, and that anything beyond 5 per cent is an invitation by the law for dishonest importers to undervalue to just below 10 per cent of true value, for the purpose of getting the benefit of the avoidance of duty to that extent.

"Every importer who chooses to do so can keep within the penalty line with a margin of 5 per cent in his favor. The purpose of the law is to stop undervaluation, and the way to stop undervaluation is to stop it, and not to encourage it. If the committee will carefully consider these two propositions, I feel sure they will find in them the most effective means to stop undervaluations. It is simply a plan to go back to the original suggestion made ten or fifteen years ago after the most careful consideration by the best experts in the country at that time, and agreed upon with practical unanimity as being the proper limitations upon permissible undervaluation. We have tried the 10 per cent limit, and the universal testimony before this committee is that the 10 per cent limit has been a failure. We never tried the 5 per cent limit. Let us try that and see whether it will also be a failure."[a]

Fortunately, in considering this subject, we shall be wholly unembarrassed by any political or economic issues. "It is," as another has written, "purely a practical question as to the best means of remedying an evil universally admitted except by those who turn it to their own fraudulent advantages."

Fortunately again, it is not a question requiring many new arguments to be advanced by the writer, but one which has been so thoroughly investigated by competent and unbiased committees and commissions that an examination of their findings, suggestions, and arguments will throw convincing light on the question and place our conclusions on a solid foundation, against which, we believe, the assault of opponents will be directed in vain.

A CENTURY-OLD TROUBLE.

Undervaluation of imported merchandise has been a most troublesome matter for nearly a century, chiefly because ad valorem rates in our various tariffs have afforded rare opportunities for unscrupulous importers to amass ill-gotten gains and swollen fortunes without any danger of imprisonment and with little or no danger of any financial loss, if their efforts to pass importations through the custom-house at an undervaluation failed.

As early in the life of the Government as January 10, 1818, the Hon. William H. Crawford, Secretary of the Treasury, felt impelled to transmit to the Congress an elaborate report, based upon evidence, that frauds upon the revenue were committed in the importation of articles on consignment paying ad valorem duties. In that report he wrote:

"There is just reason to believe that frauds to a considerable extent have been and now are committed upon the revenue, in the importation of articles upon consignment, paying ad valorem duties."

The practice of shipping merchandise from Europe to the United States on account of the foreign shipper has greatly increased since the late peace. The immediate cause of this increase may be probably found in the general distress which at and since that epoch pervaded universally the manufacturing establishments, from whence our supply of foreign merchandise has been principally derived. The manufacturers, unable to dispose of the products of their labor in their accustomed markets, assumed the character of exporting merchants and shipped their merchandise directly to the United States, where it has been sold by their agents or consignees. In adopting this course, not only the fair profit of the manufacturer and exporting merchant is concentrated in the hands of the latter, but also the loss which the revenue sustains by invoicing the merchandise at the actual cost of the raw material and the price of the labor employed in its manufacture. Should any part of this profit not be realized, from the circumstance of the merchandise being sold in a glutted market or from any other cause, the articles reach the hands of the consumer at a rate lower than it [they] could be sold by the fair American importer. In either event the honest American merchant is driven from the competition, and in the latter the domestic manufacturer is deprived of the protection which was intended to be secured by the legislature. But independent of this evasion of the revenue laws, which, by those who practice it, may be deemed consistent with the principles of morality, a practice of a less equivocal character is known to exist in importations made by foreign merchants upon consignments. There is abundant reason to believe that it is now customary in importations of this nature to send with the merchandise an invoice considerably below the actual cost, by which the entry is made and the duties secured. Another invoice, at or above the natural cost, is forwarded to a different person, with instructions to take and sell the goods by such invoice.

[a] Hearings on administrative customs law before Committee on Ways and Means, January, 1896, pp. 101 and 102.

In this manner the person who enters the goods remains ignorant of the fraud to which he has been innocently made a party, and the fraudulent importer escapes with impunity. The facility with which frauds may be practiced by permitting entries to be made by persons who know nothing of the correctness of the invoices by which the duties are to be ascertained so strongly invites to the substitution of false for true invoices that the practice must necessarily become universal if suitable checks are not devised against it.

When Secretary Crawford made that report the act of March 2, 1799, section 66, then in force, was as follows:

"If any goods, wares, or merchandise of which entry shall have been made * * * shall not be invoiced according to the actual cost thereof at the place of exportation, with design to evade the duties thereupon, or any part thereof, all such goods, wares, or merchandise, or the value thereof, to be recovered of the person making entry, shall be forfeited."

Ever since that date to the present time we have had always present with us that dangerous and resourceful enemy, the undervaluer. It was, however, only within the past twenty years that legislation was secured which perceptibly decreased this nefarious business. With our imports in 1791 worth only $28,000,000, the opportunities for illegitimate gain were not to be compared with the chances offered when the total value increased to $692,000,000 in 1887, and to $790,391,664 in 1907. As the Senate Finance Committee observed in its report of 1888–89, manifestly "with such an increase some radical change in the system (of appraisement) is forced upon us. What might have been a perfectly satisfactory method in the former period, or even in 1842, * * * proves at this time unreliable, dilatory, and very imperfect."

The act of 1799 was ineffective to prevent or curb the increase of consignments and undervaluations. They increased with the growth of our foreign commerce, because yielding greater returns to the men who would not or could not resist the temptations offered by the lax law then in force; for manifestly the difficulty of proving that the merchandise was entered "with design to evade the duties thereupon, or any part thereof," was well-nigh insuperable. As far as we have been able to discover in our investigation of the question, the first law by which it was attempted to compel those guilty of undervaluations to pay some penalty for their attempt to evade the customs was the tariff act of July 30, 1846, section 8 of which provided that "if the appraised value thereof" (imported merchandise) "shall exceed by 10 per cent or more the value so declared on the entry, then in addition to the duties imposed by law on the same there shall be levied, collected, and paid a duty of 20 per cent ad valorem on such appraised value."

This section was reenacted by the act of March 3, 1857, amending the act of July 30, 1846, and was likewise reenacted as section 23 of the tariff act of June 30, 1864.

This law giving the privilege of 10 per cent undervaluation was scarcely more efficient in preventing the increase of undervaluations than the one it replaced, if reliance can be placed upon what Mr. Stephen Colwell, a member of the Revenue Commission of 1865–66, said in his official report. He stated the situation thus:

"The trade (our foreign trade) has for many years been taking a shape which has now grown to formidable dimensions. The factories, workshops, and the workmen are in Europe; the warehouse is in New York. Goods intended for the warehouse are invoiced at the factory cost, are entered at the custom-house at that price, the duties are largely diminished, and the end of competition with cheap labor increased. The mischiefs of harboring a class of men whose business it is to debauch or mislead our officers, to rob us of revenue, and impair our domestic industry are so apparent that they should long since have found a remedy. These foreign agents cooperate constantly for the evasion of our revenue laws, and their business is to nullify laws pertaining to our commerce and our industry.

"The concentration of foreign commodities in New York gives this foreign interest the control of prices there, and of course, in a large degree, of the whole country. This is an advantage which places our home industry very greatly in the power of those who are interested to prostrate it altogether. It is well known that a few million dollars' worth of goods may be so sold as to inflict a loss on corresponding articles of home production to perhaps twenty times the amount.

"Foreign manufacturers can, when they please, by means of cheap labor, abundant and cheap capital, and the strong position they hold in New York, assail our whole domestic system, and without any material loss to themselves inflict a blow upon our industry which disturbs the whole fabric of our industrial as well as our credit system."

Notwithstanding this forcible presentation of the frauds committed upon the revenue and the injuries suffered by domestic industries, no statute requiring close approximation to the actual value of the importation was passed by Congress, a comfortable leeway being permitted, and no adequate penalties being provided for importations not accidentally or ignorantly, but intentionally, undervalued.

Prior to the passage of the act of 1874, in all cases where the appraised value exceeded the entered value by 20 per cent, proceedings of forfeiture were begun on the ground that the entry was presumptively fraudulent; but after the passage of the act of 1874—known as the "antimoieties act"—the Government was required to prove fraudulent intent, which was and is now almost impossible, and no seizures were made under it even when there was such excess of 20 per cent of the appraised over the entered value.

WHAT HAPPENED UNDER A 10 PER CENT LEEWAY.

Under the law as it stood in 1881 (sec. 2900, R. S.) it was provided that if the "appraised value shall exceed by 10 per cent or more" the declared value—the limit the President now urges the Congress to adopt—"there shall be collected a duty of 20 per cent ad valorem on such appraised value."

This law gave rise to complaints of undervaluations so serious and so shocking to men of sensibility and business morality that the tariff commission of 1882 gave careful and painstaking efforts to discover the basis for the complaints, if basis there was. This commission was in no sense partisan or sectional; for both parties, all sections of the country, and all shades of economic opinion were represented by the membership. The commission heard many competent witnesses, whose testimony and personal communications all agreed that undervaluation was practiced largely and that the existing law was inadequate to remedy the evil. We annex excerpts from some of the striking testimony.

Mr. David C. Sturges, assistant appraiser in the appraiser's department at the port of New York, in recommending an increase of the penal duty for undervaluing merchandise, said:

"There have been undervaluations to the extent of 75 per cent or more in which the intent to commit fraud could not be legally established. I have had recently an invoice of furniture in my division invoiced in francs (at 19.3 cents) where my advance to make value was more than equal to the substitution of the pound sterling for the francs." [a]

Mr. L. B. Carhart, an examiner in the appraiser's department of the New York custom-house, having "the supervision of the article of French worsted goods," said:

"I should say that about one-half of the goods I handle are consigned. In other words, they are owned by the manufacturer until they are sold, and the proceeds collected here. Of course the tendency is for the manufacturer to try to get his goods from the custom-house at as low a rate of valuation as possible. I think it not unfair to presume that they would invoice their goods at 25 per cent less than they do if they thought they could get them through the custom-house at such prices." [b]

He further said that "there was more of a tendency toward undervaluation when goods were consigned to agents than when they were purchased." [c]

Mr. Marshall Field, of the firm of Marshall Field & Co., of Chicago, importers of dry goods, speaking of foreign merchandise, such as "silks, velvets, ribbons, laces, kid gloves, fine shawls, and similar merchandise," said:

"To-day it (the trade) is almost entirely in the hands of Frenchmen and Germans, mostly aliens, and agents of foreign principals, and men who have no interest whatever in this country save to make their fortunes in it and then return to make their residence in Europe. An American merchant can not go to the foreign market and buy these goods for importation at the ruling foreign prices except at a ruinous loss. They are delivered in the United States to the agents I have mentioned only in prices in American money, which is done to avoid establishing a foreign market value. This is a business very hard to detect, and the American Government, with all the forces at its command in the shape of consuls and special agents, has been unable to break it up." [d]

Mr. William Kent, assistant appraiser in the silk department of the New York custom-house, said:

"I suppose the fact is we are passing many silks, colored and black, at 10 per cent below their value, because we have no means of knowing their true value. None of the goods are bought—they are all consigned; and every manufacturer (foreign) tries to see how low he dares to invoice these goods, with the hope of their passing the custom-house." [e]

Mr. George C. Tichenor, special agent of the Treasury Department, said:

"There is scarcely any kind or description of merchandise subject to ad valorem duty imported into this country from beyond the seas but has been or is being undervalued more or less. I would not be understood as saying that all of any class has been undervalued, but that some of all classes have been, even of regular purchases; while those consigned to agents for sale on commission, notably from the continent of Europe, have been and are being, as a rule, considerably undervalued. * * *

"By means of the consignment system now so generally in vogue foreign manufacturers and shippers have been enabled so to close the avenues of information as to the market values of their products in the country of production as to enable them to undervalue the same with comparative impunity. It is the habit of many manufacturers and shippers so consigning to make, or have made, goods especially for the American trade, which differ in width or style from those made for their home trade and other markets to such an extent as to render it difficult to identify them sufficiently with such other goods as to fix their true market value.

"It is well known that for years past even our wealthiest and most extensive importers have been unable to purchase in regular way abroad very many of the most important articles and classes of merchandise made there, but have been compelled to buy them to be delivered through commission agents in this country, at the dollar price—duty paid, of course. This system is becoming more and more general, and its disastrous effects, both upon the revenue and the legitimate importing trade, are becoming more marked year by year."

THE TARIFF COMMISSION OF 1882 AGAINST THE MARGIN.

The report of this commission may safely be accepted as representing the best opinion of men considered competent for the task on which they were engaged. In treating of undervaluations and in unanimously recommending the repeal of section 2900—a return to the provisions of which the President urges and the Secretary of State advises to "strengthen the present good understanding between the United States and Germany without prejudicing in any way the fiscal or economic interests of the United States"—the tariff commission, respecting the evils which existed and flourished under that law, reported as follows:

"The proposed amendments to section 2900 are, as it will be perceived, radical and important; the law at present merely permits the appraisement, and in practice, unless there is some cause for suspicion, the invoice is often taken as correct without much, if any, investigation. We think that there should be an appraisement separate and distinct from the invoice in all cases.

"Under the existing statutes no penalty is imposed unless the appraised value exceeds the entered value 10 per cent or more, and then (on variance of a few cents often) there results the imposition of a 20 per cent penalty on the entire appraised value. This is believed to induce the making of entries by unscrupulous importers as nearly as they regard safe within the limit, while, on the other hand, great hardships frequently occur to honest importers who have made some mistake and are subjected to this penalty, from which they can have no relief.

"From the information at our command we have been led to believe that the ordinary range of honest difference of opinion in values of imports will not exceed 5 per cent, in the absence of error or mistake, and the proposed amendment imposes no penalty where the difference does not exceed that percentage; the proposed section then provides for a gradually increasing penalty until the appraised value exceeds the entered value more than 15 per cent, and then declares that such excess of 15 per cent shall be presumptively fraudulent, and that the collector shall seize the goods and proceed to forfeit as in other cases for violations of the customs laws; and that in such proceeding the fact of the undervaluation exceeding 15 per cent shall be presumptive evidence of fraud and throw on the claimant the burden of removing the presumption by proof. We think there can be no doubt that systematic undervaluation is rather the rule than the exception, as seems to be evident from the well-established fact that persons visiting European countries

[a] Report of Tariff Commission, Vol. I, p. 506.
[b] Ibid., p. 522.
[c] Ibid., p. 521.
[d] Ibid., p. 1084.
[e] Ibid., p. 516.

are often, without request, tendered an invoice at less than the price paid, with the explanation (when explanation is asked for) that it is necessary to enable them to enter the goods without paying full duties; and from the further fact, which seems equally clearly established, that many European manufacturers decline to fill orders or sell goods for this market except through their agencies established in this country, so that the importing business is largely passing into the hands of consignees, who are mere agents for the foreign manufacturers. It is claimed that these arrangements are not infrequently made for the purpose of defrauding the customs laws, and there is reason to believe that the claim is not without foundation.

"Fraudulent undervaluation, when it occurs, is not only injurious to the Government by depriving it of revenue to which it is entitled under the laws, but is also destructive of the business of the honest importer, who can not successfully compete with those who thus avoid payment of a considerable proportion of the revenues to which he is subjected. The purposes of the amendment are to discourage experiments in even slight undervaluation by imposing penalties which, while not too severe, will probably result in loss, and to expose the importer to forfeiture in cases where the undervaluation is so great as to be beyond the range of probable honest difference of opinion or mistake, reserving, however, in all cases authority to grant relief when the collector and Secretary of the Treasury are satisfied that the undervaluation is the result of manifest clerical error or mere mistake, and without any intention to undervalue or defraud the revenue. We recommend the proposed change in the confident belief that it will be advantageous to the Government and to honest importers.

THE VIEWS OF CHAIRMAN HAYES.

Dr. John L. Hayes, chairman of the tariff commission, in an article on the "Prevention of undervaluation," said:

"The admitted abuses of valuation in the entry of imported goods so seriously affected the interests of the Government, honest importers, and domestic manufacturers that further legislation to remedy these abuses was an imperative necessity. * * * The only remedy existing was the imposition under section 2900 of the penalty of 20 per cent additional duty when the appraised value exceeded by 10 per cent the value declared in the entry. This penalty was too small for cases of actual fraud and too large for errors of judgment on the part of honest but inconsiderate importers. The present law (similar to the one recommended by the President and his German commission) encouraged a general system of undervaluation within the range of 10 per cent, as there was no penalty unless it exceeded that amount, whereas each experiment in undervaluation beyond the line of a reasonable difference of opinion ought to subject the importer to a loss proportionate to the extent of the undervaluation.

"The adoption of 5 per cent as the limitation of an honest difference of opinion as to values—a matter very carefully considered, the imposition of a certain though not ruinous penalty for every experiment beyond that line—the penalty increasing in proportion to the extent of the undervaluation; the adoption by law of a reasonable criterion of presumptive fraud, viz, an undervaluation exceeding 15 per cent; provisions not existing in the present law; all these measures were conceived and devised not less to protect the honest but inconsiderate importer than to afford a certain and practical remedy for fraudulent valuation."

As a result of the consideration of the testimony heard, and after mature and careful deliberation, the commission unanimously recommended as a substitute for section 2900 of the Revised Statutes an amendment of the law to provide that in all cases where the appraised value of any article, subject to an ad valorem duty, exceeded the entered value more than 5 per cent and not more than 15 per cent, then in addition to the duty imposed by law on such article there should be levied 2 per cent of such total appraised value for each full 1 per cent of such value above the 5 per cent. In case the undervaluation should exceed 15 per cent, the entry was to be deemed fraudulent.

The chairman of the tariff commission is authority for the statement that "the commission had in its own body a member, Colonel McMahon, of unsurpassed experience in the administration of the customs laws, of excellent sense, and of eminently judicial mind, who had made a legislative remedy for undervaluation the subject of peculiar attention." The scheme submitted was devised by Colonel McMahon and reduced to legal phraseology by Judge Ambler, who wrote the comments on the measure in the report. As indicating the care with which the proposed law was considered, it is well to quote again what Chairman Hayes has said:

"It was subjected to careful consideration at successive days, word by word and line by line, and with but slight, if any, changes received the unanimous sanction of the commission."

In the struggle attending the passage of the tariff law of 1883 the recommendations of the tariff commission, however, did not receive the attention to which they were entitled, and no attempt was made to change the law permitting undervaluation.

But the agitation for relief from the burdens placed by undervaluing pirates upon men attempting to conduct their business on legitimate and honest lines did not cease, and on January 15 of the following year (1884) the House of Representatives passed a resolution requesting the President to forward to the House information, including reports from consuls and others, concerning undervaluation, false classification, and other irregular practices in the importation of foreign merchandise.

SECRETARY FOLGER REPORTS ABOUT CONDITIONS.

In complying with this resolution the Hon. Charles J. Folger, Secretary of the Treasury, reported to the President, in part, as follows:

"These papers seem to furnish conclusive evidence of general and extensive undervaluation of imported merchandise subject to ad valorem duties. They show that this evil has been steadily growing since the passage of the law approved June 22, 1874, entitled "An act to amend the customs revenue laws and to repeal moieties."

"Whatever may have been thought as to the need of protecting the rights of individuals by the enactment of this law, it is clear that its result has been to render the Government almost powerless to enforce the revenue laws in cases of fraudulent undervaluation by foreign manufacturers or unscrupulous importers and to work great injury to the interests of importers who refrain from engaging in this dishonest practice.

"Besides the serious loss to the revenue consequent upon undervaluations, as indicated in these reports, the practice has a demoralizing influence upon our trade with foreign countries. The lack of safeguards against it offers a premium to dishonesty and makes it impossible for an honorable manufacturer or dealer in Europe to compete with his less conscientious rival for the American trade, and the honest American merchant is precluded from importing lines of goods thus undervalued.

"When such practices go unpunished the foreign shipper is practically enabled to make his own tariff, subject only to the contingency of having the rate increased by the appraiser's advance upon his invoice valuation. It thus happens that when Congress enacts that the rate of duty on certain goods shall be 50 per cent ad valorem, it is found that perhaps only 30 per cent or 40 per cent is actually paid, according to the boldness and skill of the shipper and his American agent, in falsifying market values and deceiving the appraising officers.

"The most skillful expert can not be depended upon to fix values with absolute correctness; and where, as is now the case with many classes of imported goods, the true market values are studiously concealed by European manufacturers in order that no proper criterion for appraisements may be obtained, the difficulties confronting the appraisers are well-nigh insuperable.

"Responsibility for a correct valuation should be placed upon the consignee who makes entry, and the fact that the invoice and entry are false should be deemed presumptive evidence of fraudulent intent, subjecting the goods to forfeiture unless innocence can be shown.

"So long as the ad valorem system exists, equality and uniformity in its administration can only by secured by providing adequate means to prevent undervaluations. Such means are not to be found in existing laws."

ANOTHER INVESTIGATION AND ANOTHER REPORT ADVERSE TO THE MARGIN AND CONSIGNMENTS.

In January, 1885, the Hon. Hugh McCulloch, Secretary of the Treasury, owing to the conduct of certain special agents of the Treasury Department at the port of New York, was moved to order an investigation thereof. Three special agents of the Treasury, Mr. George C. Tichenor, Mr. O. G. Spaulding—both of whom later became Assistant Secretaries of the Treasury—and Mr. A. K. Tingle, were chosen to make the necessary inquiries. A month later, in February, 1885, on the suggestion of the investigators themselves, the scope of the inquiry was broadened so as to include undervaluations, damage allowance, drawbacks, and such other irregular practices at the port of New York as might come under their notice.

Before the investigation was concluded and the report made, the Arthur administration went out of office, Mr. McCulloch being succeeded by Secretary Manning, who, in his letter transmitting the report to the Speaker of the House under date of December 7, 1885, said:[a]

"It is to be assumed that during the present and next fiscal year quite $150,000,000 must annually be raised by duties on merchandise. The necessity of correct invoices, * * * classifications, and appraisements will exist under any practicable and possible reform of a tariff to raise that large sum, but the peril to the Government of false valuation in invoices need not be so great as now. * * * That false invoices and the evasion of duties legally chargeable on merchandise inflict definite evils upon the Government and those who make true invoices and pay full duties can not be denied."

On the subject of undervaluation the three special agents reported to the Secretary of the Treasury, as follows:[b]

"Continuing the investigation of the methods of conducting the customs business at this port [New York], we have given careful consideration to the subject of undervaluation. While there is no doubt that the invoices of merchandise consigned to the United States for sale on foreign account are, as a rule, undervalued, this is notably true as to silk goods. During the past ten years, since the repeal of former restrictive and penal provisions of the revenue laws, a system of successful evasion of duties on silks has been gradually built up and established. This system of evasion has been a subject of frequent investigation and report at home and abroad. It is a matter of common notoriety in official circles."

Then, after devoting a paragraph to the difficulty of securing uniform and proper appraisement of merchandise coming to the country consigned to commission merchants for sale on foreign account or for delivery to a purchaser buying them at a dollar price—a price in United States currency—the goods to be delivered here, duties, freight, and charges paid, the report continues:

"The essential feature of the consignment system is the concealment of the actual foreign market value, so that customs officers may have no standard by which to make appraisements. The greatest care is exercised in Lyon and Zurich and other principal silk markets to prevent the prices at which sales are made to European buyers from becoming known to anyone who might possibly disclose them to persons connected with the American customs. So universal is this practice of concealment that there is no longer any such thing known to American buyers or customs officers as the actual market value or wholesale price of silk goods in the principal markets of the countries of production; and this, to a great extent, is also true of kid gloves, laces, embroideries, and other articles, which are almost exclusively imported by consignment instead of purchase."

* * * * * * * *

"The extent to which specific invoices are undervalued depends upon the audacity of the shipper and the degree of confidence he has in the ability of his New York agent to pass them through the appraiser's office without incurring penal duties. The only risk to be apprehended under the law, as it has been administered for years past, is the advance of value upon appraisement.

"Foreign shippers and their New York agents do not appear to regard this method of evading duties as in any degree unlawful. We inclose a list (marked "A") of invoices advanced beyond 10 per cent for the months of December, 1884, January, and a part of February, 1885. None of these cases have been referred to the district attorney for such action as he might deem proper. It is the practice of the collector's office, in cases of advances to a penalty, to waive a seizure and accept additional duty. The importer has thus come to understand that in undervaluing his merchandise he runs the risk neither of criminal prosecution nor of losing his goods. His object appears to be to enter his merchandise as low as possible and escape a 10 per cent advance. But if such advance is made, he is sure of no punishment beyond the 20 per cent additional duty.

"Attention is called to the frequent recurrence of undervaluations by the same importers; the advances range from 12 per cent to more than 100 per cent. We also invite attention to Schedule B, showing advances of less than 10 per cent during the months of October and November, 1884, and to the frequent repetition of the names of the same importers on the list. A remarkable feature of these advances is that

[a] See Report of the Secretary of the Treasury on Collection of Duties, 1885, p. lvi.

[b] Ibid., pp. 40–46, inclusive.

so many of them are just a shade under 10 per cent. For example, in eighteen invoices of one firm the advances ranged from 9.02 to 9.99 per cent, showing that the appraising officers, in passing the goods, apparently made careful computations, with special reference to the penalty, and this, too, on goods about which the best experts rarely agree within 5 per cent of the value. During the three months ending December 31, 1884, more than 2,200 invoices were advanced on appraisements, two-thirds of which were invoices of forty of the leading houses receiving consigned goods, chiefly silks, for sale on foreign account.

* * * * * * *

"Whenever, as at the present time, undervaluations have become as flagrant as to call for special inquiry by the department, the agents of the foreign shippers, while defending with vigor the integrity of particular invoices in which they have an interest, frankly admit the general practice of undervaluing and deplore its demoralizing and injurious effect upon trade. * * * Under the present system, they say, the manufacturers are always cutting each other's throats. No matter how low one may invoice his goods, and thus be enabled to lower his selling price to the extent of the duties saved, another can undersell him by simply invoicing his goods a few centimes lower. * * * As one Swiss manufacturer expressed it, 'the invoicing is largely a matter of conscience.' No sales being made, the shipper invoices his goods at whatever price he pleases."

These special agents further reported that the entered value of silk importations at the port of New York for the year 1884, including additions made by importers themselves, was $30,494,797. The undervaluation was reported at $6,040,450 and the loss in duties at $3,020,225.

The report continues:

"There is always a reluctance on the part of appraising officers to advance values to the 10 per cent limit, as it is expressed, in the common parlance of the appraiser's store, 'to put the importer to a penalty.'[a] This idea runs through the entire proceeding, and according to the expressed opinions of the appraiser, is inseparable from it. The ascertainment of the true value of the goods and the appraisement thereof is thus coupled with the consideration whether a penalty will be involved; if so, a strong effort will be made to reduce the appraisement, in whole or in part, so that the advance will be a shade under 10 per cent. This tenderness toward importers—this disposition of officials to shield them from the legal consequences of undervaluation—has tended to encourage and establish the practice.

"Successful undervaluations have prevailed for so many years that the belief has generally obtained that nothing short of legislation will suppress them."

THE SENATE FINANCE COMMITTEE LOOKS INTO THE MATTER.

Notwithstanding the widespread knowledge among the commercial classes of the constantly expanding practice of undervaluation and the various reports made to Congress, neither the recommendations of the Tariff Commission, nor the bill drawn by Secretary Folger, nor the report of Secretary Manning resulted in any remedial legislation, so that after many inquiries had shown much injury done to varied interests by the practice possible under the old law, permitting and encouraging undervaluations up to 10 per cent, it remained on the statute books unaltered and unchanged, and so stood when on December 21, 1885, Senator George F. Hoar, of Massachusetts, offered a resolution in the Senate which authorized and directed the "Committee on Finance by themselves or a subcommittee to investigate the frauds and abuses alleged to exist in the collection of the customs revenue at the port of New York, and especially the subject of undervaluations of imported merchandise." The committee, it was provided, should "report the result of their investigation to the Senate, with recommendations as to what changes, if any, should be made in the customs laws in order to prevent frauds in the importation of merchandise and in the collection of the revenue from customs."

On January 19, 1886, the scope of the investigation was enlarged by a resolution adopted by the Senate, which authorized the committee "to make further investigation on the same subject at any other collection port in the United States."

On that day Senators Allison, of Iowa; ALDRICH, of Rhode Island; Warner Miller, of New York; Beck, of Kentucky; and John R. McPherson, of New Jersey, were appointed by the chairman of the Finance Committee to make the investigation. Republicans and Democrats, protectionists, and tariff-for-revenue advocates, men of various shades of economic belief, were there represented. The term of Senator Miller expiring before the labors of the committee were concluded, his place was taken by Senator Morrill, of Vermont. The report[b] of this committee, submitted to the Senate February 16, 1888, recommended many changes in the law and gave, in considerable detail, the reasons for those changes. One change was a modification of section 2900 of the Revised Statutes, to provide that "if the appraised value of any article of imported merchandise shall exceed by more than 5 per cent and not more than 20 per cent the value declared in the entry there shall be levied and paid, in addition to the duties imposed by law on such merchandise, a further sum equal to 2 per cent of the total appraised value for each 1 per cent above the entered value"—almost the recommendation made by the Tariff Commission.

In giving the reasons for this suggested change the committee reported, in part, as follows:[c]

"It is proposed by this section to make the penalty proportionate to the undervaluation and to make it applicable to invoices advanced 5 per cent and over instead of 10 per cent and over as under the present law, the object being to prevent the present habitual practice of undervaluing so as to get the invoice through the appraisers at an advance of just under 10 per cent and thus escape the statutory penalty of 20 per cent additional duty. It is assumed that a variance of more than 5 per cent between the entered value and the actual value as ascertained by the appraiser could not occur except through the fault or negligence of the importer. It is also assumed that a variance of more than 20 per cent could not result from mere negligence, and should carry with it the presumption of an intention to defraud the revenue."

A BOSTON COMMITTEE CONDUCTS AN INDEPENDENT INVESTIGATION.

In addition to the investigation made by the Tariff Commission of 1882, an independent investigation was made by committees appointed at a meeting of merchants and manufacturers held in Boston January 20, 1886, to suggest "for the consideration of the Senate Finance Committee facts as to undervaluations of imported merchandise, errors in classification, and evils in practical administration in the appraisal of merchandise which can be established by testimony." From the report of the committee on testimony we make the appended extracts, which supplement and support in every particular the findings of the Tariff Commission and the Senate Finance Committee. In part this report says:

"The committee have made a careful personal inquiry as to the subject committed to them, have conferred with merchants engaged in importation, have employed agents specially informed as to the administration of our customs laws, and have sought all available sources of information.

"The charge of undervaluation, particularly at the port of New York, can be sufficiently sustained in respect to silks, cottons, embroideries and edgings, woolen and worsted goods, some kinds of pottery and glassware, cutlery, and ribbon isinglass, because it can be shown that these articles are invoiced and entered at less than their true market value.

"The fact of undervaluation as to these goods can be established by the circumstance that regular dealers in these goods have been largely driven out of the importing trade, because they can purchase them delivered in New York at a less sum than they can import them direct.

"These statements, particularly as to silks, embroideries, and edgings, can be sustained by domestic dealers in these goods in our principal cities, who can show that the prices paid by them to the New York agents of foreign houses sometimes exhibit such an enormous profit upon the invoiced value, with duties added, as to admit of no doubt as to undervaluation.

"The same system of undervaluation can be shown in the same manner in respect to woolen and worsted goods, especially those from Germany, none of which are regularly imported. It can be shown that woolens purchased in Germany are often shipped and invoiced from France; that French goods are shipped from London or Bradford, and English goods from France, with the evident purpose of having them examined in the appraiser's stores by persons not familiar with the goods.

"It can be shown by documentary proof that cutlery, more particularly goods from Germany, has been for many years largely and systematically undervalued upon entry at the port of New York, and that in some instances there has been an excess of importation of these goods over the amount invoiced and entered.

"Sufficient evidence can be adduced establishing the fact that a large proportion of the importations into the port of New York consists of consignments to agents or partners of foreign houses who ship the goods; that as a rule these consignees are foreigners, and that the system of consignment is adopted for the purpose of evading payment of the proper duty."

The committee on legislation, in considering the then existing law, under which no penalty was imposed unless the appraised value exceeded the entered value 10 per cent or more, reported in part as follows: "This is a practical encouragement by law of a general system of undervaluation within the range of 10 per cent and an inducement to unscrupulous importers to make their entries as nearly as they regard safe within the limit." And in referring to the proper margin to be allowed for difference of opinion as to values, the report said: "This margin has been placed by experts at 5 per cent. It certainly should not exceed that. It may, perhaps, properly be less." * * *

REPORTS BROUGHT NO CONGRESSIONAL ACTION.

Notwithstanding the continued efforts put forth to have the law amended so that it would make it more difficult to practice extensively the proven undervaluations in many lines of imported merchandise, the recommendations of the Senate Finance Committee, like the recommendations of the tariff commission, were not enacted into law, and undervaluers were still permitted and invited to continue their rich harvest of gain. It was not until some five years after Senator Hoar's resolution was offered that any legislation looking to an improvement of our customs administration was secured.

THE BOARD OF GENERAL APPRAISERS CREATED.

When the act of June 10, 1890, providing for the Board of General Appraisers, was approved, it was quite generally believed that this board would be able greatly to improve the administration of the customs laws; but, as it turned out, although some improvement was noticed, they were unable wholly to prevent undervaluations, the wide margin being an important factor in their nonsuccess. With the law permitting a 10 per cent margin, the chairman of the commission to Germany, in an article published in 1893, wrote concerning the undervaluations, as follows:

"Ad valorem duties invite, encourage, and facilitate undervaluations and false invoicing. * * * For fifty years these things have been the scandal and the curse of customs administration. Investigation has followed investigation, under the rule of both political parties, always uncovering this fester at the custom-houses. * * *

"The public is little aware of the extent to which undervaluation is practiced and the lamentable consequences which have resulted from the practice. * * * The proportion of textiles so imported has been placed as high as 90 per cent. They are consigned to foreign manufacturers' agents resident here, and American merchants are compelled to buy their goods from this class of "landing importers." * * * This means that the goods enter the country on undervalued invoices, which destroy all possibility of competition on the part of the honest importer. No one familiar with the history of the importing business in New York requires to be told what a change has come over it in the past thirty-five years; of the great and honorable houses that have taken down their signs and closed their doors; and of the new standards, the different ideals, the general demoralization which have come in as the old houses have gone out. It is a record both sorrowful and humiliating."

SECRETARY CARLISLE APPOINTS A COMMITTEE TO INVESTIGATE.

While the Board of General Appraisers were able to improve the administration of the customs laws, the new law so radically changing the administration of tariff laws was not entirely satisfactory to all whose interests were affected by it.

Probably the first expression of dissatisfaction by an organized body was at a meeting of the Boston Associated Board of Trade on February 16, 1891, when the delegates of the Boston Merchants' Association called the attention of the board to the need of amendments to the act, and it was voted that the committee on customs of the board be instructed to consider the matter. The committee, "after careful consideration through the year," presented a report December 21, 1891, in which it was said in reference to the law: "It is not surprising that in the framing of a law having such wide-reaching consequences some errors, both of omission and commission, should appear; it is

[a] See also p. 31 for testimony of J. R. Leeson before Committee on Ways and Means in 1896.

[b] Senate Report No. 295, 50th Cong., 1st sess.

[c] See Tariff Testimony Finance Committee, United States Senate, 50th Cong., 1888–'89 Part IV, p. 2694.

rather a marvel that the changes which seem desirable should be so few."

Respecting section 7, which provided that "if the appraised value of any article of imported merchandise shall exceed by more than 10 per cent the value declared in the entry, there shall be levied, collected, and paid in addition to the duties imposed by law on such merchandise a further sum equal to 2 per cent of the total appraised value for each 1 per cent that such value exceeds the value declared in the entry," the committee reported:

"This provision was directed against undervaluation and was intended to punish dishonest importers. It does not in all cases accomplish the purpose intended. By reference to the reappraisement decisions in New York it will be noticed that the advance is seldom more than 10 per cent."

In 1893, during the second administration of President Cleveland, the Hon. John G. Carlisle, Secretary of the Treasury, appointed a special committee to report on the workings of the administrative act of June 10, 1890, and to examine the administration of the custom-house. Of this committee the Hon. Charles S. Fairchild, ex-Secretary of the Treasury, was the chairman. After suggesting a number of changes deemed advisable, the committee reported, respecting undervaluations, as follows:

"Under the present system the importer has a margin of 10 per cent, within which he may incorrectly state the market value, subject to no greater risk, should his entry be advanced, than the payment of the regular duty on the amount added by the appraising officer to make market value. If, however, no margin is allowed for difference of opinion between the appraising officer and the merchant, there is always an inducement to the importer to state the market value as accurately as he can, irrespective of the price that he may himself have paid."[a]

In 1894, in discussing the Wilson bill, the minority of the Committee on Ways and Means reported to the House as follows:

"It is in evidence before the Ways and Means Committee that there are lines of woolen goods, manufactured abroad almost wholly for the American market and sent here upon consignment, upon which no market value is placed until they have passed our custom-house and evaded some share of their legitimate duty. * * * Where specific duties exist, the home producer always has a definite standard by which he can operate with some degree of certainty. With a law such as is now proposed, his struggle will be against an antagonist in ambush, who has only to change his fictitious invoices to underbid every effort of the American to hold this market.

"The enormous field for undervaluation that will be opened by the abolition of all specific duties on woolen goods is evident from the fact that the importations under this head equal $36,987,904 in 1893, and ran up in 1890 to $54,165,422, the average for the last five years being larger in amount than under any other tariff schedule."

In their report of 1895, the Board of General Appraisers wrote concerning undervaluations as follows:

"Undervaluation is not only an offense against the Government, but an offense against mercantile honor. It not only depletes the revenue, but filches away the business of the honest importer and transfers it to the undervaluer. Nor are small undervaluations less disastrous to honest competing importers than large ones. An advantage of 5 per cent in price is sufficient to control the trade of an empire. It follows that undervaluation is a graver offense than the common one of evasion of state, county, and city taxation, because in the latter case no question of the business of a competitor is involved."

HEARINGS BY THE COMMITTEE ON WAYS AND MEANS IN 1896.

Early in January, 1896, extensive hearings were given by the Committee on Ways and Means on the general subject of what amendments should be made to the customs administrative act.

Judge Henderson M. Somerville, a general appraiser, in testifying concerning the increase of consignments and the difficulty of ascertaining correct valuations in that class of merchandise, said:[b] "The consignment business is increasing rapidly. There is no doubt about that, and I can not see any reason why it should, except that there are difficulties in the way of ascertaining correct valuations of this class of merchandise." Then the following questions were asked by Chairman Dingley and answers were given by Judge Somerville:

"CHAIRMAN. Do I understand you to say that the business of importations through consignors is increasing, and that the opportunities for frauds through undervaluations are greater when goods are consigned than when imported by purchasers?

"Judge SOMERVILLE. I think so.

"CHAIRMAN. And is it not true that in a large class of these importations, where there may be a question of the valuations, that the importations are through consignments?

"Judge SOMERVILLE. A very large proportion of them is."

And in answer to a question by Gen. Joseph Wheeler, Judge Somerville said: "The tendency of the consignment business is very largely to drive out the purchasing business."

While Judge Wilbur F. Lunt, a general appraiser, was of the opinion that in some classes of goods it would be impossible to tell the value within 5 per cent, Mr. George C. Tichenor, another general appraiser, who had been a member of the committee that examined the administration of customs at the port of New York by appointment of Secretary Hugh McCulloch, favored the reduction of the limit for undervaluation from 10 to 5 per cent.[c]

Mr. J. R. Leeson, president of the Boston Merchants' Association, when testifying concerning the working of the 10 per cent leeway provision, said:[d]

"That section [7] might almost as well never have existed, in so far as the penal provisions go; they are practically inoperative. It is a fact that an examiner, when he is examining merchandise with a view to ascertaining a proper dutiable value, is largely influenced in his decision in regard to advancing values by the hard and fast lines of the penal 10 per cent provision. I know from my own personal acquaintance that is the case; also as a merchant appraiser under the system existing before the act of June 10, 1890. As a merchant appraiser, it always had its effect upon me. One would naturally hesitate about bringing the case of a competitor or friendly opponent in business to the line where a penalty would be involved.

"That consideration acts with great force on the examiner and appraiser, and presumably on the Board of General Appraisers. They hesitate to put a man's goods up to a point involving an application of the penalty provision. The appraiser of the port of Boston, a thoroughly fearless man, stated recently that it was surprising to see the number of invoices that he had advanced which were returned to his office from the board just enough below the line of 10 per cent to avoid the penalty. The local appraiser of New York, also a most able administrator of the law, is of the same opinion. This is a fact of such general acceptance that it is not worth while to waste words in endeavoring to substantiate its truth. It is a very serious question, however, what step would be best to take under those conditions to bring about a different state of things."

Mr. Walter H. Bunn, appointed an appraiser in August, 1893, was the only witness appearing before the committee who advocated no "penalty"—additional duties—unless the invoice was advanced at least 10 per cent, and as a reason for his opinion he stated that experts will vary in judgment of valuations from 5 to 10 per cent. In reply to a question by the chairman of the committee asking whether it was not true that the British customs laws and the general laws of most of the nations of Continental Europe impose an additional duty for all undervaluations which exceed 5 per cent, Mr. Bunn replied, "Yes, sir; I think that is true."

THE COMMITTEE ON WAYS AND MEANS MADE A REPORT ON AMENDMENTS.

In the first session of the Fifty-fourth Congress a bill (No. 4437) to amend the act of June 10, 1890, was introduced into the House and referred to the Committee on Ways and Means.

In reporting the bill back to the House March 13, 1896, the committee said:

"The act of June 10, 1890, was the culmination of many years of effort and study to simplify the laws relating to the collection of the customs and to prevent fraud upon the revenue by reason of undervaluation.

"That the result was a long step in advance of all former legislation on the subject has been abundantly proved by the result of six years' experience under the present law. These years have also demonstrated some weak points in the law of 1890, some of which the present act is calculated to remedy."

In reaching their conclusions the committee, after stating that they had confined "their efforts to the strengthening of the present law" and had "availed themselves of the advice and assistance of the Assistant Secretary of the Treasury, members of the Board of General Appraisers, importers, and others who have had practical experience on the subject, and of a commission appointed in 1893 to investigate the subject, of which ex-Secretary Fairchild was chairman," continued as follows:

"The difficulties of administration under the present law do not arise from the regular importations of standard goods. These have a fixed market value which can be easily and definitely ascertained at the point and date of shipment. Reliable testimony as to the quality and value of these goods is easily found. But the chief trouble is in relation to consigned goods, and, second, in relation to goods of a kind peculiar to a locality or a factory.

"The consignment of goods is increasing very rapidly. There seems to be no reason for this increase except the fact of the difficulties in the way of detecting fraud in the valuations of consigned merchandise. * * *

"One of the most important amendments is that proposed to section 7. The present law provides, in effect, that when the appraised value exceeds the value in the entry by not more than 10 per cent only the same duty shall be collected as though the true value had been correctly stated in the entry. * * *

"The present practice for dishonest importers is to get as near the danger line of 10 per cent as possible in their undervaluations, knowing that they will be obliged to pay no more duty if detected than would be required in an honest invoice. This system offers a premium for dishonesty. In addition, when the value is advanced more than 10 per cent, the Treasury Department generally remits the additional duty, holding that under the present law it is a penalty and subject to remission."

The most important amendment, in the opinion of the committee, was to section 7, which provided that an additional duty should begin at the point where the value fixed by the appraisers exceeds that stated in the invoice and should be equal to 1 per cent of the total appraised value for every 1 per cent of increase of valuation by the appraisers, such additional duty to be limited to 50 per cent.

DEBATE IN THE HOUSE.

When the amendments were on their passage through the House, March 17, 1896, quite a discussion occurred over several changes, and an effort was made to modify the recommendations of the committee, but the committee was sustained and the effort failed. Speaking for the amendments, Mr. PAYNE, who introduced the amended bill, said in part:

"We have had experience under this law of 1890 now for about six years, and it has been found generally to have saved a good deal of revenue to the Government as well as prevented a good deal of fraud in the collection of the revenue. At the same time, years of experience have developed various weak spots in the law with reference to which the consensus of opinion of those who have been engaged in administering it is that there may be found some remedy.

"Of course, Mr. Chairman, it is utterly impossible to enact any law that will make all men honest. No law can be framed to collect the revenues of the Government where the duties are ad valorem that is not open to evasion by reason of fraud, fraudulent invoices, and fraudulent valuations, even though the invoices and the valuations are made under the oath of the importer, and the experience under this law up to the present time has been that various methods of evasion have been resorted to to escape the payment of duties. The most favored one is that of importing goods on consignment. For instance, a large manufacturing concern will have a local agent in New York, generally some clerk to whom the goods are consigned, and as there is no sale there is no necessity for any declaration of sale, or for any false affidavit as to sale, and the value depends largely—entirely, so far as the declaration of the importer is concerned—on the honesty and truthfulness of the importer of the goods. * * *

"I would say that in adopting this amendment the committee have been guided by the suggestions of the Secretary of the Treasury, by the Board of General Appraisers, and also by a report of the commission which was formed in 1893, of which ex-Secretary Fairchild was the president, and, with ex-Collector Magone, Mr. Dunn, of Arkansas, a former Member of Congress, and another gentleman, composed the commission. They very strenuously recommend the amendment of section 15, which we have adopted, and also section 7."

[a] See House Report No. 792, 59th Cong., 1st sess., p. 11.
[b] Hearings on administrative customs laws before Committee on Ways and Means, January, 1896, p. 5.
[c] Ibid., p. 64.
[d] Ibid., p. 82.

Mr. Walsh, of New York, offered an amendment to make section 7 read thus:

"And if the appraised value of any article of imported merchandise subjected to an ad valorem duty * * * shall exceed the value declared in the entry 6 per cent, there shall be levied, collected, and paid, in addition to the duties imposed by law on such merchandise, etc."

In speaking for this amendment he said:

"The bill as it is reported from the committee inflicts a penalty where there is any undervaluation. As I said in my former remarks, it is almost impossible for any importer, or any appraiser, or any expert, to get at the exact value of any article, and the law under which we are living now allows 10 per cent leeway. My amendment reduces it to 6 per cent, or I would be willing to make the rate 5 per cent; but I say that it is a great hardship on the importer or the merchant to hold him down to the exact valuation of any article that he imports into this country."

In discussing this amendment the following colloquy took place:

"Mr. PAYNE. Mr. Chairman, this amendment simply provides for 6 per cent of a fraud. That is the whole proposition. The additional duty can not be incurred unless there is fraud in the valuation. If the appraisers add 6 per cent to the importer's valuation, then the line of the additional duty commences there.

"Mr. MCMILLAN. The gentleman has said that this is only a tax of 6 per cent on fraud. Does he not know that this imposition is to be placed on the goods, however honestly the mistake may have been made originally?

"Mr. PAYNE. If I said a tax of 6 per cent on fraud, I did not mean it. I meant that this offered a premium of 6 per cent on fraud—that it gave a chance for the importer to advance his goods 6 per cent without incurring the risk of losing a dime.

"Mr. WALSH. Does not the present law allow 10 per cent?

"Mr. PAYNE. It does; and that is one of the worst features of the present law, if not its worst feature. It encourages more fraud, undervaluation, and crimes against the revenue than any other feature in the present administrative law; and it was because the committee wanted to reduce those offenses to a minimum that they made the increased duties commence at the point of the increased valuation, ascertained by an honest appraisement by the Board of Appraisers. If the appraisers increase the importer's valuation only 1 per cent, then there is an increase of only 1 per cent in the duty.

"Mr. WALSH. An increase of 1 per cent not on the overvaluation, but on the whole importation.

"Mr. PAYNE. An increase of 1 per cent on the valuation of the whole importation. Now, the provision of the bill is no hardship to the honest importer. He has a hearing before the appraiser; his witnesses are heard; he can prove the value of his goods, which he knows better than any other man. There is no hardship on him. This provision will operate only against those who may seek to evade the law, and we want to cut off the opportunity of evasion even by those who would evade the law by only 6 per cent of undervaluation. We want to reduce the evasion to a minimum. We want to provide, in effect, that if there should be only 1 per cent of undervaluation additional duty to the extent of 1 per cent shall be added upon the appraised value of the goods.

"The committee considered the advisability of fixing the line at 5 per cent or at 10 per cent. It was the judgment of the committee, following the judgment of the board that examined the question for months in the city of New York, the board of which ex-Secretary Fairchild was chairman—following the judgment of that board, we have made the increased duty commence with the increased valuation of the Board of Appraisers. I hope that the amendment will be voted down and that the section will be allowed to stand as reported.

"Mr. DINGLEY. I desire to say that it is the judgment both of the Treasury Department and of the board of which ex-Secretary Fairchild was chairman that the point of additional duty should commence at the point of undervaluation. Allow me to read what ex-Secretary Fairchild says in his report on this point: 'This penalty or additional duty is required not only to punish and prevent willful undervaluations, but also to operate as a constant inducement to the importer to state with the greatest possible accuracy the true market value'—and I may say the importer knows the exact market value of the goods which he imports; in many cases he is the only man who does know accurately their exact market value—'and thus to aid the government appraising officers in the performance of their duty. Under the present system the importer has a margin of 10 per cent within which he may incorrectly state the market value, subject to no greater risk, should his entry be advanced, than the payment of the regular duty upon the amount added by the appraising officer to make market value.'

"And as a rule he states the market value where there is a difference, or if there is a difference in valuation, substantially 10 per cent below the market value, because he has 10 per cent leeway.

"'If, however, no margin is allowed for differences of opinion between the appraising officer and the merchant, there is always an inducement to the importer to state the market value as accurately as he can, irrespective of the price he may himself have paid.'

"And for this reason that board, presided over by Secretary Fairchild, as well as the Treasury Department, unanimously agree that the assessment of additional duty should begin at the point of undervaluation.

"Mr. MCMILLIN.[a] As I conceive it, it was very wisely provided there that the penal duty should not attach unless there was a difference of at least 10 per cent between the invoice value of the importation and the finding of value of the Board of Appraisers. It was at first thought by the committee that this difference might be fixed at 5 per cent, and I confess that I might have been content with 5 per cent; but when the committee undertakes to fix the penalty on the invoice because there is a difference between the invoice and the value which is fixed by the appraisers which is less than 5 per cent, I think they go into an impracticable administration of the law and undertake to fix penalties for that which is impossible. * * * The expert said that it would be wholly impracticable for two men to come to the same conclusion as to the value of the goods to such an extent that the difference between them would amount to no more than 1 or 2 or even 5 per cent on the valuation."

The House passed the bill March 17, but owing to the late date, probably, and the early adjournment of Congress, because of the pending presidential contest, no action was taken by the Senate.

After Mr. McKinley was elected President and it became certain that the tariff would be revised again, the Committee on Ways and Means, in their hearings, received testimony on the effect of undervaluations, the following being put in evidence by Wilson Brothers, of Chicago, who wrote:

"In visiting the several cities throughout Germany one's attention is especially called to the magnificent estates of parties who were formerly in the importing business in New York City. Scores and scores of such instances are named where the owners were residents of New York but a few years, returning to the old country to enjoy their wealth the remainder of their lives. As a rule, ten or fifteen years at the most has been the limit of time required to accomplish this result. We know of an instance where the founder made his fortune and returned within ten or fifteen years, his son succeeding him for the same length of time and returning likewise, and now the grandson is pursuing the same policy, with the expectation of following the footsteps of his predecessors. This has been and is being done by foreigners who have no earthly interest in this country other than to make money, regardless of the method, and return at the earliest possible date. All this is largely done at the expense of the native American importer, whose life, money, and influence is [are] at the call of the Government. This system will continue as long as consignments and ad valorem duties are in vogue."[a]

RESULTS FINALLY OBTAINED.

The long struggle to have the 10 per cent privilege taken out of the law was nearing the end; for when amendments were finally made to the customs administrative act the old invitation, eagerly and generally accepted, was revoked. The new law, as amended in 1897, closely following the amendments passed by the House at the last session of the previous Congress, required the importer, knowing the value of his importations, to state it correctly in his invoice, he being held to strict accountability and being obliged to pay extra duty for every 1 per cent of variation between the entered and the appraised valuation. The Committee on Ways and Means unanimously favored this change abolishing the 10 per cent, and it met with no opposition in its passage through Congress.

This law, like the act of June 10, 1890, was not long on the statute books before an effort was made to change certain of its features.

The Merchants' Association of New York appointed a committee, at the suggestion of President McKinley,[b] "to make a careful analysis of the customs administrative act of June 10, 1890, as amended by the act of July 24, 1897, and to suggest such changes therein, or amendments thereto, as they might deem wise, for the better protection of the Government, domestic manufacturer, and the honest importer alike." When this suggestion was made by President McKinley, or when the investigation was made by the committee, consisting of Messrs. John Gibb, A. D. Juillard, H. D. Cooper, J. Crawford McCreery, and Thomas H. Downing, the pamphlet does not disclose, the letter transmitting the report to President McKinley being dated March 1, 1900. It is safe, however, to conclude that the suggestion was made and the committee appointed between July 24, 1897, and March 1, 1900. The committee said in this letter that the suggestions contained in their report were prepared "after careful and earnest investigation of the many conflicting interests involved," and yet their suggestion for an undervaluation margin was only half that recommended by the commission to Germany and urged by the Secretary of State and the President. They wrote: "A margin of 5 per cent should be allowed between the entered and appraised value of merchandise before any penalties (additional duties) should accrue," and in suggesting 5 per cent they declared, "We believe that herein we express the views of the leading customs officials, as well as those of the importers."

As far as we can learn, after transmitting this report to the President, the Merchants' Association committee allowed it to slumber for some half dozen years before they took steps to revise and resubmit it. But when the German Government, urged by German exporters chafing under their inability to ply their undervaluations with old-time success, began in 1905 to negotiate for concessions in our customs administrative act where they "bear hardest upon German exporters," the time seemed opportune to join forces with the German ambassador and call the report to the attention of the President and the Committee on Ways and Means.

The German exporters asked, among other things, for a return to the 10 per cent margin under which so many of them grew wealthy at the expense of the Government's revenues and the honest importers of the country.

This request for a return to the old margin is significant and makes one familiar with their past record in this line doubt the good purpose of their demand and the wisdom of conceding it. The secret, it seems to the writer, can be found in the testimony given by witnesses, and especially in the report of the Boston committee in 1886, which said:

"The same system of undervaluation can be shown in the same manner in respect to woolen and worsted goods, especially those from Germany, none of which are regularly imported, and it can be shown by documentary proof that cutlery, more particularly goods from Germany, has been for many years largely and systematically undervalued upon entry at the port of New York."

SUGGESTIONS MADE AT THE HEARINGS GIVEN BY THE COMMITTEE ON WAYS AND MEANS.

At the hearings given by the Committee on Ways and Means, Secretary Shaw, who thought "to give the importer no margin at all is a little severe," testified respecting the changes he would recommend as follows:[c]

"Among the recommendations that I have made is a conditional concession that no penalty—additional duty—shall be imposed on undervaluation when the undervaluation is less than 5 per cent. If Germany had rejected our overtures, I should then have recommended, in justice to the importer, the right to the Secretary of the Treasury to remit the penalty for undervaluation of less than 5 per cent when the Board of General Appraisers certified that in their opinion this undervaluation was the result of good-faith difference of opinion." * * *

The Olcott bill[d] was worded thus:

"And if the appraised value of any article of imported merchandise subject to an ad valorem duty or a duty based upon or regulated in any manner by the value thereof shall exceed the value declared in the entry by more than 5 per cent, there shall be levied, collected, and paid, in addition to the duties imposed by law on such merchandise, an additional duty of 1 per cent of the total appraised value thereof for each 1 per cent in excess of 5 per cent that such appraised value exceeds the value declared in the entry."

It further provided that the additional duties should not be penal and should not be remitted.

[a] CONGRESSIONAL RECORD, March 17, 1896, p. 2889.

[a] Hearings before Ways and Means Committee, 54th Cong., 2d sess., 1896–7, Vol. II, p. 2105.

[b] See letter of transmittal, March 1, 1900, contained in pamphlet to President McKinley.

[c] Hearings, Committee on Ways and Means, 1906, p. 23.

[d] Ibid., pp. 108 and 109.

The committee on customs service and revenue laws of the Merchants' Association of New York wished section 7 to be amended so that it would read as follows:

"And if the appraised value of any article of imported merchandise subject to an ad valorem duty or to a duty based upon or regulated in any manner by the value thereof shall exceed the value declared in the entry by more than 5 per cent, there shall be levied, collected, and paid, in addition to the duties imposed by law on such merchandise, an additional duty of 1 per cent of the total appraised value thereof for each 1 per cent in excess of 5 per cent that such appraised value exceeds the value declared in the entry." [a]

Mr. Thomas H. Downing, chairman of the above-mentioned committee, in addressing the Committee on Ways and Means, said,[b] "I am only speaking of the honest representative merchants of the country and not the undervaluers." The explanation of the foregoing amendment submitted to the Committee on Ways and Means, and found on page 14 of the pamphlet printed by the Merchants' Association committee, reads as follows:

"We respectfully submit that as actual market value of merchandise is not a definite quantity, but fluctuates within certain limits and is more or less proportionate to the volume of the transaction, and since there is always a certain difference in the values given for identical merchandise when appraised by the best experts, margin of 5 per cent should be allowed between the entered and appraised value of merchandise before any penalty should accrue. We believe that herein we express the views of leading customs officials, as well as those of the importers."

THE SUGGESTION OF THE GENERAL APPRAISERS.

The general appraisers testified concerning the proper margin to allow for difference of opinion as to value. General Appraiser Fischer criticised the amendment submitted by the Merchants' Association of New York, as follows:

"They provide for a 5 per cent allowance between the entered and appraised value; as their proposal reads it would amount to this: Suppose, after a hearing of the board on a reappraisement case, they should find that the goods are undervalued 55 per cent; according to the reading of the amendment that will lop off 5 per cent and put them down to a 50 per cent basis. My amendment provides that when the whole increased valuation does not exceed 5 per cent the penalty shall be remitted if the general appraiser or Board of General Appraisers shall certify that the increase is due to trade conditions only and is not an intentional undervaluation. This will protect the honest merchant and punish the other class." [c]

The Board of General Appraisers' bill [d] provided "that if the appraised value of any merchandise shall not exceed the value declared in the entry by more than 5 per cent, and the board of three general appraisers who decided the case shall certify that such increase was caused solely by reason of trade conditions the additional duties herein provided for shall not be levied or collected."

THE COMMITTEE ON WAYS AND MEANS AGAIN RECOMMENDS AMENDMENTS.

The hearings resulted in a number of amendments to the act being reported to the House by the Commitee on Ways and Means, the one with which we are chiefly concerned providing that "if the appraised value of any article of imported merchandise subject to an ad valorem duty or to a duty based upon or regulated in any manner by the value thereof shall exceed the value declared in the entry by more than 5 per cent, there shall be levied, collected, and paid, in addition to the duties imposed by law on such merchandise, an additional duty of 1 per cent of the total appraised value thereof for each 1 per cent that such appraised value exceeds the value declared in the entry."

THE HOUSE VOTED AGAINST THE 10 PER CENT MARGIN.

When the amendments were on their passage in the House June 27, 1906, Mr. OLCOTT, who had introduced a bill making radical changes in the law, attempted to incorporate four of his own amendments into the various sections amended.

He made no argument against the section compelling accurate entry of merchandise; neither did he give any reason for his proposed amendment allowing a 10 per cent margin for undervaluation, except to say that he offered the amendments because of information he had obtained from the State Department. Then he added:

"It seems that in a recent arrangement made, a modus vivendi between the State Department and the German Government in connection with the restriction sought to be placed by the German Government on American goods, the State Department, I think after consultation with the Treasury Department, made an agreement for a temporary agreement. Letters passed between the Secretary of State and the German ambassador, and my impression and my feeling is, on information from the State Department, that unless these amendments which have proposed are placed in this bill, it will be an evidence of bad faith by us, or show that there is something in the nature of bad faith in the relations between our Government and the German Government. I certainly do not wish to do anything to interfere with the proper collection of customs or proper administration of our tariff laws, but I would rather temporarily have something disturb the system than that a well-grounded charge should be made against our Government that we had been guilty of bad faith in our relations with any other government.

Answering Mr. OLCOTT'S remarks, Chairman PAYNE replied as follows: [e]

"It is true that there was some negotiation between the State Department and the German ambassador, and it is true that the State Department recommended to Congress a change similar to the change involved in this amendment—and I think the Secretary of the Treasury was present at the time. Whether he agreed to that change or not, he did agree to recommend another change in another particular in the bill. * * * That arrangement did not permit [prevent] the appraisers appearing before the committee and telling the truth; that did not permit [prevent] the committee investigating this matter and getting at the facts, and we are unwilling, whether the State Department recommends it or not, to concede this amendment proposed to the law."

That Mr. OLCOTT was mistaken in his view of the negotiation with Germany is shown by the letter of Secretary ROOT to Chairman PAYNE in response to a resolution of the House requesting "information as to what arrangement or agreement the Department of State has made with the German Government in reference to tariff relations between the United States and Germany." Mr. ROOT, under date of February 28, 1906, wrote that "there has been no arrangement or agreement made between the United States and Germany except as appears in the inclosed correspondence."

The correspondence as printed shows that in a communication written November 21, 1905, the German ambassador asked Secretary ROOT this question among others: "Could it be arranged than an additional duty be levied only in case the appraised value exceeds the declared value more than 10 per cent?"

Under date of February 16, 1906, Secretary ROOT, in a reply to the German ambassador, restated his question and replied as follows:

"This would require congressional action. I inclose, marked 'E,' a proposed recommendation from the Secretary of the Treasury to Congress which applies the rule for which you ask to the extent of 5 per cent, and as to the remaining 5 per cent gives the Secretary of the Treasury authority to waive or remit the additional duty upon a certificate that the undervaluation was the result of honest difference of opinion—that is to say, under the proposed rule the additional duty would be imposed only in case the appraised value exceeds the declared value more than 5 per cent, and could then be remitted up to the point of a 10 per cent difference upon a certificate of good faith." [e]

The amendment relating to undervaluation, offered by Mr. OLCOTT, read as follows:

"That where the appraised value of any merchandise exceeds the entered value by not more than 10 per cent, the Secretary of the Treasury may remit the additional duties if the Board of General Appraisers should report that, in their opinion, there was no fraud or intentional undervaluation on the part of the owner, importer, or consignee of said merchandise and shall recommend such remission."

Speaking on this amendment, Chairman PAYNE said:

"When the administrative act was adopted, in 1890, it had a provision similar to that giving the importer 10 per cent leeway on a guess, and as a rule he guessed about 9½ per cent. In other words, they undervalued 9½ per cent, and strained their consciences to that extent. When we came to pass the act of 1897 the committee was unanimously in favor of abolishing this 10 per cent leeway. Now, if the goods have been undervalued and the valuation is raised by the Board of Appraisers over and above the price at which they are entered by the importer, the duties are paid according to the increased value and an additional duty, which outsiders sometimes call a "penalty"—but which is not a penalty, because, under the law, it is a duty—an additional duty of 1 per cent on the undervaluation is exacted upon the goods. Now, it does seem that at some time the Secretary of State agreed to recommend, and did recommend, an amendment similar to this amendment, * * * but the committee did not feel it was safe to go back to the old plan of 1890 to 1897. It was sought to get this 10 per cent clause in the bill, but we then thought we would go as far as 5 per cent and give them a chance to guess 4½ per cent; but we did not want to go any further than that, because it might make too great a reduction of revenues and certainly would give the dishonest importer an advantage over the honest importer, who honestly appraised his goods and swore to his invoices when he tried to enter them. Now, by the action of the committee, after consideration, we concluded to give not to exceed 5 per cent."

This third amendment was lost, and Mr. OLCOTT withdrew the fourth.

Notwithstanding the recommendation of the Board of General Appraisers, the suggestion of the Secretary of the Treasury, the report of the Committee on Ways and Means, and the action of the House of Representatives, all made or taken within six months of their departure on their mission, the commissioners sent to Berlin ignored them, set up their judgment as superior to all others, and made a recommendation which not only doubled the margin which the House of Representatives was willing to concede, but also doubled that urged by the importers' representative and the chairman of the Merchants' Association committee, who, in asking for a 5 per cent margin, declared that therein they were representing the views, not only of the leading customs officials, but the importers themselves.

If the amendment suggested by Mr. Downing's committee, which provided for a margin half as great as that recommended by the commissioners to Germany, represented the views of the leading customs officials of the country and the views of the importers themselves, whose views are represented by the recommendations of the Berlin commission? Clearly they represent those of the German consigning exporters, whose wishes were expressed by the German ambassador in his note of November 21, 1905, to Secretary ROOT, when he asked for an arrangement allowing a 10 per cent margin. His countrymen knew, if our Secretary of State and the commissioners to Germany did not, what the concession meant to them, for they had had experience under a like privilege, from which they had reaped handsome returns, the loss of which "bore heavily" upon them and a return to which they eagerly awaited.

If granted, the effect of this privilege on the woolen duties and the protection accorded the wool manufacturer will be better understood by an illustration of its operation.

Under paragraph 316, of the act of 1897, woolen cloths valued at 71 cents per pound are dutiable at 44 cents per pound and 55 per cent ad valorem, which equals 83.05 cents duty, but if entered at 64 cents valuation, not quite 10 per cent less than true value, the duty would be 44 cents per pound and 50 per cent, equal to only 76 cents, a loss in protective duty of 7.05 cents per pound. If, however, the undervaluation is made on goods valued at between 40 and 70 cents per pound, the loss of protection to the domestic manufacturer would be much greater, for he would lose not only a portion of the ad valorem duty, but also 25 per cent of the compensating duty allowed him because of the duty on wool. For example, the duty on such goods is 44 cents per pound and 50 per cent ad valorem, and on an importation valued at 41 cents per pound the duty is 44 cents plus 20.5 cents, or 64.5 cents; but if they should be entered at 37 cents value, not quite 10 per cent less than the true value, the duty would be assessed at 33 cents per pound and 50 per cent (18.5 cents), equal to 51.5 cents, a loss in revenue of 13 cents per pound and a reduction in the protective duty to the manufacturer of over 20 per cent. Similar conditions exist in all the paragraphs of the woolen schedule where dividing lines of value exist.

THE CHANGES IN SECTION 7 RECOMMENDED BY THE COMMISSION TO GERMANY.

In summarizing the changes the commission to Germany agreed to recommend to section 7 of the customs administrative act, the report of the commission says:

"This recommendation covers the following changes in the law:

"I. The right to add to an entry to make market value as to consigned goods.

"II. The right to deduct from the invoice value at the time of entry, as to both consigned and purchased goods.

[a] See pamphlet, Revision of the Customs Laws: Report of the committee on customs service and revenue laws. The Merchants' Association of New York, January, 1906, pp. 13 and 31.

[b] Hearings, Committee on Ways and Means, 1906, p. 13.

[c] Ibid., p. 67.

[d] Ibid., p. 103.

[e] CONGRESSIONAL RECORD, June 30, 1906, p. 9038.

[e] CONGRESSIONAL RECORD, June 29, 1906, p. 9039.

"III. A 10 per cent margin within which additional duties shall not be levied.

"IV. Reducing the 50 per cent limit, at which point the presumption of fraud arises and merchandise is seized by the collector to 35 per cent.

"V. Granting to the Secretary of the Treasury the right to remit additional duties when it has been established that undervaluation was due to unintentional error.

"VI. The provision that additional duties shall be construed to be penal and within the purview of section 5292 of the Revised Statutes, by virtue of which the Secretary of the Treasury is authorized to refund them in cases where the absence of fraud has been established to his satisfaction.

"VII. Preventing the assessment of additional duties on goods subject to specific duty in all cases where the rate of duty is not changed by reason of the fact that the value found by the appraiser is greater than the entered value.

"VIII. The privilege of paying duty on less than the entered value.

"All of these propositions, with two exceptions (Nos. IV and VI), have been discussed in Congress and in published hearings before the Ways and Means Committee."

If these proposals had been discussed in Congress and in the published hearings before the Ways and Means Committee, why did not the commission also tell the President and the Congress that in the hearings of 1906 no suggestion was made by any advocate of a change for an absolute margin of 10 per cent, which the commissioners recommended and which experts have practically said is double what is fair or safe? The only witness testifying before the Committee on Ways and Means in 1896 who favored a 10 per cent margin was Mr. William M. Bunn, and he was obliged to admit that in Europe the margin allowed for undervaluations is fixed at 5 per cent. The suggestion for the 10 per cent margin was made in 1906 in the House of Representatives by Mr. OLCOTT, whose one reason for offering an amendment not in harmony with those made by the Committee on Ways and Means we have set out above; and in the House Mr. OLCOTT's amendment was rejected—of which important fact the report of the commission makes no mention. Mr. ROOT wrote the German ambassador February 16, 1906, that such a concession "would require congressional action;" the House voted down the proposal, and still the commission ignored that action, and went to the full limit of conceding Germany's wishes in recommending the margin of 10 per cent for undervaluations "without penalty." This return to the old law is urged by the commission in spite of all our investigations and experience without setting down in their published report a single reason for it. The only reason advanced by the President for the passage of the amendment is that "besides promoting harmonious relations between the contracting parties to the agreement in question" he regards "the proposed legislation as a meritorious measure for the improvement of our customs administrative act." [a]

In his annual message to Congress, quoted in his message of January 22, 1908, the President said:

"This careful examination into the tariff relations between the United States and Germany involved an inquiry into certain of our methods of administration which have been the cause of much complaint on the part of German exporters. * * * It is quite probable that this system tended toward an increase of the duties collected upon imported goods, but I conceive it to be a violation of law to exact more duties than the law provides, just as it is a violation to admit goods upon the payment of less than the legal rate." [a]

Why the law has caused "much complaint on the part of German exporters" becomes plain when the testimony, taken in the various investigations, conducted by the Senate Finance Committee, Treasury officials, and the Tariff Commission, is examined. Such examination will show that undervaluations occur almost universally in merchandise consigned for sale, a branch of the importing business in which Germans are very generally engaged.

The President conceives "it to be a violation" of law "to admit goods upon the payment of less than the legal rate;" but nevertheless advocates the passage of a law which a quarter century's experience shows facilitated the entrance of merchandise at valuations enabling the owners to pay greatly less than the legal rates, with harmful results to the honest men in the importing business, domestic manufacturers, and the federal revenue. That this fact has been conclusively established we confidently believe no one will deny who has examined the voluminous reports of the testimony given before investigating committees and the reports of commissions, committees, and Secretaries of the Treasury and Treasury officials.

Even Secretary ROOT when he wrote to the President under date of January 9, 1908, that the foregoing changes "are in line with the recommendations for the amendment of section 7 of the customs administrative act made by the Secretary of the Treasury in his letter of February 28, 1906, to the Speaker of the House of Representatives," was scarcely accurate in his statement. "In line with the recommendations of the Secretary," but going far beyond what he considered wise or safe, or what the General Appraisers advised and urged in the bill they drew.

Reference to Secretary Shaw's letter will show wherein his recommendation as to the margin for undervaluation is altogether unlike the one made by the commission and urged by the President for enactment into law.

Secretary Shaw's letter [b] is as follows:

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, February 28, 1906.

SIR: I beg to recommend the following amendments and modifications of the customs administrative act of June 10, 1890:

1. That section 7 of the customs administrative act of June 10, 1890, be so amended as to permit, at the time entry is made, such addition to the cost or value given in the invoice of consigned merchandise as, in the opinion of the consignee or his agent, may raise the same to the actual market value or wholesale price thereof the same as is by said act permissible of merchandise actually purchased.

2. I further recommend that section 7 be so amended as to impose no additional duty for undervaluation unless such undervaluation shall equal 5 per cent of the market value of the merchandise, and that the Secretary of the Treasury be authorized to remit all additional duty whenever the undervaluation is less than 10 per cent of the value of the imported merchandise, provided the Board of General Appraisers shall certify that in its opinion the undervaluation is the result of good faith, differences of opinion, or error.

Respectfully,

L. M. SHAW, *Secretary.*

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

Although "in line with the recommendations" of the Secretary, there is a marked difference between the proposal that no additional duty shall be collected "for undervaluation unless such undervaluation shall equal 5 per cent, and that the Secretary of the Treasury be authorized to remit all additional duty whenever the undervaluation is less than 10 per cent of the value of the imported merchandise, provided the Board of General Appraisers shall certify that in its opinion the undervaluation is the result of good faith, differences of opinion, or error," and the proposal that only in case the appraised value shall exceed the entered value by more than 10 per cent shall additional duties of 1 per cent for each 1 per cent in excess of the 10 per cent be imposed, as section 7, in its amended form, would mean. The two proposals are so dissimilar that it is difficult to understand how one can be in line with the other.

In view of the careful study given the laws governing the importation of foreign merchandise by so many competent committees since 1880 and the conclusions they reached, which are diametrically opposite to those reached by the Berlin commission, one can not help but believe that the President was unaware of the great complaints caused by the lax law prior to 1897, a return to which he urges, of the investigations made concerning its working, and the almost identical conclusions unfavorable to it reached by the several investigating committees. We are persuaded, therefore, that his indorsement of the proposed amendment, allowing the 10 per cent margin, rested entirely upon the recommendations of the commission and was not the result of a personal examination of the testimony given to the Tariff Commission or the Senate Finance Committee or to the report submitted by the special agents to Secretary Manning.

WHAT DID THE REPRESENTATIVE OF THE TREASURY DEPARTMENT CONSIDER IN REACHING A DECISION?

Secretary ROOT informs the President, and through him the Congress, that "the foregoing changes were carefully considered and approved by the representative of the Treasury Department on the American Tariff Commission sent to Berlin, and have been unanimously recommended for adoption by the commission in its report."

If the representative of the Treasury Department carefully considered the changes recommended, as Secretary ROOT states he did, did he, in reaching his conclusions, consider the testimony given the Tariff Commission in 1882 on the evils following the increase of the importation of merchandise on consignment and the undervaluation of such merchandise? And did he consider the unanimous report made by the members of that commission, in which they recommended certain changes in the law which they deemed necessary and imperative?

Did he ponder the conditions described by Secretary Folger and the bill he urged to cure the conditions which caused grievous annoyance to the purchasing importers and Treasury officials?

Or did he take any notice whatever of the testimony heard by the Senate Finance Committee of 1885–86 or their conclusion that the right to undervalue imported merchandise 10 per cent should not be permitted to continue longer?

Did he give any weight to the report of the three special agents of the Treasury, two of whom later occupied higher positions in the department, made to Secretary Manning in 1885?

Or did he deem worthy of consideration the report of the Customs Commission, of which ex-Secretary Fairchild was the chairman, in 1893?

Or did he consider the testimony on the subject of undervaluation given to the Committee on Ways and Means in 1896, and that committee's unanimous action in 1897 against the 10 per cent privilege for undervaluation, or the additional testimony given the same committee in 1906 by the then Secretary of the Treasury and the changes suggested by him, the general appraisers, and even the committee on customs service of the Merchants' Association of New York?

NO REASONS GIVEN FOR THE MARGIN RECOMMENDED.

If the representative of the Treasury Department carefully considered all the aforementioned testimony and reports and made his recommendation with full knowledge of the opposite conclusions reached by the Tariff Commission of 1882, congressional committees, Secretaries of the Treasury, Treasury officials and agents, he does not furnish the Congress a single reason or a single argument for favoring a reversal of their recommendations and reverting again to a law unsparingly condemned by all the reports ever made to Congress on the subject, that body being informed simply that this Treasury representative "carefully considered and approved the changes recommended." We have no record of any hearings held by this Berlin commission or of any witnesses heard who favored the return to the 10 per cent margin, the value of their recommendation resting entirely and solely upon the knowledge of this one commissioner, whose action has the approval of his two colleagues.

In the fact of such preponderating, overwhelming, and conclusive testimony as we have marshaled against the 10 per cent leeway, when considered with the character of the witnesses giving the testimony, how can this unsupported recommendation be accepted by those who seek not to legislate for special interests, if you please, but to make it possible for the Government to get a fair proportion of the duty written in the law, for the honest importer to continue in business, and for the domestic manufacturer to compete on something like equal terms with foreign rivals?

NO COURT WOULD ALLOW A VERDICT FOR A 10 PER CENT MARGIN TO STAND.

Where could be secured a jury prejudiced or rash enough to render a verdict for the 10 per cent margin in the case as made up in the records of Congress, unsupported as it is by any report or recommendation in its favor? And if rendered, where could be found the judge who would not speedily set it aside because against the evidence and the weight of the evidence? Where is the court that would ignore the overwhelming and convincing evidence against the margin and rest a finding in its favor on the suggestion of a single underofficial of the Treasury Department, even though approved by his fellow-commissioners?

Ought the legislation urged by all the committees of Congress, the Tariff Commission, and enacted by the House itself, be reversed solely on the suggestion of one man, who gives no reason for favoring the

[a] See Message, January 22, 1908, p. 3.
[b] Document No. 576, Fifty-ninth Congress, first session.

change? Ought the testimony of competent witnesses, almost unanimously against so large a margin, be treated as of no value, and the recommendation of the commissioner be adopted and enacted into law? Has such a case for the proposed amendment been made out as to justify a return to the intolerable conditions which prevailed in this country for more than a quarter of a century and which we had hoped had gone never to return?

UNACQUAINTANCE WITH THE HISTORY OF UNDERVALUATION AND THE HAVOC PLAYED BY THEM DOES NOT EXCUSE.

If this recommendation in favor of the 10 per cent margin was given by the "representative of the Treasury Department" in ignorance of the testimony heard and the conclusions reached by the tariff commission of 1882, the Senate Finance Committee in 1888–89, various Secretaries of the Treasury, the General Appraisers, the Committee on Ways and Means, and the House of Representatives itself, ignorance of the testimony given and of the conditions existing under the old law, allowing the same margin he now urges, is not an excuse any more than "ignorance of the law" is a valid defense for a man charged with the commission of an act made criminal by a federal or state statute. It was his business, as it was the duty of his colleagues, to be thoroughly familiar with the country's experience under a law like the one for which German interests were pressing.

If he "carefully considered and approved" the proposed change with full knowledge of and in spite of the testimony of the expert witnesses we have quoted, then we are quite content to set their conclusions and their recommendations over against his, and rest the case thus made up without further argument.

It would be, we submit, a startling precedent for the Congress to set if the conclusions reached by its own committees, after searching examination of witnesses were ignored, the advice of experienced General Appraisers and Secretaries of the Treasury disregarded, and the recommendation of a division chief in the Treasury Department accepted and enacted into law.

Is the Congress expected to reverse its own action in 1897 and 1906, stultify the labors of its own investigating committees and the tariff commission created by it, simply because the Berlin commission says it ought to be done, or because the President authorized the Secretary of State almost a year after the adverse action by the House on the Olcott amendment—identical with the one now urged—to state to the German ambassador that "he will recommend to the Congress the enactment of the amendment" which the German consigning exporters so anxiously wish again to become the law?

Should this privilege—if regranted now—produce a tithe of the evil consequences which followed in its wake when the old law allowed the margin, how can it be said that it will do no harm to the fiscal and economic interests of the country? Would it not be a tremendous price to pay for the good will of any nation? In the name of honesty, ought it to be granted?

Grant this right by law, and all the boasted advantages—if there be any—gained by the United States in the German agreement will vanish as the fog before the noonday sun. The 10 per cent undervaluation privilege would be worth more to the consigning, duty-evading exporters than all the open hearings—though they have not been without their value—and all the modifications of customs regulations combined. This they knew, and their efforts were directed toward its attainment, first, by diplomacy with the State Department, and, second, through the commission sent to Berlin, who yielded the very point which, we believe, the German negotiators deemed of the highest importance to their cause—next to the consummation of a complete reciprocity treaty—and agreed to recommend an amendment to the law permitting the coveted privilege. The favor of the commissioners was won, the support of the President and the Secretary of State was secured, and all that stood, and all that now stands, between many domestic interests and great loss, if not ruin, is the consent of Congress to this startling suggestion. Will the Members of the Senate and the House "turn their backs" on past experience, the counsel of many of their distinguished colleagues, and accept the amendment urged? Or will they stand firm for the law passed in deference to a wide demand from all classes having to do with the importation of merchandise, that the gross frauds perpetrated under the privilege of a law should be lessened, and, if possible, stopped by the passage of an act compelling honest valuation of imports?

The honor of the United States is in nowise involved in negative action on this request, for the reason that the German ambassador was informed several months before the agreement was signed that the granting of a 10 per cent margin was a matter requiring congressional action. The President has fulfilled to the letter his promise to "recommend to Congress the enactment of an amendment to section 7 of the customs administrative act of June 10, 1890, as amended by section 32, act of July 24, 1897." What it is wise to do remains for the Congress to decide.

The argument used for tariff revision, that times and industries have so changed since 1897 that schedules satisfactory then are out of date, is not at all applicable to this question of margin. On the contrary, with each year's growth of our imports, strict requirements for their entry at approximately correct valuations become the more imperative; for with the increasing quantity imported the greater are the chances for illicit gain, the greater is the temptation to undervalue, and the more difficult it is for honest importers and domestic manufacturers to withstand the dishonest methods employed by the undervaluers.

If it was against good morals ten years ago to permit this margin, why is it advisable to grant it now? If it was inimical to the federal revenue, if it was destructive of the business of the honest importer ten and twenty years ago to permit this margin to continue, why would not a return to it now bring back the old disadvantages intensified by present conditions and greater opportunities?

If a 10 per cent margin was too much in 1882—when the value of imported dutiable merchandise in the calendar year was $538,807,117—in 1885, 1893, and 1896, why is it not too much now when the value of such imports has reached the enormous sum of $787,035,536 in 1907?*

What reasonable man familiar with the gross wrongs committed under the old law and having a thought for the collection of the federal revenue and the preservation of the business of honorable men striving to comply with the law can conscientiously vote for the recommendation made by the commission, the Secretary of State, and the President?

*These figures are for the fiscal year and differ slightly from those to be found on page 9. They are the latest corrected figures, and are to be found in the Commerce and Navigation reports for 1907.

EXHIBIT G.

Wages in woolen mills, England and Massachusetts, on basis of fifty-six hours per week for each country.

[Statement by William Whitman.]

Occupation.	Wages per week.	
	England.	Massachusetts.
Scouring hand	$4.00	$8.54
Yard hand		8.54
Wool sorter	7.50	12.98
Card stripper	5.00	8.54
Creel tender:		
4 creels	3.00	6.70
2 creels		5.30
Finisher tender	3.00	6.76
Apperly tender		6.76
Bramwell tender	3.00	8.54
Picker hands	4.50	8.54
Spinner	5.00	12.08
Dresser	6.00	12.55
Filling carrier	4.50	8.54
Twister:		
Piecework	5.00	12.98
Day work		10.62
Spooler (actual)	3.00	5.20
Loom fixer	7.50	14.00
Weaver:		
2-loom work		9.00
1-loom work	4.50	10.56
Fulling-mill hand	5.50	8.54
Carbonizing hand	4.50	8.54
Carbonizing hands, boys		6.78
Burlers, after one year wages are	2.00	5.55 / 6.37
Sewer	3.00	7.72
Dye-house hand	4.50	8.54
Shear tender	5.25	9.66
Wet brush and steam brush	4.50	8.54
Gig hand	5.00	8.54
Steaming machine		8.54
Scouring-machine hand	7.00	8.54

Wages in woolen mills—England and Pennsylvania.

[Statement by Walter Erben, of Erben-Harding Company, Philadelphia, Pa.]

Occupation.	Wages per week.	
	England.	Pennsylvania.
Head wool sorter	$0.52	$25.00
Wool sorter	8.00	18.00
Overlooker:		
Wash-room	6.00	20.00
Card-room	7.50	20.00
Combing-room	8.50	25.00
Drawing-room	8.50	25.00
Spinning-room	8.00	20.00
Twisting-room	8.00	20.00
Reeling-room	8.00	18.00
Back washer	3.12	6.00
Gill box	3.12	5.50
Combs, 2	3.37	8.80
Gill boxes, 4	3.00	8.80
Wool washer	5.25	10.00
Card stripper	6.00	12.00
Card feeder	4.25	5.50
Drawing gill	2.75	5.50
Drawing frames	2.75	6.60
Roving frames	2.50	5.50
Spinner, 2563	2.50	6.60
Spinner, 332	2.62	7.00
Overlooker's assistants	2.12	19.00
Doffer	1.87	4.40
Twister	2.87	6.60
Winder	2.62	4.40
Reeler	3.00	7.50
Engineer	6.50	20.00
Fireman	6.00	12.00
Laborer	5.78	10.00

Mr. CUMMINS. Now, Mr. President, I will reach the conclusion. If it does not appear clear to you that a duty of 50 per cent upon the foreign cost of woolen cloths is vastly more than is necessary to compensate these manufacturers for the wage difference and the capital difference, then I would despair of ever reaching any conclusion with you. Take a yard of cloth that, we will say, cost $2 abroad, a high-priced piece of cloth. The duty upon it is $1, and that, not for the purpose of equalizing the difference in the cost of production, but of labor and capital only; $1 duty to measure the difference between the labor here and abroad, the entire labor cost being, as I think, not to exceed 70 cents, and I think not to exceed 50 cents.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from New Hampshire?

Mr. CUMMINS. I beg pardon. I have inadvertently named an incorrect sum, but then the Senator from New Hampshire will readily see wherein I made the mistake.

Mr. GALLINGER. I observed that; but, Mr. President, I want to suggest to the Senator—which I feel sure has not escaped his attention—that the domestic manufacturer is laboring under some disadvantage in the matter of the undervaluation of foreign goods. I do not know how extensive that is; but, being intimately acquainted with some gentlemen in New York who, I think, speak by the book, it has been represented to me that it has been in the past very great in the matter of woolen goods as well as in silk goods. If that be so, it puts an added burden upon the American manufacturer, which ought to be counted in making up the difference, I think.

Mr. CUMMINS. Mr. President, I am quite willing to agree to the suggestions just made by the Senator from New Hampshire. There are several items that ought to be taken into account—the motive for, the tendency toward undervaluation, the greater reward that capital should bear in our country as compared with foreign countries, and the difference between the efficiency of labor here and abroad; that is, what efficiency costs in our country as compared with the efficiency cost in England. But when you have taken all these into account and when you have added 50 per cent to them, you will still have less than one-half of the duty which you have imposed here as protective.

My friend the Senator from Idaho [Mr. HEYBURN] suggests a case with which I have great sympathy. I have no particular fault to find with his analysis; and if he carries out his premises to their logical end he will vote for the motion that I am about to make, in order that this matter may be considered in that careful analytical way which will be required in order to reach safe and sound conclusions.

The difficulty is that too many Senators, as it seems to me, with regard to the tariff wall which we are building around the United States, adopt the maxim which was common in my old country, in Pennsylvania, where I was born and bred. It was a very stony country, and we picked up the stones from the fields as well as from the quarries with which to build our fences and our cellar walls and sometimes our houses. It was one of my common, if not my favorite, occupations when I was a boy to haul stones for walls; and this is the maxim or rule that was prevalent in that country with regard to hauling stones: "First, haul what you think is enough; then haul twice as much, and you'll have just half enough." Some Senators seem to approach the consideration of this subject in just that frame of mind. They want to build a tariff wall, and they put in what they think is enough, and then they put in twice as much, and then they still believe they only have half enough.

I am sure that I have convinced the Finance Committee that this subject deserves further consideration. The Finance Committee could not have known the facts that have been developed; they could not have appreciated their application to the subject when they adopted, with hardly a single change, the law of 1897.

Mr. ALDRICH. Will the Senator permit me right there to interject a very brief remark?

Mr. CUMMINS. I yield to the Senator.

Mr. ALDRICH. There has been no argument advanced here and no statement made that has not been presented to the Committee on Finance in infinite variety and at infinite length.

Mr. CUMMINS. Well, that destroys what little faith I had for the Finance Committee. I had hoped that these things had not been presented before the committee in the fullness and in the richness that they have appeared here. If that be true, I despair of human understanding——

Mr. ALDRICH. Mr. President, not with the richness that they have been presented here; not with the rhetoric that has been used here; but the facts and the ideas have been presented to the committee, crudely perhaps, but at great length.

Mr. CUMMINS. And, notwithstanding, Mr. President, these facts, the Finance Committee still persists in this schedule.

Mr. ALDRICH. Notwithstanding those facts, elaborated and illuminated by the eloquence of the Senator from Iowa and other Senators, the Senate, by repeated votes, has shown their disbelief in the theories and in the facts which these gentlemen have presented.

Mr. CUMMINS. The Senator from Rhode Island hardly touches the issue. I have explained how the Finance Committee might find some difficulty, might find some objection to the amendments that have been offered, and I can understand that the Senate was reluctant to accept them without that careful, comprehensive study which such a subject requires; but that is not the point. What I want the Finance Committee to do is, in view of the things that have transpired, to give this subject further consideration. The Finance Committee found no difficulty in overriding the cotton schedule when it was desired to raise the rates; the Finance Committee had no difficulty in applying modern and scientific methods to the silk schedule when it was desired to raise the rates; and why, therefore, should it be blind to modern and scientific methods with regard to the woolen schedule? There must be some way to better this schedule in the way of accomplishing justice and right, just as you have believed that there was a way to better the cotton schedule and the silk schedule.

Mr. ALDRICH. Will the Senator permit me?

Mr. CUMMINS. Yes.

Mr. ALDRICH. I think the Committee on Finance would have no difficulty in destroying this schedule. That is not a difficult task at any time. The most delicate mechanism, all the creations of the human mind and human thought, built up, perhaps, as the result of ages of study and investigation, can be destroyed by a single blow. It does not take a sledge hammer to destroy the mechanism of a watch; it is an easy thing to do. But when a man undertakes to produce a watch—I am only using that as an illustration—he is dealing with a matter which requires great skill, infinite patience, and great judgment in every direction.

We are approaching this subject, I think, with all due deference to the Senator from Iowa, from entirely different standpoints. I am desirous of preserving to the American farmer a market for his wool in the United States.

Mr. CUMMINS. So am I.

Mr. ALDRICH. I am in favor of preserving to the people engaged in the manufacture of wool in the United States a market.

Mr. CUMMINS. So am I.

Mr. ALDRICH. But I am not willing to try experiments, and especially I am not willing to try any experiments along the lines of the suggestions which have been supported by the Senator from Iowa on the pending proposition.

Mr. CUMMINS. I realize the force of all that the Senator from Rhode Island has said. I would not want to intrust the construction of a watch to a blacksmith.

The Senator from Rhode Island or the Finance Committee evidently regards my colleague and the Senator from Wisconsin as blacksmiths trying to build a watch, and therefore I have departed from that and have asked, the Finance Committee to try to rebuild this watch. You have reconstructed the watch which represents the silk schedule. You have reconstructed the watch which represents the cotton schedule. Why do you not try your hand at reconstructing the watch which represents the woolen schedule?

Mr. ALDRICH. I think I will be able to show the Senate later on that each and all these amendments are not for the purpose of reconstruction in the nature of reform, but in the nature of changes that will result in destruction. Of course, I am not advised as to everybody's opinions upon this subject, but so far as I know, there has been no agitation or suggestion from any source of dissatisfaction with the wool and woolen schedules, except from one class of woolen manufacturers. If the great masses of the farmers of this country, or any of them, are dissatisfied with the present schedule, that dissatisfaction has not been reflected here. If the manufacturers of the country, with the exception——

Mr. CUMMINS. It is being reflected at this moment, so far as I can reflect it.

Mr. ALDRICH. It is being reflected not by any direct representation of the farmers of the country or the woolgrowers, who are represented here by their organizations, by the men who understand their interests better than any other men in the Senate. Sheep raising in Iowa is certainly not a lost art, but it is not a profitable business, as compared with many other things that the people of Iowa produce.

Mr. CUMMINS. That is quite true.

Mr. ALDRICH. And the woolgrowers of the country—I make the statement without fear of contradiction—are satisfied with the present tariff. The woolen manufacturers, with the exception of one class—and their dissatisfaction arises from natural conditions, which it is beyond the power of this Congress to change—are, as a rule, satisfied with this schedule. The persons engaged in production, the textile workers of the United States, without exception, so far as I know, are satisfied with this schedule. Who is dissatisfied? Who are the men?

Of course the Senator from Iowa has always been a tariff reformer. I do not use the term in an offensive sense, but he has been in favor of lower duties all along the line. If he

were required to reconstruct our tariff, he would do it upon a different basis from what I would and what I think a majority of the Senate would. I do not find any fault with that, but I suggest to him that all these other interests and people are satisfied with this schedule. It does not necessarily follow, because he is dissatisfied, and a few other Senators are dissatisfied for any reason, that we must halt the public business and try the impossible task of reconstructing the schedules.

Mr. CUMMINS. I am not conscious of employing in my inadequate efforts any different principle from that which the Senator from Rhode Island adopts, although I reach very different results in many instances.

He asks who are dissatisfied? I have discussed the woolen schedule all over the State of Iowa, and even though it is attempted to be minimized here, our people believe that in the end, if duties are imposed that are unconscionable and too high, those who wear the woolen fabrics must pay the cost, and those people are therefore dissatisfied if those duties are too high. I understand, of course, the harmony between the woolgrowers as represented here and the woolen manufacturers. The truth is, as I analyze the situation, that the woolgrowers here are as helpless as were the beet-sugar producers in the schedule we were considering the other day. They do not dare to disagree with the Woolen Manufacturers' Association, just as the sugar-beet producers were compelled by their self-interest—I am not speaking of any compulsion other than the ordinary motive of the human heart and mind—to stand by and defend the iniquities of the American Sugar Refining Company, because they dared not proclaim their emancipation.

Mr. ALDRICH. I will say to the Senator from Iowa, what he probably may not be aware of, that the present woolen schedule—that is, Schedule K of this bill, of the existing law, of the act of 1890—was prepared more largely at the suggestions and under the control of the woolgrowers of the United States than of the woolen manufacturers or of any other force or power. I hope the Senator from Iowa will not misunderstand me. I am aware that for many years that Senator has been carrying on a campaign in his own State for lower duties. One representative of that State in this body had very much to do not only with regard to Schedule K, but the entire tariff legislation here. There was a marked, I perhaps might say, without being too strong, a wide difference of opinion between the late Senator from Iowa and the present Senator from that State. That difference was fought out before the people of Iowa, and the Senator from Iowa is now here.

In regard to the wool schedule, the people of Iowa are not particularly interested directly in whether the tariff on wool is high or low; but we have upon this floor ten or twelve Senators whose people are directly interested in the wool tariff, and those Senators are unanimous and enthusiastic in favor of maintaining the existing schedules. That those Senators represent in this matter their constituents, the woolgrowers of the country, I think the Senator from Iowa will not venture to deny. We have a large number of other Senators here who are protectionists, who believe in the protection on wool; and I shall try to voice their sentiments later on in the day, when I will show, I think to the satisfaction of every Senator, that these repeated amendments—everyone of them—have but one purpose and could have but one result, and that would be not to reform the wool and woolen schedules, but to destroy them.

Mr. CUMMINS. It would be vain for me to attempt to defend these amendments. They have been presented, defended, advocated with a wealth of reason and of argument and of fact that leaves me no opportunity whatever. The Senator will understand that I am not at the present time inquiring into the merits of these amendments. I am asking the Finance Committee—in view of the developments here, of the facts, that can not be disputed; that the manufacturer is receiving more than his compensatory duty; of the fact that the protective duty, so called, is more than can possibly be defended—to take this schedule, preserve its harmony, see that the structure is ample and fully bound together, so that it will be as secure as it ever was; to put it so that it can be defended before the American people, because if the American people are not satisfied with what you do, eventually they will overturn the structure which you are here rearing with such infinite care and patience.

Mr. ALDRICH. If I understand the present situation at all, it is something like this: These amendments have been offered. They have been supported, as the Senator says, with a wealth of eloquence and with a great many statistics and with a great many statements alleged to be facts. Whether or not they are, I will not stop now to consider. But this discussion has been going on. After this matter has been presented to every Member of the Senate, after it has been presented——

Mr. CUMMINS. Will the Senator pardon me for a moment? I yield the floor, as I have concluded what I wish to say.

Mr. ALDRICH. Then I also yield the floor. I am very desirous of getting a vote on this question.

Mr. WARREN. I should like to ask the Senator a question before he leaves the floor. I understand his contention to be that the manufacturers are receiving too much compensatory duty, coupled with a protective duty.

Mr. CUMMINS. That is what I have been driving at for the last hour and a half or two hours.

Mr. WARREN. I do not wonder that the Senator follows a line of that kind, because I myself followed it for a great many years, and there have been times, especially in my earlier consideration of this subject, when I figured it very much as the Senator figures it. But as I grew older and after a somewhat active business life I am inclined to judge more and more by final results. I think that is the safest way. I do not think the matter of technicalities enters into it so much as does the final result. We know what the final result has been to the sheepmen. We know that when we have had favorable tariff legislation they have succeeded, and when we have not had favorable legislation they have failed. They have demonstrated that if they are protected they can raise in this country every pound of wool consumed in this country.

On the other hand, we have been hearing of other lines of manufactures. We have heard of dividends on sugar. We have heard of dividends on oil. But I can not find in my investigation that the manufacturers of woolens have shown more than a reasonable profit, more than a reasonable interest earned; and if the Senator has any information, or any Senator has information, which proves that, taking it altogether, from first to last, the manufacturers of woolen goods have become multimillionaires or the sheep growers have become multimillionaires, then I am ready to change my opinion.

But I want to see some evidence, if somebody is getting too much compensatory duty or protective duty, that, after good management, he has made more than the ordinary rate of interest.

Mr. CUMMINS. Will the Senator from Wyoming vote for my motion if I show him that the woolen manufacturers have made more than a fair interest on their money?

Mr. WARREN. In the first instance, I will not, so far as his amendment is concerned, because that does not touch the question, his motion being simply a motion to rerefer to a committee; but I shall be very glad to have the Senator show me where this great profit has come in.

Mr. CUMMINS. I will be very glad to do so at some time. I want to know, inasmuch as the Senator from Wyoming has conceded the force of my argument, that the woolen manufacturers have made more than a fair share of the duty, and therefore I assume that he believes that this subject should be remitted to the Finance Committee for its further consideration—I want to know, if I show him that the woolen manufacturers, as a whole, have made more than a fair interest, if he will vote for this amendment?

Mr. WARREN. The Senator is exceedingly persuasive; but let me say to the Senator that I will vote for any proposition he may produce here that looks as if it would bring the finality he wants if he will show me that the woolen industry, taking it from the time it started up to date, considering its profits and losses, has more than it is entitled to in interest or dividends. If he does, I will vote for any change he may suggest.

Mr. CUMMINS. I am not half so persuasive as is the Senator from Wyoming, who says he will vote for whatever he wants to vote for, and nothing else.

Mr. WARREN. The Senator has not informed me whether he thinks the woolen manufacturers as a class, taken as a whole, and throughout a period of years, have made more than a reasonable profit.

Mr. CUMMINS. I believe their profits have been inordinate.

Mr. WARREN. I should like to have the evidence of that.

Mr. CUMMINS. I understand there have been some very unfortunate manufacturers. Certainly the carded-woolen manufacturers have been very unfortunate and very unprosperous, but there are reasons for that, as pointed out by my colleague.

There have been other ventures which may have proved to be failures, but the profits on properly conducted, wisely managed, woolen manufactures in this country have been greatly more than a fair interest upon the money invested.

Mr. BEVERIDGE. Will the Senator permit me to ask him a question before he takes his seat?

Mr. CUMMINS. Yes.

Mr. BEVERIDGE. The Senator from Wyoming has raised the question as to woolen manufacturers.

Mr. WARREN. I have not raised the question. It has been raised all the morning.

Mr. BEVERIDGE. You immediately called attention to it. I wish to ask the Senator from Iowa a question before he takes his seat. I think the statement of the Senator from Wyoming is pertinent. I will preface my question by summing up. It seems that the carded-woolen people have not prospered under the present law, for reasons pointed out by the senior Senator from Iowa, and not denied, coming down to the fact that the worsted people regard that as an antiquated method. But that does not seem to be true of the worsted manufacturers. The carded people, which includes all the little mills, or most of them, over the country, being in one class, are discriminated against, as it is claimed, by this bill. Will the Senator point out who the chief woolen manufacturer—what corporation is the chief woolen manufacturer in this country, and what is the extent of its manufacture?

Mr. CUMMINS. I have not the details before me. They have already been pointed out.

Mr. BEVERIDGE. Is it the American Woolen Company?

Mr. CUMMINS. The American Woolen Company. But the Senator from Wisconsin submitted all the statistics with regard to that.

Mr. BEVERIDGE. I was not here. I did not hear that. Otherwise I would not ask for a repetition of it.

Mr. CUMMINS. I am not prepared to duplicate the showing already made. All the observations I have made have been rather in the nature of gathering up——

Mr. BEVERIDGE. Surely.

Mr. CUMMINS. What has already been put before the Senate in the way of testimony, cementing it if I could into a harmonious whole.

Mr. BEVERIDGE. Is it true that it is the largest manufacturer?

Mr. CUMMINS. Undoubtedly.

Mr. BEVERIDGE. Is it true that it is chiefly engaged in the manufacture of worsteds as distinguished from the carded product?

Mr. CUMMINS. Wholly.

Mr. WARREN. I will say it is a manufacturer of both and not wholly of one.

Mr. BEVERIDGE. I said chiefly. Can the Senator in one word inform the Senate in regard to the extent of its business and its profit?

Mr. CUMMINS. I would much rather refer to the Senator from Wisconsin.

Mr. BEVERIDGE. So that, if the statements made by the senior Senator from Iowa are true, the net result will be that the schedule will operate in the future, as it has in the past, to the injury of the carded-wool manufacturer, who, I understand from statements made on the floor and not denied, includes most of the little mills throughout the country, and very much to the advantage of the worsted manufacturer, chief of which is the American Woolen Manufacturing Company. I want to get it clear in my mind.

Mr. CUMMINS. The Senator has stated it accurately.

Mr. DOLLIVER. The Senator has omitted the fact that the American carded-wool people have the largest pay roll.

Mr. WARREN. And the largest carded-wool mill in the country, and perhaps anywhere in the world, is one owned and erected by the American Woolen Company—the Asabet mill.

Mr. CARTER. Before the Senator from Iowa resumes his seat, I should like to ask him a question, with the permission of the Senator from Wyoming.

Mr. CUMMINS. I yield.

Mr. CARTER. We have passed the metal schedule, to which the Senator from Iowa filed objections. We have passed the cotton schedule, contrary to his views of right and propriety, and a number of other schedules, all of which the Senator opposed.

Mr. CUMMINS. I will not assent to the statement just made. I have found some objections to each of those schedules, but not to all of the items in those schedules. I have attempted to be discriminating in my objections as we have passed along.

Mr. CARTER. None of the schedules referred to met the approval of the Senator in all particulars.

Mr. CUMMINS. That is quite true.

Mr. CARTER. It appears that the woolen schedule does not meet his approval in all particulars——

Mr. CUMMINS. You might broaden that a little.

Mr. CARTER (continuing). But does in some. I desire to ask the Senator why it is, with the number of schedules objectionable, each in its way, in some particular, the Senator from Iowa selects the woolen schedule alone to be recommitted for the purpose of being reframed?

Mr. CUMMINS. Simply because there is in the woolen schedule a fallacy that is not found in any other schedule in the tariff bill. There is no other schedule in which there is an attempted separation of a so-called "compensatory" duty from a protective duty, and in the other schedules we are compelled to allow the protective duty to embrace all the factors or elements in it with regard to which the American manufacturer needs protection. With regard to the woolen schedule there is injected a separate duty which is called "compensatory," which is so—no; I will not use the word which comes to my lips—but which is so unjust and indefensible that I thought it was my duty to object to it.

Mr. BEVERIDGE. Mr. President——

Mr. CARTER. Mr. President, if the Senator will permit me——

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The Chair will admonish Senators to address the Chair. The Chair for the last ten minutes has not known who was entitled to the floor. The Senator from Montana had the floor.

Mr. CARTER. I will yield it in a moment. Schedule K, known as the "woolen schedule," does not embrace anywhere the word "compensatory." That is a phrase used to define a thought arising from the schedule itself. Specific duties are assessed which we, for convenience, call "compensatory duties," and then comes the assessment by the yard or an ad valorem based upon what we call the "manufacturer's protective duty;" but I understand that this arrangement extends through all these schedules without any exception.

Mr. ALDRICH. Absolutely.

Mr. CUMMINS. In a broad, comprehensive way it does. You have referred to the metal schedule. Let us take it. We will take the iron ore, supposed to have a duty of 25 cents a ton upon it. Its next form is in pig iron. It is proposed that there shall be a duty of $2.50 upon pig iron. That advance, it is imagined, covers the transformation, if you please, of iron ore into pig iron. From pig iron it is converted into steel ingots, and the ingots bear a higher duty on account of that advance; from ingots into billets, from billets into rods, from rods into wire, from wire into nails.

Mr. OLIVER. Mr. President——

Mr. CUMMINS. I understand what the Senator from Pennsylvania means; and I agree, and I shall point out presently that there is just as fatal a mistake in the metal schedule as there is in the woolen schedule, and the Senator from Rhode Island will recognize it when I say that this committee has reported a duty of $5 a ton on wire nails, when the duty on the very rods out of which the wire comes has double the duty on wire nails.

Mr. ALDRICH. Does the Senator from Iowa think that a correction of that mistake is a part of the work of tariff revision which we are called upon to do by the fact that we are here?

Mr. CUMMINS. I think so.

Mr. ALDRICH. Does not the Senator realize that when he makes that statement he is conceding the right and the justness of the committee taking care of all these defects?

Mr. CUMMINS. Precisely, and that is why I want you to take this schedule back and correct just as radical, just as obvious, a mistake as there is in the metal schedule which I have just pointed out.

It is just as bad and indefensible. I do not want you to understand—I will reach that in a moment—nor do I want the Senate to understand that I think this correction in the metal schedule should be by lifting up the duty on wire nails. It should be by graduating the material which finally passes into wire nails. But I know you will do that. I know the Finance Committee will not leave the metal schedule in that way, and I hope you will not leave the woolen schedule in the way in which we have found it to be.

Mr. ALDRICH. Is the Senator willing to admit that in any case a revision to cure defects might be a revision upward?

Mr. CUMMINS. I am quite willing to admit it.

Mr. ALDRICH. Upward?

Mr. CUMMINS. Upward. I am willing to admit it.

Mr. ALDRICH. I am very glad to hear that admission.

Mr. CUMMINS. You have heard it a score of times since the revision began. Possibly, however, the Senator may not have been in the Chamber. I recognize the rule we have adopted in the revision of the tariff. I recognize that in some instances—they are not numerous, of course—there ought to be an increase in duties. You will not find me objecting to an

increase of duties unless I can show good reason why they should not be increased.

Mr. ALDRICH. I can not for the moment remember of any single instance in which the Senator from Iowa voted for an increase of duty. There may have been some, but I am not mindful of them at present.

Mr. CUMMINS. I have allowed to pass over here without any objection on my part a score, aye, two score, of increases that came from the committee and which I believed to be just, and, therefore, of which I made no complaint.

Mr. WARREN. Mr. President——

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Does the Senator from Iowa yield?

Mr. CUMMINS. I am glad to yield the floor if my cross-examiners will discharge me.

Mr. WARREN. If I may be granted one moment, I understood that I had the floor to ask a question of the Senator from Iowa while he had the floor, and I supposed I yielded to the Senator from Indiana and to others.

Mr. CUMMINS. May I excuse myself to the Senator from Wyoming by the statement that I waited what seemed to me a reasonable time for the question to appear, and the Senator from Wyoming seemed to be stating in his clear and felicitous way the argument upon his side of the case. Therefore I withdrew, in order that his argument might have full force and effect.

Mr. WARREN. The question I wished to ask the Senator from Iowa was whether the Senator could cite us to a continuation of successes on the part of either manufacturers or woolgrowers that would be proof that either one of those avocations have been overprofitable, taking them from the foundation of the business in this country to the present time or for any considerable length of time. Back in the Senator's remarks where he was dealing with profit the question was apropos, but it has been deflected by the interruptions.

I merely want to make this observation, and I will not ask the Senator to answer it unless he desires. I think you may start at the Atlantic and go to the Pacific, and from the Canadian line to Mexico, and you will hunt in vain to find any over-rich men or corporation, any multimillionaires who have been engaged in the sheep business. I think you may start following the same lines, and you will find very few, if any, multimillionaires who made their money in the manufacture of woolens. There have been years when the manufacturers of woolens have made large profits, and there have been years when they made losses, and submitted the figures to show it. I submitted the figures a day or two ago regarding the largest woolen manufacturing company in this country, and it is a manufacturer of both carded woolens and worsted. The statement shows that this corporation has never paid dividends upon any of its stock, except 7 per cent per annum upon its preferred. The company has had at times, covering the ten years or so of its existence, a surplus varying from nothing to perhaps 15 per cent of its capital. It has taken from or added to this each year, according to whether the business made losses or gains. For the year 1908 it had to take over $1,200,000 from the surplus in order to meet the 7 per cent upon its preferred stock, and the remaining surplus is doubtless less than what ought to be charged out as depreciation of plant.

Now we will turn from the manufacturer to the sheep grower, and I will speak of that which I know, because I was present at the board that made the necessary entries in the books, to distribute dividends or assess losses. In one case it was a profit and in the other a large deficit. The same people, interested together in sheep growing and doing business in the same way, under the law of 1867, made, in a five years' run, 180 per cent, and divided that among those interested in the business.

The same people, with two or three more added at a later date, and doing business in the same way, only on a larger scale, wrote off their books in one entry six hundred and fifty-eight thousand and some dollars, as a loss occurring in less than four years because of the Wilson-Gorman law. On the average that concern has not made over 6 per cent per annum upon its money from the time it started to the present date, and yet it could be truthfully reported as having made thirty-odd per cent per annum not for one year alone, but for three or four years successively in one particular period.

I look at general results. If this country were filled with multimillionaires, if we had a wealthy class of that description grown up out of the manufacture of woolens, it would show that it had been a profitable business, an overprofitable business, but I have not seen any figures and I can not find any, and I do not believe any Senator can submit any that will show that that industry as a whole, covering a period of years, has made anything more than a reasonable interest upon the capital invested.

Mr. RAYNER. Mr. President, I desire to explain my vote on the pending amendment. During the roll call, under the rules of the Senate, we have no right to explain our votes. I intend to vote in favor of the amendment, on the ground that it reduces instead of increases the duty on raw wool. I do not want to increase the duty on raw wool.

I find on page 3058 of to-day's RECORD that the senior Senator from Texas [Mr. CULBERSON] put this question to the Senator from Wisconsin:

> But as to raw wool, as I understand, the amendments propose rates slightly in advance of the Dingley rates.

The Senator from Wisconsin answered:

> A fraction of 1 per cent in advance.

Then again the Senator from Wisconsin said:

> The average ad valorem duty on raw wool is less than 45 per cent. My amendment proposes a duty of 45 per cent on wool, which is a little higher than the average.

I have made a calculation, which has been verified, and I think the Senator from Wisconsin was mistaken. I think instead of raising the duty on raw wool he reduces it by a slight percentage. It is upon that belief that I propose to vote for his amendment, because if I thought it would increase the duty on raw wool, I am very frank to say that I would vote against it.

Mr. DOLLIVER. Mr. President, in view of the fact that the chairman of the Committee on Finance, who announced an intention to discuss the amendment which has been offered, is evidently inclined to postpone the discussion until after it has been disposed of by the Senate, I intend just before this vote is taken to say a few things which are intended as a sort of farewell address as far as I am concerned on this wool schedule.

The chairman of the Finance Committee said a moment ago that the effect of the amendments which I had offered and which yesterday met the common fate that sometimes happens in this world to good and evil alike operated to entirely destroy the framework and the system of the wool schedule. I was sorry to hear the honored chairman of the Finance Committee say that, after I had spent so much time putting the amendments in harmony with the scheme of Schedule K as it has come down to us from our ancestors.

The amendments which I proposed retained every outpost of this so-called "citadel of protection." I proposed simply to abolish an obsolete and, as I think I showed, disadvantageous distinction between the classes of clothing wool. I proposed to make the compensatory specific duties of the existing law applicable to the wool contained in imported cloths. And yet on reading the debate yesterday, for I have felt it my duty not only to listen to it but to read it, I find an evident misunderstanding or misinterpretation of the amendments proposed by me fixing the duty on the wool contents of woolen goods. I certainly ought not to have been understood to say that there was anything in the amendments which necessitated the ascertainment of the particular kind of wool which the completed fabrics are composed of. Yet the Senator from Utah [Mr. SMOOT], in answering me, and I think the Senator from Rhode Island also, claimed that it was impossible to ascertain the kinds of wool, whether pure wool or noils or wastes, in the finished goods. That is, of course, so; but there is nothing in the amendments which I proposed that requires the ascertaining of any of these things.

The amendments merely proposed to apply the wool rates of 33 cents or 44 cents per pound to the weight of the wool found upon examination to be in the cloth or other article, regardless of whether such wool is of the first or second classes, or noils or wastes. These wool rates are just the same as at present, and there certainly is no necessity in either case to find out the kinds of wool which enter into the finished articles.

In the case of mixed wools, shoddy, wastes, noils in finished goods, my amendments would operate precisely as at present, as the rates of duty are the same, and would be applied to all the animal fibers found in the goods, regardless of their quality, just as at present. Moreover, I have adhered to the same dividing lines of values adopted in the present law. I have also retained the same ad valorem rates as now in the law, in order to fully cover the materials and cost of production which might enter into the fabrication of the finished goods, a fact which the Senator entirely overlooked in criticising the amendments, as he seemed to think that the cotton or other vegetable contents of the goods would not receive any duty. This ad valorem duty of 50 per cent applies to the values of the finished goods, and necessarily covers all its ingredients, even the wool contents, besides the specific wool duties. And as the 50 per cent ad valorem is one of the highest ad valorem

rates in the tariff, it fully compensates for any vegetable fibers found in the goods. Yet it was stated that if the amendments which I offered were adopted, every piece of goods would have to be analyzed, in order to ascertain the weight of the wool contained therein, and the honored chairman of the Finance Committee gave the Senate the weight of his great authority to show the thing was visionary and impracticable and impossible of administration. Yet, Mr. President, does every ton of lead or zinc ore have to be sent to the New York laboratory to assay its contents to find the exact percentages of contents, and so forth? Does every piece of cotton cloth have to be examined microscopically, every inch of such goods, to rightly determine the number of threads to the square inch? Does each yard of silk goods have to be analyzed to determine the various details necessary to properly fix the duties? All such articles, subjected to specific duties based upon the various conditions or contents, are left in this bill, exactly the same situation in which I have proposed to leave articles that are composed in whole or in part of wool.

I have said this because I do not desire the impression to go abroad that I was contemplating any disturbance of the framework of Schedule K. I was trying to repair it, or seeking to do so, and to improve it, but if every amendment which I suggested had been adopted, the framework, the scheme, of Schedule K would have been found fitted to all of them.

But these amendments have all been rejected, and now the distinguished Senator from Wisconsin, whose speeches on this floor have reflected days of toil and research, altogether creditable to the office of Senator of the United States, has offered a series of amendments differing somewhat in form, although not generally differing in purpose, from the things which were in my own mind, in connection with the amendments which I offered upon yesterday.

It is to be regretted that so many of them are to be put together and to be disposed of in one vote. It would be a very useful work for the Senate to take up each one of them and analyze it with care and with skill. We will probably not be able to do that. It is sufficient to say that the Senator proposes a straight ad valorem upon wool. The scheme which I proposed undertook in a general way to equalize the duty on wool of the first and second classes by stating it proportionally in the ratio of the shrinkage of the raw wool; but in view of the fact that wools which have the same shrinkage sometimes have a variation in value, it will be seen at once that the scheme which I had in mind was not in any sense a perfect ad valorem scheme. It equalized only the shrinkage and left out of the calculation the inequalities that would remain by reason of the differences in value, which sometimes appear in case of the same shrinkage.

The Senator from Wisconsin has carefully calculated the ad valorem equivalent for the present duties which have existed in our laws year after year and have operated fairly well. He has proposed an ad valorem assessment of 45 per cent. If I had been writing the amendment, I would have put it a little higher, in order to cover certain possible vicissitudes in the wool trade, which appear from an examination of the statistics sometimes in the most eccentric fashion. Nevertheless, he substantially reproduces in an ad valorem statement the existing duties upon raw wool, and then by a calculation, aided by experts of our own Government, he has fixed the manufacturers' protective duty and the corresponding compensatory duty upon what appears to be an orderly, scientific basis—a basis which we have a right to look to in the settlement of such a question.

Nobody, so far as I can find out, came before either the Committee on Ways and Means or the Committee on Finance to give a definite foundation for any man's opinion as to what the relative cost of production in the United States and the countries which compete with us actually is. Mr. Whitman, president of the American Woolen Manufacturers' Association, who was the chief witness before the Ways and Means Committee of the House, not only refused to go into that question, but he solemnly told the committee that the question was an idle one, impossible of solution. He said:

> We should have been glad to furnish you with information relating to comparative costs of production of woolen goods in foreign countries and the United States, but this is unobtainable. Our manufacturers are not admitted to the factories of Europe, and it is not possible to secure reliable details from foreign manufacturers regarding either costs, operations, or systems of production. Every avenue of information regarding the foreign wool manufacture is jealously guarded from American inquiry by foreign manufacturers; but even if we were granted every opportunity for investigating costs of production both abroad and at home, we do not believe the results would assist you in revising the woolen tariff under conditions that now exists in the industry.

So here we have the spokesman of these great interests seriously telling Congress not only that it was not possible to find out the cost of this production in other countries, but he also said that it was impossible to find out the cost of production here, and adding, with a cynicism that is almost humorous, that even if we could find out the relative cost of production, it would be of no importance in the work which we are now trying to do in the Congress of the United States.

I do not go as far, possibly, as my honored friend from Wisconsin in following this method of determining what the duties ought to be. I expect I am a little more radical in my attachment to the protective doctrine, at least in some particulars, than many of my associates here. I have always held that even if the level of production between two countries is the same, nevertheless such a country as this, with such a market as we have, is entitled to an advantage of a substantial character, even in doing business with a competing country upon the same industrial level with ourselves, for the reason that there are ups and downs in the business of all countries, and there are now nations in the world that are making a specialty of their export business. They have given bounties to stimulate exports. They have subsidized the merchant marine with advantages in favor of the exports of home production. They have given over the use of state railway systems to help out the export trade, by giving it favorable rates compared with the rates commonly enjoyed by citizens in the ordinary business of the country. There are evil times in the business of the world when markets which are accessible are made the receptacle of the remnants of stocks that can not be sold at home, and it is that system of modern business which sometimes dumps vast masses of merchandise upon unprotected market places that has broken down the doctrine of free trade in England.

Not long ago Mr. Chamberlain made speeches in all the great cities of England and Scotland on the reformation of the British revenue laws. They form a book nearly as large as that book [exhibiting], which contains this tariff bill, with the notes and comments attendant upon it. All of them were long speeches, all of them practically on the same subject, and the bound volume of these discourses exhibits Mr. Chamberlain—now at the end of his great career, entering the valley of the shadow of death—in the days of his strength, one of the greatest popular orators who ever spoke the English tongue, especially in his dealing with the practical everyday questions that relate to the business and welfare of the community of which he was a part. His proposition was to put around the little island a protective wall, a tariff of 10 per cent ad valorem, not particularly for the purpose of aiding home industries, but to prevent the competitors of English factories in other countries from using that English market place as a dumping ground for their surplus products in evil times, thereby breaking down the industrial interests of the nation.

I welcome that as a new evidence of the fact that the doctrine of protection, world-wide in its acceptance, embracing now, as it looks to me, all parties in the United States, is about to enter upon a new era of rational and systematic and just application to all the market places of the world, and especially to the market place of our own country.

So I am not sure that my honored friend from Wisconsin has taken into account all the elements that ought to enter into this problem, but I do know with what fidelity he has studied it. I do know that, without regard to weariness and the loss of sleep, day and night, he has pursued the problem which ought to have been solved for us by those who are charged with direct responsibility for this business in the Congress of the United States. Therefore, as a protest against Schedule K, as an evidence that I still demand its reexamination, in the light of all the facts and all the attendant circumstances connected with it, I shall cheerfully cast my vote for the amendments that have been offered by the Senator from Wisconsin.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The question is on agreeing to the amendment of the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. STONE. Mr. President, I have no wish to address the Senate on the pending schedule, but I wish to inquire of the Chair whether the junior Senator from Iowa [Mr. CUMMINS] has submitted a motion to recommit the schedule.

The PRESIDING OFFICER. The Chair understands that the motion to recommit has not been made.

Mr. STONE. Then the pending question is upon the amendment of the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator is correct.

Mr. STONE. Mr. President, just a word.

The amendments of the Senator from Wisconsin were submitted only a short while before we adjourned last night, and the adjournment was taken about 11 o'clock. The amendments were read from the Secretary's desk and printed in the RECORD

this morning. We had no opportunity to examine the amendment or amendments until this morning, about the time the Senate reassembled.

In looking over the amendments as well as I could without assistance, it is evident that they cover practically the whole of this schedule and constitute an entirely new scheme, not only as to the form in which the duty is to be levied, but also in other important particulars.

Mr. President, much just complaint has been made here about the haste with which the Finance Committee has driven the Senate along in the consideration of the pending bill, and without giving sufficient opportunity to Senators to intelligently examine its provisions. The Senator from Wisconsin has now submitted a plan wholly different from that embodied in the bill, and we are asked to pass judgment upon this plan with only an hour or two within which to examine it. At the very start there are two or three things perfectly evident. The bill which passed the House of Representatives, and as it came to the Senate, made numerous material reductions in the Dingley rates as applied to various paragraphs of this schedule. The Senate Committee on Finance has stricken out those House reductions and in every instance restored the rates carried in the Dingley law. I have looked into the rates proposed in the sweeping amendments submitted by the Senator from Wisconsin—that is, as well as I could under the circumstances—and I find that in some instances he has increased the Dingley rates and in some instances has reduced them.

Mr. President, for myself I am earnestly and aggressively in favor of a substantial reduction of the rates prescribed by this schedule below the rates fixed in the Dingley law. If the scheme presented by the Senator from Wisconsin, taken as a whole, is a substantial reduction below the rates fixed in the Senate bill or the present law, then, from my point of view, it is preferable to the Senate bill. But I would like to know if it is also a substantial reduction below the rates fixed in the bill passed by the House.

Mr. LA FOLLETTE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Wisconsin?

Mr. STONE. Certainly.

Mr. LA FOLLETTE. Mr. President, the amendment which I have offered is substantially the rate of the existing law on all raw wool. The House bill left the rate of the existing law on all raw wool. On all manufactured products it is a substantial reduction, based upon the carrying over into the manufactured products as a compensatory duty the ad valorem of 45 per cent on the high-class goods and 35 on the low-grade class goods, which it provides for the raw product. That compensatory duty carried over into the manufactured product is a substantial reduction in the compensatory specific duty which is fixed by the existing law. The House bill left the same specific duties on all manufactured products except flocks. So, Mr. President, the amendments which I have offered here present the most substantial reduction which has been offered to this Senate for their consideration during the pendency of this bill.

I will say that these amendments are based upon the most careful investigations which have been conducted by impartial experts employed by the Government, whose testimony has been furnished not only to the Department of Manufactures, but was also laid before the Committee on Ways and Means of the House of Representatives, and is the only impartial testimony which has been furnished as bearing on Schedule K in this whole proceeding.

Mr. STONE. Mr. President, last night the Senator from Wisconsin stated that the general average on wool as provided in his amendments would be a fraction of 1 per cent above the general average fixed by the present law, treated from an ad valorem standpoint.

Mr. LA FOLLETTE. Mr. President——

Mr. STONE. Now, if the Senator will pardon me just a second, I have taken his amendments this morning and compared the ad valorems he fixes with the ad valorems stated in the present law and in the Senate bill, which are the same. I have compared the ad valorems fixed in the amendments of the Senator with the ad valorems set forth in the statistics which have been furnished us from various official sources, and I discover that in some cases the ad valorem fixed by the Senator from Wisconsin on wool is less than that——

Mr. LA FOLLETTE. I understand.

Mr. STONE. It is less in some cases than that we find in the present law and in other cases it is greater. Is the general average on wools proposed by the Senator larger than the general average of the present law?

Mr. LA FOLLETTE. As I calculate it, Mr. President, it is a shade more, a small fraction of a per cent; but the Senator from Missouri will understand that that was based upon the importations of 1907. The importations are varying always, and the ad valorem rises and falls with the importations; but 45 per cent is substantially, taking one year with another, the duty upon raw wools, combining the first and second classes together. So it is fair to say that as a proposition to write into a statute that is to go along year after year, it is substantially the law of to-day, you might say exactly the law of to-day, as applied over a long series of years.

Mr. STONE. Mr. President, I have not attempted to strike the average, for that would be difficult without expert assistance, but the Senator from Wisconsin, having such assistance, has struck the average. But as I view it, after the hasty examination I have been able to give it, it seems to me that the general average of the rates proposed by the Senator from Wisconsin on the various grades of wool is lower than the present average, and certainly not higher than the present average as it will run from year to year. His amendments would leave wool substantially where it is under the present law. But upon manufactured fabrics made of wool, while there appear to be occasional increases, yet, taken as a whole, the amendments proposed by the Senator would make very material reductions in the existing rates. The present rates are extravagantly high, and although I do not think that the proposals of the Senator from Wisconsin go far enough, they seem to me to be a good, long step in the right direction. Because I so believe, Mr. President, I shall vote with the Senator from Wisconsin.

The VICE-PRESIDENT. The question is on the amendments proposed by the Senator from Wisconsin [Mr. LA FOLLETTE], on which the yeas and nays have been ordered. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. FRYE (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. DANIEL], who is at his home ill. My colleague [Mr. HALE] is also at his home ill. I transfer my pair with the Senator from Virginia to my colleague, and shall vote. I vote "nay." I shall not make this announcement again during the day.

Mr. JONES (when his name was called). I am paired with the junior Senator from South Carolina [Mr. SMITH] on all votes to-day. I make this announcement for the remainder of the day.

Mr. McLAURIN (when his name was called). I transfer my pair with the junior Senator from Michigan [Mr. SMITH] to the junior Senator from Indiana [Mr. SHIVELY], and vote. I vote "yea."

Mr. GORE (when Mr. OWEN's name was called). My colleague [Mr. OWEN], if present, would vote "yea."

The roll call was concluded.

Mr. TALIAFERRO. I wish to announce that my colleague [Mr. FLETCHER] is unavoidably absent from the Senate. He has a pair with the junior Senator from New Jersey [Mr. BRIGGS] on this vote.

Mr. KEAN. My colleague [Mr. BRIGGS] is necessarily absent. He is paired, as has just been stated, with the Senator from Florida [Mr. FLETCHER]. If present, my colleague would vote "nay."

Mr. McLAURIN (after having voted in the affirmative). With the permission of the Senate, I will withdraw my vote and observe my pair with the Senator from Michigan [Mr. SMITH].

The result was announced—yeas 32, nays 44, as follows:

YEAS—32.

Bacon	Clapp	Hughes	Owen
Bailey	Clay	Johnston, Ala.	Paynter
Bankhead	Cummins	La Follette	Rayner
Beveridge	Davis	Martin	Simmons
Bristow	Dolliver	Money	Smith, Md.
Brown	Foster	Nelson	Stone
Burkett	Frazier	Newlands	Taliaferro
Chamberlain	Gore	Overman	Tillman

NAYS—44.

Aldrich	Crawford	Gallinger	Penrose
Borah	Cullom	Gamble	Perkins
Bourne	Curtis	Guggenheim	Piles
Brandegee	Depew	Heyburn	Root
Bulkeley	Dick	Johnson, N. Dak.	Scott
Burnham	Dillingham	Kean	Smoot
Burrows	Dixon	Lodge	Stephenson
Burton	du Pont	McEnery	Sutherland
Carter	Elkins	Nixon	Warner
Clark, Wyo.	Flint	Oliver	Warren
Crane	Frye	Page	Wetmore

NOT VOTING—15.

Bradley	Daniel	McCumber	Smith, Mich.
Briggs	Fletcher	McLaurin	Smith, S. C.
Clarke, Ark.	Hale	Richardson	Taylor
Culberson	Jones	Shively	

So Mr. LA FOLLETTE'S amendments were rejected.

The VICE-PRESIDENT. Without objection, the paragraphs down to 330——

Mr. CUMMINS. Mr. President, I desire at this time to present a motion——

Mr. ALDRICH. I hope the Senator will allow the declaration to be made by the Chair.

The VICE-PRESIDENT. Simply to have the paragraphs agreed to as amended. That is all. Then the Chair will recognize the Senator.

Mr. CUMMINS. My motion, Mr. President, was that if we are going to recommit this schedule to the Committee on Finance, it had better be done before the paragraphs are agreed to by the Senate.

Mr. ALDRICH. No; these paragraphs were reconsidered by unanimous consent solely for the purpose of allowing these amendments of the Senator from Wisconsin to be voted upon, and I ask that they——

The VICE-PRESIDENT. The paragraphs being agreed to would not prevent the Senator from Iowa from offering his motion thereafter.

Mr. ALDRICH. A motion to recommit would be just as much in order then.

The VICE-PRESIDENT. Without objection, the paragraphs to which the amendments were rejected will be agreed to. The Chair hears no objection.

Mr. GORE. Mr. President——

Mr. ALDRICH. Mr. President, I addressed the Chair some time ago.

The VICE-PRESIDENT. The Chair desired to know whether the Senator from Oklahoma wished to object.

Mr. GORE. I merely wish to inquire the numbers of the paragraphs included in the announcement.

The VICE-PRESIDENT. Down to paragraph 380.

Mr. GORE. I wish to offer an amendment to paragraphs 370 and 375 before they are finally agreed to.

The VICE-PRESIDENT. Would it be——

Mr. ALDRICH. I object to this manner of procedure. These paragraphs were understood to be reconsidered simply for the purpose of permitting the Senator from Wisconsin to offer some amendments with respect to them; and I ask that the paragraphs be now agreed to. They have been agreed to, I think.

The VICE-PRESIDENT. Is there objection to the request?

Mr. GORE. Mr. President, I object. I have two amendments which I desire to offer.

The VICE-PRESIDENT. Then the Chair will put the motion. The Senator from Rhode Island moves that the paragraphs——

Mr. ALDRICH. Mr. President, that ought not to be necessary.

Mr. BACON. I rise to a point of order.

Mr. ALDRICH. These paragraphs were only reconsidered for that purpose, and for that purpose alone. If we can not do business by unanimous consent in the Senate without having somebody, after the thing is done, interpose an objection, we had better find it out. I consented frankly and freely to the suggestion of the Senator from Wisconsin to have all these paragraphs reconsidered. Of course we could have insisted upon a vote upon them; and then they would not have been reconsidered at all. The last vote settled that. I hope the Senator from Oklahoma will not try to interfere with what has been the unbroken custom of the Senate with reference to these matters.

The VICE-PRESIDENT. The Senator from Oklahoma will still have an opportunity to present his amendments——

Mr. GORE. I certainly have no disposition to violate the unanimous-consent agreement, but I will say to the Senator from Rhode Island that I think the amendments will only occupy a few moments, and it might be just as well to dispose of them now as when the bill gets into the Senate.

Mr. ALDRICH. After these paragraphs have been agreed to as they have been heretofore adopted, then I shall have no objection to considering the amendments to which the Senator from Oklahoma refers.

The VICE-PRESIDENT. Is there objection to the request? The Chair hears none, and the paragraphs are agreed to.

Mr. ALDRICH. Mr. President, I have a few remarks to make upon the nature of some of these amendments. If the Senator from Iowa desires to——

Mr. BACON. The Senator from Rhode Island will remember that it was agreed that I should offer certain amendments which I have prepared.

Mr. ALDRICH. Undoubtedly. I only want to occupy the attention of the Senate for five or ten minutes in the discussion of one of the amendments on which the Senate has just voted.

Mr. BACON. I certainly have no objection to that. My object in rising was that I understood the Senator from Iowa [Mr. CUMMINS] was about to make a motion to recommit, and I desired my amendments acted upon before that was done.

Mr. ALDRICH. I think the Senator from Georgia is right in that. I think the amendments of the Senator from Georgia ought to be disposed of first.

Mr. CUMMINS. I withhold my motion to recommit until whatever amendments are desired to be submitted shall be submitted and acted upon; but before we pass from the schedule I want a chance to offer my motion to recommit.

Mr. BACON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Georgia?

Mr. ALDRICH. I do.

Mr. BACON. I think, Mr. President, the amendments which I have to offer are probably in order at this time. The Senator from Rhode Island does not wish to discuss any pending amendment, and his remarks can be made just as well after my amendments are offered.

Mr. ALDRICH. But I want to make some remarks while this vote is fresh in the minds of the Senate, and I think I am entitled to the floor for that purpose.

The VICE-PRESIDENT. The Senator from Rhode Island has the floor.

Mr. ALDRICH. Mr. President, the suggestion of the Senator from Iowa [Mr. CUMMINS] was more or less to the effect that the Committee on Finance has not properly considered this schedule. He also suggested that the amendments which have been offered were in the nature of reform amendments. I do not intend to take the time of the Senate to discuss but one of them, and that the amendment upon which the Senate has voted providing for the imposition of a duty of 45 per cent ad valorem upon wools of the first and second class. I say—and I think I will be able to show—that this amendment is in violation of the platform declarations of both political parties and of every political party; that it violates the theory upon which the protective policy is based; and it also violates the theory upon which free trade or tariff reform is based. The effect of this amendment upon wools of the first class is to practically reduce the duties one-half. The effect of the amendment as it applies to wools of the second class is to increase the duties considerably, at least 2 cents a pound upon the basis of the importations of last year.

The protective theory, as we have always supposed and as it has always been voted for in the Senate, is based on the idea that the duties should be equivalent to the difference in the cost of production in this country and abroad. The duty as proposed by the amendment to which I now refer, so far as it applies to first-class wools, puts the woolgrowers of the United States at the mercy of their competitors abroad.

A few years ago foreign wools of the first class were offered for sale in this country and sold at a price of from 10 to 11 cents. Forty-five per cent of that is from 4½ to 5 cents a pound, instead of 11 cents, as imposed by the law and imposed by the committee amendment—4½ to 5 cents a pound at a time when the woolgrowers of the United States were threatened with destruction on account of the incursions of foreign wools. At such a time as that, if we were to have a change in the rates, it ought to be an increase, instead of a decrease. The amendment takes this duty of 11 cents a pound, in other words, a specific duty, such as has been imposed by all protective tariffs from time immemorial, and reduces it in the name of reform one-half.

Senators may say that is a very exceptional case. Within a few years cross-breed wools have been quoted in foreign markets at 9 cents a pound. By this amendment the duties would be reduced from 11 cents a pound to between 4 and 5 cents. I have on my desk the present quotations of foreign wools in the last number of the London Economist, which has just reached here, showing that the average price of grease wools from the Cape is from 7¾ to 8 pence per pound, or in the neighborhood of 15 or 16 cents. Forty-five per cent of that would be a duty of from 6 to 7 cents a pound, instead of 11 cents a pound.

These wools do not come to the United States in competition with our wools now. Why? Because Congress in its wisdom has erected a barrier to keep them out. None of them are now imported. For whose benefit? For the benefit of the woolgrowers of the United States.

These Cape wools, as I have said, are quoted at from 7¾ to 8 pence. I have before me also a statement of the price of South

American wools for the December sales of 1907, the only figures available. The sales averaged from 4¾ pence to 8 pence, and the highest price of the whole lot was 8 pence per pound, or less than 16 cents. I use round figures for illustration. That would mean a duty of 7 cents a pound, instead of 11 cents. The duties on all the wools upon which it is the policy of Congress, and always has been the policy of Congress, to impose protective duties are proposed to be reduced nearly 50 per cent by this amendment, which has received the votes of Senators upon both sides of the Chamber.

I should like to know what my friend from Iowa [Mr. CUMMINS] and my friend from Indiana [Mr. BEVERIDGE] are going to say in their protective speeches in this country. How are they going to explain their votes in reducing the protection which is afforded the woolgrowers of the United States from 40 to 50 per cent by their action in this matter?

Mr. CUMMINS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Iowa?

Mr. ALDRICH. I do.

Mr. CUMMINS. The Senator from Rhode Island will find out what the Senator from Iowa will say immediately. In my remarks this morning I stated directly and positively that I favored a specific duty on wool.

Mr. ALDRICH. The Senator was not recorded that way in the vote which has just been had.

Mr. CUMMINS. I did not speak for a reduction of the duty on wool; and the motion that I was attempting to make contained in its first paragraph an instruction to the committee to report the duty on wool unchanged. I voted on the amendments offered by the Senator from Wisconsin——

Mr. ALDRICH. I am afraid the Senator's explanation will be too long, and I have promised the Senator from Georgia [Mr. BACON] that I would consume but a brief time——

Mr. CUMMINS. No; it will not. I voted for all the amendments of the Senator from Wisconsin, because they were to be voted for en bloc. It was solely——

Mr. ALDRICH. Mr. President——

Mr. CUMMINS. I do not believe primarily in an ad valorem duty on wool, and have so stated over and over again.

Mr. ALDRICH. I think the Senator's apology will be accepted here.

Mr. CUMMINS. Mark you, Mr. President, I have made no apology.

Mr. ALDRICH. I will have to ask the Senator to excuse me.

Mr. CUMMINS. Nothing that I have said can be construed in that way.

Mr. ALDRICH. Now, I will have to ask the Senator to excuse me from further colloquy in that connection. The votes of the Senator from Iowa, the Senator from Indiana, and of a number of other Senators who have heretofore been and are now, I assume, protectionists will have to be explained on the stump to the people who are interested in this wool business.

Mr. CLAPP. Mr. President, if the Senator will pardon me——

Mr. ALDRICH. I will pardon the Senator, but I must go on.

Mr. CLAPP. I merely want to say it will keep us much busier explaining somebody's else votes. [Applause in the galleries.]

The VICE-PRESIDENT. The Chair will again admonish the visitors in the galleries that they must not indulge in any demonstrations of approval or disapproval.

Mr. ALDRICH. Mr. President, my votes on this schedule and upon this bill certainly will need no explanation to myself, and I am quite sure that they will need no explanation to my constituents, to whom I am directly responsible; but I say again that those Senators who are protectionists, who have been especially insistent that the farmers of this country should be protected by tariff duties, and who have been appealing to the farmers who have sheep, who produce wool, and who are entitled to protection in every community of the land—that those Senators, for the purpose of trying to bring about a reform upon the tariff bill which is now under consideration and to secure revision according to their ideas, are found voting here for reducing the duties practically one-half upon wool which comes in direct competition with the woolgrowers of the United States. The Senators can explain that vote as they please to their constituents or to anybody else; but I am stating the facts as to what their votes have done, and they will not be able to explain that.

I have just been handed this dispatch:

John L. Bows & Bros.' Liverpool circular of May, just received, quoted unskirted Buenos Aires merino, shrinking 65 per cent, at 6¾d., equivalent to 13¾ cents.

Or 6 cents a pound duty on wools that are more competitive with the wools of the United States than any other wools in existence. That is the effect of this provision as to wools of the first class.

Now, what effect does it have upon wools of the second class? It increases the duties upon wools of the second class 2 or 3 cents a pound. Why? Was that done for the protection of the farmers of the United States? Those wools are not in competition with the woolgrowers of the United States, and the increased duties upon wools of the second class can only be justified as a revenue duty.

Now, do Senators sitting upon the other side think that a revenue duty should be as high as 45 per cent? Has any Senator, within the knowledge of anybody, in any of the tariff debates or discussions of the past, suggested making revenue duties as high as 45 per cent upon articles that enter into the consumption of our manufacturers? I think not. Wool was put upon the free list in 1894. I have never found in any Democratic tariff or in any Democratic speech, or in any Democratic platform in the United States, a suggestion that a duty upon raw material as high as 45 per cent ought to be levied as a revenue duty. Does any Senator upon the other side think that he would be justified in voting for that kind of a duty as a revenue duty? He certainly would not, I assume, vote for it as a protective duty, because, as I repeat, wools of the second class are not competitive. The worsted manufacturers, about whom so much talk has been indulged in in this Chamber, do not use wools of the second class. They used them in 1867, when these rates were first suggested, but now I think I am perfectly safe in saying that ninety-nine one-hundredths of the wool now used by the worsted manufacturers of the United States are wools of the first class—one hundred and odd million, or 80,000,000 pounds, or whatever it is, that comes into this country in competition with the woolgrowers of the United States.

I am suggesting to our friends upon this side of the Chamber who voted for this amendment that reform of a protective tariff ought not to be carried on in that way. We are here bound by every obligation of our platform, by every obligation that we have as Senators loyal to our party and to its principles, loyal to the principle of protection—we are bound, in my judgment, to resist all efforts of this kind, even if they are made in the name of reform, and if, as they think, they are pledged to vote for a downward revision. This is not the spot, gentlemen, for a downward revision by which you will take away from the woolgrowers of the United States one-half the protection which the policy of our party, which every enactment for protection, has always included. I say, gentlemen, it is easy to carry this talk of reform and of downward revision to an extreme which will destroy the confidence of the people of the United States that we intend to maintain the protective policy at all.

Mr. LA FOLLETTE. Mr. President, I hope the Senator from Rhode Island will be able to take great satisfaction out of the course which he has pursued this afternoon. Assuming that he is right in the position which he has taken, that his declarations are unassailable, it is an impeachment of his leadership in the Senate. The want of confidence in that leadership which has come to some Republican Members of this body finds justification in his course to-day if never before. He knows well, sir, the position in which Republican Senators have been placed in attempting conscientiously to find their way in the consideration of this great measure. What aid, what assistance has he given them, withholding, as he has, information upon this bill until he had compelled everybody to vote upon amendments paragraph by paragraph?

Does he expect, sir, to instill confidence in the Republican membership of the Senate and before the country by proceeding in that manner, by assuming that in our effort to discharge our obligations we have blundered, while he, the Republican leader, has aided in placing us in a position of embarrassment before our constituents?

I say this, not because the Senator from Rhode Island, with all his craftiness, has succeeded in placing anything before the Senate that will embarrass a Republican who supported these amendments, because he has not. He has stated half truths. He has pursued the same policy to-day that has discredited his leadership in this body and before the country.

He brings in a great bill here for the revision of the tariff, keeps everybody in the dark with respect to all the important facts upon which that revision should be made, and is silent when he should speak. But now because there are men here representing their constituencies according to principle, this Senator, since they will not vote blindly, because they will not permit Rhode Island arbitrarily to dictate to them, throws

about the feet of Senators who are here pressing forward in the line of what they conceive to be their duty, the network of his superior knowledge and of his fine chicane.

Mr. President, let me say to that Senator that I come from a State where by long training the people demand reasons for what their representatives do. The Senator said in response to the interruption of the Senator from Minnesota that his vote would need no explanation to his constituents. That is true. The Senator has a system in the State of Rhode Island under which 11 per cent of the voting population can control the election of a United States Senator. He comes from a State where it is possible for a man to put through the legislature a franchise for nine hundred and ninety-nine years for the public-service corporations of his State and still maintain his political supremacy there. He does not need to explain. He can vote as he will, without explanation.

We come from States where we are expected to explain, and we are doing the best we can to determine what is right. The Senator from Rhode Island did not give us any information.

He made no report upon this bill. He made no explanation of this bill when it was presented to this body for its consideration, and whenever Senators have arisen here in their places and have asked for light, what has been the answer? I have gathered here and shall present to the Senate before this debate finishes the answers the Senator has made, beginning with a rebuff when the first explanation was asked for by the Senator from Iowa, and on through the whole course of this debate.

Mr. President, I will not detain the Senate or trespass upon the favor of the Senator from Georgia to contrast again the proceedings on this tariff bill with proceedings on former tariff bills.

Being thrust on the floor by the chairman of the Finance Committee, without either oral explanation or written statement, it stands alone, I say, in tariff history, and I am constrained to remind the Senate that there is a reason for it.

Since 1897 economic changes have occurred in this country which puts the protective system upon an entirely different basis than in the framing of any previous tariff laws. Duties which were excusable and justifiable in 1883, in 1890, in 1897 can not be justified to-day.

If duties were to be maintained at the high standard fixed in the law of 1897, if they were to be raised as in the cotton and many other schedules of this bill so that the general average would stand at nearly 4 per cent higher than the general average of the Dingley law, with combinations preventing the people of this country from having any protection through competition, it was perhaps just as well that the Senator from Rhode Island attempted to put this bill through without explanation.

No revelation has been made by the Senator with respect to this particular amendment or the wools to which it applies. I called attention on this floor to the fact that there were classes of wools against which these specific duties levied 500 and 600 and 700 per cent. And I said then, and I say now, and I am prepared to defend anywhere a proposition to put that duty upon a reduced ad valorem basis that will admit the wool with which to weave the coarser fabrics and give the poor people of this country an opportunity to wear something besides shoddy and cotton.

It is true that my amendment fixed the ad valorem duty at 45 per cent. On the wools included within the whole bracket of the first paragraph covering first-class wools the average duty was 46 per cent under existing law. However, taking just the one principal item of imports, valued in round numbers at more than $22,249,000 and which produced the great bulk of revenue, amounting to nearly $10,000,000, the ad valorem equivalent of the present duty was 44.52 per cent. My amendment would not work upon that importation a reduction that any Senator from any wool-producing State of this Union would have any trouble in defending.

Mr. President, let me say to the Senator from Rhode Island that he need not feel any anxiety about the report which Senators from the Middle West will be able to make when they return here after having met their constituents and stated their positions upon all these questions. He can not by any legislative trick respecting amendments that have been voted upon plant in the minds of Senators here who have been exercising some independence any timidity or terror with regard to their votes. I have no——

Mr. GALLINGER. Mr. President, I rise to a question of order.

The VICE-PRESIDENT. The Senator from New Hampshire will state it.

Mr. GALLINGER. I ask that paragraph 2 of Rule XIX be read.

Mr. LA FOLLETTE. Mr. President——

The VICE-PRESIDENT. The Chair was looking at it when the Senator rose to the point of order.

Mr. LA FOLLETTE. The Senator invokes that rule every time I speak.

The VICE-PRESIDENT. The Senator from New Hampshire rises to a question of order.

Mr. LA FOLLETTE. I surrender the floor. I have finished what I have to say.

The VICE-PRESIDENT. Regardless of that, the Senator from New Hampshire rises to a point of order. That does not dispose of the point of order.

Mr. LA FOLLETTE. I do not state that it does.

Mr. GALLINGER. I desire to say that in my experience in this body I have never heard so often repeated accusations against individual Senators. The Senator from Wisconsin has just charged the Senator from Rhode Island with practicing a legislative trick. I ask that the rule be read, that the Senate may know what it is.

The VICE-PRESIDENT. The Secretary will read the rule, section 2.

The SECRETARY. Rule 19, paragraph 2, page 19, of the standing rules of the Senate:

> No Senator in debate shall, directly or indirectly, by any form of words impute to another Senator or to other Senators any conduct or motive unworthy or unbecoming a Senator.

The VICE-PRESIDENT. Does the Senator from New Hampshire desire a ruling?

Mr. GALLINGER. The Senator from New Hampshire would like a ruling on that point. I think it is time we had a ruling.

The VICE-PRESIDENT. The Chair thinks that the words used by the Senator from Wisconsin violated that section of the rule, and the Chair trusts that in further debate the Senator from Wisconsin and every other Senator will bear that provision in mind and not again transgress the rule.

Mr. LA FOLLETTE. I should like to say, in response, that that rule seems to be invoked against those who stand on this side of these questions. It has never been read, and the reading has never been called for by the Senator from New Hampshire, when some one upon the other side of these issues has transgressed it.

Mr. President, I shall endeavor, while I remain a Member of this body, to observe this rule, and I should like to have it applied to me—and it has not been applied to me, as the RECORD will show, and as I can call Senators on both sides to witness—as it is applied to other Members of this body.

The VICE-PRESIDENT. The Chair begs to say——

Mr. LA FOLLETTE. I am not criticising the Chair.

The VICE-PRESIDENT. That he will apply it to all Senators with equal fairness whenever the rule is invoked.

Mr. LA FOLLETTE. Yes. I want to say to the Chair that I understand it is the business of the Chair to enforce the rules when they are called to the attention of the Chair.

The VICE-PRESIDENT. Certainly.

Mr. LA FOLLETTE. My suggestion of criticism was not leveled at the Chair.

The VICE-PRESIDENT. There is no request now pending. The Secretary will read the first amendment offered by the Senator from Georgia [Mr. BACON].

The SECRETARY. It is proposed to strike out of the bill from paragraph 356 to paragraph 372, inclusive, and to insert in lieu thereof the following:

The duty upon all wools, hair of the camel, goat, alpaca, and other like animals, and upon shoddy, noils, wool extract, woolen rags, mungo, and flocks, yarn waste, thread waste, and all other waste composed wholly or in part of wool shall be thirty per centum ad valorem.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Georgia.

Mr. BACON. Mr. President, the several paragraphs which are enumerated, six or seven of them, and in lieu of which it is proposed to strike out and to insert an amendment, are paragraphs which relate entirely to the duty on raw wool, and the amendment which I propose is one which would impose an ad valorem duty of 30 per cent on all classes of raw wool.

I shall not attempt to make any general discussion of this question to-day, and I desire to say only a few words on this amendment. Of course those of us in the minority can not make the tariff bill nor can we determine its provisions. At the same time we have a responsibility here, in the absence of the ability to make the bill, to contribute whatever may be in our power to make it as good a bill as possible, or, if I may express it in another way, to make it at least as unobjectionable a bill as possible in the removal of the burdens imposed on the people by the existing tariff law.

For that reason Senators with whom I am associated politically have continuously endeavored to assist those, whoever

they might be and to whatever party they might belong, or on whichever side of the Chamber they might sit, in any effort that has been made to reduce these duties. Whatever of action there has been in that regard by ourselves has been solely animated by that purpose and with that design.

We do not believe in the principle of a protective duty. We believe in the principle of the levying of tariff for the purpose of raising revenue. Therefore when we have in the progress of this consideration voted for protective duties, as we frequently have done in voting for the amendments proposed by the Senator from Iowa [Mr. DOLLIVER], the Senator from Wisconsin [Mr. LA FOLLETTE], and other Senators, we have done so not because they were the duties which we would have desired to impose, but because the duties proposed in such amendments were duties less objectionable than the duties proposed in the bill. They were amendments which, although protective, proposed duties which, if such amendments had been adopted, would have made those duties less onerous to the people than the duties which are contained in the pending bill.

Mr. President, the amendments which I have proposed do not profess to be amendments for protective purposes. They are framed and designed as revenue duties. They do not propose to impose duties which shall in themselves be protective. Nevertheless, it is true that every duty, whatever may be the purpose of it, is necessarily in a degree protective. Every duty imposed, however light, disturbs normal conditions. It imposes a burden upon some and confers a benefit upon others. It imposes a burden on those who consume, and it confers a benefit upon those who produce similar articles in this country. That is what we know as incidental protection. It is unavoidable as the necessary effect of every tariff duty. But the amendments which I have offered have not that as the primary design, and only recognize that it is unavoidable in their influence.

I desire to say in this connection that, in my opinion, the duties which are proposed in these amendments, although in themselves designed for revenue, furnish all the legitimate aid and encouragement to our domestic industries which are required for their successful prosecution.

I have but one word to say with reference to the duty on raw wool, while under other circumstances I would be glad to discuss that question somewhat at length. There is one suggestion which I desire to make to Senators on the other side of the Chamber.

The Senator from North Dakota [Mr. MCCUMBER] last evening spoke of the fact that it was very much to be desired that in this country we should produce all the wool which would be needed for our domestic consumption, and he added that there was no reason why we should not do so. I assume that that is a sentiment which finds an echo in the wish of every Senator, that it is to be desired, and furthermore, that we not only desire it, but believe it to be practicable for this country to produce all the wool which it consumes.

But I desire to go a step further and say that it is not simply desirable that this country shall produce the wool which it consumes, but that it is also desirable that it shall produce a great deal more than it will consume, and that it shall sell a large surplus of raw wool abroad, as we sell abroad a great surplus of raw cotton. If there is any Senator in the sound of my voice on either side of the Chamber who differs with me in that proposition, I want him now to say it.

Mr. MCCUMBER. I will not say that, but I ask the Senator where we would find a market for wool more than we would consume in this country as long as the conditions are such that the foreign wools are worth only about half as much?

Mr. BACON. I am not going to be led aside upon that now, because the question I have asked is simply a step in the proposition which I am proposing to submit to the Senate. I do not understand the Senator from North Dakota, or any other Senator, to take the position that it is not desirable that we shall produce wool, not only to the extent of our consumption, but in excess of our consumption; in other words, that it is to the interest of our country that there should be just as much wool produced as it is possible for us to produce, just as it is to our interest to produce just as much cotton as it is possible for us to produce.

The point that I want to call to the attention of Senators is that the moment we produce more wool than is consumed in this country and there is a surplus of it, that moment the protective tariff ceases to be a protection to the woolgrower, and the woolgrower has got to take his place in the domestic industry and economy of this country, in the same way that the producer of cotton has to take it, or the producer of wheat has to take it, or the producer of any other great agricultural staple in the country where there is a surplus production over domestic consumption.

Mr. MCCUMBER rose.

Mr. BACON. I beg the Senator will kindly wait until I get through with the statement of the proposition.

Mr. MCCUMBER. I thought the Senator asked a question and wanted it answered.

Mr. BACON. I did ask the Senator a question, and I thought he had answered it. If the Senator desires to still further answer the question, I will be more than happy when I finish the proposition.

Mr. MCCUMBER. All right.

Mr. BACON. One of two things must be conceded: Either that it is not desirable that in this country there should be a production of wool which shall exceed the needs of the country, or we have to concede the further proposition that if it is produced to that extent it must then stand upon its own strength and can not call upon the balance of the country to support it in its alleged weakness. The surplus fixes the price of any article. There is a great surplus of cotton produced in the United States, and in consequence the price of cotton is fixed in the markets of the world. A duty of a dollar a pound would not affect the price of cotton a fraction of a cent. In the same way, whenever we produce a surplus of wool, the tariff can not, by duties imposed, affect the price of wool in the United States.

We now produce in this country something like 300,000,000 pounds of wool, three-fifths of what we consume, and we have only to double our present product in order to have 100,000,000 pounds of wool in excess of our domestic consumption.

We hear every day, repeatedly, in this debate the complaining and mournful statement by Senators that unless the wool industry receives aid by having a contribution levied on and collected from the balance of the country for its support, it must go down and fail. If that contention is true, then we are confronted necessarily by the conclusion that we must confine the production of the wool product in this country, not only now but always, to the amount of our domestic consumption, and that we can never look to the production of wool in the same way that we produce other staple agricultural products—cotton, wheat, corn, rye, oats, and all others—not only for our own consumption, but to sell to the world and to receive back that which constitutes in our favor the balance of trade.

Such a conclusion as this can not be accepted. It is offensive and repulsive to everyone who has an appreciation of the resources of our country and of the enterprise and industry of our people. I have no idea that it costs any more to make a dollar's worth of wool than it costs to make a dollar's worth of cotton. I do not believe it costs as much; and the same effort and industry which enables the production of cotton, without any help from a tariff duty of any kind, will enable the woolgrower to produce wool without crying out to the people of the United States to contribute money out of their pockets to make their industry successful.

And yet it was only yesterday that the Senator from Montana [Mr. CARTER] stood on this floor and claimed the right to a high protective duty on raw wool on the ground that the woolgrowers there paid in wages $40 a month to the sheep herder, and gave him board, in the words of the Senator, "as good as that found in a Washington City hotel." The Senator's State is the largest wool-producing State in the Union, and his argument, put in plain English, is this: The Montana woolgrowers can not afford, out of the legitimate profits of their business, to pay $40 a month and New Willard board to their sheep herders, and therefore to enable them to pay these high wages and give this fancy board to their sheep herders, and besides this put immense increased profits in their own pockets, the whole people of the United States must be taxed for their benefit, and the money handed over to them for this purpose. And, in the very same breath that the Senator demanded that the Georgia cotton grower should be taxed to help pay the high wages and give the fancy Washington City hotel board to the Montana sheep herder, he said he hoped "the Montana sheep herder will never be compelled to work for the wages paid the Georgia cotton-field hand." That, Mr. President, is a striking illustration of the whole protective-tariff principle, and, of course, I utterly denounce and protest against the whole scheme. If the business of woolgrowing in America is to become a great business like cotton growing, the woolgrowers of America must face the world prices for wool in the world's markets, and not be dependent upon the artificial protective prices of a paternalistic subsidy.

I repeat what I said on yesterday, that I would put the Montana sheep herder exactly where the Georgia cotton laborer is—making his living by the sweat of his brow, and receiving pay according to the value of his labor. I do not propose to ask that the people of Montana shall be taxed for the purpose of paying

the wages of the Georgia cotton laborer, nor do I desire that the people of Georgia shall be taxed in order to pay the wages of the Montana sheep herder.

Therefore it is, Mr. President, that this duty of 30 per cent, proposed in the amendment offered by me, is not designed as a protective duty, but is designed as a revenue duty.

I can not elaborate that, Mr. President, and I do not propose to further occupy the time of the Senate in the discussion of this amendment. But I will reply to any question the Senator from North Dakota may wish to ask me. I will now listen to the Senator from North Dakota if he wishes.

Mr. McCUMBER. I did not care to take any part in the discussion. I understood from the Senator's statement that he is not feeling well, and I did not care about entering into the discussion at this time. I simply wished to make a statement. I made one statement, but I thought I had not sufficiently answered the Senator, and I wanted more time for that purpose. I will not press it.

Mr. BACON. The Senator may propound the question generally, and after I conclude some other Senator on my side will answer it if desired. There will be no trouble about that. I do not want the Senator to let it pass with the idea that a question was asked that can not be answered. The Senator can be accommodated if he desires to discuss that question.

I shall say no more with regard to this amendment, and I will not ask for a vote if any other Senator desires to discuss it.

Mr. NEWLANDS. Mr. President, I have only recently examined the amendments suggested by the Senator from Georgia, and I trust that the Senator will postpone the consideration of these amendments until the bill is reported to the Senate in order that Senators on this side of the Chamber may have the opportunity to examine them and vote intelligently. I wish to say that unless that course is pursued, I shall have to ask to be excused from voting. I wish, Mr. President, to follow the Democratic platform in my votes regarding the reduction of tariff duties. The Democratic national platform declares as follows:

> Material reductions should be made in the tariff upon the necessaries of life, especially upon articles competing with such American manufactures as are sold abroad more cheaply than at home; and gradual reductions should be made in such other schedules as may be necessary to restore the tariff to a revenue basis.

Now, Mr. President, pursuing the policy of gradual reduction called for by the Democratic platform, my view is this: That the duties on the necessaries of life should not exceed 30 per cent and that the duties on those articles termed "luxuries" should not exceed 60 per cent. I believe that upon the total volume of dutiable products now imported into this country an average duty of from 30 to 40 per cent will have to be imposed in order to provide the revenue which the country needs, but I would reach this result gradually and not precipitately.

One of the amendments offered by the Senator from Georgia, the amendment to paragraph 373, contains the following note at the end of the paragraph:

> In equivalent, maximum 143.02 per cent ad valorem.

In other words, I understand that the computation of the Senator from Georgia, doubtless derived from experts and from the report of the Finance Committee, is that the duty imposed upon articles contained in paragraph 373 amount to 143 per cent. Now, what is the reduction which the Senator proposes to make in the paragraph which he proposes to substitute for paragraph 373? It is a reduction to 40 per cent ad valorem.

So I find, with reference to paragraph 374, the equivalent maximum under the Senate bill is 141 per cent ad valorem, and the reduction made by the amendment proposed by the Senator from Georgia is a reduction to 35 per cent ad valorem.

So throughout these amendments I find these great reductions made. Whilst they would reduce the duties imposed upon these particular articles to a revenue basis, and whilst I should favor a gradual process of reducing them to that basis, the basis suggested by the Senator from Georgia, yet, in my judgment, it is too radical to attempt immediately to reduce the duties in excess of 100 per cent to a maximum of from 35 to 45 per cent.

I would much prefer to see this accomplished by a gradual process extending over a period of five or ten years and accomplishing a reduction of these excesses above revenue duties at the rate of one-fifth or one-tenth per annum, so that gradually and progressively we would reach the revenue basis, which is the standard established by the Democratic party as the ultimate goal.

Mr. President, the Democratic party, in my judgment, acted wisely in this platform when it declared for a gradual reduction of excessive rates. It realized the fact that these abuses created by a high protective system had entered into the industrial life of the Nation, and that it would be impossible, without injuring the prosperity of the Nation itself, to radically cut out these abuses. Therefore it declared its purpose to be to gradually make these reductions of excessive duties, leaving it to the judgment of Congress as to the period over which the reduction should be extended and the percentage of each reduction.

As I understand it, the minority members of the Finance Committee have not yet deliberated upon any particular bill or schedule with a view to action pursuant to our platform. That may be regarded as unnecessary, in one view, because it is impossible for us to write our policy in the statute book; and thus far we have contented ourselves simply with aiding the minority of the Republican party in attempting to reduce duties admittedly excessive. But if, as a party, the Democratic party now proposes to take this entire tariff and shape a tariff of its own, or to take a schedule as important as the wool schedule and shape a tariff of its own, it seems to me that that work should be entered upon with great deliberation; that we should have the benefit of the deliberation and the advice of the minority members of the Finance Committee; that we should have a conference upon the subject; that we should determine what this policy of gradual reduction of excessive duties means; that we should determine the period over which it should be extended; and that we should determine the installments in which it should be made. And until the Democratic party takes deliberate action of that kind I should prefer not to vote upon any amendment to that effect offered by an individual Senator, whose ultimate conclusion I might approve as involving a return to the revenue basis, but whose process of reaching such conclusion I might object to as too rapid and revolutionary and contrary to the rule declared by the Democratic convention.

I trust the Senator from Georgia will delay the consideration of this matter until we will have an opportunity of conferring together.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. BACON].

Mr. BAILEY. On that I demand the yeas and nays.

The yeas and nays were ordered.

The Secretary proceeded to call the roll, and Mr. ALDRICH and Mr. BAILEY answered to their names.

Mr. BRISTOW. Mr. President, I was trying to get the attention of the Chair.

The VICE-PRESIDENT. Does the Senator from Kansas desire to debate the question?

Mr. BRISTOW. I wish to say a few words.

The VICE-PRESIDENT. The Chair did not see the Senator. The Chair will recognize the Senator from Kansas.

Mr. ALDRICH. I think it will not do to establish a precedent of that kind.

The VICE-PRESIDENT. The Chair does not mean to establish a precedent. The Senator from Kansas was on his feet, demanding recognition when the roll call began. The Chair thinks that it is not the intention of any rule to shut off a Senator arbitrarily. The Senator was upon his feet demanding recognition.

Mr. ALDRICH. Two Senators answered to their names, and under the Senate rules I think the roll call must proceed. I will not raise the point now, but I want to say that is too dangerous a precedent to go unprotested.

The VICE-PRESIDENT. The Chair agrees that there is no possibility of waiving the rule, and if a roll call has been begun it can not be interrupted, but in theory the roll call had not been begun, because the Senator from Kansas was demanding recognition. The Senator from Kansas will proceed.

Mr. BRISTOW. Mr. President, in voting against the amendments which the Senator from Georgia may present, where, in my judgment, the duties proposed are lower than they ought to be, I do not want to have it understood that it is any indorsement of the bill as it now is. Some of us have expressed our views as to what the duties ought to be by voting for the reductions suggested by the Senator from Iowa [Mr. DOLLIVER] and the Senator from Wisconsin [Mr. LA FOLLETTE]. While there may be a number of the amendments which have been offered by the Senator from Georgia which I can not vote for, I do not want, as I said, that vote to be in any way construed as an indorsement of the schedule as it has been framed by the Finance Committee.

The VICE-PRESIDENT. The Secretary will call the roll on agreeing to the amendment of the Senator from Georgia.

The Secretary proceeded to call the roll.

Mr. TALIAFERRO (when Mr. FLETCHER'S name was called). I again announce the unavoidable absence of my colleague [Mr. FLETCHER] and his pair with the junior Senator from New Jersey [Mr. BRIGGS].

Mr. CRAWFORD (when Mr. GAMBLE's name was called). My colleague [Mr. GAMBLE] is unavoidably absent. He is paired with the Senator from Indiana [Mr. SHIVELY].

Mr. McLAURIN (when his name was called). I am paired with the junior Senator from Michigan [Mr. SMITH]. If the junior Senator from Michigan were present, he would vote "nay" and I would vote "yea."

Mr. GORE (when Mr. OWEN's name was called). My colleague [Mr. OWEN], if present, would vote "yea."

Mr. TILLMAN (when the name of Mr. SMITH of South Carolina was called). My colleague [Mr. SMITH of South Carolina] is detained at home because of illness in his family. If he were present, he would vote "yea." He is paired with the Senator from Washington [Mr. JONES].

The roll call was concluded.

Mr. OLIVER (after having voted in the negative). I have a general pair with the junior Senator from Oregon [Mr. CHAMBERLAIN]. I discover that he has not voted, and I therefore withdraw my vote.

The result was announced—yeas 21, nays 50, as follows:

YEAS—21.

Bacon	Foster	Money	Stone
Bailey	Frazier	Overman	Taliaferro
Bankhead	Gore	Paynter	Tillman
Clay	Hughes	Rayner	
Culberson	Johnston, Ala.	Simmons	
Davis	Martin	Smith, Md.	

NAYS—50.

Aldrich	Clark, Wyo.	Flint	Penrose
Borah	Crane	Frye	Perkins
Bourne	Crawford	Gallinger	Piles
Brandegee	Cullom	Guggenheim	Root
Bristow	Cummins	Heyburn	Scott
Brown	Curtis	Johnson, N. Dak.	Smoot
Bulkeley	Depew	Kean	Stephenson
Burkett	Dick	La Follette	Sutherland
Burnham	Dillingham	Lodge	Warner
Burrows	Dixon	McCumber	Warren
Burton	Dolliver	Nelson	Wetmore
Carter	du Pont	Nixon	
Clapp	Elkins	Page	

NOT VOTING—20.

Beveridge	Daniel	McEnery	Richardson
Bradley	Fletcher	McLaurin	Shively
Briggs	Gamble	Newlands	Smith, Mich.
Chamberlain	Hale	Oliver	Smith, S. C.
Clarke, Ark.	Jones	Owen	Taylor

So Mr. BACON's amendment was rejected.

The VICE-PRESIDENT. The Secretary will state the next amendment proposed by the Senator from Georgia.

Mr. BACON. Mr. President, before proceeding to the statement of the next amendment, I desire to extend my congratulations to the other side of the Chamber that I have been enabled to do what even the great power and ability and unwearied effort of the Senator from Rhode Island [Mr. ALDRICH] has not been adequate to accomplish during this debate—I have put the Republican party in this Chamber solidly together upon at least one vote on this bill.

The VICE-PRESIDENT. The Secretary will state the further amendments proposed by the Senator from Georgia. Then the Chair——

Mr. BACON. Possibly that had better be done before I state what I desire.

The VICE-PRESIDENT. The Chair will then ascertain whether there is objection to voting on all the amendments at once. The amendments will be stated.

The SECRETARY. It is proposed to amend the bill further by striking out paragraph 373 and succeeding paragraphs to paragraph 389, inclusive, and by inserting the several paragraphs in lieu thereof as follows:

"373. On yarns made wholly or in part of wool, valued at not more than thirty cents per pound, the duty per pound shall be two and one-half times the duty imposed by this section on one pound of unwashed wool of the first class and in addition thereto twenty-five per centum ad valorem; valued at more than thirty cents per pound, the duty per pound shall be three and one-half times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, forty per centum ad valorem." (In equivalent, maximum 143.02 per cent ad valorem.)

And insert in lieu thereof the following:

"373. On yarns made wholly or in part of wool, forty per centum ad valorem."

Amend further by striking out paragraph 374, on page 130, which is as follows:

"374. On cloths, knit fabrics, and all manufactures of every description made wholly or in part of wool, not specially provided for in this section, valued at not more than forty cents per pound, the duty per pound shall be three times the duty imposed by this section on a pound of unwashed wool of the first class; valued at above forty cents per pound and not above seventy cents per pound, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto, upon all the foregoing, fifty per centum ad valorem; valued at over seventy cents per pound, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class and fifty-five per centum ad valorem." (In equivalent, maximum 141 per cent ad valorem.)

And insert the following in lieu thereof:

"374. On knit fabrics, and all fabrics made on knitting machines or frames, not including wearing apparel, and on shawls made wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, valued at not exceeding forty cents per pound, thirty-five per centum ad valorem; valued at more than forty cents per pound, forty per centum ad valorem."

Amend further by striking out paragraph 375, on page 130, which is as follows:

"375. On blankets, and flannels for underwear composed wholly or in part of wool, valued at not more than forty cents per pound, the duty per pound shall be the same as the duty imposed by this section on two pounds of unwashed wool of the first class, and in addition thereto thirty per centum ad valorem; valued at more than forty cents and not more than fifty cents per pound, the duty per pound shall be three times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto thirty-five per centum ad valorem. On blankets composed wholly or in part of wool, valued at more than fifty cents per pound, the duty per pound shall be three times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto forty per centum ad valorem. Flannels composed wholly or in part of wool, valued at above fifty cents per pound, shall be classified and pay the same duty as women's and children's dress goods, coat linings, Italian cloths, and goods of similar character and description provided by this section: *Provided*, That on blankets over three yards in length the same duties shall be paid as on cloths." (In equivalent, maximum 165.42 per cent ad valorem.)

And insert the following in lieu thereof:

"375. On blankets, hats of wool, flannels for underwear and felts for printing machines, composed wholly or in part of wool, the hair of the camel, goat, alpaca, or other animals, valued at not more than thirty cents per pound, twenty-five per centum ad valorem; valued at more than thirty and not more than forty cents per pound, thirty per centum ad valorem; valued at more than forty cents per pound, thirty-five per centum ad valorem: Provided, That on blankets over three yards in length the same duties shall be paid as on woolen and worsted cloths."

Amend further by striking out paragraph 376, on page 131, and paragraph 377, on page 132, which are as follows:

"376. On women's and children's dress goods, coat linings, Italian cloths, and goods of similar description and character of which the warp consists wholly of cotton or other vegetable material, with the remainder of the fabric composed wholly or in part of wool, valued at not exceeding fifteen cents per square yard, the duty shall be seven cents per square yard; valued at more than fifteen cents per square yard, the duty shall be eight cents per square yard; and in addition thereto on all the foregoing valued at not above seventy cents per pound, fifty per centum ad valorem; valued above seventy cents per pound, fifty-five per centum ad valorem." (In equivalent, maximum 115.53 per cent ad valorem.)

"377. On women's and children's dress goods, coat linings, Italian cloths, bunting, and goods of similar description or character composed wholly or in part of wool, and not specially provided for in this section, the duty shall be eleven cents per square yard; and in addition thereto on all the foregoing valued at not above seventy cents per pound, fifty per centum ad valorem; valued above seventy cents per pound, fifty-five per centum ad valorem: *Provided*, That on all the foregoing, weighing over four ounces per square yard, the duty shall be the same as imposed by this schedule on cloths." (In equivalent, maximum 118 per cent ad valorem.)

And insert the following in lieu thereof:

"On women's and children's dress goods, coat linings, Italian cloths, bunting, or goods of similar description or character, and on all manufactures composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, valued at not over fifty cents per pound, thirty-five per centum ad valorem; valued at more than fifty cents per pound, fifty per centum ad valorem."

Amend further by striking out paragraph 378, on page 132, which is as follows:

"378. On clothing, ready-made, and articles of wearing apparel of every description, wool hats, shawls whether knitted or woven, and knitted articles of every description made up or manufactured wholly or in part, felts not woven, and not specially provided for in this section, composed wholly or in part of wool, the duty per pound shall be four times the duty imposed by this section on one pound of unwashed wool of the first class, and in addition thereto sixty per centum ad valorem." (In equivalent, maximum 95.98 per cent ad valorem.)

And insert the following in lieu thereof:

"378. On clothing, ready-made, and articles of wearing apparel of every description, made up or manufactured wholly or in part, not specially provided for in this act, felts not specially provided for in this act, all the foregoing composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, valued at above one dollar and fifty cents per pound, fifty per centum ad valorem; valued at less than one dollar and fifty cents per pound, thirty-five per centum ad valorem. On cloaks, dolmans, jackets, talmas, ulsters, or other outside garments for ladies' and children's apparel, and goods of similar description or used for like purposes, and on knit wearing apparel, composed wholly or in part of wool, worsted, the hair of the camel, goat, alpaca, or other animals, made up or manufactured wholly or in part, forty per centum ad valorem."

Amend further by striking out paragraph 379, on page 132, which is as follows:

"379. Webbings, gorings, suspenders, braces, bandings, beltings, bindings, braids, galloons, edgings, insertings, flouncings, fringes, gimps, cords, cords and tassels, ribbons, ornaments, laces, trimmings, and articles made wholly or in part of lace, embroideries and all articles embroidered by hand or machinery, head nets, nettings, buttons or barrel buttons, or buttons of other forms for tassels or ornaments, and manufactures of wool ornamented with beads or spangles of whatever material composed, any of the foregoing made of wool or of which wool is a component material, whether containing India rubber or not, fifty cents per pound and sixty per centum ad valorem." (In equivalent, maximum 80.83 per cent ad valorem.)

And insert the following in lieu thereof:

"379. On webbings, gorings, suspenders, braces, beltings, bindings, braids, galloons, fringes, gimps, cords, cords and tassels, dress trimmings, laces, embroideries, head nets, nettings and veilings, buttons or barrel buttons, or buttons of other forms for tassels or ornaments, any of the foregoing which are elastic or nonelastic, made of wool, worsted, the hair of the camel, goat, alpaca, or other animals, or of which wool,

worsted, the hair of the camel, goat, alpaca, or other animals is a component material, forty-five per centum ad valorem."

Amend further by striking out paragraph 380, on page 133, which is as follows:

"380. Aubusson, Axminster, moquette, and chenille carpets, figured or plain, and all carpets or carpeting of like character or description, sixty cents per square yard and in addition thereto forty per centum ad valorem." (In equivalent, 66.34 per cent ad valorem.)

And insert the following in lieu thereof:

"380. Aubusson, Axminster, moquette, and chenille carpets, figured or plain, carpets woven whole for rooms, and all carpets or carpeting of like character or descriptions, forty per centum ad valorem."

Amend further by striking out paragraph 381, on page 133, which is as follows:

"381. Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description, sixty cents per square yard and in addition thereto forty per centum ad valorem." (In equivalent, 72.67 per cent ad valorem.)

And insert the following in lieu thereof:

"381. Saxony, Wilton, and Tournay velvet carpets, figured or plain, and all carpets or carpeting of like character or description, forty per centum ad valorem."

Amend further by striking out paragraph 382, on page 133, which is as follows:

"382. Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, forty-four cents per square yard and in addition thereto forty per centum ad valorem." (In equivalent, 75.81 per cent ad valorem.)

And insert the following in lieu thereof:

"382. Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, forty per centum ad valorem."

Amend further by striking out paragraph 383, on page 133, which is as follows:

"383. Velvet and tapestry velvet carpets, figured or plain, printed on the warp or otherwise, and all carpets or carpeting of like character or description, forty cents per square yard and in addition thereto forty per centum ad valorem." (In equivalent, 58.86 per cent ad valorem.)

And insert the following in lieu thereof:

"383. Velvet and tapestry velvet carpets, figured or plain, printed on the warp or otherwise, and all carpets or carpeting of like character or description, forty per centum ad valorem."

Amend further by striking out paragraph 384, on page 133, which is as follows:

"384. Tapestry Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise, twenty-eight cents per square yard and in addition thereto forty per centum ad valorem." (In equivalent, 60.73 per cent ad valorem.)

And insert the following in lieu thereof:

"384. Tapestry Brussels carpets, figured or plain, and all carpets or carpeting of like character or description, printed on the warp or otherwise, forty per centum ad valorem."

Amend further by striking out paragraph 385, on page 134, which is as follows:

"385. Treble ingrain, three-ply, and all chain Venetian carpets, twenty-two cents per square yard and in addition thereto forty per centum ad valorem." (In equivalent, 66.72 per cent ad valorem.)

And insert the following in lieu thereof:

"385. Treble ingrain, three-ply, and all chain Venetian carpets, thirty per centum ad valorem."

Amend further by striking out paragraph 386, on page 134, which is as follows:

"386. Wool Dutch and two-ply ingrain carpets, eighteen cents per square yard and in addition thereto forty per centum ad valorem." (In equivalent, 58.63 per cent ad valorem.)

And insert the following in lieu thereof:

"386. Wool Dutch and two-ply ingrain carpets, thirty per centum ad valorem."

Amend further by striking out paragraph 387, on page 134, which is as follows:

"387. Carpets of every description, woven whole for rooms, and oriental, Berlin, Aubusson, Axminster, and similar rugs, ten cents per square foot and forty per centum ad valorem: *Provided*, That in the measurement of all mats, rugs, carpets and similar articles, of whatever material composed, the selvage, if any, shall be included." (In equivalent, 60.01 per cent ad valorem.)

And insert the following in lieu thereof:

"387. Carpets of every description woven whole for rooms, and oriental, Berlin, and other similar rugs, forty per centum ad valorem."

Amend further by striking out paragraph 388, on page 134, which is as follows:

"388. Druggets and bockings, printed, colored, or otherwise, twenty-two cents per square yard and in addition thereto forty per centum ad valorem." (In equivalent, 70.86 per cent ad valorem.)

And insert the following in lieu thereof:

"388. Druggets and bockings, printed, colored, or otherwise, felt carpeting, figured or plain, thirty per centum ad valorem."

Amend further by striking out paragraph 389, on page 134, which is as follows:

"389. Carpets and carpeting of wool, flax, or cotton, or composed in part of any of them, not specially provided for in this section, and mats, matting, and rugs of cotton, fifty per centum ad valorem."

And insert the following in lieu thereof:

"389. Carpets and carpeting, of wool, flax, or cotton, composed in part of either, not specially provided for in this act, thirty per centum ad valorem."

The VICE-PRESIDENT. Is there objection to the offering of the amendments as one amendment and voting upon them all at the same time? The Chair hears none. It is ordered that all the amendments be voted on together.

Mr. BACON. Mr. President, without unduly detaining the Senate, I want to say that this schedule is, in my opinion, one in which it is of the utmost importance that there should be reductions, and very material reductions. This importance is because the articles contained therein, and upon which most excessive duties are imposed, relate to those things which are most commonly in use, which are necessary, not only for the comfort, but for the health and the very life of the people. They relate to all articles of clothing of wool or in part made of wool, whether for the rich or the poor; they relate to all materials out of which clothing is made of wool, or wholly or partly of wool; they also relate to all such things as carpets, rugs, blankets, not only the fine ones but the commonest, and everything else essential to clothing of the person or the comfort of the home so far as that class of articles is concerned.

Mr. President, it staggers belief when we look through this schedule of the bill to note the excessive and extortionate duties which this bill proposes to levy and collect from the people of all classes on all these articles of universal and necessary use—things essential to health, comfort, and decency of appearance of the people throughout every hour of the day and of the night.

Sir, let us look at some of them. Without going through the matter at length, I want to call attention to some figures which I have taken from the book of Estimated Revenues, which the Finance Committee itself has furnished to us.

The first paragraph now before us in the bill relates to yarns. I am not going to go into details at all as to these articles, but just simply indicate their nature, unless some Senator desires that I should do so with more particularity. The first article relates to yarns from which the cloths, and so forth, are made, and upon which, according to the tables furnished us by the Finance Committee, the maximum ad valorem equivalent is 143.02 per cent. This amendment proposes to reduce that to 40 per cent ad valorem.

The next paragraph in the bill is on cloths, knit fabrics, and articles of that class upon which, according to the tables furnished, the duty in the bill is 141 per cent ad valorem; and upon that the amendment offered by me proposes a duty of 35 per cent and of 40 per cent upon the different classes of those articles.

The next paragraph in the bill relates to blankets and flannels. According to the tables furnished by the Finance Committee the maximum duty upon those articles is 165.42 per cent, and the amendment proposes to reduce the duty on the same articles to 25, 30, and 40 per cent, according to the different classification of those articles.

The next amendment is to the paragraph providing duties for women's and children's dress goods and things of that class, upon which the duty prescribed in the bill is 115.53 per cent, and in an additional paragraph on the same subject the maximum duty is 118 per cent. For those two paragraphs the amendments proposed by me will reduce the duty to 35 and 50 per cent, according to the classification of the article, the same classification being preserved as that which is specified in the bill.

The next paragraph is ready-made clothing. On articles of wearing apparel of every description the duty in the pending bill is 95.98 per cent, and the amendment which I propose is an ad valorem duty of 40 per cent.

The next paragraph is as to webbings, gorings, suspenders, braces, and so forth, upon which the equivalent ad valorem duty in the pending bill is 80.83 per cent, while the amendment proposed by me is for a duty of 45 per cent ad valorem.

The next paragraph is for the various kinds of the finer carpets, Aubusson, Axminster, moquette, and so forth, upon which the ad valorem duty in the pending bill is 66.34 per cent, and upon which the amendment proposed by me would impose a duty of 40 per cent ad valorem.

The next paragraph is upon a different class of carpets, Wilton and Tournay velvet carpets, upon which the duty in the pending bill is 72.67 per cent and upon which the proposed amendment would levy a duty of 40 per cent ad valorem.

The next paragraph is as to Brussels carpets and all carpets of like character, upon which the equivalent ad valorem duty is 75.81 per cent, and upon which it is proposed in the amendment to that paragraph to impose a duty of 40 per cent ad valorem.

The next paragraph is upon velvet and tapestry velvet carpets, upon which the equivalent ad valorem duty in the pending bill is 58.86 per cent, and upon which it is proposed in the amendment to levy a duty of 40 per cent ad valorem.

The next paragraph is on tapestry Brussels carpets, upon which in the pending bill the duty is 60.73 per cent, and upon which it is proposed in the pending amendment to impose a duty of 40 per cent ad valorem.

The next paragraph is on ingrain three-ply carpets, upon which the duty imposed in the pending bill is 66.72, and upon which the pending amendment proposes to impose a duty of 30 per cent ad valorem.

The next paragraph is on two-ply ingrain carpets, upon which the equivalent ad valorem duty in the pending bill is 58.63 per cent, and upon which the amendment proposes to levy a duty of 30 per cent ad valorem.

The next paragraph is upon carpets of every description enumerated here, Axminster and others, and including rugs, on

which the equivalent duty in the pending bill is 60.01 per cent, and upon which the pending amendment proposes to levy a duty of 40 per cent ad valorem.

The next amendment is as to druggets and bockings, printed or colored, upon which the equivalent ad valorem in the bill is 70.86 per cent, and upon which the pending amendment proposes to levy a duty of 30 per cent ad valorem.

The next is carpets and carpetings of wool, flax, or cotton, or composed in part of any of them, not specially provided for otherwise, on which the duty proposed by the pending bill is 50 per cent ad valorem, and on which the pending amendment proposes to impose a duty of 30 per cent.

I do not know, Mr. President, that it is necessary for me to say anything further in this regard, certainly not unless some debate grows out of it. The figures presented constitute a sufficient argument in themselves. The Senator from Rhode Island says that this particular schedule is not the one where revision downward should be had, but, according to my view, it is the schedule of all schedules, relating, as it does, to the clothing of the people and those other things which are essential for their warmth and comfort in their homes—the one schedule, above all others, upon which there should have been material reductions.

Mr. ALDRICH. Mr. President, I suppose the Senator from Georgia is aware that the rates which he proposes are as low, or lower, than those imposed by the Wilson-Gorman Act, which put raw wool upon the free list.

Mr. BACON. Mr. President, I will suggest to the Senator that they are not identical, but that they are in that neighborhood; and I would say to the Senator that the material difference between the amendment which I have proposed to the wool schedule and the Wilson law is the fact that, while there is no effort to impose a protective duty upon raw wool, there is the imposition of that which I think is important as a general rule in cases of raw materials—a proper revenue duty.

It is proper to say that ignoring the fact that the Wilson law permitted raw wool to come into the country free, the proposed amendment imposes a duty of 30 per cent. I am not unmindful of the argument which is made by Senators that there should be a differential duty; but the Senator from Rhode Island, above all men in this Senate an expert upon the tariff schedules, will of course recognize the fact that that is purely a protective argument and not a tariff-for-revenue argument.

I am not indifferent, Mr. President, to the suggestion that the industries of this country should have an advantage, so far as it can be legally had in the imposition of legitimate revenue duties, over industries in other countries; but at the same time I am very frank to confess, if there were no revenue required to be raised by a tariff, I myself could not, according to my view of the law, favor the imposition of a tariff simply for the purpose of raising prices in this country. I do not think we have the power to do that; and it is only under the guise of the raising of revenue that all these high-protective duties are levied. Although it would be the logical conclusion of the protective-tariff argument, yet I think it would be a bold man who, in the absence of any necessity for revenue, would impose a tariff duty simply to keep desirable articles out of the country, and in that way advance the prices of domestic articles. Therefore, in recognizing that, I go upon what I consider to be the broader principle.

Besides the important reduction in rates of duty, the distinguishing feature, I will remark in passing, between this amendment and the bill is that the amendment substitutes ad valorem duties for specific duties, which, I think, is the only fair way of collecting this tax from the people. We are taxed in direct taxation according to valuation, and we ought, so far as practicable, to be equally taxed in indirect taxation according to valuation. While it is true that the tax upon raw wool is approximately, but not altogether, as great under my amendments as upon the manufactured article, it is also true that the value of a manufactured article out of a given quantity of wool has been, by the manufacturer, increased over the value of the original raw wool, and consequently the manufactured article does not come in at the same tariff cost, even if at the same rate of duty, as that at which the raw article comes in. If a raw article costs $1, and in its manufactured state it is worth $2 when it is imported, of course the importer of the manufactured article necessarily pays twice as much duty upon a given quantity of the manufactured wool as he does when he imports raw wool.

But I will not go into that discussion, because it is not necessary. This matter has been very largely thrashed over in the Senate in the differences among the Republicans themselves, and the only difficulty which I have had with my learned and distinguished brethren on the opposite side—or rather on the opposite side of the political division, because it so happens that there are some of them sitting physically on this side—the great difficulty I have had with them is that they have not followed their arguments to their logical conclusion. The arguments which they have used here have not simply been arguments against extortionate rates, but they are arguments which, reduced to their proper analysis, have exposed in as graphic a manner as it would be possible to have any tariff-for-revenue-only advocate expose—I will not use harsh words, but I will say the injustices and the illegalities and the partiality and the favoritism which are inseparable and inevitable in the case of the imposition of a tariff for protective purposes.

Mr. BRISTOW. Mr. President, before this vote is taken, I want to repeat practically what I said preceding the other vote. If I felt that the duties provided in the amendment of the Senator from Georgia [Mr. BACON] would amply protect the labor engaged in the making of these articles for commerce from direct competition with labor abroad and would make up the difference in the cost of production, I would cheerfully vote for them; but, after having examined very briefly the data accumulated by the Senator from Wisconsin [Mr. LA FOLLETTE], it seems that these duties are somewhat less than the duties suggested in his amendments, which were figured out very carefully to provide for the difference in the cost of production here and abroad. So while voting against this amendment, or these amendments, as they are to be voted upon en bloc, I do not want it to be construed to be in any sense an indorsement of what I regard as the inordinate duties of the pending bill. I have protested against them as best I could by supporting the amendments offered by the Senator from Iowa as well as those offered by the Senator from Wisconsin, and I want to let that protest stand; but being a Republican, believing in the principles of protection, and believing that the duty should cover the difference between the cost of production here and abroad, I can not vote for these amendments because I fear such provision is not amply made.

Mr. BACON. Mr. President, for the benefit of the distinguished Republican Senators who have not, previous to my intervention, voted with the Senator from Rhode Island, I desire to call attention to one fact. Of course the suggestion which has been made by Senators on both sides of the Chamber as to any alliance or agreement between the Democrats and any element of the Republican party in this controversy, has had its complete quietus by the failure of the Republicans upon that side to vote with us upon the amendment last considered. We have voted for amendments which they have proposed simply because they were in furtherance of the views which we entertained as to the necessity of reducing the tariff in order that the people might be relieved from the burdens, the outcry against which called forth this extra session. We sacrificed very much of our particular views when we voted for certain measures which were offered here by them, because we did not, as an abstract proposition, favor any of them; but we thought it was in furtherance of a great object, to wit, the reduction of existing duties. I regret that the Senators on the other side of the Chamber whom we thus cooperated with, with the view that I have stated, have not seen fit to waive any of their particular views in order to join with us in furthering this great movement through the amendments proposed by us.

I want to call attention, in order that the importance that they should have done so may be realized, to the testimony of a Republican which I have read before to Senators in this Chamber as to the great necessity and importance, in order that the people might be relieved from grievous burdens, that this tariff should be reduced, and reduced most materially.

I heretofore in a debate called attention to it, the Senator from Rhode Island being the one from whom I particularly asked consideration when I read it before, because, Mr. President, coming from this source, it seems to me the truth of the allegations should have been inquired into by the Republican party; they should have known whether what this high Republican authority states is true or is not true. If it is the truth, as stated by him, then what is the answer to be given to the action of the Senate in the passage of the bill which has been presented to us by the Finance Committee, and which has been so tenaciously clung to by the majority of Republicans, and the opportunity to change which has not been now taken advantage of by those Republicans in the Senate who seem to recognize the propriety and the importance of this revision?

I did not intend, Mr. President, prior to what the Senator from Kansas [Mr. BRISTOW] has said, to read this, but I think it should be emphasized that we stand in the face of a tremendous injustice being done to the American people by the existing tariff law; and if what this distinguished Republican—and he avows himself a Republican—says is true, a most monstrous and unjust tribute of money is being daily levied con-

tinually upon the American people. I want Senators, if they can, whether they be the followers of the distinguished Senator from Rhode Island or whether they be those who are called "progressives," to answer the question, In what way the iniquity pointed out in the statement of this distinguished Republican is to be met by the passage of this bill, and how can it be met unless those who believe that the iniquities should be removed are ready, by joining with others, to sacrifice something of personal view in order to accomplish the end?

Mr. President, two years ago there appeared an interview in the Washington Herald with Mr. Miles, who is the chairman of the tariff committee of the Manufacturers' Association and president of the National Association of Agricultural Implement and Vehicle Manufacturers—certainly a man very strongly and closely identified with all those interests which are the peculiar care and solicitude of the Republican party, and especially that portion of it which is most concerned about the maintenance of protective duties. Here is what Mr. Miles, who avows himself in the interview to be a Republican and a protectionist—here is what this high authority said on that subject. I will read it through without stopping to comment upon it. This appeared, I repeat, in the Washington Herald:

> The annual output of the manufacturers of the United States, as shown in the last census, is valued at $14,800,000,000. The tariff which covers the prices is inexact, antiquated, and inapplicable at the present time. Scarcely a single schedule has any honest and direct application at this time to the principle of protection. Under present conditions the tariff is not a protective tariff in any sense. It is a tariff of graft and discrimination, hurtful in a thousand ways.
>
> From one-half to two-thirds of the stuff made under this tariff bears to the consumer an unjust and unreasonable price because of the tariff.
>
> It is estimated by competent authorities that the graft, overcharge, and wrong done the American public because of the present tariff reaches $3,000,000 a working day. We have the facts, schedule by schedule, and are prepared to make the details public should we receive opposition to our demand for a permanent tariff commission, through the appointment of which a proper adjustment of the tariff can be procured.
>
> We are not agitators or reformers. We are mostly Republicans, and all protectionists.

Mr. President, that indictment, coming from a high Republican authority, raises an issue which I respectfully submit it is incumbent upon the dominant party to inquire into. It was not a fugitive newspaper article from some irresponsible person. It was a grave charge from a man holding a high position in an important tariff organization and holding a high position in an industry materially affected by the tariff. Mr. President, I repeat that was read in the hearing of the Senate in the early part of the session, or, at least, several weeks ago. Has it been inquired into? Is it true? If it is not true, it is due to the country that the fact that it is not true should have been made plain to the people of this country.

Mr. ALDRICH. Mr. President——

Mr. BACON. If the Senator will pardon me for just a moment, but aside from that charge made by Mr. Miles, we certainly were called into session for some purpose. We are not here, I respectfully submit, as was suggested by the Senator from Rhode Island in the early deliberations of this Senate, simply for the purpose of readjusting protective duties. This session was called because the outcry which had come up from the people was so great that the Republican party could not turn a deaf ear to it—a cry based on the fact that the burdens of the people were grievous, and they were unable to bear them without an outcry.

Mr. President, this schedule, which relates to the question of the clothing of the people—the men, the women, and the children, the rich and the poor—the carpets which shall be in their houses, the rugs that shall be on their floors, the blankets and comforts which shall cover their beds—this schedule, of all others, it seems to me, is the one which should have material reduction. Can it be said that there is any material reduction? Can it be said that there is any such fixing of rates, even if there is a reduction, as would make it possible for the people of this country to enjoy the reasonable comfort of all the things which relate to the clothing of the person or the furnishing of the home, so far as concerns fabrics of this kind?

I beg pardon. Does the Senator from Rhode Island desire to interrupt me?

Mr. ALDRICH. I was about to answer the suggestions which the Senator has been making about the high character of the gentleman whose interview he has read. The universality of the support of the protective policy in the United States is nowhere better evidenced than when a man in undertaking to criticise the doctrine announces himself in the first place as a Republican and a protectionist. All through this discussion, and the things that are collateral to it, that has been the main statement of everybody who wants to say any bad things or any disagreeable things about either the policy or the party. He prefaces his statement by saying "I am a Republican, and I am a protectionist." I have no doubt this man is as far from a protectionist as any man can be. His statement shows that very plainly.

It is not incumbent upon me, I suggest to the Senator from Georgia, to read all the newspaper articles or listen to all the statements that are made throughout the United States with reference to the wickedness of protection as a policy or the high rates that are imposed by this or any other legislation. We are here to discuss, I assume, in a practical way the terms of the bill which is now under consideration and to try to ascertain whether it is fair and proper in its provisions, having in view all the time the fact that we intend to pass a protective measure. If the Senator from Georgia has any idea that, so far as I am concerned, we intend ever to pay any attention to statements and articles like that he has just read, whether they are in the press or are statements made in this Chamber or out of it, he is very much mistaken.

Mr. BACON. I do not desire to reply to that further than to say that when the Senator says he is not going to take notice of newspaper articles which may appear, of course it would be unreasonable to expect him to do so as to all of them. This particular statement was, however, read by me in the hearing of the Senator a month or more ago.

Mr. ALDRICH. The fact that it was read by the Senator in my hearing does not change my attitude toward the subject.

Mr. BACON. I understand that, but it is nevertheless unfortunate that it is so.

The VICE-PRESIDENT. The question is on agreeing to the amendments proposed by the Senator from Georgia.

Mr. BACON. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLETCHER (when his name was called). In the absence of the Senator from New Jersey [Mr. BRIGGS], with whom I am paired, I withhold my vote. If he were present, I should vote "yea."

Mr. McLAURIN (when his name was called). I am paired with the junior Senator from Michigan [Mr. SMITH]. If he were present, I should vote "yea" and he would vote "nay."

Mr. OLIVER (when his name was called). I am paired with the junior Senator from Oregon [Mr. CHAMBERLAIN]. If he were present, I should vote "nay."

Mr. TAYLOR (when his name was called). I am paired with the junior Senator from Kentucky [Mr. BRADLEY].

The roll call was concluded.

Mr. CRAWFORD. I wish the RECORD to show that my colleague [Mr. GAMBLE], who is absent, is paired with the junior Senator from Indiana [Mr. SHIVELY]. If my colleague were present, he would vote "nay."

Mr. FOSTER (after having voted in the affirmative). I desire to inquire whether the senior Senator from North Dakota [Mr. MCCUMBER] has voted.

The VICE-PRESIDENT. He has not voted.

Mr. FOSTER. I withdraw my vote.

Mr. OLIVER. I transfer my pair to the senior Senator from Illinois [Mr. CULLOM] and will vote. I vote "nay."

The result was announced—yeas 20, nays 50, as follows:

YEAS—20.

Bacon	Davis	Martin	Simmons
Bailey	Frazier	Money	Smith, Md.
Bankhead	Gore	Overman	Stone
Clay	Hughes	Paynter	Taliaferro
Culberson	Johnston, Ala.	Rayner	Tillman

NAYS—50.

Aldrich	Clark, Wyo.	Frye	Penrose
Borah	Crane	Gallinger	Perkins
Bourne	Crawford	Guggenheim	Piles
Brandegee	Cummins	Heyburn	Root
Bristow	Curtis	Johnson, N. Dak.	Scott
Brown	Depew	Kean	Smoot
Bulkeley	Dick	La Follette	Stephenson
Burkett	Dillingham	Lodge	Sutherland
Burnham	Dixon	McEnery	Warner
Burrows	Dolliver	Nelson	Warren
Burton	du Pont	Nixon	Wetmore
Carter	Elkins	Oliver	
Clapp	Flint	Page	

NOT VOTING—21.

Beveridge	Daniel	McCumber	Smith, Mich.
Bradley	Fletcher	McLaurin	Smith, S. C.
Briggs	Foster	Newlands	Taylor
Chamberlain	Gamble	Owen	
Clarke, Ark.	Hale	Richardson	
Cullom	Jones	Shively	

So Mr. BACON's amendments were rejected.

Mr. SMOOT. I offer a proposed substitute for paragraph 471d, and I ask that it may be printed.

The VICE-PRESIDENT. Without objection, the amendment will be printed.

Mr. ALDRICH. I suggest to the Senator from Utah that he should state that this is the Philippine amendment, and is

offered now in order that it may be printed. It is my purpose to call it up some time to-morrow.

The VICE-PRESIDENT. The Senator from Oklahoma now asks unanimous consent to reconsider certain paragraphs.

Mr. GORE. Paragraphs 370 and 375.

The VICE-PRESIDENT. Three hundred and seventy and 375, for the purpose of offering amendments. Is there objection?

Mr. ALDRICH. I ask that the Senator's amendment may be read.

Mr. GORE. I have not reduced it to writing.

The VICE-PRESIDENT. The Secretary will take it, if the Senator will state it slowly.

Mr. GORE. At the close of paragraph 375 I move to insert:

Provided, however, That in no case shall the duty on blankets exceed 75 per cent ad valorem.

The VICE-PRESIDENT. Will the Senator state the other amendment?

Mr. GORE. Not at present. I will suggest, however, that that is the only one on which I shall probably desire the yeas and nays, and it may be proper also to say that if this amendment should happen to be adopted, it may be necessary to reform the phraseology of the entire paragraph in order to make it answer more specifically the end in view.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Oklahoma? The Chair hears none. The question is on agreeing to the amendment.

Mr. GORE. I wish to submit just one or two observations.

Mr. President, possibly I am a little supersensitive, but I may say that to me the thought is painful and pathetic that any man, woman, or child should be obliged to sleep cold by night. I would say that the toiler who sleeps so is not qualified to render the best possible service, either at the spinning jenny or the loom, on the following day. I make that practical argument as an appeal to the stand-pat revisionists in the Senate. But, sir, above and beyond that sordid consideration every human being and every American citizen has a right to buy those things which are necessary to his health, warmth, and comfort without being obliged to pay a double price or a double profit to the manufacturer who makes those articles. The right of every American to be protected in these comforts is as sacred as the privilege of the manufacturer to realize a net dividend ranging from 6 to 66 per cent.

I understand that the duty proposed by the pending bill on blankets ranges from 71 per cent to 106 and 107 per cent ad valorem. The duty of 71 per cent is imposed on the blankets of the finer fabric, which will be found only in the sumptuous palaces and in the heated apartments of the wealthy and the opulent. The duty of 106 and 107 per cent——

Mr. SIMMONS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield to the Senator from North Carolina?

Mr. GORE. Certainly.

Mr. SIMMONS. If the Senator will permit me, looking at the Book of Estimates furnished us, I find that the equivalent ad valorem on one class of these blankets is as high as 165 per cent.

Mr. GORE. I am very much indebted to the Senator.

Mr. SIMMONS. And if the Senator will further permit me, I should like to say that it appears that the blankets which carry this enormous ad valorem are the cheaper class of blankets.

Mr. GORE. Certainly.

Mr. SIMMONS. I further discover, if the Senator will permit me——

Mr. GORE. With pleasure.

Mr. SIMMONS. That of blankets valued at not more than 40 cents per pound—that is a very cheap blanket, as I take it—there were imported last year 142,000 pounds; that the average value is 28.6 cents per pound. The specific duty upon a blanket of that kind, worth 28 cents a pound, is 33 cents. That is 5 cents more than the total value of the blanket, plus 50 per cent ad valorem.

Mr. GORE. I am deeply indebted to the Senator for making this very important suggestion. The blankets which bear the highest rates of duty are those of inferior quality, those which are found only—and too often are not found—in the humble homes of the poor.

Mr. President, I shall not ask Senators on the other side to violate their convictions by voting to place blankets on the free list. Those Senators have just refused to sear their tender consciences by voting to fix the duty at 65 per cent ad valorem, the amendment proposed by the Senator from Wisconsin. As I have suggested, the finer blankets bear a duty of 71 per cent. If I should consult my own feelings, I would fix the duty on inferior blankets at not exceeding 71 per cent. But it seems to be a fundamental principle with the Republican party, one from which they make no deviation, to levy a higher tax upon the poor than upon the rich, and out of an enforced respect for that inviolate principle I have proposed to make the duty on these inferior blankets 75 per cent ad valorem and allow the wealthy still to purchase their blankets at 71 per cent.

I really believe it is a matter of indifference to some Senators what the duty fixed by this bill on blankets may be, for I expect the American people to make it so warm for some of these standpatters that they will not need any blankets for the coming year.

Mr. President, I simply wanted to present that issue—whether or not the poor people of this country should have blankets at not exceeding 75 per cent ad valorem when those who are more fortunate obtain theirs, as I believe, for 71 per cent. I simply desire to tender that issue. I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLETCHER (when his name was called). I am paired with the Senator from New Jersey [Mr. BRIGGS]. If he were present, I should vote "yea."

Mr. McLAURIN (when his name was called). I again announce my pair with the junior Senator from Michigan [Mr. SMITH]. If he were present, I should vote "yea."

The roll call was concluded.

Mr. FOSTER (after having voted in the affirmative). I am paired with the Senator from North Dakota [Mr. McCUMBER], and therefore withdraw my vote.

The result was announced—yeas 29, nays 43, as follows:

YEAS—29.

Bacon	Culberson	Martin	Simmons
Bailey	Davis	Money	Smith, Md.
Bankhead	Dolliver	Nelson	Stone
Bristow	Frazier	Newlands	Taliaferro
Brown	Gore	Overman	Tillman
Burkett	Hughes	Owen	
Clapp	Johnston, Ala.	Paynter	
Clay	La Follette	Rayner	

NAYS—43.

Aldrich	Crawford	Frye	Perkins
Borah	Cullom	Gallinger	Piles
Bourne	Cummins	Guggenheim	Root
Brandegee	Curtis	Heyburn	Scott
Bulkeley	Depew	Johnson, N. Dak.	Smoot
Burnham	Dick	Kean	Stephenson
Burrows	Dillingham	Lodge	Sutherland
Burton	Dixon	McEnery	Warner
Carter	du Pont	Nixon	Warren
Clark, Wyo.	Elkins	Page	Wetmore
Crane	Flint	Penrose	

NOT VOTING—19.

Beveridge	Daniel	Jones	Shively
Bradley	Fletcher	McCumber	Smith, Mich.
Briggs	Foster	McLaurin	Smith, S. C.
Chamberlain	Gamble	Oliver	Taylor
Clarke, Ark.	Hale	Richardson	

So Mr. GORE's amendment was rejected.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to.

Mr. ALDRICH. I ask that the paragraphs which have not yet been agreed to in Schedule K be now agreed to.

The VICE-PRESIDENT. The Senator from Oklahoma desires to offer an amendment to paragraph 370, the Chair understands.

Mr. ALDRICH. Paragraph 375 has been agreed to, I suppose.

The VICE-PRESIDENT. Paragraph 375 has been agreed to.

Mr. GORE. I wish to say that I appreciate the indulgence of the Senator from Rhode Island, and I will abuse it for only a few moments longer. I shall not ask for a yea-and-nay vote on the amendment I now offer.

The VICE-PRESIDENT. The Senator from Oklahoma submits an amendment, which will be read.

The SECRETARY. It is proposed to add at the end of paragraph 370 the following proviso:

Provided, That upon all cloth of every description manufactured for sale, from any or all of said articles, in whole or in part, whether domestic or imported, there shall be levied, collected, and paid an excise tax of 25 cents per yard and 25 cents per pound.

Mr. GORE. Mr. President, this amendment relates to a tariff on rags. The pending bill levies a duty of 10 cents a pound on rags of various kinds.

Mr. President, I have sat here and heard a holy shriek come up on the other side of the Chamber whenever there has been a suggestion of admitting rags into this country free of duty; an acclaim of patriotic indignation has gone up from those Senators, and they have vociferously declared that they did not want anybody's old rags imported into the United States free of duty, and that they did not desire the American citizen to be clothed in a garment made of foreign rags.

Mr. President, for once I find myself in perfect accord with the stand-pat revisionists in this Chamber, and that is the only

reason which I have to suspect the soundness and the justice of my position. I confess, however, Mr. President, that my taste is not sufficiently cultivated to distinguish between domestic and foreign rags. I heard the senior Senator from Montana [Mr. CARTER] say on yesterday that the woolen manufacturers of this country manufacture cloth and clothing from rags that were picked up in the streets. We have heard a great deal of superheated eloquence during this debate concerning the well-clad American citizen. I rejoice in his apparel as much as any Senator in this Chamber, and doubtless well-clad Americans would be much amazed to learn that they were attired in apparel which had been manufactured from rags picked up in the streets.

I offer this amendment not exactly to penalize this evil further, but I want to make it a source of revenue to the Treasury of the United States. I have not conferred with my associates touching the amendment. Perhaps it reflects nobody's views but my own. I offered it merely that this record might show that I for one am opposed to the ragman, whether he be an alien or an American.

I am perfectly willing to have the amendment go to a vote without demanding the yeas and nays upon it.

The VICE-PRESIDENT. The question is on agreeing to the amendment submitted by the Senator from Oklahoma.

The amendment was rejected.

The VICE-PRESIDENT. Without objection, paragraph 370 is agreed to.

Mr. ALDRICH. I ask that the paragraphs be now taken up——

Mr. BAILEY. If these paragraphs are to provoke any debate or to consume much time I think I ought to insist on the regular order. I waited all day yesterday because I knew so many Senators were interested in this particular schedule, and I know they are still interested in it. That interest, however, has considerably abated in view of the votes that have been taken. If the Senator from Rhode Island has much more to suggest, I think it would be impossible to conclude it this afternoon, and we might as well now proceed to the consideration of the amendment which has been postponed by a vote of the Senate until to-day.

Mr. ALDRICH. I will say to the Senator from Texas, it is my present purpose to move a further postponement when the matter is up. I am quite willing to have it disposed of now, if that is agreeable to the Senator. I shall move to postpone the consideration until, say, a week, perhaps, from to-day, with the hope that before that time all these paragraphs may be disposed of, and then I shall be quite willing to take up the proposition of the Senator from Texas, my purpose being now, as it was ten days ago, to dispose of all the dutiable provisions of the bill before we take up any provision with regard to income or revenue taxes.

Mr. BAILEY. Recalling the position of some of those who are cooperating with me in favor of this amendment, and remembering that they are of the opinion that for certain reasons sufficient to themselves they would prefer to have the matter suspended until the schedules are concluded, although that is not in accordance with my own judgment, I will again agree to yield my individual judgment in the matter and consent to a postponement until the schedules are completed, provided the Senator from Rhode Island will couple with that an agreement to take a direct vote on the question.

Mr. ALDRICH. My own position on the matter, and I think the position of the Senate, has not changed with reference to that subject.

Mr. BAILEY. I hope the position of the Senate has not changed, Mr. President, for if it has not, and if it does not, the Senator might as well take the vote this afternoon as to take the vote at the conclusion of the schedules, because this amendment will go into the bill as certain as we take the vote unless the condition does change.

Mr. CUMMINS. Mr. President——

Mr. ALDRICH. I assume we will probably not get an agreement upon that particular subject at this moment. I am quite willing that the matter shall go over either by general consent or by a motion. If it is not possible to procure a unanimous agreement as to what shall be done with it, I shall make a motion to defer the further consideration of it for one week.

Mr. CUMMINS. Mr. President——

Mr. BAILEY. I yield to the Senator from Iowa.

Mr. CUMMINS. The reason why I endeavored to secure recognition was that it was utterly impossible for me to hear what the Senator from Rhode Island was saying, and, being somewhat interested in the subject, I should like to know what his suggestions were.

Mr. ALDRICH. My suggestion was that I have not changed my own attitude or opinion as to when the matter ought to come up, and I certainly could not consent to any agreement as to what disposition shall be made of it when it does come up. I think that would not be a proper thing for me to do. I am quite willing that an agreement shall be reached that it may be taken up after the schedules are disposed of. I am willing to agree or I shall make a motion to postpone the further consideration of it for one week—that is, until the 18th.

Mr. CUMMINS. Mr. President——

The VICE-PRESIDENT. The Senator from Texas still has the floor. Does he further yield?

Mr. BAILEY. Certainly.

Mr. CUMMINS. I have not changed my mind, either, with regard to the matter. I believe that the proper time, the best time, to dispose of the matter is at the conclusion of the consideration of the schedules or the paragraphs imposing duties. But I hoped that the Senator would assent to the suggestion made by the Senator from Texas that at such time we would enter upon the consideration of the amendment and dispose of it by a direct vote upon its merits. I should like to see that arrangement made now. But if it can not be made now, then we must do the next best thing.

Mr. BAILEY. Mr. President, neither have I changed my mind about this matter. I am as thoroughly convinced this afternoon as I was three weeks ago, and not more convinced then than I was two months ago, that the proper place to have decided this question was before a single schedule of the bill had been disposed of. I believed then, and I believed when this matter was before the Senate on a former occasion, and I believe now, that if the Senate had determined upon raising a given amount of revenue in this particular way, it would have been easier to have dealt intelligently with the schedules and the rates. Believing that, I have sought to force a vote at every suitable occasion.

But I want to be entirely frank with the Senate and with the country. I have had another purpose in my mind. I have been seeking to arrest and concentrate the attention of the country on what I believed was transpiring in the Senate and in influential circles at Washington. I have believed all the while what the Senator from Rhode Island has repeatedly made manifest, that it is his purpose to avoid, if possible, a direct vote on this question by making a motion to refer it to some committee. If that motion could have been made before the attention of Senators had been properly directed to it, it is my fear that some Senators might have been persuaded to vote for it who could not be persuaded to vote directly against the amendment.

But here, as in all other cases, it has happened that a due and orderly consideration has brought us to the point where in my opinion no Senator in this body will vote to refer the amendment to any committee and then go to his constituents and pretend that he was in favor of it. If I have accomplished nothing else, I have the satisfaction of believing, though I may be mistaken about that, that we have brought the matter to so direct an issue that the Senator from Rhode Island can poll as many votes against the amendment as he can in favor of his motion to refer it.

Of course the Senator can poll a larger number of votes in favor of his motion to postpone, because it is within my personal knowledge that a number of Senators who will vote with him for personal or party reasons to postpone it, as he now suggests, and who voted with him on the other occasion to postpone it until yesterday, will not vote with him either to refer it or to defeat it. I want to say here—and I do not say it in the expectation of influencing any Senator, because I will not insult the self-respect of Senators by suggesting that they can be driven to do what their conscience forbids—that it is my opinion that there are Senators here who, for one reason or another, have not wanted to break with the majority of their party and vote for this amendment, who are still more anxious not to misrepresent their people. I assume that no Senator wants to dodge, and yet it is a dodge, pure and simple, to send this amendment to a committee; and a Senator who expects to convince his people otherwise must remember that every man who is sincerely in favor of an income tax will vote against the reference, and every man who is earnestly opposed to it will vote in favor of the reference.

The people can not be deceived about it. They will despise a Senator who wants to defeat it and who seeks to defeat it in this indirect and covert way, and I hope there are no such Senators here. If they were ever here, I believe they have now learned from their people that the open, manly way is not only best, but it is safest. A man may vote against this though his people favor it, and he may lose his office; but if his conscience

commands him to vote against it he will save his self-respect. But if he be against it, and even his people were willing to excuse him for voting against it, they will not excuse him for avoiding a vote.

Mr. President, I may have too much respect for the intelligence of the American people, but I love to think that they will forgive a man for differing with them, but they will not forgive him for being afraid to differ with them. Let us in the straightforward and manly way say it ought to pass or it ought not to pass.

If I can get that kind of an agreement with the Senator from Rhode Island, I will be very glad to wait patiently until even the Senator from Rhode Island thinks the proper time has come, and I will risk the subtle influences which are counted, and have heretofore been wisely counted, potential in these matters to do their work.

After a careful and thorough canvas of the matter, my opinion is that the majority of the Senate this afternoon are in favor of this amendment, and if we could now take the vote, we would write it into this bill. If Senators shall change, I assume they will stand up here in the presence of their colleagues and the country and assign the reasons which have influenced their judgment; but if a Senator has changed and seeks to conceal it from his people, he is the man above all others whose people ought to know the reasons for his conduct.

Mr. President, I renew the request that the vote on this income-tax amendment shall be fixed for a time immediately succeeding the disposition of the schedules, with the understanding that its consideration shall then be entered upon and disposed of finally by a direct vote upon its adoption.

The VICE-PRESIDENT. Does the Senator's request contemplate a vote in the Senate as in committee, or after the bill has been reported to the Senate?

Mr. BAILEY. I will conform to the pleasure of those in charge of the bill in that respect.

The VICE-PRESIDENT. The Chair wished to put the request, and made the inquiry in order to have a clear understanding.

Mr. ALDRICH. If the Senator has concluded, I have a few remarks to make.

Mr. BAILEY. The Senator, then, wants to answer my request by making a motion to postpone?

Mr. ALDRICH. No; I do not.

Mr. BAILEY. Very well; I will hear what the Senator has to say.

Mr. ALDRICH. Mr. President, I am greatly surprised at the character of the statement which the Senator from Texas has just made. I know of no influences that have been used to restrain Senators from voting as they please upon this question. If I am not mistaken, I could construe the remarks of the Senator from Texas as a threat that if Senators did not vote as he has classified them, those Senators would be held up to execration as having deserted their principles.

Now, I do not know what the classification of the Senator may be, and I do not know what information he may have, but, so far as I know, no restraint is being exercised, and I think no restraint can be exercised, either by the Senator from Texas or myself, as to the votes of Senators upon this proposition. I certainly have no intention, and I do not know of anybody else who has any intention, of persuading Senators to vote differently from what their judgment under all the circumstances shall lead them to do.

I can not consent to the suggestion of the Senator from Texas. I think I have repeated that to him and in the presence of the Senate at least a dozen times. I am quite willing that this amendment should go over, either by unanimous consent or by a vote of the Senate. If no unanimous consent can be given, I shall then move that the further consideration of the amendment be postponed until the 18th day of June; but I do not wish to cut off anybody in the discussion.

Mr. CUMMINS. I hope the Senator from Rhode Island will withhold the motion for a moment.

Mr. ALDRICH. Certainly.

Mr. CUMMINS. I am very sorry that the Senator from Rhode Island can not see his way clear to assent to the suggestion of the Senator from Texas. I have believed that the strength of this measure upon the Republican side was growing. I believe it is growing because there is merit so obvious in the measure itself that a close, impartial investigation and study will from day to day add to those who will vote for the income-tax amendment.

I do not suggest this with a view of postponing the action of the Senate. I feel so confident with regard to the strength of the following for an income tax in this body that I would be wholly willing to take a vote upon the amendment at this time without an additional word having been said in its behalf; but I recognize that in this protective measure it is fair for Republicans to believe that the proper time to consider a vote upon the income tax is after the conclusion of these paragraphs.

However, before any motion is made which shall have for its purpose the withdrawal of the amendment offered by the Senator from Texas [Mr. BAILEY] from the consideration of the Senate, I wish to say—and in saying it I assume that the amendment offered by the Senator from Texas is now before the Senate——

The VICE-PRESIDENT. The amendment is not now before the Senate.

Mr. ALDRICH. The amendment is not now technically before the Senate.

Mr. BAILEY. Mr. President, I must respectfully dissent from that view. The amendment was pending and the Senator from Rhode Island moved to postpone it until the 10th. Yesterday, to accommodate the Senators who desired to discuss the wool schedule, particularly the Senator from Wisconsin [Mr. LA FOLLETTE] and the Senator from Iowa [Mr. DOLLIVER], I allowed it to pass well-nigh to the close of the day and then called it up. It was agreed that I had the right and power to call it up. I asked that it might be passed over to to-day, holding in all respects the same rights and privileges that it had yesterday. Exercising what I believed was my right under the rules, I called up the matter, and with it pending before the Senate I preferred this request. I think there can be no doubt that the amendment is now before the Senate.

Mr. ALDRICH. It is only a question of technical difference. The Senator can undoubtedly make his motion now. It is not necessary that he should go through the form——

Mr. BAILEY. I have no motion to make. I had already moved the amendment when the Senator from Rhode Island moved to postpone it on the other occasion. The amendment was then before the Senate.

Mr. ALDRICH. But it would require now the formal motion of the Senator from Texas to amend the bill as he has indicated. It is only a technical question.

Mr. BAILEY. Mr. President, I think, while not important here, it might be important on some other occasion, because a Senator would have to obtain the floor to make the motion when a measure or an amendment, as in this instance, was pending before the Senate. The Senator from Rhode Island moved to postpone the consideration of it until a given time. I think the very effect of that motion is to carry it in statu quo, preserving the status of it, to that future time. When that future time arrives, then the matter reappears precisely as it was when it was postponed.

The VICE-PRESIDENT. May the Chair call the attention of the Senator from Texas to what he finds in the RECORD? The present occupant of the chair was not here yesterday.

Now, if the Senator will indulge me one moment—

Said the Senator from Texas—

I have not wanted to interfere with the consideration and conclusion of this schedule; but as soon as the schedule is completed to-morrow, or if it is concluded this afternoon and to-night, then the first thing to-morrow I will call up the income-tax amendment; if the schedule is not concluded this afternoon or to-night, then as soon as it is completed to-morrow I will call it up.

The schedule is not completed.

Mr. BAILEY. That was merely a notice of my intention. It was made when we thought we would have a vote in a few minutes and have the woolen schedule out of the way. For instance, I can illustrate to the Chair how that could be considered no more than a notice. Suppose they did not conclude the woolen schedule to-day. This matter was postponed until to-day, and then I would have lost my day in court. So I must have, under the order of the Senate, the right to call it up, and having called it up it reappears in the body precisely as it was when it was postponed.

But, Mr. President, in order to remove all possible doubt about it, I offer the amendment precisely as it was before, although I think that is not the way I would prefer. So I call the amendment up for consideration in the Senate.

Mr. ALDRICH. I think it might be considered as the pending amendment. I have no objection.

Mr. BAILEY. It is immaterial, but it will save my question.

The VICE-PRESIDENT. Without objection, the amendment will be considered to be pending.

Mr. CUMMINS. Mr. President, the amendment being now at least properly before the Senate, I desire to say just a word with regard to the matter. I have been so solicitous with respect to this amendment, I believe it to be so necessary that an income tax shall now be provided for, that I have felt no

pride of opinion with respect to my own amendment. I have felt at perfect liberty to confer with my friend, the Senator from Texas [Mr. BAILEY], in order that we might compare the amendment offered by him with the amendment offered by me. I have been exceedingly anxious to reach some plan by which there need be but a single vote upon the subject of the income tax. There were but slight differences—no essential differences—between his plan and the one found in the amendment which I last offered.

I say candidly and frankly that I have conferred with the Senator from Texas, with a view to framing this measure so that the very best elements in his amendment might be combined with the best elements in mine, and therefore command the utmost strength that the proposition to levy an income tax has in this body.

I therefore move an amendment to the amendment offered by the Senator from Texas to strike out, in line 7, page 1, the word "three" and to substitute therefor the word "two."

Mr. ALDRICH. Mr. President, if it would be convenient to the Senator from Iowa, I would suggest that this amendment be offered and printed. I am desirous, if possible, if we are to have a postponement of this proposition for a week, that we should go on as rapidly as possible with the pending schedule.

Mr. CUMMINS. Mr. President, I agree, I think, fully with the Senator from Rhode Island. I do not intend to argue these matters. I had hoped that after the amendment shall be perfected, as I believe it will be in a very few minutes, we might then have it printed, so that, before it is finally considered, it may be seen as a whole and connectedly.

The VICE-PRESIDENT. The Secretary will state the amendment proposed by the Senator from Iowa.

The SECRETARY. On page 1, line 7, before the words "per centum," it is proposed to strike out "three" and to insert "two."

Mr. CUMMINS. I also offer——

Mr. BAILEY. I suggest to the Senator from Iowa that we agree to that amendment as we go along.

Mr. CUMMINS. Precisely.

Mr. ALDRICH. I think that the Senator from Texas [Mr. BAILEY] and the Senator from Iowa [Mr. CUMMINS] ought to be permitted to modify and perfect their propositions without the approval of the Senate, because they have a right to do that—a moral right—but I should not like to have them expect the Senate to concur.

Mr. BAILEY. The Senator from Iowa and the "Senator from Texas" are doing, in the presence of the open Senate, what we have agreed——

Mr. ALDRICH. What you have already done——

Mr. BAILEY. Is a right and proper adjustment of any differences. If the Senator from Rhode Island wants the matter printed as we shall offer it, I think it fair to do it in this way.

Mr. ALDRICH. I have no objection to that; I have no objection to any modification that the high contracting parties may agree to; but I do not myself desire to be made a party to this controversy.

Mr. BAILEY. We shall try to accomplish that later.

The VICE-PRESIDENT. The Chair then understands that the Senator from Texas modifies his amendment.

Mr. CUMMINS. I offer the amendment, and I think the Senator from Texas accepts it.

Mr. BAILEY. I accept the amendment of the Senator from Iowa.

The VICE-PRESIDENT. Then it becomes a part of the amendment offered by the Senator from Texas.

Mr. CUMMINS. I also move to strike out from and including line 23, on page 3, to, but not including line 15, on page 6, and to substitute therefor that which I send to the Secretary's desk; which I say to the Senate is a substitute of the provision in my amendment respecting corporations for the provision in the amendment offered by the Senator from Texas. As originally offered, they differ only in this: That I provided for the reimbursement to stockholders of corporations, taxed under this law, whose total incomes from all sources are less than $5,000, of the amount which, as stockholders, they contributed to the tax paid by the corporation, the intent being to relieve all persons whose incomes were not more than $5,000 from the operation of this tax. I call that also to the attention of the Senator from Texas.

Mr. BAILEY. That amendment, Mr. President, is entirely understood between the Senator from Iowa and myself, and I accept it.

The VICE-PRESIDENT. The Senator from Texas [Mr. BAILEY] accepts the modification of the amendment in accordance with the suggestion of the Senator from Iowa [Mr. CUMMINS].

Mr. CUMMINS. Those are the only amendments which I propose to the amendment offered by the Senator from Texas. Without debating the subject at all at this time, I leave it, saying that, with these amendments, I am wholly satisfied with the measure as presented by him.

Mr. BAILEY. Now, Mr. President, I wish——

The VICE-PRESIDENT. May the Chair interrupt the Senator to request that the Secretary report the amendment moved by the Senator from Iowa to the amendment of the Senator from Texas? It has not yet been reported.

Mr. BAILEY. I thought the Secretary did report the amendment when the Senator from Iowa offered it.

The VICE-PRESIDENT. The Senator from Iowa stated the substance of it, but it has not been reported from the desk.

Mr. ALDRICH. That is not necessary.

The VICE-PRESIDENT. The Chair does not suppose that is necessary.

Mr. BAILEY. I ask that the amendment be printed in the RECORD without taking time to read it.

The VICE-PRESIDENT. That order will be made, in the absence of objection.

The modification proposed by Mr. CUMMINS to the amendment of Mr. BAILEY was to strike out from the amendment, beginning in line 23, on page 3, down to and including line 14, on page 6, and in lieu thereof to insert:

SEC. —. That there shall be assessed, levied, and collected for the calendar year 1909, and for each calendar year thereafter, a duty of 2 per cent on the net gains, profits, and income over and above $5,000 of all corporations, companies, or associations organized for pecuniary profit under the laws of the United States or under the laws of any State or Territory or doing business for pecuniary profit in the United States, no matter where or how created or organized, but not including copartnerships. The aforesaid net gains, profits, or income of any such corporation, company, or association shall include its entire gains, profits, and income save and except the amounts paid out during the year for maintenance, operation, and a reasonable allowance for depreciation; and the Secretary of the Treasury is authorized to prescribe and establish such system of bookkeeping and reports as may be necessary to insure uniformity in this respect: *Provided, however*, That nothing herein contained shall apply to corporations, companies, or associations organized and conducted solely for charitable, religious, or educational purposes, including fraternal beneficiary societies, orders, or associations operating upon the lodge system and providing for the payment of life, sick, accident, and other benefits to the members of such societies, orders, or associations and dependents of such members; nor to the stocks, shares, funds, or securities held by any fiduciary or trustee for charitable, religious, or educational purposes; nor to building and loan associations or companies which make loans only to their shareholders; nor to such savings banks, savings institutions, or societies as shall, first, have no stockholders or members except depositors and no capital except deposits; secondly, shall not receive deposits to an aggregate amount, in any one year, of more than $1,000 from the same depositor; thirdly, shall not allow an accumulation or total of deposits, by any one depositor, exceeding $10,000; fourthly, shall actually divide and distribute to its depositors, ratably to deposits, all the earnings over the necessary and proper expenses of such bank, institution, or society, except such as shall be applied to surplus; fifthly, shall not possess, in any form, a surplus fund exceeding 10 per cent of its aggregate deposits; nor to such savings banks, saving institutions, or societies composed of members who do not participate in the profits thereof and which pay interest or dividends only to their depositors; nor to that part of the business of any savings bank, institution, or other similar association having a capital stock, that is conducted on the mutual plan solely for the benefit of its depositors on such plan, and which shall keep its accounts of its business conducted on such mutual plan separate and apart from its other accounts; nor to any insurance company or association which conducts all its business solely upon the mutual plan and only for the benefit of its policy holders or members, and having no capital stock and no stock or share holders, and holding all its property in trust and in reserve for its policy holders or members; nor to that part of the business of any insurance company having a capital stock and stock and share holders, which is conducted on the mutual plan, separate from its stock plan of insurance, and solely for the benefit of the policy holders and members insured on said mutual plan, and holding all the property belonging to and derived from said mutual part of its business in trust and reserve for the benefit of its policy holders and members insured on said mutual plan; nor to any part of the business of any insurance company having a capital stock and stock and stockholders except as to those gains and profits and income legally distributable to such capital stock and among such stock and stockholders. All State, county, municipal, and town taxes paid by corporations, companies, or associations shall be included in the operating and business expenses of such corporations, companies, or associations.

Provided further, Any stockholder of any corporation, company, or association the income of which is taxable and taxed under the provisions hereof, whose total income from all sources does not render him liable to the duty herein provided for, may, at any time within six months after the corporation or association of which he is a stockholder has paid the duty herein required, file a written application with the collector of the district in which he resides, in such form as the Secretary of the Treasury may prescribe, showing that his total income for the year under consideration, computed as hereinbefore set forth, did not exceed $5,000. Such application shall be under oath and accompanied by such other proof as the rules and regulations may require. If the application and proof are satisfactory to the collector, and are approved by the Secretary of the Treasury, and it further appears that the gains or profits of any share or shares of capital stock owned by any such stockholder in any such corporation have been included in the income upon which the corporation has paid a duty, then the Secretary of the Treasury shall pay to the applicant the proportionate part which his share or shares contributed to such duty, the intent being to exempt any person whose total income, computed as herein provided, is not more than 5,000

from the payment, directly or indirectly, of an income duty, and the Secretary of the Treasury is expressly authorized to establish such rules and regulations, and to provide such forms, as will enable such persons to present their claims and receive their reimbursement with least difficulty and delay consistent with the due administration of the law.

Mr. ALDRICH. I think the Senator from Texas has a right to modify his own amendment to make it agree with this joint production of the Senator from Iowa and the Senator from Texas.

The VICE-PRESIDENT. The Senator from Rhode Island is right.

Mr. BAILEY. Now, in order that the Senator from Rhode Island may have the benefit of "the joint production," to which he refers, I ask that the pending amendment as modified by these amendments shall be printed in bill form.

The VICE-PRESIDENT. Without objection, that request is agreed to.

Mr. ALDRICH. I now move that the further consideration of this amendment be postponed until the 18th day of June.

Mr. BAILEY. On that I demand the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. DAVIS (when the name of Mr. CLARKE of Arkansas was called). My colleague [Mr. CLARKE of Arkansas] is paired with the junior Senator from Delaware [Mr. RICHARDSON]. If my colleague were present, he would vote "nay."

Mr. CRAWFORD (when Mr. GAMBLE's name was called). My colleague [Mr. GAMBLE] is paired with the junior Senator from Indiana [Mr. SHIVELY]. If my colleague were present, he would vote "yea."

Mr. McLAURIN (when his name was called). I again announce my pair with the junior Senator from Michigan [Mr. SMITH]. If he were present, I should vote "nay," and he would vote "yea."

Mr. TILLMAN (when the name of Mr. SMITH of South Carolina was called). My colleague [Mr. SMITH of South Carolina] is absent on account of illness in his family. If present, my colleague would vote "nay."

The roll call was concluded.

Mr. PILES. My colleague [Mr. JONES] is absent for a few minutes. If he were present, he would vote "nay."

The result was announced—yeas 45, nays 34, as follows:

YEAS—45.

Aldrich	Crane	Frye	Perkins
Beveridge	Crawford	Gallinger	Root
Bradley	Cullom	Guggenheim	Scott
Brandegee	Curtis	Heyburn	Smoot
Brown	Depew	Johnson, N. Dak.	Stephenson
Bulkeley	Dick	Kean	Sutherland
Burkett	Dillingham	Lodge	Warner
Burnham	Dixon	Nelson	Warren
Burrows	Dolliver	Nixon	Wetmore
Burton	du Pont	Oliver	
Carter	Elkins	Page	
Clark, Wyo.	Flint	Penrose	

NAYS—34.

Bacon	Culberson	La Follette	Rayner
Bailey	Cummins	McEnery	Simmons
Bankhead	Davis	Martin	Smith, Md.
Borah	Fletcher	Money	Stone
Bourne	Foster	Newlands	Taliaferro
Bristow	Frazier	Overman	Taylor
Chamberlain	Gore	Owen	Tillman
Clapp	Hughes	Paynter	
Clay	Johnston, Ala.	Piles	

NOT VOTING—12.

Briggs	Gamble	McCumber	Shively
Clarke, Ark.	Hale	McLaurin	Smith, Mich.
Daniel	Jones	Richardson	Smith, S. C.

So the motion of Mr. ALDRICH to postpone was agreed to.

Mr. BROWN. Mr. President, I offer the amendment which I send to the desk.

The VICE-PRESIDENT. The amendment will be stated.

Mr. BROWN. I ask to have the amendment printed without reading, and that it lie on the table.

The VICE-PRESIDENT. Without objection, that order will be made.

Mr. BROWN. I desire to say, however, that the amendment proposes a joint resolution for an amendment of the Constitution, which shall give Congress the undoubted power to levy a tax on incomes. I give notice further that as soon as the amendment offered by the Senator from Texas [Mr. BAILEY] is disposed of, whenever that may be, I shall call up the amendment I now present.

Mr. FLINT. Mr. President, on the vote which was taken on the amendments of the Senator from Wisconsin [Mr. LA FOLLETTE], I inadvertently voted without noticing that my pair, the senior Senator from Texas [Mr. CULBERSON], was absent. I therefore desire to withdraw my vote.

The VICE-PRESIDENT. Is there objection to the request of the Senator from California to withdraw his vote? The Chair hears none.

Mr. BACON. Mr. President, that, as I understand, is a vote which has been passed and announced.

Mr. FLINT. It is.

Mr. BACON. I do not think, Mr President, that it is in accord with the practice of the Senate to withdraw a vote under such circumstances. The simple statement made by the Senator will accomplish the same purpose. It is not competent to change the record as it has been made.

The VICE-PRESIDENT. It can only be done by unanimous consent. Therefore, the Chair——

Mr. BEVERIDGE. The only thing that can be done is to correct the record.

Mr. BACON. I would suggest to the Senator that the announcement made by him that his vote was caused by a misapprehension, and that it did not change the result would accomplish the purpose which he has in view.

Mr. BEVERIDGE. Yes.

The VICE-PRESIDENT. The Chair thinks the Senator can withdraw his vote by unanimous consent.

Mr. BACON. Undoubtedly. I simply stated, Mr. President, that the request of the Senator from California was not in accord with our custom.

The VICE-PRESIDENT. The Chair so understood the Senator.

Mr. ALDRICH. I ask that the remaining paragraphs of Schedule K be agreed to.

The VICE-PRESIDENT. Without objection, the remaining paragraphs of Schedule K are agreed to.

Mr. CUMMINS. Mr. President, I now present the motion upon which I delivered some remarks this morning, which I ask may be stated.

The VICE-PRESIDENT. The Secretary will state the motion.

The Secretary read as follows:

Mr. CUMMINS moves to recommit Schedule K to the Finance Committee, with instructions to again consider the same and report a schedule as follows, to wit:

1. With the duties on wool unchanged.

2. With so-called "compensatory duties" to the woolen manufacturers that will measure the difference between the price which domestic manufacturers pay for wool and the price paid by their chief foreign competitors.

3. A further duty upon imported woolen manufactures that will represent the difference between the cost of production at home and abroad, with a fair manufacturers' profit added, less the compensatory duties already given to domestic manufacturers because of the higher price they are compelled to pay for wool.

Mr. CUMMINS. Mr. President, I do not intend to repeat anything I said this morning, and I said then everything I desired to say respecting this motion. I believe it embodies the Republican view of a protective tariff upon these duties and puts upon the Finance Committee a specific instruction, under which, as good Republicans, they ought now to act, by virtue of our platform. Upon the motion, if there is to be no further discussion, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. McLAURIN. Mr. President, I merely wish to put in the RECORD, before the vote is taken, some statistics, furnished me by a statistician in whom I have confidence, showing that, according to the statistics of the Department of Agriculture, there were in this country in 1884, 50,360,243 sheep.

Mr. ALDRICH. Mr. President, will it inconvenience the Senator from Mississippi to allow a vote to be taken on this proposition?

Mr. McLAURIN. I will only take half a minute. In 1884 the number of sheep in this country was, as I have stated, 50,360,243; in 1890 the number of sheep was 44,336,072; in 1903 the number was 63,964,876; and in 1908 it was 54,631,000. I merely make this statement so that it may appear in the RECORD, for the purpose of showing that in years when the Wilson tariff law was not in force there was a great falling off in the sheep in this country.

The VICE-PRESIDENT. The pending question is on the motion of the Senator from Iowa [Mr. CUMMINS] to recommit to the Committee on Finance Schedule K, with instructions, on which the yeas and nays have been ordered.

Mr. TILLMAN. With what sort of instructions?

The VICE-PRESIDENT. The instructions have been read. The Secretary will again read them, if there be no objection.

Mr. TILLMAN. There is a difference of opinion in regard to the matter, and I should like to hear them again read.

The VICE-PRESIDENT. The Secretary will again read.

The Secretary again read the motion of Mr. CUMMINS.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. CURTIS (when his name was called). I desire to announce my pair with the senior Senator from Maryland [Mr. RAYNER].

Mr. FLETCHER (when his name was called). I am paired with the junior Senator from New Jersey [Mr. BRIGGS], and therefore withhold my vote.

Mr. McLAURIN (when his name was called). I again announce my pair with the junior Senator from Michigan [Mr. SMITH]. If he were present, I should vote "nay."

The roll call was concluded.

Mr. BURROWS. My colleague [Mr. SMITH of Michigan] is unavoidably absent. He is paired with the Senator from Mississippi [Mr. McLAURIN]. I am at liberty to say, however, that if my colleague were present, he would vote "nay."

Mr. McLAURIN. Upon the statement of the Senator from Michigan that the junior Senator from Michigan [Mr. SMITH], with whom I am paired, would vote "nay" if present, I will take the liberty of voting. I vote "nay."

Mr. KEAN. My colleague [Mr. BRIGGS] is necessarily absent. He is paired with the Senator from Florida [Mr. FLETCHER]. If my colleague were present, he would vote "nay."

Mr. CULBERSON. I am requested to announce that the senior Senator from Maryland [Mr. RAYNER] is paired on this question with the Senator from Kansas [Mr. CURTIS]. If the Senator from Maryland were present, he would vote "nay."

Mr. CURTIS. In view of the announcement of the Senator from Texas [Mr. CULBERSON] as to how the Senator from Maryland [Mr. RAYNER], with whom I am paired, would vote if present, I will take the liberty of voting. I vote "nay."

Mr. LA FOLLETTE. I desire to say that I withheld my vote because I am opposed to a portion of the motion of the Senator from Iowa and in favor of a portion of it, and so could neither vote for it or against it.

The result was announced—yeas 8, nays 59, as follows:

YEAS—8.

Beveridge	Brown	Clapp	Dolliver
Bristow	Burkett	Cummins	Nelson

NAYS—59.

Aldrich	Crawford	Gore	Paynter
Bacon	Culberson	Guggenheim	Penrose
Bankhead	Culiom	Heyburn	Piles
Bourne	Curtis	Johnson, N. Dak.	Root
Bradley	Davis	Kean	Scott
Brandegee	Depew	Lodge	Simmons
Bulkeley	Dick	McEnery	Smoot
Burnham	Dillingham	McLaurin	Stephenson
Burrows	Dixon	Martin	Stone
Burton	du Pont	Money	Sutherland
Carter	Elkins	Nixon	Taliaferro
Chamberlain	Flint	Oliver	Tillman
Clark, Wyo.	Foster	Overman	Warren
Clay	Frye	Owen	Wetmore
Crane	Gallinger	Page	

NOT VOTING—24.

Bailey	Frazier	La Follette	Shively
Borah	Gamble	McCumber	Smith, Md.
Briggs	Hale	Newlands	Smith, Mich.
Clarke, Ark.	Hughes	Perkins	Smith, S. C.
Daniel	Johnston, Ala.	Rayner	Taylor
Fletcher	Jones	Richardson	Warner

So the motion of Mr. CUMMINS was rejected.

The VICE-PRESIDENT. The hour of 5.30 o'clock having arrived, the Senate stands in recess until 8 o'clock this evening.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. SMOOT. I ask unanimous consent that we now take up the free list for consideration.

Mr. BROWN. I should like to inquire why we should pass over——

Mr. CULBERSON. We on this side are unable to hear.

The VICE-PRESIDENT. Will the Senator please speak a bit louder?

Mr. BROWN. I want to inquire why it is necessary to pass over the schedule relating to pulp and print paper?

Mr. BEVERIDGE. For how long?

Mr. SMOOT. The committee thought it was proper to pass that over, at least for a day or two, in the absence of the Senator from Maine [Mr. HALE], who is not well enough to be here, and I would not like to have it taken up in his absence.

Mr. BROWN. Of course under those circumstances I would not insist on taking up the schedule.

The VICE-PRESIDENT. The Senator from Utah asks unanimous consent that the Senate now proceed to the consideration of the free list. Is there objection?

Mr. BEVERIDGE. Wait a minute. Pardon me a minute.

Mr. GORE. Mr. President——

The VICE-PRESIDENT. In one moment; the Chair will recognize the Senator from Oklahoma.

Mr. CLAPP. I suggest the want of a quorum.

The VICE-PRESIDENT. The Senator from Minnesota suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clark, Wyo.	Frye	Penrose
Bacon	Clarke, Ark.	Gallinger	Perkins
Bailey	Crane	Gore	Piles
Beveridge	Crawford	Heyburn	Root
Borah	Culberson	Johnston, Ala.	Scott
Brandegee	Culiom	Kean	Simmons
Bristow	Cummins	La Follette	Smith, Md.
Brown	Curtis	Lodge	Smoot
Bulkeley	Davis	McCumber	Stephenson
Burkett	Dick	McEnery	Stone
Burnham	Dixon	Martin	Sutherland
Burrows	Dolliver	Money	Taliaferro
Burton	du Pont	Nelson	Tillman
Carter	Fletcher	Oliver	Warren
Chamberlain	Flint	Overman	Wetmore
Clapp	Foster	Page	

Mr. PILES. My colleague [Mr. JONES] is necessarily detained from the Chamber to-night.

The VICE-PRESIDENT. Sixty-three Senators have answered to the roll call. A quorum of the Senate is present. Is there objection to the request of the Senator from Utah?

Mr. BROWN. Of course, on the statement of the Senator from Utah, I would not insist on an objection, but I call the attention of the Senator from Rhode Island to the fact that this bill has been before the Senate now for nearly ten weeks.

Mr. CULBERSON. Mr. President——

The VICE-PRESIDENT. For what purpose does the Senator from Texas rise?

Mr. CULBERSON. I rise to inquire what is the request of the Senator from Utah?

The VICE-PRESIDENT. That the Senate now proceed to the consideration of the free-list provisions of the bill.

Mr. BROWN. This bill has been pending in the Senate now for almost ten weeks. It came here with no report and no recommendation with respect to Schedule M, the schedule relating to pulp, paper, and books; and I should like to inquire if it is not about time that the Senate had some light as to when a report is likely to be made. The Senate, I believe—and I know I, myself—would be enlightened considerably if it were known what the report is likely to be.

Mr. ALDRICH. The committee reported on all the paragraphs of Schedule M except the clause relating to printing paper. As I stated to the Senate the other day, the report of the committee is likely to be a rate which is less than the present law and in excess of the House rate.

Mr. BROWN. That is a wide margin, Mr. President. Can we have any indication about where——

Mr. ALDRICH. It is not so very wide. The House provides for a duty of $2 a ton on print paper, and the present law is 0.3 of a cent a pound, or $6 a ton. The Senator can exercise his ingenuity within those limits in making as good a guess as he can as to what the rate will be.

Mr. BEVERIDGE. What the rate recommended by the committee will be.

Mr. BROWN. I was going to say it would take great ingenuity on the part of any man to divine what the committee will report. I want to say that the hesitation and doubt of the committee on this subject give hope to men that the increase may not be so high on this schedule as on some of the others.

Mr. ALDRICH. There is sure to be a reduction. Whether the reduction will reach the rather radical ideas of my friend, the Senator from Nebraska, I am not so sure. I have been trying in all these provisions, so far as I could, to make the reductions conform to his views.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Utah?

Mr. BEVERIDGE. The Senator from Rhode Island was addressing the Chair at that particular moment.

The VICE-PRESIDENT. Is there objection? The Chair hears no objection.

Mr. BEVERIDGE. What is the request?

The VICE-PRESIDENT. The Senator from Indiana was not understood by the Chair.

Mr. BEVERIDGE. I was listening to the remarks of the Senator from Rhode Island, and in the midst of them the Chair suggested the order.

The VICE-PRESIDENT. The Chair did not intend to present the request until the Senator from Rhode Island had taken his seat.

Mr. BEVERIDGE. He was still on his feet. But that is a small matter. What is the request?

The VICE-PRESIDENT. The Chair regrets that he affronted the Senator from Rhode Island. He did not do so intentionally, and the Senator from Rhode Island had not complained. Is there objection to the request of the Senator from Utah?

Mr. BEVERIDGE. Now, what is that request?

The VICE-PRESIDENT. The Chair will again repeat the request—that the Senate now consider the free-list portion of the bill. Is there objection? The Chair hears none. The Secretary——

Mr. LODGE. Beginning with the free list, line 17, page 193, has been agreed to by the Senate, and I ask leave to add—it is an oversight in the bill—in line 17, after the words "Philippine Islands," the words "and the islands of Guam and Tutuila."

The VICE-PRESIDENT. The Secretary will report the amendment proposed by the Senator from Massachusetts.

Mr. SCOTT. That is a committee amendment?

Mr. LODGE. Yes; a committee amendment.

The VICE-PRESIDENT. It is a committee amendment.

The SECRETARY. In line 17, page 193, after the words "Philippine Islands," insert the words "and the islands of Guam and Tutuila."

The VICE-PRESIDENT. The Senator from Rhode Island asks unanimous consent that the amendment be agreed to. Is there objection? The Chair hears none, and it is so ordered. The Secretary will report the first paragraph passed over.

The SECRETARY. The first paragraph passed over is 472.

Mr. GORE. Mr. President, I desire to say a word concerning my vote on the last roll call before the recess was taken, and I refer to the motion of the Senator from Iowa [Mr. CUMMINS] to recommit the woolen schedule, with instructions to the Finance Committee to report the same back in accordance with the Republican platform, covering the difference between wages here and abroad plus a reasonable profit to the manufacturer. That motion was made during my absence from the Chamber, and I returned after the roll call had been concluded and upon the eve of the announcement of the result of the vote being made by the Secretary. I did not at that time fully appreciate the issue which had been raised by that motion, and I do not wish my vote against the motion to be understood as committing me in any measure to the pending bill or as committing me to any of its sections, schedules, principles, or provisions. Indeed, it was impossible for me to register my views by my vote upon that question.

I regard the pending measure as being just about as bad as human ingenuity can make it. I regard it as a great deal worse than the present Dingley law. I will vote with pleasure for any motion which might have any possible tendency either to defeat this measure or to improve it in the interest of the American people and the American consumer. The motion of the Senator from Iowa, however, was to instruct the committee to report this measure back in accordance with the Republican platform and in accordance with the principle of protection.

Mr. President, I do not believe in the principle of protection. I do not believe that the American consumer should be taxed to enrich the American producer. I believe that American people and American labor in an open contest with the rest of the world can win the race. I believe that low taxation is a blessing and that high taxation is a curse, whether that taxation be either direct or indirect. It is apparent, therefore, that I could not either by an affirmative or a negative vote register my views with fidelity and precision upon that motion. If I had been present, I should have asked to be excused from voting.

The VICE-PRESIDENT. The Secretary will report the first paragraph passed over.

Mr. STONE. It is paragraph 472.

The SECRETARY. The first paragraph passed over is No. 472.

Mr. STONE. I desire to offer an amendment to the paragraph.

The VICE-PRESIDENT. The Senator will present his amendment, and the Secretary will state it.

The SECRETARY. Amend paragraph 472 by inserting, after the word "carbolic," in line 18, the word "chlorosulphonic."

Mr. STONE. Mr. President, there is a large manufacturing chemical company in St. Louis, known as the "Monsanto Chemical Works." It is a very large and very responsible chemical concern. The president of that company was here, and, I think, conferred with some members of the Finance Committee about one or two matters, at least. I am sorry to say that he is a very pronounced Republican.

I will read to the Senate, and particularly to the Senators who are in charge of this bill, a brief statement which he made to me, with reference to this matter. He said:

In explanation: Chlorosulphonic acid is produced by injecting hydrochloric (muriatic) acid into fuming sulphuric acid, which results in a chemical reaction in the formation of a new chemical compound which is itself an acid.

Used largely in Germany in chemical manufacturing for the sulphonation of organic chemical compounds.

None manufactured in this country and none probable. We approached every acid manufacturer in the United States to produce it for us, but they refused to undertake it because of limited demand and heavy cost for installation for its manufacture.

We imported 250,000 to 300,000 pounds a year for two years, paying the assessed rate of 25 per cent as a "chemical compound," but were forced to discontinue a year ago.

None imported now and none likely so long as it is on the dutiable list. We will use about 300,000 pounds annually if placed on the free list.

MONSANTO CHEMICAL WORKS,
St. Louis.

According to this statement, in which I have absolute credence, none of this article is manufactured here and none is likely to be.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Missouri yield to the Senator from Utah?

Mr. STONE. I do.

Mr. SMOOT. I remember that the gentleman called at my office, and we discussed the question. I think I have an exact copy of the statement the Senator has just read.

Mr. CUMMINS. I suggest if this is a matter to be submitted to the Senate, we would like to hear what is going on.

Mr. SMOOT. I say I think I have an exact copy of the statement which was just read by the Senator from Missouri.

Mr. STONE. I have no doubt of it.

Mr. SMOOT. I have not the copy with me, and I forget whether the gentleman stated what they are using to-day in place of this particular chemical.

Mr. STONE. He does not state what they are using in place of it. I asked him that question, and he told me there was nothing they could use in place of it, and they had to discontinue the manufacture of the article in which this acid was employed.

Mr. DU PONT. I should like to ask the Senator from Missouri for what purpose this acid is used?

Mr. STONE. He says in this statement it is used for "the sulphonation of organic chemical compounds." The point I make is that as it is an acid used in a considerable degree in manufacture, as none is made here, and none can be made here, it ought to go on the free list.

Mr. ALDRICH. I have no objection to its going on the free list, and before it is reached in conference the committee will make a careful examination of it.

Mr. STONE. I am entirely satisfied with that course.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri.

The amendment was agreed to.

The VICE-PRESIDENT. The paragraph as amended, without objection, is agreed to. The Secretary will report the next paragraph passed over.

The SECRETARY. On page 194, line 6, the committee proposes to strike out paragraph 480, in the following words:

480. Ammonia, sulphate of.

Mr. ALDRICH. Several Senators who are interested in this particular amendment are not present to-night, and I think I will have to ask that it may go over.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Rhode Island? The Chair hears none. The Secretary will report the next paragraph passed over.

The SECRETARY. On page 194, line 8, in paragraph 482, after the word "imported," the committee proposes to strike out the words "by a citizen of the United States."

Mr. ALDRICH. The second amendment, in lines 10 and 11, striking out the words "whether intended to be so used by the importer himself or for sale for such purpose," the committee are satisfied would be a mistake. They therefore withdraw the second amendment.

Mr. BURKETT. I suggest to the Senator that, in my opinion, this privilege has always been given to citizens of the United States.

Mr. ALDRICH. I have no objection to withdrawing them both.

Mr. LODGE. That is not the way it is in the old law.

Mr. BURKETT. I have three or four copies of acts where it stands as it would with the clause out.

Mr. LODGE. The existing law has no limitation to citizens of the United States.

The VICE-PRESIDENT. The question is on agreeing to the first amendment, which will be stated.

The SECRETARY. In lines 8 and 9, strike out the words "by a citizen of the United States," so as to read:

482. Any animal imported specially for breeding purposes shall be admitted free.

The amendment was agreed to.

Mr. GALLINGER. I understood the chairman of the committee to withdraw the amendment.

The VICE-PRESIDENT. The chairman of the committee could not withdraw the amendment. It is a committee amendment to strike out a part of the bill, and it can be disagreed to.

Mr. GALLINGER. I ask that the matter be submitted to the Senate again. There was a misunderstanding.

The VICE-PRESIDENT. The Chair will again submit the first amendment in lines 8 and 9 to the Senate.

The amendment was rejected.

The VICE-PRESIDENT. Without objection, the second amendment is disagreed to. The Chair hears no objection. Without objection, the paragraph as amended is agreed to. The Chair hears no objection. The Secretary will read the next paragraph passed over.

Mr. DU PONT. I do not understand what action has been taken by the Senate in regard to these amendments.

The VICE-PRESIDENT. The amendments have been disagreed to and the words remain in the bill.

The next paragraph passed over will be stated.

The SECRETARY. Paragraph 488——

Mr. KEAN. I should like to move an amendment to paragraph 483 by inserting, in line 13, page 195, after the word "agricultural," the word "polo," if there is no objection to it.

Mr. ALDRICH. There is no objection to that. The paragraph will have to be reconsidered for that purpose. I ask unanimous consent that it be reconsidered.

The VICE-PRESIDENT. Without objection, it will be reconsidered. The amendment proposed by the Senator from New Jersey will be read.

The SECRETARY. On page 195, line 13, after the word "agricultural," insert the word "polo."

The VICE-PRESIDENT. Is there objection to the amendment?

Mr. MONEY. Mr. President, we can not understand what is going on when amendments are agreed to simply by paragraphs and numbers. It seems to me that the language ought to be read so that the Senate can hear it.

The VICE-PRESIDENT. The Secretary will state the amendment in connection with the language of the paragraph.

The SECRETARY. The first clause of paragraph 483, if amended as proposed, will read:

Animals brought into the United States temporarily for a period not exceeding six months, for the purpose of exhibition or competition by prizes offered by any agricultural, polo, or racing association.

Mr. ALDRICH. There should be a comma both before and after "polo."

The VICE-PRESIDENT. Is there objection to agreeing to the amendment? The Chair hears none, and the amendment is agreed to. Without objection, the paragraph as amended is agreed to. The next amendment passed over will be stated.

The SECRETARY. On page 196, line 5, paragraph 488, reads as follows:

488. Arsenic and sulphide of arsenic, or orpiment.

Mr. ALDRICH. I ask that that be agreed to.

Mr. GUGGENHEIM. I ask that the paragraph be passed over.

The VICE-PRESIDENT. The Senator from Colorado asks unanimous consent that the paragraph be passed over. Is there objection? The Chair hears none. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 490, page 196. The committee proposes to strike out all after the numerals down to and including the word "refunded" in line 22, and to insert:

Articles the growth, produce, and manufacture of the United States, when returned after having been exported, without having been advanced in value or improved in condition by any process of manufacture or other means; casks, barrels, carboys, bags, and other vessels of American manufacture exported filled with American products, or exported empty and returned filled with foreign products, including shooks and staves when returned as barrels or boxes; also quicksilver flasks or bottles, of either domestic or foreign manufacture, which shall have been actually exported from the United States; but proof of the identity of such articles shall be made, under general regulations to be prescribed by the Secretary of the Treasury, but the exemption of bags from duty shall apply only to such domestic bags as may be imported by the exporter thereof, and if any such articles are subject to internal-revenue tax at the time of exportation, such tax shall be proved to have been paid before exportation and not refunded.

Mr. ALDRICH. I desire to modify the committee amendment by inserting certain words.

The VICE-PRESIDENT. The Secretary will state the modification.

The SECRETARY. In line 6, on page 197, after the word "bottles," insert the words "iron or steel drums used for the shipment of acids."

The VICE-PRESIDENT. The question is on agreeing to the amendment as modified.

Mr. DOLLIVER. I called attention some weeks ago to the fact that there were decisions which have held that animals pastured in Mexico and Canada can be sent over for practically an unlimited time and brought back under this paragraph. I suggest, in line 23, on page 196, to insert after the words "United States" the words "not including animals."

Mr. ALDRICH. I think I expressed a purpose to agree to that amendment when the Senator proposed it before.

The VICE-PRESIDENT. The Secretary will report the further modification of the amendment sent to the desk by the Senator from Rhode Island.

The SECRETARY. On page 197, line 16, after the word "manufacture" insert the words "except moving-picture films" in parentheses.

The VICE-PRESIDENT. Without objection, the amendment of the committee will be so modified. The modification suggested by the Senator from Iowa will be stated.

The SECRETARY. In line 23, page 196, after the words "United States" insert "not including animals."

The VICE-PRESIDENT. The amendment will be so modified. The question is on agreeing to the amendment of the committee as modified.

Mr. SUTHERLAND. I wish to ask the chairman of the committee with reference to the provisions in lines 22 and 23, on page 196. It reads "articles the growth, produce, and manufacture of the United States." Should it not be "articles the growth, produce, or manufacture of the United States?"

Mr. ALDRICH. We simply followed the existing law. I am not sure.

Mr. GALLINGER. "Or" is better.

Mr. ALDRICH. I think "or" is perhaps better than "and," although we copied the provision of the existing law, the act of 1894.

Mr. SUTHERLAND. I suggest to strike out the word "and" and insert "or" before the word "manufacture."

The VICE-PRESIDENT. The amendment will be so modified. The question is on agreeing to the modified committee amendment.

Mr. TILLMAN. I should like to ask the Senator from Rhode Island if, on page 197, the exemption of bags from duty means wheat sacks which have been exported and are reimported?

Mr. ALDRICH. Unquestionably.

Mr. TILLMAN. I just wanted to find out whether the Senator was "toting fair" with the rest of the country. You want to help the wheat growers of the West, and I want to see if you are going to help the fertilizer users of the South who use cotton and guano sacks.

Mr. ALDRICH. The existing provision——

Mr. TILLMAN. I am talking about the duty placed in the bill in another place, instead of being put on the free list along with these articles exported and reimported. Why do you not give us the privilege of getting our guano sacks in free?

Mr. ALDRICH. That does not seem to be exactly germane to the paragraph now under consideration.

Mr. TILLMAN. We are on the free list, and you are providing for the reimportation of sacks that have been sent abroad with wheat, and when we want to get our guano sacks in free to use, you say we shall not do it.

Mr. ALDRICH. Oh, no; this applies to all sacks.

Mr. TILLMAN. But we do not export any guano; we are importing it. We want a good many things; we want nitrate of soda on the free list, and you passed over sulphate of ammonia, which is manufactured here, but it is also imported, or it could be imported. The Senator was very much in love with the South several days ago. He made a very eloquent appeal that we should help him to develop it; and I want to see whether he is going to "tote fair" with us or not. [Manifestations of applause in the galleries.]

The VICE-PRESIDENT. The Chair desires once again to suggest to the occupants of the galleries that they are guests of the Senate, and the Senate rules do not permit any demonstration of approval or disapproval by such guests.

Mr. ALDRICH. I will say to my friend from South Carolina that my advances were repulsed with more or less——

Mr. TILLMAN. There was no repulsion at all. We simply could not afford to sell out. We could not afford to join the Senator in that programme.

Mr. ALDRICH. I was not trying to have anybody sell out.

Mr. TILLMAN. Perhaps I was too blunt. The Senator did not mean it in that sense. He was very patriotic and statesmanlike in his appeal to us to protect certain things down South. We will have to look around and see. There are several things down there and we would like to get a little of old Sam's generosity.

Mr. ALDRICH. My ideas of protection are in protecting industries by levying duties on competing articles and not by putting products on the free list. The Senator's idea of protection and mine are not alike in that regard.

Mr. TILLMAN. I am not after protection. I am after an opportunity to have the farmers of the South get some of the relief which you are giving to the farmers of the West. You give them free binding twine here. I want to put bags and ties on the free list. I do not know whether the Senator will permit me to make any progress that way.

Mr. ALDRICH. The agricultural interests of the West do not have free grain bags or free wheat bags.

Mr. TILLMAN. But you are providing for their reimportation.

Mr. ALDRICH. That is a different proposition entirely. This provides that when American products are shipped out of the country in bags or coverings of any kind, upon the reimportation of those articles they shall not pay a duty, or shall not pay a duty the second time, if duty has already been paid.

Mr. TILLMAN. Does the Senator imagine that any but secondhand bags are brought back? If you allow the bags in which wheat is exported to be reimported, will not all bags be "reimported?"

Mr. ALDRICH. Oh, no; we are importing millions every year.

Mr. TILLMAN. I say you are reimporting millions.

Mr. ALDRICH. No; not reimporting, but importing new bags upon which duties are assessed and collected.

Mr. TILLMAN. I see our friend the Senator from California. He knows that the two penitentiaries of Oregon or Washington, one of those Northwestern States, and of California are the main beneficiaries of this bag duty.

Mr. FLINT. The State is.

Mr. TILLMAN. I say the State. It is a new thing that you have States in it. You are not simply going to protect American manufacturers, but you have the convict labor in the penitentiary making sacks, and you sell them to the wheat growers and to the guano manufacturers, and you think that is the right thing to do.

Mr. HEYBURN. Mr. President, perhaps the Senator from South Carolina may not be advised of the fact that that is not a money-making institution. Under the laws of the State of Washington they can not sell them to any other than the actual users, the farmers, and the price is fixed by the State. It is not a money-making institution. It insures to the farmers their grain sacks at the very lowest possible price.

Mr. TILLMAN. We do not manufacture any of those down South. We have to make our sacks there at home, but we have to import the burlaps, and we would like to get free cloth to make sacks out of, or get our sacks free, one or the other.

Mr. PILES. My colleague [Mr. JONES] has an amendment pending to put sacks on the free list.

Mr. TILLMAN. I will wait and see what becomes of it.

Mr. PILES. My colleague is not here to-night. The matter can be passed over so that he can be here to present it.

Mr. SIMMONS. I wish to inquire of the Senator from Rhode Island if he means to say that under this provision sacks containing wheat which have been shipped abroad can be reimported into this country free. I want to call the attention of the Senator from Rhode Island to the condition of things that has been brought to my attention, with reference to cotton bagging. I am told that there are in my State now at least three mills engaged in working over bagging in which cotton has been baled for use a second time by the cotton growers. I am told that a considerable part of the bagging that comes off the cotton exported from this country to Europe is worked over and sent back to this country; that probably not more than one-fourth, but still a considerable part of the bagging that is used in the South now, is bagging that has already been used once, and I think it is. I got this information from one of the manufacturers of cotton bagging—jute bagging—in this country. I ask the Senator, if that is the case, why would it not be well to provide, also, that cotton bagging might be reimported into this country free of duty? The case which the Senator from South Carolina [Mr. TILLMAN] put a little while ago as to guano does not seem to be a parallel case; but the case which I now put is on all fours with what the bill provides for.

Mr. ALDRICH. I can not see any reason why cotton bagging which has been exported should not be returned free of duty upon reimportation.

Mr. SIMMONS. I am sure there can be none, but I doubt very much whether the language here would embrace cotton bagging.

Mr. ALDRICH. There certainly could be no reason why the bagging should not be embraced, if it is not.

Mr. SIMMONS. Then I will see if I can not draw an amendment which will cover cotton bagging.

Mr. McLAURIN. If the Senator from North Carolina will allow me, I will suggest an amendment; after the word "bags," in line 2, page 197, to insert the words "cotton bagging."

Mr. SIMMONS. That would cover it, Mr. President.

Mr. McLAURIN. Then I offer that amendment, or the Senator can offer it.

Mr. SIMMONS. That is all right. The Senator can offer it.

Mr. McLAURIN. I offer the amendment.

Mr. LODGE. Let it be read.

The VICE-PRESIDENT. The Secretary will report the amendment to the committee amendment.

The SECRETARY. On page 197, line 2, after the word "bags," insert the words "cotton bagging."

The VICE-PRESIDENT. The question is on the amendment to the amendment as modified.

Mr. McLAURIN. It would probably be better instead of using the words "cotton bagging" to say "bagging for cotton." When the bagging that wraps the cotton goes to the factory in Europe it is taken off and discarded, and the amount of it is deducted from the weight of the bale; so that the bagging is an entire waste to the producer of the cotton. If it can be reimported exactly as bags for grain or anything else can be reimported free, it will give the cotton producer that much advantage in the reduction of the price of their bagging for cotton.

Mr. SMOOT. I should like to ask the Senator from Mississippi how this cotton bagging would be identified?

Mr. McLAURIN. How would any other bags be identified?

Mr. SMOOT. I will explain to the Senator as to grain sacks, for instance. One of the manufacturers on the Pacific coast manufactures grain sacks with a dark strip through, and another manufactures them with a red strip through, and they are identified and shipped back, known as "American bags." Cotton bagging is woven so loosely I can not see how you are going to identify it. In order to get the bags returned free they must be identified in some way.

Mr. McLAURIN. That would be a matter of detail for the custom-house officers. I should think it would be a matter of administration.

Mr. ALDRICH. This paragraph already contains a provision that the "proof of the identity of such articles shall be made under general regulations to be prescribed by the Secretary of the Treasury." I should think that the department probably will be able to identify the articles.

Mr. McLAURIN. I will say that I propose before the free list shall have been finished to offer an amendment putting all bagging on the free list, and I have some hopes that the committee will let that amendment pass.

Mr. BURTON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Mississippi yield to the Senator from Ohio?

Mr. McLAURIN. I do.

Mr. BURTON. Without expressing any opinion about the desirability of this amendment, I do not think its adoption would meet the desire of the Senators who are advocating it. There are several classes of receptacles and products which can be reimported without payment of duty.

First. "Articles the growth, product, or manufacture of the United States."

Second. "Casks, barrels, carboys, bags, and other vessels of American manufacture exported filled with American products."

Third. Described in lines 5 and 6, "also quicksilver flasks or bottles of either domestic or foreign manufacture."

It is evident that the first refers to an article of American manufacture, the second to a bag or other receptacle of American manufacture, and the third to an article of either domestic or foreign manufacture. Certainly that is the effect of the paragraph.

Mr. FLINT. Most of the bags are of American manufacture.

Mr. McLAURIN. At the suggestion of some of my colleagues who are interested in this subject, I will withdraw the amendment and will insist upon another amendment.

Mr. TILLMAN. I suggest to the Senator from Mississippi that the amendment he proposed would give us no relief whatever, and I for one do not want it.

The VICE-PRESIDENT. The Senator from Mississippi withdraws his amendment to the amendment.

Mr. CULBERSON. I simply suggest what is known on this side of the Chamber to practically all Senators, that there are other amendments pending putting cotton bagging absolutely on the free list, which is what is desired, if I may use such an expression, by the cotton States. The Senator from Mississippi has an amendment of that kind I understand. The Senator from Oklahoma has one. I have myself introduced an amendment of that character. I introduced it on the 3d of May, and it is intended to come in as paragraph 593½.

Mr. ALDRICH. That amendment comes up primarily in the dutiable list. The paragraph is on the dutiable list.

Mr. CULBERSON. The paragraph would be taken from the dutiable list and put on the free list as paragraph 593½ as prepared by myself, but, as I said, the Senator from Mississippi has an amendment of that kind, and so has the Senator from Oklahoma, I am advised, but I do not know where they come in. I am satisfied to have either amendment adopted, of course.

Mr. McLAURIN. I request that this question of cotton bagging be passed over for to-night.

Mr. ALDRICH. It has nothing whatever to do with this paragraph. In line 2 I think the word——

Mr. SIMMONS. Before it goes over, will the Senator allow me a moment?

Mr. ALDRICH. I was going to suggest an amendment which I think would cover the suggestions which have been made.

The word "vessels" in line 2 is the old language. It was put in when this provision only applied to casks, barrels, and carboys. The word "vessels" would not be appropriate as used in connection with cotton bagging, and I suggest that the word be changed to "containers," which is the usual word now used in tariff legislation to cover all kinds of coverings.

Mr. TILLMAN. I want to say to the Senator, he had better use the word "wraps" if he wants to get bagging in, because a bag never contains cotton. It is simply outside of it as a protection against the loss from picking off and from contact with mud and things like that.

Mr. ALDRICH. The cotton is contained in the bagging.

Mr. TILLMAN. My understanding of the word "contained" would not allow the use of the word "container."

Mr. ALDRICH. It is technically used. It has had the construction of the courts, and includes the packages which contained merchandise imported into the United States.

Mr. TILLMAN. If the technical meaning is a wrap or something outside, all right.

Mr. ALDRICH. It means just that; it means a covering.

Mr. MONEY. If the Senator will permit me, I suggest to the Senator from Rhode Island to pass this whole matter over.

Mr. ALDRICH. It is not necessary to pass over the matter, because this does not include the cotton bagging at all.

Mr. MONEY. I mean the whole question of cotton covering of any kind, because the Senator from Utah was correct in saying that it would be almost impossible, if not quite so, to identify bagging once used.

Mr. ALDRICH. I am not suggesting this change to cover cotton especially. It would cover cotton and everything else, I think. I am only making the suggestion.

Mr. MONEY. No; it will not affect cotton covering.

Mr. ALDRICH. It does not.

Mr. MONEY. Of course I have no objection to the Senator making the proposition as to anything else.

Mr. ALDRICH. I would suggest that the word "vessels" be stricken out and the word "containers" or "coverings" be inserted.

Mr. SIMMONS. Before the matter is passed over, I would, with the rest of my colleagues on this side of the Chamber, like to see all cotton bagging upon the free list. The words "containers or coverings," added by the Senator from Rhode Island, would seem to accomplish the object I have in view, and that is satisfactory to me, and also suggesting that cotton bagging which had once been used may be on the free list.

Mr. ALDRICH. I ask that the modification of the amendment proposed by me to the committee amendment be agreed to, if it has not already been.

The VICE-PRESIDENT. The Secretary will state the modification proposed by the Senator from Rhode Island to the committee amendment.

The SECRETARY. In paragraph 490, page 197, line 2, after the word "other," the committee amendment is modified by striking out the word "vessels" and inserting the words "containers or coverings."

The VICE-PRESIDENT. The question is on agreeing to the committee amendment as modified.

Mr. HEYBURN. I should like to inquire of the Senator from Rhode Island whether we have not by inserting in line 2 the word "cotton"——

The VICE-PRESIDENT. That has not yet been done.

Mr. HEYBURN. Who shall determine? I make the suggestion, while I am about it, that the language now would probably include one of the very important items that are protected. I refer to paragraph 347, which covers an article running into the millions in revenue. We want to guard that pretty carefully. Part of those bags are of cotton. Those are what we call "burlaps." They include grain bags, wrappings for furniture, and all that kind of thing, and we do not want them to come in free.

Mr. ALDRICH. I ask that the paragraph may be agreed to as amended.

Mr. HEYBURN. I should like to ask whether the words "iron or steel drums used for the shipment of acid" have been inserted in line 6, after the word "bottles?"

Mr. ALDRICH. They have been.

The VICE-PRESIDENT. Those words have been inserted. The committee have so modified their amendment. The question is on agreeing to the amendment as modified.

The amendment as modified was agreed to.

The VICE-PRESIDENT. The Secretary will state the other amendment to the paragraph.

The SECRETARY. In paragraph 490, page 197, line 16, after the word "manufacture," it is proposed to insert "except moving-picture films" in parentheses.

The VICE-PRESIDENT. The question is on the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 497, binding twine.

Mr. HEYBURN. Mr. President, I have paragraph 491 marked as passed over. I think we had some agreement that it should be passed over.

Mr. ALDRICH. Not that I know of.

Mr. HEYBURN. It covers asbestos, unmanufactured.

Mr. ALDRICH. I do not know anything about its having been passed over.

Mr. HEYBURN. I have it marked here as a matter for further consideration. As I say, it relates to the item of asbestos, and I ask that it be passed over.

Mr. ALDRICH. I have no objection to that, if the Senator so desires.

The VICE-PRESIDENT. Is there objection to passing over paragraph 491? No objection is heard, and it is passed over. There is no amendment pending to the paragraph.

Mr. SCOTT. I should like to ask the chairman of the Finance Committee why binding twine is put on the free list? I noticed to-day that corn is selling for 68 cents and wheat at over $1.15 a bushel. Why should the farmer be given this advantage over other portions of the citizens of this great country? Why should not the South have their cotton bags free if the farmer in the Northwest is to have his binding twine free? I should like to know why that is put on the free list?

Mr. CULBERSON. Mr. President, I offer the amendment which I introduced on the 3d of May as paragraph 493½. That is the proper place for it, alphabetically considered. I understand, however, that the Senator from Mississippi [Mr. MONEY] has proposed, and that the proposition has been accepted by the Senator from Rhode Island [Mr. ALDRICH], to have this entire matter gone over. Of course I have no objection to that; but I want to offer this amendment now, so that it may be considered as pending.

The VICE-PRESIDENT. The amendment proposed by the Senator from Texas will be stated.

The SECRETARY. It is proposed to insert in the free list a new paragraph, to be known as paragraph 493½, as follows:

493½. Bagging for cotton, gunny cloth, and similar fabrics, suitable for covering cotton, composed of single yarns made of jute, jute butts, or hemp, not bleached, dyed, colored, stained, painted, or printed (except for purposes of identification), not exceeding 16 threads to the square inch, counting the warp and filling, and weighing not less than 15 ounces to the square yard.

The VICE-PRESIDENT. The Chair understands the Senator desires the amendment passed over.

Mr. CULBERSON. I accept the suggestion made by the Senator from Mississippi, which I understand was accepted by the Senator from Rhode Island, that the whole matter go over.

The VICE-PRESIDENT. Without objection, the amendment is passed over. Without objection, paragraph 497 is agreed to.

No objection is heard. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over was paragraph 508, as follows:

508. Books and pamphlets printed exclusively in languages other than English; also books and music, in raised print, used exclusively by the blind.

Mr. BACON. Mr. President, I want to call attention to the fact that when paragraph 497 was heretofore before the Senate, it was passed over at my request. I still desire it to be left open for this reason: I do not desire to offer any amendment now to that paragraph or at any time unless the amendment which is offered by the Senator from Texas [Mr. CULBERSON] should fail. In that event, I wish to offer an amendment to paragraph 497. In the meantime I ask that it be passed over.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Georgia that paragraph 497 be passed over?

Mr. ALDRICH. I did not understand the Senator to desire that it be passed over.

Mr. BACON. Yes. I said that when it was first reached I had asked that it be passed over. I have it so marked on the bill. I now desire that it be passed over simply to await the action of the Senate on the amendment offered by the Senator from Texas [Mr. CULBERSON].

Mr. ALDRICH. Three or four different amendments on that subject are pending, and all of them have been passed over. It does not seem to me necessary to pass over all the provisions of the bill.

Mr. BACON. I do not understand that anything has been passed over except the amendment offered by the Senator from Texas [Mr. CULBERSON].

Mr. ALDRICH. And the amendment offered by the Senator from Mississippi [Mr. MONEY], and I think, also, one other amendment on the subject.

Mr. BACON. They are all on the same subject, and this is a cognate subject.

Mr. ALDRICH. It seems to me the pending question is not dependent on cotton bagging.

Mr. BACON. It is not dependent upon it in any degree; but I think they ought to be considered together.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from South Carolina?

Mr. BACON. I do.

Mr. TILLMAN. Mr. President, I was going to suggest that I should like to see these things nailed down as we go along. What is the use of keeping on going back? Why do we not agree on bagging and settle the business to-night or disagree? If the Senator from Rhode Island is going to harden his heart and is not going to let us have it, we shall have to put up with it. That is all there is about it. The committee have had the matter under consideration for a month or more, and I do not see why we should keep on putting it off and putting it off. Why not vote on it, or let the Senator and his committee agree on it?

Mr. ALDRICH. That paragraph was properly in order on the dutiable list; and when it is reached on the dutiable list, it can be taken up and disposed of.

Mr. TILLMAN. Binding twine? I do not see any connection between the two, because if the Senator intends to give the western farmers their binding twine free and does not intend to give us free bagging, that will be done.

Mr. ALDRICH. Binding twine has been free for many years, and there has been no disposition to change it.

Mr. TILLMAN. I do not want to change it. If we can not get free bagging and ties, I do not want to rob the western farmers of their free binding twine.

Mr. BACON. I want to say to the Senator, that this matter was fully discussed twelve years ago, and at that time the Senate passed an amendment, which was offered by myself, putting bagging and ties on the free list. In the debate which occurred on that occasion what has been stated by the Senator to-night was stated by all the Senators representing the cotton States, that we did not propose, even in case the Senate should refuse to accord free bagging and ties to the South, to ask that free binding twine should be denied to the wheat farmers of the North; in other words, we thought each was entitled to it for the reason that the great agricultural interests receive little or no favor from the tariff system. They contribute a great deal to the prosperity of this country, and they are the foundation of all prosperity, and where it is possible to concede something to them, it ought to be done. Therefore when the Dingley bill was before the Senate we took the position that we desired that the western farmers should have their binding twine free, even in case free bagging and free ties were denied to the South; and I desire to reiterate to-night that I myself would not be a dog in the manger or endeavor, because of injustice done to us, to impose a like injustice on anybody else; but I can not see, Mr. President, why there should be any hesitation upon this subject. It is really a very small matter—in speaking about a small matter, I mean compared to the general items of the tariff bill—and it does seems to rest upon very solid grounds of justice. Why it should be denied I can not understand.

My purpose is this: If the amendment offered by the Senator from Texas is not adopted, I wish this paragraph to remain open, because I desire to offer an amendment of a similar nature to it, though differing sufficiently to make it in order directly in connection with binding twine, to see whether or not the Senate, in passing upon one and according it to the one, will deny it to the other. That is the object I have, and that is the object I had when it was first reached in asking that it be passed over.

I am perfectly willing that we should go on and determine the whole matter to-night; I prefer that that should be done, but if the other paragraph is to be passed over, I think that one should be passed over also.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Georgia?

Mr. ALDRICH. If the Senator insists upon it, of course there is nothing to do but to pass it over; but I do not see any connection between the two paragraphs.

Mr. BACON. I think there is considerable.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Georgia that the paragraph be passed over? The Chair hears none, and the paragraph is passed over.

The next paragraph passed over will be stated.

The SECRETARY. Paragraph 508.

Mr. LODGE. On page 199, in paragraph 502, line 6, after the word "integuments," I move to insert the word "tendons," with a comma before the word.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 199, line 6, after the word "integuments," it is proposed to insert a comma and the word "tendons."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 508. Books and pamphlets printed exclusively in languages other than the English; also books and music.

Mr. DU PONT. I move to strike out the word "exclusively."

Mr. ALDRICH. The committee has an amendment to strike out the word "exclusively," and insert the word "chiefly."

Mr. DU PONT. That covers it.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 200, line 5, after the word "printed," it is proposed to strike out the word "exclusively" and insert in lieu the word "chiefly."

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 524, chromate of iron, or chromic ore.

Mr. HEYBURN. Mr. President, I ask that that item go over.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Idaho? The Chair hears none. The paragraph is passed over. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 541, cotton and cotton waste, or flocks——

Mr. STONE. Mr. President, I desire to inquire about paragraph 528. Has that gone over?

The VICE-PRESIDENT. Paragraph 528 was agreed to on the first reading.

Mr. STONE. Well, I want to offer a little amendment to that paragraph, but I will wait until another time.

The VICE-PRESIDENT. The Secretary will state the amendment proposed to paragraph 541.

The SECRETARY. On page 203, line 2, the committee propose the following amendment: After the word "flocks" and the comma insert "not advanced in value or condition by any process of manufacture."

Mr. BACON. I desire to offer an amendment to the paragraph now under consideration, and to which an amendment has just been adopted.

The VICE-PRESIDENT. The amendment has not yet been adopted. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. ALDRICH. I will say to the Senator from Georgia that this is not the place to put a duty on cotton.

Mr. BACON. But I am not trying to put a duty on cotton. I want to offer an amendment.

The VICE-PRESIDENT. The Senator from Georgia has been recognized to offer an amendment.

Mr. BACON. I offer an amendment to paragraph 541, which I send to the desk.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 203, in paragraph 541, after the word "cotton," where it first appears, it is proposed to insert "having fiber or staple less than 1¼ inches in length."

Mr. BACON. Mr. President, I should like, if it can be done, that the Senate would consider the question of this amendment in connection with another amendment which I have offered and which I had at one time before the Senate, but which, at the request of the Senator from Rhode Island, was displaced for a time. I will state very frankly that I consented to its displacement at the time under a misapprehension as to what the purpose of the Senator was. The amendment had been offered by me and was being discussed by me, when the Senator suggested, as I thought, that if I would yield, he would move an adjournment. I do not, of course, mean to suggest in the remotest degree that the Senator intentionally misled me; but I was misled. It seems what the Senator said—and in the confusion I did not hear him accurately—was that if I would consent to a temporary displacement of it, in order that some unobjected paragraphs might be considered, he would then move an adjournment. I consented to the displacement of it, thinking there was to be a speedy adjournment and for that purpose, but it so happened that what the Senator thought would be an undisputed amendment turned out to be a very hotly contested one, and the debate continued during that afternoon and a considerable portion of the next day.

Mr. ALDRICH. There is no objection to the suggestion of the Senator from Georgia. The amendments suggested by him can be considered pending, and we can take up the question of the duty on cotton.

Mr. BACON. Take them up together?

Mr. ALDRICH. Take them up together.

Mr. BACON. Very well. At what time will it best suit the Senator to take them up?

Mr. ALDRICH. At almost any time, but not to-night.

Mr. BACON. Very well; with that understanding I am perfectly willing, if it will best suit the convenience of the committee, to let the two go over, so that they may be considered in conjunction, with the understanding that the Senator will consent to an early consideration of them.

The VICE-PRESIDENT. Without objection, paragraph 541 is passed over, with the amendment of the Senator from Georgia pending.

Mr. ALDRICH. I offer an amendment to paragraph 534.

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 202, in paragraph 534, after the word "Coins," strike out the comma and insert the word "of," so that it will read "Coins of gold, silver, copper, and other metal."

Mr. ALDRICH. The word "or" should also be inserted, in lieu of the word "and."

Mr. LODGE. "Coins of gold, silver, copper, or other metal."

Mr. BACON. What paragraph is that?

Mr. ALDRICH. Paragraph 534.

The VICE-PRESIDENT. Paragraph 534, on page 202.

The SECRETARY. After the word "copper" and the comma it is proposed to strike out the word "and" and insert "or."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 548. Diamonds and other precious stones, rough or uncut——

Mr. BACON. Mr. President, that paragraph was passed over at my request in order that I might offer an amendment. I desire to offer an amendment to a previous paragraph, which has been passed over, on the subject of imposing a duty upon pearls, diamonds, and other precious stones. I have forgotten the number of the paragraph, but it was adopted at one time and was reconsidered. The Senator from New York, I think, was the Senator who made the motion for its reconsideration, and after that had been done, in order to make certain of it, I asked if I correctly understood that it had been reconsidered and was then still open, and the reply was that it had been so done. Now, I propose to offer an amendment to the preceding paragraph, by which the duty upon cut diamonds will be increased and by which uncut diamonds will be put upon the dutiable list.

The question now comes up upon the paragraph before the Senate, under which uncut diamonds are proposed to be put upon the free list. I would say to the Senator from Rhode Island, if I may have his attention for a moment, that if he prefers to give the same direction to that that was given to cotton——

Mr. ALDRICH. Oh, no; let us settle this.

Mr. BACON. Very well, that is perfectly convenient to me.

Mr. President, I would desire to know of the Senator from Rhode Island whether he desires to take up now paragraph 445 and consider it in connection with paragraph 548?

Mr. ALDRICH. Of course, the consideration of paragraph 548 involves the consideration of the other.

Mr. BACON. It does.

Mr. ALDRICH. And the Senator can address his arguments to both.

Mr. BACON. Very well. Mr. President, the amendment which I propose to offer to paragraph 445, which, if carried, would necessitate a corresponding amendment to paragraph 548, is to increase the duty on cut diamonds to 25 per cent.

Mr. CRAWFORD. If the Senator will permit me——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from South Dakota?

Mr. BACON. I do.

Mr. CRAWFORD. Does the Senator mean paragraph 445? That paragraph appears to relate to pearls.

Mr. BACON. It relates to diamonds, pearls, rubies, cameos, and other precious stones. I offer the amendment which I send to the desk.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 178, paragraph 445, amend by striking out the word "ten," in line 9, page 178, and insert the word "twenty-five" in lieu thereof, so that it will read "25 per cent ad valorem;" and then amend, further, in line 9, by inserting after the semicolon the words "on uncut diamonds and other uncut precious and semiprecious stones, 10 per cent ad valorem.

Mr. BACON. Mr. President, I have a very few words to say on the subject. As I understand, the only argument in favor of the admission of cut diamonds free is that if a higher duty is imposed upon them it would be such an inducement to smuggling that the collection of the revenue thereunder would not be any greater than if the duty should be left at 10 per cent. I understand that to be the argument upon which is based that imposition. I do not think that that is a good reason.

Mr. ALDRICH. Then there would be no revenue, practically, if we made the duty 25 per cent. That has been the experience of the Government.

Mr. BACON. I do not know that we have ever had any experience upon that subject, except that a duty was put on under the Wilson law, and it did seem that immediately after the Wilson law was passed there was a very great decrease in the importation of diamonds. There is no doubt about that; the statistics show that fact; and the statistics also show that there was a very great decrease in the year of 1908. In other words, there were similar conditions at both times.

Mr. ALDRICH. Mr. President, I do not know whether the fault is on the floor or in the galleries, or where it is, but it is absolutely impossible to go on with the public business unless we can have better order. I can not hear what the Senator says, and I think that is true of everybody.

Mr. BACON. I can not hear what the Senator from Rhode Island says. It is a little buzz, Mr. President, that does it. It makes a very distinct disorder, for a very slight conversation of a number of people makes a buzz.

The VICE-PRESIDENT. The Chair adds his appeal to that of the Senator from Rhode Island and the Senator from Georgia, that Senators who desire to converse, and who can not do so in a tone that is not audible, may go some other place than the floor of the Senate.

Mr. BACON. I do not think, Mr. President, that what I have referred to is a good argument, and I can not conceive that the suggestion made by Senators that there would be no

revenue can be a correct statement of what will occur. There are in other countries very careful provisions made by which spies are set upon those who are presumed to be engaged or endeavoring to engage in the crime of smuggling, and the penalty is very great. It is true, now, that the inducement would only be to the amount of 15 per cent over and above the rate which is imposed in the present bill; in other words, in raising the duty from 10 per cent to 25 per cent there is only the inducement to save 15 additional per cent as an inducement to smuggling. On the other hand the penalty is the utter loss of the article smuggled, and we constantly see in the papers that attempts at smuggling precious stones are foiled; and we know the fact that there are agents in other countries where diamonds are bought and sold who are constantly on the outlook for those who are engaged in such business, and as a consequence the officials on this side are put upon notice and those who attempt to smuggle are frequently caught in the act.

I have no doubt in the world that it is perfectly feasible and would be found to be effective to so guard this matter that the importation of diamonds by smugglers could be prevented. They would be detected in the effort; and the penalty is so disproportionate to the possible advantage that I can not see how it can be considered as a probable thing that an increase of this duty to 25 per cent will result in such wholesale smuggling that there will be no duty collected whatever.

Mr. President, we certainly have in this country very large importers of diamonds who are recognized as honest men. Those who are legitimate importers certainly would not go to smuggling in order to save 15 per cent; and it is an unthought of thing that to raise this duty to 25 per cent would result not only in the increase of smuggling, but in the loss of all revenue whatsoever. That is an impossibility to my mind. Of course we all recognize the general proposition that luxuries of this kind should be highly taxed; and I think this is one case where nothing but the most peremptory, controlling consideration should put such articles as diamonds almost on the free list.

Mr. President, that is all I care to say on the subject of cut diamonds themselves; but on the uncut diamonds it seems to me that bringing them in free is absolutely indefensible, and I wish to make a suggestion to the Senator. But before I pass from this, I want to state another fact. I have had some conference with diamond experts upon the subject, and have had, through them, some little information as to the diamond trade. I have had this fact, which it seems to me is not an insignificant fact, presented, and that is, that the increase in the price of diamonds does not deter their importation. I am told that within the past six years, I think it is—I have had the information in my desk, but I was not anticipating this matter coming up, thinking that we would return to the other clause—but within six years—I think it is six years—diamonds have increased about 50 per cent in value, and yet the importation of diamonds has not decreased, but, on the contrary, has increased. Therefore the imposition of this increase of 15 per cent would not deter the importation, nor can I conceive that, except in the case of a few dishonest men, it would to any large degree increase the effort at smuggling; nor can I conceive, with the great precautions that we have, that it would increase the success in smuggling. Therefore I think that by all means we ought to put on this duty.

Mr. President, it does not look right to me, in a tariff bill in which most of the great necessities of life are taxed between 100 and 150 per cent, even upon the most common articles the people have to use for their comfort and their health, that diamonds should be put at the low rate of 10 per cent. It does look to me to be indefensible. But I shall not elaborate on that.

I want to say, however, on the subject of uncut diamonds, that it seems to me the proposition to admit them free is not supported by any good reason. A certain amount of diamonds are demanded in the United States for the trade; a certain amount of diamonds are bought by those who desire to use them; and if no uncut diamonds were imported, the amount of cut diamonds imported would be equal to the cut diamonds now imported plus the uncut diamonds, because the uncut diamonds, when imported, take the place of cut diamonds and supply the demand to that extent. The effect is this: I am told that the enhanced value of the uncut diamonds in cutting is about 20 per cent. Twenty per cent is a reasonable amount to credit as the increased value on the uncut diamond when it is cut. So that the importer of the uncut diamond receives for his work a compensation of 20 per cent, and in addition to that he gets in that diamond less the 10 per cent which is paid upon the cut diamond. I am speaking upon this now upon the assumption that the present rate upon cut diamonds will stand. If the present rate on cut diamonds stands, the Government loses the revenue upon that amount of cut diamonds which is represented by the uncut diamonds when cut.

The importer of the uncut diamonds gets not only the enhanced value of 20 per cent, but he gets also the 10 per cent.

I am told there are no regular establishments in this country for the cutting of diamonds, as there are in Amsterdam, where it is a regular business; that the cutting of diamonds is pursued in this country only in connection with the jewelry business; that there are a few large houses in New York—possibly, although I am not sure, some in Boston; at any rate, but a few in the largest cities—I think, limited to New York, although of that I am not sure—which have it as a side business to their regular business. There is no establishment in the United States for the cutting of diamonds. There are no people engaged in that business as their principal business. It is only in the large jewelry establishments, where they have it as a side business.

I should like to know upon what theory it can be defended. I am told that about half the diamonds imported are the uncut diamonds. I think I looked it up in one of the documents here. About half of the importations of diamonds are uncut diamonds, and in that way the Government loses the revenue upon one-half the diamond importation, as small as it is. If it remains at 10 per cent, the Government loses the 10 per cent on about one-half the diamonds imported into the United States, by allowing the uncut diamonds to come in free.

Mr. ALDRICH. What becomes of the uncut diamond?

Mr. BACON. It is cut.

Mr. ALDRICH. By whom?

Mr. BACON. By the diamond cutter in this country, after it has come in free, however.

We will say, for instance, there would be $20,000,000 of diamonds imported in a year, $10,000,000 of cut diamonds, $10,000,000 of uncut diamonds. The Government gets a revenue upon $10,000,000 of diamonds. The trade demands $20,000,000, and if no uncut came in there would be $10,000,000 additional cut diamonds. But as the uncut diamonds are permitted to come in free, the jeweler makes his 20 per cent in cutting the diamonds and in addition is allowed the 10 per cent practically that the Government imposes upon the cut diamond. So he not only gets his compensation—a liberal compensation—of 20 per cent in the cutting of the diamonds, but he is also allowed practically to put in his pocket—it is true it does not come out of the Government, except the Government is deprived of it; it never gets it in its pocket—but he is put in a position where he can charge and does charge the public 10 per cent more than he would charge if the 10 per cent were not upon the cut diamonds. He gets his 20 per cent advantage in the cutting of the diamond, and he gets the 10 per cent on the diamond which the Government imposes on the cut diamonds, and which it does not derive from these diamonds which take the place of the cut diamonds. Therefore I think this ought to be done.

There is no doubt about one thing, that the diamond dealers of this country want the rate at this low figure. It is not simply that the Government is seeking to impose this rate in order to insure revenue, but the diamond dealers and the diamond cutters want this low rate, and they have been around this Capitol and have sent for me to argue with me that they ought to be allowed this low rate of duty, and have pulled out of their pockets and showed to me samples of diamonds or facsimiles of diamonds in glass and talked to me about it.

It is not simply the interest of the Government that is exciting the action of those on the outside, at least, and I think that of all things in the world we ought to do two things—first we ought to impose a higher rate of duty, but if we do not impose a higher rate of duty by all means the uncut diamond ought to be charged the same rate as the cut diamond, from the fact that the cutter of the diamond has his full reward in cutting the diamond and the diamond which he cuts takes the place of cut diamonds to an equal amount, and the Government to that extent loses its revenue.

Mr. LODGE. Mr. President, everyone will admit, I suppose, that we ought to collect upon diamonds the highest possible rate; and the Senator's amendment is either too much or not enough. I should be very glad if we could collect a hundred per cent upon diamonds, and at the time of the passage of the Wilson bill, when I was here in the Senate, I was strongly in favor of the imposition of 25 per cent duty. It is a mere question whether you will collect any duty on diamonds or whether you will collect 10 per cent. You can get a large revenue at 10 per cent. If you raise it substantially higher—20 or 25 per cent—you get substantially no revenue.

In 1891 the imports of diamonds were $12,380,000 and the duty was $1,238,000. In 1892 the imports of diamonds were $12,261,000, and the duty collected was $1,226,000. In 1896, under the 25 per cent rate, there was $3,351,000 of cut diamonds imported, with a duty collected of $750,000; and in 1897,

$1,378,000 were all that were imported, and the revenue had fallen to $285,000.

The explanation that these were bad times and that, therefore, there was a decrease does not explain this condition, because the retail sales of diamonds during 1896 and 1897 were larger than in 1891 and 1892. More diamonds were sold in New York in those years than there were in the years when $12,000,000 was imported and $1,200,000 was collected.

In 1906 we imported $29,000,000 worth of diamonds, with a corresponding duty of $2,900,000. In 1907 we imported $30,000,000 worth of diamonds with $3,000,000 revenue.

It is simply a question of how high we put the rate and have it remain a collectible rate. It has been proved that if we lift the rate so as to make any substantial increase, smuggling takes the place of lawful introduction, and the revenue disappears. The diamond is so easily smuggled; the chances of detection are so small in most cases, and the profit is so large, that the temptation is irresistible, and the honest importer ceases to import. He can not compete with those who have smuggled diamonds. He ceases to import and buys his diamonds in the home market, because they are smuggled diamonds which he buys. That is exactly what happened when we had the 25 per cent rate. The honest importer ceased to import. He suspended his importations, and the revenue declined to $250,000.

The times may have been depressed; they undoubtedly were, but I do not think there was any such depression as to account for that, and the retail stores showed an increase over the two years which I have cited for comparison—1891 and 1892. It is extremely easy to smuggle diamonds.

Mr. BACON. Will the Senator kindly permit me to make an inquiry of him?

Mr. LODGE. Certainly.

Mr. BACON. Does the Senator think it is as easy to smuggle diamonds as laces?

Mr. LODGE. Very much easier.

Mr. BACON. I should not think it would be nearly so easy.

Mr. LODGE. Take the case of one historic diamond that probably everybody has read about, the diamond which everybody who has been to Paris has seen in the Louvre, that famous diamond known as the "Regent diamond," which was known first as the "Pitt diamond," because at the beginning of the eighteenth century it was brought by Thomas Pitt or his nephew to England. That diamond was smuggled out of the mines in an uncut state by a slave, who inserted it in a cut in his leg. It was brought to England, because they found great difficulty in transporting valuable stones in those times, by the nephew, I believe, of Thomas Pitt, who inserted it in the heel of his shoe. That is one of the largest diamonds in the world. I do not remember how many karats it weighs, but it is one of the famous historic diamonds and one of the most beautiful diamonds.

A diamond can be very easily concealed, more easily than anything else, and, of course, it has more condensed value than anything else. What is true of diamonds is equally true of any precious stone or of a pearl.

I should like to collect a hundred per cent on diamonds. I wish we could, and, as I say, in 1894, when this was proposed, at the time of the Wilson bill, I was heartily in favor of raising the duty to 25 per cent. I thought it was an excellent thing to do. It seemed to me that there was a place where we ought to get revenue, and the result was we lost all our revenue.

Now, so far as the uncut stone is concerned, that is a simple matter of whether you will put all the diamond cutters in the United States out of business or not. There are six or seven firms in New York alone which are cutting diamonds. It is a skilled and highly paid occupation. If you put an equal rate of duty on the diamond cut and the diamond uncut, of course the cut stones will come in, and the diamond-cutting industry, which exists not only in New York, but in different parts of the country, will cease. It would end the diamond-cutting industry in this country, which is a very important industry and employs highly skilled labor.

Mr. BACON. If the Senator will pardon me, I should like to know whether he has made any investigation, as I have, a partial one, as to the profit there is in the cutting of diamonds. My information is, after consulting a number of lapidaries, that the profit in cutting diamonds in this country is 20 per cent. That is a sufficient inducement for the importation of uncut diamonds.

Mr. LODGE. I do not know just what the percentage of profit is. Undoubtedly it is a business which yields a good return.

I happened to be in Amsterdam last summer, and went to the greatest diamond-cutting establishment there, and saw the cutting of the Cullinan diamond—the largest diamond known in the world, which made three stones, that went to the King of England, each one of them larger than any existing stone in the world. They told me that it cost $75,000 to cut the three stones which were made from it, and that they lost money on it, and that they only did it because it was a great advertisement to do it. So it is an expensive work, and I had not supposed that it was a work of very great profit. They can not be making any very extravagant profits in this country when within a year they have brought $30,000,000 of cut stones into the country.

Mr. BACON. I have not any statistics as to the importations later than 1907. It appeared then that the importations of cut diamonds were $23,965,438, and the importations of uncut diamonds were $11,154,152. Of course, as to the uncut diamonds, after they were cut they had an increased value, and those uncut diamonds when cut took the same place in supplying the demand of this country as if they had been imported as cut diamonds. Therefore the Government, by having the uncut diamonds free, loses the duty upon some twelve or fourteen million dollars' worth.

Mr. LODGE. Undoubtedly it would get the revenue on the cut stone. But the diamond industry and diamond cutting employ a great many skilled workmen. Whatever money the diamond cutters make, either the workmen or the employers, is paid by a class which I think can afford to pay it. The people who buy diamonds can afford to pay a reasonable profit to the cutter in this country.

Mr. BACON. I am speaking of the Government losing that amount.

Mr. LODGE. The Government probably loses some revenue, because if we placed a duty on the uncut stones, we would undoubtedly import nothing but cut stones.

Mr. BACON. I do not see that.

Mr. LODGE. It would end the business here. There would be no profit in it. We should have them all cut abroad, and we would end the business here. It is obviously cheaper to do it there. The duty on diamonds is necessarily low. Therefore it is impossible to make a differential. You have to allow the uncut stone to come in, and the uncut stone is the only thing that creates the American industry. As for raising the duty, that is equivalent to abolishing the duty, or very nearly so.

Mr. ROOT. Mr. President, I think the Senator from Georgia [Mr. BACON] is at variance with practically the universal judgment of those who have had experience in attempting to collect customs duty upon precious stones. I have prosecuted a great many people who have been caught smuggling them; forfeited a good many; and I have no doubt whatever, and none of the people who five years ago were enforcing the customs laws have any doubt, that it was only the low rate of duty which made it possible for the honest importers to compete with smugglers.

The ease with which a diamond can be smuggled is such that there is very little possibility of detection. You can press diamonds into a cake of soap, and bring in four or five thousand dollars' worth of value. A woman can put them in her hair or in her cheek. There is an infinite number of ways in which it can be done, and if you put the duty so high as to make it an object for men to go into the business of smuggling diamonds, you lose your revenue.

The detection by means of agents abroad does not amount to very much. We have some people there who hang around the hotels and railroad and steamship offices, and they get into conversation with Americans and occasionally some foolish fellow or some foolish woman will talk about what plans he or she may have for bringing in some precious stones. But that is a very exceptional case.

Our revenue in 1907 from diamonds was nearly $2,400,000. I would be very glad to impose a higher duty upon diamonds, but I do not believe it is practicable to collect it.

Mr. BACON. I suggest to the honorable Senator that a similar consideration does not actuate the law-making power when we come to impose duties upon laces, which are so easily concealed, and some of which are of very high value.

Mr. ROOT. It is more difficult to conceal laces than precious stones. With precious stones the value in proportion to size, and consequently the greater variety of ways in which they can be smuggled, is very much higher than the value of laces.

There is a class of precious stones in the same paragraph to which the same rule does not apply, or it does not apply to the same degree, and regarding that I offered an amendment the other day; that is, the semiprecious stones. I think a much higher rate of duty can be imposed upon them without incurring the danger of smuggling taking the place of honest importations. At the same time it would protect the American lapidary, who is now not protected at all, in the cutting of these semiprecious stones—the amethyst and the garnet and the aquamarine and a great variety of very beautiful stones, the value of

which is very much lower than that of the diamond, the ruby, and the sapphire. So the 10 per cent amounts to very little in proportion to the cost of the cutting. There is a very large body of very excellent workmen in the United States, many of them, it is true, with jewelry houses, but many of them not connected with those houses. I know them; I have been to their places—lapidaries engaged in the general business for all comers.

So far as concerns the cutting of diamonds and the hard precious stones, they exist; they are making a living. It is a flourishing trade. But so far as concerns the semiprecious stones we can not compete with the European Continent. If this paragraph is to be deemed as before the Senate generally, rather specially for the amendment proposed by the Senator from Georgia, when the amendment of the Senator from Georgia is disposed of I should like to bring up the amendment I propose to offer.

Mr. BACON. I shall not detain the Senate further than to say there are two amendments proposed by me. Whatever may be thought as to the amendment on the subject of cut diamonds I have not heard anything satisfactory to my mind why this large amount of uncut diamonds should be allowed to come in free and in that way displace an equal amount of cut diamonds from which the Government would get revenue.

We have just had the statement by the honorable Senator from New York that so far as the cutting of precious stones in this country is concerned it is a flourishing business, which accords with the information which I have from lapidaries whom I have consulted—that it is a flourishing business, a highly profitable one, and they put it at a minimum of 20 per cent as the clear profit upon cutting diamonds.

It seems to me the Senator from Massachusetts is not borne out in his suggestion that if a duty were put upon the uncut diamonds no uncut diamonds would be imported, and that there would be only cut diamonds imported, as suggested by him. If that were true, the Government would get its duty upon the cut diamonds. But with the 20 per cent as an inducement, it seems to me it is an unwarranted assumption that to impose a duty upon uncut diamonds would stop the importation of uncut diamonds. We have before us the very pertinent fact—it seems to me it ought to be the controlling fact—that the uncut diamond takes the place of a corresponding number of cut diamonds. The custom of the country requires a certain amount of diamonds to meet the demand. That demand is met in part—two-thirds, it seems—by the cut diamonds and one-third by the uncut diamonds. Under this bill the Government gets its revenue upon the cut diamonds, but upon the diamonds cut here the Government gets no revenue whatever.

Twenty per cent as the minimum, as I am informed, is an ample inducement to the importation of cut diamonds, and if you impose upon them the same rate of duty that is imposed upon cut diamonds there will still be a profit to the diamond cutter and still a revenue to the Government.

I want to call attention to a very remarkable condition of affairs, to show how far the desire to protect industries in this country will carry people, to the utter ignoring not only of the interests of the community at large, but of the Government. In a case where there are competing industries in this country we insist upon the imposition of a high duty to prevent importations, but in a case where there is an industry which will not be benefited by a high duty, but which will be injured by a high duty, we sacrifice the interests of the Government altogether and take off all the duty. That is just the difference between the two.

In the case suggested by the honorable Senator from New York, as to semiprecious stones, the semiprecious stones in this bill have a very much larger tariff against them than the precious stones. I have forgotten how much; two and a half times as much, I think. I will look at it in a moment and see.

Mr. CLAPP. What is the duty on diamonds?

Mr. BACON. Ten per cent only, and free on uncut, and on imitation precious stones, for use in the manufacture of jewelry, and so forth, it is 20 per cent. It is twice as much as on diamonds. The imitation stone is not used by the wealthy people. It is used by the common people, and why these little matters of ornamentation should be made additionally expensive to them I can not see.

Mr. CLAPP. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Minnesota?

Mr. BACON. I yield with pleasure.

Mr. CLAPP. What rate does the Senator propose to put on the uncut diamond?

Mr. BACON. I propose to put 10 per cent.

Mr. CLAPP. Does the Senator propose to raise the rate of duty on cut diamonds?

Mr. BACON. I have two amendments. One is to raise the proposed rate of duty of 10 per cent on cut diamonds to 25, but the two are absolutely independent, so far as that goes.

Mr. CLAPP. Yes; except, the Senator will pardon me——

Mr. BACON. Certainly.

Mr. CLAPP. It is an inquiry. Except if we put the same duty on the uncut diamond that we put on the cut diamond, of course the importations will be entirely of cut diamonds.

Mr. BACON. That is where I think the Senator is in error, if he will pardon me, for the reason that, under the undisputed testimony, the minimum profit on the cutting of a diamond is 20 per cent. There is that inducement.

Mr. ROOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from New York?

Mr. BACON. Certainly.

Mr. ROOT. Does the Senator understand that 20 per cent is profit?

Mr. BACON. I do.

Mr. ROOT. I understood the Senator to say it had that increased value.

Mr. BACON. No; that is not my information.

Mr. ROOT. My understanding is that 20 per cent is what goes to the lapidary. It includes the cost of cutting over and above the cost of uncut stones.

Mr. BACON. I have no information as to the cost of cutting.

Mr. ROOT. Stones can be cut much more cheaply in Amsterdam than in any American city. If you put a duty on cut stones, you wipe out the trade of the lapidary in the United States, because there will be no uncut stones brought in. The cheap cutting of Amsterdam will supersede the cutting of the American cities.

Mr. BACON. I want to make a suggestion. I do not know what the importation in 1908 was, but in 1907 the uncut-diamond importation was over $11,000,000. That is the price of the uncut diamond, of course, after it was cut. If you only added 20 per cent to the value, as suggested by the Senator from New York, there would be between thirteen and fourteen million dollars of cut diamonds. If there were no profit whatever in the cutting of the diamonds, there is at the rate of 10 per cent one million and two or three hundred thousand dollars of profit to the jewelry stores of the city of New York which have offices of precious-stone cutters as a side show to their business. It is an absolute profit if there was not a dollar of profit in the cutting. If there was not a dollar of enhanced value over and above the cost of the cutting, there would be a profit of one million and between two and three hundred thousand dollars, which is that much taken out of the Treasury of the United States Government.

Mr. ALDRICH. I was unable to follow the Senator from Georgia in his reasoning. He says the diamond cutters make 20 per cent of the value of the diamonds for cutting, and that the 10 per cent differential as reported by the committee is too great, and then he offers an amendment which makes a differential of 15 per cent.

Mr. BACON. No; I do not.

Mr. ALDRICH. Then I did not understand the Senator's amendment.

Mr. BACON. I did not offer a differential.

Mr. ALDRICH. He proposes a duty of 25 per cent upon diamonds cut and a duty of 10 per cent on diamonds uncut, making a differential of 15 per cent, when he says 10 per cent is too high.

Again, he says there is 20 per cent profit in diamond cutting in the United States, when to-day, with only 10 per cent, it is a well-known fact that the lapidaries of Amsterdam are the most skillful men in the world in this connection, and that diamonds can be cut much more cheaply in Amsterdam than in any other place of the world. They have had a pretty large monopoly of this business.

The question of a duty on diamonds was first brought to my attention in 1883, in the consideration of the tariff act of that year. From 1861 up to 1872 there was a duty on diamonds of 25 per cent. In 1874 it was reduced to 10 per cent, and the question came up in the consideration of the act of 1883 as to whether the duty of 10 per cent should be increased to 25 per cent. The universal testimony of the government experts was against it; and the government experts of that time, in 1883, I think, were the brightest men I have ever known in the customs service.

The principal of those men was Colonel Tichenor, whose name has been mentioned frequently in this debate. All these customs experts said it was absolutely impossible, from the experience of the Government during those years, to collect a duty higher than the lowest revenue duty upon diamonds. Not only did the revenue fall, between 1861 and 1872, but all the

honest importers were driven out of the business. It was impossible for any diamond dealer like Tiffany, or men of that class, to import any diamonds into the United States. They had to buy them here of people who smuggled them in various ways, and diamonds could be bought on the market in New York at not over 5 per cent above the price in Paris or London.

Not only was it the universal testimony of these customs experts, but the universal testimony of the leading jewelers in New York was to the same effect. They appealed to Congress to protect them by the imposition of a duty which would allow them to import their own diamonds, instead of having to go into the market and buy them from people who, they knew to a moral certainty, had smuggled them into the country without the payment of the duty. So not only was the revenue destroyed by this increased duty, but the business of importing diamonds was forced into the hands of people who were destroying the Government all the time.

Mr. CULLOM. Thieves.

Mr. ALDRICH. Yes; they might properly be denominated "thieves," as the Senator from Illinois characterizes them.

This went on and in 1890, with this experience staring us in the face, the act of 1890 still maintained the rate of duty at 10 per cent. In 1894, without consideration, and by a motion made upon the floor, something like this has been made to-night, the duty was increased to 25 per cent. What was the result? The same result that had followed in the years between 1861 and 1872. The revenue decreased and the business of importing diamonds left the honest importers, like Tiffany & Co., and went once more into the hands of those men who were cheating the revenue and smuggling diamonds into the United States.

So I can say, without the slightest danger of having the statement criticised, that the universal experience of every customs officer who has ever had anything to do with this question and of every diamond importer who has had anything to do with the importation of diamonds was that 10 per cent was about as high as it was possible to fix the rate and secure the revenue and prevent smuggling to a very great extent. I have no question whatever but that a differential rate of 10 per cent between cut and uncut diamonds is necessary to preserve the industry of cutting diamonds in the United States.

Mr. CLAPP. May I ask the Senator how long the rate established in 1894 lasted?

Mr. ALDRICH. For three years—from 1894 to 1897.

Mr. CLAPP. Then, what was it fixed at in 1897?

Mr. ALDRICH. At 10 per cent.

Mr. CLAPP. Then the importations increased?

Mr. ALDRICH. The importations increased, and the revenue has increased.

Mr. CLAPP. If the rate was lowered and the importations increased, of course the revenue would increase.

Mr. BEVERIDGE. Will the Senator pardon me? From the figures given by the Senator from Massachusetts, curiously enough the importations decreased, and, of course, the revenue decreased when the 25 per cent duty was put on in 1896; the importations sank enormously and the revenue sank enormously. Then 10 per cent ad valorem was put on and the importations increased and the revenue increased.

Mr. CLAPP. If the Senator will pardon me a moment, of course anybody can see that if on a commodity so easy to hide as a diamond you put the duty too high undoubtedly you will stimulate smuggling. But, notwithstanding these government experts, according to the statement of the Senator from Rhode Island, it just happens, and I am not saying this in any spirit of fault-finding, that the importations decreased and simultaneously the rate was raised and simultaneously there was a time of depression in this country.

Mr. BEVERIDGE. I think the figures presented by the Senator from Massachusetts happen to cover that point. For instance, there was the depression in 1907, yet under the 10 per cent ad valorem the importations increased, and of course the revenue increased. It does not seem that periods of depression keep pace with the decrease.

Mr. CLAPP. You can not call the little temporary bank scare of 1907 a depression. The Dingley law was enacted in 1897, and the rate was lowered at that time. The importations and the revenue, according to the statement of the Senator from Rhode Island, increased from that time on.

Mr. BEVERIDGE. Mr. President, just one word.

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Indiana?

Mr. CLAPP. I do.

Mr. BEVERIDGE. I will say to the Senator from Minnesota, that taking such a bank scare, as he calls it, as occurred in 1907, which affected chiefly the rich, it is precisely that kind of a depression that would affect the purchasers of diamonds and not such a depression as we had in the other years which affected all people who could not import diamonds.

I agree with what I think the Senator has in mind. These rates are not right, and I propose to offer an amendment myself. But I must say in all frankness that the figures offered by the Senator from Massachusetts do not cover both years; that is to say, when the rate was raised to 25 per cent the importations and revenue did fall off; and further, that was not due entirely to depression, because we find that in 1907 there was a depression exactly among those people who are the kind of people who buy diamonds. If the amendment now proposed should fail, I myself propose to offer an amendment that I think will cure the difficulty.

Mr. CLAPP. How much was the rate increased at the outbreak of the war, when people naturally were not buying diamonds?

Mr. ALDRICH. But from 1866 to 1872 more money was expended for luxuries than in any other period.

Mr. CLAPP. I am not so certain about that time.

Mr. LODGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Massachusetts?

Mr. CLAPP. Certainly.

Mr. LODGE. I gave the figures for 1891 and 1892. There were, in round numbers, $12,000,000 of importations of diamonds in each of those years. I compared those with the years under the 25 per cent rate, showing an immense decline in revenue and importations, but the retail sales in New York during the years 1896 and 1897 were larger than during the years 1891–92, when we imported $12,000,000 worth. During 1896 and 1897 we imported $3,000,000 worth one year, and thirteen hundred thousand dollars the next year; and then, I say, the retail sales were larger in New York.

Mr. CLAPP. Larger in what years?

Mr. LODGE. In the two years when the imports were lowest.

Mr. CLAPP. What were the years, if the Senator will pardon me?

Mr. LODGE. I have given the years 1896 and 1897.

Mr. CLAPP. They were large?

Mr. LODGE. The importations were very small and the retail sales were larger than in 1891 and in 1892, when the importations were $12,000,000 a year.

Mr. CLAPP. Of course in 1896 we began the upward stride again.

Mr. LODGE. In 1896?

Mr. CLAPP. In 1896 and 1897.

Mr. LODGE. Were those good years?

Mr. CLAPP. 1897 was a good year.

Mr. ALDRICH. After the election.

Mr. CLAPP. Yes; but according to the statement of the Senator from Rhode Island, in 1895 the importations fell off, and simultaneously they increased, but also simultaneously that followed the universal depression in this country.

Mr. LODGE. More diamonds were bought and sold in New York in the years when we imported $3,000,000 and $1,000,000. That seems to me to be of great force.

Mr. CLAPP. That was a part of the argument of the Senator from Rhode Island. He brought two facts before the Senate: One can be established as a fact by the import record; the other was the statement that diamonds were bought, for which we must take the say so, and a sort of judgment based on guesswork after all.

Mr. LODGE. As to the retail business.

Mr. CLAPP. As to who bought them.

Mr. LODGE. The statements about the retail sales in New York came, of course, from the people who sold the diamonds themselves.

Mr. CLAPP. Exactly; and we can not have the data in that respect as we have as to importations.

Mr. LODGE. I think a reputable firm like Tiffany would not willingly state that there were more diamonds sold in that year if there were not.

Mr. CLAPP. That firm would not state that there were more unless there were; but who has taken the time to ascertain the total sales of diamonds in the great city of New York for any year? It would be a task that no man would be called on to perform.

Mr. LODGE. They could find enough to make a comparison.

Mr. CLAPP. But the record of importations the Senator from Rhode Island bases his figures on is a fact, and measuring the diamond trade by that definite fact the importations go up and down with the depression in the country. But it so happened that from each time, from the Senator's argument,

the rate was attached accordingly. So it strikes me that there is perhaps more force given to the rate than there ought to be given to it in view of the business conditions of the country. I would be personally in favor of putting more duty on the uncut diamonds and correspondingly raising the duty on the cut diamonds.

Mr. ALDRICH. The Senator fails in my judgment as to the years between 1866 and 1872 entirely. I do not think there was ever a time in the history of the country when as much money was spent for luxuries in proportion to the wealth of the country and extravagantly spent as in the period from 1866 to 1872. It was a period of immense inflation, but lapsed of course in 1873, and in that period diamonds and all other articles of luxury were purchased freely by the people of the United States.

Mr. CLAPP. I admit there is not quite as clear an illustration of that time as there is in the effect sought to be placed on the law of 1894.

Mr. ALDRICH. The statements which I have made are based upon the opinion of people who ought to know, and so far as I know we have no other means of information in considering and deciding upon the terms of a tariff bill. The men who have had experience and judgment are the men we ought to rely upon certainly in the absence of any conflicting testimony.

Mr. BACON. Of course I can have no possible object in this matter except that which is best for all concerned. I presume the Senator recognizes that there is nothing partisan in any suggestion I have made in this regard. I would be willing to come to any kind of agreement by which there could be possibly a small rise on the cut diamond and a smaller duty upon the uncut diamond. I do not think the uncut diamond ought to come in free.

Mr. BEVERIDGE. Will the Senator permit me?

Mr. BACON. Certainly.

Mr. BEVERIDGE. I wish to make a suggestion in view of the statement which the Senator from Georgia has just made. I have been listening with great interest to this important discussion. My suggestion is to split the difference, as it were, between the amendment of the Senator from Georgia and the present law. I suggest the following, since the Senator from Georgia now invites any possible rate: I suggest that on paragraph 445, pearls and other precious stones, provided on line 9, instead of 10 per cent we put 15 per cent; on line 12, instead of 20 per cent we put 25 per cent; and instead of putting paragraph 248 on the free list—that is, diamonds in the rough—we put the rate at 10 per cent. This makes the differential.

I think the Senator from Massachusetts has demonstrated beyond all question that a rate of 25 per cent defeats its own purpose, which is of course exclusively that of revenue. As the Senator from Massachusetts has said, if the revenue would be derived he and everybody else would be in favor of 100 per cent, because this distinctly falls upon those who can afford to pay, upon those who indulge in luxuries. But it is the experience of the Government that by reason of the extraordinary facility with which these small things are smuggled, when the rate gets to 25 per cent the revenues and importations fall off, and 10 per cent makes them greater. But it would seem in listening to this discussion that 5 per cent might be added to the 10 per cent which now prevails.

Now, Mr. President, in 1906, instead of $2,904,248.26 that would have brought in $4,356,472.39, and in 1907 instead of bringing in $3,013,577.75 it would have brought in $4,520,261.50 of revenue; that is, to raise it from 10 per cent to 15 per cent. It would appear that the extra 5 per cent would not be such a discouragement to the legitimate importers of diamonds as to discourage the business as 25 per cent does to encourage smuggling; and, on the other hand, it would add that much, which is so much needed for the Government.

Pursuing that portion, we add to line 12, 25 per cent, instead of 20 per cent.

Mr. ALDRICH. Oh, no.

Mr. BEVERIDGE. I am proposing a duty which seems to me to be reasonable. Instead of putting diamonds and other precious stones that are rough and uncut on the free list, I propose that we put them at 10 per cent. We will then have a proper differential, even, according to the Senator from Rhode Island, on the uncut, and we have an undeveloped source of revenue derived from 10 per cent on the uncut stones. In view of the fact that this is purely a revenue feature, and in view of the further fact——

Mr. ALDRICH. In order to avoid what seems to me to be an interminable discussion——

Mr. BEVERIDGE. I hope the Senator does not apply that to me.

Mr. ALDRICH. Not at all. I will agree to put up the duties on cut diamonds to 15 per cent and make the duty on uncut 5 per cent, and then we will consider it in the committee hereafter.

Mr. BEVERIDGE. That is right. It is understood that in line 9——

Mr. ALDRICH. I want to avoid further discussion, if I can.

Mr. BEVERIDGE. We are delighted to get this large revenue for the Government, which involves two or three millions, at the purchase of a few minutes' conversation.

Mr. ALDRICH. Provided we get it.

Mr. BEVERIDGE. I think the Senator can get it. It is understood that in line 9, paragraph 445, instead of 10, the rate shall be 15.

Mr. BACON. I desire to say to the Senator from Rhode Island that I will be content with that change.

Mr. ALDRICH. I can not consent to the rate on semi-precious stones or imitation stones being put up. That is ridiculous. There is no occasion for that.

Mr. BEVERIDGE. If it is ridiculous of course the Senator's statement would not establish that fact. He might advance some argument against the proposition.

Mr. ALDRICH. Let it be 5 per cent on uncut diamonds and 15 per cent on cut.

Mr. BEVERIDGE. Very well; that is a very good solution. We shall perhaps add a million and a half of revenue by a half hour's talk.

The VICE-PRESIDENT. Does the Senator from Georgia withdraw his amendment?

Mr. BACON. I will modify it, in accordance with the suggestion of the Senator from Rhode Island.

The VICE-PRESIDENT. The Secretary will report the modified amendment.

The SECRETARY. Paragraph 445, page 178, line 9, strike out "ten" where it occurs and insert "fifteen," and at the end of paragraph 548 insert the words "5 per cent ad valorem."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended is agreed to.

Mr. ALDRICH. Paragraph 548 will have to be transferred to paragraph 445.

The VICE-PRESIDENT. Paragraph 548 is transferred. It no longer remains in the free list.

The SECRETARY. With the addition of the words "5 per cent ad valorem."

Mr. BAILEY. I ask unanimous consent to recur to paragraph 483, page 195.

The VICE-PRESIDENT. If the Senator from Texas will permit the Chair one moment, paragraph 445 as amended is agreed to, if there be no objection. The Chair hears none. Is there objection to returning to paragraph 483? The Chair hears none. The Senator from Texas offers an amendment.

Mr. BAILEY. After the word "of," line 12, I move to insert the word "breeding," and a comma.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 195, line 12, after the words "purpose of," insert the word "breeding" and a comma, so as to read:

Animals brought into the United States temporarily for a period not exceeding six months, for the purpose of breeding, exhibition, or competition for prizes, etc.

Mr. ALDRICH. There is no objection to that, Mr. President.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Texas.

The amendment was agreed to.

The VICE-PRESIDENT. The paragraph as amended is agreed to, if there be no objection. The Chair hears no objection. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 549, page 203, miner's diamonds, whether in their natural form or broken. The committee proposes, in line 18, after the word "broken," to strike out "and bort; any of the foregoing," so as to read:

Miner's diamonds, whether in their natural form or broken, not set, and diamond dust.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended will be agreed to. The Secretary will report the next paragraph passed over.

The SECRETARY. Paragraph 573, page 206, grasses and fibers.

The VICE-PRESIDENT. No amendment was offered to

this paragraph. If there be no objection, the paragraph is agreed to.

Mr. ALDRICH. In paragraph 569, page 206, line 8, the final letter in the word "skins" should be struck out, so as to read, "fur skin of all kinds," and so forth.

The VICE-PRESIDENT. Without objection, the amendment is agreed to. The Chair hears no objection.

Mr. NELSON. It seems to me that paragraph 573 ought to be corrected. My impression is that we put jute and jute butts on the dutiable list on the motion of the Senator from Kentucky [Mr. BRADLEY].

Mr. LODGE. The committee has an amendment to offer to that paragraph.

The VICE-PRESIDENT. Without objection paragraph 569 is agreed to as amended. The Chair hears none.

Mr. ALDRICH. In paragraph 566, after the word "dried," I move to insert the words "and fruits in brine," so as to read—

Fruits, or berries, green, ripe, or dried, and fruits in brine, and so forth.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection the paragraph as amended is agreed to.

Mr. ALDRICH. In paragraph 573, page 206, line 19, after the word "fiber," I move to strike out the words "jute, jute butts."

Mr. DOLLIVER. Why are those words stricken out?

Mr. ALDRICH. Jute and jute butts were placed on the dutiable list.

Mr. DOLLIVER. Has the committee recommended any changes in the paragraphs that apply to cloths manufactured from jute?

Mr. ALDRICH. Not yet; the committee are considering that question now.

The VICE-PRESIDENT. The question is on agreeing to the amendment to paragraph 573.

The amendment was agreed to.

The VICE-PRESIDENT. Without objection the paragraph as amended is agreed to.

The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 576, in which the committee proposes an amendment in line 7, after the word "manure," to insert "including basic slag, ground or unground;" so as to make the paragraph read:

576. Guano, manures, and all substances used only for manure, including basic slag, ground or unground.

The VICE-PRESIDENT. The question is on the amendment.

The amendment was agreed to.

Mr. ALDRICH. The committee have another amendment to that paragraph, which I send to the desk.

The VICE-PRESIDENT. The amendment proposed by the Senator from Rhode Island on behalf of the committee will be stated.

The SECRETARY. After the word "unground," in line 7, it is proposed to strike out the period, insert a comma, and insert the words "and calcium cyanamid or lime nitrogen."

The amendment was agreed to.

Mr. SIMMONS. Mr. President, I should like to inquire of the Senator from Rhode Island what was done with paragraph 480?

Mr. ALDRICH. The paragraph to which the Senator from North Carolina refers was passed over.

Mr. SIMMONS. I was not in when the paragraph was passed over. I wish to ask the Senator what was the objection to including sulphate of ammonia with basic slag? Sulphate of ammonia is also an ingredient of fertilizer, as well as basic slag.

Mr. ALDRICH. That is one of the complicated things in this bill, one of the things the committee are trying to ascertain whether it should be dutiable or whether it ought to be on the free list.

Mr. SIMMONS. Sulphate of ammonia is used probably for other things besides fertilizer. My suggestion was that you put it on the free list, or put that part of it on the free list that is used in the making of fertilizer and let the other remain on the dutiable list.

Mr. ALDRICH. Does the Senator from North Carolina know any way in which one could distinguish what was to be used in fertilizers and what was not?

Mr. SIMMONS. This paragraph says:

Guano, manures, and all substances used only for manure, including basic slag, etc.

If the words "sulphate of ammonia" were added after the words "basic slag," that would be putting sulphate of ammonia used in the manufacture of guano on the free list.

Mr. ALDRICH. It is impossible to distinguish sulphate of ammonia used for fertilizing purposes from sulphate of ammonia used in a thousand other ways.

Mr. SIMMONS. Is not basic slag used for some other purposes than for fertilizer?

Mr. ALDRICH. The Senator has not, perhaps, read the paragraph. I wish the Senator would read it again. He will see it provides:

576. Guano, manures, and all substances used only for manure, including basic slag, ground or unground.

It is used for other purposes. It includes all basic slag, whether used for one purpose or another.

The VICE-PRESIDENT. Without objection, paragraph 576 as amended is agreed to.

Mr. HEYBURN. Mr. President, I should like to inquire of the Senator from Rhode Island, having the bill in charge, whether that would include phosphates? The language is not protected in the usual form. It says:

Including basic slag, ground or unground.

Mr. ALDRICH. Paragraph 648 relates to phosphates.

Mr. HEYBURN. But this paragraph does not use the language generally used "except otherwise provided for in this section." I think that exception ought to be in. Crude phosphates are provided for in paragraph 648, but if not crude they are made dutiable.

Mr. ALDRICH. I think this description is all right.

Mr. HEYBURN. Just so that it does not put them on the free list.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

Mr. ALDRICH. That is paragraph 575, to which the Committee on Finance has an amendment, which I send to the desk.

The VICE-PRESIDENT. The amendment proposed by the Senator from Rhode Island will be stated.

The SECRETARY. In paragraph 575, page 207, line 1, after the word "grease," it is proposed to insert the words "fats, vegetable tallow."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is paragraph 578, hair of horse, cattle, and other animals, cleaned or uncleaned, and so forth.

The paragraph was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 579, hide cuttings, raw, with or without hair, and all other glue stock.

Mr. HEYBURN. I ask that that be passed over.

Mr. LODGE. That has nothing to do with the question of hides. Those articles have been free in every tariff bill.

Mr. ALDRICH. That has nothing to do with the hide question.

Mr. HEYBURN. But paragraph 581 has.

The VICE-PRESIDENT. Without objection, paragraph 579 is agreed to. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 580, hide rope.

The paragraph was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 581, hides of cattle, raw or uncured, whether dry, salted, or pickled.

Mr. LODGE. Let that be passed over.

The VICE-PRESIDENT. Without objection, paragraph 581 will be passed over. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is paragraph 582, hones and whetstones.

The paragraph was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 592.

Mr. CULBERSON. Mr. President, I have an amendment to come in as paragraph 583½, the effect of which is to place cotton ties on the free list. I wish to strike out paragraph 123 and to put cotton ties on the free list as paragraph 583½. The question of cotton bagging has gone over, at the suggestion of the Senator from Mississippi [Mr. MONEY], and if the Senator from Rhode Island [Mr. ALDRICH] desires the cotton-ties amendment proposed by me to go over with the cotton-bagging amendment,

it will be satisfactory. I think the Senator from Mississippi has gone home, on account of illness.

Mr. ALDRICH. There is no objection to the suggestion of the Senator from Texas.

The VICE-PRESIDENT. The amendment proposed by the Senator from Texas will be considered as pending, and will be passed over. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 592, iron ore, and so forth.

Mr. ALDRICH. I ask that the paragraph be agreed to.

The VICE-PRESIDENT. The committee amendment to the paragraph will be stated.

The SECRETARY. The committee propose to strike out paragraph 592, as follows:

592. Iron ore (except such as is used chiefly in the production of pigments and colors), including manganiferous iron ore, and the dross or residuum from burnt pyrites; basic slag, ground or unground.

The VICE-PRESIDENT. The question is on the amendment proposed by the committee.

The amendment was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 608—licorice, extracts of, in paste, rolls, or other forms.

The VICE-PRESIDENT. The amendment proposed by the Committee on Finance to the paragraph will be stated.

The SECRETARY. The Committee on Finance propose an amendment to strike out the paragraph.

The amendment was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. The next paragraph passed over is paragraph 618, manganese, oxide and ore of.

The paragraph was agreed to.

Mr. ALDRICH. Mr. President, the committee recommends striking out paragraph 617. The articles contained in that paragraph are included in the dutiable list, and they should be stricken from this part of the bill.

The VICE-PRESIDENT. The amendment proposed by the Committee on Finance will be stated.

The SECRETARY. The Committee on Finance propose to strike out paragraph 617, as follows:

617. Magnesium not made up into articles.

The amendment was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. The next paragraph passed over is paragraph 633, nuts.

The VICE-PRESIDENT. The amendment proposed by the committee will be stated.

The SECRETARY. The Committee on Finance propose an amendment in paragraph 633, line 8, after the word "nuts," to strike out "Palm" and to insert "Brazil nuts, cream nuts, palm."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. PENROSE. Mr. President, I desire to call the attention of the chairman of the Committee on Finance to an additional paragraph, which I understand he will accept, about miners' rescue appliances. It ought to be paragraph 626½. It was introduced as an amendment by the Senator from Ohio [Mr. DICK], and I offer it now.

Mr. ALDRICH. The committee had that amendment to offer as a committee amendment. It escaped my attention for the moment. I intended to offer it.

The VICE-PRESIDENT. The amendment proposed by the Senator from Pennsylvania [Mr. PENROSE] will be stated.

The SECRETARY. It is proposed to add as a new paragraph on page 210, to be known as paragraph 626½, the following:

626½. Miners' rescue appliances, designed for emergency use in mines where artificial breathing is necessary in the presence of poisonous gases, to aid in the saving of human life, and miners' safety lamps shall be admitted free of duty until January 1, 1912.

Mr. CULBERSON. I ask the Senator from Ohio why the time is limited at all?

Mr. DICK. Mr. President, these safety appliances are not made in this country. They are coming into very general use. The purpose of their admission free of duty is to make their use more general in the rescue of human lives that have been endangered in the explosions which occur so frequently in mines, particularly in coal mines. That, in brief, is all that can be said about it.

Mr. CULBERSON. Evidently the Senator did not hear my inquiry. I agree, of course, that these appliances ought to go on the free list; but why is the provision limited to a certain time? I ask that the amendment be read again.

Mr. DICK. It is limited in the hope and with the idea that by the time set it will be possible that inventions of this kind may be made in our own country and such apparatus produced here.

Mr. CULBERSON. I move to amend the amendment by striking out the limitation.

The VICE-PRESIDENT. The Secretary will state the amendment to the amendment.

The SECRETARY. Strike out the words "shall be admitted free of duty until January 1, 1912."

Mr. CULBERSON. No; strike out all after the word "duty."

The VICE-PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. PENROSE. In connection with the amendment just adopted, I ask unanimous consent to have inserted in the RECORD a brief letter from the head of the United Mine Workers of America, who asked for the adoption of this amendment.

The VICE-PRESIDENT. In the absence of objection, permission is granted.

The letter referred to is as follows:

UNITED MINE WORKERS OF AMERICA,
Indianapolis, Ind., May 14, 1909.

Hon. BOIES PENROSE,
Washington, D. C.

DEAR SIR: I am taking the liberty of forwarding to you the paragraph which, in my judgment, should be inserted in the proposed amended tariff bill.

You will probably understand that there is great necessity for doing something to increase the facilities for protecting the lives and health of those engaged in the occupation of mining in this country.

There were over 3,000 men killed in the coal mines in the year of 1900. This is a tremendous sacrifice of life.

The Government has begun a good work in the establishing of experimental rescue stations in different parts of the country in which men can be given a thorough training in rescue work when disasters occur in the mines as a result of explosions of gas or from other causes.

The mine workers of the country are deeply interested in everything that is being done to protect their lives and health, and will appreciate anything that you can do to help along this splendid cause.

Yours, very truly,

T. L. LEWIS, *President.*

Mr. LODGE. In paragraph 627, which has not been read this evening because it had been previously agreed to, on behalf of the committee I offer an amendment, after the word "models" in line 14, to insert the words "or patterns" and strike out the committee amendment.

The VICE-PRESIDENT. Without objection, the votes by which the committee amendment was agreed to and the paragraph as amended were agreed to will be reconsidered. The amendment will be stated.

The SECRETARY. On page 210, paragraph 627, after the word "models," insert the words "or patterns" and disagree to the committee amendment in line 15.

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 637——

Mr. ALDRICH. In paragraph 633 the committee have an amendment to offer.

The VICE-PRESIDENT. Paragraph 633 has been agreed to.

Mr. ALDRICH. Then I ask that it be reconsidered for the purpose of offering an amendment.

The VICE-PRESIDENT. In the absence of objection, the paragraph will be considered as open. The amendment offered by the Senator from Rhode Island will be stated.

The SECRETARY. After the words "cream nuts," in the committee amendment, in line 8, it is proposed to insert "marrons, crude."

The amendment was agreed to.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 637. The committee propose to strike out all of the paragraph and to insert in lieu thereof——

The VICE-PRESIDENT. The amendment has heretofore been read.

Mr. ALDRICH. The committee have several amendments to that paragraph. I think perhaps it had better go over. One amendment is in line 10, to strike out the words "orange oil," which I think might be agreed to now.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. In line 10 of the committee amendment, on page 212, it is proposed to strike out the words "orange oil" and the comma.

Mr. ALDRICH. This paragraph contains provisions regarding crude and refined petroleum. I understand that amendments will be offered to that paragraph, and I ask that it be passed over.

Mr. KEAN. I suggest that another amendment be made before the paragraph is passed over, by inserting "nut oil or oil of nuts," which by amendment are made dutiable at 8 cents a gallon in paragraph 35½.

The VICE-PRESIDENT. The Chair desires to inquire of the Senator from Rhode Island whether he desires a vote upon the amendment which he offered in line 10 before the paragraph is passed over?

Mr. ALDRICH. Yes; I ask that the Senate agree to the amendment striking out "orange oil."

The VICE-PRESIDENT. The question is on the amendment.

The amendment was agreed to.

The VICE-PRESIDENT. Now, the Senator asks that the entire paragraph be passed over.

Mr. ALDRICH. Before that is done, I move to insert in line 9 the words "nut oil or oil of nuts."

Mr. BURTON. After the words "enfleurage grease," which occur at the end of line 9, the words "nut oil or oil of nuts" should be inserted.

Mr. ALDRICH. That is the amendment I have just suggested.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. After the word "grease," at the end of line 9, it is proposed to insert the words "nut oil or oil of nuts" and a comma.

The amendment was agreed to.

The VICE-PRESIDENT. In the absence of objection, the paragraph will be now passed over.

Mr. BEVERIDGE. That is the oil of the alurites cordata, or the Chinese nut, is it not?

Mr. ALDRICH. The Chinese nut.

The VICE-PRESIDENT. In the absence of objection, the paragraph will be passed over.

Mr. CULBERSON. I will say that the Senator from Mississippi [Mr. MONEY] desires to move to put on the free list oleo stearin. He has been called away from the Senate to-night on account of sickness; but whatever may be done to preserve his rights in the matter, I wish to do.

Mr. ALDRICH. The Senator refers to oleo stearin?

Mr. CULBERSON. Yes.

Mr. ALDRICH. I will offer that amendment. I move to insert a new paragraph to be known as paragraph 637½, "Oleo stearin."

Mr. PENROSE. Mr. President, I should like to ask the chairman of the committee whether there have been inserted, in line 13, page 212, after the word "palm," the words "palm kernel?"

Mr. ALDRICH. Not yet; but I am willing that that shall be done.

Mr. PENROSE. I offer that amendment. I understand it has been offered in the Senate by the Senator from Ohio, and I ask for its adoption.

The VICE-PRESIDENT. The Senator from Rhode Island has already presented an amendment which has not yet been acted upon. In the absence of objection, that amendment will be laid aside, and the amendment proposed by the Senator from Pennsylvania will, without objection, be now considered. The amendment will be stated.

The SECRETARY. Paragraph 637, page 212, line 13, after the word "palm," it is proposed to insert the words "palm kernel."

The amendment was agreed to.

Mr. ALDRICH. I have another amendment to that paragraph, while we are upon it. I move to strike out, in line 12, after the word "use," the words "and valued at not more than 60 cents per gallon."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. In line 12, page 212, after the word "use," it is proposed to strike out the words "and valued at not more than 60 cents per gallon."

The amendment was agreed to.

Mr. ALDRICH. I ask that the amendment inserting oleo stearin be agreed to.

Mr. KEAN. I have another amendment to paragraph 637, which I was going to ask the Senator if he would accept. It is to insert the words "soya-bean oil."

Mr. ALDRICH. I presume I will have to take the Senator's statement that it is all right.

Mr. BEVERIDGE. I should like the Senator from New Jersey to explain what that oil is.

Mr. KEAN. It is oil used in the making of soap.

Mr. BEVERIDGE. I know; but what is the oil?

Mr. KEAN. It is soya-bean oil, which is used in the making of soap.

Mr. STONE. Is soap on the free list?

Mr. KEAN. No; it is not; but this is one of the materials of which soap is made.

Mr. DOLLIVER. Mr. President, I desire to understand what new article is suggested for the free list.

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. After the words "nut oil, or oil of nuts," insert "soya-bean oil," at the end of line 9, page 212.

Mr. DOLLIVER. I was going to suggest to the Senator from New Jersey that, while I have been familiar with that subject for a long time, I never heard of oil being produced from beans. [Laughter.]

Mr. KEAN. I think if the Senator would examine the bean family he would know that there is a great deal of oil in beans.

Mr. PILES. Should not the words "soya bean" be used in place of "soya-bean oil?"

Mr. KEAN. That is what I desire.

Mr. PILES. I move to amend so that it will read "soya bean."

Mr. SMOOT. The amendment comes in under the heading of "Oils," and all that it is necessary to say is "soya bean."

Mr. KEAN. That is all.

Mr. DOLLIVER. That simplifies it. [Laughter.]

The VICE-PRESIDENT. The Secretary will again state the amendment.

The SECRETARY. After the amendment inserted at the end of line 9, it is proposed to insert the words "soya bean."

The amendment was agreed to.

Mr. CULBERSON. Mr. President, I call the attention of the Senator from Rhode Island to the amendment which he has proposed and which has not been adopted.

Mr. ALDRICH. The amendment to insert "oleo stearin?"

Mr. CULBERSON. Yes.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 212 it is proposed to add as a new paragraph the following:

637½. Oleo stearin.

The amendment was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 638, orange and lemon peel, not preserved, candied, or dried.

The paragraph was agreed to.

Mr. ALDRICH. I ask to reconsider paragraph 641 for the purpose of offering the amendment which I send to the desk.

The VICE-PRESIDENT. In the absence of objection, the vote by which the paragraph was agreed to is reconsidered. The amendment will be stated.

The SECRETARY. In paragraph 641, on page 213, line 1, after the word "bagging," insert "and all other waste."

The amendment was agreed to.

The SECRETARY. Also in line 2, after the word "bags," strike out "fit only to be converted into," and insert in lieu thereof "used chiefly for."

The amendment was agreed to.

The SECRETARY. And also after the word "paper," at the end of the paragraph, insert the word "making."

The amendment was agreed to.

Mr. FLETCHER. If the words which are proposed to be stricken out, as the amendment has been reported by the Secretary, were to be replaced by the words mentioned by him, the paragraph would not make sense.

Mr. ALDRICH. Is the Senator speaking of paragraph 641?

Mr. FLETCHER. Yes; paragraph 641. I think the amendment does not read properly.

The VICE-PRESIDENT. If there be no objection, the Secretary will read the paragraph as amended.

The Secretary read as follows:

641. Paper stock, crude, of every description, including all grasses, fibers, rags (other than wool), waste, including jute waste, shavings, clippings, old paper, rope ends, waste rope, and waste bagging, and all other waste, including old gunny cloth and old gunny bags, fit only to be converted into paper making.

Mr. BURTON. I do not think that is quite correct. It should read "used chiefly for paper making." The words "fit only to be converted into" should be stricken out, and in place of those words should be inserted the words "used chiefly for."

Mr. ALDRICH. That is correct, "used chiefly for paper making."

The VICE-PRESIDENT. That is the way the amendment reads as it has been agreed to.

Mr. DOLLIVER. The Senator from Georgia was speaking some time ago of the discrimination in the free return of bags that had been used in the conveyance of wheat in our exports of wheat as against the free importation of cotton bagging. I call his attention to the fact that the cotton bagging seems to return to the United States free, just as other bagging does, except that it happens to come back as paper stock and waste of jute fit for paper stock, and commonly used as such. So that any additional legislation is unnecessary, as they are practically on the same basis now.

The VICE-PRESIDENT. The question is on agreeing to the paragraph as amended.

The paragraph as amended was agreed to.

The VICE-PRESIDENT. The Secretary will state the next paragraph passed over.

The SECRETARY. Paragraph 651, plumbago.

Mr. HEYBURN. I should like to inquire if the language of paragraph 641 as to paper stock would not include wool?

Mr. ALDRICH. Oh, no.

Mr. HEYBURN. Well, it reads "paper stock, crude, of every description."

Mr. ALDRICH. Oh, no; it does not include that.

Mr. FLINT. "Paper stock * * * other than wool" is the language used.

The VICE-PRESIDENT. The question is on agreeing to paragraph 651.

The paragraph was agreed to.

The VICE-PRESIDENT. The next paragraph passed over will be stated.

The SECRETARY. Paragraph 652, potash, crude, or "black salts." In line 7, after the word "crude," the committee propose to insert "or refined."

Mr. KEAN. I hope that amendment will not be agreed to. It puts refined saltpeter on the free list.

Mr. ALDRICH. Very well; I withdraw the amendment.

The VICE-PRESIDENT. The amendment is withdrawn. In the absence of objection, the paragraph is agreed to.

Mr. CLARK of Wyoming. I desire to ask that this paragraph be passed over. I have an amendment that I think I shall want to propose to it, but I do not desire to do so at present.

Mr. KEAN. I have no objection to the paragraph being passed over if the words "or refined" are withdrawn, and that has already been done.

The VICE-PRESIDENT. Paragraph 652 will be passed over, with the committee amendment disagreed to.

Mr. ALDRICH. It is almost 11 o'clock, and I think we might as well conclude our labors. I therefore move that the Senate adjourn.

The motion was agreed to; and (at 10 o'clock and 58 minutes p. m.) the Senate adjourned until to-morrow, Saturday, June 12, 1909, at 10.30 o'clock a. m.

SENATE.

SATURDAY, *June 12, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, D. D., of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

Mr. SCOTT presented a memorial of sundry citizens of Wheeling, W. Va., remonstrating against an increase of the duty on print paper and wood pulp, as proposed in the so-called "Payne tariff bill," which was ordered to lie on the table.

Mr. OLIVER presented petitions of sundry citizens of Lawrenceville and Armagh, in the State of Pennsylvania, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

Mr. DEPEW presented memorials of compositors, stereotypers, pressmen, and mailers employed by the Binghamton Press, of Binghamton, N. Y., remonstrating against any change in the rates on pulp and paper as fixed by the House bill, which were ordered to lie on the table.

He also presented petitions of sundry citizens of New York, praying for the restoration of the duty on foreign oil production, which was ordered to lie on the table.

CALLING OF THE ROLL.

Mr. HEYBURN. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Gallinger	Page
Bacon	Crane	Guggenheim	Paynter
Beveridge	Crawford	Heyburn	Penrose
Borah	Culberson	Hughes	Piles
Bradley	Cullom	Johnson, N. Dak.	Root
Brandegee	Cummins	Kean	Scott
Briggs	Curtis	La Follette	Smoot
Brown	Davis	Lodge	Stephenson
Bulkeley	Dillingham	McCumber	Stone
Burkett	Dolliver	McLaurin	Sutherland
Burnham	du Pont	Martin	Taliaferro
Burrows	Fletcher	Money	Tillman
Burton	Flint	Nelson	Warner
Carter	Foster	Oliver	
Chamberlain	Frazier	Overman	
Clapp	Frye	Owen	

Mr. PILES. My colleague [Mr. JONES] is unavoidably detained for a short time this morning.

Mr. CRAWFORD. I desire to state that my colleague [Mr. GAMBLE] will necessarily be absent during the day. He is paired with the Senator from Indiana [Mr. SHIVELY].

The VICE-PRESIDENT. Sixty-one Senators have answered to the roll call. A quorum of the Senate is present. The introduction of bills and joint resolutions is next in order.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. OWEN:

A bill (S. 2602) for the relief of widows and orphans of marshals or special officers killed in the service of the United States while in the performance of their duty; to the Committee on Claims.

A bill (S. 2603) to authorize the President to appoint Brig. Gen. Frank D. Baldwin to the grade of major-general in the United States Army and place him on the retired list; to the Committee on Military Affairs.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. OVERMAN. Mr. President, I have voted to reduce the duties provided for in every schedule in the bill where a vote has been taken, as I shall vote against the whole bill when it comes up on its final passage. I shall vote against it because it is unjust and full of inequalities; because it does not guarantee equal and exact justice to the whole people of this country, but it is, in my judgment, framed in the special interest of the privileged few, while the great mass of the consumers of this country will continue to groan under its heavy burdens of increased taxation. I believe it to be one of the most iniquitous tariff bills ever passed by Congress, as pass it will.

According to the reports of the last census, there were in the United States in 1900 (I speak in round numbers) more than 29,000,000 persons engaged in the five principal groups of occupation. Of these groups more than 10,000,000 people were engaged in the agricultural pursuits, 7,000,000 in manufacturing and mechanical pursuits, 5,000,000 in trade and transportation, and the others were engaged in domestic, personal, and professional services. Out of this grand total of 29,000,000 persons engaged in business in this country, only the small number of 243,000 were reported as manufacturers and officers, and so forth, and, I should say, only about 150,000 of these were manufacturers.

In deducting this privileged and protected class from the grand total we have more than 28,000,000 of our countrymen who are directly affected by this legislation, upon whose backs and appetites is to fall the burden of this indirect taxation. In behalf of this great toiling mass of our laboring people, the wealth-producing people of this country, these people who support the Government in time of peace and fight its battles in time of war, the great majority of whom make their living by the sweat of their brow, I desire to enter my protest against the passage of this bill, which carries a duty of about 46 per cent ad valorem; and when the maximum duty of 25 per cent ad valorem is added to each item on the 31st of March next, as provided in the maximum and minimum rate amendment, the average rate will be something like 71 per cent, making it the highest tariff bill that has been passed in this country, or by any legislative body in the world's history. The average duty in the Dingley bill is 44.88 per cent. This is a reduction with a vengeance; and this is the way the Republican party keeps its promise to the people. No one now has any doubt

but that the bill will pass with practically all its provisions as reported by the committee, notwithstanding the great fight made here against the different schedules. When the bill does pass, the final words written in it should be not "party perfidy and party dishonor," but there should be written across the back of the bill in black letters the words "bad faith and broken promises," for that, in my opinion, will be the judgment of the American people.

Mr. President, the demand for tariff revision came from the people. It was not confined either to the Republican or the Democratic party, but it was well-nigh universal, except from the protected interests. When the Republican convention met in Chicago, for the first time in a quarter of a century, whether yielding to this great demand to meet the wishes of the great mass of the people, or whether from fear, as has been intimated upon this floor, the Grand Old Party surrendered and dropped the old party's shibboleth of "stand pat," and it declared for a revision of the tariff; and for the first time the two parties were united in the expressed desire to bring about a great reform in the tariff. It was understood then, and it was understood by the voters all during the campaign, that there was to be a revision downward. The Democrats charged that the Republican party could not be trusted to revise downward, but that it would be a revision upward. The Republicans replied, bitterly protesting against the Democrats impeaching the sincerity of their party, and earnestly contended that if again intrusted with power they would revise downward. In none of the great speeches made by Republicans of that campaign, I think, can be found any utterance made for a revision upward. It was said that there was to be an adjustment of rates, and an honest and genuine reduction of rates all along the line; and so anxious was the party to show their sincerity and honest purpose in carrying out this pledge, it further pledged that Congress would be called in extra session for this purpose, and for this purpose only.

When the Senator from Rhode Island [Mr. ALDRICH] and the Senator from Massachusetts [Mr. LODGE] and other Senators a few days ago announced on this floor that there had been no such pledge given, that there was no such understanding, these statements must have startled the whole country, from the President down to the humblest voter who read the party platform and heard the speeches during the campaign, when revision was advocated and it was not denied that the tariff must be revised, but claimed that it should be revised by its friends. The people believed, and the President so announced, that his party was for an honest and genuine revision, and that he was in favor of an honest and genuine revision downward.

Mr. President, would any man have dared stand up in the Republican convention, or have proclaimed from the stump at any time during the campaign, that the tariff plank meant what these Senators here have declared it means? Can it be that those distinguished men who wrote that plank in the platform, or the convention which adopted it, intended to deceive the people? Was it purposely worded in order that after the election a different interpretation could be placed upon it? Of course not.

Mr. President, I believe it was written with an honest and sincere purpose to give the people the relief they demanded. The President of the United States is to-day, as he was in the last campaign, in favor of an honest and genuine revision of the tariff downward. He can not put such an interpretation upon his platform as Senators here have put upon it. He specifically declared that the present tariff must be lowered; but his party in Congress upon this question is out of line with the administration, and will not heed his wishes nor keep faith with the people. The high protectionists are again in the saddle, riding roughshod over the people, unmindful of the great trust reposed in them, and the "standpatters" are again in control, and in their glory are winking aside at the trusts, which protection has nourished and fostered.

All during this extra session—and especially since the bill was reported from the House to the Senate—an army of men, representing the great interests and trusts, have been here, filling these halls and hotels, with selfish greed lobbying with Senators, asking for more protection. They have dogged our footsteps in Congress and out of it. They have followed us to our offices and to our homes by day and by night, while the people at home are looking for and expecting us to carry out our promise to give them a genuine reform. It is charged upon this floor by some of our friends on the other side—and I have not heard it denied—that some of these schedules have actually been written, not by the Finance Committee, but by these representatives, in their own interest. Their testimony has been given to the Republican members of the committee, the minority being denied the opportunity of cross-examination—no one permitted to controvert their ex parte statements.

The great demand was for a lowering of the Dingley rate. The demand is not to be heard, and I hazard the opinion that the people of this country will not be satisfied with a law framed in the interest of the few and against the many. Both under the McKinley and under the Dingley high-tariff bills the great trusts and combines, which have monopolized and controlled a large per cent not only of the manufactured products of the country, but many of our natural resources as well, have grown up, been encouraged, nourished, and fattened, while within a comparatively short time, under this policy, untold millions have been accumulated in the hands of a few men and money centralized.

This high protective tariff is a part of the great scheme, devised more than a quarter of a century ago, whereby a moneyed aristocracy has been created in this country, and under its blighting system discontent and socialism have grown and strikes and rumors of strikes become frequent. It is a system by which tolls are taken from the vast majority of the people to enrich the few. The great masses of the people pay the tolls, while the very rich go free of taxation. The 150,000 of the men composing the combines and syndicates reap the benefit, and are never satisfied, but are here to-day, like a horse-leech, crying for more.

In your platform you not only declare for a tariff high enough to cover the cost of production in this country and foreign countries, but for an additional duty high enough to guarantee to the manufacturer a reasonable profit, in addition to the cost of freight and carriage.

Why guarantee, Mr. President, to this privileged and protected class a reasonable profit in addition to the protection afforded, as it is claimed, against the cheap foreign labor? You do not guarantee to the farmer $1 per bushel for his wheat or 75 cents per bushel for his corn. You do not guarantee to the southern farmer 10 cents per pound for his cotton. No, Mr. President; these people, who are the bone and sinew of our land, who produce its wealth and feed and clothe the world, never ask, nor do they get, any protection. They get not only no protection, but by this system you compel them to pay tribute to the already rich, while they are forced to buy the highly taxed articles which they are compelled to consume, to wear and eat, in order to live.

Tell me how such a system can be a blessing to the farmer. What compensation, I ask, has he for this indirect tax on all he wears and eats, and all that his family consumes? No, Mr. President, this man has learned to read and to think, and the old siren cry of protection to American labor will no longer delude him. While he and the other 15,000,000 people are ready and willing to pay a just tax to raise revenue with which to run the Government, economically administered, they are tired of contributing their hard-earned money to enrich the few who are protected by this bill, and who share not their proportion of the burden. The time has passed when you can further deceive them by levying a duty on such articles as corn, wheat, tobacco, cotton, and other things raised upon the farm. They know they can sell abroad and feed and clothe the world. They have learned that they need no protection, and such a provision in a tariff bill in this day and time is a sham. Under the cover of this pretended protection, which affords little or no protection on that which the farmer has to sell, he is beginning to understand that he has to pay an average of 45 per cent or more on his cotton bagging, tin plates, milk cans, cooking utensils, furniture, window glass, his earthen and stone vessels, his chains, wire fencing, axes, tools, and farming implements of every description which he has to purchase, and that much of this tax which he pays goes not into the Treasury of his country to swell the revenue, but goes into the pockets of the beneficiaries of such a system. Mr. President, taxation, direct or indirect, except for the purpose of providing sufficient revenue to support the Government, is immoral and wrong, and, in the language of a great Supreme Court judge, is "robbery."

To quote the language of Judge Miller in the case of the Loan Association *v.* Topeka (20 Wallace, 657):

> To lay with one hand the power of the Government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprise and build up private fortunes is none the less robbery because it is done under the old form of law and is called "taxation." This is not legislation, but it is a decree under legislative forms.

Tariff is an indirect tax; and tax, as defined by the Century Dictionary, is—

> 1. A disagreeable or burdensome duty or charge; an exaction; a requisition; an oppressive demand; strain; burden; task.
> 2. An enforced proportional contribution levied on persons, property, or income, either (a) by the authority of the State for the support of the Government, and for all its public or governmental needs, or (b) by local authority, for general municipal purposes.

In this opinion Justice Miller quotes with approval certain cases from the State of Maine, to be found in the Fifty-

eighth Maine Reports, page 500, and amongst other things, as follows:

Taxes are the enforced proportional contribution of each citizen out of his estate, levied by authority of the State for the support of the Government and for all public needs. They are the property of the citizen, taken from the citizen by the Government, and they are to be disposed of by it.

There is nothing of a public nature any more entitling the manufacturer to public gifts than the sailor, the farmer, or the lumberman. Our Government is based upon equality of rights. All honest employments are honorable. The State can not rightfully discriminate among occupations, for discrimination in favor of one branch or one industry is discrimination adverse to all other branches. The State is to protect all equally, giving no undue advantage or special and exclusive preference to any.

No public exigency can require private spoliation for the private benefit of favored individuals. If the citizen is protected in his property by the Constitution against the public, much more is he against private rapacity.

It is high time, Mr. President, that this system by which we have built up, and are now building up, these moneyed aristocracies, with their lavish and ostentatious display of wealth taken from the people by the enormous profits made by these high-tariff bills, should be changed. There is little sympathy now existing between these plutocrats and the great middle class of the people—the plain people of the land—and the breach is widening; and this inordinate wealth is exercising too great influence on the legislative and executive bodies of the States and this Nation and upon those who make and administer our laws. This means danger to the Republic. The people are beginning to feel that they have been legislated against and are not receiving fair play in this great Government, which they themselves have established for themselves.

Taxation is necessary, Mr. President, for the support of the Government, but the burden should be borne by all alike. There should be no unjust discrimination.

The consumer, the producer, the laboring man, and the farmer should share and pay his part and no more. Tariff duties can not be dispensed with, but the people will not submit to direct taxation to run the Government. Taxation which robs the many to enrich the few is a crime. The Democratic party favors a tariff for revenue, with the incidental protection which it necessarily brings. This system does not, has not, nor will it tear down, cripple, or injure any industry in this country. A reduction of the duties in this present bill—a substantial reduction in every item of the bill—will not destroy or injure any one of our great industries.

Mr. President, I am in favor of an income tax, and I most heartily favor the adoption of the amendment offered by the Senator from Texas [Mr. BAILEY], which provides for an income tax, but which, however, seems doomed to go down in defeat, although I believe nine-tenths of the people of this country are in favor of it. I believe the rich people in this country who have these large incomes should accept it and urge its adoption. I am satisfied it would produce a better feeling among all classes of the people. They may successfully resist it now, but, just as sure as the sun shines, it is coming. I do not believe there are a hundred lawyers in this country but who, if asked, would not give it as their opinion that the Pollock case, decided by a divided court, decided under such circumstances as to almost amount to a scandal—which decision when rendered overruled the decisions of that court for over a hundred years—was wrong. If the decision is right, the sooner we know it the better. If this great Government has not the right to levy such a tax, even in an emergency, the Constitution must at once be amended. I think it will be needed, for I feel sure that this bill will not raise sufficient revenue to run the Government; and we, sooner or later, will be required to issue the bonds provided for in the bill in order to meet the deficiency that will probably arise. If not needed now, the time may come in a great crisis when such a tax will be needed, and the question should be freed from doubt forever. I believe that levying unjust tax upon the many for the benefit of a few, and allowing these few to go free of taxation, sooner or later will cause a revolution and the downfall of any government; and the history of the black despair which settled upon many countries in the past, when the few grew rich and the many grew poor, where money was centralized by law in the hands of the few and the many were made to bear the burdens, became serfs and slaves, where opportunity, individualism, and freedom were entirely blotted out, may be repeated in this country.

HEAD TAX.

In order to lighten the burdens of taxation upon the consumer and at the same time protect our American labor and make one of our departments, which has had a deficit of more than $2,000,000, self-sustaining, I have introduced an amendment which I propose to offer at the proper time, and which I have discussed at some length on this floor on a former occasion. It provides for a head tax of $10 for every alien entering the United States.

This amendment, Mr. President, has the hearty indorsement of state legislatures; the American Cotton Manufacturers' Association, which recently met in Richmond, Va.; the National Farmers' Union, the National Grange, labor unions, and many other national associations which have the welfare of the country at heart. It has been held by the Supreme Court to be a constitutional tax. It is a just tax. Such an amendment as this means not only revenue to the Treasury, but it means a more select class of immigrants, and therefore the protection of American labor and everything American.

It is shown by the government reports that each emigrant who lands here has an average sum of $23, and five-sixths of those who come are adults. They do not come as did our fathers of old, with their tents and children to make this their permanent home; but a majority of them come over to work in competition with our labor, save every cent, and return to their own country. They love not our institutions and have no reverence for our flag.

STEERAGE RATES.

Mr. President, it will go far toward equalizing the steerage rates from European points to this country and putting us on an equality with other countries. The steerage rates to this country are cheaper than to any other country, making it the cheapest country in the world for Old World emigrants to reach. At present the steerage rates of the United States are from eight to sixty dollars less than to other countries, consequently the present ever-increasing alien influx. It is no wonder that this is the only dumping ground for the surplus population of every foreign country. Last year's ebb is but the harbinger of another flood tide running much higher than the last, and has, in fact, already set in with the first signs of industrial revival.

The present class of immigration, in the main, comes here like birds of passage, to pick up what they can find and bear it away, and they will not go as did the immigrants of the olden time, out into the West and on to the frontier. They share in the blessings and privileges of this great Government, often supplanting the American—native or naturalized—who has a home and family and pays taxes. They share its opportunities and benefits, but undertake none of its burdens. They share our schools, hospitals, charitable institutions, and other advantages, and contribute nothing to their support. Granting that all of this falls upon the newcomer, which I deny, why should not a tax of $10 be collected from them for the purpose of defraying all the immigration-service expenses, contributing something to the support of the Federal Government, and by way of keeping out the more shiftless, less industrious, and less frugal?

Mr. President, I believe it will raise at least nine or ten million dollars of revenue from sources at present contributing comparatively nothing to the support of the Federal Government, and it will certainly tend to give us, in addition, a better class of immigrants.

TRUSTS.

I also introduced an amendment, which I shall offer after the schedules are finally considered, for the relief of the people from the extortionate and unreasonable prices which have prevailed in this country for a long time upon certain articles of manufacture principally used by the farmers of the country, and which are produced and controlled by some of the great, unlawful, and protected trusts and combines. This amendment provides:

That whenever the President of the United States shall be satisfied that any company, combination, monopoly, or trust is producing more than 50 per cent of any product consumed in the United States, and is so organized, managed, and controlled that any of its products, articles, goods, wares, and merchandise is exported and sold by it, or by and through its agents, in a foreign market at a less price than they are sold in the home market, and that the price at which said products, articles, goods, wares, and merchandise are sold in the United States or the home market is unreasonable or extortionate he is hereby authorized and directed to suspend, by proclamation to that effect, in whole or in part, the collection of custom duties or taxes on any products, articles, goods, wares, and merchandise of a like character which may be imported into this country for such a period of time as the President may deem proper.

It has been suggested here, Mr. President, that such a provision in the tariff bill would be unconstitutional, as being a delegation of legislative power. But surely, Mr. President, there can no longer be any doubt upon this question. This question was settled in Field *v.* Clark (143 U. S., p. 649), in which opinion the court uses the following language. The language is taken from Lock's appeal (72 Pa. State, 491), and is quoted by the Supreme Court, by Justice Harlan, with approval:

The legislature can not delegate its power to make a law, but it can make a law and delegate a power to determine some fact or state of things upon which the law makes, or intends to make, its own action depend. To deny this would be to stop the wheels of government. There are many things upon which wise and useful legislation must

depend which can not be known to the lawmaking power, and must, therefore, be a subject of inquiry and determination outside of the halls of legislation.

Also, in Buttefield *v.* Stranahan (192 U. S., 496), wherein was involved the construction of the law of Congress appointing a board of seven members, who were to prepare and submit to the Secretary of the Treasury samples of tea, and upon their recommendation the Secretary of the Treasury was authorized to fix and establish a uniform standard of purity, quality, and fitness for consumption of all kinds of tea, the court says:

This case is within the principles of Field *v.* Clark, where it was decided that the third section of the tariff act of October 1, 1890, was not repugnant to the Constitution as conferring legislative and treaty-making power on the President, because it authorizes him to suspend the provisions of the act relating to the free introduction of sugar, etc. We may say of the legislation in this case that it does not in any real sense invest the administrative officials with the power of legislation. Congress legislated on the subject as far as was reasonably practicable, and from the necessities of the case was compelled to leave to executive officials the duty of bringing about the results pointed out by the statute. To deny the power of Congress to delegate such a duty would, in effect, amount to declaring that the plenary power vested in Congress to regulate foreign commerce could not be efficaciously exerted.

Messrs. Prentice and Eagen, in their valuable work on the commerce clause of the Federal Constitution, on page 31, also say, in summing up the whole matter:

The test determining the validity of a delegation of discretionary power therefore appears to be that if a controlling rule is fixed by the legislature and the power delegated is to apply this general rule to specific facts, or to determine some fact upon which the legislature makes its action depend, then the law is valid.

If it is true, as I undoubtedly believe, Mr. President, that many of the articles produced by these trusts and combines, which practically have a monopoly in them, are sold to the people at unreasonable and exorbitant prices, then by all means this amendment should be adopted. If such is not the case, the amendment will do no harm, as the decision is left entirely with the President, and he must be satisfied that the manufacturers are selling at unreasonable and exorbitant prices before he is to issue his proclamation for suspension of the duties.

For a long time the allegation, frequently made by the Democrats, that articles made and produced by the steel and iron trusts, as well as other trusts in this country, and principally those articles which are used by the farmers and mechanics, were sold in foreign countries at from 40 to 75 per cent cheaper than they are sold at home, was denied. But the fact that this is so, Mr. President, can not be and is no longer denied, as the proof of it has been made. Senators now boast of this fact, and have done so during this discussion. The Senator from Rhode Island [Mr. ALDRICH] does not deny it.

It has also been admitted by one of the leading Members of the House [Mr. DALZELL] and during this session by the Senator from New Hampshire [Mr. GALLINGER] and the Senator from Michigan [Mr. SMITH].

I ask, Mr. President, to print as an appendix to my remarks a list of the articles sold abroad cheaper than they are sold here, giving the domestic and foreign prices.

The VICE-PRESIDENT. In the absence of objection, permission to do so will be granted.

METAL AND STEEL.

Mr. OVERMAN. Mr. President, next to the food he eats, iron, metal, and steel enter more largely into the uses and needs of the farmer and mechanic, to enable him to make his crops and perform labor, than anything else he has to purchase. By an examination of the tables which I append to my remarks, it can be seen that many of the articles which are sold so much cheaper abroad than here are produced by the steel and iron trusts, and it is very evident, to my mind, that when we consider the low price at which they are sold in other countries and the price at which they are sold here, considering the freight paid when shipped abroad, these prices at which they are sold to our people are outrageous, exorbitant, and unreasonable.

Everybody expected greatly reduced rates to be provided in the metal, iron, and steel schedules. The steel magnates themselves expected it and made no objection. Yet I am told, Mr. President, by a government expert, that while there seems to be in a few of the items some reduction, when taken as a whole there are no substantial reductions from the duties imposed in the Dingley bill; and now we are informed by the Finance Committee, and by a majority of the Senators, since this schedule has been adopted, that these poor little infant industries, which are mainly controlled by the steel trust, need protection from the pauper labor of Europe. It is by reason of the protection afforded in these schedules that these monopolies have been enabled to rob the people by these extortionate and unreasonable prices. The duties are practically prohibitory, and there is very little competition. They fix the price, over and above the cost of production, of the duty, and such profit as they think the people will stand for. This is denied, of course, by the protectionists, but all nonpartisan economic writers upon the subject, from Alexander Hamilton down to Mr. Cooley, say this is true. Here I will quote Mr. Cooley upon the subject:

Taxes are said to be indirect when they are demanded from persons who it is supposed, as a general thing, will indemnify themselves at the expense of others—that is, when they are levied on commodities before they reach the consumer, and are paid by those upon whom they ultimately fall, not as taxes, but as a part of the market price of the commodity.

STEEL—EXPORT PRICES.

On May 11, 1901, Charles M. Schwab, president of the steel trust, testifying before the Industrial Commission, stated that export prices are always somewhat lower than home prices, and cited that the export price for steel rails was about $23 a ton, and the price here was $26 and $28.

In July, 1904, the first volume of the report of the Chamberlain commission, which consisted of about 60 of the leading business men of England, was published. It related to iron and steel, and the evidence of some of the witnesses that appeared before that body throws a lurid light upon the "dumping" process of protectionist countries on free-trade England. A few extracts make interesting evidence for American consumers of iron and steel products:

EVIDENCE OF ENGLISH FIRMS AS TO PRICES ON "DUMPED GOODS."

Firm No. 898. Pig iron from the United States is imported into this country below cost price here. Our customers are buying at 5s. per ton less than we can produce at, and the Americans are reported to be selling for export to England at a price equivalent to 8s. per ton lower than the price at which they are supplying their own country.

Firm No. 1147. We were informed by an American mattress maker last summer that American wire which could be bought in Birmingham at $18 per ton was sold for $21 in the States, and, when freight was taken into consideration, this would be a drop of between 15 per cent to 20 per cent. Our price in Birmingham is 18 10s., but 90 per cent of the wire used by mattress makers in Birmingham is American, and doubtless the same condition prevails in other towns.

Mr. H. F. Lyman, in a letter to the Ways and Means Committee, says:

I have seen prices on wire quoted by the American Steel and Wire Company from their London office to wire-rope manufacturers in England which were nearly 50 per cent less in price than the prices I found existing at the same time on the same grade of wire in this country.

Mr. Samuel M. Nicholson, president of the Nicholson File Company, known as the "file trust," acknowledged on January 15, 1909, in his evidence before the Ways and Means Committee, that his company sold files in the United States for 25 to 28 per cent more than those they sold in Germany. (Hearings, pp. 2202, 2203.)

On November 10, 1908, Mr. N. B. Arnold, of the Keystone Varnish Company, of Brooklyn, N. Y., representing the Varnish Manufacturers' Association, gave testimony before the Ways and Means Committee, asking that the present duty on varnish be retained. He testified as follows:

But, as a matter of fact, we are absolutely able to compete with the foreigner. We go into foreign countries and compete with the world. We sell the goods, and those shipments are increasing from year to year, the goods being sold at a profit. There is no dumping ground for varnish. I have sold goods in foreign countries all over the world myself as far back as 1882. I do not believe this story about giving away goods to get rid of them. I will say that I sold sewing machines in 1882 abroad at a price of $19.50 for the same machines that were selling in this country for $65, and they were not made anywhere else excepting in this country, and I will say, too, that I made money out of it. I sold them in South Africa at a profit. There was some difference in the profit between Africa and America. The same kind of machines were sold at home at a price of $65. I sold plows in South Africa for $8.50 that you could not buy for less than $12.50 up to $20 in this country. And I say that all this is rubbish about dumping goods in foreign countries. I have been connected with the foreign business, as I say, for three years, and I want to say that I can do better business here than I can over there. I have been over there looking the situation over, and there is nothing in it.

Of all the export journals the Exporters and Importers' Journal gives by far the most comprehensive assortment of export prices. At the publication offices of all the export journals precautions are taken to prevent copies from getting into the hands of any domestic buyers or inquirers. The greatest precautions are observed at the office of the Exporters and Importers' Journal. It is very difficult for anyone but a subscriber or advertiser to obtain a copy of this periodical. If a copy is obtained in this country, it contains only the list prices in the department of prices current for export, which is the Journal's most important feature. The key to the actual prices of these articles is given only in a separate special discount sheet, which is inserted only in the copies of the Journal actually mailed to a foreign country. This sheet contains several hundred discounts, arranged in columns, each discount opposite a number, each number referring to a certain part of the list of prices current in the Journal, so that with the discount sheet and Journal together the actual selling prices of the articles listed can be determined.

Table I shows the difference in discounts, and is therefore much more comprehensive than Table II, which shows the differences in dollars and cents between exports and home prices of certain specific articles.

For example, the export discount on plumbs and levels is 70, 10, 10, 10, and 5 per cent, while the home discount is only 60 and 10 per cent. This means not merely that a particular plumb or level is referred to, but that these discounts apply to many kinds and sizes of plumbs and levels made by the manufacturer mentioned, all of which are sold for 72 per cent more in the home market than for export. Frequently, if not usually, the price lists of other manufacturers of the same articles as are here compared show about the same differences between export and home prices. It has been thought best in most cases not to publish the names of the manufacturers whose prices are quoted.

TENNESSEE COAL AND IRON COMPANY.

Mr. President, the absorption of the Tennessee Coal and Iron Company by the United States Steel Company was one of the most outrageous and scandalous transactions which ever happened, and should not be tolerated. The Tennessee Company was one of our southern industries, of which we were justly proud. It was making money and declaring dividends annually. They produced better steel rails and cheaper steel rails than the United States Steel Company could possibly make. It was its greatest competitor, and was selling their goods in the territory of this trust; but the great moneyed kings of Wall street, headed by J. Pierpont Morgan, with their power and control of the money situation, in the fall of 1907 forced a condition of things so as to acquire this great southern industry, which could make steel rails as cheap as any country in the world, as testified to before the Ways and Means Committee of the House. They forced the stockholders to sell their stock, forced the sale of this property, which was worth, according to low estimates, with its 700,000,000 tons of iron ore and 1,200,000 tons of coal, the sum of $805,000,000, at the ridiculously low price of $39,000,000.

By this transaction this great bloated trust, with its tube companies, its bridge companies, its steel and wire companies, its steel and hoop companies, its cement company, its iron mines and coal mines, its tin-plate companies, its railroad company, its steamboat company, and other subsidiary companies, now owns and controls about 61 per cent of all the iron and steel output of this country, with the power to crush out all opposition, to fix prices at will, and to compel the people to pay tribute to enrich its Carnegies, Fricks, and Schwabs, and a hundred other millionaires, who have grown rich beyond the dream of avarice by the aid of this Government, which has nourished and fostered them by its high protective policy. It now has still greater power to make unreasonable and extortionate prices, with still greater power to crush out and own competitors, and the 15,000,000 of people of this country who are compelled to use their products are absolutely at their mercy and contribute to swell their mighty dividends.

Is it to be wondered at, then, that this company, even prior to the absorption of the Tennessee Coal and Iron Company, was declaring an annual dividend of $35,000,000 and adding $10,000,000 to its surplus fund; that they now have more than $35,000,000 in the surplus fund, as is shown by its last report? Yet, Mr. President, we are giving them further protection upon the articles which they produce. You give them a duty on the iron ore, a duty on the pig iron, a duty which goes into the manufacture of steel, and a duty on their finished product. Without any authorization of law this absorption was consented to by those higher up in authority in this Government, and the wheels of justice, which should have at once been set in motion to protect the people against such a combination, were clogged, did not move, and this great trust escapes the criminal law, and the people will continue to groan under the burdens laid upon them by this trust, one of the beneficiaries of this law.

INTERNATIONAL HARVESTER COMPANY.

Another poor little infant $200,000,000 industry, which they tell us needs protection and which is protected under this bill, is the International Harvester Company, one of the mightiest trusts in the country, and which in prices discriminates in favor of the foreigner and against the American citizen. On the 17th day of December, 1906, a resolution was passed by the Senate directing the Department of Commerce and Labor to make an investigation of the affairs of this company, and so far as I can learn, Mr. President, this resolution in the Senate has met no response. Two years and more have passed and no report.

I also learn that the Department of Justice has made an investigation of this company, and yet we have not the facts which we should have concerning this company. There is no indictment, and there has been a mysterious silence in both departments in regard to it. Is this information which the Congress desires held back purposely, or have the officers of the Government failed in the duties required of them by the Congress? Is the Senate to be ignored in its demand upon one of the great executive departments? They seem to treat this law-making power with silent contempt. I sent my secretary to the office of the Commissioner of Corporations to get the information, and their reply was that the information they had was so fragmentary that it could not be given out.

Mr. STONE. Mr. President, will the Senator permit me to interrupt him?

Mr. OVERMAN. Certainly; I yield.

Mr. STONE. The Senator referred to the fact that he had sent his secretary to the Department of Commerce and Labor to ask for some information, as I understood him, that was in the possession of the Department as to the prices which agricultural implements were sold for here and abroad, and he failed to get it.

Mr. OVERMAN. That is true.

Mr. STONE. A resolution was adopted by the Senate some time since calling upon that department for that information, and on yesterday that information was sent to the Senate, but it has not yet been printed.

Mr. OVERMAN. I hope we shall get it at last.

Mr. STONE. I tried to get it this morning, but it is not in print.

Mr. OVERMAN. I know it was stated more than a year ago upon this floor that, on inquiry, the Department of Justice stated that the Department of Commerce and Labor was investigating the subject, and when we went to the Department of Commerce and Labor they said "the Department of Justice are investigating it;" and we could not get anything from them. If they have at last sent in the report, I am glad to know it, although I have not seen it; but I have some evidence myself upon that question.

Mr. MONEY. Will the Senator yield to me for a moment?

Mr. OVERMAN. Yes.

Mr. MONEY. I am extremely interested in the very able speech the Senator is making; and while he is on this point of the sale of our manufactured products abroad cheaper than at home, I should like to ask him if his attention has been directed to the fact that when sold to a citizen at home they are delivered on the car at the point of manufacture uncrated, while, when sold abroad, they are crated free of charge and delivered to the ship f. o. b., which is a very great discrimination in favor of the foreign buyer?

Mr. OVERMAN. Not only that, but I have evidence here showing that the machines they sell abroad are better than those sold to our consumers; they are heavier machines, made to suit that market; and yet they are sold from 25 to 50 per cent cheaper than at home.

Mr. MONEY. If the Senator will permit me to refer to a part of his speech which he seems to have passed, I should like to have him state to the Senate why there was no prosecution of the American steel trust for the merger of the Tennessee Coal and Iron Company, if he is aware of any reason.

Mr. OVERMAN. I can not tell, Mr. President. It is a very strange thing to me that no action has been taken looking to the prosecution of this great trust, perhaps the greatest in this country, which acquired, under circumstances which have been published not only in the press, but published, I might say, by the report of the majority of the Committee on the Judiciary, although, as to the facts, there is a minority report upon its conclusion as to the authority of the President to authorize the merger. That report gives the facts as to the manner in which the United States Steel Company forced the great southern concern, which was doing a legitimate business and making dividends, to sell $800,000,000 worth of property for $30,000,000; and now they are holding it in reserve, so that when their mines in the Lake Superior region give out, they will have all this property, control 61 per cent of the output, and, of course, can name the prices and control the prices to the consumer in this country.

Now, as to the International Harvester Company. This trust was organized in 1902, and at that time there were 8 or 10 companies in the country engaged in the manufacture of harvesting machines; and, in order to break down competitors, those different constituent companies were consolidated and entered into a trust, under the name of the International Harvester Company. It was organized with a capital of $120,000,000. At the time that monopoly was created the average price to the farmer of a self-binder was from $90 to $100. To-day it costs the American farmer from $125 to $150; while I am informed that the same self-binder sells abroad at from $90 to $100; and the $50—the difference between the price at which one of their best machines is sold to a foreigner and the price at which it is sold to the American citizen—goes not into the Treasury for revenue, but into the pockets of this trust;

and the farmer continues to pour his money into the hopper of this trust to make multimillionaires.

They control not only the price of the machines, but they control the price of the ingredients entering into the manufacture of binding twine, so that the farmer must also buy from them his binding twine. They control establishments devoted to making gasoline engines, manure spreaders, mowers, and rakes. They control the harness business and many other necessary articles which the farmer has to buy. So that the farmer who purchases his harvesting machines must also buy his binding twine, his harness, and other articles used in farming from this company, as he can not purchase them elsewhere, or, if he does, the price is controlled by this trust.

Mr. President, the men who form these unlawful combinations for the purpose of crushing out competitors, fixing unreasonable prices, robbing the people, and violating the laws of the land, should be punished by imprisonment in the penitentiary. But above all things the protection which they have been given for years under the Republican tariff system should be stricken down, and the duty on the articles which they make should be suspended so that the people will not be compelled to purchase all their goods from one or two concerns.

Olaf Larson, a hardware dealer of Lynden, Kans, in a letter published in the Commoner, of Lincoln, Nebr., states how agricultural machinery is sold cheaper abroad than here. He says:

> The writer has spent several years in the employ of the International Harvester trust, the last four years of which I spent having charge of a large territory for them in northern Europe, quitting their employ about seventeen months ago; am now engaged in the hardware and implement business here.
>
> During my trips to Europe I sold to European dealers harvesting machines f. o. b. at Chicago, as follows:
>
> Binders, $33; mowers, $12; hay rakes, $5; and reapers for $15 less than they are sold to American dealers, besides selling the European trade a special, stronger made, and more durable machine than domestic types, in order to handle the heavy crops raised over there and compete with the substantially built European machine. Here the trust is free from any such competition, as our tariff imposes a prohibitive duty on machinery, viz, $85 on a self-binder.

LUMBER.

Mr. President, I voted to put lumber on the free list; I voted for the amendment to put lumber, nails, hinges, glass, paint, and everything which goes into building the home, the schoolhouse, and the church on the free list. But when you voted down this amendment and singled out one single item, lumber, to go on the free list, while other things which go into building the home were to be taxed on an average of about 40 per cent, I voted against it. I did not propose to see my people bear the burden of a heavy tax upon every article they had to buy which goes into the building of a home and at the same time have the great products of my State go on the free list. While the average ad valorem duty of the bill is 46 per cent, I shall now vote for $1 on lumber, which is an ad valorem duty of only 5 per cent, and which will produce some revenue to run the Government. The people of North Carolina are true and loyal citizens, and they do not object to paying their just share of the taxes for the support of the Government. What I do object to and protest against is that they shall be compelled to pay more than their just proportion. I do most earnestly protest against their being compelled to pay their hard-earned money into the pockets of the millionaires, who control the trusts, instead of having it go into the Treasury for revenue. I protest against the provision of the bill which requires them to pay taxes on everything they buy, while what they have to sell shall be sold free.

DEMOCRATIC DIFFERENCES.

Mr. President, there has never been a tariff bill passed by Congress but that there were differences between individual Senators belonging to the same party in regard to some details or items in the schedules of every bill, and especially those items to be locally affected. But there was, and is now, very little difference among the Democrats as to the fundamental principles of the party upon this great question. We have differences on nonessentials, but on the main question and fundamental principles we are more united here than we have ever been before. There are differences also among our friends on the other side of the Chamber, but the great parade which is being made by the press of the country as to the division and dissensions of our party is far from true. As far back as 1816, I find there were differences then. There were differences in 1846, when the Walker tariff bill was passed. There were differences when the McKinley bill was passed, when the Dingley bill was passed, and when the Wilson bill was passed.

I have here, Mr. President, a letter, which I will incorporate in my remarks, written by Judge Gaston, of my State, at that time a Member of Congress, and one of the greatest men produced by my State. He resigned from Congress and became the great, renowned chief justice of our supreme court. Showing that there were troubles then, he says:

> It is exceedingly uncertain as when we shall adjourn. We are now engaged with the tariff of duties, which threatens to be an exceedingly tedious and unpleasant subject. It has already occasioned the strangest division and combination of parties I have ever witnessed—agricultural, navigating, commercial, manufacturing—and all the subdivisions of these great interests are made to separate and reunite in the most whimsical varieties as we go from cotton to sugar, from woolens to hardware, and vice versa. God knows whether we shall agree upon anything; if we do, I am afraid it will not be for the benefit of our section of the country. The probability is, I think, I shall not reach Carolina before May.

The responsibility of making the bill is upon the Republican side of the Chamber. It is to be a high protective-tariff bill; and as you intend to pass such a bill, we did not propose to see our section of the country discriminated against when certain items were reached in the different schedules in which we were vitally interested. We have honestly differed as to whether some few articles should not go on the free list or the dutiable list; but, however we may have differed in this respect, the party has been united on the fundamental principles of a tariff for revenue.

THE SOUTH AND ITS PROSPERITY.

Mr. President, I am sure that the distinguished Senator from Rhode Island [Mr. ALDRICH] intended no reflection upon the South when, in alluding to that section, he said upon this floor a few days ago:

> I am glad to see that Senators upon the other side recognize this fact, and are willing to cooperate with us in giving such protection—I care not what you call it—such encouragement, if you please, to this development as will make your country what it ought to be—a country which will blossom as the rose compared with the wilderness which existed there twenty-five years ago.

When he says the South was a wilderness twenty-five years ago, I tell him he never was more mistaken in his life. Neither twenty-five years ago nor forty years ago was the South a wilderness. The South has not been a wilderness since the Cavalier, the Huguenot, and the Puritan settled in her borders; not since we declared our independence and sounded the death knell of absolutism and the divine right of kings; not since we wrote in the sky, as it were, a pillar of fire by night and a cloud by day to lead the people, "Freedom, equal rights to all men and special privileges to none, righteousness and justice."

Forty years ago, Mr. President, there was poverty, distress, sorrow, and desolation there. But there was still left fair women and brave men—men with blood of the Teutons, the Angles, the Saxons, the Caucasians, flowing in their veins. When the curtain went down on the awful tragedy at Appomattox your people, amidst shouts of triumph and pæans of glory, with flags unfurled to the breezes, returned to homes of plenty. Our people, ragged, barefooted, with sadness returned to their homes, leaving blood in their tracks as they wended their weary way along the country road, to find poverty and almost despair. There was desolation everywhere. Here and there the silent chimney told where the torch of the invader had been. The old homestead was no more.

Their fields were laid waste, their stock all gone, the roof of his house caving in. When he reached his old home he beheld the sad, worn face of that noble, loyal woman he had left four years before, who had remained as true and loyal to him and his cause as he himself had been as a soldier. He beheld his children in rags. There was a vacant chair in every home. From 10 to 40 per cent of the South's population had died or had been slain in battle. Still it was not a wilderness.

The glad smile and loving welcome of his wife and children were an inspiration to him. The old fire came into his eyes, and he looked up. He threw aside the old musket, which had been his faithful companion for four long years, and took up the old worm-eaten, rusty plow, which for months had lain idle in the furrows, and began to till the soil—State building again. He laid aside the old sword that had flashed in the face of the enemy upon a hundred battlefields and took up the old rusty scythe, and began to cut down the briars—State building again. Since he had surrendered in good faith, he determined to be loyal to the flag and true to the Union again. The cause for which he fought had been shot to death.

Then came, Mr. President, the awful, cruel, dark days of reconstruction, more terrible than war. We had lost, but we saved our manhod, our instinct for local self-government, and nowhere else in this world, Mr. President, is it more intensified to-day than in the South. Three million of the former slaves were turned loose suddenly upon us, and, pitiful to tell, given the right to govern their former masters. For a time these former masters, who were descendants of the men who had formed the Government, were denied the right to vote. A tax of 3 cents on every pound of cotton which they raised was levied,

while the wheat, corn, and other crops of the prosperous farmers of the North and West went free of taxation. There was rottenness in high places, corruption in office—everywhere a perfect saturnalia of crime and insult. Still it was no wilderness.

By the providence of our merciful Heavenly Father, these old soldiers raised the biggest wheat crop ever known in their history. They had bread to eat, but little else. Hope, courage, determination, and patient endurance were left, and a mighty and knightly race of people were there—men who had governed men and knew how to govern, and who determined, by the help of God, that they would govern. The bayonet, the reconstruction laws, no power of earth, could prevent them from coming into their own and rebuilding their own States. It was their home, the home of their ancestors. To them that soil was sacred, and, without sympathy or encouragement from abroad, suffering for a time under the yoke of oppression, they at last brought order out of chaos and gave peace and good government.

These men and their sons struggled onward and upward through great tribulations. They rebuilded their homes, their churches, and their schoolhouses.

What amidst all these trials they have accomplished in forty years, Mr. President, has been the admiration and wonder of the whole world. To-day, if the flag of our country was insulted or our honor at stake, the sons of these heroes could and would wage as great a war for the Union as their fathers did for the rights of the States in the sixties.

When war was declared with Spain, her young men volunteered by thousands and rallied around the old flag. It was a southern man, a North Carolinian, who was first to shed his blood in behalf of his country when Worth Bagley gave his life to his country on board the *Winslow*. It was the gallant Shipp, another North Carolinian, who was killed while gallantly leading a negro regiment up San Juan heights.

The South to-day, Mr. President, is richer by far than the whole country was before the war. It has more money in its banks, more miles of railroads, more iron and coal mines, more cotton mills, than the entire country had prior to 1861. We are a homogeneous people and have less foreign population than any other section. Her population has increased 63 per cent since 1880. Since that time her capital in manufacturing industries has increased 716 per cent; cotton mills, 1,169 per cent; cottonseed oil mills, 2,268 per cent; in iron, 768 per cent; farming products, 468 per cent; bank deposits, 769 per cent.

With her great cotton crop—of which she has a natural monopoly—she has added annually to the wealth of the country more than $600,000,000. She brings back from foreign countries more than $400,000,000 in gold, giving us the balance of trade each year. She furnishes a great basis for our foreign exchange; furnishes most of the means to purchase imports and supply a revenue, making a bond of peace with foreign nations constituting a stronger preventive of war than armies and navies; furnishing raw material abroad for foreign capital and wages of a thousand of the working class, all of whom would be injured by any distress growing out of the state of war of the direct and adequate supply of raw material. She has cheerfully contributed her proportion of the many, many millions of dollars which is sent to the North and West to pension the widows of soldiers, and has received but little in return. No section of our country is prospering more. She is growing great without any aid from the General Government. She is prosperous in spite of your high protective-tariff laws. She is not here asking for favors or special privileges.

All the South asks is that she be given justice, be treated fairly, and not discriminated against. She has no monopolies, no "robber barons," plutocrats, or aristocratic bosses. They will not live in that climate. It is unhealthy for them. With her wonderful natural resources, her unopened mines, her undeveloped lands, awaiting the plow of the husbandman, her possibilities and her potentialities can not be measured. She is already "blossoming like a rose," and her prosperity is no longer a problem. This land of sunshine and song, of heroes and heroines, is to be one of the fairest and most prosperous sections, protection or no protection.

What constitutes a State?
Not high-raised battlement or labored mound,
* * * * *
Not cities proud with spires and turrets crowned,
* * * * *
No; men, high-minded men,
* * * * *
Men who their duties know,
But know their rights, and, knowing, dare maintain.
* * * * *

APPENDIX.

Showing difference between export and home price of certain specified articles.

Articles and description.	Export price.	Home price.	Difference.
			Per cent.
Auger bits, Irwin's solid center:			
4/16 per dozen	$1.30	$1.80	39
16/16 do	2.92	4.05	39
Auger handles, Gunn's No. 5 do	9.75	11.48	18
Bolt clippers, "Easy" and "New Easy," No. 1, each	1.71	2.03	18
Bird cages, Hendryx's No. 316 per dozen	13.00	18.20	40
Bolts:			
Carriage, ⅜ by 6 inches per hundred	.60	.75	25
Machine, ⅜ by 4 inches do	.57	.68	19
Tire, ⅜ by 6 inches do	.65	.76	17
Braces, Fray's:			
Genuine "Spofford," No. 107 per dozen	6.30	8.40	33⅓
Ratchet, No. 81 do	10.44	14.50	39
Ratchet, No. 62 do	6.90	11.50	66⅔
Sleeve, No. 207 do	7.13	11.00	54
Sleeve, No. 096 do	7.56	10.50	39
Plain, No. 306 do	3.60	6.00	66⅔
Bunghole borers, Enterprise, No. 1 do	.74	.94	27
Can openers, "King" per gross	4.50	6.00	33⅓
Coffee mills, Enterprise, No. 1 each	1.22	1.35	11
Files, Nicholson's:			
Mill and round bastard—			
3 to 4 inch per dozen	.40	.64	60
5-inch do	.48	.68	45
6-inch do	.59	.75	27
Flat bastard—			
3 to 4 inch do	.40	.79	98
5-inch do	.48	.83	73
6-inch do	.59	.92	56
7-inch do	.75	1.03	37
8-inch do	.88	1.13	28
9-inch do	1.01	1.35	34
11-inch do	1.51	1.84	22
13-inch do	2.11	2.52	19
Square—			
3 to 4 inch do	.40	.81	102
5-inch do	.48	.88	83
6-inch do	.59	.98	66
7-inch do	.75	1.09	45
8-inch do	.88	1.18	34
9-inch do	1.01	1.41	40
10-inch do	1.26	1.58	25
11-inch do	1.51	1.94	29
12-inch do	1.83	2.18	20
13-inch do	2.11	2.67	27
Gauges, Disston's:			
Combination steel each	.55	.62	12
Center do	.17	.19	12
Harness snaps:			
"Trojan," 1½ loop per gross	2.70	3.60	33⅓
"Yankee," 1½ loop do	2.90	3.98	37
"Derby," No. 733 do	2.70	3.75	39
Lamp chimneys, Macbeth's:			
No. 502 per dozen	.40	.68	70
No. 504 do	.50	.82	64
Lawn sprinklers, Enterprise, No. 2 each	1.76	2.10	19
Levels, Starrett's 24-inch bench do	1.28	1.42	11
Plumbs and levels, Disston's No. 12 per dozen	5.82	10.06	72
Pocket knife and tool kit, Ulery's per set	1.15	1.50	30
Rifles, Stevens's:			
"Little Scout," No. 14 each	1.35	1.75	30
"Maynard Jr.," No. 14 do	1.80	2.20	22
No. 16 do	2.00	2.60	30
"Little Krag," No. 65 do	2.50	3.00	20
"Favorite" do	3.47	4.50	30
Sausage stuffers, Enterprise, No. 5 do	2.20	2.61	18
Saws:			
Disston's—			
Hand, 30-inch, No. 7 per dozen	13.74	17.48	27
Hand, 30-inch, No. 16 do	15.39	19.98	28
Combination, No. 43 do	15.26	19.42	27
Butcher, 24-inch, No. 7 do	8.50	11.90	40
Framed wood, No. 60 do	6.00	9.00	50
Band, 2-inch, 18-gauge per foot	.157	.26	65
Barnes's combined scroll and circular each	28.00	32.00	14
Screws:			
Flat-head, iron, wood—			
Size, ¼ inch, Nos. 1 to 4 per gross	.034	.073	115
Size, ⅜ inch, Nos. 1 to 4 do	.034	.073	115
Size, ½ inch, Nos. 1 to 3 do	.034	.073	115
Size, ⅝ inch, No. 4 do	.038	.076	100
Size, ¾ inch, No. 4 do	.04	.079	97½
Flat-head, brass, wood—			
Size, ¼ inch, No. 1 do	.072	.136	89
Size, ⅜ inch, No. 6 do	.084	.195	132
Size, ½ inch, No. 6 do	.084	.211	151
Size, ⅝ inch, No. 6 do	.095	.227	136
Size, ¾ inch, No. 6 do	.108	.251	132
Round-head, iron, wood—			
Size, ¼ inch, No. 1 do	.034	.087	156
Size, 1 inch, No. 6 do	.03	.112	87
Size, 1½ inches, No. 10 do	.10	.17	70
Size, 2 inches, No. 16 do	.228	.378	66
Size, 3 inches, No. 18 do	.412	.67	63
Round-head, brass, wood—			
Size, ¼ inch, No. 1 do	.072	.168	133
Size, 1 inch, No. 6 do	.16	.329	106
Size, 1½ inches, No. 10 do	.336	.776	131
Size, 2 inches, No. 16 do	.768	1.955	155
Size, 3 inches, No. 18 do	1.24	3.646	194

Showing difference between export and home price of certain specified articles—Continued.

Articles and description.	Export price.	Home price.	Difference.
			Per cent.
Screwdrivers, Disston's electric, 12-inch...per dozen..	$1.36	$1.86	37
Shoe dressing, Whittemore's:			
"Gilt Edge"...do..	1.20	1.75	46
"Baby Elite"...do..	.60	.67	12
Shotguns, Stevens's:			
No. 105...each..	2.80	4.25	52
No. 107...do..	3.00	4.50	50
No. 225...do..	8.67	9.75	12
Smoked-beef shavers, Enterprise, No. 23...do..	4.32	5.55	28
Squares, Disston's:			
Try, rosewood, 10-inch, No. 1...per dozen..	1.66	2.88	72
Steel, 4-inch...each..	1.10	1.46	13
Traps, Lovell's mouse and rat, metallic...per gross..	5.50	7.33	33⅓
Trowels, Disston's brick, 8-inch, No. 1...per dozen..	4.07	6.00	47
Vises:			
Armstrong's—			
Hinged, No. 1...each..	1.80	4.00	122
Combination, with leg sockets...do..	6.40	8.00	25
Bonney's, No. 112...per dozen..	2.25	2.84	26
Watches, Elgin movement:			
Twenty-year gold-filled case...each..	7.08	10.23	28
Silveroid case...do..	3.04	4.47	47
Wrenches, Hawkeye, "5 in 1"...per dozen..	3.00	4.50	25

Showing differences in discounts between export and home prices.

Articles and description.	Export discount from list.	Home discount from list.	Difference.
	Per cent.	*Per cent.*	*Per ct.*
Auger bits:			
Irwin's solid center	60, 10, and 10	50 and 10	39
Snell's	70	60	33⅓
Snell's "King"	60 and 10	50	39
Auger handles, Gunn's No. 5, adjustable and ratchet	35	15 and 10	18
Bells, Texas cow	50 and 10	50	11
Bird cages, Hendryx's brass	50	30	40
Bolt clippers, "New Easy"	60, 10, and 5	50, 10, and 10	18
Bolts:			
Machine, ½ by 4 inches and smaller	80 and 10	75, 10, and 5	19
Carriage, ½ by 6 inches and smaller	80 and 10	75 and 10	25
Tire	80, 10, and 5	80	17
Borers, bunghole, Enterprise	40 and 2	25	27
Braces, Brays:			
Genuine "Spofford's"	70	60	33⅓
Ratchet, Nos. 81-161	60 and 10	50	39
Ratchet, Nos. 83-143	60 and 10	50	39
Ratchet, Nos. 62-142	70	50	66⅔
Ratchet, Nos. 63-163	60 and 10	50	39
Sleeve, Nos. 207-214	60, 10, and 10	50	54
Sleeve, Nos. 407-414	60 and 10	50	39
Sleeve, Nos. 603-614	60 and 10	50	39
Plain, Nos. 306-314	70	50	66⅔
Can openers, "King"	25		33⅓
Cartridges, rim fire	60, 10, 10, and 6	50	64
Chains, kennel	60 and 10	60	11
Coffee mills, Enterprise	40 and 10	20 and 25	11
Door rollers and hangers, Lane's	60, 10, 10, and 5	60 and 10	17
Gauges, Disston's steel and center	45	25, 7½, and 10	12
Harness snaps, Covert's:			
"Trojan"	50 and 10	40	33⅓
"Yankee"	50	30 and 2	37
"Derby"	40 and 10	25	39
Lawn sprinklers, Enterprise	40 and 2	30	19
Levels, Starrett's bench and pocket	40 and 5	33⅓ and 5	11
Oilstones, "Lily White" and "Washita," No. 1	50	33⅓	33⅓
Plumbs, levels, etc., Disston's	70, 10, 10, 10, and 5	60 and 10	.72
Sausage stuffers, Enterprise	40 and 2	25 and 7½	18
Saws, Disston's:			
Nos. 7, 107, 107½, 3, and 1	45 and 7½	30 and 7½	27
Combination	45 and 7½	30 and 7½	27
Nos. 12, 16, D8, 120, 76, 8	40 and 10	25 and 7½	28
Compass and keyhole	40 and 10	25 and 7½	28
Butcher	50	20	40
Framed wood	50	25	50
Band	70, 10, and 10	60	65
Scroll saws, Barnes's velocipede	30	20	14
Screw-drivers, Disston's electric	70, 10, 10, and 10	70	37
Smoked-beef shavers, Enterprise	40 and 10	25 and 7½	28
Squares, Disston's:			
Try, rosewood handle	70, 10, 10, 10, and 5	60 and 10	72
Steel	45	25, 7½, and 10	13
Traps, Lovell's rat and mouse	50	33⅓	33⅓
Trowels, Disston's brick	45 and 7½	25	47
Vises:			
Armstrong's—			
Plain and hinged	80 and 10	60	122
Pipe	60	50	25
Bonney's	50	30 and 10	26

The VICE-PRESIDENT. The Secretary will report the pending paragraph.

The SECRETARY. Page 214, paragraph 652.

Mr. KEAN. That has been agreed to.

The VICE-PRESIDENT. If there be no objection——

Mr. KEAN. That was agreed to last night with the words "or refined" stricken out.

The VICE-PRESIDENT. That amendment was agreed to. If there be no objection, the paragraph will be agreed to as amended.

Mr. STONE. Which paragraph?

The VICE-PRESIDENT. Paragraph 652.

Mr. STONE. I desire to make an inquiry. I do not see the Senator from Rhode Island present. I do not know who is in charge of the bill. Is the Senator from Utah?

Mr. SMOOT. The Senator from Rhode Island will be here in just a minute.

Mr. STONE. I observe, Mr. President, that in paragraph 59 caustic, or hydrate of, potash bears a duty of 1 cent a pound, and upon chlorate of potash there is 2 cents per pound, the latter being a reduction of one-half cent per pound below the Dingley rate. I wish to inquire of the Senator having charge of the bill why carbonate of potash and hydrate of, or caustic, potash, not refined, in sticks or rolls, are put upon the free list, while chlorate of potash, for instance, is put on the dutiable list. They have exactly, as I am informed, the same basic material, and both are used in the manufactures of this country. Chlorate of potash bears 2 cents under the bill, while carbonate of potash is put on the free list. Muriate of potash, which is the basic material of both, is found chiefly in Germany, and that country has a practical monopoly of the mines from which that material is derived. The raw material is largely imported here, and is used, so I am told, largely for fertilizing and other purposes. Muriate of potash is on the free list, as it should be, but if chlorate of potash is to be kept on the dutiable list, then carbonate of potash and caustic potash should also be made dutiable.

I do not see why this discrimination should be made, why a duty should not be levied upon the one as well as upon the other. A large amount of all these is being imported. I am informed that of carbonate of potash in 1907 over twenty-five and a half million pounds were imported; in 1908, over twenty-four and a half million pounds; and of caustic potash in 1907, 7,483,000 pounds; in 1908, 5,947,000 pounds. They ought to be made a source of revenue. I do not care to make any motion with reference to the matter, but I should like to ask the Senator from Rhode Island if he objects, or has a reason for objecting, to putting these articles on the dutiable list, and why they are discriminated against in favor of other like products.

Mr. ALDRICH. The deposits of potash in Germany give them a great advantage over everybody else in the world, and this potash goes into the production of fertilizers and various things of that sort. There is no competition in this country. There can be none. It has been thought desirable in all the tariff bills in recent years to keep it upon the free list, for the benefit of the consumers in this country, there being practically no competition here.

Mr. STONE. Then, I think I will in due time move to put chlorate of potash on the free list, for, if chlorate is to be put on the dutiable list, the other two ought to go on. They ought all to pay duty or all should be free.

Mr. ALDRICH. My opinion is there is no considerable manufacture of chlorate in the United States.

Mr. STONE. There is of the other.

Mr. ALDRICH. Not very much.

Mr. STONE. Not very much.

Mr. ALDRICH. It stands in a different position from muriate of potash, and the manufacturers in the United States having the advantage of free raw material——

Mr. STONE. The Senator did not understand me. I said nothing about muriate of potash. Muriate is the raw material——

Mr. ALDRICH. Yes.

Mr. STONE. Out of which the others are made; out of which chlorate of potash is made, caustic potash is made, and carbonate of potash is made.

Mr. ALDRICH. Of course chlorate of potash is not a fertilizer, and the farmers are not especially interested.

Mr. STONE. Neither is caustic potash.

Mr. ALDRICH. But it is used for making a great many things—soap making and for medicinal purposes. I think the paragraph is not exactly correct, but it is as near correct as we could make it in this connection.

The VICE-PRESIDENT. The RECORD shows that paragraph 652 was passed over at the request of the Senator from Wyoming. Does the Senator from Wyoming desire to take it up this morning?

Mr. ALDRICH. Mr. President——

Mr. CLARK of Wyoming. Is that soda?

Mr. ALDRICH. Not soda, but potash.

The VICE-PRESIDENT. The Secretary will report the next paragraph which has been passed over.

Mr. ALDRICH. Has the Senator from Wyoming any objection to paragraph 652?

Mr. CLARK of Wyoming. I think I have.

Mr. ALDRICH. Suppose we agree to it, and then if the Senator wants to take it up later, we will reconsider it.

The VICE-PRESIDENT. Without objection, paragraph 652 is agreed to.

Mr. OWEN. I have in my hand a copy of the proceedings of a conference of the independent oil producers and independent oil refiners, which took place in Washington, April 21, 1909. I should like to have it put in the form of a document (S. Doc. No. 88), if there is no objection.

The VICE-PRESIDENT. Is there objection? The Chair hears none. It is so ordered. The Secretary will report the next paragraph passed over.

The SECRETARY. The next paragraph passed over is 655.

Mr. ALDRICH. I offer as a new paragraph 655½, radium.

The VICE-PRESIDENT. The Secretary will report the amendment.

The SECRETARY. On page 215, after line 6, insert:

655. Radium.

The amendment was agreed to.

Mr. NELSON. With respect to paragraph 658——

Mr. LODGE. In paragraph 657 I move to strike out the comma after the word "gems" and to insert a semicolon; after the word "statuary," in the same line, I move to strike out the comma, and after the word "sculpture" I move to strike out the comma.

The VICE-PRESIDENT. Without objection, the amendments are agreed to.

Mr. NELSON. I desire to offer an amendment to paragraph 660.

Mr. ALDRICH. What is that?

Mr. NELSON. Paragraph 660. I ask that it may be reconsidered in order that I may offer an amendment.

The VICE-PRESIDENT. There is no amendment there. The Senator can offer his amendment.

Mr. NELSON. My amendment is to strike out, in line 3, page 216, the words "and sago flour," and in support of that amendment I ask that the letter which I send to the desk be read.

The VICE-PRESIDENT. The Secretary will report the amendment and, without objection, thereafter read the letter.

The SECRETARY. On page 216, after the word "crude," strike out the words "and sago flour."

The VICE-PRESIDENT. The Secretary will read the letter.

The Secretary read as follows:

MINNESOTA POTATO STARCH COMPANY,
Anoka, Minn., May 3, 1909.

Hon. KNUTE NELSON,
Washington, D. C.

MY DEAR SENATOR: If not too late, I would like to call your attention to the clause in the proposed tariff bill placing sago and tapioca flour on the free list. This commodity comes into direct competition with the potato-starch business, which is manufactured quite extensively in this part of Minnesota, from culls and small potatoes; and also from the good ones during times of overproduction. The starch factories are, with hardly any exception, owned and operated by farmers in their respective communities. They are not, as the term is used, money-making propositions; but erected and operated for the purpose of protecting themselves against low-priced potatoes, poor crops, or seasons of rot. While sago and tapioca are called "flour," they are used for starch purposes, and should properly be classified as starch, for as such they come in direct competition with potato starch, and are used to replace this commodity in most instances. I know that the bill provides for the retaining of the tariff on potato starch, which is quite satisfactory; but statistics show that millions of pounds of sago and tapioca are now being imported each year, and replacing to a large extent the potato starch.

In fact, we know that for several years past the demand has been lessened considerable for potato starch, and largely on this account. I believe, and I think that the people of the West believe, that the tariff should be reduced only on the necessities of life; but I hardly see how this could be classed as such, as the production is used almost entirely in cotton and carpet mills. There is no trust or combination in the potato-starch business. The factories are all owned and operated in rural communities, and none of them are money-making propositions. Although the factories cost to build from $12,000 to $20,000, there are at the present time about 25 factories in Minnesota, and about the same number in northern Wisconsin, a few in the irrigated sections of Colorado, and the balance are all in the northern part of Maine, where the potato industry is carried on extensively; and without them it would not be safe for the farmers to plant such enormous acreage or engage so extensively in the raising of potatoes, for by the aid of the factories they are able to realize at least cost for their seed and labor from any any crop they might raise. The new timber sections between Brainerd and Bemidji are destined to be great potato-raising sections, but without the factories they would be slow in developing.

If you can do anything in favor of a duty on sago and tapioca starch or flour, I am sure it would be very much appreciated.

Yours, truly,

ROBT. W. AKIN.

Mr. NELSON subsequently said:

Mr. President, I have some more letters which I should like to be incorporated with my remarks on this subject, following the letter which was read heretofore.

The PRESIDING OFFICER. Without objection, the letters referred to by the Senator from Minnesota will be so incorporated.

The letters referred to are as follows:

CALEY HARDWARE COMPANY,
Princeton, Minn., May 3, 1909.

Hon. KNUTE NELSON,
United States Senate, Washington, D. C.

DEAR SIR: I write you in regard to duty on potato starch. I understand that sago flour and tapioca flour (which are potato starch) are on the free list.

Now, if there is not at least a duty of 1½ cents per pound placed on these products, it will practically close all of the potato starch industry in the West.

In foreign countries I understand they raise from 450 to 600 bushels of potatoes to the acre, and here in the West the farmers raise from 75 to 150 bushels to the acre, hence we can not compete with the foreign manufacturers at the same price, and we have been running our starch factory without making any money for some years now.

Now, Mr. NELSON, I hope you will interest yourself in behalf of the potato starch makers.

Thanking you in advance, I remain,

T. H. CALEY,
President Princeton Potato Starch Co.

THE FARMERS' COOPERATIVE STARCH COMPANY,
North Branch, Minn., May 3, 1909.

Hon. KNUTE NELSON,
Washington, D. C.

DEAR SIR: Having paid a close attention to the daily review by the United States Senate in relation to the fight going on there by some parties aiming to get the sago and tapioca (starches) on the free list, I have been instructed by managers of starch-manufacturing concerns to write and request that you give your earnest attention toward helping the elimination of such move. We, as starch manufacturers of such starch, need all the protection possible against foreign importers on equal basis with other interests. We believe in thus appealing to you for aid and support that you will stand by your duty, thus respecting the earnest desire and need of your constituents for the malnainance of the present prosperity, caused principally by the enactment of the McKinley Act. Believing this to be a just and reasonable request by your constituents and hoping to see the enactment of a just and fair duty on all starches, we beg to remain,

Yours, for permanent prosperity,

FARMERS' COOPERATIVE STARCH COMPANY,
C. E. OBERG, *General Manager*,
Per K. O. WARME, *Secretary.*

RUSH CITY, MINN., *May 7, 1909.*

Hon. KNUTE NELSON, M. C.,
Washington, D. C.

DEAR SIR: Are you aware of the fact that the proposed tariff bill now before the Senate specifically places sago and tapioca flours, which are starches, in the free list, and that it is going to require the concerted efforts of all American starch industries to bring enough pressure to bear to correct this great injustice? The imports of these starches have already increased from, roughly, 2,000,000 pounds in 1882 to 50,000,000 pounds in 1908. The increase during the last five years alone being about 34,000,000 pounds, with every indication that it will not only continue but more largely increase if free of duty.

We respectfully urge upon you to support the movement for the elimination of sago and tapioca flours (starches) from the free list. This is vital to the potato-raising farmers of Chisago County, as well as all adjoining counties in this great potato belt.

Please do your best to promote our industry by not allowing these other starches to enter free of duty.

Yours, very truly,

RUSH CITY STARCH COMPANY,
By C. M. JOHNSON, *Secretary.*

Mr. ALDRICH. The proposition of the Senator from Minnesota is to take an article which has always been upon the free list and put it upon the dutiable list at a very high rate. I think the facts as stated by the Senator's correspondent are not correct. There is a combination in this business, which may not include the gentleman who writes the letter, but does include a large part of the business, I think. I am quite willing that this amendment should go over. I think I can convince the Senator that this attempt to revise the tariff upward to a very great extent is not justified by conditions.

Mr. NELSON. Whether there is a starch trust or not I do not know; but there is certainly no starch trust among the people of Minnesota. In a certain portion of our State, the northeast portion, which was originally a pine country—it is rather sandy land—they found it difficult to make a living raising small grain, and they went into the business of raising potatoes. In order to have an assured market for their potato industry they organized small companies and built small starch factories. When potatoes are high those starch factories are not in operation, because as a rule when potatoes out in that country sell for more than 25 or 30 cents a bushel, it does not pay the starch factories. But there are many seasons when potatoes are as low as 15 and 20 cents a bushel. At that time they can not afford to ship them on account of the freight, and they are utilized by the local starch factories.

The large importation of sago flour comes in direct competition with the potato-starch industry, and they feel that as

long as they submit to protection in all other directions they ought to have some protection in reference to this industry. I have simply presented their case on its merits here, and I do not intend to take up the time of the Senate. I will say that there are something between 25 and 30—I do not know exactly, but I believe the letter states 25—of these starch factories in the State of Minnesota. I do not think any of them belong to the trust, for they are mainly like the creameries in Minnesota, the property of farmers who furnish the raw material to the factories. If we are going to distribute protection liberally, I do not know why these potato-starch manufacturers can not have the benefit.

I might say that my good friend the Senator from Delaware [Mr. DU PONT] succeeded in getting the tariff on potatoes raised a good deal. That is a great advantage to the farmers here on the seaboard. But, owing to the transportation rates, even if you put the tariff on potatoes up to 75 cents a bushel, it would be of no avail and would be no protection to the farmers of Minnesota. I can remember that a number of years ago I had quite a liberal crop of potatoes on my farm and I succeeded in selling a part of them for 15 cents a bushel at home, and the balance were left in the ground, because I could not afford to ship them to St. Paul and Minneapolis on account of the railroad freight. So the only way we can get protection is by means of this industry in the manufacture of sago flour, and this tariff will be a help to the people of the Mississippi Valley.

Mr. ALDRICH. Sago flour and tapioca flour are articles of food in almost every household in the United States. They are now and have been for many years free of duty. The suggestion that they be taken from the free list and be put on the dutiable list, according to the contention of our friends who are talking about a tariff revision downward, would amount to several hundred per cent increase, and it seems to me a rather startling proposition for the Senator from Minnesota to make.

I appreciate fully his desire to look after the farmers of Minnesota, and especially the companies or corporations engaged in the manufacture of potato starch, but it is contrary to my ideas of tariff revision—as I have thought it was to the idea of tariff revision held by the Senator from Minnesota—that the duties on articles of food certainly should not be largely increased above the present law. These articles are not made in the United States; they can not be grown in the United States. They go into the household of every family in the United States. It seems to me that this is a very unusual character of tariff revision upward.

Mr. GALLINGER. Mr. President, some time ago a gentleman, who formerly resided in New Hampshire, called on me with a suggestion that he was about to engage in some other State in the manufacture of potato starch and very much desired that sago flour should be put on the dutiable list. Without looking into the matter, I submitted a proposed amendment, which is in print. After that I made inquiry about the matter and found that sago flour is used largely in our manufactures as well as in the manufacture of oilcloth and linoleum. I understand that the cotton manufacturers have not found any other article that will take the place of sago flour in their manufacture. That is an added reason to the reason submitted by the Senator from Rhode Island why I feel that the change ought not to be made. I fully persuaded myself that what I first contemplated doing was a mistake.

I trust, Mr. President, that sago flour will be allowed to remain on the free list, where it has always been, I understand, and where I think it ought to remain.

Mr. JOHNSON of North Dakota. I understand that sago flour is provided for in the tariff act of 1897, in paragraph 652, which reads:

Sago, crude.

Exactly as paragraph 660 of the pending bill would read if the amendment of the Senator from Minnesota passes.

Mr. ALDRICH. But sago, crude, has been held by the customs officers and by all the decisions to include sago flour.

Mr. GALLINGER. And by the courts.

Mr. ALDRICH. And by the courts. It has been absolutely settled. This is simply to put into words what all the decisions upon this matter have been.

Mr. JOHNSON of North Dakota. Mr. President, there is a defect, then, in our tariff law. Here is a crude raw material that can not be produced in our climate. Sago is the product of tropical climates. Under all the policies of the party we have admitted articles of that kind free of duty. I am not prepared now, while on my feet, to write a paragraph that would fit the case, but the distinction, in my mind, is a clear one that all the articles we can not produce in our own country should be admitted free. That is the way the present law reads. I dare say the Senator from Minnesota or some member of the Finance Committee could so amend the paragraph as to admit this raw material, which we can not produce here, free of duty, and give the manufacture of that flour to our own workshops. It is the same principle we applied to logs. We put logs on the free list because we could not produce them in sufficient quantities, and we protected American labor by putting a duty on the manufactured products of logs.

There is another reason, too, why I think we should have a tariff on this article, even if there is no way of distinguishing between crude sago and sago flour. In the State I in part represent we had years ago these sago starch factories. There were two of them I was quite conversant with at Hillsboro and at Hankinson. I spoke with some of the proprietors of those factories, now long since closed, and they told me that at the time when they went out of business, finding it not profitable, they were not aware of the causes why the business was unprofitable, but they have learned since, they told me, it is on account of the growing and excessive competition of sago flour which comes to them already manufactured from foreign countries.

I am a little more radical than my friend from Minnesota as to the benefit of the duty on potatoes. While I would not for a moment pretend that the duty of 45 cents a bushel on potatoes will raise the price of every bushel of potatoes in North Dakota to that extent, yet I do contend that the same principle applies to it as to the lemon raisers of California. The slight duty of a quarter of a cent a pound on lemons extends the market of the California lemon producer beyond the Missouri River and may enable him to reach the markets of New York City.

Exactly the same economic principle applies to us in the matter of potatoes. We usually here in Washington find foreign potatoes in the market. I have known the time, when keeping house in Washington, I was unable to find anything but imported potatoes, Scotch and Irish potatoes, in the market here in the city of Washington, and I found the reason for that was that the freights were so much cheaper from Edinburgh and Dublin to Washington than they were from Grand Forks, N. Dak., that it was impossible for us to compete. We produce the nicest potatoes in the world. They are in every way superior and would come in competition on their merits, but the tariff was not high enough to enable us to reach Washington and New York. Now, since levying a duty of 45 cents a bushel on potatoes you will find nice, mealy, glistening potatoes here next year in Washington, such as you never found before, and they will come from North Dokato. Leave the law as it was and relieve us from this competition of a foreign, ready-made, completed, finished manufactured article of sago flour, and we will put into the cotton mills of New Hampshire and Massachusetts a superior article of starch that will give a gloss and a luster that will make them think the cloth goods were mercerized.

Mr. SCOTT obtained the floor.

Mr. BACON. Mr. President——

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Georgia?

Mr. SCOTT. I do.

Mr. BACON. I simply desire to ask the Senator from North Dakota if that pretty gloss would not disappear with the first washing.

Mr. JOHNSON of North Dakota. I am not an expert in the manufacture of cloth, and I can not answer.

Mr. SCOTT. Mr. President, after six or eight weeks' warring on the trusts of this country by the progressives, I would like to say for the benefit of our friends the progressives here it is strange that the Senator from Minnesota would ask to have this article put under a protective duty and taken out of the free list, because we all know that the starch trust is one of the greatest that we have in this country. My friend on my right, the Senator from Nebraska [Mr. BURKETT], says that one of the large starch factories in his State was bought up by the trust and then closed down.

While keeping sago flour on the free list may work an injustice to the small starch manufacturers in Minnesota and other States, yet it seems to me that to put a duty on it would be in the interest, as I take it, of the starch trust, if the rule worked in this case as our friends say that it worked with the United States Steel trust. Some of us who are interested in the outside or independent steel corporations say that the action to punish the United States Steel Company punishes the independent operators, and that is the case with my friend from Minnesota. If we punish the starch trust, then we punish these independent operators. But must we legislate, as they have claimed that we should not, in the interest of the starch trust?

Mr. CUMMINS. Mr. President, I fear the Senate has not received an adequate understanding of this subject from the statement of the Senator from Rhode Island.

Passing, however, from the Senator from Rhode Island to the last suggestion of the Senator from West Virginia [Mr. SCOTT], I beg to say that no taunt of inconsistency could deter me from walking straight forward in the path that I have laid out for myself. I have not voted or asked that others should vote for putting the products of iron and steel on the free list, notwithstanding the fact that the monopoly is there as complete as it can be found in any field of industry. I have not asked that the products of any field of enterprise that may be partially or wholly monopolized shall be put on the free list, for I said in the beginning that I did not believe that was the way to treat the trust question. It may be the way to treat the monopoly question, but not the question that we ordinarily mean when we use the word "trust."

Now, let us see a moment with regard to sago flour. When the Dingley law was passed there was no such thing known commercially as sago flour used for starch.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Iowa yield to the Senator from Rhode Island?

Mr. CUMMINS. Certainly.

Mr. ALDRICH. To my certain knowledge, by experience, there has been sago flour imported into the United States for very, very many years.

Mr. CUMMINS. The Senator from Rhode Island, however, did not answer my statement. I am informed that until recently sago flour was not used in any large quantity anyhow for starch.

Mr. ALDRICH. Mr. President, it is not now used for starch in any quantity.

Mr. CUMMINS. Precisely. If that be true, then there is no use for taking this article from the free list. My information is that the United States used last year—I will not attempt to give the exact number of pounds, but as I remember it, 30,000,000 pounds of sago flour and tapioca flour for starch.

Mr. ALDRICH. We did not use one single pound for starch, in my judgment. Sago flour and tapioca flour are used for food. They are used for filling cotton goods, oilcloths, woolen goods, and a great variety of manufactures for filling. It does not takes the place of starch at all.

This is rather a remarkable proposition in any event, that an article grown in the Tropics, and which can not be produced in the United States at all, shall be forced out of use for the benefit of another industry which makes another article, and in which I think there is the largest and most flagrant combination—if that is an objectionable feature—of any in the United States.

Mr. CUMMINS. The men who are engaged in making starch tell me that the sago flour, especially, is used for starch, and is used in competition with the starch made in the United States.

I am perfectly willing to put all starch on the free list; but if you intend to put any starch on the dutiable list, then you have no right to discriminate against the men in my part of the country. You put, as it seems to me, in the most ridiculous fashion, a duty of 15 cents a bushel on corn, and yet the only way in which you can give the corn producer the very slightest protection is to put a duty upon the starches that come into competition with the starch made from corn. I am not now speaking of potatoes so much. If I am wrong——

Mr. ALDRICH. Will the Senator allow me to ask him a question?

Mr. CUMMINS. Yes.

Mr. ALDRICH. Does the Senator think that it is a proper application of the protective principle to put a prohibitory duty upon an article which can not be produced in the United States to keep it from competition with another article that is produced in the United States?

Mr. CUMMINS. Mr. President, the question of the Senator from Rhode Island is very misleading. It is true that sago can not be produced in the United States, for it is a tropical tree or shrub; but sago flour, when it reaches that condition, is starch, and it is exactly like cornstarch, so far as its use is concerned and so far as its effect is concerned.

I do not mean to say that there is not a difference between the quality of cornstarch and sago starch, but I do assert that they are used for exactly the same thing, although sago starch may have other uses as well. I do not want to put any duty whatsoever on sago flour or sago in any other form for food. I do not want to see any duty put on tapioca flour or any other product of sago flour that is edible; but when you bring into this country a starch—and I assert that sago flour is starch pure and simple, and is nothing else but starch——

Mr. ALDRICH. If the Senator will turn to paragraph 292——

Mr. CUMMINS. I have it before me, Mr. President.

Mr. ALDRICH (continuing). He will find that "all other starch, including all preparations, from whatever substance produced, fit for use as starch"——

Mr. CUMMINS. Precisely.

Mr. ALDRICH. Is dutiable at 1 cent per pound. That answers the Senator's argument conclusively. I will say that this article is not used as starch, and the Senator can not produce any evidence that it is used as starch. It is used for an entirely different purpose. If it were used as starch, and fit to be used as starch, it would be dutiable at a cent a pound, under the provisions of the paragraph which I have just read.

Mr. CUMMINS. That is the very difficulty with this arrangement. If it were not for the specific reference to sago flour in the paragraph now under consideration, paragraph 292 would cover the case completely. You have provided that "all other starch, including all preparations, from whatever substance produced, fit for use as starch, 1 cent per pound," and then you provide specifically for sago flour, which, as I assert again, is starch and nothing else but starch, at least I am so advised by those in whom I have the highest confidence. I do not pretend to any technical knowledge of my own, but we have two cornstarch manufactories in the State of Iowa. They are independent of the Corn Products Company, and they are trying to get along as best they can.

I do not value very highly the duty on corn, but I do believe that there ought to be a duty upon the product of starch. You have given us a duty on starch, and yet by the employment of the words "sago flour" in the free list you take out of the operations of paragraph 292 the starch that is known to commerce as "sago flour." I am perfectly willing that sago in all its forms except starch shall be admitted free.

Mr. McCUMBER. Will the Senator suggest the character of an amendment that he would offer to the paragraph so that it shall apply only to sago flour not suitable for the uses of starch?

Mr. CUMMINS. I prepared an amendment. I handed it to some member of the Finance Committee long ago, and I had some reason to believe that it would meet with a favorable consideration, but it has not. I have not at hand that amendment, but the statement just made by the Senator from North Dakota would fit the case precisely. If you just add to this paragraph in the free list, after the words "sago flour," the words "not fit for use for starch," if, as the Senator from Rhode Island says, it is not starch and is not used for starch, it would do nobody any harm.

Mr. ALDRICH. Here is an amendment to take an article of food, which has been free for almost a generation, an article of food in common use, from the free list and put a prohibitory duty on it; not to protect any manufacturer in the United States of the same article, but for the benefit of another article that is produced and controlled by a great combination in the United States. I say, if the Finance Committee had made this recommendation, the country would have rung from one end to the other about the enormity of even the suggestion. The proposition is not defensible from any standpoint, and I am surprised at this attempt, when the opposite course was taken so recently by the Senators who are advocating this change. It might have been all right if it had been made weeks later. I say, we are not bound as protectionists, it seems to me, to try to exclude one article because it may possibly compete with another.

Mr. BEVERIDGE. May I ask the Senator a question, with the Senator's permission?

Mr. CUMMINS. I have been trying to get the attention of the Chair to ask the Senator from Rhode Island a question.

Mr. ALDRICH. I will be very glad to answer it.

Mr. CUMMINS. This is the question I desire to ask: When sago flour is mentioned in commerce, does the Senator from Rhode Island assert that it embraced the edible products of sago? Do you not know that sago flour is not eaten at all?

Mr. ALDRICH. Sago flour does embrace edible articles. It is used in that direction, and was imported as sago flour for years free of duty.

Mr. CUMMINS. That answer is not entirely right, as it seems to me, because you have put sago flour in the law for the first time. It never had been mentioned at all in a tariff law.

Mr. ALDRICH. But the Senator is willing to admit, I suppose, that it has been admitted free of duty under the decisions of the courts and of the appraisers.

Mr. CUMMINS. Precisely; it has been admitted free of duty very recently; but originally, when it began to be imported here, it was admitted as starch and paid a duty of a cent a pound, I am so informed.

Mr. CRAWFORD. Mr. President, I desire to ask what duty it will bear if it is taken from the free list? What is the proposition? What rate will be imposed upon it if it is stricken out of the free list?

Mr. CUMMINS. If the words "sago flour" are stricken from the free list, it would then fall under paragraph 292 as a starch.

Mr. ALDRICH. I beg the Senator's pardon; under the decisions of the courts, it would not fall there at all.

Mr. CUMMINS. I am willing to risk it.

Mr. ALDRICH. Of course the Senator is willing to risk it, because it would pay a much higher duty.

Mr. CUMMINS. I do not quite catch the import of the statement just made.

Mr. ALDRICH. I say it would pay a higher duty than 1 cent a pound. Of course the Senator is willing to risk it.

Mr. CUMMINS. Mr. President, that accuses me——

Mr. ALDRICH. Oh, no; I did not accuse the Senator——

Mr. CUMMINS. Of bad faith.

Mr. ALDRICH. Oh, no; I beg the Senator's pardon.

Mr. CUMMINS. I say it would fall under paragraph 292, as I understand it, and would bear a rate of 1 cent a pound.

Mr. ALDRICH. That depends upon whether it is starch or not, and the courts have decided that it is not starch.

Mr. NELSON. Mr. President, the Senator from West Virginia [Mr. SCOTT], seems to be troubled a good deal about my attitude on this tariff question. It does not trouble me at all. I am always here to do what I think is right from my standpoint, and to represent, as far as I can, the people of the State of Minnesota.

This trust that is spoken of is not a trust among the manufacturers of potato starch; it is among the manufacturers of what is commonly called "cornstarch." I will state what the trouble here is, and I am surprised that my friend from Iowa [Mr. CUMMINS] did not see it. This is a case where the farmers of Minnesota run up against the cotton manufacturers of New England again. Sago flour is used in the manufacture of cotton as a filling. If it was not for that, if it was merely a matter of food, I have no doubt but that the Senator from Massachusetts and the Senator from Rhode Island would have no conscientious scruples; but it interferes with the cotton manufacturers of New England. They want this article in their industry free, and although it comes in competition with the potato farmers of Minnesota that has nothing to do with the matter.

Those cotton manufacturers must not only have their tariff increased, as we increased it by five paragraphs in the cotton schedule, but in addition to that they want free raw materials in their manufacturing industries. I am not surprised at it, and I throw myself upon the mercy of the country. All I can do in this case, in the face of the combination that confronts us here, is to enter a plea of nolo contendere. That is all a poor criminal can do when the court and the jury and everything is set against him.

Mr. FRYE. Mr. President, in Aroostook County, the northeast county in the country, I think there are from 30 to 40 potato-starch mills. They use up practically those potatoes that are not in first-class shape as merchantable. It is a very important industry. They protest very seriously against free sago flour and tapioca, because they assert that they are used as starch. They suggested to me that all they would ask in this bill was that the items relating to sago and tapioca flour should be amended by adding to them "to be used as food." That is satisfactory to the Senator from Minnesota?

Mr. NELSON. Certainly, that would be satisfactory. That is all I ask.

Mr. FRYE. What is the objection to adding to "sago and tapioca" the words "to be used as food?"

Mr. ALDRICH. I have no objection especially to the words being added, but I can not understand how a customs officer could tell whether tapioca imported was to be used for food or some other purpose. It strikes me that the provision would be useless. However, I have no objection to putting those words in if the Senator desires to have them inserted.

Mr. FRYE. Mr. Fair, who is a very intelligent man and the collector of Aroostook County, suggested those words to be added, stating that they would be satisfactory. He ought to know.

Mr. ALDRICH. I will accept the amendment.

Mr. MONEY. I wish to know whether I understand the proposition correctly. Has the Senator from Rhode Island [Mr. ALDRICH] accepted the proposition that sago flour is to be admitted free of duty when used for food or other purposes?

Mr. ALDRICH. No; but when it is to be used for food.

Mr. FRYE. "To be used as food."

Mr. JOHNSON of North Dakota. Mr. President, we were unable in this part of the Chamber to hear the amendment suggested by the Senator from Maine [Mr. FRYE].

Mr. FRYE. It was suggested to me by the starch makers in Aroostook County, Me., that it would be satisfactory to them if, after the words "tapioca-flour and sago-flour products," the words were added "to be used as food."

Mr. CRAWFORD. Mr. President, I do not quite see how the addition of those words will settle this question. How are you to tell if sago flour, imported for the purpose of being used in cotton mills, is identically the same as the sago flour used as food? How are you going to tell what the intention of the importer is—whether he is going to use it in a cotton factory or use it as an article of food? A mere designation of that kind, as to what use it is to be put, seems to me is going to be a general term which will not settle this question.

Mr. FRYE. Mr. President, I do not know; but these men, who are making potato starch in Aroostook County, are very intelligent men and do understand this subject. Mr. Fair, who made this proposition to me, is the collector. He said there was no difficulty in settling the question whether this article was to be used as flour or as starch, and he stated that the Aroostook farmers would be satisfied to have the words which I have suggested added. I have done my duty to them in accepting their proposition, so far as I am concerned.

Mr. McLAURIN. Mr. President, I should like to know whether this article of food is to be free of duty only when it is to be used by the importer?

Mr. ALDRICH. Oh, no.

Mr. McLAURIN. If not, then the importer imports it for sale; and how can it be told how the purchaser of it from the importer is going to use it? How can he be held to give bond or security or assurance that the man to whom he sells it will use it for food, and for nothing else? It seems to me that it is a provision that could not be enforced nor be regulated at all. I can not see, for my life, how the importer can be held to guarantee in any way, or how he could guarantee in any way, that his vendee will use it for food, and for nothing else. It seems to me that such a provision will complicate the bill very much.

Mr. ALDRICH. Mr. President, the Senator from Michigan [Mr. BURROWS] has an amendment, which has been prepared by tariff experts, who say that it would be enforceable, which is substantially the same as that proposed by the Senator from Maine [Mr. FRYE].

Mr. BURROWS. Mr. President, in harmony with the suggestion of the Senator from Maine, I have submitted this matter to the Board of Appraisers on this very question, having from my State numerous complaints in the apprehension that the starch industry would be interfered with. The Board of Appraisers suggest the very amendment, in substance, which the Senator from Maine has submitted, which is to strike out the words contained in the bill and insert "sago flour when used for food." I send that and another amendment to the desk.

Mr. ALDRICH. That is the same thing.

Mr. BURROWS. It covers the same thing.

The PRESIDING OFFICER (Mr. DEPEW in the chair). The question is on the amendment proposed by the Senator from Michigan [Mr. BURROWS].

Mr. NELSON. Mr. President, if that is satisfactory to the Senator from Michigan and the Senator from Maine, I shall accept that as a substitute for my motion.

Mr. BURROWS. I think that covers it.

Mr. McLAURIN. I suggest that, instead of saying "when used for food," the words "susceptible of use for food" be inserted.

Mr. ALDRICH. No.

Mr. FRYE. That will not do.

Mr. McLAURIN. If you insert the words "when used for food," it can not be imported at all, because it will have been used for food.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Michigan [Mr. BURROWS], which will be stated.

The SECRETARY. In paragraph 660, page 216, line 3, after the words "sago flour," it is proposed to insert "when used for food."

The amendment was agreed to.

The PRESIDING OFFICER. The next amendment proposed by the Senator from Michigan [Mr. BURROWS] will be stated.

The SECRETARY. It is proposed to add the same words after the words "tapioca flour," in paragraph 685, on page 219, line 1.

Mr. CRAWFORD. Is it proposed to insert the words "when used for food?" It seems to me such an amendment is farcical. I do not know what it means.

Mr. ALDRICH. That was the suggestion of the expert. I will say, however, to the Senator from South Dakota, that we shall hereafter take care of the phraseology; which, however, I think is all right; but if it is not all right, we shall make it so.

The SECRETARY. In paragraph 685, page 219, line 1, at the end of the paragraph, it is proposed to add the words "when used for food."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Michigan.

The amendment was agreed to.

Mr. ALDRICH. I now ask that the paragraph as amended be agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. On page 216, line 13, in paragraph 664, the word "seedlings" should be stricken out and the word "seeds" inserted. The Senator from Minnesota [Mr. NELSON] has called my attention to that.

The PRESIDING OFFICER. The amendment proposed by the Senator from Rhode Island will be stated.

The SECRETARY. In paragraph 664, page 216, line 13, it is proposed to strike out the word "seedlings" and to insert in lieu thereof the word "seeds."

The amendment was agreed to.

Mr. DOLLIVER. Mr. President, has paragraph 665 been disposed of?

The PRESIDING OFFICER. It has not yet been disposed of.

Mr. ALDRICH. The Senator from Delaware [Mr. DU PONT] has an amendment, which I think he proposes to now offer.

Mr. DU PONT. Do I understand that paragraph 665 has been taken up, Mr. President?

The PRESIDING OFFICER. Paragraph 665 is now before the Senate.

Mr. DU PONT. Mr. President, I have an amendment to offer to that paragraph which is in relation to sheep dip. Sheep dip, I will say briefly, is simply a preparation which interests all agriculturists who are engaged in the raising of sheep. It is an insecticide. The trouble with the paragraph as it now stands, which is identical with the provision of the Dingley law, is that it includes any preparation or compound that is used for any other purpose. As a matter of fact, being an insecticide, most of the sheep dips contain carbolic acid and other similar articles, which are disinfectants; they are disinfecting compounds as well as insecticides; consequently I offer the amendment to remedy that. I now send the amendment to the desk.

The PRESIDING OFFICER. The amendment proposed by the Senator from Delaware will be stated.

The SECRETARY. In lieu of paragraph 665 it is proposed to insert the following:

665. Sheep dip, not including any compound or preparation that can be used for any other purposes than that of a disinfectant, antiseptic, or insecticide.

The VICE-PRESIDENT. The question is on the amendment proposed by the Senator from Delaware.

Mr. DU PONT. I hope the committee will accept that amendment.

Mr. ALDRICH. The committee are willing to accept the amendment.

The amendment was agreed to.

Mr. SCOTT. Mr. President, I wish to ask the chairman of the Committee on Finance why, in paragraph 666, shotgun barrels in single tubes are put on the free list? I ask the question for information.

Mr. ALDRICH. Our manufacturers have never been able to make this class of shotgun barrels, and it is a matter of protection to the shotgun makers of this country.

Mr. SCOTT. If we were to put a duty on shotgun barrels, tubes, and so forth, could they not then be made in this country?

Mr. ALDRICH. I think not. I have never heard any claim that they could be.

Mr. BEVERIDGE. It would be a source of revenue.

Mr. ALDRICH. It would be a source of revenue, but it would destroy the shotgun manufacturers of the United States; that is, unless you readjust the rates. I have never heard any complaint on account of the fact that these articles were on the free list.

Mr. SCOTT. Nor have I. So far as I am concerned, I am not much in love with the free list, anyway.

The PRESIDING OFFICER. The Senate has not yet acted upon paragraph 665 as amended. That is now the pending question.

The paragraph as amended was agreed to.

Mr. ALDRICH. In paragraph 667 the committee have an amendment. That paragraph relates to shrimps and other shellfish. I move to add to that the words "not otherwise provided for in this section."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. Add at the end of the paragraph the words "not otherwise provided for in this section."

The amendment was agreed to.

The paragraph as amended was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment passed over.

The SECRETARY. Paragraph 674½, spices——

Mr. KEAN. That was agreed to.

The PRESIDING OFFICER. No; it was passed over at the request of the Senator from Delaware [Mr. DU PONT]. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. HEYBURN. I inquire as to the status of paragraph 672?

The PRESIDING OFFICER. It has been agreed to.

Mr. LODGE. That is always in tariff bills.

Mr. ALDRICH. That does not interfere with the question of the duty on hides.

Mr. LODGE. It is an old provision.

Mr. HEYBURN. Well, we will see when we come to the hide item.

The PRESIDING OFFICER. The Secretary will state the next paragraph passed over.

The SECRETARY. Page 219, paragraph 691, tin ores——

Mr. GORE. Mr. President, I desire to offer an amendment to paragraph 664, and I ask unanimous consent to do so at this time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none.

Mr. GORE. Mr. President, at the close of the paragraph, in line 15, I move to add these words:

Provided, however, That all bulbs and bulbous roots of every description shall be admitted free of duty whenever grown in and imported from any country which shall admit to its ports free of duty wheat grown in the United States or flour manufactured therefrom.

Mr. ALDRICH. What paragraph is that?

Mr. GORE. Paragraph 664, at the close of the paragraph.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. Add at the end of paragraph 664 the following proviso.

Provided, however, That all bulbs and bulbous roots of every description shall be admitted free of duty whenever grown in and imported from any country which shall admit to its ports free of duty wheat grown in the United States or flour manufactured therefrom.

Mr. GORE. Mr. President, I submit that amendment because the millers of the country seem to manifest a good deal of concern in it. They seem to think that if we should let down the bars with reference to the importations of bulbs from Holland we might possibly obtain some concessions with reference to our exports of wheat, and especially flour, to that country, so that it might bring about reciprocal arrangements that would be beneficial, not only to the millers, but to the growers of wheat.

Mr. McCUMBER. Mr. President, I simply want to say that I have had the same matter under consideration, and with special reference to the bulbs imported from Holland. There appeared before a subcommittee representatives of the importers, together with representatives of the raisers of bulbs in this country. Those who are importing from Holland were perfectly satisfied with a rate that would be equivalent to one-fourth of a cent a pound. Upon an examination, however, of the character of the importations it was found, for instance, that bulbs of a certain class coming from Holland would weigh three or four times as much as bulbs of a similar kind coming from France, as between Holland and France. We went over the matter very carefully and fixed a rate that would be about equivalent to one-fourth of a cent per pound by placing a specific duty upon all of the different kinds of bulbs by the thousand in number rather than by the pound. That has practically been agreed upon by the Committee on Finance, and it seems to be entirely satisfactory to the bulb raisers, so far as I understand, and it is all they have asked for.

Mr. ALDRICH. It has been also agreed to by the Senate, has it not?

Mr. McCUMBER. Yes; I believe it has already been agreed to by the Senate.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Oklahoma [Mr. GORE].

The amendment was rejected.

The paragraph as amended was agreed to.

The PRESIDING OFFICER. The Secretary will state the next amendment passed over.

The SECRETARY. Paragraph 691, tin ore, and so forth——

Mr. ALDRICH. Mr. President, the senior Senator from South Dakota [Mr. GAMBLE], who is now absent, desires to submit some remarks upon this paragraph. I think, however, we might agree to the paragraph, with the understanding that when the Senator returns—he is now absent from the city—he shall have an opportunity to have it reconsidered for the purpose of making his remarks. I call the attention of the junior Senator from South Dakota [Mr. CRAWFORD], who is now in his seat, to the statement which I have just made. I said that the senior Senator from South Dakota desired to submit some remarks on this paragraph.

Mr. CRAWFORD. Is that the tin-ore paragraph?

Mr. ALDRICH. Yes.

Mr. CRAWFORD. The senior Senator from South Dakota is absent to-day, but before that paragraph is finally acted upon he desires to submit some remarks upon it.

Mr. ALDRICH. I suggested that the paragraph be agreed to, and that I would ask for a reconsideration when the Senator's colleague returns, so as to enable him to submit his remarks.

Mr. CRAWFORD. That is satisfactory.

The PRESIDING OFFICER. The question is on agreeing to the paragraph.

The paragraph was agreed to.

Mr. LODGE. On page 221, paragraph 708½, which has been agreed to, in line 10, after the word "rattan" and the comma, I move to insert "reeds, unmanufactured," and a comma.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 221, in paragraph 708½, in line 10, after the word "rattan" and the comma, it is proposed to insert the words "reeds, unmanufactured," and a comma.

Mr. SCOTT. Mr. President, in that same paragraph, in line 6, I should like to have stricken out the words "briar root or briar wood and similar wood unmanufactured."

Mr. ALDRICH. I hope that that amendment will not be agreed to. I am willing, however, to let the matter go over, for the consideration of the committee.

Mr. SCOTT. While the wood schedule was under consideration, if the Senator will remember, he promised me that I should have a hearing for our laurel-root pipes.

Mr. ALDRICH. The Senator will have that hearing.

Mr. SCOTT. I will let it go over with that understanding.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. LODGE], which has been stated.

Mr. CLAY. The Senator from Massachusetts has offered an amendment to paragraph 708½. As I understood, although I am not certain, the amendment was in line 10, after the word "rattan." I should like to inquire what words the Senator moved to insert?

Mr. LODGE. "Reeds, unmanufactured."

Mr. CLAY. That has reference to chair canes?

Mr. LODGE. Chair canes are covered by a duty, but the other reeds are not. This is simply to restore the old language, which was omitted from this bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

The paragraph as amended was agreed to.

The PRESIDING OFFICER. The next paragraph passed over will be stated.

The SECRETARY. Page 223, paragraph 711½, works of art, and so forth, inserted as a new paragraph by the committee.

Mr. LODGE. Mr. President, I desire, on behalf of the committee, to modify that amendment in line 8, page 224, before the word "Works," by inserting the word "Other," and after the word "art," by inserting "except rugs and carpets."

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 224, in paragraph 711½, line 8, before the word "Works," it is proposed to insert the word "Other;" to make the word "Works" begin with a small "w;" and after the word "art," to insert the words "except rugs and carpets."

Mr. GALLINGER. Mr. President, I ask the Senator from Massachusetts if that will allow tapestries to come in under this provision free of duty?

Mr. ALDRICH. I think it would.

Mr. LODGE. Unquestionably, tapestries would come in free of duty if they are more than 100 years old.

Mr. GALLINGER. The older they are the more valuable they are. It seems to me that we ought to have a duty on tapestries, and I move to amend by adding "tapestries" to the enumerated articles, so that it will read "except rugs, carpets, and tapestries." I move that amendment.

The PRESIDING OFFICER. The question is on the amendment.

Mr. SCOTT. Let the amendment of the Senator from Massachusetts [Mr. LODGE] be stated, so that we may know what it is.

The PRESIDING OFFICER. The Secretary will state the amendment.

The SECRETARY. It is proposed to amend the amendment of the committee, beginning in line 8, so that it will read: "Other works of art"——

Mr. LODGE. Has my amendment been agreed to?

Mr. GALLINGER. No; I have moved an amendment to it.

Mr. LODGE. Of course the Senator can not do that, my amendment being an amendment to an amendment of the committee. That would be an amendment in the third degree, but I am willing to accept it, if there is no objection, though it is not parliamentary.

Mr. GALLINGER. I have no objection to having the matter disposed of in a parliamentary way. Let the Senator's amendment be adopted first, and then I will move my amendment.

Mr. LODGE. I am perfectly willing that the amendment shall be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Massachusetts to the amendment of the committee. If there be no objection, the amendment to the amendment will be considered as agreed to.

Mr. CARTER. Mr. President, if an objection may be lodged, I hope the proposed amendment will not be considered as agreed to. In view of the amendment as originally presented by the Senator from Massachusetts [Mr. LODGE] I venture to predict that tapestries might be excluded under the paragraph. If admitted free at all, tapestries over 100 years old would be admitted under the designation "artistic antiquities." I believe that tapestries 100 years old or more should not be subject to a duty. They are generally introduced for the purpose of permanent exhibit in the museums and art collections of the country, and there does not seem to be any argument available in favor of admitting a picture 100 or more years of age free of duty which does not apply with equal force to tapestries.

Mr. LODGE. The limitation is 20 years in the case of pictures or sculptures.

Mr. CARTER. Twenty years. But, Mr. President, if a picture over 20 years old should be admitted free of duty to encourage art and to cultivate an artistic taste in this country, most assuredly a duty should not be levied on a tapestry more than 100 years old, which can not, in the nature of things, enter into the commerce of the country in competition with anyone and which, from the artistic character of the production and its antiquity, will constitute a most interesting exhibit in any of our great art galleries. There are few homes in which tapestries over 100 years old are kept for private exhibition. They are as clearly contributions of interest and value to the art galleries as the paintings or the porcelains or the etchings or the engravings mentioned in this paragraph.

Porcelain is produced by one method, bronze by another, marble by another, and terra cotta by still another. Tapestry embodies in its construction more skill and patience and time than any of the other creations referred to in the paragraph. It would be strange, indeed, if a piece of porcelain in a given art gallery in this city could be pointed to as having been admitted free of duty because more than 100 years old, while the tapestry on the wall, beautiful as any picture in the gallery, embracing more of interest than the porcelain itself, was a dutiable article. The inconsistency, I think, will be at once apparent.

Of course the primary purpose of placing these tapestries on the dutiable list will be to raise revenue. There can be no element of protection, because the hundred-year period precludes the possibility of present competition.

Mr. President, I do sincerely hope that the Senator will withdraw his objection, and in order that there may be no obstacle to the admission of tapestries I shall move, after the amendment pending has been disposed of, to insert "tapestries" after the word "antiquities," in line 10.

Mr. GALLINGER. Mr. President, I am still of the opinion that we ought not to go into the importation of tapestries free of duty, whatever the age of the tapestry may be. I apprehend

that if we put tapestries 100 years old on the free list a great many tapestries not 100 hundred years old will come in free of duty. I think it will be a very difficult matter to determine that a tapestry is just a century old, and we know how we are imposed upon in other matters of importation in various ways. I apprehend that this will be simply an additional item where the importer will take advantage of the Government. However, I am not very strenuous about it. I think we have enlarged the free list in this paragraph to a very great extent. I have in my own mind a serious question as to the advisability, in the name of art, of permitting these large importations of pictures and a great many other things that will adorn not our galleries, but the homes of the rich people of our land. I have little sympathy with the argument that this is altogether in the interest of the people of the United States and that these articles when imported will be found only in the galleries to which the people will have free access.

However, I have been appealed to by several Senators not to urge this amendment, and, deferring to their wish, I will withdraw my amendment.

Mr. BURKETT. Mr. President, I should like to ask the chairman of the committee what this paragraph is for; what the real object of it is? I have heard it rumored here——

Mr. ALDRICH. It seems to be perfectly plain. It is to admit artistic antiquities and works of art, more than a hundred years old, free of duty.

Mr. BURKETT. But I have understood it is claimed to be in the interest of art galleries and that sort of thing, while in their interest there can be brought in——

Mr. ALDRICH. It is in the interest of education and civilization.

Mr. BURKETT. Of course every import is in the interest of education and civilization.

Mr. ALDRICH. Not by any means.

Mr. BURKETT. I hope we do not import anything that is not in that interest. This is to let some people bring in their works of art to decorate their mansions. I am not in favor of it, I will say to the Senator. We can not escape that criticism. This paragraph reads:

> Works of art, productions of American artists residing temporarily abroad, or other works of art, including pictorial paintings on glass, imported expressly for presentation to a national institution, or to any state or municipal corporation or incorporated religious society, college, or other public institution—

Shall be admitted free.

Under that we have had year after year admitted a good deal of art free. I can not see why at this time, in view of certain conditions, especially the rumors that obtain, we ought to put in here a provision to let anybody bring in his collection of art free. I doubt if we are justified in doing it. It seems to me we will be criticised if we do it, especially in the face of that paragraph which is already in the law admitting these articles free when they are for public institutions. You can not read this in any other way. It is to permit somebody to bring in these articles free, for his private gain.

Some patriotic Americans have been willing to pay the tariff on the articles they have brought in, and are displaying these great exhibitions of art for the public benefit. They are beneficial. If they are willing to buy this art abroad, they ought to be willing to contribute a little amount to the Treasury of the United States and relieve Congress of the criticism that is bound to come if we insert this clause 711.

While I glory in the generosity of anyone who is willing to bring in these exhibitions here for the benefit of our people, it does not seem to me that we are justified in passing this law now, in view of the other law that is on the statute books.

Mr. NELSON. I desire to offer an amendment to paragraph 711½.

Mr. LODGE. I should like to ask if the amendment I offered was adopted?

The PRESIDING OFFICER. It is now the pending amendment.

Mr. NELSON. To what paragraph is that?

Mr. LODGE. I offered an amendment to this paragraph, to insert before the word "works" the word "other," and after the word "art" insert "except rugs and carpets."

The PRESIDING OFFICER. The question is on that amendment.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana rise to the amendment?

Mr. DIXON. No; I do not.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Massachusetts.

The amendment was agreed to.

Mr. BURKETT. Has the twenty years been changed to one hundred?

Mr. LODGE. Twenty years for pictures and statuary; one hundred years for all other works of art.

Mr. NELSON. I desire to offer an amendment to paragraph 711½ to put it exactly on the same footing as 711. I move to insert after the word "importation," in line 21, the following words, and I take them, I may say, from the preceding paragraph:

> Imported expressly for presentation to a national institution, or to any state or municipal corporation or incorporated religious society, college, or other public institution.

So these works of art will come in free when imported for such institutions. We make a distinction in the preceding paragraph, and I think we ought to make it here. If these works of art are imported for the benefit of these public institutions, in which the entire public have an interest, it is well and proper to let them come in free. But if some wealthy capitalist sees fit—a man who has made his millions—to import a lot of these luxuries or works of art for the adornment of his own expensive mansion, I do not see why he should be immune from paying the usual tariff taxes.

Mr. LODGE. The amendment of the Senator from Minnesota would simply convert 711½ into a repetition of 711. Seven hundred and eleven covers entirely every work of art imported for public institutions. Seven hundred and eleven and a half is designed to admit to this country free of duty works of art more than twenty years old and more than a hundred years old, for the purpose of encouraging the importation of works of art in the interest, as the committee believes, of civilization and education and enlightenment.

I have no desire to take the time of the Senate. I think we all understand the question and can vote upon it.

Mr. NELSON. The Senator is utterly mistaken when he says it is the same as paragraph 711.

Mr. LODGE. I said it would be the same if we accepted the amendment.

Mr. NELSON. No; it would not be. It does not cover the same subject. Seven hundred and eleven relates to works of art, the production of American artists residing temporarily abroad.

Mr. LODGE. Read on. It covers everything.

Mr. NELSON. But the other paragraph covers all kinds of art.

Mr. LODGE. So does the first one, much more comprehensively.

The PRESIDING OFFICER. The Secretary will state the amendment.

Mr. DIXON. Does the Senator from Minnesota offer an amendment to 711½?

Mr. NELSON. Yes; I take the words that are found, if the Senator will allow me, in 711, commencing after the word "glass," in line 9, and extending down to the word "except," in line 12. In other words, I move to amend paragraph 711½ by inserting after the word "importations" the following words:

> Imported expressly for presentation to a national institution, or to any state or municipal corporation or incorporated religious society, college, or other public institution.

Mr. DIXON. What I want to suggest to the Senator is, Why should not the proviso be inserted at the end of the whole paragraph, 711½? After that there is a whole page, 224:

> Works of art, collections in illustration of the progress of the arts, works in bronze, marble, terra cotta, parian, pottery, or porcelain, artistic antiquities, and objects of art.

Should not his amendment come in as a proviso at the end of the paragraph?

Mr. NELSON. I think not. The Senator will observe that all these others are in the nature of definitions, explaining what comes before it. For instance:

> But the term "sculptures" as herein used shall be understood to include professional productions of sculptors only, whether round or in relief, in bronze, marble, stone, terra cotta, ivory, wood, or metal; and the word "painting," as used in this act, shall not be understood to include any article of utility nor such as are made wholly or in part by stenciling or any other mechanical process; and the words "etchings" and "engravings."

It seems to be all in the nature of definitions as to the works referred to in the first part of the paragraph.

Mr. DIXON. That was my first impression, but on a more careful reading of it——

Mr. LODGE. Will the Senator allow me?

Mr. DIXON. Certainly.

Mr. LODGE. Paragraph 711, which is the existing law slightly reworded, but the existing law, covers everything the amendment of the Senator from Minnesota covers, because it says in the broadest way:

> Works of art, productions of American artists residing temporarily abroad, or other works of art.

Under that paragraph every work of art is included which is imported expressly for presentation. The works of art of

American artists come in because they are the works of American artists, but all other works of art, that are for presentation to a national institution, come in free and always have come in free. To add those words to this paragraph would simply make this paragraph a repetition of 711. It is much easier to vote it down, rather than to add this proviso, which simply makes a repetition of the preceding paragraph.

The reason why this paragraph is drawn differently is because it was necessary to get an extremely careful definition to prevent fraud under it.

Mr. DOLLIVER. Mr. President——

Mr. NELSON. Will the Senator from Montana yield to me for a moment?

Mr. DIXON. I yield first to the Senator from Iowa.

Mr. DOLLIVER. I simply wanted to ask the Senator from Massachusetts to corroborate a thing I have thought was so. For about twelve years the newspapers of a certain type and the magazines and all the organs of American culture and education have been denouncing the Congress as being composed of rude barbarians, who deliberately put a tax upon popular education by the tariff on works of art. My recollection is that that tariff was put on in 1897, at the request of the most important society of artists in the city of New York, and I wanted to ask my friend the Senator from Massachusetts if I am correct about that.

Mr. LODGE. No; I think not. It was the Art Dealers' Association.

Mr. DOLLIVER. My recollection is that representatives of the artists appeared, claiming that the art market in New York City was flooded with importations of pictures from Paris, which occupied the attention of a large group of our people who were buying pictures. Therefore they desired these things to be kept out. My recollection is that what Congress did at that time was done not out of any inherent barbarism which it had itself, but out of deference to the desire and appeal of these very good people, who now desire the law changed; and I am very glad the committee have changed it.

Mr. LODGE. I desire to say to the Senator from Iowa that the provisions of the Wilson bill made art free. They were very loosely drawn, and gave rise, undoubtedly, to a great many frauds, and a great deal of cheap merchandise was brought in under that paragraph which ought never to have come in under the bill. The result was that in 1897 the Art Dealers' Association favored a low rate of duty on works of art on account of the introduction of this merchandise. My remembrance—and I saw some of the representatives of the artists—is that they were not in favor of the duty, but desired an amendment to the law.

The committee at this time are all united in favor of the provisions of the law. But the committees have now provided—in the House and the Senate—a clause which I believe will exclude works that ought not to come in as works of art. One of the important limitations is the limitation of time. But the other provisions are such that the Secretary of the Treasury can make regulations which will shut out anything which ought not to come in.

These works of art, brought in by individuals, in the history of all countries have inevitably found their way to museums and other places where the great works of art are preserved for the benefit of the entire public. I think this clause is absolutely safe. A great deal of time has been spent upon it. I believe it will keep out the undesirable and will promote the bringing into this country of those works of art which we desire to see collected here.

Mr. NELSON. Mr. President——

Mr. DIXON. I yield to the Senator from Minnesota.

Mr. NELSON. I want to say to the Senator from Montana that I have noticed in the papers—and I think it is a general idea among the public—that there are certain big millionaires in New York City and other places who are purchasing a lot of foreign paintings and other works of art, and they are very anxious to get their collections in free. It is a very laudable enterprise, and the only view that strikes me in the matter is, in the first place, that those men who are so well supplied with funds and have become so wealthy, who import these works of art, paintings, can afford to contribute something to the needs of the Government. In the next place, the more you import of these, the more you enter into competition with our own artists.

There is another fact. I do not want to be held up as a barbarian from the wild West. If there is anything I enjoy it is a fine painting. I never go to New York but that I go up to Central Park and visit that fine-art gallery. I am reminded of an incident that occurred some years ago. I was going up one of the corridors of the museum, and on the wall there was a fine lot of paintings of the Flemish school of the seventeenth century—barnyard scenes; elegant; in the finest colors; life-like. A stout old lady, with a black silk dress on, and her daughter were there. They had more jewelry and diamonds than my whole farm and possessions in Minnesota are worth; and as they were going up the old lady got her eye on that picture and she said, "Julia, do you notice how that pig curls his ears." That was the one thing which struck her in that important picture, while I, a rude barbarian from the wild West, stood there and admired that picture as much as any picture in that noble art gallery.

I make these remarks because I do not want the Senator from Massachusetts, or anyone else, to understand that I am opposed to art. But I believe that the men who procure paintings abroad and pay high prices for them, which is to their credit——

Mr. GALLINGER. And hold them in storage.

Mr. NELSON. And hold them in storage, waiting for this legislation—I think, in view of our depleted revenues, in view of the importance of having sufficient funds to run this Government, and I am anxious in that respect to aid the Senator from Rhode Island, we ought to make these gentlemen pay a small duty when they bring in these articles.

Mr. ROOT. Mr. President——

The PRESIDING OFFICER. The Senator from Montana has the floor. Does he yield to the Senator from New York?

Mr. ROOT. I will wait until the Senator from Montana is through.

Mr. DIXON. I will yield in just a moment.

I expressly disavow any intent on my part to embarrass the importation of barnyard scenes for the benefit of my friend, the Senator from Minnesota [Mr. NELSON]. He has already stated the things that I really had in mind to say. So far as concerns the importation of works of art or paintings for public galleries, educational institutions, or anything that is in the broader sense for the education of the public, I am wholly in sympathy with the free importation. But when it comes to the importation of the most valuable marbles and bronzes, bought and paid for only by the very wealthy for the decoration of their homes and mansions here at home, for my part, I can see no possible argument in favor of putting them on the free list, and I am wholly in sympathy with the amendment of the Senator, for the reasons which I now state.

Mr. ROOT. Mr. President, I can say to the Senator from Minnesota [Mr. NELSON] that the great gallery of paintings which he has been in the habit of enjoying during his visits to New York has been almost entirely made up of the gifts of paintings from Americans who already had them in this country.

I have been for many years a trustee of that museum and have watched the growth of its collections with intense interest, and substantially the only way in which that collection and all the great art collections of our country, which are now educating our people, are brought together is by American citizens buying and bringing into this country the masterpieces of art and ultimately turning them over to museums.

The Senator from Massachusetts has well said that such works of art in the end always find their way to museums. I know now personally of two great collections in the city of Philadelphia, collected by private individuals, which are intended for the art museums in that city. What I have said about the museum in New York I know to be true of a large number of other museums in the country. People do not give to these institutions money with which to buy paintings. People give their paintings to the museums when they find they will do more for the enjoyment and the benefit of our people in a museum than they will when shut up within the walls of a private house.

The great amounts that are being expended in the building up of museums in our great cities—in Boston, and New York, and Philadelphia, and Baltimore, and Buffalo, and Cleveland, and Chicago, and Cincinnati, and St. Louis, and in substantially all the principal towns of the country—represent a vast expenditure in the most public spirit and deserving of commendation and encouragement.

Mr. President, after men have all that material wealth can do for them—after they have food to eat, clothing to wear, and roofs to shelter them, after they have all the comforts that religion can give, after they have the opportunity of intellectual education—there still remains one great blessing which can be conferred upon them for their enjoyment and their happiness, and that is the cultivation of taste. I believe there is nothing which will contribute more—I believe there is nothing which has contributed more—to the happiness of our people

than that wonderful display in the court of honor in the international exhibition at Chicago in the year 1893. I believe that no single impulse has ever been given to the American people which has contributed more toward enlarging the limits of their capacity for happiness than was given by that exposition.

The vast expenditures that have been made in the art museums of the country but follow along the same line. Expenditures which are being utilized by all our people ought to be encouraged. No step can be taken to advance more rapidly the building up of these great agencies for education in taste, for cultivation, for enlarging the capacity for happiness, than the measure which is now before us, for it affords the greatest opportunity for bringing into the museums of the country the best of all the art of the world.

Mr. TILLMAN. Mr. President, in this debate it has not been my good fortune to be very often found indorsing the views expressed by the Senators from New York and Massachusetts. But on this question I feel bound to say, in an humble and modest way, making no pretense whatever of being an art connoisseur, that if that poet who told us that "a thing of beauty is a joy forever" told the truth, this is not the place where the American Senate should display a niggardliness, a narrowness, and a penny-wise-and-pound-foolish policy.

The contemplation of beautiful paintings and statuary by even the most ignorant person must exert an elevating and refining influence. Many a boy has become inspired to do likewise, has had his soul enthused and his mind fired with the ambition to become a painter or a sculptor, by seeing great works of art.

I had the misfortune last year to become very ill, and I was ordered to Europe as a means of relaxation and rest. I had the opportunity to visit the great art galleries of Florence, Paris, and London, to say nothing of the smaller ones in other cities where I sojourned briefly. While I did not get as enthusiastic over some of those things as other people seemed to be, I saw enough to convince me that the American people can afford to encourage the importation of some of those masterpieces, something that we can get as a means of elevating the thought and inspiring the artistic genius of our people.

Therefore I for once in this debate, as I said, feel anxious to see the gates thrown wide open and every opportunity offered for wealthy Americans, who have been made rich as they are going to be made rich by this very bill, to bring in works of art. If you want to whack these multimillionaires, cut out some of the special privileges you are giving them elsewhere in the getting of money; but if they want to bring anything from abroad here which is worth while, let us let them do it. They will in time die out and an art gallery will become, in all probability, the legatee of their collections.

I noted in London that a half dozen of the finest collections were donated to the public by private individuals who had spent a lifetime and a fortune, or two or three fortunes, in collections such as are no more to be gathered together on the globe, because they have scoured the four corners of the earth almost to get these curios and artistic gems which have been given to those people; and they are the greatest treasures in London to-day.

When we consider that a painting is imperishable if it is cared for—that is, for several centuries at least, and no one hardly knows how long a well-cared-for painting will last—we can understand how it is impossible that these multimillionaires will not add to the stock of artistic wealth in this country, and in time they will increase the artistic genius of our people by merely having their galleries accessible. Many of these rich people are liberal enough to allow their art galleries to be visited by the public on given days, and others have loaned their masterpieces to this or that public gallery.

As I said, if you want to be hard on these rich people and want to make them do this, that, and the other, let us cut out some of the methods by which they get this money, but let us allow them to spend it to bring as many great and glorious works of art to America as possible.

Mr. MONEY. Mr. President, I do not know that it is necessary to say anything to defeat this amendment, because I do not know what the sentiment of the Senate is; but I certainly feel very much pleased to hear the expressions of Senators in regard to the introduction of works of art, as expressed in different parts of the Hall. There is one feature, however, which I think has been a little bit overlooked.

About thirty years ago I had the honor of being a guest at a dinner of the Commercial Club of Boston. I was received with great hospitality by the inhabitants of that magnificent city. During one day I was carried through an art gallery, not a gallery of art, but a studio. It was composed of many rooms, and in those rooms were men and women, boys and girls, some of them copying from living models, some from still life, some copying celebrated paintings and drawings, and all kinds of things. That evening at dinner I happened to sit next to a gentleman largely interested in cotton mills. I think his name was Little, if I am not mistaken. He reminded me of the visit made that morning, and he said: "We are now preparing to surrender to the South the manufacture of the heavy cotton goods, where the weight of material will be the principal item in the cost of the finished product. This art school that you have seen to-day is to educate our people to give them that needed artistic skill that it is possible to foster any genius they may have in artistic work, so we will forever retain all that cotton-goods production which requires artistic skill and finish, where the price of the product does not depend upon the weight of the raw material in it." That was a practical view which he took. It is a view that is worthy of consideration, I think.

Certainly there should be no complaint if works of high art are admitted free to be the example for our people to copy and instruct, as well as to elevate and refine them.

I want to say that even a multimillionaire can have his uses in the economy of social existence. If there were no inequalities of fortune there would be no magnificent capitals, there would be no pictures, no statuary, no palaces, no temples, no works of art, no civilization. The only possible equality of life is where the people are all savages, where every man is his own hunter, his own cook, his own tailor, his own shoemaker, if he knows what a shoe is. All that we have in this life that makes life worth living springs from inequalities of fortune. If some men have accumulated more than would seem to be their share, and yet are disposed to return it to the people by these magnificent gifts of works of high art, I think we ought to permit them to do so without taxing their benevolent purposes.

I recollect that some eight or ten years ago I spent a week at the home of Mr. Clark, then a Senator from Montana, a very rich man. He told me that he had spent two months of every year for twenty-two years in Europe, collecting articles of virtu, bronze statues, paintings, tapestries, and so forth; and all with a view ultimately of making the public the beneficiary of his collection. I suppose when he dies it will go probably to the Clark Museum of Art, or something of that sort; and from the time he began to make that collection it was for the benefit of the American public.

I hope there will be no discord in this note here to-day, and that we will stand committed for the reception of everything in the way of art free of any cost whatever to the importer.

Mr. CARTER. Mr. President, the issue presented by the amendment of the Senator from Minnesota [Mr. NELSON], briefly stated, is that all the works of art over 100 years old imported for presentation to public or quasi-public institutions shall be admitted free of duty; but that works of art of the same character presented by individuals at the customs-house shall be subject to a duty hereafter agreed upon by the committee or the Senate, if the amendment shall prevail, or by the application of some rate already prescribed in the bill.

Mr. President, the observation of the Senator from New York [Mr. ROOT], based upon an experience extending over many years, is quite instructive and very reasonable indeed. I know of one man in the city of Milwaukee who started into the pork-packing business many years ago. As extra funds appeared available from time to time his natural inclination led him to invest in pictures and works of art. They were first imported by him individually. In the course of time he retired from the pork-packing business with a competency and some surplus. He established an art gallery in the city of Milwaukee which is now one of the genuine sources of pleasure and delight not only to the inhabitants of that city, but to the people of the State of Wisconsin. The Leighton Gallery will compare favorably with any gallery in a city of that size in the United States or any other country outside of the art centers of Europe. Further still, this venerable old gentleman enjoys the evening of his life traveling all over the globe collecting works of art for that gallery. That is the culminating work of his life.

My former colleague in this Chamber started out as a mail carrier between Deer Lodge and Walla Walla, riding horseback carrying the United States mail, and a little later on kept a store in Hellgate Canyon; ultimately he accumulated a fortune. It is pleasing to know that this young native of Pennsylvania, when favored by fortune to an unusual degree, has shown that there exists in the American character a capacity to appreciate the beautiful, the exquisite, the artistic, for he, too, in obedience to that impulse has been traveling through all the art storehouses of the world, finding pleasure and recreation in picking up pieces of artistic work here and there, and collecting them all together, a portion of them now in the Corcoran Art Gallery, some portion stored, and some on exhibition in New York, some in his private gallery,

and all ultimately to be collected together in a gallery by themselves or to be contributed in the end to some public art gallery.

I cite these cases only as showing the logic of the position presented by the Senator. The pork packer from Milwaukee, the mail carrier from Montana, have collected and are collecting art treasures that will, in time, be contributed to permanent institutions in this country, to abide here forever, I hope, for the edification, enlightenment, and ennoblement of the character of our people.

I was reminded by the Senator from South Carolina [Mr. TILLMAN] of a bit of experience which was an inspiration and an instruction combined. I spent a day or two in the city of Antwerp in 1899. I learned that it was the home-coming time of the pictures of Rubens and Van Dyck. The pictures had gone to various resting places and galleries and private collections all over the globe, but by common consent the people had agreed that the creations of these two wonderful men should stand side by side in the home city of the artists. A more impressive scene I have never witnessed than I witnessed in the gallery where these pictures were collected together. People who seemed, from their dress and manners, to be country people, working people, many of them advanced in life, shed tears as they passed in procession by the wonderful array of pictures come home from all over the earth for this reunion. The persons who shed tears in the presence of the old pictures were of refined feeling, and that feeling has been cultivated by residence in that city of artists and art's creations.

I would, Mr. President, encourage our people of wealth to collect here on this continent the creations of genius, the masterpieces of the ages. There is no competition in the highest art. The great artist lives in an empire of his own. There has been but one Michelangelo in all the centuries. He stands out as bold, unique, and alone as does Shakespeare in the realm of letters. The idea of putting a duty on one of Michelangelo's pictures coming to the ports of the United States is absurd.

In the very nature of things, the great art collections of private individuals must gravitate to the public galleries, because the love of the art and the artistic which originally inspired the individual to make the collection will be accompanied by a keen solicitude for the preservation of the pictures and works of art in company with each other. The private galleries are generally organized in harmonious fashion, according to the artistic taste of the individual making the collection. They are not thrown together in a haphazard manner. The works are, in a measure, correlated, so as to present the collector's idea of harmony and propriety in the selection; and the natural tendency is to keep these collections together. The man who spends a lifetime making the collection will look with great disfavor upon any event which might lead to the dismemberment of the collection. Thus it is that in the great galleries you see the private contributions are often kept in separate apartments, in accordance with stipulations in the will or act of dedication.

Mr. President, the collector generally provides for the disposition of the art gallery or collection in his will. It does not always occur that the children have the same enthusiastic devotion to art as the parent; hence the collector, in nine cases out of ten, will provide for the safety of the collection and its continuance as a collection; and the only way in which that can be done with safety is by committing the treasures to the tender care and solicitude of the public, and the public always cares for works of art. There need be no fear when the public is intrusted with one of these collections that there will ever be a scattering of the pictures or an auction sale of the collection.

Mr. DIXON. Mr. President, I wish to say one word further. I have taken very little time in this debate.

The beautiful picture that Senators draw of the multimillionaire pork packers and copper kings who go to Europe and collect great galleries of paintings and works of bronze and of marble is nice. We are delighted to have great multimillionaires, when they are through with works of art in their lifetime, turn them into some public gallery for the instruction and edification of the public. But the truth is, Mr. President, that not a single picture, that not a single collection of works of art that has been mentioned on this floor has been kept out by the duty. The small duty heretofore placed on these things has not in any way deterred the multimillionaires from bringing them into this country, and the continuation of the present duty will in no way on earth in the future prevent these same men, who are ready to spend millions of dollars in the purchase of these articles, from paying the small duty when brought into the home country.

But that is not the crux of the situation. Where one painting or one work "in bronze, marble, terra cotta, parian, pottery or porcelain, artistic antiquities, and objects of art of ornamental character," eventually finds its way into a public museum, the great wealthy classes of the country will import a hundred pieces of art for their own use in their own homes. The people who buy these articles of luxury may do it in isolated cases for a public museum at the end of their lives, but they are bought for the purpose of decorating in great and artistic profusion and wealth their own palaces at home. Ninety-nine articles are imported for that purpose where one goes into a public museum.

For that reason I do not see how we can defend the tariff bill which we are now passing with an average duty of 40 per cent on the ordinary things of life, when we absolutely throw down the bars to the men who can afford to pay, who will pay, and who will not import a single piece of antique furniture or high-priced bronze or high-priced marble more than they would do if these things still remained on the dutiable list.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Minnesota [Mr. NELSON].

The amendment was rejected.

Mr. ALDRICH. I ask that the paragraph be agreed to.

The VICE-PRESIDENT. Without objection, the paragraph is agreed to.

Mr. BURKETT. Let us have a vote on the paragraph.

The VICE-PRESIDENT. The question is on agreeing to the paragraph as amended.

Mr. NELSON. On that I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. NELSON. I suggest the absence of a quorum.

Mr. ALDRICH. We may as well have the yeas and nays. I suppose perhaps the roll will have to be called first.

Mr. LODGE. The yeas and nays will show a quorum.

The VICE-PRESIDENT. Does the Senator from Minnesota demand a call of the Senate?

Mr. ALDRICH. I ask the Senator from Minnesota to withdraw his request for a call.

Mr. NELSON. I withdraw that, but I want a yea-and-nay vote on agreeing to the paragraph as amended.

The yeas and nays were ordered.

The VICE-PRESIDENT. The question is on agreeing to the paragraph as amended. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. FRYE (when Mr. HALE's name was called). My colleague [Mr. HALE] is paired with the senior Senator from Virginia [Mr. DANIEL]. Both Senators are at their homes ill.

Mr. JONES (when his name was called). I am paired with the junior Senator from South Carolina [Mr. SMITH]. If he were present, I should vote "yea."

Mr. McLAURIN (when his name was called). I am paired with the junior Senator from Michigan [Mr. SMITH]. I announce that pair for the day.

Mr. SUTHERLAND (when his name was called). Has the Senator from Alabama [Mr. BANKHEAD] voted?

The VICE-PRESIDENT. The Senator from Alabama has not voted.

Mr. SUTHERLAND. I am paired with that Senator, and withhold my vote.

The roll call was concluded.

Mr. CRAWFORD. My colleague [Mr. GAMBLE] is absent. He is paired with the junior Senator from Indiana [Mr. SHIVELY]. Both Senators are absent.

Mr. CLAPP (after having voted in the negative). I voted "nay," but I find that my pair is not voting. As there is some division of sentiment on the other side, I feel that I should withdraw my vote.

The result was announced—yeas 53, nays 14, as follows:

YEAS—53.

Aldrich	Crane	Johnson, N. Dak.	Root
Beveridge	Crawford	Kean	Scott
Bourne	Cullom	La Follette	Smith, Md.
Bradley	Davis	Lodge	Smoot
Brandegee	Depew	Martin	Stephenson
Briggs	Dick	Money	Stone
Bristow	Dillingham	Newlands	Taliaferro
Bulkeley	Dolliver	Nixon	Tillman
Burnham	du Pont	Oliver	Warner
Burrows	Elkins	Overman	Warren
Burton	Flint	Page	Wetmore
Carter	Frye	Penrose	
Chamberlain	Gallinger	Perkins	
Clay	Guggenheim	Rayner	

NAYS—14.

Borah	Cummins	Heyburn	Paynter
Brown	Curtis	Hughes	Piles
Burkett	Dixon	McCumber	
Clark, Wyo.	Fletcher	Nelson	

NOT VOTING—24.

Bacon	Daniel	Johnston, Ala.	Shively
Bailey	Foster	Jones	Simmons
Bankhead	Frazier	McEnery	Smith, Mich.
Clapp	Gamble	McLaurin	Smith, S. C.
Clarke, Ark.	Gore	Owen	Sutherland
Culberson	Hale	Richardson	Taylor

So the paragraph as amended was agreed to.

Mr. ALDRICH. I move to insert a new paragraph, to be known as "711½." It was left out by an error.

The VICE-PRESIDENT. The Secretary will state the amendment proposed by the Senator from Rhode Island.

The SECRETARY. It is proposed to insert as a new paragraph the following:

711½. Yams.

The amendment was agreed to.

Mr. ALDRICH. I ask that paragraph 712 be agreed to.

Mr. LODGE. Paragraph 712 has been agreed to, has it not?

The VICE-PRESIDENT. Paragraph 712 has been agreed to.

Mr. ALDRICH. With the exception of certain paragraphs that have been passed over for various reasons, this completes the consideration of the various schedules, with the exception, I think, of lumber and paper.

Mr. BRISTOW. And hides.

Mr. ALDRICH. It is my purpose to ask for an executive session, with the view of an adjournment after the executive session has been concluded, in order that the committee may take up some of the matters which they have not already acted upon.

Mr. McLAURIN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Mississippi?

Mr. ALDRICH. I do.

Mr. McLAURIN. I desire to add a new paragraph, to be numbered 497½. I send it to the desk, and ask that it may be read.

The VICE-PRESIDENT. The amendment proposed by the Senator from Mississippi will be stated.

The SECRETARY. It is proposed to add as a new paragraph the following:

497½. Bagging for cotton, gunny cloth, and similar fabrics suitable for covering cotton.

Mr. ALDRICH. That matter went over yesterday by general agreement, and I ask that it still go over.

Mr. McLAURIN. That is satisfactory to me.

Mr. MONEY. I ask the Senator from Rhode Island if he will not take time to take up a paragraph that has been passed over. I do not know on what page it is, but it is the paragraph relating to sulphate of ammonia. I should like to have that article put on the free list. It has always been on the free list. In the Payne bill it is on the free list, and I think also in the present law. It is one of the principal ingredients of commercial fertilizers; and certainly I think it is wise husbandry, as well as wise statesmanship, to feed the land.

Mr. ALDRICH. That article is not on the free list now, I will say to the Senator. It is dutiable now at three-tenths of a cent a pound.

Mr. MONEY. I ask the Senator if he will not permit it to go on the free list?

Mr. ALDRICH. There are a number of Senators interested, on both sides of that question, and I have promised them not to take the matter up for the present. I therefore ask that it go over.

Mr. MONEY. Very well; let it go over.

Mr. TILLMAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from South Carolina?

Mr. ALDRICH. I do.

Mr. TILLMAN. I was just going to remark that this article is on the free list in the Payne bill.

Mr. ALDRICH. Yes; in the Payne bill.

Mr. TILLMAN. And the Senate amendment striking it out of the free list and leaving it dutiable at the rate of——

Mr. ALDRICH. Two-tenths of a cent a pound.

Mr. TILLMAN. Has not yet been agreed to?

Mr. ALDRICH. It has not been.

Mr. TILLMAN. So that the whole matter is open for discussion on Monday?

Mr. ALDRICH. It is.

Mr. OWEN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Oklahoma?

Mr. ALDRICH. I do.

Mr. OWEN. I wish to give notice that at 2 o'clock on Tuesday next I should like, at the convenience of the Senate, to address the Senate in regard to the pending bill.

Mr. FRYE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from Maine?

Mr. ALDRICH. I do.

Mr. FRYE. Mr. President, I received this morning a very intelligent and forcible statement of the difficulties and troubles of the carding-mill industry. There are 60 of those mills in my own State. They are all in a very depressed condition. There are suggestions contained in this statement as to amendments which would be favorable to that industry. I ask that this letter may be printed in the RECORD, and I ask the Committee on Finance to give as careful consideration to this question as the importance of it deserves.

The VICE-PRESIDENT. In the absence of objection, the letter referred to will be printed in the RECORD.

The letter referred to is as follows:

Hon. WILLIAM P. FRYE,
Senate, Washington, D. C.

SIR: We desire to lay before you certain facts relating to the tariff on wool and wool products, in order that you may know of the burdens now resting on the carded woolen industry and on the consumer of wool goods.

1. Schedule K is the same in the Payne bill now before the Senate and in the Dingley law. Both provide for a specific duty of 11 cents and 12 cents a pound on wool in the grease. This is the first grievance to which we call your attention. Grease wool contains widely varying proportions of grease and dirt, which is washed out in the first process—scouring—and is of no value whatever to the wool manufacturer. This wool grease and dirt amount in many cases to as much as 80 per cent of the grease weight of the wool, while on some light-shrinkage grades it is much less, as low as 15 per cent.

From this you will understand how wide is the variation in the duty on clean wool. With a shrinkage of 80 per cent, a duty of 11 cents per grease pound is 55 cents per clean pound. With a shrinkage of 20 per cent the same 11-cent duty on the grease weight is only 14 cents per clean pound. The result is that the light-shrinkage lots of wool can be imported at a very low duty, while the tariff on the heavy-shrinking wools is so high that they can not be imported at all. An application of the Dingley tariff to 80,000,000 pounds of wool recently sold at auction at London, Liverpool, Melbourne, and Sydney showed that the ad valorem equivalent of the Dingley 11-cent duty on grease wool varied from 23 per cent to 733 per cent.

The bulk of the wool suited for our branch of the industry—carded woolen manufacturing—is heavy shrinking, while the wool suited for the other branch of the industry—worsted manufacturing—is light shrinking. The burden under which we are suffering arises from this fact, and hence our appeal to the House and the Senate. The conditions we have described result not only in the oppression and ruin of the carded woolen industry, dotting the country with idle mills, but also in the special privileges of immense value to the worsted-spinning industry, which is being rapidly concentrated into a few wealthy, prosperous, and powerful combinations.

At the same time the woolgrower is deprived of the protection contemplated by the Dingley tariff law. That law fixes the duty on scoured wool at three times the duty on unwashed grease wool; that is, at 33 cents a scoured pound for class 1 wool and 36 cents a scoured pound for class 2 wool. This is on the assumption that it requires 3 pounds of grease wool to give 1 pound of scoured wool, and this assumption is further indicated by the Dingley and Payne provisions for compensatory duties on goods, based on the ratio of 4 pounds of grease wool to 1 pound of finished cloth, allowing for a loss of 25 per cent in manufacturing. This legal promise of 33 cents a scoured pound to the woolgrower has proved in practice to be a delusion and a sham, for the law that gives the promise of such protection breaks it by allowing the importation of light-shrinking wools at the 11-cent rate. The protection to the woolgrower is measured not by the Dingley duty of 33 cents a scoured pound, but by the equivalent per scoured pound of the 11-cent duty on grease wool actually imported, which equivalent runs as low as 14 cents and in practice rarely exceeds 20 cents. The average shrinkage of the grease wool imported during the last five years is 40 per cent, equal to a duty of 18.6 cents per scoured pound.

Thus, under the present wool tariff the woolgrower is deprived of the expected protection, the carded woolen manufacturer is deprived of all access to the foreign wool suited for his requirements, while the worsted spinners enjoy valuable special privileges by being permitted to import the wool they require at a very low rate of duty per scoured pound.

2. Besides the inequality to which we have just called your attention there are other serious abuses in the Dingley tariff on wool. First, we will mention the provision by which wool of the first class, if washed on the sheep's back, is subjected to a double duty of 22 cents a pound, while wool of the second class, if so washed on the sheep's back, is admitted at the single rate of 12 cents a pound. The result is that all wool of the second class is imported in the washed condition in order to avoid the payment of the duty on grease and dirt, while the very heavy wool of the first class can not be imported at all. The discrimination against one class of people and in favor of another under this arrangement of the tariff arises from the fact that the second-class wool is used for the manufacture of worsted, while the wool adapted for the carded woolen goods is of the first class. We demand the abolition of this discrimination and special privilege under the law.

Another inequality from which we ask relief is that provision of the Payne and Dingley bills which makes the duty on scoured wool three times the duty on grease wool. This is based on the assumption that 3 pounds of grease wool are required to yield 1 pound of scoured wool, whereas a very large part of the world's wool clip shrinks much less than two-thirds. The result of this inequality is to prohibit the importation of scoured wool and confine the imports to wool shrinking less than two-thirds. The discrimination against one class of people and in favor of another under this arrangement of the tariff arises from the fact that worsted spinners ordinarily buy wool in the grease, whereas scoured wools are used by the carded woolen manufacturers. Thus the scoured-wool clause of the Dingley and Payne tariff bills constitutes a burdensome discrimination against the carded woolen manufacturers, from which we demand relief.

We desire to call your attention to the fact that the carded woolen and worsted branches of wool manufacturing, although distinct in respect to certain technical processes and grades of raw material used, still are competing branches of trade, because worsted and carded woolen goods are used for the same purposes. Consequently, these tariff discriminations against the carded woolen industry aid the worsted branch of the business by injuring the latter's competitor.

3. Another and very serious defect in the Dingley and Payne bills is the practically prohibitory duties on the by-products of wool manufacturing. Here again we find a discrimination against one class of people and special privileges for another, because these by-products can be used only by carded woolen manufacturers, while worsted spinners, although they can not use them, have them for sale. This is one of the most serious of the tariff burdens from which we ask relief, as the duties on such by-products vary from 50 to 200 per cent.

4. The present wool schedule is practically that of 1867, which was primarily a war-revenue tax; and as all other schedules have been readjusted to meet changed conditions, this schedule should be redrawn to meet the changed conditions of woolgrowing and the wants of the manufacturers. Take Ohio, for example. The quality of wool grown in Ohio has changed as well as the quantity. Fine merino was at one time the staple growth, but in a few years more that quality of wool will not be grown in Ohio. Much of the wool now grown there is from the mutton variety of sheep, and this wool carries a net protection of about 20 cents per scoured pound, against 33 to 44 cents to the grower in the West.

5. We ask for an equal opportunity with all others under the law, in order that we may enjoy the reward of our labor, skill, and enterprise in the business in which we are engaged. It is in this capacity of carded woolen manufacturers that we make our appeal to you. But our demands should be granted not only in justice to us as carded woolen manufacturers, but in justice to the consumer of wool goods. We expressly disclaim any intention of representing here to-day the special interests of the consumer. We, however, call your attention to the fact that every burden on the carded woolen industry that we have mentioned is also a burden on the consumer of wool goods, whether underclothing, outside clothing, blankets, or other articles made of wool; and that the special privileges granted to the worsted branch of this industry result in an increase of these burdens not only on the carded woolen manufacturers, but also on the consumers in this country.

6. It would not be possible at this time to go into detailed discussion of the proper remedies for the abuses to which we have called your attention. We will state, however, that it is our firm belief that the only complete remedy for these inequalities is a tariff based on value. Specific duties based on the scoured weight of the wool and graduated on by-products by classification according to value, or compound duties consisting of both specific and ad valorem rates, would give partial relief. But if the exigencies of the situation ever lead the Government to adopt any of these partial remedies, it should not be forgotten that they are partial and that the only complete remedy is an ad valorem tariff. The protective rate on wool goods is ad valorem, and if this can be made effective on manufactured goods, there can be no doubt of its efficiency on the raw material.

7. We ask that the tariff on wool and wool goods be thoroughly investigated and revised. We desire to have the principle of protection maintained for all producers, whether of wool, wool goods, or clothing. And we are as ready to have the inequalities corrected in the tariff on wool goods as in the tariff on raw materials. We are ready to go into the consideration of the technical details of this problem with you, or with anyone you may designate, and to any extent you may desire. We are ready to do this with representatives of the woolgrowers, worsted manufacturers, and of the Government. We suggested such a conference to the Ways and Means Committee of the House of Representatives. We have at all times been willing to carry out that suggestion, confident that the better the truth is known the better will be our chance to gain an equal opportunity under the law.

We represent an industry that covers nearly every State in the Union, has more than three times the number of establishments of those employed in the combing of wool, with a greater number of employees. Under the present schedule many woolen mills have been closed, and a continuance of the same means great distress to many mill owners and operatives. We believe that the platform of the party meant an honest revision of the tariff. On a recent visit to the Finance Committee we placed the injustice of the wool duties before it, and were told that while we had a grievance, the schedule could not be opened. We are indignant that such treatment should be meted out to us; that the cardinal principle of fair play and even-handed justice under which we are supposed to live should be cast aside or subordinated to a coalition of forces that are specially favored under the Dingley bill. We appeal to you to use your influence in the right quarter, so that this industry may have what it is entitled to under our Constitution, even-handed justice, neither more or less.

Respectfully, yours,

THE CARDED WOOLEN MANUFACTURERS' ASSOCIATION,
EDWARD MOIR, *President*.

Mr. SIMMONS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Rhode Island yield to the Senator from North Carolina?

Mr. ALDRICH. Certainly.

Mr. SIMMONS. Before the Senator makes his motion to proceed to the consideration of executive business, I should like to ask him a question, which will take but a moment, as to paragraph 553, which relates to the eggs of game birds. I notice that heretofore the regulations with respect to the eggs of game birds for the purpose of propagation have been left to the Secretary of Agriculture. This bill changes that and places the regulations of those importations under the Secretary of the Treasury. I have a letter here from the president of the Audubon Society of my State, protesting against that. I do not know what is the reason of the committee for making the change.

Mr. LODGE. There was no provision whatever for authorizing the importation of eggs of game birds for purposes of propagation until it was put in by the House. That is new legislation.

Mr. SIMMONS. That I understand.

Mr. LODGE. It is not in the present tariff law.

Mr. SIMMONS. Not in the old law?

Mr. LODGE. The committee placed the matter in the hands of the Secretary of the Treasury, because the entire administration of tariff acts is under the Secretary of the Treasury.

Mr. SIMMONS. I call the attention of the Senator from Massachusetts——

Mr. LODGE. It is a question of the customs.

Mr. SIMMONS. I understand that.

Mr. LODGE. The officers of the Agricultural Department can not regulate the importation of articles.

Mr. SIMMONS. But the Secretary of Agriculture has had charge of regulating this matter ever since the act of 1902.

Mr. LODGE. He never has had charge of this subject, for this is new legislation entirely.

Mr. SIMMONS. I understand the act of 1902, to which I have referred, was very much the same as this provision. It authorized the importation of the eggs of game birds for purposes of propagation.

Mr. LODGE. There was never any authority given to the Secretary of Agriculture or to the Secretary of the Treasury to make any exceptions under the law until the House put this provision in the pending bill.

Mr. SIMMONS. I will ask the Senator if it is not a fact that ever since 1902 we have been importing the eggs of game birds for the purpose of propagation, and if the Secretary of Agriculture has not had charge of making the regulations?

Mr. LODGE. If the Secretary of Agriculture has been doing it, he has been doing it without authority of law.

Mr. SIMMONS. Of course I have not investigated this matter, for I have just received this letter; but my understanding from the letter is that for seven years such eggs have been coming in under regulations prescribed by the Secretary of Agriculture. During that time about 25,000 eggs have come in, and they have been shipped chiefly to my State and to the State of Illinois.

Mr. LODGE. It was for the precise purpose of permitting that to be lawful that this provision was put in by the House. But, Mr. President, we can not turn the administration of the customs laws over to officers of the Agricultural Department. There is no intention of preventing the importation of eggs for purposes of propagation, but it is not proper to undertake to have two sets of men enforce the customs laws of the United States.

Mr. SIMMONS. The point I make, Mr. President, is this: I do not care particularly with reference to the Secretary of the Treasury making these regulations; but at present, as I understand, all the work in connection with the importation of animals and of birds into this country is under the control of the Department of Agriculture. I do not mean the matter of importations, but I mean the work in connection with distributing the eggs and seeing that they are used for purposes of propagation.

Mr. LODGE. There is nothing to interfere with his doing that at all. This refers merely to the rules and regulations covering the importations, which are to be prescribed by the Secretary of the Treasury. The Senator must see that to have the Secretary of Agriculture prescribing rules and regulations for the officers of the customs, who are under the Secretary of the Treasury and who might decline to obey the rules, would make it impossible to administer the law.

Mr. SIMMONS. I have merely stated, Mr. President, what has been going on for seven years. That has been done for seven years.

Mr. LODGE. I will venture to say that for seven years the officers of the customs have been administering the tariff laws, and not the officers of the Agricultural Department.

Mr. SIMMONS. I assume so; but during those seven years the Secretary of Agriculture, under the law, has had charge of these importations.

Mr. LODGE. No such language was in the law until the House put it in two months ago.

Mr. SIMMONS. I have not examined it; I am merely stating it from the letter I have from my correspondent.

Mr. LODGE. I have examined the matter with great care.

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After ten minutes spent in executive session the doors were reopened, and (at 2 o'clock and 20 minutes p. m.) the Senate adjourned until Monday, June 14, 1909, at 10.30 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate June 12, 1909.

JUDGE OF DISTRICT COURT FOR ALASKA.

Peter D. Overfield, of Alaska, to be judge of the district court for the district of Alaska, and assign him to Division No. 4, vice Silas H. Reid, resigned.

APPOINTMENT IN THE ARMY.

GENERAL OFFICER.

Col. Marion P. Maus, Twentieth Infantry, to be brigadier-general from June 10, 1909, vice Brig. Gen. Richard T. Yeatman, who was retired from active service June 5, 1909.

PROMOTIONS IN THE ARMY.

INFANTRY ARM.

First Lieut. Henry M. Bankhead, Seventeenth Infantry, to be captain from June 2, 1909, vice Capt. George I. Feeter, Seventh Infantry, retired from active service on that date.

First Lieut. Henry F. McFeely, Tenth Infantry, to be captain from June 5, 1909, vice Capt. Frank L. Winn, Twelfth Infantry, promoted.

Second Lieut. Thomas C. Musgrave, Eighteenth Infantry, to be first lieutenant from June 2, 1909, vice First Lieut. Henry M. Bankhead, Seventeenth Infantry, promoted.

Second Lieut. Converse R. Lewis, Twenty-third Infantry, to be first lieutenant from June 5, 1909, vice First Lieut. Henry F. McFeely, Tenth Infantry, promoted.

PROMOTIONS IN THE NAVY.

Lieut. Commander Philip Andrews to be a commander in the navy from the 27th day of May, 1909, vice Commander William Braunersreuther, promoted.

The following-named lieutenant-commanders to be lieutenant-commanders in the navy from the dates set opposite their names, to correct the dates from which they take rank as previously confirmed:

Frank H. Brumby, April 24, 1908;
James P. Morton, April 24, 1908;
Frank P. Baldwin, May 15, 1908;
George L. P. Stone, July 1, 1908;
Rufus Z. Johnston, jr., July 11, 1908;
Thomas D. Parker, July 20, 1908;
Jonas H. Holden, August 1, 1908;
Thomas T. Craven, September 3, 1908;
Daniel W. Wurtzbaugh, September 3, 1908;
Ralph Earle, September 7, 1908;
Gatewood S. Lincoln, October 25, 1908;
Ivan C. Wettengel, October 30, 1908;
Charles M. Tozer, November 12, 1908;
Wat T. Cluverius, December 15, 1908;
Albert W. Marshall, January 7, 1909;
Thomas A. Kearney, February 1, 1909;
Arthur MacArthur, jr., February 25, 1909; and
Frank E. Ridgely, March 2, 1909.

Lieut. Edward H. De Lany to be a lieutenant-commander in the navy from the 23d day of April, 1908, vice Lieut. Commander John C. Leonard, promoted.

Lieut. Cassius B. Barnes to be a lieutenant-commander in the navy from the 1st day of July, 1908, vice Lieut. Commander Hilary P. Jones, jr., promoted.

Lieut. Michael J. McCormack to be a lieutenant-commander in the navy from the 4th day of July, 1908, vice Lieut. Commander Volney O. Chase, promoted.

Lieut. Ernest F. Eckhardt to be a lieutenant-commander in the navy from the 19th day of July, 1908, vice Lieut. Commander George R. Slocum, promoted.

Lieut. Duncan M. Wood to be a lieutenant-commander in the navy from the 17th day of December, 1908, vice Lieut. Commander Charles M. McCormick, promoted.

Lieut. Leigh C. Palmer to be a lieutenant-commander in the navy from the 23d day of December, 1908, vice Lieut. Commander Glennie Tarbox, promoted.

Lieut. Dudley W. Knox to be a lieutenant-commander in the navy from the 11th day of March, 1909, vice Lieut. Commander Webster A. Edgar, promoted.

Lieut. Edward McCauley, jr., to be a lieutenant-commander in the navy from the 1st day of June, 1909, vice Lieut. Commander James E. Walker, resigned.

The following-named ensigns to be lieutenants (junior grade) in the navy from the 2d day of February, 1909, upon the completion of three years' service in the present grade:

Donald B. Craig,
Stanton L. H. Hazard,
Roscoe F. Dillen,
Benjamin K. Johnson, and
Walter A. Smead.

The following-named lieutenants (junior grade) to be lieutenants in the navy from the 2d day of February, 1909, to fill vacancies existing in that grade on that date:

Donald B. Craig,
Stanton L. H. Hazard,
Roscoe F. Dillen,
Benjamin K. Johnson, and
Walter A. Smead.

The following-named paymasters with the rank of lieutenant-commander to be paymasters in the navy with the rank of lieutenant-commander from the 23d day of April, 1908, to correct the date from which they take rank as previously confirmed:

George G. Seibels,
Edmund W. Bonnaffon,
Joseph Fyffe, and
John H. Merriam.

Paymaster Timothy S. O'Leary, with the rank of lieutenant-commander, to be a paymaster in the navy with the rank of lieutenant-commander from the 1st day of July, 1908, to correct the date from which he takes rank as previously confirmed.

The following-named paymasters, with the rank of lieutenant-commander, to be paymasters in the navy with the rank of lieutenant-commander from the 19th day of July, 1908, to correct the date from which they take rank as previously confirmed:

George Brown, jr.,
Walter B. Izard,
David Potter, and
Samuel Bryan.

The following-named paymasters, with the rank of lieutenant-commander, to be paymasters in the navy with the rank of lieutenant-commander from the 20th day of July, 1908, to correct the date from which they take rank as previously confirmed:

Arthur F. Huntington,
Harry H. Balthis,
Charles Conard, and
William T. Gray.

The following-named paymasters, with the rank of lieutenant-commander, to be paymasters in the navy with the rank of lieutenant-commander from the 15th day of December, 1908, to correct the date from which they take rank as previously confirmed:

George P. Dyer,
John W. Morse,
Robert H. Woods,
Robert H. Orr,
William A. Merritt,
John Irwin, jr.,
Webb V. H. Rose,
William H. Doherty,
Charles Morris, jr., and
Frederick K. Perkins.

Paymaster George C. Schafer, with the rank of lieutenant-commander, to be a paymaster in the navy with the rank of lieutenant-commander from the 27th day of May, 1909, to correct the date from which he takes rank as previously confirmed.

Asst. Paymaster Kenneth C. McIntosh to be a passed assistant paymaster in the navy from the 8th day of July, 1908, to fill a vacancy existing in that grade on that date.

Naval Constructors Stuart F. Smith and William G. Groesbeck, with the rank of lieutenant-commander, to be naval constructors in the navy with the rank of lieutenant-commander from the 23d day of April, 1908, to correct the date from which they take rank as previously confirmed.

Naval Constructor Richard H. Robinson, with the rank of lieutenant-commander, to be a naval constructor in the navy with the rank of lieutenant-commander from the 20th day of July, 1908, to correct the date from which he takes rank as previously confirmed.

The following-named machinists to be chief machinists in the navy from the 3d day of March, 1909, after the completion of six years' service, in accordance with the provisions of an act of Congress approved March 3, 1909:

John E. Cleary,
Richard Jeffares,
Charles Hammond,
James W. Murray,
John Dexter,
Martin J. Clancy,
John J. Fuller,
John T. Pennycook,
James A. Hickey,
John T. Riley,
Benjamin F. Beers,
David Purdon,
Bernard Gebhardt,
George C. Ellerton,

Charles H. Gilhuley,
Murray S. Holloway,
William B. Stork,
Clarence R. Johnson,
Ben Smith,
William James,
Patrick Fernan,
Frank Risser,
John Bryce,
Rasmus Iversen,
Henry E. White,
Charles C. Holland,
Cornelius J. Collins,
Lee Grossenbaker, and
Daniel C. Beach.

POSTMASTERS.

COLORADO.

Mary S. Clark to be postmaster at Akron, Colo., in place of Edwin W. Clark, deceased.

INDIANA.

James E. Zook to be postmaster at Howe (late Lima), Ind., in place of James E. Zook; to change name of office.

NEBRASKA.

Walter L. Minor to be postmaster at Morrill, Nebr. Office becomes presidential July 1, 1909.

OHIO.

Alva G. Sutton to be postmaster at Attica, Ohio, in place of Alva G. Sutton. Incumbent's commission expired January 11, 1909.

Charles B. Morris to be postmaster at Columbus Grove, Ohio, in place of Charles B. Morris. Incumbent's commission expired March 4, 1908.

SOUTH DAKOTA.

Charles E. Tenney to be postmaster at Summit, S. Dak. Office became presidential January 1, 1909.

UTAH.

Clifford I. Goff to be postmaster at Midvale (late West Jordan), Utah, in place of Clifford I. Goff; to change name of office.

Albert E. Hopkinson to be postmaster at Sunnyside, Utah, in place of George H. Richards, resigned.

WISCONSIN.

Louisa Whitcomb to be postmaster at Albany, Wis. Office became presidential January 1, 1907.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 12, 1909.

REGISTERS OF THE LAND OFFICE.

W. N. Ivie to be register of the land office at Harrison, Ark.

William S. McLain to be register of the land office at Bellefourche, S. Dak.

Guy W. Caron to be register of the land office at Little Rock, Ark.

PROMOTIONS IN THE ARMY.

JUDGE-ADVOCATE-GENERAL'S DEPARTMENT.

Lieut. Col. Harvey C. Carbaugh to be judge-advocate with the rank of colonel.

Maj. Frank L. Dodds to be judge-advocate with the rank of lieutenant-colonel.

CAVALRY ARM.

First Lieut. Samuel B. Pearson to be captain.
First Lieut. Freeborn P. Holcomb to be captain.
Second Lieut. Beauford R. Camp to be first lieutenant.
Second Lieut. Seth W. Cook to be first lieutenant.
Second Lieut. Thomas B. Esty to be first lieutenant.

POSTMASTERS.

INDIANA.

William Helminger, at Bremen, Ind.
James Nejdl, at Whiting, Ind.

OHIO.

Frank G. Hoskinson, at Montpelier, Ohio.
Sylvanus P. Louys, at Stryker, Ohio.
James T. McCready, at Butler, Ohio.
De Witt C. Pemberton, at New Vienna, Ohio.
Charles B. Saxby, at Weston, Ohio.
John M. Shafer, at Edon, Ohio.
Harry M. Wolfe, at Germantown, Ohio.

OKLAHOMA.

Sid Smith, at Stilwell, Okla.

PENNSYLVANIA.

John E. McCardle, at Charleroi, Pa.
John W. Miller, at South Sharon, Pa.
George L. Thomas, at New Bethlehem, Pa.
Lily Watters, at Evans City, Pa.

TEXAS.

Frank L. Irwin, at Terrell, Tex.

VIRGINIA.

James F. Williams, at Amherst, Va.

SENATE.

MONDAY, *June 14, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. John Lee Allison, D. D., of the city of Washington.

The Journal of the proceedings of Saturday last was read and approved.

SUITS AFFECTING INDIAN ALLOTMENTS IN OKLAHOMA.

The VICE-PRESIDENT laid before the Senate a communication from the Attorney-General, transmitting in response to a resolution of March 3, 1909, certain information with respect to suits instituted by the United States since May 27, 1908, against various persons in the eastern district of Oklahoma to enforce restrictions upon the alienation of lands of the allottees of the Five Civilized Tribes (S. Doc. No. 89), which was referred to the Committee on the Judiciary and ordered to be printed.

EXECUTIVE SESSION.

Mr. WARREN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened.

PETITIONS AND MEMORIALS.

Mr. NELSON. I present resolutions adopted by the Minnesota Bankers' Association which I ask may be printed in the RECORD, without reading, and referred to the Committee on Finance.

There being no objection, the resolutions were referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

To the gentlemen of the Joint Bankers' Association of Group 1, of Minnesota, and Group 7, of Wisconsin:

Your committee appointed to prepare a resolution on a bill authorizing national banking associations to make loans on real estate security in certain cases, known as "bill S. 623," beg leave to report that while the bill might be changed to suit the needs of this particular locality, yet inasmuch as the bill is already before Congress and a suggestion of a change might further complicate its passage, and as we consider the bill allowing real estate loans under any conditions most advantageous, as it will serve to demonstrate that such loans are desirable; and

Whereas we believe the Comptroller can be influenced to give us proper recognition in this matter under the pending bill more easily than if the said bill were encumbered with many conditions: Therefore be it

Resolved, That we recommend the passage of this bill as introduced. And be it further

Resolved, That the secretary of each group be instructed to urge upon the Congressmen and Senators of their respective States the support of this bill. Be it further

Resolved, That the secretaries of these groups be instructed to send a copy of these resolutions to the secretaries of the respective state bankers' associations and request them to lay it before their committee on resolutions at the proper time.

JOSEPH BOSCHERT.
A. C. GOODING.
L. WHITMORE.

Mr. LA FOLLETTE. I present a joint resolution of the legislature of Wisconsin, which I ask may be read and referred to the Committee on Interstate Commerce.

There being no objection, the joint resolution was read and referred to the Committee on Interstate Commerce, as follows:

Joint resolution memorializing Congress to enact a law to prohibit railroads from increasing their rates and charges except upon notice.

Resolved by the assembly (the senate concurring), That the Congress of the United States is hereby requested to enact a law providing that the rates or charges of railroads shall not be increased except upon notice of any proposed increase filed with the Interstate Commerce Commission and published in each State affected thereby, and upon such hearing as the Interstate Commerce Commission may, upon petition or its own motion, order, and that no increase of rates or charges shall go into effect unless said commission shall so order after such hearing.

Resolved, That the secretary of state be, and he is hereby, instructed to forward a copy of this resolution to the President of the United States and to each Member of the Congress thereof.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. LA FOLLETTE. I present a joint resolution of the legislature of Wisconsin, which I ask may be read and referred to the Committee on Agriculture and Forestry.

There being no objection, the joint resolution was read and referred to the Committee on Agriculture and Forestry, as follows:

Joint resolution memorializing Congress relating to federal cooperation in the work of road improvement.

Whereas we believe that the adoption of a policy of federal aid for road construction is a most important step toward the establishment of a complete system of improved roads in all sections of the country, and that the cooperation of the National Government in this matter would be of great assistance to the various state, county, and township road authorities in placing the work of road improvement on a permanent and scientific basis; and

Whereas we would submit that the improvement of the country's highways deserves a share in the annual appropriations by Congress equally with the improvement of our waterways, and that it is only fair and reasonable that a part of the revenues derived from taxes paid by the people as a whole should be devoted to this purpose, thus aiding in the betterment of conditions affecting trade and commerce in all sections of the country:

Resolved by the assembly (the senate concurring), That we respectfully solicit the Congress of the United States, asking for the enactment of legislation creating a national highways commission, and making an appropriation for aiding in the improvement and maintenance of the public roads at the present session of Congress, so that the policy of federal cooperation in the work of road improvement can be inaugurated at the earliest possible date.

L. H. BANCROFT,
Speaker of the Assembly.

C. E. SHAFFER,
Chief Clerk of the Assembly.

JOHN STRANGE,
President of the Senate.

F. E. ANDREWS,
Chief Clerk of the Senate.

Mr. LA FOLLETTE. I present a petition of sundry citizens of Berlin, Wis., relative to the reduction of the duty on cotton goods and other necessities of life. I ask that the petition be printed in the RECORD without reading.

There being no objection, the petition was ordered to lie on the table and be printed in the RECORD, as follows:

Sent by George W. Croffman, Berlin, Wis.

To our Wisconsin Senators at Washington:

We, the undersigned citizens of Berlin, Wis., and vicinity, do respectfully petition you to use your entire influence against any attempt to increase the duty on cotton goods and the other necessities of life. We believe that the wish of the American people for a downward revision of the tariffs, so emphatically expressed at our last national election, should be heeded and complied with.

Mrs. Bertha Bassett, Berlin, Wis.; Mrs. L. T. Hodgkins, Berlin, Wis.; Mrs. L. C. Smith, Berlin, Wis.; Mrs. O. Ludwig, Berlin, Wis.; Miss Freda Zimmer, Berlin, Wis.; Mrs. R. Bertram, Berlin, Wis.; Mrs. H. Le Roy, Berlin, Wis.; Mrs. J. Fuller, Berlin, Wis.; Miss Clara Piekarski, Berlin, Wis.; Carrie R. Garner, Berlin, Wis.; Mrs. M. Murphy, Berlin, Wis.; Mrs. Jno. Crommings, Berlin, Wis.; Mrs. E. T. Winkel, Berlin, Wis.; Mrs. L. E. Wilson, Berlin, Wis.; Mrs. O. L. Wolfe, Auroraville, Wis., Ina Angle, Berlin, Wis.; Elizabeth Doyle, Berlin, Wis.; Maud Thomas, Berlin, Wis.; Clara Kisserow, Berlin, Wis.; Martha Kisserow, Ripon, Wis.; Marguerite Jenkins; Mrs. I. Jenkins; Margaret A. Franie, Berlin, Wis.; Mrs. T. W. Gales, Berlin, Wis.; Thomas W. Gales, Berlin, Wis.; Fannie Hale; Mrs. E. E. Trowe; Mrs. W. Spencer; Mrs. T. S. Bassett, Berlin, Wis.; Mrs. H. S. Bassett, Berlin, Wis.; Mabel Connolly, Berlin, Wis.; Mrs. Martin Kileen, Berlin, Wis.; Mrs. Thomas Davlin, Berlin, Wis.; Mrs. J. C. Gogin, Redlands, Cal.; Mrs. J. F. Dolliver, Berlin, Wis.; Mrs. W. H. Sexton, Neshkoro, Wis.; Mrs. Con O'Brien; Miss Gertrude Thomas, Auroraville; Mrs. Peter Thomas, Auroraville; J. E. Starling, Berlin, Wis.; Mrs. C. Dies, Berlin, Wis.; Mrs. E. Hardy, Berlin, Wis.; Miss A. Bush, Berlin, Wis.; Mrs. M. Safford, Berlin, Wis.; Mrs. H. Sackett, Berlin, Wis.; Miss Alice Krebs, Berlin, Wis.; Mrs. Mary Krebs, Berlin, Wis.; Mrs. Stillman Wright, Berlin, Wis.; Mrs. Mary A. Clark; Mrs. J. Brace, Berlin, Wis.; Mrs. P. Wellner, Oshkosh, Wis.; Mrs. A. McCallum, Berlin, Wis.; Mrs. Chas. Gibberd, Berlin, Wis.; Miss Lottie Banis, Berlin, Wis.; Mrs. Frank L. Wilson, Berlin, Wis.; Mrs. Martha E. Kenyon, Berlin, Wis.; Mrs. G. E. McIntyre; Mrs. Wm. Elmer, Berlin, Wis.; Mrs. Edw. Deibley, Berlin, Wis.

Mr. PERKINS presented memorials from the San Francisco, (Cal.) sale agents of the American Sheet and Tin Plate Company, the American Steel and Wire Company, and the Carnegie Steel Company, remonstrating against the proposed duty on structural steel, which were ordered to lie on the table.

He also presented a petition of the board of park commissioners of San Francisco, Cal., praying for the enactment of legislation authorizing the Secretary of the Treasury to erect a suitable building or buildings for marine-hospital purposes on the present marine-hospital site at San Francisco, Cal., and to remove all or any of the present structures thereon, which was referred to the Committee on Public Buildings and Grounds.

Mr. McCUMBER presented a petition of the American Society of Equity, of North Dakota, which was ordered to lie on the table and be printed in the RECORD, as follows:

Whereas the States of North Dakota, South Dakota, and Minnesota raise 93 per cent of the flax produced in this country, the seed of which only has a commercial value at the present time; and

Whereas the Department of Agriculture, in Farmers' Bulletin No. 274, says concerning the flax industry in the above-mentioned States, "Millions of tons of straw have been burned each year, much of which, in quality and length for the production of fiber, far excels the average straw from which the Russian peasant makes the fiber which chiefly supplies the linen fabrics in the world;" and

Whereas there are millions of tons of coal lying under the lands of these States, which, if it were mined and used to generate power for industrial purposes, would give these States as cheap power as can now be had in any State; and

Whereas the Fargo Forum, in an editorial in its issue of June 4, under the heading "Why not make linen?" clearly points the way in which the millions of flax straw now destroyed annually can be utilized and converted into money for the benefit of the flax grower; and

Whereas certain parties are now making arrangements to erect a linen factory in Fargo on the lines suggested in the Forum; and

Whereas all of the machinery now used in the manufacture of linen is made in England, and the import duty on such machinery is very heavy and adds much to the cost of erecting a factory for the manufacture of linen goods: Now, therefore be it

Resolved by the American Society of Equity, District No. 1, in convention assembled at Fargo this 10th day of June, That the members of this meeting do what they can to further the work of establishing linen industries in Fargo or points in these States, to the end that useless destruction of flax straw may cease, and the $40,000,000 annually burned up may be put in the pockets of the flax producer; and be it further

Resolved, That Senator MCCUMBER, as a prominent member of the Finance Committee in the United States Senate, and Senator JOHNSON and our other Representatives in Congress be, and they are hereby, requested to use all diligence to secure suitable legislation to place flax-making machinery on the nondutiable list, to the end that we may do all that is possible to encourage the erection of linen mills in these States; and be it further

Resolved, That the secretary of this meeting send a copy of these resolutions to our Senators and Representatives in Congress and the daily newspapers of these States.

Mr. DEPEW presented memorials of members of the New York Evening Journal, stereotype department, of New York City; of members of the New York Press chapel, of New York City; of members of the Trow chapel, of New York City; of members of the electrotype department of the Methodist Book Concern, of New York City; of members of the New York American, stereotypers' department, of New York City; of members of the Evening World stereotype chapel, of New York City; of members of the New York Evening Sun chapel, of New York City; of members of the Stereotypers and Electrotypers' Local Union No. 20, of the Independent Stereotypers and Electrotypers' Union, of Binghamton, all in the State of New York, remonstrating against the inclusion in the new tariff bill of any duty on news print paper and wood pulp, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CULLOM (by request):

A bill (S. 2604) to pay the legal heirs of the late John A. Lynch for valuable services rendered by him as the projector and promoter of the International American Conference and the Intercontinental Railway (with the accompanying paper); to the Committee on Railroads.

By Mr. BURROWS:

A bill (S. 2605) for the relief of George Davis; to the Committee on Claims.

By Mr. BURKETT:

A bill (S. 2606) granting an increase of pension to Cyrus G. Stevens;

A bill (S. 2607) granting an increase of pension to John W. Penny; and

A bill (S. 2608) granting a pension to Sarah C. Mansfield; to the Committee on Pensions.

By Mr. DAVIS:

A bill (S. 2609) for the relief of the estate of George Byerly, deceased (with the accompanying papers);

A bill (S. 2610) for the relief of Mary A. Haney and Clarence E. Haney (with the accompanying papers);

A bill (S. 2611) for the relief of heirs or estate of Nathaniel S. Word, deceased;

A bill (S. 2612) for the relief of the heirs or estate of Jesse Hollingshead, deceased; and

A bill (S. 2613) for the relief of the heirs or estate of James S. Ford, deceased; to the Committee on Claims.

By Mr. MCENERY (by request):

A bill (S. 2614) to incorporate the cult of The Aryans; to the Committee on the District of Columbia.

A bill (S. 2615) granting a pension to Frederick G. Rockel; to the Committee on Pensions.

AMENDMENTS TO THE TARIFF BILL.

Mr. BURTON submitted two amendments intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which were ordered to lie on the table and be printed.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. LODGE. Mr. President, on page 2, I wish to make the same insertion that was made in the paragraph preceding the free list, which was omitted by mistake. I move to insert after the words "except the Philippine Islands," the words "and the islands of Guam and Tituila."

Mr. BACON. What line is it?

Mr. LODGE. Line 5.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 2, line 5, after the words "Philippine Islands" and within the parentheses, insert the words "and the islands of Guam and Tituila."

The VICE-PRESIDENT. Without objection, the amendment will be agreed to.

Mr. BACON. I should like to know more about it.

Mr. LODGE. It was agreed to at the beginning of the free list. It is simply to except those two islands from the operation of this tariff act.

Mr. BULKELEY. I should like to inquire what the amendment applies to.

Mr. LODGE. It applies to the two islands of Guam and Tutuila, two small islands which are naval stations.

Mr. BULKELEY. To what sections does it apply?

Mr. LODGE. To the whole bill. It is to prevent the entire bill from applying to those two small islands, which are merely naval stations.

The VICE-PRESIDENT. The Chair hears no objection, and the amendment is agreed to.

Mr. LODGE. I ask that the clerks may have authority where that exception occurs in the bill to make the same addition.

The VICE-PRESIDENT. Is there objection to the request? The Chair hears none. Without objection, the paragraph as amended is agreed to.

Mr. ALDRICH. I ask to take up the provisions in regard to the Philippines, paragraph 471d.

Mr. BACON. I should like to inquire what direction is proposed to be given to the parts of the free list which have not yet been acted on?

Mr. ALDRICH. They are still passed over.

Mr. BACON. I suppose so. I merely desired to know if the Senator had any definite plan as to when they will be resumed.

Mr. ALDRICH. It is my purpose to take up this morning the Philippine amendment, and after that the provisions in regard to zinc.

Mr. BACON. I understood that, but I did not know whether the Senator had any——

Mr. ALDRICH. All these are passed over, and those the Senator from Georgia is interested in will not be taken up without his knowledge.

Mr. BACON. I understand that, but I wanted to know what was the programme, as I supposed the Senator had some plan in view as to when that will be resumed.

Mr. ALDRICH. It is my purpose to dispose as far as we can of all the contested questions in the dutiable schedule before we get to the free list.

Mr. BACON. I simply wanted to know what the programme is.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Rhode Island? The Chair hears no objection. The amendment of the committee to paragraph 471d will be read.

Mr. ALDRICH. The committee modifies its amendment.

The SECRETARY. In lieu of the amendment on page 189, paragraph 471d, it is proposed to insert:

471d. There shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from foreign countries: *Provided*, That all articles, the growth, product, or manufacture of the Philippine Islands, upon which no drawback of customs duties has been allowed therein, coming into the United States from the Philippine Islands shall hereafter be admitted free of duty, except rice, and except, in any fiscal year, sugar in excess of 300,000 gross tons, wrapper tobacco and filler tobacco when mixed or packed with more than 15 per cent of wrapper tobacco in excess of 300,000 pounds, filler tobacco in excess of 1,500,000 pounds, and cigars in excess of 150,000,000 cigars, which quantities shall be determined by the Secretary of the Treasury under such rules and regulations as he shall prescribe: *And provided further*, That sugar, refined or unrefined, and tobacco, manufactured or unmanufactured, imported into the Philippine Islands from foreign countries, shall not pay less rates of import duty therein than the rates of import duty imposed upon sugar and tobacco in like forms when imported into the United States: *And provided further*, That, under rules and regulations to be prescribed by the Secretary of the Treasury, preference in the right of free entry of sugar to be imported into the United States from the Philippine Islands, as provided herein, first, to the producers of less than 500 gross tons in any fiscal year, then to producers of the lowest output in excess of 500 tons in any fiscal year: *Provided, however*, That in consideration of the exemptions aforesaid, all articles, the growth, product, or manufacture of the United States, upon which no drawback of customs duties has been allowed therein, shall be admitted to the Philippine Islands from the United States free of duty: *And provided further*, That the free admission, herein provided, of such articles, the growth, product, or manufacture of the United States, into the Philippine Islands, or of the growth, product, or manufacture of the Philippine Islands into the United States, shall be conditioned upon the shipment thereof upon through bills of lading from the country of origin to the country of destination: *Provided*, That same may be transshipped en route if discharged at the port of final destination within one year from the date of shipment, as originally packed without having been opened or in any manner changed in condition: *Provided, however*, That if such articles become unpacked while en route by accident, wreck, or other casualty, or so damaged as to necessitate their repacking, the same shall be admitted free of duty upon satisfactory proof that the unpacking occurred through accident or necessity and that the merchandise involved is the identical merchandise originally shipped from the United States or the Philippine Islands, as the case may be, and that its condition has not been changed except for such damage as may have been sustained: *And provided further*, That all articles, the growth, product, or manufacture of the Philippine Islands, admitted into the ports of the United States free of duty under the provisions of this act and shipped upon through bills of lading from said islands to the United States for use and consumption therein, shall be hereafter exempt from the payment of any export duties imposed in the Philippine Islands: *And provided further*, That there shall be levied, collected, and paid, in the United States, upon articles, goods, wares, or merchandise coming into the United States from the Philippine Islands, a tax equal to the internal-revenue tax imposed in the United States upon the like articles, goods, wares, or merchandise of domestic manufacture; such tax to be paid by internal-revenue stamp or stamps, to be provided by the Commissioner of Internal Revenue, and to be affixed in such manner and under such regulations as he, with the approval of the Secretary of the Treasury, shall prescribe; and such articles, goods, wares, or merchandise, shipped from said islands to the United States, shall be exempt from the payment of any tax imposed by the internal-revenue laws of the Philippine Islands: *And provided further*, That there shall be levied, collected, and paid, in the Philippine Islands, upon articles, goods, wares or merchandise going into the Philippine Islands from the United States, a tax equal to the internal-revenue tax imposed in the Philippine Islands upon the like articles, goods, wares, or merchandise of Philippine Islands manufacture; such tax to be paid by internal-revenue stamps or otherwise, as provided by the laws in force in the Philippine Islands, and such articles, goods, wares, or merchandise going into the Philippine Islands from the United States shall be exempt from the payment of any tax imposed by the internal-revenue laws of the United States: *And provided further*, That, in addition to the customs taxes imposed in the Philippine Islands, there shall be levied, collected, and paid therein upon articles, goods, wares, or merchandise, imported into the Philippine Islands from countries other than the United States, the internal-revenue tax imposed by the Philippine government on like articles manufactured and consumed in the Philippine Islands or shipped thereto, for consumption therein, from the United States: *And provided further*, That from and after the passage of this act all internal revenues collected in or for account of the Philippine Islands shall accrue intact to the general government thereof and be paid into the insular treasury, and shall only be allotted and paid out therefrom in accordance with future acts of the Philippine legislature, subject, however, to section 7 of the act of Congress approved July 1, 1902, entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes."

Mr. ALDRICH. In line 5, page 3, I move to strike out "one year" and insert "three months."

The VICE-PRESIDENT. The Secretary will state the modification.

The SECRETARY. On page 3 of the printed amendment, line 5, after the word "within," strike out the words "one year" and insert in lieu the words "three months."

Mr. BAILEY. Do I understand that this amendment is now before the Senate for disposition?

Mr. ALDRICH. The pending amendment is changed from one year to three months in the transshipment of hemp; that is all.

The VICE-PRESIDENT. The Senator from Rhode Island modifies the pending amendment in that particular.

Mr. BAILEY. I understand that, but I wanted to inquire if the whole amendment is before the Senate.

Mr. ALDRICH. The whole amendment is now before the Senate for consideration.

Mr. BAILEY. I have not myself been able to examine it. I rather think it is an important one.

Mr. ALDRICH. There is another mistake in the printed amendment that I should like to correct, if the Senator will permit me.

Mr. DOLLIVER. There seems to be a variation in the lining of these amendments. I find no such words in line 5 in the copy I have here.

Mr. BULKELEY. The copy I have has no such word.

Mr. ALDRICH. After the word "herein," in line 14, page 2, I move to insert the words "shall be given."

The VICE-PRESIDENT. The modification will be stated.

The SECRETARY. On page 2 of the printed amendment, line 14, after the word "herein," insert the words "shall be given."

The VICE-PRESIDENT. This is another modification of the amendment. It will be made.

Mr. BAILEY. Mr. President, while I am on the floor I simply want to make a statement to go into the RECORD.

Saturday when the vote was taken on the motion made, I believe, by the Senator from Minnesota [Mr. NELSON] to strike out the art works from the free list and to impose a duty on them, I did not vote, because I was under the impression that my pair, the Senator from West Virginia [Mr. ELKINS], was not in the Chamber. I find on examining the RECORD that he did vote. I simply want to say that, if I had known he was voting, I would have voted against leaving those works of art on the free list. I never will agree to exempt a man's pictures as long as we lay a tax on his clothes.

The VICE-PRESIDENT. The question is on agreeing to the amendment as modified.

Mr. BULKELEY. I desire to say a word at this time. I have no particular opposition to the substitution of the paragraph as just read for the paragraph 471d as in the bill.

Mr. ALDRICH. I ask that the substitution be agreed to, if it has not already been done.

The VICE-PRESIDENT. The modification of the Senator's amendment has been made, of course. The Senator has a perfect right to change his amendment.

Mr. BULKELEY. The substitution has been agreed to, I understand.

The VICE-PRESIDENT. The amendment offered by the committee is the amendment which has just been read. That is pending.

Mr. BULKELEY. It is pending. It has not been adopted.

The VICE-PRESIDENT. It has not been agreed to. It is a substitute for the former amendment by the committee; that is all.

Mr. BULKELEY. I can not permit this substitution to take place, although I shall vote for it, without stating to the Senate that I am opposed to the adoption of the paragraph itself, even if the substitute is adopted in lieu of it. I should like to inquire if an amendment to the proposed substitute is now in order?

The VICE-PRESIDENT. Certainly.

Mr. BULKELEY. The substitute proposes absolutely different legislation from what has heretofore been asked for these islands. It not only provides for the free admission of all articles the growth and product of the islands, but also of its manufactures, and not necessarily manufactures from the growth and products of the islands. In all previous legislation that has been asked in behalf of the Filipinos, and in all bills that I have been able to collect relating to the trade of the islands, it has been provided that all articles wholly the growth and product of the islands might be admitted free, and those are the recommendations that have come to the Congress from time to time from the Philippine Commission. There is interjected into this measure the words "or manufacture," referring in no manner to the growth or product of the islands, but to the manufactures of anything from any part of the world in applying the cheap labor of the Philippine Islands to the products of the whole world.

Mr. ALDRICH. The word "wholly" was left out by mistake, after the word "articles."

Mr. BULKELEY. That is just what I am criticising, and I propose, before the vote is taken even on this substitute, to suggest that in line 5, after the word "articles," the words "wholly the growth and product," and in line 6——

Mr. ALDRICH. It was left out by a typographical error.

Mr. BULKELEY. And on line 6 to add, before the word "manufacture," the word "articles," so that it will read:

Articles manufactured wholly the growth or product of the Philippine Islands.

Mr. ALDRICH. I think the Senator's purpose will be accomplished by inserting the word "wholly" before the word "the," in the fifth line. I think that that accomplishes it.

Mr. BULKELEY. It seems to me that that does not apply to the manufactures.

Mr. ALDRICH. Undoubtedly it does; "and all articles wholly the growth, product, or manufacture."

Mr. BULKELEY. My position is that, as it stands, you can bring into those islands the raw product of the world.

Mr. ALDRICH. That is not the intention of the committee.

Mr. BULKELEY. I understood at the hearing before the committee that that was not the intention, but as I read it, it provides for manufacturing in the Philippine Islands practically all the raw material of the world, which can then be sent into the United States in competition with the labor of this country. I will ask the Senator to consider my amendment, which is to insert, in line 5, the words "manufactured wholly of," so that it will read:

Articles manufactured wholly of the growth or product of the Philippine Islands.

I think it is a fair interpretation of the bill and of the substitute which is now pending that the word "wholly" does apply only to the growth and product of the islands to be admitted free, and applies in no way to the word "manufacture" in the sixth line; and that is what I should like to correct before the adoption of the substitute. I suggest that amendment. I have written it in the print I send to the desk.

Mr. LODGE. I suggest to the Senator, I think that can be worded a little better, perhaps: "Of articles wholly the growth or product of the manufactures from material wholly the growth or product."

Mr. GALLINGER. That is right.

Mr. BULKELEY. That is quite satisfactory.

Mr. ALDRICH. It was the intention of the committee to do exactly what the Senator proposes.

Mr. BULKELEY. I understood it was.

Mr. LODGE. After the word "articles," in line 5, I move to insert the word "wholly;" in the same line, after the word "growth," to insert the word "or;" and then, at the beginning of line 6, to strike out the word "manufacture" and insert "manufactured from materials wholly the growth or product."

The VICE-PRESIDENT. The Secretary will state the amendment proposed by the Senator from Massachusetts to the amendment.

The SECRETARY. In line 5, after the word "articles," it is proposed to insert the word "wholly;" in the same line, after the word "growth," to insert the word "or;" and at the beginning of line 6, to strike out the word "manufacture" and to insert the words "manufactured from materials wholly the growth or product," so that if amended it will read:

Provided, That all articles wholly the growth or product or manufactured from materials wholly the growth or product of the Philippine Islands, etc.

Mr. ROOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut yield to the Senator from New York?

Mr. BULKELEY. I do.

Mr. ROOT. Should not there be inserted there still other words, so that it will read "manufactured in the Philippine Islands from the growth or products of the islands?" Otherwise the articles might be manufactured from the growth or product of something from Hongkong or Singapore.

Mr. ALDRICH. I think that language is better.

Mr. LODGE. That is better.

Mr. BULKELEY. I accept that suggestion.

Mr. LODGE. "Manufactured in the Philippine Islands from materials wholly the growth or product of the Philippine Islands."

Mr. BULKELEY. I am only trying to get it worded properly; and I am pleased to have any suggestions.

Mr. LODGE. I think that is better.

The VICE-PRESIDENT. The Secretary will state the amendment as now presented.

The SECRETARY. As modified, the proviso will read:

Provided, That all articles wholly the growth or product or manufactured in the Philippine Islands from materials wholly the growth or product of the Philippine Islands.

The VICE-PRESIDENT. The question is on agreeing to the amendment to the amendment.

Mr. HEYBURN. The word "of" should be in there after the word "product" where it first occurs.

The SECRETARY. So that the proviso will read:

That all articles wholly the growth or product of or manufactured in the Philippine Islands, etc.

Mr. BRANDEGEE. Will my colleague yield to me for a moment?

The VICE-PRESIDENT. Does the Senator from Connecticut yield to his colleague?

Mr. BULKELEY. Certainly.

Mr. BRANDEGEE. Mr. President, I want to call the attention of the committee to this situation and to ask them what would be their construction of it: Under the language of the amendment as proposed and agreed to by the committee, supposing that cigar wrappers imported into the United States from the Philippine Islands free of duty, and there made into cigars, are reimported into the United States; then, under the language of the amendment of the committee as proposed, it seems to me that they would have to pay a duty here over again, because they would not be made wholly from the product of the Philippine Islands.

Mr. LODGE. The Senator means wrappers that are of United States growth?

Mr. BRANDEGEE. Yes; if Connecticut leaf wrappers, for instance, or Massachusetts leaf wrappers should be sent to the Philippines.

Mr. BULKELEY. I think the words "United States" should be inserted there as well as "Philippine Islands," so that it will read "wholly from the growth or product of the Philippine Islands or the United States."

Mr. BRANDEGEE. "Be of American-growth leaf tobacco."

Mr. LODGE. I see no objection to that. I think it is covered by language used in a later paragraph, but I see no objection to making it safe in that way.

Mr. BULKELEY. I do not think it is covered by the later paragraph, for I have examined the paragraph very carefully.

Mr. LODGE. There is no objection to putting those words in, "of the Philippine Islands or of the United States."

Mr. BRANDEGEE. I think that language would cover it.

Mr. LODGE. Let us do that, if there is any danger.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut yield to the Senator from Idaho?

Mr. BULKELEY. Certainly.

Mr. HEYBURN. The Philippine cigars of the better grades have Connecticut wrappers.

Mr. LODGE. No.

Mr. HEYBURN. Yes.

Mr. BULKELEY. The Senator from Idaho is mistaken about that. There have never been but 3 tons of tobacco sent into the Philippine Islands, as I learned from Connecticut friends, on the suggestion of the Philippine Commission; and those 3 tons were sent there as an experiment.

Mr. HEYBURN. Mr. President, the experiment seems to have been adopted, I think. I have here a package from the Insular Bureau of cigars with a Connecticut wrapper. [Exhibiting.] The question was raised in the consideration of another bill.

Mr. BULKELEY. They are a part of the experiment. I have some of the same kind in my desk. General Edwards, who is in charge of the bureau, informed me that the commission had sent 3 tons of Connecticut wrapper leaf tobacco from Connecticut for the purpose of experimenting. He took up a box of the same character from his desk, as the Senator has in his possession, and furnished me with some of the cigars.

Mr. HEYBURN. I presume that those 3 tons made a number of cigars.

Mr. BULKELEY. They would make quite a quantity of cigars.

Mr. HEYBURN. We had this question up for responsible consideration, and this question was raised. In pursuing it, I obtained this information. In looking at this amendment it seemed to me that no proper provision was made for the use of Connecticut wrappers in manufacturing cigars in the Philippine Islands.

Mr. BULKELEY. The insertion of the words "United States," so that it would read "the growth or product of the Philippine Islands or of the United States," will provide for that.

Mr. HEYBURN. But the trouble about that is, that that includes a great many other things than tobacco and its products.

Mr. BULKELEY. I think that the language should be carefully guarded.

Mr. LODGE. Why should they not use them if they come from the United States?

Mr. BRANDEGEE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut yield to his colleague?

Mr. BULKELEY. I do.

Mr. HEYBURN. I will wait until the Senator who has the floor concludes.

Mr. BRANDEGEE. Mr. President, I should like the Secretary to state the amendment.

The VICE-PRESIDENT. The Secretary will state the amendment to the amendment as it is now proposed to read.

The SECRETARY. As modified the proviso will read:

Provided, That all articles wholly the growth or product of or manufactured in the Philippine Islands from materials wholly the growth or product of the Philippine Islands or the United States.

Mr. BRANDEGEE. Mr. President, I want to suggest to the committee, being unable to examine the amendment and it not having been reduced to writing, that it occurs to me that it should be carefully considered, and I assume time will be given for that purpose. I would suggest that the word "or" in the amendment be carefully considered as to whether it should not be "and," so that goods manufactured in the Philippine Islands wholly of the products of the islands or partly of the products of the islands and partly the products of the United States may come into this country free if any of the Philippine goods are coming in free, and not leave it in the alternative with the word "or," which might not comprehend the combination of the two.

Mr. ALDRICH. There is no reason why the word "and" should not be substituted if the Senator from Connecticut desires that it shall be.

Mr. BRANDEGEE. As I say, the amendment which has just been proposed and as it at present exists is a combination of half a dozen suggestions, and I should like the opportunity to examine it in print before it is finally perfected.

Mr. ALDRICH. The pending bill will not be finally disposed of to-day, and the Senator can examine the amendment after it shall have been adopted.

Mr. CARTER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut yield to the Senator from Montana?

Mr. BULKELEY. I do.

Mr. CARTER. I suggest that the language is such at present that if cigars are manufactured in part of Philippine tobacco and in part of Connecticut tobacco, the cigars will be dutiable here.

Mr. ALDRICH and Mr. BULKELEY. Oh, no.

Mr. CARTER. "Wholly the growth of the Philippine Islands or wholly the growth of the United States." If partly the growth of the United States and partly the growth of the Philippine Islands combined in one manufactured product, it would be subject to a duty under our legislation.

Mr. BRANDEGEE. That is just what I am afraid of, Mr. President.

Mr. BULKELEY. It may be desirable, Mr. President, in the course of this debate, to word the amendment in more precise language.

Mr. LODGE. The language is "manufactured from materials wholly the growth."

Mr. CARTER. "Wholly the growth of the Philippine Islands or wholly the growth of the United States."

Mr. LODGE. Connecticut wrapper is a material which is wholly the growth of the United States. The filler tobacco is Philippine wholly, and the products combined are manufactured—manufactured wholly from materials which came from one place or the other. "Wholly" applies to the materials, not to the result of the manufacture.

Mr. ALDRICH. Mr. President, the amendment can be adopted in this form, and then, after it is adopted, the committee will examine it and so frame it as to cover the point at issue.

Mr. BULKELEY. I take it there will be no objection, if there are found any mistakes in the wording of the amendment, to correcting them afterwards.

Mr. ALDRICH. There will be no trouble about correcting them afterwards.

Mr. BULKELEY. If this amendment is adopted, I want to call the attention of the committee to see if it is not necessary to change another provision of it.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Connecticut to the amendment.

Mr. HEYBURN. Mr. President, we are moving a little rapidly. Has the Senator from Connecticut [Mr. BULKELEY] finished discussing the amendment which he has offered?

Mr. ALDRICH. The committee will take the matter in controversy into consideration and see that it is covered.

Mr. HEYBURN. I did not know that the Senator from Connecticut had yielded the floor.

Mr. BULKELEY. I have not yielded the floor.

Mr. HEYBURN. Then I do not see how it is possible to put the question until the Senator from Connecticut has yielded the floor.

The VICE-PRESIDENT. The Chair will not put the question until the Senator from Connecticut desires it put.

Mr. HEYBURN. When the Senator yields the floor; yes. But he desired to make a suggestion in regard to the amendment.

Mr. BULKELEY. I yield the floor to the Senator from Idaho, if I am at liberty to do so, though I do not know, under the rule, that I am.

The VICE-PRESIDENT. The Chair understood the Senator from Connecticut [Mr. BULKELEY] had yielded the floor for the purpose of having the question put on the amendment.

Mr. BULKELEY. That is what I did. Then I want to suggest to the committee if it will not be necessary, if that amendment shall be adopted, to make another change in the phraseology on page 3?

The VICE-PRESIDENT. The amendment has not been agreed to. Prior to a vote on the amendment, the Senator from Idaho asked for the floor to discuss the amendment.

Mr. BULKELEY. I yield to the Senator from Idaho.

Mr. HEYBURN. I asked for the floor to suggest an elaboration of the amendment, which seems to be made necessary. It would seem to be necessary after the amendment had been made on line 5, page 1, after the word "That," to insert the words "except as otherwise hereinafter provided," because we make two exceptions. After the limit on tobacco is passed or the limit on sugar is passed, then this provision does not apply; so that, in order to make that exception applicable, the words "except as otherwise hereinafter provided" should be inserted. That will then cover the excess of sugar and the excess of tobacco.

Mr. ALDRICH. I think that is provided for by the language that follows.

Mr. HEYBURN. I went through it, but I could not find that it is covered.

Mr. ALDRICH. There is no objection to using that language, however.

Mr. HEYBURN. I think it will be necessary.

Mr. ALDRICH. Very well; let the words "except as hereinafter provided" be inserted. That makes all goods dutiable when the limit is reached.

Mr. HEYBURN. They become dutiable?

Mr. ALDRICH. Yes.

The VICE-PRESIDENT. The Secretary will state the amendment in its present form.

The SECRETARY. So that the proviso will read:

Provided, That, except as otherwise hereinafter provided, all articles wholly the growth or product of or manufactured in the Philippine Islands from materials wholly the growth or product of the Philippine Islands and of the United States upon which, etc.

The VICE-PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. BULKELEY. I should like to ask the chairman of the committee, in view of this change, if it is not also necessary to make another change on page 3, commencing in line 16. Beginning there it reads:

And provided further, That all articles, the growth, product, or manufacture of the Philippine Islands, admitted into the ports of the United States free of duty—

I should like to inquire whether it will not be necessary to change that language to conform to the other change made. I am not quite certain myself about it.

Mr. ALDRICH. I do not think so; but the words "hereinbefore provided" might be inserted.

Mr. BULKELEY. I think that would be better.

Mr. ALDRICH. Very well; after the word "admitted," in line 18, insert the words "as hereinbefore provided."

Mr. BRANDEGEE. Would it not be better, I ask the Senator from Rhode Island, to insert the words "as hereinbefore provided," after the word "That," in line 16?

Mr. ALDRICH. After the word "That?"

Mr. BRANDEGEE. Yes. There will be no question about it then.

Mr. ALDRICH. Well, at the end of line 16, after the word "That," insert "as hereinbefore provided."

Mr. BRANDEGEE. On second thought, perhaps it would be better to let it come in after the word "Islands," so that it will read: "*Provided*, That all articles," and so forth, "the growth, product, or manufacture of the Philippine Islands, as hereinbefore provided."

Mr. ALDRICH. No; I think that would not do.

Mr. BULKELEY. I suggest that it read "admitted into the ports of the United States as hereinbefore provided."

Mr. ALDRICH. It does not make much difference where you put the words. They might be put after the words "United States."

Mr. BULKELEY. It only occurred to me that there should be some such provision there.

Mr. LODGE. Yes; that will cover it.

Mr. ALDRICH. Insert the words "as hereinbefore provided," after the words "United States," at the end of line 18.

Mr. CURTIS. Mr. President, it seems to me that this is a very important amendment. The people of the Philippine Islands are anxious to use the Connecticut wrappers, and I suggest that the amendment be adopted, with the understanding that the words can be changed when the amendment comes up in the Senate, or that the amendment go over until the necessary changes can be prepared.

Mr. ALDRICH. Oh, no. Everybody understands it, I think. Insert after the words "United States," in the eighteenth line, the words "as hereinbefore provided."

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. On page 3, line 18, after the words "United States," it is proposed to insert the words "as hereinbefore provided."

Mr. BURKETT. Mr. President, it seems to me that the words following, "free of duty under the provisions of this act," cover it just as well and as completely as could be done by saying "as hereinbefore provided."

Mr. ALDRICH. I think they do fully; but in excess of caution the Senator from Connecticut thought the change should be made.

Mr. BURKETT. If there is anything that comes after it in this bill, or anything that should happen to be in any other part of the law which practically covers all imports, the words "hereinbefore provided" would be ambiguous and would perhaps be embarrassing at some time.

Mr. ALDRICH. I think perhaps we had better strike out the word "act" and insert "section" in the nineteenth line. That will surely cover it. I will withdraw the other amendment, inserting the words "as hereinbefore provided," and move to strike out the word "act," in the nineteenth line, and insert the word "section."

Mr. BULKELEY. I was not quite certain that it needed anything further, but I wanted to make sure.

Mr. ALDRICH. I think it would be better to change the word "act" to the word "section," and I move that amendment.

The VICE-PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 3, line 19, after the word "this," it is proposed to strike out the word "act" and insert in lieu the word "section."

The VICE-PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. HEYBURN. I should like to inquire of the chairman of the committee whether or not the word "otherwise," in line 18, page 4, should not come out, and also the words "in force," in line 19?

Mr. ALDRICH. Mr. President, that allows the government of the Philippine Islands to provide for internal-revenue taxation otherwise than by stamps, if they so desire. This legislation only applies to the Philippine Islands.

Mr. HEYBURN. I understand that; but was it the intention to give them that latitude?

Mr. ALDRICH. Yes; it was.

Mr. HEYBURN. They will collect their revenues in the way of licenses under the law, which power is accorded to them by this provision.

Mr. ALDRICH. It is so intended.

Mr. HEYBURN. What internal-revenue taxes in this country are collected otherwise than by stamps?

Mr. ALDRICH. We do not intend to regulate the legislation of the Philippines by anything that might be adopted here. All of their legislation must be approved by Congress.

Mr. HEYBURN. Yes; but, of course, the system of stamps has been inaugurated to avoid the danger of a floating fund in cash passing through the hands of government officers. That was the purpose of it, and I should like to ask why it is not a wise purpose there as well as here?

Mr. ALDRICH. There are a great many of the internal-revenue taxes in the United States that are not collected by stamps; for instance, all license taxes are not collected by stamps. I think it would be very undesirable——

Mr. HEYBURN. I merely wanted to inquire. Now, as to the words "laws in force in the Philippine Islands." The words "in force" are words of limitation. I think they had better be left out of the laws of the islands.

Mr. ALDRICH. I have no objection to that.

Mr. HEYBURN. I move that the words "in force," in line 19, page 4, of the amendment, be stricken out.

The VICE-PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. On page 4, line 19, it is proposed to amend the amendment by striking out the words "in force."

Mr. ALDRICH. Then the words "of the Philippine Islands" should be used, instead of "in the Philippine Islands."

Mr. HEYBURN. It would not make any difference. The Philippine Islands have no laws "of them;" they are laws "in them;" they are made by Congress, and they are applicable to the islands.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Idaho to the amendment.

The amendment to the amendment was agreed to.

Mr. HEYBURN. Now, on page 5, line 11, the words "future acts" should be stricken from the amendment.

Mr. LODGE. That should not be done.

Mr. HEYBURN. To what did the Senator refer?

Mr. LODGE. The striking out of the words "future acts," because they must be acts that are to be approved by Congress hereafter. We do not know what acts there may be hereafter.

Mr. HEYBURN. I want to make a suggestion. The amendment we just voted on was to strike out the words "in force." In line 11, on page 5, the use of this language is confined to "future acts:" that is, to be disposed of only under future acts. Now, let us see what it is:

And provided further, That from and after the passage of this act all internal revenues collected in or for account of the Philippine Islands shall accrue intact to the general government thereof and be paid into the insular treasury, and shall only be allotted and paid out therefrom in accordance with future acts of the Philippine legislature, subject—

Subject, of course, to our confirmation. Now, there may be a hiatus there which will be very uncomfortable. We have one in Porto Rico now.

Mr. LODGE. If the Senator will allow me, I think I can explain that. The internal-revenue taxes under the present law are, some of them, paid to the provincial government, and it is considered very desirable by our Government that they should be paid direct to the central government.

Mr. HEYBURN. I think that is right.

Mr. LODGE. That is the purpose of this paragraph. But the method of payment will have to be established by future acts of the Philippine assembly.

Mr. HEYBURN. There is a possibility of considerable embarrassment. The provision for paying to the central government is all right, but there is no provision for paying it out or devoting it to the use for which collected until the legislature of the Philippine Islands acts.

Mr. LODGE. There can not be.

Mr. HEYBURN. The existing laws ignore it, and the wheels of government may stop, as they have in Porto Rico.

Mr. LODGE. It can only be allotted and paid out after it has been given to them. Then, of course, it is for them to allot them and pay them out, and that will be done under the future acts of the assembly. We do not interfere with their expenditures of money.

Mr. HEYBURN. They now have a law for disbursing the funds.

Mr. LODGE. It is now distributed among the provinces. We want it in the general treasury. There is no danger of such trouble in the Philippines as there has been in Porto Rico, because the organic act, as the Senator knows, is different. The commissioners have the right, in case of failure to make appropriations, to continue the appropriations by their own act.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Connecticut?

Mr. HEYBURN. The commissioners would have no right to pay out this money in advance of legislation.

Mr. BULKELEY. The internal-revenue taxes collected in the United States naturally take the same course that the customs duties collected in the United States do. They are all returnable to the General Treasury.

Mr. HEYBURN. That is, under our general law.

Mr. BULKELEY. The collections at our custom-houses on imports from the Philippine Islands are never covered into the Treasury, but are held for the benefit of the Philippine government, and I suppose the intent of this is to make the internal-revenue taxes take the same course.

Mr. CURTIS. As I understand, this change in the existing law will require changes in the Philippine revenue laws.

Mr. HEYBURN. Until that legislation is had, not a cent of revenue can be paid out. I think we all know, as a matter of fact, that these revenues will begin to accrue to the government within at least three months after the passage of this act. The revenues that are thus collected go into the treasury under the provisions of this act. There should be some convenient method of applying them to the expenses of the government. This fund will be about twenty-six and a half million dollars, and it is for the specific purpose of paying the expenses of that government.

Mr. ALDRICH. The purpose is that it shall not be distributed under the present legislation of the Philippine Islands.

Mr. HEYBURN. Let us see the working of it. The legislature of the Philippine Islands, so far as I am advised, can not meet and enact a law providing for the distribution of this money for the expense of the government until next fall. That act, by the very terms of this act, must be submitted to Congress, and we can only act on it next winter, at the regular session of Congress. It looks to me as though there must be a period of nearly a year in which there will be no law in force for the distribution and use of the public funds.

Mr. ALDRICH. These provisions have had the approval of the Insular Bureau of the War Department.

Mr. HEYBURN. That is not an argument which is legitimate here.

Mr. ALDRICH. I think it is perfectly safe.

Mr. HEYBURN. We are here to legislate on our own responsibility.

Mr. ALDRICH. It is safe to say that the Insular Bureau have an idea of practical legislation in the Philippine Islands, and I assume they would not purposely create a hiatus of a year in the disposition of these funds.

Mr. CURTIS. I understand there has been submitted to Congress a general tariff act for the Philippine Islands. That measure has passed the House and is now pending before the Senate committee, and I should think the legislation suggested could be cared for in that measure.

Mr. HEYBURN. Yes; it is for that purpose that I have raised these objections. I know something of what is proposed to be done by that bill should it be enacted into law. I am anxious that there shall be nothing done in this bill which will tie the hands of that government under the proposed legislation. Under existing law the Insular Commission have powers which they will not have if this law is passed. This is not a thing to be disposed of lightly, in a moment, or by a nod. It is a pretty large proposition.

Mr. LODGE. The Senator will allow me?

Mr. HEYBURN. Yes.

Mr. LODGE. The point which the Senator has just made is a very important one. If this affects the powers of the commission under the organic act, it is a very serious thing indeed.

Mr. HEYBURN. We will have to change it.

Mr. LODGE. I did not suppose there was anything like that in here, or I never would have assented to it.

Mr. HEYBURN. I have been spending hours over it, and I am looking forward to harmonious legislation in the Philippine tariff bill with that which we enact here.

Mr. ALDRICH. Will the Senator please point out any provision in this amendment which limits the powers given by the organic act?

Mr. HEYBURN. Oh, the organic act; the organic act now is supplemented by the legislation enacted pursuant to it, which is in force, just as the Dingley bill is in force at this time, and it will remain in force until something is substituted for it.

In my judgment, with such time as we have had to compare the provisions of this measure with those recommended by the Insular Bureau and already within the proposed legislation, this provision is inconsistent.

Mr. BULKELEY. I want to say, for the information of the Senator from Idaho, who I believe is a member of the Committee on the Philippines, that I shall not oppose but shall favor the adoption of this substitute, so that if the legislation is finally adopted by the Congress it will be in better shape, to my mind, than the original bill. I have a view of my own that this legislation has no proper place in a bill creating a tariff for the United States of America, and that it should properly be considered in connection with the tariff bill for the Philippine Islands, many measures of which are dependent upon this very legislation pending before this body. I shall move, if the substitute is agreed to, that the whole paragraph be stricken out and that it be referred to the Philippine Committee, that it may be perfected.

Mr. HEYBURN. I suggest to the Senator from Connecticut that it would not be accomplished by striking out the whole paragraph, but by striking out all after the colon, in line 6, page 5——

The VICE-PRESIDENT. The Senator from Connecticut understands that the proposed amendment has already been substituted for the provision printed in the bill?

Mr. HEYBURN. It is all open for discussion.

The VICE-PRESIDENT. It is all open for discussion. The Chair thought the Senator from Connecticut had an erroneous impression in regard to it.

Mr. BULKELEY. I want to suggest to the Senator from Idaho, who is chairman of the subcommittee, that this legislation, in the tariff bill now pending, should properly be considered with the other, in order that the bills should be drawn in entire harmony. Heretofore all Philippine legislation with which I am familiar has first been considered by the committee of the Senate having these items under their particular charge, and has not been mixed up with general legislation for the United States.

Mr. CURTIS. Mr. President——

Mr. LODGE. I only wanted to say, in reference to what the Senator from Connecticut has just said, that I am chairman of the Committee on the Philippines, as it happens, and I have not the slightest desire to take anything from any committee which properly belongs there, but I am clear that this proviso ought to stay here and that it is of great importance to the proper administration of those islands.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Kansas?

Mr. HEYBURN. I yield.

Mr. CURTIS. I should like to ask the Senator from Massachusetts if it would be proper to provide for this legislation in the Philippine tariff bill?

Mr. LODGE. It seems to me it comes more appropriately here. We can do it in the other or by a separate bill, but we are dealing here with their internal-revenue taxes and making arrangements in regard to them.

Mr. CURTIS. As I understand, this provision is necessary because if the new tariff law takes effect it will reduce the revenue in the Philippine Islands, and under existing laws they are paying now to the provinces more money than they can afford to turn over to them in case the new tariff bill passes; and in view of that fact it is important that this change be made.

Mr. HEYBURN. I have no desire to delay or in any way to embarrass this legislation, but it is a question of too much importance to be passed over lightly. I am satisfied it is not wise to enact this as it is proposed. There might be a long interval during which no one would be authorized to distribute or use this fund. One branch of the government would have lost the power and the other would not have obtained it. However desirable it may be to change the financial system of the Philippine Islands and to have the money paid out in pursuance of an act of the legislature, approved by this Congress, we must not lose sight of the fact I have presented.

The Senator from Massachusetts has suggested that we might insert here a provision that would give the Insular Commission the authority, until the enactment of legislation, in the interval, to disburse this money. Otherwise you are going to have a lot of money lying idle in the treasury. I would suggest that if the Senator from Massachusetts will formulate such an amendment, it would cure the objection which I have.

Mr. LODGE. I would suggest to insert in line 12, after the word "legislature," the words "or of the Philippine Commission."

The VICE-PRESIDENT. Does the Senator offer that amendment?

Mr. LODGE. I suggest it.

Mr. HEYBURN. It would have to come in somewhere else. That would make the action of the Philippine Commission subject to the approval of Congress.

Mr. LODGE. I suggest to insert at the end of the proviso that it shall be expended under the direction of the commission until action by the legislature.

Mr. HEYBURN. That can be formulated.

The VICE-PRESIDENT. The question is on agreeing to the substitute offered by the committee.

Mr. HEYBURN. That takes the place of the whole business.

Mr. BULKELEY. Mr. President——

Mr. BRISTOW. If the Senator wants to continue his remarks——

Mr. BULKELEY. I simply desire to make a motion as a substitute for the adoption of this paragraph while this is before us. I desire to make a motion to refer.

Mr. BRISTOW. It may eliminate the necessity of my making any remarks. I was going to talk on some other phases. But I understand the Senator from Connecticut desires to offer a substitute for this paragraph.

Mr. BULKELEY. The motive for my present action is to get this substitute bill into shape that will be more satisfactory than the bill as originally reported by the committee, and if that is done, not with any view to delay this legislation, I shall make a motion to refer to the Committee on the Philippine Islands, in the first place, that the whole Philippine matter can be considered in connection with the tariff bill for that archipelago, which is dependent upon the tariff bill, and dependent in large measure on the bill that is now pending, and that they may be both considered together and worked out in proper form.

Mr. BRISTOW. If I can have the attention of the members of the committee, I should like to inquire what is the effect?

The VICE-PRESIDENT. The Senator from Kansas desires the attention of the Senator from Rhode Island.

Mr. BRISTOW. I should like to inquire if the paragraph following that proviso in line 5 incorporates the tariff laws of the United States on the importation of sugar into the Philippine tariff laws, and makes them applicable to the importation of sugar into the Philippine Islands from other countries than the United States?

Mr. ALDRICH. That provision does not, but the other provisions of the act extend the tariff laws. They are already extended by other legislation and by this legislation. It has to pay the same rate of duty that sugar imported into the United States does, unquestionably.

Mr. BRISTOW. What is the purpose of that proviso, which was not in the original House measure, and why is it necessary in this measure to impose our tariff laws as relates to the importation of sugar from other countries to the Philippine Islands? You do not do it in regard to anything else.

Mr. ALDRICH. It must be apparent to everyone in the Senate that we can not have Java and Sumatra sending their sugar to the Philippines and then have it sent to the United States.

Mr. BRISTOW. This provision does not——

Mr. ALDRICH. It does not touch that question at all. It refers only to the admission of sugar into the United States. That provision does not touch that.

Mr. BRISTOW. These 300,000 tons must be the product wholly of the Philippine Islands.

Mr. ALDRICH. Certainly.

Mr. BRISTOW. It is not necessary to incorporate this provision in order to prevent sugar from being imported from Java into the Philippine Islands and then into the United States.

Mr. ALDRICH. If the Senator from Kansas can tell whether sugar imported from the Philippine Islands is the product of the Philippine Islands or not, he is much wiser than I am. After it is once in there, admitted free, and it is proposed to be exported, I know of no process by which you can tell whether it is the growth of the Philippine Islands or not. The only way to be certain is to make the same import duties in the islands as in the United States, subject to all the penalties for fraudulent importation. That is true of sugar, tobacco, and everything else. If we are going to admit tobacco free into the Philippine Islands, this provision, that it shall be free if the growth of the Philippine Islands, would amount to nothing.

Mr. BRISTOW. But the committee does not provide that other articles than tobacco and sugar shall have the same duties if they are imported into the Philippine Islands as when imported into the United States. This provision applies only to sugar and tobacco. It is just as easy to commit frauds with respect to other articles as with regard to sugar and tobacco. You do not propose the same thing with regard to the importation of cotton.

Mr. ALDRICH. Those things can be easily followed, but in the matter of sugar and tobacco it seems to me it is absolutely impossible to determine that question; and so long as sugar and tobacco are the only real questions in controversy, it seems to me and to our committee, without any difference of opinion, that this provision is absolutely necessary. I think, unless the Senator wants to have all the sugars of the world imported into the United States free of duty, that this provision must be adopted.

Mr. BRISTOW. Take liquors or anything else other than sugar and tobacco. There are a thousand things that might be imported into the Philippine Islands and then imported here that are just as hard to detect, and I can not see why the Philippine Islands should be burdened with our tariff laws relating to sugar when they are not burdened with our tariff laws relating to all the other things comprised in this bill. The result will be, it seems to me, that the sugar provisions relating to the importation of sugar into the United States will be attached to this Philippine tariff; and it means this, that in the future, after this law is enacted, all the sugar not produced in the Philippine Islands will have to be imported from the United States unless they pay a very large duty, and the result will be that all refined sugar consumed in the Philippine Islands after the enactment of this law will be imported from the United States to those islands. That will be the effect of this legislation, and it is plainly in the interest of the sugar refineries of the United States more than in the interest of the Philippine Islands. I can not see anything else to it.

Mr. ALDRICH. This is certainly a new objection. The sugar producers in the United States and the tobacco producers in the United States have strenuously objected to the free importation of these articles from the Philippine Islands, and they are strenuously objecting to the importation of 300,000 tons. I never before heard the suggestion that the purpose of this legislation was to force the people of the Philippine Islands to use American sugar. They make all their own sugar now, and send sugar to China and to various other places, and the fear of the sugar producers of the United States is that they will soon produce sugar greatly in excess of the 300,000 tons which they will send here. I think the Senator's imagination is getting a little the better of the facts in this case.

Mr. BRISTOW. It is not a question of imagination, and as to the statement that the Philippines consume only their own sugar, that is not a fact. They consume a great deal of sugar not made in the Philippines. They import a great deal from

other countries. They import some from the United States, some from England, some from Germany, but much more from China.

Mr. FOSTER. I suggest to the Senator that unless some provision of this kind is placed in this bill, does he not think there would be a great danger of the Filipino people importing cheap sugars from Java and the surrounding islands, thus enabling them to ship their entire product to this country, while consuming what may be necessary of these cheap sugars from adjoining islands?

Mr. BRISTOW. I think that could be provided against just the same as we now import raw sugars from other countries into the United States in bond. It is refined and exported. There is no duty on that. It would be just as easy to prevent fraud in the Philippine Islands as fraud here. What is to prevent a refiner importing raw sugar, and instead of exporting that identical sugar, using it for consumption in the United States, and thereby avoid the duty, thus committing a fraud? That is provided against, and the same provision can be made against the Filipino importing sugar and sending it to the United States. It is purely a question of protecting the revenue against fraud.

Mr. FOSTER. If the Senator will permit me——

Mr. BRISTOW. Certainly.

Mr. FOSTER. I did not mean that the Filipino would buy this cheap sugar in Java and the other islands and import that sugar into this country. What I did mean was that they would buy this sugar for their own consumption and then ship all of their product to this country.

Mr. BRISTOW. I see the point.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Utah?

Mr. SMOOT. In answer to the Senator from Louisiana I will say that would be impossible to-day, for there is a duty upon sugar entering into the Philippine Islands from other countries.

Mr. BRISTOW. I should like to inquire if the committee feels that it is the wisest and best course, beyond question, to limit to 500 tons the amount that any one factory may ship here?

Mr. ALDRICH. That provision was put into the bill for the purpose of discouraging—I will not say preventing, but discouraging—large combinations of sugar growers in the Philippine Islands. There was fear expressed by the sugar producers of the United States that either the American Sugar Refining Company or some other large combination would go over there and practically take possession of the sugar production of the Philippines; that they would build large factories, central factories, and control the production in that way. This was put in at the suggestion of the sugar producers of the United States to prevent those combinations. I think the contention of the gentlemen is correct.

Mr. BRISTOW. I may be mistaken in regard to that, but I wanted to offer a few suggestions upon two phases of this sugar legislation. The 300,000 tons are, of course, to be imported to benefit the sugar producers of the Philippine Islands. That is what this legislation is for, as I understand it. It is to improve the market for raw sugar in the Philippines, and encourage the production of sugar in those islands, which has very greatly declined or is very much less now than it was under the Spanish control and government of the Philippine Islands. It can not in any way benefit the American people, because it means 300,000 tons of a very crude raw sugar, or the part of 300,000 tons which shall be imported into the United States free of duty. It will not lessen the cost of sugar to the American people any whatever, because we are now receiving practically 500,000 tons from Hawaii, 225,000 tons from Porto Rico, and from 1,200,000 to 1,400,000 tons from Cuba at a reduction of 20 per cent. This tremendous importation of raw sugar into the United States in the last five years has not reduced materially the price of sugar to the American consumers. The question is, Will this legislation benefit the Filipinos?

It is interesting to note that the only sugar that is produced in the Philippines is of a very crude kind. We imported for the year 1907, according to the table of statistics furnished by the committee, about 35,000 tons. None of that tested higher than 80° by the polariscope. Much of it was very much lower than that. There was quite a large part that tested 82°. None of this sugar that comes in is suitable for direct consumption. It is sold to the refineries. I have been told by representatives of the independent refineries that the American Sugar Refining Company, or the trust, is the only refinery in the United States that purchases in any considerable quantities Philippine sugar for refining; that it is the only one of the refineries that is equipped for the refining of the crude raw sugar that comes from the Philippine Islands; and that practically the only sales which have been made from the Philippine Islands since we have had this reduction have been to this company.

What will be the result, then, of admitting 300,000 tons of this sugar? It will simply give the American Sugar Refining Company 300,000 tons more of raw sugar to be refined at a much cheaper price than it is now paying for that raw sugar, and it will sell the product of the 300,000 tons after it is refined to the American people for the same price that it is now receiving for granulated sugar. It is simply another favor extended, so far as the Americans are concerned, to the American Sugar Refining Company, and the Filipinos will receive the advantage of whatever increase there is in the price they receive for their raw sugar. But since in the United States they will have but one customer of any consequence, the price that they will receive will depend upon the will of that customer. So it is problematical as to what benefit the Filipinos will receive.

Just to illustrate the kind of sugar that is produced in the Philippine Islands, I have secured from the Department of Agriculture some samples of Philippine sugar. There is one [exhibiting] that tests 83°. We had last year something over 11,000,000 pounds of that kind of sugar that came into the United States. The only customer in this country for that sugar is the American Sugar Refining Company. It is the only refinery that can handle it, or that does handle it, or that buys it.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Will the Senator from Kansas yield to his colleague?

Mr. BRISTOW. Certainly.

Mr. CURTIS. I suggest to my colleague that the principal customers for the Philippine sugar are the people of China and Japan. The Chinese use that sugar in the state the Senator has presented it to the Senate. It was generally contended in the Philippine Islands that the advantage to them of letting their sugar into this country free would be the increase in price they would receive from their customers in China and Japan. Of course the price of the Philippine sugar is fixed at Hongkong. It is the New York price less the freight from Hongkong to New York.

I do not suppose anyone will contend that anywhere near 300,000 tons of Philippine sugar will ever be imported into this country. The truth is the Philippine people, under the most advantageous circumstances, never produced for exportation over 260,000 tons of sugar.

Mr. BRISTOW. I realize that——

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Connecticut?

Mr. BRISTOW. Certainly.

Mr. BULKELEY. I should like to ask the Senator from Kansas [Mr. CURTIS] a question. Does he not know that the quality of Philippine sugar is so poor that there is no market for it in the United States, and that this proposed legislation is all humbug?

Mr. CURTIS. No; I can not agree with the Senator that "this proposed legislation is all humbug." I think as those people said there, their sugar is being used in China and Japan, and the price is fixed at Hongkong. They say the Filipino producer receives the New York price less the freight from Hongkong to New York. If there is a duty added it will add that much more to the New York price, and they will receive that much of a benefit.

The limitation of 300,000 tons was placed upon the importation to satisfy the American producers of sugar. They thought if sugar was admitted free Americans would go to the islands and buy plantations and begin the manufacture of sugar in the Philippine Islands for exportation to this country.

Mr. BULKELEY. It was not only the fear that Americans would go to those islands, but that the great exploration companies of the world would go in there and buy those cheap lands of the Philippine Islands adapted to the raising of sugar and instead of two hundred and fifty or two hundred and sixty thousand tons, which was the largest amount they ever exported in the best days of sugar planting in these islands, it would largely increase under free trade with the United States.

It is true, I think, Mr. President, that sugar culture has very much deteriorated in those islands, and the quality of sugar has deteriorated rapidly. Instead of 265,000 tons they are now exporting about 125,000 tons. If you will refer to the report of the then Secretary Taft, our President, you will find he states clearly that it is not in the interest of the Filipinos to develop the sugar culture in the Philippines.

Mr. CURTIS. If my colleague will permit me, I will state that at a hearing given by the committee those who represented

the beet-sugar interests of the United States said they were afraid the people of the United States would buy the lands, because they had agents there at that time. I think the reduction of the production of sugar in the Philippine Islands was not so much on the account of the conditions set forth by the Senator from Connecticut as it was the result of the destruction of the great sugar plantations during the Spanish war, the war between the Filipinos and the Spanish people, and afterwards in the insurrection. I visited a lot of those plantations, and they were absolutely destroyed. The people who produced sugar said that if the United States would permit them to import sugar into this country free it would give them this additional price in Hongkong, which would be of great advantage to them. I think they were right in their contention.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Connecticut?

Mr. BRISTOW. Certainly.

Mr. BULKELEY. I will say that possibly the destruction to which the Senator refers was not the only element in the deterioration of the sugar industry of the islands, but that it grew more largely from the attack of a disease upon the animals of the island which they were obliged to use in connection with the sugar industry, and which they have never been able to restore to the sugar fields.

Mr. CURTIS. If my colleague will permit me, an additional reason was the destruction of the carabao, or water buffalo, by a disease which spread over the islands, and then, I might say, there were other reasons. The hemp industry is the particular industry of the islands. People can make much more money in producing hemp there than they can in producing sugar. There are other paying industries, and tobacco pays better than sugar, and rice could be produced to a better advantage, in my judgment, than sugar.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Connecticut?

Mr. BRISTOW. Certainly.

Mr. BULKELEY. By the report to which the Senator has referred, hemp has deteriorated almost as fast as the tobacco, and both in about the same degree as the production of sugar. It is the laziness and the stupidity of the people more than anything else that has contributed to the conditions in those islands in regard to agricultural products.

Later, when I come to discuss this question on the paragraph itself, I shall endeavor to show, not from any knowledge of my own, but from an official document and those acquainted with the islands, that it is the people themselves who are more largely to be blamed than any other condition.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield further to his colleague?

Mr. BRISTOW. Certainly.

Mr. CURTIS. I dislike to take so much of my colleague's time, but I would like to say that I know nothing about what the reports show, but if there is any claim that the hemp industry has greatly decreased in that country, it must be a mistake. I visited the hemp island there, and every place we went where they produce hemp we found placards stating, "Leave us alone; we are doing well enough." There was evidence of prosperity in every section where hemp was produced in the Philippine Islands.

Mr. BULKELEY. It is true that the quality of hemp has deteriorated in the Philippine Islands.

Mr. BRISTOW. I would very much prefer that this discussion as to hemp be injected in a speech on hemp, instead of sugar, if it would suit the Senators just as well. Referring to the suggestion of my colleague, that the market for the Philippine sugar is in China and that this will help the Filipinos by increasing the price which they can secure from the Chinese, I think that that is a mistaken notion, because it is a well-known fact, and I will endeavor to cite authority bearing that out, that the reason why there is a decline in the amount of sugar produced—one of the reasons at least, and an important one—is that the market in China has been taken away by the Java sugar, which is of a superior quality, and can be sold just as cheaply and really produced much cheaper in Java than it is produced in the Philippines. So the Filipinos are losing the Chinese market because of the inferior quality of the sugar they are producing.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to his colleague?

Mr. BRISTOW. Certainly.

Mr. CURTIS. My authority is the principal producers of sugar in the Philippine Islands. I asked the question myself of the producers and the exporters of sugar in the Philippine Islands; they made answers to the questions I asked, and I brought out the facts which I have given to the Senate, that their market is China and Japan, and that the market price is fixed in Hongkong, the New York price less the freight; and that they would be benefited by this change. Of course I know nothing about it myself. I depend wholly upon what the sugar producers and the sugar exporters of the Philippine Islands gave to the committee.

Mr. BRISTOW. I will refer to that later before I get through; and I want to say I am not going to take much time on this subject. As to the method used in making sugar in the Philippines, it is the old method that has been used for generations and probably for centuries. They make what is called "muscovado sugar." The process, if I understand it properly, is similar to that which was employed in Louisiana for a century. That sugar [exhibiting] was made by grinding the cane in old wooden mills, sometimes iron mills. Usually the power is the water buffalo, or the animal that they use there, and they grind the cane over and over again. Then they boil it in kettles or pans and after it is boiled and gets thick and pasty, they take it out and pile it away somewhere to let the molasses drain out of it. By the modern method of manufacturing sugar, known as the "centrifugal process," the same cane juice can be taken and good sugar produced without refining it. That is a bottle of unrefined [exhibiting] sugar that was sent me from New Orleans.

It is 98 centrifugal sugar that has never been refined. The molasses was thrown out of it by the revolutionary process in a modern sugar factory. The old way was to drain the molasses out of it when it was in a box of some kind or in hogsheads with holes in the bottom of them. The top part of sugar so produced is the better, and the bottom is the cruder.

That is the only way they have of making sugar in the Philippine Islands to-day, I am told. There is not a single centrifugal mill in the islands, I have been informed by a gentleman who came from the Philippines sixty days ago. All of it is made by the old crude process.

I want to call the attention of the Senate to the duty that was paid on sugars that came from the Philippine Islands in 1907. It was purchased, as I have said, by the American Sugar Refining Company. Now, what duty was paid on a sufficient amount of raw sugar to make 100 pounds of refined sugar? I have a table here which has been made up from the records furnished us by the committee. There is a Treasury decision which finds the amount of raw sugar it takes in every degree of polarization down to 75° to make 100 pounds of refined. According to this Treasury decision, which is Treasury Decision No. 20174, rendered October 12, 1908, it requires of sugar testing 83, as this is, 124 pounds of that sugar to make 100 pounds of refined.

I think that that is more than it takes. My judgment is, from other information that I have, that the Treasury has been very liberal in allowing an amount of sugar that is necessary to make 100 pounds of refined. This decision was rendered in connection with fixing the amount that should be paid as drawback for sugar that comes in to be refined and then exported.

The sugar refining company that bought 100 pounds of this sugar and refined it paid a duty on the 124 pounds which it took to make 100 pounds of refined of $1.14\frac{7}{16}$. That is the duty that was actually paid on the amount of sugar that it requires to make 100 pounds of refined sugar. The duty on that 100 pounds of refined sugar is $1.95 after it is refined. The duty paid on the amount of sugar that it requires to make that 100 pounds was $1.14. There is not any theory about this; that is the actual transaction of the Treasury Department. They paid on that $1.14 duty, and as soon as it was refined they were protected by a duty of $1.95, leaving a difference in the amount of the duty on the refined product of 80.3 cents. That is the differential on Philippine sugar to-day, and there is not any escaping from that conclusion, because it is absolutely accurate. The differential on Cuban sugar grading 83° is 80 cents per hundred pounds. There were last year 9,250,000 pounds of that grade imported. There were 11,500,000 pounds of 82° sugar that came in from the Philippines. The differential on the 82° sugar was 81.7 cents. That is, for every 126 pounds, which is the amount it took of 82° sugar imported from the Philippines to make 100 pounds of refined sugar, there was paid $1.13 duty. As soon as that is refined and becomes the 100 pounds of refined-sugar product, it then carries a duty of $1.95 under the present law, which, on that eleven million five hundred thousand, would be 81.7 cents per hundred as the differential.

Now, on the 70,000,000 pounds that were imported in 1907 there was an average differential of 70 cents per hundred pounds, counting the duty paid on enough sugar to make 100

pounds of refined. On 75° sugar it is 136 pounds; on 89° sugar, which is the highest that came in from the Philippine Islands, it is 115 pounds.

Mr. BURKETT. I should like to ask the Senator a question there.

Mr. BRISTOW. Certainly.

Mr. BURKETT. Does not the same 25 per cent reduction on sugar from the Philippines apply to refined as it would to the raw sugar?

Mr. BRISTOW. There is no sugar refined in the Philippines.

Mr. BURKETT. But the Senator is speaking of a differential. If they refined it, the refined sugar coming in from the Philippines would get the same reduction that the raw sugar does, would it not?

Mr. BRISTOW. Certainly; but there is no refined sugar there.

Mr. BURKETT. I understand that, of course; but you can not figure on differentials.

Mr. BRISTOW. You can not in theory, but you must in fact.

As I was showing, the sugar produced in the Philippine Islands is of the coarsest variety. I want to read from Mr. Austin's report on the production of sugar in the Philippines, because it will give the Senate a very clear idea as to how they make sugar in the Philippine Islands. Mr. Austin, on page 1346 of the World's Sugar Production and Consumption, which can be found in the Library, and is very interesting, gives a very graphic idea of the crude methods of making sugar there. He says:

> In the production of sugar, as stated before, the crudest and most primitive methods are still being used. This is especially true of the Taal district, in the Province of Batangas. The total product, a very coarse muscovado, is called "Taal" sugar, from the name of the shipping port, Taal. Although by the year 1890 there were already a few steam and hand mills imported from England, the bulk of the establishments used old stone and wooden mills, such as were customary in Europe about five or six hundred years ago, the natives who owned the plantations in that part of the island being either indifferent or hostile to any improvements or innovations. By means of this crude "machinery," put into slow motion by water buffaloes or oxen, after repeated crushings of the cane, about 40 per cent of its weight is turned into juice. The latter runs through bamboo tubes into iron open pans, which stand in the open field over clay hearths, oftentimes without roofs. In these pans the juice is boiled with its impurities until it constitutes a pasty, dirty mass. The sugar gained in such a manner is taken out of the pans and heaped up in barns. After a while these heaps are packed into sacks, of which about six constitute a load for a buffalo cart, and long rows of such carts may be seen daily moving along like a creeping serpent in the direction of the port, the molasses dripping from the carts the whole length of the road. The loss in weight to Manila only is estimated to be between 2 and 3 per cent.

That is the usual method of making sugar in the Philippine Islands, and that is the method that produced that kind of sugar [exhibiting]. There is a little better grade of sugar that is made there, which is made in this way.

> A third system of producing sugar, customary in the sugar districts of central Luzon, consists in pouring the thick juice into clay funnel-shaped vessels called "pilones," which contain an opening at the bottom, closed by a stopper for some time. When the mass has sufficiently cooled, the stopper is taken out and the molasses flows slowly into pots put under these openings. Sometimes a thin layer of wet clay is put on the sugar, which is repeatedly moistened, allowing the water to pass through the sugar mass below. In this way a somewhat better quality is obtained, but this method requires many easily frangible and thus costly vessels and large storehouses, in which the pilones are kept until the primitive clarification process is completed.

Now, Mr. President, the result is that the only sugar that is made in the Philippine Islands is of the coarsest quality—that [exhibiting] is the best grade that comes to the United States.

I got this from the collector of customs at New York. It has no market except the American Sugar Refining Company. The other refineries in the United States are not prepared to handle it.

Mr. President, when you enact a law giving free import into the United States of 300,000 tons of this sugar you do not benefit a single American citizen except those interested in the American Sugar Refining companies, and there is no one who can demonstrate that a single American citizen receives any advantage whatever from the importation of this 300,000 tons of sugar except the American Sugar Refining Company. What are we enacting this law for? Primarily and solely for the benefit of the Philippine Islands and for the Filipinos, and for no other reason. I am not going to discuss at this time whether or not we should admit 300,000 tons of their sugar for their benefit. That is a question I shall leave until later. If we are going to admit it for their benefit, should we not enact provisions into this bill which will benefit them the most? We are not making it for ourselves; we shall get no good out of it. If we are going to help them, should we not help them in every way that we can? There are several million pounds of refined sugar imported into the Philippine Islands every year for consumption by the people who want a better grade of sugar than that [exhibiting], and that is the best they have unless they import it. The Senator from Massachusetts [Mr. LODGE] said that they did not import any sugar into the Philippine Islands, and therefore this provision which makes the Filipinos pay the same duty on refined sugar that we have to pay is a matter of no consequence to them. I had here—I do not know whether I brought it with me this morning—the exact amount that they did import.

But I say they import several million pounds. They get most of it from Germany, because the refined sugar that they get from Germany they can buy very much cheaper than they can from the United States. They get a great deal of it from China; it goes through China in transit to the Philippines and is bought by sugar brokers located in China, but it is not a Chinese production, of course. It is largely Java sugar which is sold in China. They imported in the year 1908 from Hongkong 2,900,000 pounds of refined sugar; in 1907 they imported 2,700,000 pounds of refined sugar from Hongkong. From the United States they imported in 1906, 30,000 pounds; in 1907, 215,000 pounds; and in 1908, 8,000 pounds. I do not know why they bought 215,000 pounds from us in 1907 and only 8,000 pounds in 1908; but I do know that, regardless of what the Senator from Rhode Island and the Senator from Massachusetts may say, the incorporation into this bill of this paragraph, to which I have objected, will compel the people of the Philippine Islands to buy every pound of refined sugar which they use from the United States, because it puts a duty of $1.90 per hundred pounds on every pound of refined sugar which is imported by those islands from any other country than the United States; and if you are legislating for their benefit, you are depriving them of the privilege that they now enjoy of buying their refined sugar in the markets of the world where they can get it cheapest. In return you are permitting them to deal with the American Sugar Refining Company for 300,000 tons of their crude sugar. They have no other purchasers of any considerable amount, and will not have any other purchasers under the provisions of this bill in the United States.

I want to submit to Senators, if they think that that legislation is in the interest of the people of the Philippine Islands, why should you compel them to pay a tax of $1.90 per hundred pounds on refined sugar and shut out the sugar that they have been importing from other countries of the world with whom they have commercial relations as well as they have with us; and then incorporate a provision in the bill that makes it impossible, as I will show, for them to produce practically any better sugar than that? [Exhibiting.]

The Senator from Rhode Island said that the purpose of limiting this importation of sugar free of duty to 300,000 tons was to prevent some great institution like the American Sugar Refining Company going to the Philippine Islands and establishing a sugar plantation there that would absorb all of these 300,000 tons of their sugar.

Mr. President, it is interesting to note the decline in the production of sugar in the Philippines. Various reasons have been assigned, but none of them appear satisfactory to me. The United States does not buy the amount of sugar from the Philippines which it used to do. We purchased more raw sugar from the Philippines in 1883 than was produced in the Philippine Islands last year all told. We purchased, in 1883, 149,000 tons of Philippine raw sugar. In 1885 we purchased 155,000 tons of raw sugar from the Philippine Islands, while last year, 1907, the last full year's statistics given here—Willett & Gray's statistics—we purchased 8,000 tons. Great Britain has been a better customer for the Philippine sugar than we have been in recent years; and China and Japan, as was stated by my colleague [Mr. CURTIS], have been the best customers for Philippine sugar. Willett & Gray's Weekly Statistical Sugar Trade Journal, on page 447, December 23, 1908, in regard to the Chinese market for Philippine sugar, says:

> Just think of the great market for sugar in China and Japan. They use Java sugar there now. Why? Because in Java they have central sugar mills, where the highest percentage of sugar is extracted from the cane at the lowest cost. They send centrifugals to China, where it easily outclasses the raw sugar of the Philippines—

That is sensible, is it not?—

> Men who have studied the question carefully say that if the Philippine sugar industry was run on the same lines to-day as it is in Java the Philippines product would crowd that of her neighbor out of the Far Eastern field.

That is, if we enact a law that will enable the Philippine sugar producer to produce a quality of sugar that must compete with Java sugar in the markets of China and Japan, the Phil-

ippines, because of their proximity and their commercial relations, will be able to take and hold that market. That is the view of the author and publisher of this journal. That [exhibiting] is a centrifugal. That kind of sugar is made in Java and can be exported. Here [exhibiting], as I understand, is a Java centrifugal sugar. It needs no argument to demonstrate that if you put those two sugars in the market at practically the same price that [exhibiting] will sell first. As long as you have a provision limiting the production of sugar to 500 tons per factory, you never will get centrifugal factories established in the Philippines, will you? I appeal to the representatives from Louisiana here, who know. There are in the Philippines to-day between ten and twelve thousand sugar farms. There are, I think, about 12,000 sugar farms in Louisiana. In Louisiana there are about 250 central sugar factories that take cane from those farms. They purchase it, grind it, turn it into sugar, and put the sugar on the market; but there would not be one there if they were limited according to law to producing only 500 tons, because that amount does not pay to make the great investment that is necessary in order to establish one of those factories.

The intention of the legislation is good. It is to prevent the concentration of the sugar production under one control; but in the Philippine Islands a sugar company can not purchase vast tracts of land, as is done in Cuba. Their holdings are limited to certain amounts. The average size of the sugar farm in the Philippine Islands is only 16 acres. They can not get tracts of land much larger than that, because the holdings of land can not be concentrated into vast areas, thereby creating practically a condition of servitude similar to what there is in some of the tropical countries. Why can not the Filipinos raise their sugar cane and sell it to a central factory the same as is done in Louisiana?

Do not the restrictions that we now have preventing the acquiring of large bodies of land guard against the concentration of sugar production in one hand? To establish a central factory that would make sugar by the centrifugal process, so as to turn out sugar of this grade [exhibiting] and market it in the Philippines and in Japan, and in competition with Java and other countries that use that process, would it not be best for the sugar growers in the Philippine Islands?

Mr. President, those who are familiar with sugar production, discussing this from the standpoint solely of the Filipino's interest, can not call in question that declaration, because if a central should be located that could turn out a thousand or fifteen hundred tons per annum, it would furnish a market for a vast amount of cane that could be grown by the independent farmers on the land that they own, and a much better grade of sugar could be made; so that there would be a far better market for that which is made, and yet they would produce a sugar that could be marketed in China, Japan, and elsewhere, and that would not have to be sold to the American Sugar Refining Company.

I want to say now, regardless of the laughs and sneers of those who do not agree with me, that practically the sole beneficiary of this legislation, as it is now framed, is the American Sugar Refining Company, except that small part that they might be willing to give to the Filipinos in order to induce them to produce as large a quantity of their sugar as they can. You are putting the Filipino farmer and the American Sugar Refining Company into a deal between themselves and shutting out every other competitor for the Filipino market. Not only that, but you are taking from them the rights that they now enjoy of buying in other countries the refined sugar which they consume, without having to pay a tax of $1.90 per hundred pounds upon that sugar. I want to appeal to the Senate not to consummate this.

I have some amendments that I have prepared. I was in hopes that the committee would consent to take that provision out without the controversy which seems to be necessary. But I have an amendment here that I want to offer first, and I will send it to the desk and ask that it be read.

The VICE-PRESIDENT. The Senator from Kansas offers an amendment, which will be stated.

Mr. BRISTOW. An amendment to the amendment submitted by the Committee on Finance.

The VICE-PRESIDENT. What the Committee on Finance has presented is practically a substitute, and has been accepted, so that it is an amendment.

Mr. LODGE. There is an amendment pending, being a proviso that I offered at the end of the bill, to which, I think, there is no objection, and which was suggested by the Senator from Idaho. I think that amendment will have to be disposed of first.

The VICE-PRESIDENT. No amendment is pending. The Chair asked the Senator if he offered the amendment, and he said he suggested it.

Mr. LODGE. I intended to say that I was preparing it. I certainly thought I offered it. It is in the hands of the Secretary.

The VICE-PRESIDENT. Very well. If the Senator from Kansas will permit, the amendment offered by the Senator from Massachusetts [Mr. LODGE] will first be disposed of. The Secretary will state the amendment.

The SECRETARY. Add at the end of the amendment the following proviso:

Provided, That until action by the Philippine legislature, approved by Congress, internal revenues paid into the insular treasury as hereinabove provided shall be allotted and paid out by the Philippine Commission.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment to the amendment was agreed to.

The VICE-PRESIDENT. The Senator from Kansas offers an amendment, which will be stated.

The SECRETARY. On page 2 of the printed amendment, in lines 5 and 6, it is proposed to strike out "sugar, refined or unrefined, and;" and in line 9 to strike out the words "sugar and."

Mr. BRISTOW. That simply removes the provision requiring the Philippine Islands to accept the American sugar tariff as applying to their islands, and leaves it just as the House had it, permitting them to buy refined or unrefined sugar at any place they wish.

Ample provision can be made by the Treasury Department to protect the people of the United States from having any sugar that is imported from the Philippine Islands that is not the product of the islands reimported into the United States, the same as other kinds of manufactured articles are forbidden that are not produced in the Philippine Islands.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Kansas.

Mr. BRISTOW. I do not care to have the vote on that amendment taken now. I desire to submit another amendment to be voted on after the one I have just offered.

The VICE-PRESIDENT. The Senate must dispose of one amendment at a time; but the second amendment can be stated for information.

Mr. LODGE. As to the first amendment, as I understand——

Mr. BRISTOW. I do not want either of them voted upon just now.

The VICE-PRESIDENT. The Senator from Kansas has the floor. Does he yield to the Senator from Massachusetts?

Mr. BRISTOW. Yes.

Mr. LODGE. I want to see if I understand the first amendment. As I understand, the first amendment would admit all sugar into the Philippines at the rates imposed by their tariff.

Mr. BRISTOW. Of course, at whatever rate they impose.

Mr. LODGE. They impose a very low rate on sugar and it would admit sugars at a low rate into the islands, and then they could be exported to this country.

Mr. BRISTOW. It would permit them to fix the tariff on their sugar, the same as we permit them to fix the tariff on everything else.

Mr. LODGE. Exactly.

The VICE-PRESIDENT. The Secretary will state for the information of the Senate the second amendment proposed to be offered by the Senator from Kansas.

The SECRETARY. On page 2 of the printed amendment, beginning in line 11, strike out the words:

That, under rules and regulations to be prescribed by the Secretary of the Treasury, preference in the right of free entry of sugar to be imported into the United States from the Philippine Islands, as provided herein, shall be given, first, to the producers of less than 500 gross tons in any fiscal year.

Mr. KEAN. The Senator proposes to strike that out?

Mr. BRISTOW. Yes; that is the amendment. The purpose in striking that out is to give opportunity for the establishment of centrals in the Philippine Islands for the purpose of enabling them to equip themselves to produce sugar that can find a market anywhere in the world.

Mr. FOSTER. Mr. President, will the Senator allow me to interrupt him?

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Louisiana?

Mr. BRISTOW. Certainly.

Mr. FOSTER. Under the first amendment all unrefined sugar, as well as the refined, will be admitted into those islands under such tariff regulations as may be hereafter adopted by

the Philippine government or provided by Congress for the Philippine government?

Mr. BRISTOW. Yes.

Mr. LODGE. If the Senator will permit me, of course the Senators are both aware that all Philippine tariffs are made by the Congress of the United States or subject to their approval; and it makes no difference whether we fix this matter here or fix it in the Philippine tariff. The Senator understands that.

Mr. FOSTER. I understand that. Does the Senator from Kansas think that if this amendment goes through—and I am opposed to the amendment—that it would be fair to the sugar producers of this country to permit the Philippine Islands to buy their sugar from Java and other surrounding countries at a low rate of duty, and then consume that sugar and ship all the products of the islands to this country free?

Mr. BRISTOW. Up to 300,000 tons.

Mr. FOSTER. To 300,000 tons.

Mr. BRISTOW. Yes.

Mr. FOSTER. Now, as to the next amendment——

Mr. BRISTOW. Just a moment, if the Senator will excuse me. I am discussing it from the standpoint of the interests of the Filipinos.

Mr. FOSTER. And I am discussing it from the standpoint of the American producer.

Mr. BRISTOW. I do not want the Senate to get confused or the Senator to get confused. The question as to whether or not we shall admit 300,000 tons of Filipino sugar into this market free is one question. That is a question that interests the American sugar producers as well as the Filipino sugar producers, and that is a question in which the Senator from Louisiana is very much interested. But I am discussing this from the standpoint of that which is for the best interest of the Filipino. I want to ask the Senator, if we agree to take 300,000 tons of their sugar, should we, in making that agreement in their interest, make it impossible for them to send but a small part of that sugar here? Is that in the interest of the Filipino?

Mr. FOSTER. I do not agree with the Senator, in the first place, that they will send only a small part of their sugar here. I believe that they will ship to this country the greater proportion of their sugar if this amendment passes. But I am looking at this subject from the standpoint of the American producer, and I ask the Senator, if this amendment of his passes, will it not permit the Filipino to import sugar from adjacent countries at a low rate, consume that sugar, and then ship the whole of the product of the islands to this country?

Mr. BRISTOW. Up to 300,000 pounds.

Mr. FOSTER. Yes, sir. As to the other amendment, I discuss that, again, from the American standpoint and not from the Filipino standpoint. The object of this amendment, as I understand, is to encourage the small farmer and the small and medium size producer of sugar in those islands, and prevent the exploitation of those islands by speculators from this country, from Germany, from England, and from other countries, by the erection of magnificent establishments which will be conducted purely in the interest of the exploiter and not in the interest of the Filipino.

Mr. BRISTOW. Let me ask the Senator from Louisiana, would he be willing for such a provision to apply to the State of Louisiana—limiting the production of any one sugar factory there to 500 tons?

Mr. FOSTER. I would not.

Mr. BRISTOW. Why? Because he thinks it would not be to the interest of the State of Louisiana to have such limitation; and if it is not to the interest of Louisiana to have such a limitation, why is it to the interest of the Filipinos?

Mr. FOSTER. I do not think it is to the interest of the American producer of sugar to encourage the exploitation of those islands by large corporations organized for the purpose of concentrating the sugar interests in the hands of a few people and practically destroying the development of the small farming interests of that country. That is the difference.

Mr. BRISTOW. Will the Senator from Louisiana again state from memory what is the average production of the sugar plants in the State of Louisiana; that is, of the factories?

Mr. FOSTER. They run from about 800,000 pounds to about seven or eight million, and some of them 15,000,000 pounds.

Mr. BRISTOW. I mean the average production.

Mr. FOSTER. Average production of what?

Mr. BRISTOW. Of the centrals in Louisiana. It is about fifteen hundred tons, is it not?

Mr. FOSTER. I do not exactly understand the Senator.

Mr. BRISTOW. There are, as I understand, in Louisiana 245 central sugar factories, that buy the cane from the Louisiana farmers, and there are about 12,000 farmers that raise cane, are there not?

Mr. FOSTER. I judge there are between ten and twelve thousand.

Mr. BRISTOW. It is to the interest of the cane grower of Louisiana to have a factory there that can produce high-grade sugar, is it not?

Mr. FOSTER. Certainly.

Mr. BRISTOW. And the more of those factories there are there that can turn out and make this centrifugal sugar, the better market there is for the cane that grows on the farm, is there not?

Mr. FOSTER. To a certain extent that is true.

Mr. BRISTOW. Take away those centrals, and return to that system which you once had, of making the muscovado instead of centrifugal sugar, and you would discourage the production, because it would not be so profitable, and you could not compete with that system with the centrifugal factory, could you?

Mr. FOSTER. No.

Mr. BRISTOW. The result of this limitation is to prevent the development of the sugar industry in the Philippine Islands.

Mr. FOSTER. No, sir; I do not agree with you in that.

Mr. BRISTOW. If it is necessary for the proper production of sugar in Louisiana to have these centrals to turn out this grade of sugar [exhibiting], why is it not in the interest of the Philippine Islands to have them?

Mr. FOSTER. The object of this amendment is to encourage the development of a small farming interest in that country. It does not exclude the importations from those islands of sugars produced in those large factories. It simply gives the preference to the small farmer as against the large refiner.

Mr. BRISTOW. The small refiner makes that sugar, does he not?

Mr. FOSTER. He can make the sugar, and he can make a much better sugar if he makes a million pounds of sugar.

Mr. BRISTOW. How? How much better than with the old muscovado system? It never gets above 89°.

Mr. FOSTER. I do not know.

Mr. BRISTOW. The centrifugal sugar drives the muscovado out of the market. You can not make a centrifugal sugar if you are forbidden by law to turn out more than 500 tons per annum. One would not put in a centrifugal plant under that limitation.

Mr. FOSTER. Yes; that is a million pounds of sugar. But this provision in the bill does not exclude from the markets of this country the sugar made in factories producing over 500 tons. It simply gives a preference to the small farmer of that country who wishes to ship sugar into this country, and it looks to me that unless some provision of this kind is in the bill you are practically going to have the small Filipino farmer wiped out of existence.

Mr. BRISTOW. Has he been wiped out of existence in Louisiana?

Mr. FOSTER. No; we are not the Filipino farmer. You are going to encourage the concentration of capital in these large refineries and large factories, by which they can absolutely dominate and control the prices which the small farmers are to have for their cane.

Mr. BRISTOW. Who will dominate the price of sugar under this law?

Mr. FOSTER. That sugar will come into this country.

Mr. BRISTOW. Who will buy it?

Mr. FOSTER. I think as a rule the sugar refiners will be the principal purchasers.

Mr. BRISTOW. Will anybody buy it except the refiner?

Mr. FOSTER. I do not think anybody else would buy it; but if you establish or permit the establishment of these large central factories in those islands, inviting German, English, and French capital, these factories will be established, and they will absolutely control the production of the small farmer in the price of his cane. That is one of the objections——

Mr. BRISTOW. The small farmer would sell his cane to the central.

Mr. FOSTER. For just what the central would give for it and nothing more.

Mr. BRISTOW. He sells it now to the agent of the American Sugar Refining Company for what it will give him. There is no other market. The central will seek a market for that sugar not only in the United States, but elsewhere. The central sugar factories are in every great sugar-producing country in the world except the Philippines, and the reason the Filipinos are producing only from 130,000 to 150,000 tons, when they used to produce a very much larger amount, is because of their crude methods. They make a sugar that will not sell in competition with Java sugars.

There would probably be fifteen or twenty or more central sugar factories established in the Philippine Islands if this 500-ton limit was taken out and the cane grower, instead of having to sell his sugar as it is now—sugars made in a crude way, with all the waste—would sell it to the central, the same as the farmer does in Louisiana. The central would afford a market. They could sell the centrifugal sugar they produce the same as is done in Louisiana. They could sell it to the trust or in China or any place else, and they would have a quality of sugar which would compete with Java sugar. This amendment of mine is solely in the interest of the Filipino, to give him a better market for his cane than he now has.

The Senator from Louisiana can not lose sight of the fact that it will make a sugar that will be more popular in the United States, that will find a more ready market here, and it will develop the sugar business there, so that the 300,000 tons, which is the limit, will come in probably within a very short time. I am discussing this matter from the standpoint of the best interest of the Filipino and not from the standpoint of whether or not we should extend to them this market for 300,000 tons. I am protesting against extending to them this market and then depriving them of the use of it in the most advantageous way after it is extended. If it is not for the best interest of the American people to open a market here for 300,000 tons of Philippine sugar, then vote down the amendment and this provision; but if we are going to open this market for 300,000 tons of their sugar, I want to appeal to the Senator and ask him if he thinks it is right to prevent them from putting in and establishing the same kind of factories that will make the same kind of sugar that is made in every great sugar-producing country in the world?

Mr. BURKETT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kansas yield to the Senator from Nebraska?

Mr. BRISTOW. Certainly.

Mr. BURKETT. I should like to ask the Senator a question. As I understand him, from his address, he is objecting to the admission of the 300,000 tons.

Mr. BRISTOW. I am not now——

Mr. BURKETT. He is objecting to the details under which it will be admitted.

Mr. BRISTOW. That is exactly it.

Mr. BURKETT. As I understand him, he objects to giving the first chance in this market to the man who produces less than 500 tons. Let me ask him a question. Where does he get the idea that you can not start a centrifugal for quantities of less than 500 tons?

Mr. BRISTOW. I get that in talking with sugar men, sugar producers.

Mr. FOSTER. If the Senator will permit me, there are factories of that kind in my State, and quite a number of factories that produce less than a million pounds of sugar, and they are doing very well. I do not consider that this provision will in any manner prevent the erection of those small factories. I think it will discourage—I doubt if it will prevent—the erection of these tremendous factories which would destroy the small factory and absolutely control the price of the raw material in those islands.

Mr. BURKETT. I want to ask the Senator another question. I want to get the Senator's idea. I understand, as a matter of fact, there are such centrifugals, and the Senator from Louisiana confirms it. If there are any of these over there, certainly the Senator would not object to their taking the first place in this market. But let me put this question to the Senator: Three hundred thousand tons is contemplated to take in all the Philippine sugar for export. So, with that provision in or out, they can go ahead and organize centrifugal factories there for even twice that much or three times that much, and we will get all the sugar that they produce in the Philippine Islands into the United States free of duty in any form they want to put it. Is not that the fact?

Mr. BRISTOW. No. The Senator is mistaken as to that.

Mr. BURKETT. This bill, as I understand it—and I have looked over the figures—contemplates 600,000,000 pounds. That is more sugar than they will export. It is more than they have ever exported. It is calculated to take care of all the sugar the Philippines have for export now or will have for some years to come. With that provision in there, I can not see what difference it makes whether they can successfully operate centrifugals under 500 tons or whether it takes two or three times that much. But it does give the preference to the small producer of sugar, which, it seems to me, is a good thing, provided we are going to admit all this sugar into competition with the sugar we produce in the United States.

Mr. BRISTOW. Referring to the statement of the Senator from Nebraska, there are, so I am informed by a representative of the Insular Bureau whom I saw the other evening and who returned from the Philippines a short time since, no centrifugal factories in the Philippine Islands. They do not make any centrifugal sugar there. In talking to some sugar planters and some representatives of sugar refineries I was told that there could and would be no successful development of centrifugal sugar factories in the Philippine Islands as long as the 500-ton limit was in, because after the centrifugal factory was put in it might be a year or two until they would not have the privilege of the American market, because the 300,000 tons would be imported. My judgment is that under proper provisions the 300,000 tons will soon come in from the Philippine Islands.

Mr. BURKETT. But the proprietor of the 500-ton centrifugal would always have the first chance, even if it does go over 300,000 tons.

Mr. BRISTOW. The statements of the Senator from Louisiana are not in harmony with the information I have received from other sugar planters and men——

Mr. FOSTER. What statement is that?

Mr. BRISTOW. That it was practicable to establish centrifugal factories under a limitation of only 500 tons per annum. I am told that in order to have a centrifugal that limitation would have to be removed.

Mr. FOSTER. I will say to the Senator that the tendency of sugar manufacture in my State in the last four or five or six years—probably longer—has been toward the concentration in large factories.

Mr. BURKETT. We can not hear the Senator.

The PRESIDING OFFICER (Mr. KEAN in the chair). Will the Senator kindly speak a little louder. It is impossible to hear him.

Mr. FOSTER. It has been toward the concentration of the manufacture of sugar in large factories. There are now, and there were before this tendency took place, numbers of sugar factories that made less than a million pounds of sugar, and there are quite a number now in our State, and some of them are in my parish, making seven hundred thousand to a million or twelve hundred thousand pounds, although the tendency has been toward the absorption into the large factories.

Mr. BRISTOW. Does the establishment of large factories work against the interest of the cane grower?

Mr. FOSTER. That depends entirely upon the number of those factories. If there are a sufficient number to establish anything like competition, it is in the interest of the cane grower. But if they are not in sufficient numbers to excite competition, it is almost destruction to the cane sugar, because the central sugar factory then fixes absolutely the price of the raw material.

Mr. BRISTOW. Yes; that is reasonable and is perfectly natural. We are facing that condition now, so far as the Filipinos go. As it is, he is producing this sugar [exhibiting]. This law makes the American Sugar Refining Company his only purchaser; the only customer he has. To establish a number of centrals in the Philippines would give the cane grower the competition which might exist locally between those centrals. It is a presumption that is altogether unwarranted that there would be but 1 central when there is a market for 300,000 tons; there would be 15 or 20. There are hundreds in Louisiana, where there are produced about 350,000 or 400,000 tons at most. You have 245 centrals in Louisiana now, and Louisiana is producing about 350,000 tons. The largest number of these centrals that ever existed there, if I am correctly informed, is about 300. They have been concentrated until the number has now been reduced to 245. The smaller ones are not able to turn out as good a quality of sugar as economically as the large ones.

Mr. FOSTER. Oh, just as good.

Mr. BRISTOW. Is the quality just as good?

Mr. FOSTER. The process is the same.

Mr. BRISTOW. Where is the market for the better grade of the centrifugal sugars like this [exhibiting]? You rarely send that sugar to the refinery. That is sold in the South to the trade—the candy makers, grocers, and so forth. Now, which would be better for the Filipino—to have exclusively and only the American Sugar Refining Company as the customer for his product, located in New York, or to have 20 or more centrals in the islands seeking his cane, to turn it into sugar, which they would sell either to the American Sugar Refining Company, or in Japan or China, or any place else where they could get the best market? Which would be better for the Filipino? I am not discussing this from the standpoint of American interest, but that of the Filipino.

Mr. FOSTER. The Filipino sugar producer has always had China and Japan for his markets.

Mr. BRISTOW. Until it was taken away from him by Java, by making a much better sugar.

Mr. FOSTER. So that the passage of this amendment or this bill will not in any manner give any better advantages to the Filipino than he enjoyed before its passage.

I want to say to the Senate there is little or no money among the Filipino people generally. The sugar producer and the sugar planter is in rather a poor condition financially. Under this bill there is an opportunity for the Filipino himself to establish these small factories, and I believe that he will do it unless the foreign exploiter goes in there and establishes these mammoth factories, which will practically drive him out of the market. From the Filipino standpoint, in my judgment, the elimination of this provision of the bill would be the worst for him, because he can not get among his people and among the landowners there sufficient capital to establish one of these tremendous sugar factories. If these sugar factories are established, they are going to be established by foreign capital, and those refineries are going to be established just only in so far as they will benefit foreign capital.

They will not be established for the benefit of the Filipino cane producer. They will be established solely in the interest of these exploiters, and they are going to exploit those islands just so long as the experiment proves advantageous and furnishes a return upon their capital.

I do not believe with the Senator that there will be these factories established in such numbers as will beget competition among the factory builders. I believe the result of factory building and the centralization of the manufacture of sugar in the hands of these mammoth central concerns will be the worst thing possible for the Filipino cane producer and the Filipino cane manufacturer, because he can not furnish the capital. The foreign capitalist will only furnish it in such quantities as will make a handsome return on his investment.

Mr. BRISTOW. Let me inquire of the Senator what has been the result of the concentration or the erection of these larger central factories in Louisiana. Has that been for the best interests of the cane growers of Louisiana or not?

Mr. FOSTER. In some sections of the State it has been for the benefit of the sugar-cane grower, for the reason that they have been established in sufficient capacity and numbers to create competition. But where those factories have gone in other localities they, as a rule, have reduced the price to the cane producer—the cane grower—to just exactly what price they saw fit to pay for the raw material.

Fortunately for us, railroads have sprung up in all the different sections in the sugar-producing portion of the country, and there is competition within a radius of 100 miles. But unless we have that railroad competition these large factories would bear down—and the Senator can see it is reasonable that it would be so—the price of the raw material and pay for it as little as possible.

Mr. BRISTOW. Just as the American Sugar Refining Company does with the Louisiana product.

Mr. FOSTER. Just about that.

Mr. BRISTOW. The question from the standpoint of the Senator is whether the central will bear down the cane grower harder than the American Sugar Refining Company. Would the Senator object to having this limit—instead of being 500 tons—fixed at the average amount produced by the factories now located in Louisiana and have that as the limit instead of 500 tons?

Mr. FOSTER. How was that? My attention was distracted for the moment.

Mr. BRISTOW. The average production of the sugar factories in Louisiana is about 1,500 tons a year. Now, instead of having a limit of 500 tons a year, which makes it impracticable, at least, to have a central factory located, say that that limitation be raised to the average production of the 245 factories now in existence in Louisiana. Then these mammoth institutions could not be established—not so much as they are in your State—because the production would be limited to the average. Would not that, then, open up an opportunity for investors to put in a central mill, believing that they could find their market for its full capacity?

Mr. FOSTER. Senator, my judgment is that these large factories, if established in the Philippines, will be established by foreign capital entirely.

Mr. BRISTOW. Just as in Cuba and in Java and everywhere else. Of course, the Filipino has not the money to put up a factory. It will be established by Englishmen, Germans, or Americans.

Mr. FOSTER. The Americans have gone to Cuba and established these large factories.

Mr. BRISTOW. All sugar factories in tropical countries have been put up by foreign capital.

Mr. FOSTER. I do not know the exact number, but I understand very few of the old Cuban people have established any factories of any consequence.

Mr. BRISTOW. There never were sugar factories built by the Cubans themselves. They were always Spaniards or Englishmen or Americans.

Mr. FOSTER. I do not want to see take place in the Philippine Islands what has taken place in Cuba. That is just exactly what this bill is providing against.

Mr. BRISTOW. Is there any cane-producing country in the world where the native population has established the factories? The very conditions surrounding the cane-growing regions seem to prevent that. The only purpose I have is to offer an opportunity for the establishment of central factories that will furnish a market to the Filipino for his cane and not compel him to grind it in an old wooden mill and turn out that kind of stuff [exhibiting] which practically has only one purchaser, and that is the American Sugar Refining Company.

Mr. FOSTER. Of course the Senator knows that the process of making sugar in the Philippines is a very crude and primitive process, but there are a great many intermediate processes which will make a decided improvement upon that process.

Mr. BRISTOW. This is the best [exhibiting]. That is 89 sugar.

Mr. FOSTER. The Filipino has made no progress at all in making sugar. The brown sugar which is so earnestly yearned for, especially by the Senator from South Carolina [Mr. TILLMAN], can be successfully made by the Filipinos in small factories. That used to be the process in Louisiana. The process had to be changed because they could find no market for their sugar. The Filipino people can build up gradually those processes, and I have no doubt that under this bill, with the preference given to the Filipino, he will diligently build up a better process and a cheaper process for making his sugar.

Mr. BRISTOW. There is no doubt that if you will raise this limitation to an amount that will justify capital in establishing a centrifugal factory that will make a good quality of sugar, you will greatly encourage the production of sugar in the Philippine Islands, and you will make a better market for the farmer who grows the cane; and you will enlarge the market not only in the United States but elsewhere for the product of the sugar mills. But with this 500-ton limitation the tendency is to keep down that result, to prevent him from making the quality of sugar which will find a market in the world's market.

My purpose in seeking to remove this limitation or to increase it is for the purpose of giving him an opportunity to develop the sugar there the same as in every other sugar-producing country in the world. I have asked Senators to consider this merely from the standpoint of the Filipino, not from the standpoint of the Filipino as a competitor with Louisiana. I am asking the Senator from Louisiana to give the Filipino an opportunity in the Philippine Islands under the same conditions that exist in his own State. The mills that produce this sugar [exhibiting] now turn out from 50 to 100 tons, as they did in Louisiana before centrifugal factories were established. But would the Senator from Louisiana turn back to the old way? Does he seek by this to prevent the Filipino from making the progress he has made and which his State has made? That is the result that is sought by this legislation. Under the pretense of building up a market here for 300,000 tons of his sugar and helping him you are putting an impediment here that makes it practically valueless to him, and that is what I am objecting to.

Now, as to whether the importation of this sugar would be desirable from the standpoint of the American sugar producer, that is a different question. It depends wholly upon another proposition, and I am perfectly willing to consider that later. It is a question as to whether we are willing to jeopardize the interests of the American sugar producer to the extent of admitting 300,000 tons more of tropical cane sugar to compete with it. That is all there is in that. If that is not desirable, and if a majority of the Senate believes that it ought not to be done, then they will vote against the amendment offered by the committee. But if it is to be done, I want to ask the Senator if it should not be extended in the way that will be of the greatest benefit to the Filipino? If you want to help him, do not put in an impediment that will prevent him from finding a market except with one corporation for the sugar that he produces.

The Cuban has not received any very large benefit from the 20 per cent reduction in the tariff duty on Cuban sugar. The Filipino has not received any from the 25 per cent reduction, because he is not sending as much sugar here now as he did before. Last year there was a small importation as compared with the year before. Take all the duty off instead of 25 per cent, and he will get, I think, some benefit, but he will get very little. If you will fix the limit at 1,200 tons or 1,000 tons, and

if 300,000 tons are ever imported, there would have to be 30 or more factories to make it. Then there would be competition. It could not all be absorbed by any one institution. Would it not be better for the Filipino to raise the limit to 1,000 or 1,200 tons than to leave it at 500? Would it not be better for him to have that limitation, which is less than the average production of the 245 factories that now exist in Louisiana?

Mr. FOSTER. Is the Senator asking me a question?

Mr. BRISTOW. Yes.

Mr. FOSTER. I do not think so.

Mr. BRISTOW. Why is it not better to have as good factories in the Philippines as in Louisiana?

Mr. FOSTER. Because conditions are entirely different. The factories in Louisiana are built up very largely by individual capital. It has been the outgrowth of many years. Our own people build their factories. Very frequently the factories are built by the owners of large plantations. But in the case of the Philippines, the Filipino himself is not going to be able to establish any such factory as the Senator wishes. The factory must be established by foreign capital. The Filipino then will be practically driven out of the market so far as the erection and construction of any small factory is concerned, and the cane producer will be practically at the mercy of the large central factory.

In my judgment, if you allow this provision to remain there will be hundreds and hundreds of factories with a capacity of from 800,000 to 1,000,000 pounds that will spring up over those islands. At least I am afraid that they will do so, because I am not in favor of encouraging the production of the sugar interest of the Filipinos to the detriment of the sugar interest of our own country. But it is my deliberate judgment that if this preference is given to this million pounds of sugar, or 500 tons, if you please, it will encourage the establishment of small sugar factories in those islands by the Filipino people themselves. If you are looking for their benefit, it looks to me that this is more favorable to them than to encourage the establishment of large central factories. This does not prohibit the establishment of those factories, but it simply gives a preference in these markets to the product of the smaller factories. It appears to me that it is to the interest of the Filipino, if you consider it from that standpoint, to have this limitation placed upon the importation.

Mr. BRISTOW. The Senator does not believe that there will be any central factories established in the Philippine Islands under this legislation.

Mr. FOSTER. I have no doubt of it, absolutely none in the world, because the sugar-factory interests in my State during the earlier period of their establishment were largely small factories producing, some of them, I think, not over 500,000 pounds, running up to 700,000 to 1,000,000 to 1,200,000, some of them now to over 20,000,000. But those sugar factories did fairly well. Of course the Senator understands that with the concentration of large factories, the employment of fewer people, and the economies practiced they can make the sugar cheaper than smaller factories can; but this has been a process that has been worked out gradually in our State. I have no doubt if this measure passes it will encourage the establishment of the smaller factories and will result in competition all over the island for the raw material. Otherwise, I am afraid that the factories will be the large central factories built by foreign capital and will deter and prevent the development of the sugar manufacture in small factories, looking at it from the Filipino standpoint.

Mr. BRISTOW. The information which comes to me—and I think the Senator from Louisiana will not be able to controvert it—is that the successful development of sugar production in every country in the world at this time demands that sugar be made by the centrifugal process, and with the limitation of 500 tons a year to be produced it is not an inviting field for the establishment of this kind of sugar factories. The sugar factory is the market place for the cane grower. It is just like the creamery business in the West. The farmer gets a great deal more for his cream than when his wife used to make it into butter and sell it at the country store. The large creamery is making a market for the cream that is separated from the milk on every farm in the country, and nobody can deny that it has given the farming community a very great increase in the profits on their milk.

To refuse to permit the establishment of central sugar factories that can take this cane and grind it in an economical way, so as to get the greatest result, is to refuse to permit the Filipino to utilize the processes and the results of modern development and thus cheapen the production of his sugar. The sugar production of the islands is now at a very low stage, and it is to help it that we are trying to legislate here; and it is proposed to incorporate into the legislation the very provision which would prevent us from doing them the good we are seeking to do.

Mr. FOSTER. The Senator does not mean to say that this will prevent the establishment of the large factories?

Mr. BRISTOW. Certainly.

Mr. FOSTER. Simply because a preference is given to the markets of this country?

Mr. BRISTOW. No man with capital to invest is going to invest his capital in a sugar factory when he can produce but 500 tons a year and find a market for it, because the expense is too great for that amount of production.

Mr. President, I want to withdraw the second amendment that I offered, and offer a substitute for it. In line 15 I strike out "five hundred" and substitute "one thousand." That is the second amendment. I will wait until the first amendment has been acted upon.

Mr. LODGE. One amendment is pending. The second amendment can not be voted on now.

Mr. NEWLANDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Nevada?

Mr. BRISTOW. Certainly.

Mr. NEWLANDS. I wish to make an inquiry of the Senator. I understand that he is urging that in order to help the Filipinos, it is necessary to enable them to avail themselves of modern methods in the production of sugar.

Mr. BRISTOW. Exactly.

Mr. NEWLANDS. Modern methods involve, first, a plantation on a large scale; second, a radial railroad to bring in the cane to the central factory; and, third, a central factory. I understand these things are lacking in the Philippine Islands, and to the lack of these things is attributable the inferior quality of their sugar and the smallness of the output.

Mr. BRISTOW. That is correct.

Mr. NEWLANDS. I understand the Senator is not as yet committed to the committee amendment, but that he is simply arguing now on the question as to whether it is desirable to admit Filipino products free into our country, and the question as to what is the best policy for the Filipino in case we do. I will ask him whether this is not a very involved way of giving the Filipino people a subsidy? Under the amendment the Filipinos will be entitled to bring into this country 300,000 tons of sugar duty free, and if that sugar is of high quality, as it doubtless will be if large interests engage in its production there, it means that that sugar will escape a tariff duty of about $35 a ton, which would otherwise be paid into the Federal Treasury, making a total for the entire year of ten and a half million dollars. That is the subsidy which it is proposed the United States Government shall pay in order to stimulate the Philippine production of sugar.

Mr. BRISTOW. I think the Senator's question bears upon——

Mr. NEWLANDS. I just want to complete my question. Now, I ask the Senator whether, if this subsidy is contemplated, aggregating from nine millions to ten and a half millions annually, in order to stimulate sugar production in the Philippines, it would not be better to directly appropriate a portion of that $10,000,000 and spend it in the construction of radial railways and of great mills, as public utilities, and thus enable the Filipinos to produce sugar and to contend with the world's prices instead of the high, subsidized prices that exist in America; and whether we will not help the Filipinos more if we enable them by such direct aid involved in so large an expenditure of money to compete with the world for the world's prices than if we give them a subsidy which will forever fasten them upon the subsidy bottle and will absolutely unfit them for continuance in the world's markets?

Mr. BRISTOW. I think the Senator's question bears upon the desirability of permitting the 300,000 tons to come in more than to the immediate question as to whether this limitation should be made.

Mr. NEWLANDS. That is true; but I am considering now the question simply in the interest of the Filipinos themselves, whether it is not best for us by direct appropriation to instruct them in improved methods of agriculture, to give them the public utilities necessary to transport their cane to the mill and to crush the cane in the mill, and thus fit them to contend with the world in the world's markets in the production of sugar, instead of fastening them upon this subsidy bottle in the United States, the result being that if the islands are once parted from us, as we all hope they may be, there will be a collapse of the industries of the islands, for they will be utterly unable then, accustomed as they will be to the stimulated and subsidized prices of America, to accept the lower prices of the world.

I am arguing the matter just as the Senator is, from the standpoint of the interest of the Filipino people, with a view to making them a self-supporting people, a separate entity in the civilized world, capable of having their own fiscal system, uncomplicated with that of the United States.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. The Senator from Kansas several times during his speech made the statement that no one but the American Sugar Refining Company could handle the Filipino sugar and refine it. I have a letter from Doctor Niese, in which he says:

> Referring to Philippine sugars, I want to confirm what I stated to you in my letter of April 15, that every refinery in the United States can use the present grade of Philippine sugar for refining purposes, and, if properly handled and equipped, should be able to use it to the same advantage as other raw sugars.

I am just in receipt of the following telegram in answer to one I sent to Willett & Gray, of New York:

> NEW YORK, *June 14, 1909.*
>
> Hon. REED SMOOT,
> *United States Senate, Washington, D. C.:*
>
> Philippine Islands sugar was sold this year 2,800 tons to McCahan refinery, Philadelphia; also last year 5,000 tons to McCahan and 4,000 tons to Arbuckle refinery; also three years ago 3,000 tons to Howell refinery and 3,000 tons to Arbuckle refinery.
>
> WILLETT & GRAY.

Mr. BRISTOW. That is a very small part. I did not say every bit of it; I said practically all of it; and the Senator simply says that 5,000 tons were handled by the Philadelphia refiner; and it is true that the Philadelphia refiner has handled more of the Philippine sugar than any other except the American Sugar Refining Company.

Mr. SMOOT. The only object I had in bringing it to the Senator's attention was to correct the idea that he gave me, at least, that the American Sugar Refining Company is the only concern that handles Philippine sugar.

Mr. BRISTOW. It is practically the only concern. There have been some individual sales now and then, but the market for the Philippine sugar is the American Sugar Refining Company. A representative of the Bureau of Insular Affairs called upon me and I asked him the direct question, and he said it was a matter of fact that practically all of it was sold to the American Sugar Refining Company. I talked with the representative of the Federal Refining Company, and he said the American Sugar Refining Company is the only one that handles to any advantage the Philippine sugar; that some other refineries occasionally bought some of it, but they did it under a stress of circumstances; that it was undesirable, and that they were not equipped to handle it; that practically the American Sugar Refining Company was the only market for the sale of this sugar; that other refiners took it when they could not get all the Cuban or other sugar they needed; that Filipino sugar was not coming to the United States so much as it did last year, because of the uncertainty of the market for the sugar.

Mr. SMOOT. The only object I had was to call attention to the fact that the American Sugar Refining Company is not the only concern that can handle that sugar, for there are three refineries here that can handle it and can refine the sugar. As to the amount of sugar purchased by each one of the refineries, I have nothing to say, but I do say that at least three of the refineries in the United States have purchased Philippine sugar and refined it in this country.

Mr. BRISTOW. Occasionally there are conditions when, of course, if the American Sugar Refining Company refuses it, it would have to find a market somewhere, if it is here. These small purchases are insignificant. The largest purchase given is only one-seventh of the entire amount imported during one year. If six-sevenths has to find its market with the American Sugar Refining Company, it is practically the only market for it.

To repeat what I said, the result of this legislation is to prevent the Filipinos from developing the sugar production of their islands, from producing a sugar that will command a market throughout the country, to confine their market to one institution in the United States, the American sugar trust, and, in addition to that, you compel the Filipinos to buy refined sugar from the United States and cut them out from the markets of the world, which they have always heretofore enjoyed. That can not be denied, for it proposed to put the same provision in the Philippine tariff law that we have in our tariff law, including the Dutch standard.

Whether we are justified in giving the Filipinos the market for 300,000 tons of sugar is not the question I am discussing. If the provisions of this law are made so that they get the highest and largest possible advantage from this favor which we propose to extend to them, we ought not to impose the burden upon them of purchasing their refined sugar from us at exorbitant prices, as they will have to pay. Unless the provisions in the bill are changed, I can not see how any Senator can vote for the measure if he wants to help the Filipino.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. The Senator certainly must know that President Taft spent a great deal of time in the Philippine Islands, and that he is deeply interested in the welfare of the Filipino people. I want to say that this provision is indorsed by President Taft, and he thinks it is for the benefit of the Filipino people.

Mr. BRISTOW. If the Senator from Utah will indorse the other declarations of President Taft in regard to the revision of the tariff now pending, we can soon come to an agreement in this Chamber. The President has demanded a revision of this tariff by reducing the exorbitant duties that are now in the present law, but his promise to the American people goes unheeded by the members of the Finance Committee of this body.

I can say no one has a higher regard for the President of the United States than have I, and the fact that he feels that it is a duty we owe to the Philippine Islands to give them this market is the only reason that I have considered at all the proposition we have here.

Mr. BULKELEY. I should like to ask the Senator from Utah a question.

Mr. FLETCHER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Florida?

Mr. BRISTOW. Certainly.

Mr. FLETCHER. Mr. President, just a moment. I wish to suggest to the Senator further what would appear to me the unfairness and injustice of this proviso to the growers of tobacco in this country.

Mr. BRISTOW. If the Senator will pardon me, I would rather that the tobacco discussion would come up under tobacco, as I am only considering sugar. I take it for granted that there are others here who are very much interested in the tobacco production. If the Senator will pardon me, I would a little prefer that he will offer whatever suggestions he has to make in regard to tobacco when the tobacco provision is being discussed.

Mr. FLETCHER. I was simply going to recur just a moment to one of the provisions in the amendment affecting tobacco. I agree to some extent with what the Senator has said regarding sugar. I am opposed, however, to the entire proviso. I do not believe that there ought to be any provision in the bill for the admission of sugar or tobacco or cigars from the Philippines free of duty. I submit that already, as has been indicated by the Senator very clearly, they have advantages sufficient over there to take care of themselves, and, as suggested by the Senator from Nevada [Mr. NEWLANDS], they ought to begin to learn to work out their own salvation, with such encouragement as we can give in the right directions.

I do not believe that we ought to go to this extent in endeavoring to take care of the Filipinos, nor do I believe we will work out permanent benefits to the Filipinos by provisions such as are submitted by this amendment.

I quite agree in part with the Senator regarding his position on sugar. I submit also that in connection with this same amendment it is proper to observe that it is unfair and unjust to the growers of tobacco to admit 300,000 pounds of wrappers into this country free; that it is unjust and unfair to them to admit 1,500,000 pounds of fillers free of duty; and that it is unjust and unfair to the manufacturers of cigars in the United States to admit 150,000,000 cigars free of duty. Nor should we sacrifice the revenue on these commodities.

Mr. BRISTOW. I will ask the Senator to defer that discussion until it will apply.

Mr. FLETCHER. I will, of course, comply with the wish of the Senator. I only want to conclude in a few words, which will show the relevancy, my hope being to have the Senator favor striking out of the substitute the word "Provided" where it first appears and all that follows it. What I am saying is in line with the whole discussion with reference to this amendment, it seems to me. I thought it proper to direct the attention of the Senate to other provisions in this amendment or substitute, and urge that the whole proviso ought to be defeated. In addition to all that, both the provision with reference to sugar and the provisions with reference to tobacco will have the effect, I submit, of enlisting and fastening in the Philippines American capital and American interests to such an extent that it will postpone, if not prevent, the final independence of those people.

I hope to see the day, so far as I am concerned, when the Filipinos will run up the flag of the new Philippine Republic,

We can not expect that day to come when sugar interests and tobacco interests will have exploited those islands and become largely concerned in the development of those several interests on their own account. The proposed amendment encourages that prospect. So, I submit, it is not to the best interest of the Filipinos themselves nor is it wise on our part to indulge in a policy such as is contemplated by the amendment.

Mr. BRISTOW. I should like to inquire of the Senator from Utah which specific provision it is that the Senator thinks the President is anxious to have enacted?

Mr. SMOOT. I think he is anxious to have the whole paragraph enacted. I do not feel like holding out any one particular part of the paragraph, but I think——

Mr. BRISTOW. Does the Senator think that the President indorses the policy of compelling the Filipinos to buy American refined sugar?

Mr. SMOOT. That is a question, of course, as to construction. The Senator from Kansas puts that construction on it. I do not think the President puts that construction on it.

Mr. BRISTOW. Does the Senator from Utah think that under this provision the Filipinos will buy their refined sugar as they are buying it now, from other countries, instead of from the United States?

Mr. SMOOT. As I understand it, the Filipino people are not buying refined sugar.

Mr. BRISTOW. Does the Senator claim that they are using their own sugar to-day? If so, he is entirely mistaken. They are buying it in large quantities.

Mr. SMOOT. How much sugar do they buy?

Mr. BRISTOW. I have the amount right here. They bought, in 1908, the following amounts from the following nations: From the United States, 8,739 pounds——

Mr. SMOOT. I want to tell the Senator what kind of sugar it was. It was cube sugar, the finer sugar, and it was bought in the islands by Americans there.

Mr. BRISTOW. It is refined sugar, is it not?

Mr. SMOOT. It is bought by the American people living there.

Mr. BRISTOW. Has not an American living in the Philippine Islands some rights?

Mr. LODGE. There were 4 tons bought.

Mr. BRISTOW. Much more than that. From the United Kingdom they purchased, last year, 3,104 pounds; from Germany, 160,905 pounds; from the Netherlands, 906 pounds; from China, 12,553 pounds; from Hongkong, 2,922,000 pounds; from the British East Indies, 17,530 pounds, and so forth. In all, they purchased 3,197,799 pounds of refined sugar last year. They bought that from the different markets as other countries buy it.

This provision not only compels them to sell their crude sugar to the American Sugar Refining Company in the main, but it also imposes upon them the excessive tax of $1.90 per hundred pounds on all refined sugar that they might buy from other countries for their own consumption. It imposes the No. 16 Dutch standard into their sugar tariff, and it imposes a heavier tax on the sugar they purchase than on any other commodity that they use, except tobacco. Why should that be done?

Mr. LODGE. The reason is perfectly obvious, Mr. President. It is to prevent the introduction of foreign sugars there and the export of foreign sugars to this counry under the guise of Philippine sugars.

Mr. BRISTOW. Certainly; and why can they not introduce other kinds of merchandise and export it here the same way? Is sugar the only article that they use that they could export from the Philippines here?

Mr. LODGE. It is the only article on which any extensive fraud of that kind is likely to take place.

Mr. BRISTOW. I beg to disagree with the Senator. There are a thousand articles they could import fraudulently; for instance, cotton goods or woolen goods, or wools or any other similar article. They do not produce wools there now, though they might at some future time, but anything that they produce there they could send here in the same way.

Mr. LODGE. The duties on everything except sugar and tobacco are the duties of the Philippine tariff.

Mr. BRISTOW. Why should not the same duties of the Philippine tariff apply to tobacco and sugar imported into the Philippines as to other commodities?

Mr. LODGE. The other commodities are under a different rate entirely.

Mr. BRISTOW. They come in here free.

Mr. LODGE. Certainly; they come in here free.

Mr. BRISTOW. There is no limitation.

Mr. LODGE. If they are manufactured in the Philippine Islands.

Mr. BRISTOW. Certainly. So sugar comes in exactly under the same provision now, and the same provision applies to foreign sugar that might be imported into the Philippine Islands and exported here that applies to every other article of merchandise. All other articles of merchandise, except rice, tobacco, and sugar, come into the United States from the Philippines free if a Philippine product. Why should not sugar come in in the same way and be placed upon the same basis, because, in my judgment, there is no more danger of fraud in sugar than in any other article that comes here?

Mr. LODGE. That may be the Senator's judgment, but my own impression is that it would be much more serious. All the money, however, collected as revenue on sugar goes into the Philippine treasury. None of it comes to us.

Mr. BRISTOW. Certainly; and there will be none collected on refined sugar, as there is none collected on refined sugar in the United States of any consequence. It simply means that you will confine the opportunity of the Filipinos to purchase refined sugar to the United States; compel them to buy it from us, and impose upon them this burden which, in my judgment, has been very unjustly imposed upon the American people.

Mr. LODGE. Mr. President, if we are going to limit the amount of sugar and tobacco to the production of the Philippine Islands, I think we ought to take every precaution that that sugar and tobacco should be the product of the islands, and that it should not be the product of Java or some other place.

Mr. BRISTOW. I am in absolute accord with the Senator on that. I believe that the same provision should be applied to sugar which applies to other articles of commerce, because it is not intended that other Philippine products that come to the United States shall be brought from any place else. It is simply a limitation that applies generally, and it ought to be applied to sugar the same as to other articles of commerce.

Now, Mr. President, I think I have covered this point; but I want to repeat, with all the emphasis that I can, that the limitation placed in this bill opens up a market in fact for 300,000 tons of raw sugar for the American Sugar Refining Company at its own price. It helps to some extent the sugar producer of the Philippines, and it greatly increases the cost of the light-colored raw and refined sugars to the people of those islands; but it also fastens the grip of the sugar trust upon the sugar commerce of those islands. It will fix the price that it will pay them for their raw sugars and the price that the people shall pay to it for all the other grades of pure and refined sugar that the people of the islands consume.

Mr. NEWLANDS obtained the floor.

Mr. STONE. Mr. President, I ask the Senator to yield to me for a moment.

The VICE-PRESIDENT. Does the Senator from Nevada yield to the Senator from Missouri?

Mr. NEWLANDS. I yield to the Senator from Missouri.

Mr. STONE. I desire to offer an amendment, and to have it pending.

Mr. BULKELEY. I inquire what is the amendment pending at this moment?

The VICE-PRESIDENT. The amendment pending is the one offered by the Senator from Kansas [Mr. BRISTOW].

Mr. STONE. I understood the Senator from Kansas——

The VICE-PRESIDENT. The Senator from Kansas had also read another amendment, which he stated he intended to offer as soon as the first one was disposed of.

Mr. STONE. But he did not wish to have them acted on at this time.

Mr. BRISTOW. I am ready to vote now on the first amendment that I have offered, and any further amendments may be voted on afterwards.

Mr. STONE. I will offer this amendment, with the consent of the Senator, in his time and have it pending.

The VICE-PRESIDENT. The proposed amendment will be read for information, with the understanding that it is to be offered by the Senator from Missouri as soon as the other amendments are disposed of.

Mr. STONE. Intended by me to be offered at that time. The amendment is to insert at the end of the amendment the words I send to the desk.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to insert at the end of the paragraph already agreed to the following:

And provided further, That it is hereby declared not to be the policy and purpose of the United States to maintain permanent sovereignty over the Philippine Islands, but to exercise authority in and over said islands only so long as may be necessary, not to exceed fifteen years from and after the passage of this act; to organize and establish a native government capable of maintaining public order in said islands, and until such international agreements shall have been made between the United States and foreign countries as will insure the independence of said islands and the people thereof.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. Does the Senator from Nevada yield to the Senator from Connecticut?

Mr. NEWLANDS. Certainly.

Mr. BULKELEY. I should like to suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Connecticut suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bacon	Crane	Heyburn	Piles
Bankhead	Crawford	Hughes	Rayner
Borah	Cullom	Johnson, N. Dak.	Root
Bradley	Cummins	Johnston, Ala.	Scott
Brandegee	Davis	Jones	Simmons
Briggs	Depew	Kean	Smith, Md.
Bristow	Dick	La Follette	Smith, S. C.
Brown	Dillingham	Lodge	Smoot
Bulkeley	Dixon	McCumber	Stephenson
Burkett	Dolliver	Martin	Stone
Burnham	Elkins	Money	Sutherland
Burrows	Fletcher	Nelson	Taliaferro
Burton	Flint	Newlands	Tillman
Carter	Foster	Nixon	Warner
Chamberlain	Frye	Oliver	Warren
Clapp	Gallinger	Overman	Wetmore
Clark, Wyo.	Gore	Page	
Clay	Guggenheim	Perkins	

Mr. CRAWFORD (when Mr. GAMBLE's name was called). My colleague [Mr. GAMBLE] is necessarily absent.

Mr. FRYE (when Mr. HALE's name was called.) My colleague [Mr. HALE] is detained at home.

The VICE-PRESIDENT. Seventy Senators have answered to their names. A quorum of the Senate is present.

NOBODY WANTS THE PHILIPPINES—IT IS MERELY A QUESTION OF GETTING OUT WITH CREDIT.

Mr. NEWLANDS. Mr. President, I am opposed to the proposed amendment admitting Philippine sugar and tobacco free of duty to our markets; not because I wish to protect American cane or beet sugar, but because the proposed subsidy to Philippine products will, in my judgment, bind those islands to us indissolubly and forever. Since Dewey's victory in Manila Harbor the United States and the Philippines have been under the tyranny of an accident. Each country desires to be free from the other. The Filipinos, from the highest to the lowest, from the richest to the poorest, from the most intelligent to the most ignorant, desire independence and aspire to complete national life. The people of the United States desire to be freed from the burden, the perplexity, the responsibility, and the danger which permanent occupation of the Philippines involves.

We realize that there has been no glory in their conquest nor profit in their occupation; that the islands are almost worthless, agriculturally and commercially; that they are out of the line of travel and commerce, and constitute no link in our trade with China and Japan; that, unlike Hawaii, they constitute no part of our defensive line, but, on the contrary, their occupation obtrudes us into all the problems, jealousies, contentions, and possible wars of Asiatic peoples, and will some time involve us in an oriental war, 7,000 miles from our base, more costly than the billion-dollar Boer war was to England.

All illusions have vanished. The prevailing feeling of the American people is regret that we are there and a longing to get out creditably. We have no wish to hold them as a subject dependency or to exploit them. We wish to execute quickly our self-imposed trust, to train them in a common language, in industrial pursuits, and in capacity for self-government, and then to retire. Our only differences arise as to methods of training and time of retirement; but the temporary nature of our occupation and the nature of our trust are evident from the history of congressional action, the declarations of party platforms, and the utterances of party leaders on both sides.

Thus far our policy has been in the main to regard the Philippine government as a separate entity, with its own officials, laws, and revenue system, the only connecting link being the Philippine Commission, which governs the islands under authority given by Congress.

IF THEY ARE EVER TO BE FREE, THE ISLANDS MUST NOT BE MADE ECONOMICALLY DEPENDENT UPON US.

But if we complicate their tariff system with ours and grant the enormous subsidies on sugar and tobacco secured by this amendment, the two countries will be so bound together by these subsidized interests that it will be difficult to separate them. If American interests take control of this subsidized production, they will strongly exercise their influence against legislation tending to their separation, and if the Filipinos become the beneficiaries of these subsidies, they will find that when the separation comes the drop from the subsidized prices in America to the lower level of the world's prices will produce an instant collapse of all their industries. If the Philippines are at some time to be independent and self-supporting, their people must accept the world's prices for their products. It is the height of folly to accustom them to the subsidized prices of this country.

The purpose of permitting the Philippines to import 300,000 tons of sugar annually into the United States without the payment of the duty at present imposed upon foreign importations, and amounting to about $35 per ton, is to enable the Filipino producers to receive in our markets, without the payment of duty, nearly double the price which they can get anywhere else in the world; for the duty on sugar makes the American price of sugar nearly double the world's price.

This legislation means the diversion of nearly $10,000,000 annually from the American Treasury into the pockets of Filipino producers and without lowering the price of sugar a penny to the American consumer. It is claimed that this advantage will stimulate the production of Philippine sugar, and thus promote prosperity there. But to what extent will this help the Filipino people in acquiring a common language, in receiving better industrial training, and in learning the methods of self-government?

DIRECT GRANTS PREFERABLE TO SUBSIDIES.

It would be much better, if we are to make this benefaction, to give it directly to the Filipino government, which can expend it for these worthy purposes, and not to the Filipino planters or, as will ultimately prove to be the case, to the sugar trust itself, which will doubtless obtain a monopoly of the production of sugar there, as it is now acquiring it in Cuba.

If we were to give the Filipino people $10,000,000 annually, let us do it in a way that will absolutely secure the benefit to the masses of the Filipino people, and not to interests that will simply exploit the Filipino people. This will mean honest bookkeeping between the two countries and will be much more praiseworthy than giving $10,000,000 annually to the sugar planters in the Philippines, whether Filipino or American, in the hope that a part of it will filter down to the masses of the people.

Let me call attention here to the fact that direct aid would probably extend only over a few years, while this subsidy of $10,000,000 will last as long as these tariff laws, and in twenty years will mean that $200,000,000 will be diverted from the American Treasury into the pockets of the producers of Filipino sugar, whether those producers be Americans, including the sugar trust, or the Filipino planters themselves.

The training of the Filipino people for self-government means that all the children shall be trained to speak English, as no other common language is possible; that they must be trained in habits of thrift and industry, and taught improved methods of agriculture and of manufacture; and that they must be trained in self-control and the principles of free government. All this can possibly be done in time, with the aid of money. But the Philippines are poor. The total revenue, insular, provincial, and municipal, is not more than $17,000,000 annually—a little more than the amount required for the government of the District of Columbia.

The United States has undertaken the paternal work of training 7,000,000 people in self-control and the principles of self-government. The Filipinos have demonstrated their inability to produce wealth in competition with the rest of the world. Their total exports last year to all countries were only $32,000,000. During the last ten years they have been unable to raise enough rice for home consumption. If we would accomplish our benevolent purpose, they must be helped; but it would be better to help them by direct appropriation, rather than through subsidized industries. The former would be effective and economical; the latter, ineffective and costly.

But, assuming that the $10,000,000 of annual sugar subsidy will go mainly to the Filipino laborers, shall we really do them a service by accustoming them to a price for their sugar which is double what they can get from the rest of the world? Is it just to them to accustom them to the subsidy bottle? Is it just to them to accustom them to prices which it will be impossible for them to realize when independence comes? Will not the ending of the subsidy and the reduction of the favored prices which they have received for their products plunge them into such a condition of suffering and distress as they have never yet realized? Subsidizing production with fictitious prices is one way to stimulate it, but artificial aid can not be suspended without intense suffering.

The right way to help the Filipinos is to train them in self-sustaining methods. The declared purpose of the whole movement in the Philippines is philanthropic. Philanthropy always costs the philanthropist something. But this proposed scheme of philanthropy through subsidized inflation of prices to be obtained in America creates grave danger in the future. If we

are bent upon real philanthropy, we should appropriate the additional amount necessary and let our books show the loss.

SUBSIDY WILL DEFEAT WITHDRAWAL.

But above all things it must be recollected that the surest way of tying the islands to us for all time is to subsidize the industries of those islands.

Build up by subsidy and bounty sugar and tobacco production in the Philippines; extend your coast and navigation laws to those islands; give Americans a monopoly of transportation and a monopoly of production of the subsidized products; add to all this the artificial prosperity caused by subsidized prices and you will create factors that will absolutely defeat any future legislation tending to our withdrawal from the Philippines.

By a system of direct aid, instead of subsidized aid, the desired end of ultimate withdrawal with honor would be accomplished, with the maintenance in the Philippines of an absolutely separate autonomy, at a cost which is nothing compared with the sum we shall actually pay if the subsidy system is followed during the next twenty years, and with the infinitely better result that instead of being tangled in tariff and navigation complications impossible to sever without causing untold distress, the islands will be self-sustaining, self-supporting, and self-governing, the only connection of this country being the Philippine Commission, acting as a higher house, and the governor-general as chief executive.

By this means we may establish in twenty years a complete autonomous government in the Philippine Islands—a government uncomplicated with our own, with its own fiscal system, and with all the branches, judicial, legislative, and executive, that are essential in a national life. Then, when the time comes to cut the tie, it will be a safe and easy matter to substitute Filipinos for Americans on the commission and to substitute a Filipino governor-general for the American governor-general; and after neutralizing the islands by international agreement and reserving a naval and coaling station, to permit the Filipinos, trained to hold their own in the struggle without subsidized aid, to take their place as a thoroughly individualized nation among the nations of the world.

THE "OPEN DOOR" IN ASIA.

There is another view to be taken of this Philippine policy, and that is that it violates the spirit of the "open-door" policy in the Orient, insisted upon by Mr. Hay and since asserted by our Government. It is true that that policy was declared by Mr. Hay regarding China, but it applies in its spirit to the entire Orient. Mr. Hay's purpose was to have a clear understanding with Japan and the great European powers that, regardless of all readjustments in their relations to China, the open door and equal trade privileges should be maintained for all nations.

When Japan attacked Russia in Korea and Manchuria her Government took care to assure the civilized world that there was no disposition to violate this policy; that her purpose was to maintain the integrity and the independence of Korea, to protect Manchuria against Russian aggression, and to keep the door open in both countries to the trade of the world without preference to Japan in any form. The relations of Japan to Korea and, in a less degree, to Manchuria resemble somewhat the relations of the United States to the Philippines. In both cases it was declared that the war was not for conquest or for commercial advantage. It is true that the Philippines fell into the possession of the United States by an accident not contemplated when the war with Spain commenced; but it is to be assumed, of course, that the United States, having declared to the world that her position in the Philippines was that merely of discharging a sacred trust to the people of those islands, would not, while contending for the open door in Manchuria and all China, close the door in the Philippines. Under this tariff arrangement it is proposed to give the United States an advantage in trade in the Philippines not enjoyed by other countries; and if we follow this up by giving to American shippers, as is proposed, the monopoly of transportation between the Philippine Islands themselves and between those islands and this country, we will practically close Japan, China, and other countries out of their present trade with the Philippines. Can we afford to take so inconsistent a position? Can we close the Philippines against the trade of sister oriental countries, as well as European countries, while we are clamoring for the open door in China?

THE RIGHT WAY TO HELP THE FILIPINO.

I wish to add one word upon the subject discussed by the Senator from Kansas. As I understand his argument, it is addressed entirely to the consideration of this question as it relates to the interests of the Filipinos themselves. He was contending that it was best to facilitate there the erection of great central factories, which could deal with the question of sugar production in a large way and thus enable the Filipinos to produce a high grade of sugar which would command a better price in the world's markets, instead of the low grade of sugar which they now produce.

I have no doubt that sugar production is one that requires centralized operation. In the first place, you have to deal with a large area of territory. In many cases you have to provide for irrigation, which means large works of a costly character. You have to provide a radial railroad running from the mill to all parts of the large plantation, on which the cane can be transported to the central mill, and you have to provide a central mill in which this cane shall be crushed.

It is of course impossible for an individual producer of sugar, owning a few acres of land and producing only a few tons of sugar, to engage in this system of centralized operation. It is a form of operation that necessarily tends to monopoly, and it should therefore always be a regulated monopoly. My own view has been, with reference to this matter, that it is best in the first place to facilitate the control of very large areas, so that great corporations can undertake the construction of irrigation works, of radial railways, and of central factories; and then, when all that is done, the law itself should provide for a system of gradual decentralization under which these estates shall be divided up and sold in small holdings, within a period sufficient to insure a profit to the promoters of the enterprise and under which the irrigation works, the radial railway, and the central factory should be held as public utilities, under public regulation, for the service of all. That is the only way in which we can develop free and independent citizens in a country that is devoted to sugar culture. Otherwise, you will always have these large plantations and the laborers attached to the soil in a semiservile capacity, without any right in it, and without those rights which are absolutely essential to citizens in a free government.

In pursuance of that humane purpose to which President Taft has devoted a large part of his life with singular disinterestedness, it is suggested that this assistance should take the practical form of direct aid to the Filipino people in the great work of education and industrial development rather than in bounty or subsidy to exploiting interests.

We can take up the great work of the improvement of the methods of agriculture in those islands. Their methods of agriculture are the crudest possible. Organize there your agricultural schools, such as you have in this country. Train the younger generation in improved methods of production, and if you choose then to establish as self-supporting public utilities these radial railways, these irrigation works, these central sugar mills, imposing a charge for the use of the water and for the carrying and the grinding of the cane, you will have a system at a tithe of the cost imposed by this subsidy system that will be of real service to the Filipino people, that will advance them in the acquisition of a common language, that will advance them in industrial training, that will increase their capacity for the production of wealth, and that will enable them to meet competition in the world's markets.

I understand, of course, the answer to all this is that it involves paternalism, and of course we all stand aghast at paternalism in our own country when it involves the protection of the masses. The prevailing form of paternalism which we enjoy in this country is that which consists in giving benefactions and privileges to the great corporations and interests.

But confessedly the whole Filipino programme is an experiment in philanthropy. The whole government there is paternal. We are there discharging a trust. The United States is the self-imposed father of the Filipino people. If then the whole government is paternal, if the whole administration is paternal, why should we not make that paternalism effective, economical, and productive of results?

Mr. President, these are the views which I entertain regarding the Philippine tariff. I am sincerely desirous of aiding President Taft in the work he has undertaken for developing the Philippine Islands. I honor the great courage, energy, enthusiasm, and humanity which he has shown in that great work.

I have been in the Philippine Islands, and so far as the administration of those islands is concerned, within the limited revenue which they enjoy, I have found nothing to criticise. The administration there is a credit to the United States, but the critical time has now come for us to determine what is the best method of developing the Filipino people—one of subsidies to great interests or one of aid directly to the people themselves. And the additional question is involved as to whether we shall pursue a system that will invite hostility in the entire Orient; that will close the Philippine Islands to the trade of China and Japan; that will arouse enmity and jealousy

and suspicion there; that will make every demand that we make for the open door in China absolutely inconsistent with our maintenance of the closed door in the Philippines; and, above all, we have to face the question whether we shall pursue an economic system regarding those islands that will tie them indissolubly to the United States, by the creation of its favored interests there, which we all know have been so powerful in the history of the legislation of this country and which are likely to be as powerful hereafter.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Kansas.

Mr. BRISTOW. I should like to have a yea-and-nay vote on that.

Mr. CURTIS. I should like to have the amendment stated.

The VICE-PRESIDENT. Is there a second to the demand for the yeas and nays?

Mr. BURKETT. What is the amendment?

The VICE-PRESIDENT. Without objection, the Secretary will again report the first amendment offered by the Senator from Kansas.

The SECRETARY. On page 2 of the printed amendment, line 5, after the word "That," strike out "sugar, refined or unrefined, and," and in line 9, strike out "sugar and."

The VICE-PRESIDENT. The question is on agreeing to the amendment which has just been stated.

Mr. BRISTOW. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BRISTOW. I will say, before a vote is taken on the amendment, that the amendment will remove the requirement in this bill which makes the United States sugar tariff laws a part of the Philippine tariff. If this amendment carries, it will allow the Filipinos to fix the same tariff on their sugar importations as they do on all other importations into the islands, and it will not engraft what, to my mind, is the iniquitous provision of the Dutch standard on the Philippine Islands, by which they would have to import all sugar under the same provision that applies to its coming into the United States; that is, all the refined sugar. The House did not have any such provision in the bill. This provision that I am contending against was incorporated in the bill by the Senate Committee on Finance, and I do not think that it ought to prevail.

Mr. SMOOT. I suggest the absence of a quorum.

The VICE-PRESIDENT. The roll call will demonstrate that fact.

Mr. SMOOT. Are we about to vote now on this proposition?

The VICE-PRESIDENT. The yeas and nays have been ordered on the amendment.

Mr. SMOOT. I understand the Senator from Massachusetts [Mr. LODGE] desires to submit some remarks upon it.

The VICE-PRESIDENT. The Senator from Utah suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names.

Bankhead	Daniel	Johnston, Ala.	Rayner
Borah	Davis	Jones	Root
Bradley	Depew	Kean	Scott
Brandegee	Dick	La Follette	Smith, Md.
Bristow	Dillingham	Lodge	Smith, S. C.
Brown	Dixon	McCumber	Smoot
Bulkeley	Elkins	McEnery	Stephenson
Burkett	Fletcher	Martin	Stone
Burnham	Flint	Money	Sutherland
Burrows	Foster	Newlands	Tillman
Burton	Frazier	Oliver	Warner
Clapp	Gallinger	Overman	Warren
Clark, Wyo.	Gore	Page	Wetmore
Clay	Guggenheim	Paynter	
Crane	Hughes	Perkins	
Cummins	Johnson, N. Dak.	Piles	

The VICE-PRESIDENT. Sixty-one Senators have answered to their names. A quorum of the Senate is present.

Mr. LODGE. Mr. President, I do not desire to discuss this amendment generally or the importance of putting in these provisions with respect to the Philippine Islands. The amendment proposed, on which the Senate is about to vote, is the amendment of the Senator from Kansas taking sugar out, so that it may come into the Philippine Islands at a lower rate of duty than that imposed in the United States. Whatever tariff the Philippine Islands impose on their own can only be made subject to the approval of Congress, and whether it is arranged in this amendment, where it ought to be arranged, or whether separately, the Philippine tariff, which will shortly be before us, is not essential.

The point is, in view of the gift we are making to them of exporting free 300,000 tons of sugar and a certain amount of tobacco, whether it should not pay the same rate going into the Philippine Islands as into the United States. In the opinion of the committee, that was not an unreasonable provision. All the revenue from it will go into the Philippine treasury.

Mr. BRISTOW. Mr. President——

Mr. LODGE. I yield.

Mr. BRISTOW. I should like to inquire why that is necessary in regard to sugar and not as to other articles of merchandise?

Mr. LODGE. The reason is a very simple one. Under the law as it now stands everything from the Philippine Islands comes into the United States free except sugar and tobacco, which come in at a reduction of 25 per cent from the Dingley rates. This bill gives to the islands an additional privilege, of exporting to this country 300,000 tons of sugar free of duty and a certain amount of tobacco free of duty.

There is great contention over that concession to the islands. There has been a strong effort made to make all articles free between the United States and the Philippine Islands. This is in the nature of a compromise between the contending interests—those who want to keep it all out and those who wish to have it all free. This is simply an arrangement which was thought fair to all parties, that the tobacco and sugar imported into the Philippine Islands, as they were to have these concessions in our markets, should pay the same rates of duty as they would pay coming into the United States; that it was only justice to the sugar growers and tobacco growers of this country.

Mr. BRISTOW. But the question is, Why should an exception be made in regard to sugar? On other articles of commerce we do not impose the American tariff.

Mr. LODGE. Because there has been an exception about sugar and tobacco from the beginning.

Mr. BRISTOW. Why should there be?

Mr. LODGE. Because sugar and tobacco are the only products in the Philippine Islands that compete with our home production. The other exports do not compete directly with the products of the United States.

Mr. BRISTOW. This relates to refined sugar, which——

Mr. LODGE. I ought to say in addition that since we took possession of the islands and deprived them of the Spanish market we remain their only market, and for that reason the concession has been made.

Mr. BRISTOW. I beg to advise the Senator that he is very much mistaken. The Spanish never did consume Philippine sugar. They got their sugar from Porto Rico and Cuba. The market for Philippine sugar has been the United States and Great Britain very largely, always. It was before we got possession of the islands. We bought more sugar from the Filipinos before than we have ever done since. There is a great market in the United States; and we simply impose upon them the necessity of buying their refined sugar from us instead of from other people, as they have heretofore done, and we do not impose that necessity in regard to any other product that they use.

Mr. LODGE. Except tobacco.

Mr. BRISTOW. Except tobacco.

Mr. NEWLANDS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Nevada?

Mr. LODGE. I do.

Mr. NEWLANDS. This arrangement also involves compelling the Filipino people to pay the same price in their markets for refined sugar that the American people pay in theirs. In other words, the price will be very nearly double the world's price for sugar. Will not that be the effect, I ask the Senator from Massachusetts?

Mr. LODGE. I do not know precisely the present duty on sugar. It is lower than ours, I know. I could not tell without looking at their tariff.

Mr. NEWLANDS. Instead of permitting our sugar to go in subject simply to a duty of 25 per cent, I understand you are to impose there a duty equal to the duty imposed in this country, which is upon refined sugar nearly 2 cents a pound, or double the world's price. It seems to me that if you are engaged in an act of philanthropy to the Filipino people it is hardly the proper thing for us to put their consumers of refined sugar under the same burden the American people are under to-day, for under the present system we impose upon the consumers of sugar in this country a burden of $130,000,000 more annually than would be imposed if our present duty did not exist, and we raise the domestic price of sugar to nearly double the world's price. It seems to me we should not force our highly protective system upon the Philippine Islands and compel them to pay for refined sugar double the world's price by imposing this duty.

Mr. LODGE. I have no desire to discuss the sugar schedule. The price of sugar in the United States, with the exception of England, is cheaper than in any other country. I do not care to go into that at all. This is a concession to the Philippine Islands. As chairman of the committee which has had their

affairs in charge for a good many years and having been much interested in them, I should like to give them a great deal more than we have given them; but, speaking as their friend, I believe we are giving them a much better condition than they have had before, and to secure that I for one am ready to make certain concessions and to limit the amount and put an import duty on sugar similar to that which we have here. It will be no unreasonable burden to them. All the money will go into their treasury, and they will have to make it up by other means of revenue in what they import, because it will now go in free of duty.

Mr. ELKINS. Has the Finance Committee followed the House provision in respect to sugar from the Philippine Islands?

Mr. LODGE. In the main. We have modified the House provision somewhat.

Mr. ELKINS. Over what the House allowed?

Mr. LODGE. We reduced the amount on tobacco.

Mr. ELKINS. And on sugar it is the same?

Mr. LODGE. Yes; 300,000 tons.

Mr. ELKINS. That comes in free.

Mr. LODGE. It comes in free.

Mr. ELKINS. What will be the duty above 300,000 tons?

Mr. LODGE. The same duty as on all sugar; the same as before.

Mr. ELKINS. From Cuba they have 200,000 reduction?

Mr. LODGE. There is no reduction on anything above 300,000 pounds.

Mr. ELKINS. I understand that if 300,000 pounds are imported it would have to pay a higher duty than the Cuban sugar.

Mr. LODGE. Yes; higher than they pay now. They come in at the Dingley rate.

Mr. ELKINS. It seems to me this is a discrimination against the Philippines. They belong to the United States as much as the people of Arizona and New Mexico, territorially and otherwise, and we ought not to make any discrimination against them, especially in favor of a foreign country like Cuba. My theory is that the Filipinos are the same as the people of any other Territory, and why this discrimination or distinction is made against them I do not know. I do not know much about the merits of the case. I am glad the committee has agreed to allow them 300,000 tons, but they are citizens of the United States, belonging to the United States, and I do not see why in the world Cuba should get an advantage over the Philippine Islands. I can not understand——

Mr. JOHNSTON of Alabama. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Massachusetts yield to the Senator from Alabama?

Mr. LODGE. Let me reply first to the Senator from West Virginia. I am not going to discuss our relations with the Philippine Islands. It is rather too large a topic. The islands are in our possession, and we want to treat them as justly and fairly and generously as we can. We can not legislate on a hypothesis. They are not citizens under the law. They are citizens of the Philippine Islands, made so by statute. It is not a Territory. The islands are simply within the jurisdiction of the United States.

There has been for some years a strong effort in which the then Secretary of War and the present President of the United States has made every possible effort to have absolute free trade between the Philippine Islands and the United States. That has been resisted in regard to sugar and tobacco by the home producers of those two articles, and finally this compromise has been reached that we should let in a certain amount of sugar and a certain amount of tobacco free of duty. The Philippine Islands have never produced anything approaching either amount capable of export.

Mr. BULKELEY. Will the Senator allow me? I understood the Senator to state that a compromise has been reached fixing the limitation. With whom?

Mr. LODGE. Between the people who are interested on one side and the people who are pressing for it on the other.

Mr. BULKELEY. I do not understand that there has been any compromise as far as tobacco is concerned in my State and in other States where they produce leaf tobacco for wrappers. I do not understand that there is any compromise on the part of the sugar manufacturers as to the quantity, except possibly the beet-sugar men.

Mr. LODGE. Then the committee has been greatly misled by the information brought to it.

Mr. BULKELEY. I had the honor myself to appear before the committee in opposition to it.

Mr. LODGE. I am not speaking of the Senator from Connecticut. We have reached no compromise with him.

Mr. BULKELEY. Perhaps you will have to.

Mr. LODGE. We will see that by the vote.

Mr. JOHNSTON of Alabama. I want to ask the Senator from Massachusetts how the Delegates from the Philippine Islands stand on this amendment, because it seems to me we ought not to confer a benefit——

Mr. LODGE. Of course, they want a great deal more.

Mr. JOHNSTON of Alabama. Do they want this?

Mr. LODGE. I understand they will accept this rather than nothing.

Mr. JOHNSTON of Alabama. I am not advised, but it seems to me we ought not to confer benefits which they themselves do not desire.

Mr. BRISTOW. I think the Senator from Massachusetts is entirely in error when he says that the Philippine Islands never produced anything like 300,000 tons of sugar.

Mr. LODGE. For export.

Mr. BRISTOW. They exported in one year 260,000 tons.

Mr. LODGE. That I am aware of. That is the largest I think they ever exported.

Mr. BRISTOW. That is not very far from 300,000 tons.

Mr. LODGE. But as a matter of fact, what they produce now for export is very far below that.

Mr. BRISTOW. But the very purpose of this legislation is to encourage the production of sugar there.

Mr. LODGE. It is.

Mr. BRISTOW. It is not fair to presume that they never will produce 300,000 tons when they have produced so nearly that amount.

Mr. BURKETT. Already sugar from Hawaii and Porto Rico is free. Suppose we admit 200,000 tons from the Philippines. What is the rate now on sugar imported into Porto Rico and into Hawaii? How much do they get on sugar?

Mr. LODGE. The Dingley rate; the same as our own.

Mr. BURKETT. Then, I understand, by striking out this provision, it would put the Philippines at an advantage over Porto Rico and Hawaii.

Mr. LODGE. It would.

Mr. BURKETT. With reference to buying sugar.

Mr. BRISTOW. It would put them in exactly the same position as to sugar that they have as to every other article of commerce except tobacco. The Philippine Islands and Hawaii have the same provision as to sugar that they have as to every other article of commerce.

Mr. LODGE. Mr. President, I have nothing further to say. I do not care to go into the discussion of the Philippine Islands at this time.

Mr. MONEY. I should like to ask the Senator from Massachusetts a question for information.

Mr. LODGE. Certainly.

Mr. MONEY. I am asking for information. I should like to ask the Senator from Massachusetts how it is practical to apply the remission of duty on 300,000 tons of sugar. You have a class of factories that produces less than 500 tons, and the next class produces over that amount. Suppose that the class first named produces the first half of the 300,000 tons or 200,000 tons as a supposition. Then how are you going to divide among the producers of the next class the remission of this duty? I have asked for information, because I do not understand how it is to be done. I suppose probably it has been thought out by somebody.

Mr. LODGE. It is provided in the bill that it shall go first to the producers of less than 500 gross tons in any fiscal year. That is easily understood.

Mr. MONEY. I dispose of that, but——

Mr. LODGE. Then to the producers of the lowest output in excess of 500 tons in any fiscal year.

Mr. MONEY. Then the result would be that after you get over 500 tons production there would be a discrimination in favor of somebody, and a discrimination against somebody to the amount of $1.68 per hundred pounds of sugar. That seems to me to be an inequality of favor or benefit which would be most inequitable.

Mr. LODGE. After the lowest producers are exhausted then comes the next lower output until the 300,000 tons are made up. The purpose of the clause, as I understand it, is to prevent the establishment of one great concern there which would absorb the whole 300,000 tons and send it all to the United States and prevent the small growers from getting any advantage from this reduction.

Mr. MONEY. I know that is the purpose, and it is a very wise and benevolent purpose to prevent that monopoly, but still the difficulty is not solved. There is still a discrimination left. There is very little difference in the merit of the man who can produce 500 tons and the man who can produce 501 tons.

Mr. LODGE. Very little.

Mr. MONEY. We can go on in that way to the highest production. But there must be somewhere, according to the bill, a discrimination in favor of somebody. I will take two plants adjoining. They make five and six hundred tons. One gets sugar admitted free of all duty. The other has a tax of $1.68 per hundred pounds.

Mr. LODGE. That is, if they go over the 300,000 tons.

Mr. MONEY. Then they are on the wrong side of the breastworks, and there is a discrimination against one planter who may have swords crossed against him in the matter of labor and his hands taken away. There are a thousand things in the competition of business which may interfere. I want some enlightenment on the point. I am not trying to ask a hard question, but I really would like to know if the Senator has in view any way by which the benefit can be so equalized that there will not be a discrimination?

Mr. LODGE. If we wish to confine it to small producers, I do not think it is practical to confine it in any other way than that suggested in the bill. It seems to me that there is no other way practical.

Mr. MONEY. I know the purpose of it.

Mr. LODGE. We start out to discriminate in favor of the small producers, and we discriminate as they rise in proportion.

Mr. SMOOT. Mr. President——

Mr. MONEY. If the Senator will excuse me, the fact that classes are named shows that the committee does not believe that the whole 300,000 tons will be covered by the first class. Then the next class is being considered, and it can not take all the sugar manufactured or produced by that class. Therefore the discrimination must be applied in some way that I do not yet understand, and I would be very glad if I could understand it.

Mr. LODGE. I suppose that all substantially with the same gross output would be taken and the residue would be divided between them. There has to be a certain discretion in the administration of such a law.

Mr. MONEY. I know how it can easily happen, as it happens in the market every day, when a producer gets his crop to market. He says, "I am within the provision of this bounty," and it is extended to him. The other man is a little slower; he is on the wrong side of the mountain, for instance, 2,000 feet higher up the mountain; his crop matures more slowly, and it does not get into market in time; and when he gets there the 300,000 tons have been supplied and the remission has been issued, and he must pay the tax.

Another thing, in a tropical country you do not count the seasons as here; you can not have a man importing and making sugar, as in Louisiana. I have seen crops made in the Hawaiian Islands from cane 23 months old. You would see cane made in one part of an island, and six or eight months or a year afterwards the same thing would be going on somewhere else. I presume the same condition holds in the Philippines, which I have never visited. So it seems to me as this remission of duty on 300,000 tons can only happen in the fiscal year, there is going to be an inequality in some way. I have not yet solved it in my own mind, and I would be glad to know if anybody has.

That is the only question I desire to ask. I desire to relieve the bill from any inequality if it becomes a law.

Mr. LODGE. I think that is a matter which it is impossible to provide for absolutely in a statute. We can only indicate in a statute the preference to be given and then leave it to administrative officers to grant that discrimination in accord with the statute as fairly as they can. It is intended as a discrimination, of course.

Mr. JONES. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Washington?

Mr. LODGE. Certainly.

Mr. JONES. The Senator may have answered the proposition, but if he did I did not hear it. I assume that this provision is framed for the benefit of the Filipinos primarily. What special benefit will it be to them to place this tariff on the refined and unrefined sugar imported into the Philippines?

Mr. LODGE. To relieve them of all their tariff duties. Of course the Senator understands they have got to have money from tariff duties of their own. The only question is how much.

Mr. President, when I said a few moments ago that this provision, as it passed the House and has been reported by the Finance Committee, was a compromise, I meant that the Finance Committee and the Committee on Ways and Means, in order to get legislation which they thought desirable, had to compromise with contending interests.

Mr. CLAY. Mr. President——

Mr. LODGE. Let me finish answering the Senator from Washington.

Mr. CLAY. Certainly.

Mr. LODGE. I do not myself think they will be affected at all, but those people who thought they would be affected by the introduction of 300,000 tons of free sugar from the Philippines, or a certain amount of tobacco into this country, felt that it was only just to them that the Filipinos should pay the same rate of duty that they were obliged to pay when they imported sugar or tobacco.

Mr. JONES. That special feature of this amendment is not specially, then, for the benefit of the Filipinos?

Mr. LODGE. No; it is done for the protection of our own people, and to put money in their treasury, of course.

Mr. JONES. The tax raised by it goes into their treasury?

Mr. LODGE. It goes into their treasury; every cent of it.

Mr. CLAY. The Senator from Massachusetts is fully aware of the fact that at this time we import into the country a little over 300,000 tons of raw sugar paying the full duty of $1.68½ per hundred. If we let into this country 300,000 tons of raw sugar free hereafter, there will be practically no sugar coming into this country paying $1.68½ per hundred. Three hundred thousand tons of raw sugar pay into the Treasury of the United States about $10,000,000 revenue. If we let the people of the Philippine Islands bring into this country 300,000 tons of raw sugar, we take out of the Treasury of the United States $10,000,000. Does the Senator claim that any real, substantial benefit will accrue to the American consumer by reason of this fact, or does the Senator believe that the people of the Philippines will get a benefit of $10,000,000 equal to the $10,000,000 revenue which we lose in this country?

Mr. LODGE. Of course we shall lose the revenue if that amount of sugar is sent in. There is no question about that. That is the precise concession we make to the Philippine people. We give them our market to that amount, just as many years ago, before Hawaii was any part of this country, under a special treaty we admitted all Hawaiian sugars free of duty, which amounted to many, many millions. We gave it because we thought it was the interest of the United States to encourage and build up those islands, and the belief is that it is for the interests of the United States, and it is a matter of justice and fairness that we should give the Filipinos the opportunity to develop their industry and have access to our markets to that amount since they are in our possession; and in return, of course, everything that is the product of the United States goes in there free of duty.

Mr. ELKINS. I should like to ask the Senator a question. I will ask the Senator from Massachusetts what the annual production of sugar is in the Philippine Islands now?

Mr. LODGE. It was about 143,000 tons last year.

Mr. ELKINS. How much of that is home consumption?

Mr. LODGE. It is all consumed in the islands or sold in China and Japan.

Mr. ELKINS. None comes to the United States?

Mr. LODGE. Very little.

Mr. ELKINS. How long will it be before they can export the 300,000 tons contemplated in the bill?

Mr. LODGE. I am sorry to say I think it will take them a very long time to approach it.

Mr. ELKINS. With the ultimate demand, the Senator means, of Japan and China and their own home consumption.

Mr. LODGE. Yes; I think it will be a long time before they send any considerable amount of sugar here.

Mr. ELKINS. It would not be a substantial injustice to them to deny it?

Mr. LODGE. If I take an interest in them and wish to see them prosper, I am afraid we shall lose very little revenue by the importation of 300,000 tons, and they will send very little sugar to this country.

Mr. ELKINS. I am not concerned about the loss of revenue. I think it is a discrimination. I think they ought to belong to the United States, and I think they do, not only under the treaty, but by the purchase of the territory for $20,000,000; and we ought to make no discrimination against them whatever. That is my judgment. I regret to see any legislation in that direction.

Mr. LODGE. I am not disposed to dispute the justice of the Senator's position in that respect. I am representing here simply the committee, and this is in substance the provision of the House and the decision of the two committees as to what was best to be done under these circumstances.

Mr. ELKINS. One more question. How does the amendment of the Senator from Kansas affect the Senate committee amendment?

Mr. LODGE. It would not have any practical effect whatever, because when we pass the Philippine tariff act, which we must pass as soon as this bill is out of the way, in order to make it conform to ours, you may be very sure that the same rate of duty will be placed on sugar.

Mr. BRISTOW. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Kansas?

Mr. LODGE. Certainly.

Mr. BRISTOW. I understood the Senator from Massachusetts to say that the provision covered by the amendment now pending was incorporated in the House provision of the bill. Did I understand the Senator correctly?

Mr. LODGE. No; I did not say that. I said the amendment in substance is in both the House bill and the Senate committee's bill.

Mr. BRISTOW. But the proposition to extend the tariff law on sugar to the Philippines was not in the House provision.

Mr. LODGE. No; I am aware of that.

Mr. BRISTOW. I understood the Senator to say that the Philippines would get the duty collected. Is it not a matter of fact that there would not be any duty collected, because the tariff on refined sugar is prohibitive, so that it would all be shipped from the United States to the Philippines and not be imported from any country that would pay a duty?

Mr. LODGE. There is the provision as to refined sugar in the United States which is wholly the production of the United States.

Mr. BRISTOW. The production of beet sugar is 225,000 tons.

Mr. LODGE. We do not produce in Hawaii, Porto Rico, Louisiana, and the beet factories, I think, altogether over 1,200,000 tons. I can be corrected if I am wrong.

Mr. BRISTOW. Yes; about that quantity.

Mr. LODGE. We buy a thousand tons from Cuba.

Mr. BRISTOW. More than that.

Mr. LODGE. None of Cuba's could go into the Philippines except on the payment of duty, because it is not the growth and product of the United States.

Mr. BRISTOW. Let me inquire, then, how can we tell whether the American refiners ship to the Philippines Cuban sugar?

Mr. LODGE. I think that could be detected. I think it would be detected by the officials of the customs in the Philippines and here.

Mr. BRISTOW. Would it be any easier to detect fraud in importing it into the United States and refining it and sending it to the Philippines than in detecting fraud in importing it into the Philippines and then sending it to the United States?

Mr. LODGE. No; I do not think it would.

Mr. BRISTOW. I think that answers fully the objection the Senator offered to my amendment.

Mr. LODGE. I do not think it does. That this country will export refined sugars to the Philippines it seems to me out of the question. Why should they send sugar all that distance when they have not enough to supply the home demand?

Mr. BRISTOW. They do it. Why do they do it?

Mr. LODGE. They do do it—when they send 8,000 pounds, four tons?

Mr. BRISTOW. They get refined sugar from other countries. They consume about 3,000,000 pounds a year of refined sugar. They have been importing it from other countries. Now, you will compel them, if they still import that, to pay a much higher tax than they now pay, and then you will prevent them from getting the Java sugars or the German dark-colored sugars because you incorporate in this amendment the Dutch standard provision which is in the American law. So that you put a restriction upon the Philippine Islands consumption of refined sugar that was never before imposed, which was not in contemplation by the House provision, and which would be very much to the detriment of the Filipinos. Then it would not pay the duty, because it would go from the United States and be purchased much cheaper.

Mr. BURKETT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Nebraska?

Mr. LODGE. I do.

Mr. BURKETT. Mr. President, I would like to ask the Senator from Massachusetts a question. Perhaps I had better repeat what he said, for fear I misunderstood it. Permit me to say, first, that after listening to this discussion I had about come to believe that perhaps we ought to put the regular American rate on sugar going into the Philippines from the outside world, because we are throwing open our market, the greatest market in the world, to Philippine sugar. But about the time I got my mind made up along that line the Senator from Massachusetts stated, as I understood him, that we are not going to admit any sugar anyway from the Philippines; that they are not going to send any over here, and therefore if that is not true——

Mr. LODGE. I did not quite say that.

Mr. BURKETT. The Philippines are getting practically nothing, and we are putting on to them our tariff rates.

Mr. LODGE. I did not say that we are not going to admit their sugar, because we are going to admit it free up to 300,000 tons. What I said was that, in my belief, it will take them a long time to reach that limit of 300,000 tons. I think it will take them a very long time, and a still longer time to reach the limit in the tobacco concession, but that it will encourage them and help them to have the market open to that extent on those two products I think is undoubted.

Mr. BURKETT. Mr. President, I have gathered from what I have listened to here that this provision with reference to the Philippines is the result of what we know has been the effort of a great many years on the part of then Secretary and now President Taft to encourage the industries of the Philippine Islands. I want to say that since I have been a Member of Congress, about ten years, I have seen one thing after another, with almost the regularity of the assembling of Congresses, rise up, as it seemed to me, to interfere with the beet-sugar industry of this country. I have never failed to observe what seemed to be a genuine friendliness on the part of the Congress for the beet-sugar industry of this country. Congress has always sought to encourage the production of beet sugar. Away back in the sixties beet-sugar machinery was admitted free of duty; again, in the McKinley law in 1890, the tariff was taken off of machinery that comes in to make beet sugar. In that law Congress also gave a bounty on American-produced sugar. In addition to this Congress gave a drawback on the taxes of sugar exported. We have done all manner of things to help the beet-sugar industry of this country; yet in some way or other, through the happening of events which we could not control, there has been one thing after another during these last ten years which has been batting away and bumping away continuously at the beet-sugar industry.

But I want to say that notwithstanding that fact, notwithstanding the assaults upon it, I have seen the beet-sugar industry grow in those ten years and multiply its factories by five and increase in output from 40,000 tons of production to over 400,000 tons of production of beet sugar in this country. Yet, as I say, all the way along there has been one thing after another that has happened to raise up new and unexpected competition for the beet-sugar producer in this country. I have almost despaired at times. But I have been relieved and cheered to see the industry multiply ten times in ten years in spite of all the adverse circumstances that have surrounded it. And, Mr. President, do you know that that one thing has made me more sanguine of the future of the beet-sugar industry in this country than I might otherwise have been? We have changed our laws; we have admitted sugars from different countries at different rates from one year to another. We have not had any fixed laws for any great length of time, but in spite of all that, the beet-sugar industry has developed and multiplied, as I say, in production ten times.

I remember that among the first things that happened with reference to the beet-sugar industry during the ten years I have mentioned, and these last ten years mark the period of real development and progress in the production of beet sugar, was the admission free of duty of the Porto Rican sugar by the act of April 12, 1900, as a competitor of our beet sugar in this country. Then we admitted the Philippine sugar at 75 per cent of the Dingley law by the act of March 8, 1902. Then, by the act of December 17, 1903, we admitted Cuba's enormous production at 80 per cent of the Dingley rates. We have admitted the Hawaiian sugar free of duty for a number of years, and now in this bill we propose to admit 600,000,000 pounds of Philippine sugar free. I submit, Mr. President, that that recital of our doings shows more liberality to sugar producers outside of the United States than it shows protection to our own producers here in Nebraska and Colorado and Louisiana.

As a friend of the beet-sugar industry, if it were not for the peculiar circumstances that surround us here, as it seems to me, toward those islands, over which we are exercising control, I would be rather inclined to object to this last assault. I know how concerned the people are in the beet-growing sections of our country. I have met with the men who are raising the beets that produce beet sugar in my own State. I have talked with them face to face. A year ago I went into the North Platte Valley in Nebraska, and those people rose almost in arms to

meet me and to protest against such an arrangement as this bill contemplates. They complained of what Congress had done and implored me not to permit the gates to be further opened for sugar importation. It seemed to me then that the beet-sugar producers never would consent to the admission of Philippine sugar free; but it appears that our great President, using his good offices and his mild manner of persuasion, has finally obtained the consent, as I understand, of the beet-sugar producers in this country to admit, in addition to the Porto Rican sugar, in addition to the Hawaiian sugar, in addition to the Cuban sugar, in addition to the Philippine sugar that we have already admitted at 75 per cent, to admit practically all they produce absolutely free; and I am willing to go along on that line, believing, as I do, that we are performing a duty imposed upon us by the responsibilities we have assumed in those islands.

But in doing it, Mr. President, I want to preserve all the proper safeguards that we can. As the Senator from Kansas [Mr. BRISTOW] was speaking I sat here figuring, and I doubt if all the people of this country, or if all the Senators, realize just how small a percentage of the sugar we use pays the rates of the Dingley tariff law now, and how little will be fully amenable to the rates of this bill hereafter. We produced in this country last year of cane sugar 777,280,000 pounds. We produced of beet sugar 851,768,000 pounds. To that I have added the amounts of Philippine sugar that came in last year at 75 per cent of the Dingley rates, the amount that came in from Cuba at 80 per cent of the Dingley rates, the amount that came in from Hawaii free, and the amount that came in free from Porto Rico and from all other countries, and I found that what we produced, together with what we imported, was 6,715,909,620 pounds. I want to call attention to what a small per cent paid the Dingley law rates. Of course what we produced paid nothing. The total amount of our imports last year was 5,186,861,620 pounds, and of that there were only 1,048,559,200 pounds which paid the Dingley rates. The rest all came in free or at reduced rates. In short, of all the sugar which we imported into this country last year, just 22 per cent of it paid the Dingley rates.

Of all the sugar that we used, including what we produced and what we imported, only 15½ per cent of our sugar last year paid the Dingley rates; and if this bill goes into effect and becomes operative, and we shall import sugar from the Philippines, as it contemplates—and I will say that I do not share the ideas of the Senator from Massachusetts, as I shall show in a moment—when this bill becomes operative, taking the figures of imports as they were last year, there will be just 9.2 per cent of the sugar which we will consume in the United States that will pay the rates under this new tariff bill, and 90.8 per cent will be free sugar or at reduced rates.

I submit that when you look at this thing squarely we have not been overly generous, to say the least, with our own sugar producers here at home. When I contemplate the progress that the beet-sugar industry has made in this country, in the face of these facts and in spite of the terrible competition during these ten years while we have been admitting one competitor after another, I have grown to have a great deal more faith in the future of the beet-sugar industry than I had before. I believe if the beet-sugar industry can multiply ten times in ten years under such conditions that there is hope for it even beyond what its strongest defenders have anticipated. If that be true, Mr. President, we shall yet produce our own sugar in this country.

Mr. President, the Senator from Massachusetts seems to have no fear that we shall receive much sugar from the Philippines. It seems to me that that is only a song to lure us to sleep. You can not make me believe, with the climate, with the conditions, with the cheap labor, and all that prevails in the Philippine Islands, that when you throw open to them absolutely free this the greatest sugar market on the face of the earth that there is not going to be somebody over there who is going to grasp the situation and take advantage of it. In a comparatively short time they will fill up the 600,000,000 pounds of sugar that we permit them to bring in free.

Heretofore they have had to fight for a market in a cold world overstocked with sugar, but hereafter by the terms of this bill they are provided and guaranteed a market for their product in this the best sugar market in the world. They will not be slow to grasp the opportunity and to take advantage of it.

Now, I want to get to the amendment of the Senator from Kansas. If I thought we were giving the Filipinos nothing by this bill, I certainly should not want in this bill in which we gave them nothing to place any burden on them. Of course, the Senator from Massachusetts suggests if we do not do it in this bill that in the general Philippine tariff bill, which is coming along, it will be done. I stated that I would rather leave it until that bill comes before us, if I did not think that we were giving the Filipinos something in this bill.

I submit to the Senator from Kansas, however, that the Filipinos believe it will help them. They have petitioned us for it, and we know that the burden of their song and of their petition has been all these years that we shall freely open our market place to receive their products. I submit to the Senator from Kansas if, after we have thrown down the bars; if, after we have opened the gates of our tariff laws and permitted all the sugar production of those islands to come into America and enjoy the best sugar market on the face of the earth without the payment of a single cent of tariff, is it just to our own people in Porto Rico, in Louisiana, in Nebraska, and in all the other States of the Union that produce sugar to give those Filipinos advantages that we withhold from our own people? Is it fair to permit them to come into our market and sell their sugar here on the same terms with our people, and then let them go to Germany and to all the world and buy bounty-produced sugar at less, perhaps, than it costs us to produce it here in America? I am willing to help the Filipino, but I do not want to be better to him than we are to our own people right here at home.

In my opinion, Mr. President, it is going a little too far to pledge ourselves to buy all his product and then put him on a basis to buy on better terms than we can and to buy of other countries than where he sells. I asked the Senator from Massachusetts this question: What sort of terms do we accord to Porto Rico? Porto Rico is our own child; she lies near unto our gates; she belongs to us; and the Senator from Massachusetts replied that when she goes to Germany to buy sugar or to any other country in the world she must pay on that sugar that comes in the Dingley tariff rate; and yet to the Philippine Islands, when we are admitting her product and giving her the enjoyment of our market place absolutely free, we say, in turn, "You shall have a better opportunity than Porto Rico has got; we are going to give you better terms than we have given Cuba; we are going to give you better conditions than Hawaii has got"—and we have had that island a long time—ah, more, Mr. President, if we adopt the amendment of the Senator from Kansas, "we are going to give you better terms than the sugar planters of Louisiana have, better than all the beet-sugar producers of Nebraska and Colorado and California have; we are going to let you go to Germany, where they pay the people for raising sugar, to buy your sugar as cheap as you can."

Mr. President, if Germany should put up her bounty as liberally as she did along in the latter part of the eighties or the early nineties, I can imagine the time when the Philippine Islands will be buying bounty-paid refined sugar of Germany at a less rate than that at which she will sell her raw sugar in the United States. I submit to the Senator from Kansas, with all deference to his good judgment and his study of the question, that it is going a little too far when we say to those people that we will give them better terms than we give to Porto Rico, to Cuba, to Hawaii, to Louisiana, and even to Nebraska. Our sugar laws may be all wrong, but certainly it would not make them right or just to make such a discrimination as his amendment contemplates.

Mr. President, with reference to the second amendment, I am not going to say very much now; but it seems to me that that is an amendment against the interest of the small sugar planter. Further than that I do not care to speak; but I do want to call the attention of the Senator from Kansas to these advantages I have outlined, and in addition to that I ask him to consider also another proposition that has been a troublesome one, and that is the one of protecting our market against the sugar of the world, that would have beat down our producer, and at the same time guarding the interests of our consumer against extortionate prices. I have never heard much complaint about the price of sugar. While everything else has been going up during the last few years, sugar is the one article of consumption, and almost the only one, that has not gone up in price. Of course I would have been glad if it might have gone down.

I do not know whether or not we have handled our sugar business as well as we might have done in this country. There are a great many people who criticise Congress for the way it has managed the sugar question; but I want to say, without fear of contradiction, that there is not any nation on earth that has handled its sugar question as well as has the United States. Germany, Austria, and all the European countries have tried one thing after another in order to protect their consumers of sugar against high-priced sugar, on the one hand, and for building up their sugar production, on the other hand. They have gone even to the extreme of paying a bounty equal almost if not quite to the cost of producing sugar; and notwithstand-

ing this the people of the United States are buying sugar to-day cheaper than any other people on the face of the earth except the people of England.

And at what a price has England bought her cheap sugar. If we go back into history, we will find a time not a great many years ago when England had the sugar factories of the world. She made her sugar and sent it around the globe; but she began to do one thing and then another, to admit sugar here and to admit sugar there, until finally she cut off her tariff, and to-day she is without her great sugar industry that was once her glory. She is buying sugar cheaper because temporarily—and I am certain it can not be more than temporarily—there are other nations willing to go into their public treasury, take their people's money, and pay for the raising of sugar through a bounty system, so that those people can sell it to England for less than it costs them to produce it, because she admits it free of duty.

So that while our sugar legislation may be subject to criticism—and I dare say there is not any legislation but what is subject to criticism—and while there will always be those who can criticise sugar legislation, I submit that in the face of the history of the sugar production of the world there is no other nation on earth that has managed its sugar legislation as successfully for its people, both producers and consumers, in the long run as has the United States. There are certain wrongs perpetrated under it perhaps, but, Mr. President, there are always wrongs to correct under every legislation.

Now, Mr. President, as I have said, I am willing that Philippine sugar shall come in, because I understand the deep interest and the endeavors of President Taft in that direction. I know full well, and other Senators who have been here for ten years know, how long, how earnestly, and how persistently Mr. Taft, as Secretary and as President, has been laboring to get for the Philippine people legislation whereby they could enjoy our market for their sugar and their tobacco; and, after he has finally harmonized all differences and compromised upon this bill, I for one am willing to stand by President Taft in this matter.

The Senator from Kansas asked a pertinent question when he asked "Why should we make a difference between tobacco and sugar and the other products of the Philippine Islands?" It is very easy to answer, however, by saying it is because there are no other products of any great consequence in the Philippines. There is not anything over there that they want to send here to us except tobacco and sugar. They do not care anything about what rates we place on anything else that they produce except their sugar and tobacco and perhaps their hemp. Why? Because about all the things that are brought over to this country are carried back by American citizens as presents or souvenirs of the trip and they pay the tariff.

Mr. LODGE. Mr. President, if the Senator will allow me to interrupt his question, I will say that on the matter of hemp the Filipinos produce the best hemp in the world, and it is much more profitable to us to have their hemp. They can sell that hemp to anyone.

Mr. BURKETT. I will simply say that while I was speaking a Senator to my left called my attention to hemp, and I simply included that as another Philippine product.

Mr. LODGE. It is not of special benefit to them to have it admitted free here, but it is a benefit to us.

Mr. BURKETT. The only point I was seeking to make was—we admit the hemp, of course, for our own benefit, as the Senator said, as much as for the benefit of the Philippines—that the thing they have been contending for all these years is to get their tobacco and their sugar into our market; and it seems to me that when we are throwing this market—the greatest and the best sugar market in the world—open to the sugar production of the Philippine Islands, we ought to be protected by a law that would prevent them from bringing in the world's sugar at their back door and dumping it onto America through the front door. We ought to see to that. We ought to say to them, "If we let you sell in our market, you ought to be willing to buy in the same markets and on the same terms as the men who produce sugar in America, with whom we are admitting you here to compete, have to buy their sugar."

Mr. BULKELEY. I should like to ask the Senator from Nebraska if he does not think that the advantage of giving the Filipinos a market for more than half of their production of hemp is an advantage to them in maintaining a better price for that article, as well as a benefit to the American manufacturer?

Mr. BURKETT. Undoubtedly the American market is a privilege to any people or any nation on earth. The best evidence of that is that there are tramping these corridors every day the representatives of the men who produce things in foreign countries and who desire to get them into the American market. There is no country where hemp or anything else can command the price and can secure as steady and desirable a market as in America.

Mr. BULKELEY. I understood the Senator to say that the advantage in the admission of hemp was entirely to the American people, and that there was no advantage to the Filipinos. My claim is that opening this market for the producers of hemp in the Philippine Islands, as we have for a long period of years—in fact, before they came into our possession—has been of great advantage in maintaining the price and raising the price of hemp in the markets of the world, as it has been an advantage to the American users.

Mr. LODGE. Mr. President, manila hemp is the best hemp grown. Formerly all manila hemp went to London, and reached us by way of London, but the Filipinos collected an export duty on it. We took off the export duty, and the result is that the entire manila-hemp trade has been turned to the United States. The export duty which they formerly collected, and which went into their treasury, was taken from them. The transfer of the manila-hemp trade to the United States has been a great advantage to us. They have no difficulty about selling their hemp. It is of such quality that the entire market of the world is open to them, and they can always get a good price for it.

Mr. RAYNER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Maryland?

Mr. LODGE. Certainly.

Mr. RAYNER. Mr. President, I merely rise for information. I should like the Senator to state whether or not, in his judgment, the importation of raw sugar from the Philippines does not work in the interest of the American Sugar Refining Company? I am unwilling—I am going to be very frank about it—to vote for any measure at all that works for the advantage and benefit of that company. I should like the Senator from Massachusetts to explain whether, in his judgment, it is not a great advantage to the American Sugar Refining Company to obtain free raw sugar from the Philippines.

Mr. LODGE. They are not the only buyers. I suppose they would buy some of this sugar if it came over, as they buy some of the Porto Rican sugar and as they buy the Cuban sugar; but it would be open to all the buyers of the country, to the independent refiners, as well as to the American Sugar Refining Company. I do not suppose we could help their buying part of the Philippine sugar; but it certainly will be of no especial benefit to them, so far as I can judge.

Mr. ALDRICH. Mr. President, this proposition is practically to pay the sugar producers of the Philippine Islands a bounty of about one and sixty-eight one-hundredths cents per pound. I think there is no one who is at all familiar with sugar growing in any part of the world that does not know that the process will be immediately changed in the Philippine Islands for the production of sugar. They will no longer make sugar under the old open-kettle process; they will have modern machinery; they will make the best class of centrifugals; and there will undoubtedly be established in the Philippine Islands refineries for their own sugar. I venture the prediction that the sugar will come to the United States in a refined condition. That is inevitable. It has been the history of all sugar-producing countries in the world.

It is not very many years ago that Java, for instance, was making sugar by the old-fashioned process. They now make it entirely by the new process. It is not a long time since sugar was made in Cuba by the open-kettle process, but now nobody would think of making sugar by any except the modern method. That will undoubtedly be true in the Philippine Islands, and of course the sugar producers of the United States will have that question to face. The Philippine sugar producers will necessarily adopt modern methods, because they can not compete in the sugar markets of the world, even with this bounty, unless they do adopt modern methods.

Mr. CLAPP. Mr. President, while the question of the Senator from Maryland [Mr. RAYNER] is not, perhaps, particularly germane to the amendment of the Senator from Kansas [Mr. BRISTOW], still I want to call the attention of the Senator from Maryland to the fact that the Senator from Massachusetts [Mr. LODGE] did not answer the question. The broad fact remains that to-day, no matter what they may do when they get to refining sugar in the Philippines, the sugar that would come from there under this amendment would be what is known as "raw sugar." Neither the Senator from Maryland nor anyone else in this country to any extent whatever would use that kind of sugar. That sugar has to be refined before it is used by the American consumer; and if the American sugar refining trust is not the beneficiary of the reduction of the duty upon the raw material, I should like to know

whether, when the Senator from Massachusetts comes to plead for free raw hides, he will make that plea in behalf of the cattle raiser of the Argentine, Brazil, and the Venezuelan Republic? The theory upon which the duty is taken from a raw material is not that it benefits the country where the raw material is produced, but that it benefits in some way the country which permits that raw material to enter with the duty taken off. That was our experience in the case of Cuban reciprocity, and it will be our experience in the case of the Philippine Islands.

Mr. RAYNER. Mr. President, I should like to ask the Senator just one question.

Mr. CLAPP. I yield to the Senator.

Mr. RAYNER. What benefit and advantage—for that is the point that I am after—will the American Sugar Refining Company receive from these importations from a pecuniary point of view?

Mr. CLAPP. Simply this benefit: If Congress acts wisely in placing the final duty on refined sugar, it will place that duty at a point where it will prevent, to a reasonable extent, the coming in over that tariff wall of refined sugar. That is elemental. If we have fixed that at the right point precisely—I do not believe we have—but if we have, that is then the protection to the refiner, and refined sugar can not come in here unless the conditions will warrant the payment of that duty on refined sugar. Then, if there is no purchaser in the United States for raw sugar except the refiner, the cheaper that raw sugar can be brought here, the more benefit it becomes to the refiner. If it is a fact that the bringing in of raw sugar from the Philippine Islands free of duty will beat down the price, if they can bring it over cheaper than the cane grower of the South can raise his raw sugar, then it is to the benefit of the refiner. In the last analysis, it would be to the benefit of the American people were it not for the tariff wall, over which no considerable quantity of refined sugar can come.

I think, Mr. President, that that fact ought to be emphasized in the Senate, so that there may be no mistake throughout the country that when we insist that the refiners shall buy in competition with the American producers of raw sugar, we are not adding to the cost of refined sugar to the American consumer.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Rhode Island?

Mr. CLAPP. With pleasure.

Mr. ALDRICH. I suppose it must be conceded on all sides that the importation of 300,000 tons of sugar will not affect the price.

Mr. CLAPP. Of what?

Mr. ALDRICH. Of sugar.

Mr. CLAPP. What kind of sugar?

Mr. ALDRICH. Any kind of sugar.

Mr. CLAPP. I can not concede it. It will not affect the price of refined sugar.

Mr. ALDRICH. But the price of sugar is fixed in the markets of the world, both as to raw and refined; and it is impossible to suppose that the sugar producers in the Philippine Islands will sell their sugar in the American markets at a lower price than the people who produce sugar in the Hawaiian Islands or in Louisiana or in Cuba or anywhere else sell their sugar. The price of raw sugar, for instance, of 96 centrifugal, is fixed by the law of supply and demand; and the fact that the producers of the Philippine Islands get the advantage of the bounty will not affect the price at which they will sell their sugar in the markets of the United States.

Mr. RAYNER. I should like to ask the Senator what the duty now is?

Mr. ALDRICH. The duty varies. On 96 test sugar it is 1.685 cents per pound.

Mr. RAYNER. Will not the American Sugar Refining Company get the benefit of that if it gets free raw sugar from the Philippines?

Mr. ALDRICH. But the American Sugar Refining Company does not get the benefit.

Mr. RAYNER. One Senator says "no," and another Senator says "yes." Which is right?

Mr. ALDRICH. If we stop to consider for a moment, it will be apparent that the man who brings his sugar over from the Philippine Islands sells in competition with the man who brings sugar over from the Hawaiian Islands and Porto Rico. It is sold in the New York market at the market price there, and he gets no benefit or gets no loss. He stands in the same position as everybody else; and the American refiner buys that sugar, as he buys the sugar of everybody else, at the market price.

There is no benefit to any refiner because the sugar is brought here—300,000 tons of it—without duties being paid. The benefit goes to the Philippine producer of sugar or to some middleman who may buy it perhaps. But when it is sold here it is sold at the market price, and that market price is the market price which is fixed primarily by the Hamburg market or the markets of the world, and, secondarily, by the law of supply and demand.

Mr. CLAY. Will the Senator permit me to ask him a question?

Mr. SMITH of Maryland. I should like to ask the Senator from Rhode Island a question.

The VICE-PRESIDENT. Does the Senator from Minnesota yield, and to whom?

Mr. CLAPP. Certainly; I yield to the Senator from Maryland.

Mr. SMITH of Maryland. I wish to ask the Senator from Rhode Island if in his judgment the importation of sugar from the Philippine Islands duty free will decrease the price of refined sugar to the people?

Mr. ALDRICH. Not one particle. I venture to predict that the importation of 300,000 tons into the United States free of duty will not make one particle of difference to anybody in the price of sugar. Of course if the importation of 300,000 tons should be increased indefinitely, if we should have a million tons or two million tons, as some people think we may have in time from the Philippine Islands—whenever the supply of sugar in the United States from the domestic product of beet sugar, or the domestic product of Louisiana, or the domestic product of Porto Rico, or the domestic product of the Philippine Islands, and the importations at reduced rates from Cuba, reach a point where the total supply of the United States is sufficient for the total consumption, then the price will be changed. That is, unless the duties are entirely removed; because then we will be under different conditions. But so long as we must import 500,000 tons or a million tons or a million and a half tons, and buy that in the markets of the world, the world's price fixes the price in the United States. There can be no question about that.

Mr. SMITH of Maryland. Then the judgment of the Senator from Rhode Island is that the only parties to be benefited by the free importation of sugar from the Philippine Islands are the Filipinos themselves.

Mr. ALDRICH. Absolutely.

Mr. SMITH of Maryland. And that the consumers in this country will get no advantage.

Mr. ALDRICH. No advantage at all.

Mr. SMITH of Maryland. And sugar will not be lower?

Mr. ALDRICH. The only advantage which will accrue to anybody will be the advantage which the American people and the American Government will derive on account of its promises and on account of its relations with the Philippine Islands and the Filipinos.

Mr. CLAY. With the Senator's permission——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Georgia?

Mr. CLAPP. Certainly.

Mr. CLAY. I should like to ask the Senator from Rhode Island a question. When we passed the reciprocity treaty with Cuba, we gave a reduction of the Dingley rates of 20 per cent. From the time that treaty was ratified up to the present time that treaty has taken from the Treasury of the United States $41,680,000. In other words, from December 3, 1903, up to the present time we would have received that much more revenue than we have received if we had not passed that treaty.

Does the Senator think that the people of Cuba received the entire benefit by the loss which we sustained resulting from the ratification of that treaty? In other words, I can not believe the $41,000,000 went entirely to the people of Cuba, considering the price of sugar there. If that entire amount went to the people of Cuba and we were trying to help an impoverished people, there would be some justification for the ratification and continuation of a treaty of that kind. But if the Cuban people did not get the $41,000,000 and it went to the American refiner—not all of it, but even a part of it—then, in my opinion, we can not justify the continuation of that treaty.

Mr. ALDRICH. That is not a question here.

Mr. CLAY. It is the question that is here.

Mr. ALDRICH. I beg pardon.

Mr. CLAY. One moment; it is the identical question that is here, for the Senator says that the people of the Philippine Islands will get the entire benefit that is to accrue by reason of this free sugar coming into this country, just as the people of Cuba got the benefit of the concession sugar that came to

this country. The two cases, to any intelligent mind, must seem absolutely parallel.

Mr. RAYNER. That gives us a great deal of information. However, the question I am after does not appear yet to have been answered. I want to know, assuming that the consumer gets no benefit from this, whether the American Sugar Refining Company does not get the benefit. That is the question I should like to have answered, and it has not yet been answered at all.

Mr. CLAPP. There can be no question of that, with all deference to the Senator——

Mr. ALDRICH. Mr. President——

Mr. CLAPP. Wait until I get through. I should like to ask any man who votes to reduce the tariff or to put a commodity upon the free list if he ever heard, until the song of Cuban reciprocity rang in our ears, that we do that for the foreigner? It is elementary; the whole drift of every argument for reducing a duty, and especially reducing a duty on raw material, is that somebody within our own confines gets the benefit of it. Will any Senator—and there will be a score of them stand here in a few days to vote for free hides—say he is doing that for the cattle grower on the Argentine plains or the savannas of Venezuela? He is doing that with a view to in some way, direct or indirect, benefit the American people.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER (Mr. KEAN in the chair). Does the Senator from Minnesota yield to the Senator from Rhode Island?

Mr. CLAPP. I yield.

Mr. ALDRICH. Does the Senator from Maryland or the Senator from Minnesota suppose that sugars 95 or 96 centrifugal brought into this market and sold in the New York market from Cuba will be at one price, and 96 from the Philippines will be another price, and 96 centrifugal from the Hawaiian Islands at another price? Does the Senator suppose there would be a quotation on one kind on 96 centrifugal coming from the Philippine Islands because no duty has been collected? Certainly not. That is against plain common sense and against the laws of trade.

Mr. CLAPP. The Senator is absolutely correct. The reported quotations at New York will show no difference between the sugar of the same grade that comes from Cuba, Porto Rico, the Hawaiian Islands, or anywhere else. If that sugar does not bring the same price in the home market, some one buys it here for less than the sugar would otherwise have brought. If that is not true, what possible support is there for one moment to the proposition of ever reducing a duty, and especially a duty on a raw material? It is true that the market quotation is gathered from Hamburg, and from Hamburg to Wall street, but, nevertheless, somebody receives it, and if it is not the people within our own confines who get the benefit of it, then there is no benefit conferred.

The market quotations, as shown here by the Senator from Georgia the other day, with reference to the price of raw sugar in Cuba after Cuban reciprocity, showed they did not get the benefit of it. The quotations of refined sugar within our tariff walls show that the consumer did not get the benefit of it. Then who does get the benefit of it, except somebody between the producer of the raw sugar in Cuba and the consumer of the refined sugar at the American table? There can be no escape from that conclusion.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Rhode Island?

Mr. CLAPP. With pleasure.

Mr. ALDRICH. Fortunately for this discussion we have a practical test of this question to which we can refer. Some twelve or fifteen or twenty years ago, possibly, the United States made a treaty with the Hawaiian Islands, then an independent sovereignty, by which we admitted Hawaiian sugar into the United States free of duty. The records will show that the price of sugar never varied a fraction of a cent or a fraction of a fraction of a cent on account of those importations.

Mr. CLAPP. The price of sugar?

Mr. ALDRICH. In this country never valued at all. The record shows that all that reduction in duty or restoration of duty was for the benefit of the people of the Hawaiian Islands. It constituted a bounty paid to the sugar producers of the Hawaiian Islands. It is the same case as this. It is simply paying to the people of the Philippine Islands a bounty of 1⅛ cents, or whatever the rate may be.

Mr. CLAPP. There is not a Senator on this floor, Democrat or Republican, who would vote to pay a bounty of that amount direct to the Philippine government or producer of sugar. When we had Cuban reciprocity in this Chamber, I proposed a proposition to donate to the Government of Cuba $3,000,000 a year. It was ridiculed. And yet we could have made that donation and saved $4,000,000 a year from that day to this. The figures as given from the quotations with respect to Cuba have absolutely proved that the Cuban producer did not get that benefit. Some one between the producer and the consumer at our table got it.

Mr. SMITH of Maryland. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Maryland?

Mr. CLAPP. With pleasure.

Mr. SMITH of Maryland. I should like to ask the Senator a question. As I understand, if this sugar comes in free it will deprive this Government of a revenue of $10,000,000. It has been answered that there is no benefit to accrue to the consumer. That $10,000,000 has to be raised in some other way. I want to ask the Senator if the people of this country will not have to pay this in some other tax elsewhere in order to make up the deficiency?

Mr. CLAPP. There is not any question about it. The American people have paid into the Treasury of the United States since Cuban reciprocity the difference between what we would have collected on that sugar and what we did collect. I think it is——

Mr. RAYNER. State the amount.

Mr. CLAPP. I think it is six or seven million dollars a year. I forget exactly.

Mr. SMOOT. Mr. President——

Mr. CLAPP. Now, here is another question.

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Utah?

Mr. CLAPP. With pleasure.

Mr. SMOOT. In relation to the question whether Cuba gets the benefit of the 20 per cent reduction that we give her, I have here the quotations of June 4, 1909, in the New York market—of centrifugals, Cuba 96 test and centrifugals 96 test, nonpreferential sugar.

Mr. ALDRICH. The price in bond?

Mr. SMOOT. The price in bond. The price of Cuban was 2.53 on June 4, 1909. Centrifugals, nonpreferential sugar from all other countries, were 2.20, showing a difference in favor of Cuban sugar—the same identical kind of sugar——

Mr. CLAPP. Where was that price quoted?

Mr. SMOOT. In New York.

Mr. CLAPP. Certainly.

Mr. ALDRICH. It is the price in bond.

Mr. SMOOT. Certainly. This firm buys and sells the sugar. This is a daily quotation. It shows a difference of 33 cents on that day between the nonpreferential sugar and the Cuban sugar and 20 per cent on 168½ is just 33.70 per cent. This is quotation on June 4.

Mr. RAYNER. Mr. President——

Mr. CLAPP. I yield to the Senator from Maryland.

Mr. RAYNER. Could the Senator tell me how much revenue we collected upon Cuban sugar before reciprocity?

Mr. SMOOT. Yearly?

Mr. RAYNER. Yes.

Mr. SMOOT. No; I do not remember.

Mr. RAYNER. I understand it was about $40,000,000. Is that right?

Mr. SMOOT. I could soon tell.

Mr. RAYNER. That is the information I have.

Mr. SMOOT. No; there are only a million tons now. It could not be that.

Mr. RAYNER. How much was the amount?

Mr. ALDRICH. It is a perfectly plain proposition.

Mr. RAYNER. How much was the amount?

Mr. ALDRICH. We do not receive as much revenue from Cuban sugar by 20 per cent as we would if we had not reciprocity.

Mr. RAYNER. How much does that 20 per cent amount to? The Senator from Minnesota states about $3,000,000. My information is it is nearly twice that—nearly three times that.

Mr. CLAPP. Not three times that. I think it was about $7,000,000 a year. I spoke hastily. But it is about $42,000,000 we have lost.

Mr. RAYNER. About $42,000,000.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Kansas?

Mr. CLAPP. With pleasure.

Mr. BRISTOW. I wanted to inquire of the Senator from Utah if he means to convey the idea by that quotation that the Cuban sugar producer has received for all the sugar that he has sold since the Cuban reciprocity treaty 33.8 cents a hundred pounds more than he would have received if that treaty had not been in force.

Mr. SMOOT. In my statement on the sugar question here the other day I frankly stated that there were conditions which, especially when the Cuban sugar was rushed here, that affected the price in the market; when the Cuban did not get the full amount. But there are times, and most of the year, when he does get the full amount, as the quotations of June 4, 1909, will show.

Mr. BRISTOW. That is, sometimes he gets it and sometimes he does not.

Mr. SMOOT. That is just the statement I make.

Mr. BRISTOW. He does not get it when there is the most sugar coming in.

Mr. SMOOT. That affects the market.

Mr. BRISTOW. And the price goes down. When there is very little coming in the price is up.

Mr. SMOOT. Not necessarily that. I think that is putting it in rather an unfair position.

Mr. BRISTOW. Generally, that rule prevails, does it not?

Mr. SMOOT. No; I would not want to say that.

Mr. CLAPP. To continue——

Mr. NEWLANDS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Nevada?

Mr. CLAPP. For a question. It is getting late.

Mr. NEWLANDS. I will not interrupt the Senator.

Mr. CLAPP. To continue the remarks I was making, I want to say that to my mind this is the most remarkable proposition that was ever presented by a Republican committee. The Senator from Rhode Island the other day——

Mr. ALDRICH. Will the Senator permit me for a moment?

Mr. CLAPP. With pleasure.

Mr. ALDRICH. It is well understood, an absolutely open secret, that this proposition is here at the request and suggestion of a Republican President of the United States, and that he is extremely desirous, for the benefit of a people whom he believes to be wards of the United States, and over whose destinies he presided, that this proposition should be adopted.

Mr. CLAPP. I am glad to hear that.

Mr. ALDRICH. I think the Senator from Minnesota knew it as well before I stated it as he knows it now.

Mr. CLAPP. I did not know it.

Mr. ALDRICH. Well, I do.

Mr. CLAPP. The Senator from Indiana stood here a few days ago and read speech after speech of the President of the United States in which he had promised the American people in the main a reduction upon these tariff schedules. Why are not the Senators who are controlling this legislation as desirous and solicitous for maintaining the integrity of a President's promise which had been written into a thousand newspapers, which had been written into his public address in this Chamber on the 4th day of March, and about which there can be no quibble, instead of insisting here about promises of which the Senate, so far as I know, has no knowledge direct from the President?

There is in the President's message, however, a discussion as to the danger of allowing oriental immigration into this country, and pursuing that same line I, for one, am opposed to allowing the product of oriental labor to come into this country as against that of the American workingman.

Mr. ALDRICH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Rhode Island?

Mr. CLAPP. With pleasure.

Mr. ALDRICH. Has the Senator's attention ever been called to the provision of the Republican platform upon this subject?

Mr. CLAPP. I have heretofore discussed that platform in the Senate, perhaps to the Senate's own weariness.

Mr. GALLINGER. Not that phase of it.

Mr. CLAPP. Yes; I think so.

Mr. ALDRICH. The President of the United States and his predecessor in office have repeatedly called the attention of Congress to the desirability of adopting legislation of this precise character.

Mr. CLAPP. Of this precise character?

Mr. ALDRICH. Yes, sir; this precise character; full free trade.

Mr. CLAPP. Oh, that is another proposition.

Mr. ALDRICH. This is only partial free trade.

Mr. CLAPP. This is not anything except something that I prophesy on this floor to-day will, if it succeeds, be reflected in the advance of the stock of the American Sugar Refining Company of this country.

Mr. ALDRICH. Certainly; absolute free trade would do that.

Mr. CLAPP. Absolute free trade in refined sugar would not.

Mr. ALDRICH. I suppose it is of no consequence to the Senator from Minnesota what the views of the President of the United States may be upon this question; but while I do not pretend to be his official representative on this floor, I do not transcend my own ideas of my obligation to the President and I am sure I do not transcend anyone's idea of propriety when I say that I know that not only is the President in favor of legislation of this kind, but he is in favor of this identical legislation.

Mr. CLAPP. I should like to just analyze this for a moment and see whether he is.

Mr. BRISTOW. Will the Senator permit me?

Mr. CLAPP. With pleasure.

Mr. BRISTOW. I should like to ask the Senator from Rhode Island, if he will give me his attention——

Mr. CLAPP. No; of course not.

Mr. BRISTOW. I should like to ask the Senator from Rhode Island if the President is in favor of incorporating into this bill the identical provision which my amendment seeks to take out, and that is, fixing the same duty on refined sugar for the Philippine Islands, including the Dutch-standard provision, that we have in the laws of the United States? That is the question before the Senate now. Does the Senator stand here and say that the President has told him he is in favor of putting that provision into this law?

Mr. ALDRICH. I do not know what the Senator's amendment is or what his views are upon this subject.

Mr. BRISTOW. Of course the Senator does not know what the amendment is, because he will not stay here and listen to the discussion.

Mr. ALDRICH. Therefore I am not able to say whether the President agrees with the Senator from Kansas or not.

Mr. CLAPP. To resume, I want to know whether he believes that any man fit to be President, unless it be a man who has never been President, although three times he has aspired to that high office, would agree to that proposition. There is no man on this floor who holds in higher esteem the opinion of our President than I do, and for a month here, perhaps without very much progress yet—although I believe that some light is coming through the clouds—I have tried to make that man's promise a part of the performance of our duty. But the President has a means by which he can communicate to the Senate.

I find in the Democratic platform of last year two wonderful propositions. One was to allow the products of other countries to come into this country free when they came into competition with a trust product; and in my humble capacity I helped to punch holes through that proposition, upon the theory that when an article reached our shores, no man on earth could tell whether it would be sold at a particular point in competition with a trust-produced article or in competition with an article produced by an independent concern. And yet the Senate last Saturday solemnly enacted that the duty upon a certain commodity when it reached our shores should depend upon the question whether it was going into the American stomach or going into a piece of cotton goods as a part of the finished product of the cotton itself.

Then we have another——

Mr. RAYNER. And yet the Senator is now standing on the Democratic platform?

Mr. CLAPP. It struck me at the time, and I reminded some of my colleagues, that it was a problem.

We have another proposition in the Democratic platform of last year, and that was that a license should be issued to allow these combinations to make 25 per cent of the product of the country, and the Senator and every Republican in this country ridiculed that, saying it was absolutely impossible to administer any such proposition, and it passed into innocuous desuetude along with the balance of that platform.

See what we have here. Here is a proposition to allow 300,000 tons of Philippine sugar to come into this country free; and how is it to be determined? It is not every prophet who lives to see his prophecy worked into legislation by his opponents. It is to be determined by first taking those men who produce less than 500 tons, giving them the first chance. Then when they are filled, if there is still something left of the

300,000-ton limit, it can be put in by men who have raised more than 500 tons. I do not believe that the President indorses any such fallacy as that—a proposition that could never be worked out in practical results.

Here we find a Filipino farmer, for whom we shed tears and for whom we plead to-day, and out of the bounty of our sympathy we must take care of that man. He lives within reach of the market, so that he can get his 500 tons in before the 300,000-ton limit is reached, and then comes another poor Filipino for whom we are weeping and shedding tears of sympathy, but he does not get there within the 300,000-ton limit, and consequently he does not get the benefit of this so-called "bounty." Of all the patchwork that was ever reported for legislation, it does seem to me, with all due deference, this takes the palm.

The Senator from West Virginia is absolutely right. There are two principles involved in this tariff—either a moral question or a question of dollars and cents. If it is a question of dollars and cents, we should collect a duty on the Philippine product. If it is a moral question, there can be no compromise on it. If it is the duty of the American Republic to let in Philippine sugar because it is due as a moral right to the Filipino, then it is an equal duty to let in every pound that every poor Filipino may be able to produce. The Senator from West Virginia is absolutely right. There can be no compromise upon this question.

I do not believe that any such proposition as that ever passed the scrutiny of that great jurist who to-day sits in the executive chair of this Nation. If so, there is a way to bring that approval to the Senate rather than the mere say so of some Senator. When we had up Cuban reciprocity, we were told that somebody had promised something to the Cubans, and we must maintain that promise. Now it is proposed to enact this proposition into legislation, based upon the theory that there are two Filipinos entitled to the benefaction of this Republic, and yet the one who can get to the market first with his 500 tons of sugar is benefited and the other is barred out. That involves no such proposition as should in the last analysis be a solution of a moral question or the recognition of a moral obligation.

There is one thing more, and then I will quit. I did not intend at this particular time to talk on this subject. For eight years I have stood in the Senate, and I have legislated as honestly and conscientiously as I knew how for what I believed, next to the agricultural interest of America, to be the basis upon which our prosperity rests, and that is the industrial life of our country.

For the last few months this Chamber has rung with the exclamations of those who wanted to do something for American labor, and now it is proposed to open the Philippine Islands to allow men to go there and exploit that cheap labor and then bring the product here in competition with American labor.

A Senator said this matter has been arranged. Have the men who have eked out only half an existence in making cigars appeared here and consented to this arrangement? Have the independent beet growers who are left in this country come here and consented to this arrangement? I think not.

For one, let the consequence be what it may, I will not and can not vote for a proposition that will bring in competition with the American laborer the product of the laborer of the Philippine Islands, employed, as he inevitably will be, not by Filipino capital, but by American capital, and exploiting the product of that cheap labor here in our very midst in competition with our own American labor.

Mr. BRISTOW. Mr. President, referring to the suggestion made by the Senator from Nebraska [Mr. BURKETT], the Senator seems to be disturbed because the Filipinos now are buying sugar upon which a bounty is paid on its export from the countries where it is produced. In this he is mistaken. There is no bounty-produced sugar in Germany now, nor has there been for about five years.

The drift of the Senator's argument was that we were opening up to the Filipinos a market for their raw sugar. I made a statement in addressing the Senate this morning to the effect that the sugar which comes here from the Philippine Islands has practically but one buyer. Occasionally some other refinery may buy a small amount, but the great bulk of the sugar that comes from the Philippine Islands here is bought by the American Sugar Refining Company.

It is not sold to the trade. It is bought to be refined. The removal of the duty from Philippine sugar will give the American Sugar Refining Company its raw sugar from the Philippines cheaper than it gets it now. That can not be denied, because I will cite Cuba as an illustration. The refiners in this country who buy Cuban sugar to-day do not pay the same that they did before the treaty, plus the duty; that is, the Cuban people do not get the full advantage of the 33.8 cents per hundred pounds that was taken off the duty. It did not increase the price of their sugar that much. Take the present tariff of the Dingley rate off the Philippine sugar, and the Filipino will not get as much for his sugar as he is getting now. He is not sending his sugar here. He is selling it where he can. He will not get what he is now receiving, plus the duty.

The Senator from Rhode Island has said that it will not reduce the price of refined sugar in this country a penny, and that is true. The Filipino will not get the price that he now gets, plus 75 per cent of the duty. That will not happen. That can not be denied. The Cuban does not get it. He has not gotten it a single year since the treaty has been ratified, and the Filipino will not be as fortunate as he, because the Cuban makes better sugar, and therefore has a better and a wider market for his product.

The difference between the amount that the Filipino gets for his sugar now, plus the duty, and the amount he will get then, will be the amount that the American Sugar Refining Company will make out of this concession, the same as it made a large amount of money out of the Cuban reciprocity treaty.

The Senator from Rhode Island made the statement that 96° centrifugal sugar coming from the Philippine Islands commanded a certain price. I should like to have informed him, if he had honored me by remaining here, that there is no 96° centrifugal sugar coming from the Philippines to the United States and never has in the history of those islands. The highest degree of sugar imported from the Philippine Islands to the United States last year was 89°.

The Senator from Rhode Island says if this bounty is extended, there will be sugar refineries established in the Philippines. There are no sugar refineries in Hawaii, although they produce 500,000 tons a year and sell it in the United States free of duty. There have never been any sugar refineries established there; there are none there now.

Mr. PERKINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from California?

Mr. BRISTOW. Certainly.

Mr. PERKINS. I will say to the Senator from Kansas that the planters of the Hawaiian Islands have a sugar refinery in San Francisco.

Mr. BRISTOW. But they did not establish it in Hawaii; they established it in San Francisco.

Mr. PERKINS. Eighty-five per cent of it is owned by planters in the Hawaiian Islands.

Mr. BRISTOW. There is a sugar refinery, owned largely by Hawaiian sugar planters, established at San Francisco. The Senator from Rhode Island said that there would be refineries established in the Philippines. There are none in Cuba, there are none in Porto Rico, there are none in Hawaii. For some reason—why, I do not know—when the Hawaiian planters established their refinery they put it at San Francisco instead of in their own islands, and they established that—and if I am wrong in this I invite the Senator from California to correct me—for the purpose of being able to refine Hawaiian raw sugar, if it was necessary, instead of being compelled to depend upon the trust that fixed their prices for sugar.

Mr. PERKINS. I think the Senator is correct in that respect.

Mr. BRISTOW. As the result of establishing that refinery they were able to make a far better contract than they were before they owned the refinery, and they have the best contract for their raw sugar of any country in the world. That is because they were rich enough and strong enough to establish a refinery of their own and to be independent of the sugar trust.

But the Filipinos can never do that, because the 300,000 tons, which is the limit that they can export here, would not justify them if it was practical. For some reason there are no refineries established in the Tropics. The sugar is refined in England, in the United States, Canada, and so forth. They do not refine it where it is grown, except the beet sugar.

The Senator from Nebraska [Mr. BURKETT] stated that the English refineries had been destroyed for some vague and indefinite reason. The English refineries are running now; they are refining the sugar that is consumed in England, and they have no protection whatever except about 40 cents per hundred pounds, the same on refined sugar that is on the same degree of raw sugar. There is no Dutch standard proviso there. Their pure sugar, whether it is raw or refined, is judged by the

polariscopic test as to its saccharine strength, and that fixes its price as well as the duty.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Utah?

Mr. BRISTOW. Certainly.

Mr. SMOOT. If I understand the Senator, he says that England refines all her sugar.

Mr. BRISTOW. Yes; they do now, practically, since the bounty was taken off of German sugar.

Mr. SMOOT. England does not refine 50 per cent of her sugar. I know that she refined 79 per cent, but the amount has now fallen down to about 49 per cent.

Mr. BRISTOW. It is true that when Germany was paying a bounty on the sugar they undersold the English refiner, and the English refineries were closed, but since the bounty has been taken off German sugar, they are now refining their sugar. If the Senator will visit me at my office some time, I will show him some English sugar that has been refined, and I will tell him what it was sold for.

Mr. SMOOT. I know that England refined last year 49 per cent of the refined sugar, and I know they used to refine 79 per cent of it; and it is because there is no differential in England that the refinery of sugar is leaving England and going to Germany.

Mr. BRISTOW. They probably have not such a class of refineries there as we have built up here by exorbitant protection on refined sugar. I take it for granted that the refiners in England have not robbed the treasury and everybody else they could get at.

The Senator from Nebraska claims that we should not permit the Filipinos to buy refined sugar from any other country because we are going to permit them to market 300,000 tons of their sugar here. If the Senate would remove the restriction limiting the amount that could be imported by any one sugar factory to 500 tons, so that centrifugal mills or factories would be established in the Philippines and have an opportunity to make that sugar [exhibiting], then we would have a high grade of raw sugar made in the Philippines; but it is not practicable to establish centrifugal factories there when 500 tons is the limit they can produce.

By the amendment which I have modified, raising that limit to a thousand tons, it would enable the establishment of centrifugal factories and then you would enable the Filipinos to make a sugar that can find a market not only in this country at a reasonable price, but also in other countries, and you would encourage and help them in sugar producing; but as long as you confine it to that small amount and do not permit them to put in the modern machinery that is necessary to make the high-grade raw sugar, then you prevent them from taking advantage of the very laws of manufacturing that will enable them to develop their resources. Instead of extending to them this favor that we propose to extend to them, we pretend to extend it, but so hedge it about it is not much of a favor at all, because with the production of that kind of sugar [exhibiting] there is but one market for it in the United States, and that is the refineries, and the American Sugar Refining Company is the only company that will take it and use it except occasionally when they sell an order to some other company.

They are absolutely at the mercy of the trust to find a market for their product, and you are not only placing them at the mercy of the trust for a market for the raw sugar, but it is proposed to make them pay upon any refined sugar that may be imported the full rate of this bill, not for the purpose, as suggested by the Senator from Massachusetts, of securing revenue to their treasury, because they would not get any revenue; there is no revenue that comes to the people of the United States from the importation of refined sugar, because the duty is prohibitory. So the result of this legislation is that you confine them to the old crude method of making sugar and do not give them an opportunity to embrace the modern facilities for making a high-grade sugar such as that which is made in Louisiana.

Then as the compensation for this pretended favor you impose upon them a provision in regard to the importation of refined sugar into their own country that is obnoxious to the sense of justice of mankind, and you will add, if the Philippines ever become free, one more of the nations of the world that use the Dutch standard, making eight instead of seven, excepting this country of ours.

Now, Mr. President, that is why I am objecting to this. I am not discussing the desirability of admitting 300,000 tons into this country, as has been discussed by a number of Senators. That is an entirely different question. If this legislation is for the benefit of the Filipinos, should they not be given the opportunity to get the greatest possible advantage out of the legislation? Should they not have the widest possible market for their product? Should they not have an opportunity to develop the most important facilities for the production of sugar, so as to make a sugar that can sell in competition with other countries in China, that will compete with Java and the other sugar-producing countries?

But we deny them the facilities their competitors have for producing the best sugar in the world, and selling it in their markets; we, as their guardians, propose to engraft into this legislation a provision which prevents them from utilizing advantages which their competitors have, and compel them to send it all here, practically, to one purchaser, the American Sugar Refining Company; and, as I have frequently said, compel them to pay this high duty on their refined sugar.

We compel them to sell to the American Sugar Refining Company their crude sugar, which brings practically nothing; 75° sugar brings, I think, $1.30 a hundred. If I should take the time of the Senate, I could give you the price paid for this [exhibiting] 82° sugar. I think it brings $2.14 a hundred. The refiner pays more than anybody else will pay, because it is unfit for use except when refined, and there is no market in the United States except that refinery. So the Filipino has no place to sell except a refinery, and then by this legislation you propose to make him buy his refined product from the same refinery also. You compel him to sell his product to one institution, and then you make him buy the refined product from the same, and that institution fixes the price it pays him for his raw product as well as the price it charges him for his refined.

You may indulge in all the statistics you please; you may argue here from the standpoint of misinformation; you may make declarations here that are not in harmony with the facts, as every one of the Senators who has defended this provision has, but it does not remove the naked fact from this legislation; that is, the result of this legislation will be to compel the Filipino to sell his raw product to the American Refining Company, and then the people of that island to buy the refined sugar, if they use it at all, practically from the same company. That will be the practical effect. In my judgment, it is vicious and wrong.

APPROPRIATIONS, IF NECESSARY, FOR EDUCATION, INDUSTRIAL TRAINING, OR AGRICULTURAL DEVELOPMENT, BUT NOT ONE DOLLAR TO FAVORED INTERESTS.

Mr. NEWLANDS. Mr. President, I understood the Senator from Rhode Island to state that this remission of duty to the Philippine Islands constitutes a bounty to the Filipino producers, and that it will doubtless so stimulate the production of sugar that they will perfect their processes and make 96° centrifugal sugar, upon which the duty is 1.68 cents per pound, or about $35 per ton. I thus understand the Senator from Rhode Island to admit that upon 300,000 tons the total annual bounty to be paid to the Filipino producers by the remission of this duty is about $10,000,000.

Now, Mr. President, the question arises as to who the Filipino producers are. Are they the masses of the people, or are they the owners of large estates; and if the latter, as I understand is the case, will any of the benefit of this bounty filter down to the masses of the people themselves, whom it is our purpose to benefit? Then the question arises as to who will be the producers of sugar after this bounty is voted.

I take it for granted that the American sugar trust will be as active in the Philippine Islands, in case this bounty is given to sugar production, as it has been in the island of Cuba; and the indications are that this trust and the persons associated with it will ultimately absorb the cultivation and production of sugar in Cuba, just as they have absorbed the control of the beet-sugar companies in this country.

The total bounty amounts to $10,000,000 annually. The period of our occupation in those islands is assumed to be not less than fifteen or twenty years; so that during the period of fifteen years we will pay a bounty of $150,000,000, and during twenty years, if our occupation lasts that long, we will pay a bounty of $200,000,000.

What is the purpose of the bounty? The purpose of Mr. Taft doubtless is to benefit the Filipino people, not to subsidize the sugar trust, not to subsidize the large owners of land in the Philippine Islands, but to benefit the people themselves.

We all know that the class of labor engaged in cane culture is semiservile, attached to the soil, with no rights in it. We all know that this bounty will go either to the sugar trust or to

the large planters, and that very little of it will go to the people themselves, whom it is the President's desire to benefit.

If this philanthropic purpose of the President is to be carried out, and I have no objection to the purpose, on the contrary, I would applaud it, is there not a better way of benefiting the Filipino people than to subsidize the sugar trust or the Filipino planters to the extent of $10,000,000 annually? The Senator says that if production is stimulated there the Philippines will soon produce the highest standard of sugar. How?

By the erection of sugar mills. I am told by the Senator from Louisiana, who sits at my side [Mr. MCENERY], that the cost of a sugar mill, which turns out 30,000 tons of sugar per annum, is about $300,000. Ten sugar mills would turn out 300,000 tons of Philippine sugar, the amount which it is proposed to import into this country free of duty. So that $2,500,000 would cover the total cost of 10 modern sugar mills which the Government could help to establish, and thus accomplish some good to the small producers of cane sugar, who would have access to mills having an established toll for the purpose of crushing sugar cane and turning it into sugar, according to the most improved methods.

So in the place of this enormous bounty of one hundred and fifty million or two hundred million dollars, contemplated by this tariff, to the producers of sugar, the Government could, at a cost of $2,500,000, aid in establishing in the Philippine Islands these great mills, which would assure improved methods of sugar production at reasonable tolls.. The small producer of cane would thus be protected, and the great masses of the people would be more effectively reached.

So there is the contrast. A present expenditure of two and a half million dollars against an expenditure of one hundred and fifty million or two hundred million dollars in a period of ten or fifteen or twenty years, the most of which would go to the sugar trust or to the great land proprietors of those islands.

Mr. President, I am in absolute sympathy with the President's purpose to discharge in full our trust regarding the Filipino people. It is true that I was opposed to the assumption of such trust. When Dewey won his great victory at Manila, I urged President McKinley to immediately order Dewey and his fleet to Cuba, claiming that whilst the destruction of the Spanish navy, wherever found, was a legitimate part of the humane war inaugurated for the freedom of Cuba, it was not a legitimate part of that war to take possession of any of Spain's possessions except Cuba and that our efforts should be concentrated there.

I would have been glad if this had been done, but we have now assumed a certain responsibility toward the Philippine Islands. We have assumed a trust toward those islands, and it is obligatory that we should discharge it in a manner becoming the intelligence, the honor, and the conscience of our country.

So, I stand ready to vote direct appropriations, if they are necessary, in aid of the education, in aid of the industrial training, in aid of the agricultural development of the Filipino people, but I will not vote for one dollar of bounty to favored interests; I will not vote one dollar to the sugar trust, which, in my judgment, in the end will become the monopolistic producer of sugar in these islands; nor will I vote one dollar to the great sugar planters of those islands who view the laborers upon their plantations as mere slaves, attached to the soil, but without right in it. I do not believe that this kind of agricultural development will advance the capacity of the Filipino people for self-government.

Mr. STONE. Mr. President, it is not my purpose at this moment to discuss the committee amendments as a whole. I want, however, to make one or two observations with regard to the particular amendment now pending. That amendment relates to the second proviso in the committee amendment. That proviso in effect provides that where sugar or tobacco is exported from foreign countries into the Philippine Islands it shall bear the same rate of duty as like articles would be subject to if imported into the United States. The Senator from Kansas [Mr. BRISTOW] moves to strike from the proviso so much of it as relates to sugar.

The question was asked a while since by the Senator from Maryland [Mr. RAYNER] as to who would be benefited by the passage of this proposed provision of law, as a whole. The Senator from Rhode Island answered that question by saying that no one under heaven would be benefited by this proposition of free trade, or limited free trade, if such a thing can be conceived, except the Filipino planter.

The Senator from Rhode Island was speaking with regard to the whole amendment. I will not now speak to the whole question; but I will answer the inquiry as applied to the particular amendment proposed by the Senator from Kansas to the committee amendment. Under this proviso, the second in the amendment, the Filipino planters would perhaps get a benefit at some time—not now, but at some indefinite period in the future. The Senator from Massachusetts [Mr. LODGE] stated this afternoon that, in his opinion, the enactment of this provision would not increase—at least for a very long time—the importation of sugar from the Philippine Islands to the States. There is a prospect of some good coming to the Filipinos by opening up our markets to them—at least so it is said—at some time in the distant future. It is a privilege to be enjoyed in futuro, not in præsenti.

But, Mr. President, the sugar refineries—the sugar trust—of the United States would be immediately benefited by the enactment of this provision. The Filipino can now import his refined sugar from foreign countries for use in his home at a lower rate of duty than like sugars can be imported into the United States.

Pass this law, and immediately upon its being signed by the President the Filipino, importing sugar for his own consumption or for sale in his local market, will be obliged to pay a much higher duty than now—a duty equivalent to that exacted in this country—and will be in effect compelled to purchase from the sugar refiners here, because the sugar refiners of the United States, under the provisions of this amendment, can export sugars from our shores and land them in the ports of the Philippine Islands free of duty; and, to be sure, that would give to them the same monopoly of the Philippine market they now enjoy in the United States.

The question is, Who gets the benefit of that? There is a vague hope of benefit held out to the Filipinos lying somewhere in the distant future; but the sugar trust would enter upon the full enjoyment of its advantage at once.

Mr. President, this is simply another instance of the bunco game that is being played upon the Philippine people in the course of our policy of "benevolent assimilation." If the view of this matter to which I have alluded covered the case, I would not hesitate to vote for the amendment proposed by the Senator from Kansas.

But there is another consideration which seems to me to be important, and which has been several times adverted to, which makes me hesitate, and that is this: If this proposition carries, and it will, and if the tariff rate in force in the United States is not applied to the Philippines, and they are permitted to bring in outside sugars from the wide world free of duty, or at a rate of duty far below that obtaining in the States, I can see how a vast amount of outside sugar might be brought in here as Philippine sugar. They could take it into the islands at a low rate, and then send it here. That result might possibly be avoided by some well-matured plan of administration, but I doubt it.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Kansas?

Mr. STONE. I do.

Mr. BRISTOW. Mr. President, of course it is to be presumed that the Treasury Department will make ample provision to protect us from such fraudulent importations. This proposed law requires that only the product, and wholly the product, of the Philippine Islands may enjoy this benefit; and so any sugar that was not the product wholly of the Philippine Islands could not come, according to the proposed law. The same provision should be made to protect us from importations of that kind that is now made to prevent the sugar refineries from importing sugar in bond, refining it, and selling it to the American people without paying the duty. The same system or process in administration would be necessary; but that would be no more difficult in one case than it is in the other.

Mr. STONE. It is true other provisions of this measure do provide that the products of the Philippines coming into the United States shall be wholly of material produced in the Philippine Islands; still, if a large amount of Java sugar, or other oriental sugar, should be imported into the Philippine Islands, I apprehend that the law-enforcing part of the Government would find it difficult to keep track of those importations and prevent them being unloaded, to a greater or less extent, upon the American market.

Mr. BRISTOW. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Kansas?

Mr. STONE. Yes, sir.

Mr. BRISTOW. Mr. President, I should like to advise the Senator that the provision in the bill requires that any importations from the Philippines must be direct, accompanied by a through bill of lading, and, as amended, within three months.

Mr. STONE. I know that. However, I do not care to prolong this phase of the discussion. The Senator from Kansas and others went over it very fully this afternoon, and, if I revive it now, it would result in little more than a repetition of what has been already said. I listened with great care to all that was said, and I am not able to escape the apprehension to which I have alluded. That is the only thing that makes me doubt in the least degree the wisdom of what the Senator from Kansas proposes.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Kansas [Mr. BRISTOW].

Mr. BRISTOW. Mr. President, the yeas and nays, I understand, have been ordered on the amendment.

The PRESIDING OFFICER. They have been ordered.

Mr. BULKELEY. Mr. President, I should like to have the amendment stated.

The PRESIDING OFFICER. The amendment proposed by the Senator from Kansas will be stated.

The SECRETARY. On page 2, line 5, of the amendment, after the word "That," it is proposed to strike out the words "sugar, refined or unrefined, and;" and in line 9, after the word "upon," to strike out the words "sugar and."

Mr. BULKELEY. Are we to vote on both amendments at the same time, Mr. President?

The PRESIDING OFFICER. The Chair so understands. The Secretary will call the roll.

The Secretary proceeded to call the roll.

Mr. STONE (when Mr. BEVERIDGE's name was called). I have a general pair with the Senator from Wyoming [Mr. CLARK], who is in the Senate, but I have a special pair this afternoon with the Senator from Indiana [Mr. BEVERIDGE], and therefore withhold my vote.

Mr. ELKINS (when his name was called). I am paired with the Senator from Texas [Mr. BAILEY]. I will therefore withhold my vote.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON]. He being absent, I will withhold my vote. If he were present, I should vote "nay."

Mr. MCLAURIN (when his name was called). I am paired for the day with the junior Senator from Michigan [Mr. SMITH].

Mr. BURTON (when Mr. OLIVER's name was called). The Senator from Pennsylvania [Mr. OLIVER] is unavoidably detained this afternoon. If he were present, he would vote "nay." He is paired with the junior Senator from Oregon [Mr. CHAMBERLAIN].

Mr. ELKINS (when Mr. SCOTT's name was called). My colleague [Mr. SCOTT] is unavoidably detained from the Senate this afternoon. He is paired with the senior Senator from Florida [Mr. TALIAFERRO]. If present, my colleague would vote "nay."

Mr. TALIAFERRO (when his name was called). I have a general pair with the junior Senator from West Virginia [Mr. SCOTT]. In his absence, I withhold my vote.

Mr. WARREN (when his name was called). I am paired with the Senator from Mississippi [Mr. MONEY], who is temporarily absent from the Chamber, and I therefore withhold my vote. If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. CHAMBERLAIN (after having voted in the affirmative). I am paired with the junior Senator from Pennsylvania [Mr. OLIVER]. In his absence, I withdraw my vote.

Mr. CURTIS (after having voted in the negative). I desire to inquire if the Senator from Alabama [Mr. BANKHEAD] has voted.

The PRESIDING OFFICER. The Chair is informed that he has not voted.

Mr. CURTIS. Then I desire to announce my pair with that Senator and to withdraw my vote.

The result was announced—yeas 11, nays 49, as follows:

YEAS—11.

Bristow	Cummins	Fletcher	Newlands
Brown	Davis	Gore	Tillman
Clapp	Dolliver	La Follette	

NAYS—49.

Aldrich	Crane	Johnson, N. Dak.	Perkins
Bacon	Crawford	Jones	Piles
Borah	Cullom	Kean	Root
Bradley	Daniel	Lodge	Simmons
Brandegee	Depew	McCumber	Smith, S. C.
Briggs	Dick	McEnery	Smoot
Bulkeley	Dillingham	Martin	Stephenson
Burkett	Dixon	Nelson	Sutherland
Burnham	du Pont	Nixon	Warner
Burrows	Foster	Overman	Wetmore
Burton	Gallinger	Page	
Carter	Guggenheim	Paynter	
Clark, Wyo.	Heyburn	Penrose	

NOT VOTING—31.

Bailey	Curtis	Johnston, Ala.	Shively
Bankhead	Elkins	McLaurin	Smith, Md.
Beveridge	Flint	Money	Smith, Mich.
Bourne	Frazier	Oliver	Stone
Chamberlain	Frye	Owen	Taliaferro
Clarke, Ark.	Gamble	Rayner	Taylor
Clay	Hale	Richardson	Warren
Culberson	Hughes	Scott	

So Mr. BRISTOW's amendment to the amendment of the committee was rejected.

Mr. FLETCHER. Mr. President, I wish to offer an amendment. I will not delay the Senate by discussing it, as I have already expressed my views and explained my position about it. I move to amend the amendment on page 1, line 5, by striking out the colon after the word "countries," inserting a period, and striking out the remainder of the substitute amendment, so that it will read:

471d. There shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from foreign countries.

Mr. ALDRICH. I hope we can get a vote on that.

The PRESIDING OFFICER. There is an amendment pending, offered by the Senator from Kansas [Mr. BRISTOW] upon which he desires a separate vote. Does the Senator insist on a vote on the amendment?

Mr. BRISTOW. I ask merely for a viva voce vote.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Kansas, which will be stated.

The SECRETARY. On page 2 of the amendment, in line 15, it is proposed to strike out the words "five hundred" and insert "one thousand."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The Senator from Missouri [Mr. STONE] has given notice of an amendment which he desired to offer, which will be stated.

Mr. STONE. That comes in at the end.

The PRESIDING OFFICER. Does the Senator desire to withhold the amendment?

Mr. STONE. I will withhold it for the present.

The PRESIDING OFFICER. The Secretary will then state the amendment of the Senator from Florida [Mr. FLETCHER].

The SECRETARY. Page 1 of the amendment, line 5, it is proposed to amend by striking out the colon after the word "countries," inserting a period, and striking out all that follows.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. FLETCHER. I understand there are Senators who desire to discuss that matter in detail, and therefore I ask to withdraw the amendment for the present.

The PRESIDING OFFICER. The amendment is withdrawn. The question now is on the amendment of the Senator from Missouri [Mr. STONE].

Mr. STONE. Let the amendment be stated. I desire to discuss the amendment for about fifteen minutes.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. At the end of the amendment already agreed to, insert the following:

And provided further, That it is hereby declared not to be the policy and purpose of the United States to maintain permanent sovereignty over the Philippine Islands, but to exercise authority in and over said islands only so long as may be necessary, not to exceed fifteen years from and after the passage of this act, to organize and establish a native government capable of maintaining public order in said islands, and until such international agreements shall have been made between the United States and foreign countries as will insure the independence of said islands and the people thereof.

Mr. STONE. Mr. President, I ask the Senator from Rhode Island, it being now within three or four minutes of the time for a recess, if he will not consent to have the recess begin now?

Mr. ALDRICH. I supposed the Senator from Connecticut [Mr. BULKELEY] had the floor. I do not know whether he desired to offer an amendment. I take it the Senator from Missouri does not desire to dispose of his amendment now.

Mr. STONE. The amendment I have offered comes at the end of this paragraph; and if there is anything ahead of that I withhold my amendment and will let the other one come in.

Mr. BULKELEY. I have not the floor.

Mr. ALDRICH. It is immaterial to me how the thing goes, so long as it goes.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. STONE. I am waiting to see if the Senator from Rhode Island is going to move to take a recess.

Mr. ALDRICH. The Senate will take a recess without any motion in a moment.

The PRESIDING OFFICER. The Senator from Missouri has the floor.

Mr. STONE. I do not care to proceed with what I wish to say when in one moment the Senate will take a recess. I move that the Senate take a recess until 8 o'clock.

Mr. ALDRICH. The order of the Senate provides for a recess at half past 5.

The PRESIDING OFFICER. The hour of half past 5 has not yet arrived.

Mr. STONE. I ask unanimous consent that the Senate now take a recess until 8 o'clock this evening.

The PRESIDING OFFICER. The Senator from Missouri asks unanimous consent that the Senate take a recess until 8 o'clock this evening. Is there objection? The Chair hears none.

The Senate thereupon (at 5 o'clock and 28 minutes p. m.) took a recess until 8 o'clock p. m.

EVENING SESSION.

The Senate reassembled at 8 o'clock p. m.

THE TARIFF.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri.

Mr. CARTER. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Montana suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Guggenheim	Piles
Beveridge	Curtis	Heyburn	Root
Brandegee	Daniel	Johnston, Ala.	Scott
Briggs	Davis	Jones	Smith, Md.
Bristow	Depew	Kean	Smoot
Brown	Dick	La Follette	Stephenson
Bulkeley	Dillingham	McCumber	Stone
Burkett	Dolliver	McEnery	Sutherland
Burnham	du Pont	Martin	Tillman
Burrows	Elkins	Nelson	Warner
Burton	Fletcher	Newlands	Warren
Carter	Flint	Oliver	Wetmore
Chamberlain	Foster	Overman	
Clapp	Frye	Page	
Clark, Wyo.	Gallinger	Perkins	

The VICE-PRESIDENT. Fifty-seven Senators have answered to the roll call. A quorum of the Senate is present.

Mr. STONE. Mr. President, it goes for the saying that I am opposed to the proposition submitted by the Finance Committee, unless the amendment I offer is agreed to. I do not intend to discuss this question at any considerable length to-night. Several weeks ago, in an address I then delivered, I laid my objections to this amendment in extenso before the Senate, and there is no need for me to repeat that argument at this time. I do wish, however, to trespass briefly on the time of the Senate to register a final protest against the measure, and thus end, at least for the time being, the vain effort I have made here in behalf of Filipino independence. We know now that the proposition of the Finance Committee will be adopted as well as we will know it after the vote is taken. It would be a useless task, therefore, and a waste of time for me to speak at length against it. It would not change the result.

Mr. President, I hold to the fundamental idea that if the Philippine Islands are American territory, absolutely and permanently under the sovereignty of the United States, sustaining a relation to this Government analogous, for example, to that which Alaska sustains, then the Congress can not constitutionally impose import duties upon articles brought into our ports from those islands. Regarding the question from that point of view, and assuming the islands to be a part of our national domain, I deny the constitutional power of Congress to enact this legislation.

However, I do not believe that the Philippine Islands sustain that relation to the United States, or that the United States have ever yet assumed to hold or to exercise absolute sovereignty over the islands. On the contrary, my contention is that our occupation of these islands is temporary in its character. They have never as yet been incorporated into or accepted as a part of our territorial domain. They still lie outside of that recognized limit. We hold possession in trust, somewhat as we held Cuba in trust, for the native people of the islands. In the speech I delivered here several weeks ago, in which I discussed this whole subject at considerable length, reviewing the leading cases adjudicated before the Supreme Court applicable to the consideration, I sought on authority to show, and I think successfully, that the political relations existing between the United States and the Philippine Islands are such as I have outlined. I do not care to repeat that argument to-night. I start in to-night where I left off then. The Philippine Islands do not of right belong to us, and we can not appropriate them as our own without an act of supreme injustice and bad faith. I want our great Nation to keep faith with those people, and the purpose of my amendment is to give a renewed assurance of our national purpose and to forestall any future contrary construction of this legislation. I regard this legislation as full of peril to Philippine independence, but I am anxious for a declaration that it is not so intended. I want some assurance upon which the friends of liberty and the defenders of national good faith may lay their hands in future.

Mr. President, all along we have proceeded upon the theory that our occupation of and jurisdiction over the islands was temporary, and not permanent. That was solemnly declared to be our policy in a resolution adopted by the Senate about the time the Paris treaty was ratified, and that declaration has been many times repeated in high official quarters and by the great leaders of all parties. We are firmly committed by every consideration that should influence an honorable and enlightened nation to the policy of conferring governmental autonomy upon and granting national independence to the people of the Philippine Islands.

Mr. President, who is demanding this legislation? For whose benefit, for whose advantage, is it to be written into our statute books? We have heard some grandiloquent expressions as to the duty of the United States to the Philippine people. The Senator from Rhode Island described them as the wards of the Nation, as people we should care for with a delicate sense of justice. Very well; so be it. Are they asking for this legislation? No. On the contrary, they protest against it. The Philippine legislature, composed of educated and enlightened men, representing the different provinces composing that government and familiar with the sentiments and aspirations of the native people, has formally and emphatically protested against this identical legislation.

The Resident Commissioners sent here under authority of law by the Filipino people to represent and speak for them, Mr. LEGARDA and Mr. OCAMPO, and who by virtue of their offices are entitled to seats on the floor of the House of Representatives, that they may there voice the opinion and judgment of their constituency, have each addressed the House in earnest and eloquent protest against the very proposition embodied in the pending measure. These are intelligent men, men holding high positions in the social, industrial, and political life of the Philippine Islands, and are in every way thoroughly representative.

Mr. LEGARDA was for some time one of the commissioners appointed by the President to aid in administering the central government of the islands. I had the pleasure of meeting him more than once during a visit I made to Manila two years ago, and I had it from his official associates, including the governor-general, that he was a man of the highest repute, clear-headed, intelligent, patriotic, representative, and worthy in every way of the greatest confidence. Mr. OCAMPO is his peer in all respects. Is it to be supposed, Mr. President, that these men, and the men who constitute the legislative body of the insular government, are not cognizant of the wishes and the sentiment of their people, or that they have not a clear conception of what is best promotive of their welfare?

Mr. President, a few days ago I put into the RECORD, without reading, an interview with Commissioner OCAMPO. It is brief,

and I am going to read it now, and I ask you to remember that it is substantially a repetition of the speech he made on the floor of the House. I invite the attention of Senators to it. I know it is authentic:

In reply to a question about a statement that appeared Tuesday morning in the Washington Post purporting to be a protest against free trade between this country and the Philippines from some Filipinos residing in Boston, Mr. OCAMPO, one of the Resident Commissioners from the Philippine Islands, said:

"When I spoke in the House last month, discussing the proposed free-trade relations between this country and the Philippines as contained in the Payne bill, I clearly stated that the establishment of such relations would inevitably hinder the political aspirations of the Filipinos; in other words, their constant and profound desire of being an independent country would be imperiled by such commercial ties.

"The Philippine assembly, the true representative of popular sentiment, has, in conjunction with the upper house, which is composed largely of Americans, expressed itself before this in opposition to free trade, and since the passage of the bill by the House of Representatives the feeling against it has grown more intense, for the reasons stated above, apart from the economic view point of the matter, which also is in no way encouraging, because it necessarily will embarrass the Philippine government financially.

"This free-trade proposition is a case of life and death with us. The ambition of the Filipinos to live an independent life is one which is undeniable and persistent, and any measure tending to oppose it would only stir the people of the islands and operate to prevent the development of a better feeling between Americans and Filipinos.

"The Filipinos who signed the protest have done nothing more than to give expression to a feeling universal in the islands against free trade for the consequence it would bring to the islands in the long run.

"I hope that no one will think that in expressing the aspiration of the Philippine people for ultimate reasonably prompt and absolute independence, I am lacking in or that they have ceased to feel profound gratitude for the opportunity that the American Republic gave us to be rid of Spain. Surely in the land of Washington, Jefferson, and Adams it can be permitted us to express the wish that we may be allowed to govern ourselves. It ought to be understood that in the centuries of protest against the rule of Spain we were not merely trying to throw off one foreign yoke to go under another.

"Providence in its wisdom made us a different race. Our problems are not those of Europe or America, and we can not approach their consideration with the same mind. What is best for Europe or America is not necessarily best for Asia, and Asiatic problems ought better be left to the people of that part of the world for solution. But one idea we do have in common, and that is a desire to be permitted to govern ourselves. This thought is stronger with us than the desire for more economic gain, and, while we would like the greatest possible commercial prosperity, we are willing to defer it rather than forever lose our hope of independence by an artificially rapid development through American corporations. I concur in the protest of the Filipinos who reside in Boston."

Mr. BRANDEGEE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Missouri yield to the Senator from Connecticut?

Mr. STONE. Certainly.

Mr. BRANDEGEE. I should like to inquire of the Senator from Missouri if the Philippine legislative assembly is opposed to this proposition of free trade between the Philippine Islands and the United States, and if the Delegates of the Philippine nation in this Congress are opposed to it; whether the Senator is in a position to advise us what portion of the Philippine people are in favor of it and are advocating it?

Mr. STONE. Mr. President, I can not answer that. I do not know. I have no personal information as to that. I only know that their representatives at home and their representatives here say they are opposed to it. I do know one thing, however. I think I can say I know one thing with certainty—that the native people of the islands are to-day, as they have been from the start, unanimously and to a man in favor of severing political relations with the United States and of establishing and conducting an independent government of their own.

When I was in the Philippines I visited many of the islands inhabited by the most intelligent and progressive of the population, representing the dominant forces of the islands, and I heard but one voice upon this subject, and that was for independence. That is the one supreme cry which goes up from the hearts and falls from the lips of practically every man, woman, and child born in the islands.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Missouri yield to the Senator from New Hampshire?

Mr. STONE. Certainly.

Mr. GALLINGER. I will ask the Senator if from his observation in the Philippine Islands and his association with the Filipinos he believes that they are now capable of self-government?

Mr. STONE. Mr. President, that question was asked me once before on the floor, and I answered as I do now, that I believe the Philippine people are as well or better qualified to maintain and conduct an orderly government as the people of Cuba, and as well qualified to do that as the people of the Latin States south of the Rio Grande. And in saying this I speak in no disparagement of those I use for comparison.

Mr. GALLINGER. I will say, if the Senator will permit me, that I asked the question in entire good faith, knowing the Senator had been in the islands and had come in contact with the intelligent portion, at least, of the people. I wanted his opinion as a matter of information. I did not ask the question for any other purpose.

Mr. BACON. Will the Senator permit me to add to what he has said, that Admiral Dewey once, in an official communication, bore testimony to the same effect in a comparison between those same two peoples, and in the debates which we had in the Senate ten years ago—I can not lay my hand on it, but I can if it is desired—that was quoted from Admiral Dewey in certainly one speech, and probably more than one, in which he said he believed that they were more capable than the people of Cuba? And he said that after having had the opportunity of familiar acquaintance with each of the people.

Mr. STONE. Mr. President, the Filipinos are a Christian people, and have been for centuries. They are not heathens or pagans. To be sure, there are such in the islands, and we have had and still have such in this country—wild, uncivilized bands, who rove our plains and burn, murder, and commit all kinds of depredations—but in the islands there is a large population of earnest, faithful, patriotic, intelligent, Christian people.

Their pathway has been a thorny one. They passed through centuries under the shadow of a relentless despotism, and, pity it is, they have not even yet escaped political bondage. Undoubtedly since our connection with them their condition has been improved, but still they are denied the opportunity of self-assertion, and still we keep the old stigma of incompetency upon them, and still suppress their longing aspiration to stand alone.

Why, sir, among the Filipinos there are some of the most scholarly men in the world—scientists who have achieved renown; lawyers who would rank in any country with the best; trained men in the science of surgery and in the art of medicine; educators, historians, poets, and musicians of the highest type. And then there are men engaged, and successfully engaged, in conducting large commercial and financial enterprises. The chief justice, for example, who presides over the supreme court of the Philippine Islands, is a man who, in the wide range of his learning and in the stately dignity of his character, would adorn the Supreme Bench of the United States. No man could stand in his presence for an hour without being impressed with the fact that he is a great lawyer and a great man. And what I am saying of him was in substance said to me of him by the governor-general of the islands and by his American associates on the bench. There are other native judges who sit with him in the administration of justice in that supreme tribunal who are also men of great learning and of the highest character.

The majority of the nisi prius judges, or judges of the first instance, as they are called, who go through the provinces to hold courts and administer justice are Filipinos, native born. The attorney-general, a young lawyer of exceptional ability and promise, is also native and to the manor born. The administration of the central government is also shared in in a most responsible way by natives, and the municipal and provincial governments are almost wholly in the hands of the natives. The officials who administer the municipal and provincial governments are, for the most part, elected by the people, and I was told by our American officials—by such men as Governor Smith and Mr. Forbes, the present acting-governor, and by others, all men of high character, and officials who are devoting themselves with most commendable zeal to the discharge of their arduous duties—that these local governments were administered with rare integrity and admirable ability.

The constabulary, which constitutes perhaps the larger part of the military force now operating in the islands, is a native organization. No man who ever saw these native soldiers—soldiers wearing our uniform—in the camp, on the parade, or in any line of duty, could doubt that they constituted a well-disciplined and effective military organization, or doubt that they would bear themselves with credit under the most trying circumstances that might test the souls of men.

Mr. President, to tell me that such men do not know what they want or do not know what is best for themselves, is to assert what is so utterly unreasonable as to arouse in me a spirit of indignation, and I can scarcely speak of it with any degree of patience. These men do not want this legislation. They see danger in it to their hopes, and they think it will be hurtful, not helpful, to their material interests. But Senators here pretend to know better than these people know themselves what is good for them, and, with much affectation of deep solicitude for their welfare, this Senate is proceeding to extort from them an unwilling sense of gratitude by the compelling force

of our own statutory enactments. Mr. President, this is colonialism pure and simple, and of the worst type. It is a most shocking example of governmental paternalism. It is a shameful instance of despotic power despotically used by the strong against the weak.

Mr. President, what are we going to do with these islands? What do our friends upon the other side want to do with them? What is the purpose? Do you now mean to hold them indefinitely? Do you mean to assert and maintain absolute and unlimited sovereignty over them? If so, then, in the name of right and justice and in the name of common decency, have the courage to say so and put an end to the patient and hopeful waiting of these people. This terrible business has in it all the elements of a great tragedy. For heaven's sake, let there be an end to it in one form or another. Mr. President, we have a great national history. If I should be asked to say which one among all the glorious chapters of that history was the most splendid, I would not know how to answer.

But this I can say—that after striking the manacles from the hands of this people, after lifting them out of the darkness of a long bondage into the light of liberty, after devoting millions of money and years of patient effort to aid them and to qualify them for the arduous and difficult task of administering an orderly government, if we should now go, as we ought to go, a step further and negotiate such international agreements as would neutralize and safeguard the islands, and then give quick answer to the prayer these unfortunate people have been breathing through the centuries for liberty and independence, we would write a chapter in our history as bright and shining as could be found on the pages which record the life and deeds of any nation which has ever risen or fallen since the morning stars first sang together.

And, sir, what an impetus an act like that would give to the better thought and higher aspirations and to the loftier and nobler yearnings of mankind throughout the world. But if, on the other hand, we are to be governed by lower considerations—considerations of trade advantage and selfish pride of power; if we are to hold the Philippines in some vain hope of making them a base from which to exploit the Orient for our enrichment—then we will lower our standard, debase our old and high ideals, and descend to the level of the despoiling nations of the world. Ah, Mr. President, that would be pitiful indeed!

Mr. President, pass this pending legislation and we will, I fear, follow it, Congress after Congress, with other legislation of like kind, ever expanding in its scope. We will go on along the same line of advance. If we take this long stride now without any check upon it or declaration of purpose regarding it, it will be a sorry day for us and a sad one for the Filipinos. With this kind of legislation you will encourage, aye, invite, great investments of American capital in Philippine enterprises. Some of the islands are covered with magnificent forests, among the finest in the world. The mineral resources of the islands have not been amply developed, but sufficiently so to demonstrate that they are extensive and opulent. The lands of the islands are rich and fertile, and their agricultural possibilities are enormous. Let American capital once begin, on a large scale, to exploit and utilize these natural sources of wealth, to build railroads, and to invest in all kinds of industrial enterprise, and I fear we can bid farewell to all hope of Philippine independence.

Mr. President, we know how such things go. The history of the world shows how they go, and they will go in the Philippine Islands as elsewhere. Conscience will be dulled by the passion of power and gain. Investors, with millions at stake, will cry out against every suggestion of Philippine independence. They will denounce it as an act of injustice, endangering their possessions, and as an act of national folly. They will say to Congress, "You invited us to make these investments; you opened the door to us, we entered, and here we are. Here is what we have, and here is what we have done, and do you now propose to pull down the flag and leave the islands and us and all we have to the protection of the natives?" We would find all these powerful interests standing in the way of any future attempt on our part to keep faith with the native sons of the archipelago. For myself, I want to sever our existing relations with the islands. I want to do that as much in our own interest as in that of the Filipinos; I want to do it as much for the sake of our national honor as for the happiness of those who live in those far-away islands of the Orient.

Mr. President, I am opposed to this measure. But if it is to pass, as I have no doubt it will pass, I offer the pending amendment, so that we may say to the world and to all men, "Take notice; we do not intend to hold these islands; we expect to give them up in fifteen years." Do that and the sky will brighten with hope and our way be clear. Mr. President, fifteen years from now we will have had possession of the Philippines for more than a quarter of a century. That period of time substantially covers the life of a generation. Is that not long enough to teach these people what we profitably can, and long enough to hold them in unwilling subjection? Senators, let us give back these islands to the people to whom they belong, and let them, in God's good providence, work out their own weal and destiny.

CONDITIONS IN THE PHILIPPINES—A COMMON LANGUAGE—EDUCATION, ETC.

Mr. NEWLANDS. Mr. President, the Senator from New Hampshire [Mr. GALLINGER] inquired of the Senator from Missouri [Mr. STONE] whether he thought these people were capable of self-government. I wish to add but one observation to the observations made by the Senator from Missouri, and that is, that whilst the intelligence of many of the Filipinos is of a very high order, and whilst the local government, insular, provincial, and municipal, is largely under the direction of native Filipinos, yet there is one difficulty regarding self-government that is perfectly apparent. The Senator from Missouri stated that they were as competent for self-government as are the people of Cuba or the people of Central or South America; but in those countries the people have a common language, whilst in the Philippine Islands a common language does not exist. The two leading races there are the Tagalogs and the Visayans, and they comprise more than one-half of the entire population of the islands. I believe that they can not understand each other's language.

It is claimed that there are numerous other races and tribes, each of which has its own language and dialect. The effort of the Philippine Commission is to give these people a common language. Their hatred of Spain is so great that they are unwilling to acquire the Spanish language, while they are eager to acquire the English language. I was struck when in the Philippines with the fact of the absence of a common language. At a celebration in one of the islands, given in honor of Mr. Taft, there was a procession and a banquet and a large gathering in the open, which Mr. Taft addressed, his speech being interpreted into Spanish, sentence by sentence, by a very apt interpreter, Mr. Ferguson. It was a speech of rare power and dignity. I observed that the people did not respond to the sentiments which he uttered, and I called the attention of one of the prominent American officials there to the fact. I said: "It is impossible for me to understand why these people do not respond to the nobility of Mr. Taft's utterances." The reply was that the people in this large gathering understood neither English nor Spanish. That brought me to a realizing sense of the absolute necessity of a common language in the Philippine Islands.

Upon that point I wish to say briefly that there are about 2,000,000 children in the Philippine Islands. If those 2,000,000 children were taken into the schools in which English is taught by American teachers and by Filipino teachers to whom English has been taught by American teachers, these primary schools, these industrial schools, these manual-training schools, these agricultural schools, which the commission has established there with so much wisdom, bearing in view the fact that it is much more important that they should train the hands of the Filipino people at present than it is that they should train their heads, and that the best way of training their heads is through their hands, and that thus they will not only enlarge their intelligence, but bring them into habits of industry and thrift—if those 2,000,000 children could attend these schools and receive thorough training, they would within ten years constitute a large part of the adult population of the islands, and they could then have a common language. But as it is, there are only 500,000 of these children in the schools, and the revenue of the islands is so scanty that if you were to employ the entire revenue of $17,000,000 annually you could hardly meet the expense of educating 2,000,000 children.

There is the difficulty; there is the danger—that we shall simply give these children a smattering of English, and that then, when they return to their families, their old language will reassert itself, just as is the case with the Indians, who attend the schools which we have furnished, and who, when they get out, return to their tribal life.

I am, therefore, in entire sympathy with Mr. Taft in his desire to see those people properly trained and educated in a common language. I think that it would be economical to do this quickly, to take ten years in accomplishing it, rather than to take one hundred years. If we take one hundred years, we shall probably never accomplish it. If we take ten years and train all these children at one period of time in the English language and give them a newspaper which can circulate among them and in their families, we shall find that in ten years English will be the predominant language in those islands and

that they will have a common language through which they can communicate their ideas to each other and through which they can obtain some conception of the great political and economic and governmental questions that are addressed to them.

THE PHILIPPINES NOT A SOURCE OF REVENUE, BUT ALWAYS A BURDEN.

I wish to say also regarding these islands that I do not share with the Senator from Missouri the opinion that they can be made at any time the source of opulence. The forests, to which the Senator refers, are beautiful to the eye, but they are mainly forests of soft wood. Here and there you will find a magnificent tree of hard wood of great value; but I was told that the cost of taking out these occasional trees here and there in the forest was very great. The islands are mountainous, and you can hardly cultivate a mountain side. The only level and cultivable land is the land in the river valleys, which is very limited, and the land on the coast formed by the wash from the mountains. The area of cultivation is exceedingly limited.

In addition to that, all nature seems to be hostile to the development of the Philippine Islands. They have a constant recurrence of cholera; they have a constant recurrence of surra and rinderpest among their cattle; so that their draft animals and animals with which they cultivate their farms, the buffalo, and so forth, are destroyed year after year.

I do not believe that those islands can be made a source of great wealth; and that being the fact, I prefer to present it in all its baldness to the American people, for I fear that if those islands are represented to the American people as the source of great future wealth, the greed of many of us will prevent us from letting them go. I believe the very fact that those islands have cost us this great expense of $500,000,000 or $600,000,000, including the war, that they are to-day costing us one-fourth of the military and naval expense of the Nation; and that they will cost us a large expenditure in the future in fortifying them with a view of holding them, not only against a foreign foe, but against domestic violence has had much to do with the present sentiment which exists throughout the country in favor of letting the islands go. The American people are becoming convinced that there was no glory in their conquest and that there is no profit in their occupation; and I believe that they will have to be convinced of both before they will let them go.

THE CASE SUMMED UP.

The objection I have to this legislation—and I will simply say a word upon that, for I have already stated fully my views—is that we are proposing to give $10,000,000 annually to the planting interests, with a view to stimulating the production there, so that those islands, which are now poverty stricken, may become prosperous. I would rather, in the discharge of the great benevolent trust which we have assumed to those islands, appropriate a tithe of that money annually to instructing those people, to aid them in getting central sugar factories which can develop sugar production there in the perfection which the Senator from Rhode Island thinks will at some time be attained.

I would rather appropriate money to train them in agricultural methods, in modern methods, to train them industrially, to train their hands and their heads, and to train them in a common language—I would rather do that than give the planters this large bounty, which in fifteen years will amount to $150,000,000 and in twenty years to $200,000,000.

I quite join with the Senator from Missouri in the desire that we should make this declaration of our purpose now, for if we once determine to let them go fifteen years hence, we will then shape our course with a view to that result. If we were to attempt to determine now the method of our withdrawal, we would all differ as to details; but we can determine upon one thing, and that is that we will withdraw in fifteen years, and then we can leave the elaboration of details to the future, and we will have plenty of time to accomplish our work of giving these people a common language and of training them in industrial and manual pursuits.

The prospect at best is not the most roseate. The tropical islands throughout the world have been beaten by the Temperate Zone in the products which they used to monopolize. Disease is against them; the climate, tending to ease, apathy, and inertia, is against them. They have not that hard contest with nature itself, so far as food and clothing and shelter are concerned, that impels to work; and so I am not very hopeful that these people will develop a high order of self-government, but they can maintain some form of autonomy there. They may have wars among themselves; they may have race wars; they may finally fall under the control of some dictator, some man of great power and ability, but if they are to be killed, I would rather they should kill each other than that we should kill them.

I believe that they must go through the process of evolution that every country composed of diverse races must go through, resulting, perhaps, in the domination of a single race, and perhaps in the dominance of a single man.

But I do feel assured that in the future those islands will be the source of great peril to the United States. They are 7,000 miles away from our basis of operations. If we should have internal difficulties there, the expense of conducting the defense of our power would be enormous. Besides that, those islands push us into all the activities and all the jealousies and all the contentions of the Orient; and with these two countries, Japan and China, just rising from their sleep—Japan already a great military nation, China bound at some time to be a great military nation, I do not think that we can escape war with those countries if we maintain our intrusion in the Orient. So I would prepare to withdraw at a time when we can withdraw with honor, rather than be compelled, perhaps, to withdraw in the future as the result of a useless and costly war maintained so far from our base of supply.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Missouri [Mr. STONE] to the amendment.

Mr. STONE. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON], who is absent this evening. I transfer that pair to the junior Senator from Nebraska [Mr. BROWN], and vote. I vote "nay."

Mr. FRAZIER (when his name was called). I am paired with the junior Senator from Nevada [Mr. NIXON]. I transfer that pair to the senior Senator from Texas [Mr. CULBERSON], and vote. I vote "yea."

Mr. McLAURIN (when his name was called). I am paired with the junior Senator from Michigan [Mr. SMITH]. If he were present, I should vote "yea."

Mr. RAYNER (when his name was called). I am paired with the junior Senator from Kentucky [Mr. BRADLEY]. If he were present, I should vote "yea."

The roll call was concluded.

Mr. CRAWFORD. I desire to have the RECORD show that my colleague [Mr. GAMBLE] is necessarily absent. He is paired with the junior Senator from Indiana [Mr. SHIVELY]. If present, my colleague would vote "nay."

Mr. DANIEL. I am paired with the Senator from Maine [Mr. FRYE]. If he were present, I should vote "yea."

Mr. BANKHEAD. I am paired with the senior Senator from Illinois [Mr. CULLOM]. If he were present, I should vote "yea."

Mr. FOSTER (after having voted in the affirmative). I inquire if the senior Senator from North Dakota [Mr. MCCUMBER] has voted?

The VICE-PRESIDENT. The Chair is informed that he has not voted.

Mr. FOSTER. Then I withdraw my vote, as I have a pair with that Senator.

Mr. SMITH of South Carolina (after having voted in the affirmative). I have a general pair with the Senator from Washington [Mr. JONES]. As he is not present, I withdraw my vote.

The result was announced—yeas 18, nays 44, as follows:

YEAS—18.

Bacon	Frazier	Money	Stone
Bailey	Gore	Newlands	Taliaferro
Clay	Hughes	Overman	Tillman
Davis	Johnston, Ala.	Paynter	
Fletcher	McEnery	Simmons	

NAYS—44.

Aldrich	Chamberlain	Flint	Page
Beveridge	Clapp	Gallinger	Perkins
Brandegee	Crane	Guggenheim	Piles
Briggs	Crawford	Heyburn	Root
Bristow	Depew	Johnson, N. Dak.	Scott
Bulkeley	Dick	Kean	Smoot
Burkett	Dillingham	La Follette	Stephenson
Burnham	Dixon	Lodge	Sutherland
Burrows	Dolliver	Nelson	Warner
Burton	du Pont	Nixon	Warren
Carter	Elkins	Oliver	Wetmore

NOT VOTING—29.

Bankhead	Cullom	Jones	Shively
Borah	Cummins	McCumber	Smith, Md.
Bourne	Curtis	McLaurin	Smith, Mich.
Bradley	Daniel	Martin	Smith, S. C.
Brown	Foster	Owen	Taylor
Clark, Wyo.	Frye	Penrose	
Clarke, Ark.	Gamble	Rayner	
Culberson	Hale	Richardson	

So Mr. STONE's amendment to the amendment of the committee was rejected.

Mr. BULKELEY. I now desire to move, if it is in order and proper to do so, that the paragraph now being considered—471d I think it is entitled—be referred to the Committee on the Philippines.

I do this for the reason that I do not desire, under any circumstances, that legislation shall not be enacted at this session of Congress in regard to the Philippine Islands. But from the examinations I have been able to make of the records, all measures heretofore considered by the Congress—revenue measures as well as others—for the Philippine Islands have been considered and acted upon by the committee of this body created for that purpose. It seems to me this is not the place, as I said this morning, for legislation with respect to these islands, in the tariff bill we are preparing for ourselves.

We have already pending before the Philippine Committee of this body an act to raise revenue for the Philippine Islands, and for other purposes. Many of the provisions of this act now being considered by this committee are dependent in a large measure on the legislation that is proposed in the bill pending before this body; and it seems much more in order, to my mind, that the two should be considered by the same committee, which can give the thought that is necessary, in my judgment, to a matter that is so important to those possessions which we control and for the government of which the Congress of the United States at this time is responsible.

I therefore make the motion that the paragraph we are now considering be referred to the Committee on the Philippine Islands.

Mr. ALDRICH. We are considering a tariff bill for the United States and not for the Philippine Islands, I would suggest.

The VICE-PRESIDENT. The Senator from Connecticut moves to commit the substitute for 471d to the Committee on the Philippines.

Mr. DANIEL. I should like to ask the Senator from Rhode Island if there is involved in this amendment any question of favored nations? Does picking out certain articles to be permitted to come to us free in this fashion from an alien, which is no part of this country, though it is said to belong to it, involve us in any controversy about favored nations?

I presume the answer will be that the Philippine Islands are not a nation and not a part of this Nation. They are something, somewhere. Their status is unanalyzable. It is also nondescript and absolutely indescribable, and why a wave of tariff or free trade in this momentous and grave fashion should be involved in a tariff bill for the United States is certainly only a technical statement without any basic facts to support it.

I therefore think that the motion by the Senator from Connecticut is a very wise and apt motion. We have a special committee to deal with the Philippine Islands and its peculiarities—like the subject. There is no geography in this question. There is no jurisprudence to this question. It has confounded the courts and the legislatures, and is now beginning to confound and override our sedate and careful tariff provisions about our own country. It is such a close and material arrangement proposed about another country and another people that we can not fitly embrace it, although technicality will support the proposition, perhaps. Here is a proposition for the introduction into this country of millions upon millions of free trade in certain subjects. It is confusing; it is unprecedented; it is totally off—uniquely by itself—and of all things that should go to the Philippine Committee of this body, it seems to me to be the chief.

The VICE-PRESIDENT. The question is on agreeing to the motion of the Senator from Connecticut.

Mr. BULKELEY. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. BANKHEAD (when his name was called). I announce my pair with the senior Senator from Illinois [Mr. CULLOM] for the balance of the evening.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON]. He is absent this evening. I transfer my pair to the junior Senator from Nebraska [Mr. BROWN], and will vote. I vote "nay."

Mr. PILES (when the name of Mr. JONES was called). My colleague has been called away from the Chamber this evening. He is paired with the junior Senator from South Carolina [Mr. SMITH].

Mr. McLAURIN (when his name was called). I again announce my pair with the junior Senator from Michigan [Mr. SMITH]. If he were present, I would vote "yea."

Mr. RAYNER (when his name was called). I again announce my pair with the junior Senator from Kentucky [Mr. BRADLEY].

Mr. SMITH of South Carolina (when his name was called). I again announce my pair with the junior Senator from Washington [Mr. JONES]. If he were present, I should vote "yea."

Mr. TILLMAN (when his name was called). Has the Senator from Vermont [Mr. DILLINGHAM] voted?

The VICE-PRESIDENT. He has not.

Mr. TILLMAN. I have a general pair with that Senator, and therefore withhold my vote.

The roll call was concluded.

Mr. CLARK of Wyoming (after having voted in the negative). I desire to inquire if the senior Senator from Missouri [Mr. STONE] has voted. I do not see him in the Chamber.

The VICE-PRESIDENT. He has not.

Mr. CLARK of Wyoming. I withdraw my vote.

Mr. FLETCHER. I wish to announce that my colleague is paired with the Senator from West Virginia [Mr. SCOTT].

Mr. CLARK of Wyoming. I transfer my pair with the Senator from Missouri [Mr. STONE] to the Senator from Kansas [Mr. CURTIS], and will allow my vote to stand.

Mr. DANIEL. I am paired with the Senator from Maine [Mr. FRYE]. If he were present, I should vote "yea."

Mr. FOSTER (after having voted in the affirmative). Observing that the senior Senator from North Dakota [Mr. MCCUMBER], with whom I am paired, has not voted, I withdraw my vote.

The result was announced—yeas 21, nays 40, as follows:

YEAS—21.

Bacon	Clapp	Gore	Newlands
Bailey	Clay	Hughes	Overman
Brandegee	Davis	Johnston, Ala.	Paynter
Bristow	Dick	La Follette	
Bulkeley	Fletcher	McEnery	
Chamberlain	Frazier	Martin	

NAYS—40.

Aldrich	Crane	Heyburn	Perkins
Beveridge	Crawford	Johnson, N. Dak.	Piles
Borah	Depew	Kean	Root
Briggs	Dixon	Lodge	Scott
Burkett	Dolliver	Money	Smoot
Burnham	du Pont	Nelson	Stephenson
Burrows	Elkins	Nixon	Sutherland
Burton	Flint	Oliver	Warner
Carter	Gallinger	Page	Warren
Clark, Wyo.	Guggenheim	Penrose	Wetmore

NOT VOTING—30.

Bankhead	Curtis	McCumber	Smith, Mich.
Bourne	Daniel	McLaurin	Smith, S. C.
Bradley	Dillingham	Owen	Stone
Brown	Foster	Rayner	Taliaferro
Clarke, Ark.	Frye	Richardson	Taylor
Culberson	Gamble	Shively	Tillman
Cullom	Hale	Simmons	
Cummins	Jones	Smith, Md.	

So Mr. BULKELEY's motion was rejected.

The VICE-PRESIDENT. The question is on agreeing to the substitute. Without objection, the substitute is agreed to.

Mr. BULKELEY. Mr. President——

The VICE-PRESIDENT. No objection is heard.

Mr. BULKELEY. I should be glad to speak on that question.

The VICE-PRESIDENT. Does the Senator from Connecticut desire to speak on the question of agreeing to the substitute?

Mr. BULKELEY. I have no objection to an agreement to the substitute.

The VICE-PRESIDENT. Without objection, it is agreed to.

Mr. LA FOLLETTE. I wish to offer an amendment before the substitute is voted upon.

The VICE-PRESIDENT. Before the substitute is agreed upon the Senator from Wisconsin desires to offer an amendment.

Mr. BULKELEY. Do I understand the motion now is to substitute this for the paragraph of the bill?

The VICE-PRESIDENT. That has already been done. The motion now is to agree to the substitute.

Mr. BULKELEY. I wish to speak on that question.

The VICE-PRESIDENT. The Senator from Wisconsin desires first to offer an amendment to the substitute. Will the Senator from Wisconsin submit his amendment?

Mr. LA FOLLETTE. In line 2, page 2, strike out the words "one hundred and fifty" and insert "seventy-five."

The VICE-PRESIDENT. The Secretary will state the amendment offered by the Senator from Wisconsin.

The SECRETARY. On page 2 of the printed amendment, in line 2, strike out the words "one hundred and fifty" and insert "seventy-five," so that if amended it will read:

And cigars in excess of 75,000,000 cigars.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. LA FOLLETTE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Wisconsin desire to discuss it?

Mr. LA FOLLETTE. Just a word.

Mr. President, the proposition to admit 150,000,000 cigars free of duty means displacing labor in the cigar factories of this country to the number of 2,500 men. There are to-day 12,000 unemployed cigar makers in the United States. I do not believe it is wise or just that that army of unemployed men shall be increased by 2,500 men, whose labor will be taken from them if 150,000,000 cigars are admitted into this country from the Philippines free of duty.

I have offered this amendment as a compromise, hoping that it may be adopted by the Senate. I send to the desk and ask to have read a communication from the Cigar Makers' International Union of America.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

HEADQUARTERS CIGAR MAKERS'
INTERNATIONAL UNION OF AMERICA,
Chicago, Ill.

DEAR SIR: In behalf of the Cigar Makers' International Union, an organization composed of 47,000 members, we earnestly protest against free trade in cigars with the Philippine Islands, even to a limited extent, which at this time would be extremely disastrous to the trade, which is already badly demoralized by the continued depression in trade. The government statistics show that there has been no material improvement in the manufacture of cigars since the depression started in October, 1907.

These reliable government statistics are reenforced and made doubly sure, as to the condition of trade, by the amounts we expend for out-of-work benefits.

During the year 1908 we expended $101,483.50, while in 1903, a year normal in trade conditions, we only expended $15,558, and in 1907 we expended $19,497.50 for out-of-work benefit purposes.

The condition of trade and the cigar industry is in a most precarious condition and at a point where it can not, with safety, be charged with any additional burdens.

I hold and assert, without fear of successful contradiction, that the importation of cigars from the Philippine Islands free of duty, even in limited numbers, will have a disastrous effect upon the already overwrought and seriously menaced trade.

When the Porto Rican Islands were annexed and their products admitted free it was claimed that, owing to the limited number of cigar makers and the alleged inferior quality of the tobacco, we here would not experience any injurious effects. The result has been that American enterprise and capital at once commenced to exploit the cheap labor and cheaply grown tobacco in the islands to an extent that the importations of cigars from Porto Rico has now become a serious menace to the wages and well-being of the cigar makers and manufacturers of the mainland.

The American Tobacco Company, with its unlimited capital and resources, immediately seized the opportunity to avail itself of the cheap labor of the Porto Ricans and at once commenced the manufacture of cigars in the Porto Rican Islands, with the consequent decrease of the number of American cigar makers here.

Our advices indicate that the Porto Ricans are now, generally speaking, fully employed, while, as stated in the foregoing, thousands of our members and thousands of American cigar makers are walking the streets in idleness. Including union and nonunion, there are fully 12,000 cigar makers now idle in the United States. The same conditions concerning cheap labor, cost of living, light, clothing, apply with even greater force in the Philippine Islands.

To admit 150,000,000 cigars free of duty from the Philippine Islands will come in direct competition with the American product and have a disastrous effect in the nature of cutting prices, far more so than the operation of any sweat shops or other hostile influences in our own country.

We are not deluded by the assertion that only a limited number of cigars are now manufactured in the Philippine Islands and that all of the product would not in any event reach our shores. We know from experience the rapidity with which the industry grew in the Porto Rican Islands, and boldly assert that, give the American Tobacco Company, the trust, the opportunity to exploit the cheap labor of the Philippine Islands, and in a very short time they will double, treble, or produce any amount to suit their purposes.

We know that under Spanish rule the cigar industry in the Philippine Islands developed to a very high degree, and assert that those capable of being pressed into the business of cigar making are still there, and if given an opportunity, such as proposed by the pending legislation, they will come in direct competition with the American cigar makers and crowd just that many more into the now dangerously large army of unemployed, who are bordering on starvation and vainly asking for an opportunity to earn a livelihood at their chosen occupation.

In the name of humanity, in the name of the best interests and welfare of our own people, as loyal American citizens, we protest against free trade in cigars with the Philippine Islands.

A bulletin of the Department of Labor shows that there were employed, all told, in the cigar industry of the Philippine Islands about 20,000 people, at an average of $10.21 per month. The rate of wages for cigar makers, as near as I can learn, is 37½ cents per day, while the government census of 1900 shows that the average wage of the workers of this country is about $400 per year, or about $1.36 per day.

A good cigar can be bought in Manila for 1 cent apiece, or from $5 to $10 per thousand. The home-produced cigar sells for 5 cents, 10 cents, 15 cents apiece, or from $20 to $60 per thousand, generally, and from that up for especially high grades.

Under the proposed legislation cigars could be laid down at San Francisco for from $8.50 to $13.50 per thousand.

We protest against being pitted against oriental labor in our struggle for existence. We hold that no amount of legislation on the part of the Congress of the United States can or ever will lift this people to our standard, and that the act proposed, and against which we respectfully protest, will have a tendency to and will drag us down nearer their level.

About one-half of the cigar factories in the Philippine Islands are said to be controlled by Chinese manufacturers, and with the number of Chinese now in the islands, will monopolize the cigar trade, as they did prior to the exclusion act in San Francisco.

Prior to the passage of the Chinese-exclusion act in 1882, the cigar factories of San Francisco employed about 40 American citizens and over 6,500 Chinamen.

The bill proposed means that the Chinese-exclusion act, so far as it relates to the cigar industry, will be nullified completely by establishing free trade.

Mr. Edward Rosenberg, an American citizen, while in Manila, in a letter dated August 1, 1903, says: "Considering the very small wages paid the Filipino workers, the poor and scanty food they necessarily live on, they are, next to the Chinese, the cheapest and best workers of the Orient. They live in light shacks, built of bamboo, and covered with leaves; cost of building from $30 to $70. The number of Chinese living on the island I estimate to be between 100,000 and 150,000."

We would like to know how a man living in a northern climate, who needs from seven to eight tons of coal per year and needs warm clothing and lives in a house for which he must pay a large rent, is going to compete on a free-trade basis with people living under such conditions.

If the Filipinos should ever cease to be subjects and become American citizens in every particular, with the right to organize for their own protection, with factory laws, similar to those prevailing in the States of Illinois, New York, Massachusetts, etc., for the protection of women and children against unscrupulous exploitation, then it will be the time to talk about the changing of the tariff.

Manila alone has 31 cigar and cigarette factories; also about 48 others run by Chinese, which, if they get free trade, will also become exporters; and in the event of free trade they can export to the United States enormous quantities of cigars.

At the hearing before the Committee on Ways and Means, January 27, 1905, Secretary Taft, in the testimony submitted, in speaking of the fears of the cigar makers, when a similar bill was under consideration, as to the effect of the proposed legislation, said: "There may be some justification for the apprehension of the cigar makers that this measure would injure them. I admit that a perfection-shaped cigar, which the cigar makers of this country receive $34 per thousand for making, is made in the Philippine Islands for $6 per thousand."

An act that will tend to build up the cigar industry of the Philippine Islands at the expense of a like industry and the citizens employed therein in our own country proper, is neither wise nor just legislation. Knowing that we are positively right in this matter, we, in self-defense, vigorously yet respectfully protest against its enactment.

Yours, very respectfully,

G. W. PERKINS,
International President.

Mr. ALDRICH. If the Senator from Wisconsin will yield to me for a moment, I should like to ask unanimous consent that the order of meeting be modified so that on and after to-morrow the Senate shall meet at 10 o'clock in the morning and remain in session until 7 in the evening, and that the night sessions, for the present anyhow, be dispensed with.

The VICE-PRESIDENT. Is there objection to the request of the Senator from Rhode Island?

Mr. BRISTOW. Mr. President, I object to coming here at 10 o'clock in the morning and——

The VICE-PRESIDENT. The Senator from Kansas objects.

Mr. ALDRICH. Then I move that the order be changed in the manner I have indicated.

The VICE-PRESIDENT. The Senator from Rhode Island moves that the order heretofore made for the meeting of the Senate be changed after to-day so that the Senate shall meet at 10 o'clock in the morning and sit until 7 o'clock in the evening, the evening session to be dispensed with.

Mr. BRISTOW. Oh, I beg pardon; I thought the evening session was to be continued also. That is a different proposition. I withdraw my objection.

The VICE-PRESIDENT. The Senator from Kansas withdraws his objection. Is there objection? The Chair hears none, and the order is so modified. The Senator from Wisconsin will proceed.

Mr. LA FOLLETTE. I only desire to say that representatives from the International Cigars Makers' Union, despairing of being able to amend the bill so as to prevent the importation of 150,000,000 cigars, have asked me to offer the amendment in this form, and I hope that the Senate will adopt it. I ask for the yeas and nays on agreeing to the amendment.

The yeas and nays were ordered.

Mr. ALDRICH. I was not able to listen attentively to the statement made by the Cigar Makers' Union. The committee have considered this matter very slightly. I am not sure whether the statements made in the memorial correspond with the other facts that are before the committee. If the Senator from Wisconsin will allow this matter to go over until to-morrow, the Finance Committee have a meeting at half-past 9 in the morning and they will consider it. I am not sure but that the committee will be willing to accept the amendment of the Senator from Wisconsin.

Mr. LA FOLLETTE. Of course I am willing that it shall go over, as suggested by the Senator from Rhode Island.

The VICE-PRESIDENT. Is there objection to the matter going over until to-morrow with the amendment pending, the yeas and nays having been ordered? The Chair hears no objection.

Mr. BULKELEY. Does that carry the whole matter over?

The VICE-PRESIDENT. Simply the amendment. The Chair understands that the Senator from Rhode Island wishes that the question may be taken on agreeing to the paragraph as modified.

Mr. ALDRICH. No; that will go over until to-morrow, also. I understood the Senator from Connecticut to wish to move that the paragraph be rejected. That motion is not necessary, because the same question will come up on agreeing to the paragraph.

The VICE-PRESIDENT. The Senator from Connecticut opposes the motion to agree to the paragraph.

Mr. ALDRICH. Yes; that is it.

Mr. BULKELEY. It was my intention to move to strike out the entire paragraph, but there is an amendment now pending.

The VICE-PRESIDENT. If the motion to agree to the paragraph is negatived, that strikes it out. As soon as the amendment of the Senator from Wisconsin is disposed of, then the question will be on agreeing to the paragraph.

Mr. BULKELEY. I understand.

The VICE-PRESIDENT. The Chair understands that that motion the Senator from Connecticut desires to oppose.

Mr. BULKELEY. I desire to oppose that motion. If the amendment of the Senator from Wisconsin should be adopted, there are possibly some other degrees in the limitation which might change the position entirely of some Senators in the matter.

The VICE-PRESIDENT. Does the Senator from Connecticut desire to discuss the question now?

Mr. BULKELEY. Under those circumstances I should prefer to defer my remarks until the amendment of the Senator from Wisconsin has been acted upon, and possibly some other amendments of the same character.

The VICE-PRESIDENT. Has the Senator from Rhode Island something to suggest as to the order?

Mr. NELSON. I suggest to the Senator from Rhode Island that we adjourn.

Mr. ALDRICH. Oh, no; we will not adjourn. We will take up some other subject. If the Senator from Connecticut desires to go on in the morning rather than to-night, I will ask the Senate to take up some other subject.

Mr. BULKELEY. It was the suggestion of the Senator from Rhode Island that it should go over.

Mr. ALDRICH. The only suggestion I made was that the amendment of the Senator from Wisconsin should go over. The general subject I did not suggest should go over.

Mr. BULKELEY. The suggestion was that it might go over and that it might receive favorable consideration from the committee, I understand.

Mr. ALDRICH. Yes.

Mr. BULKELEY. There might be some suggestion in regard to reducing some of the other limitations, if the committee are disposed to consider them, that might change the view of the question.

Mr. ALDRICH. The committee have a meeting at half past 9 to-morrow morning, and the Senator can present his suggestions now.

Mr. BRANDEGEE. Will my colleague yield to me for a moment?

Mr. BULKELEY. Certainly.

Mr. BRANDEGEE. I propose to offer an amendment, on page 1, line 13, of the proposed substitute amendment, to strike out the words "three hundred thousand" and to insert the words "one hundred and fifty thousand." I offer that now as an amendment, and if the committee care to take it into consideration in the morning, very well.

Mr. ALDRICH. The Senator can not offer it; he can give notice of it.

Mr. BRANDEGEE. I give notice, then, that I will offer it.

Mr. FLETCHER. Mr. President, following that I will suggest that the committee might consider a further reduction as to the number of pounds of filler tobacco from 1,500,000. The suggestion has been made to reduce the number of cigars and the number of pounds of wrappers. I suggest a similar reduction as to fillers, and that that be considered also by the committee. Otherwise I shall feel inclined to press the motion I made this afternoon to strike out the entire proviso from the substitute.

Mr. FOSTER. While the committee is considering the reduction of the quantity of tobacco and cigars which shall be imported from the islands into this country free of duty, I suggest that it at the same time consider the reduction of the quantity of sugar which shall be imported into this country.

The VICE-PRESIDENT. Has the Senator from Rhode Island any suggestion to make as to the procedure?

Mr. ALDRICH. Yes; I offer——

Mr. LA FOLLETTE. Before the matter is passed over, I have been unable to hear on this side just what the suggestions were with respect to disposing of the entire paragraph.

The VICE-PRESIDENT. That it go over until to-morrow morning was the only suggestion, as the Committee on Finance is to meet at 9.30 and will consider the amendment offered by the Senator from Wisconsin.

Mr. LA FOLLETTE. Do I understand that, except as to the amendment, the entire paragraph is to be disposed of to-night?

Mr. ALDRICH. No.

The VICE-PRESIDENT. No; nothing further is to be done with the paragraph to-night.

Mr. ALDRICH. The Senator from Connecticut does not desire to speak until after the amendment has been considered, I understand.

Mr. BULKELEY. I thought it would be better, but I can go on to-night.

Mr. ALDRICH. I should prefer that the Senator would go on to-night, unless he prefers to wait until to-morrow.

Mr. DICK. Will the Senator permit me to have the attention of the chairman? Does the committee contemplate considering other features of the clause respecting tobacco and cigars?

Mr. ALDRICH. If any Senator desires to present any views on the subject there will certainly be no objection to considering them.

Mr. BRANDEGEE. In view of the statement of the Senator from Rhode Island, I will say, in relation to the wrapper and filler tobacco, without pretending to any expert knowledge on the subject, I am informed that it makes a difference of about 30 per cent in the weight of the leaf whether it comes in stemmed or unstemmed. So, if the bill should authorize the importation of 300,000 pounds of tobacco, and they should take the stems out of the tobacco over there, it would really, in effect, bring 400,000 pounds into this country. The stemming process and the profits to be derived therefrom in the way of wages of labor, it seems to me, might just as well be paid to the laborers in this country as to the Filipino laborers at 6 to 10 cents a day, or else the amount should be limited so that the extra hundred thousand pounds would not come in. I suggest that as one point for the committee to take under advisement.

Mr. BULKELEY. Mr. President, I intend to discuss this question from perhaps an entirely different standpoint from any Senator who has spoken up to this time. I am very firm in my belief that there are conditions that surround the tobacco and sugar industries in the Philippine Islands that will cause to the Filipinos themselves a great disappointment from the results that will be attained if this proposed legislation is enacted, and that while the experiment is pending will prove to the Filipinos that they themselves are responsible by their careless methods of production for their own condition; and for a series of years this legislation will be standing up as a menace to the tobacco growers and the cigar manufacturers of the United States.

But I should be, Mr. President, neglectful of my duty to a large class of my own constituents engaged in the tobacco-growing industry and to an equally large number engaged in the manufacture of cigars, if I permitted this bill to be enacted into a law without presenting on their behalf, and equally as well on behalf of the tobacco growers, cigar manufacturers, and wage-earners of other States and communities, my most earnest protest.

For nearly two hundred years after its settlement Connecticut was strictly an agricultural State, and in this pursuit its people were successful in conquering its sterile soil and providing for the maintenance and education of their families by the exercise of the same skill, ingenuity, and energy which they displayed in

the nineteenth century, when their agricultural industries had practically disappeared, overshadowed by the development of the fertile lands of the Western States, and turned the State into a busy hive of industrial workers, who, through the products of their ingenuity and skill, have made Connecticut known almost over the entire civilized world.

The culture of tobacco, to the growth of which the soil of the fertile valleys seems peculiarly adapted, was the only one of the agricultural pursuits that longer promised to keep its producers in the markets of the world and to contribute adequate returns for their labor, and to the development of this product the best thought, skill, and labor of our agricultural communities was given until Connecticut tobacco acquired for itself a prominent place in the markets of the country.

The Department of Agriculture this morning furnished me some statistics in regard to the acreage, production, and value of the tobacco crop in Connecticut. Without reading in detail, I will quote the last year, 1908, when there was an acreage of tobacco of 13,824 acres, producing an average per acre of 1,680 pounds, and a total production of 23,224,320 pounds, which brought an average price in the market of 17 cents. The total farm value of this product on December 1 was $3,948,134.

The average price at which the 1908 crop was sold on the farm was about 11.5 cents, the higher price quoted for December 1 being only temporary. The marked decrease in price for 1907 and 1908 over previous years is to be attributed to unfavorable growing season and to a decided falling off in the manufacture of cigars. The above figures do not take into account the production of cigar-wrapper tobacco under artificial shade. For the year 1908 something over 100 acres of tobacco were grown under artificial shade, and for 1909 this acreage will be increased by about 60 acres. The farm value of this wrapper tobacco is from 50 cents to $1 per pound.

The value of the tobacco manufactured in Connecticut in 1905, which was the last year on which we have official returns—there were 226 establishments, with a capital of $1,173,806; value of product, $2,349,710. In 1900 there were 1,960 farms; the total acreage was 133,013; improved acreage, 82,029; total value of tobacco farms, $10,196,800; and there were invested in implements and machinery $458,110; in live stock, $788,560; and the expenditure for labor was $514,710, and for fertilizers $428,170.

There was frequently spent, to my knowledge, in Connecticut on the tobacco lands of that State in a single year more for the fertilizers than the lands are valued themselves.

I am aware of the Republican platform of 1908 in regard to the Philippine Islands, and I will quote that platform, because I expect in my remarks to follow the line of that platform, taken in connection with other paragraphs of the same platform, with which it should properly be coupled. But in regard to the Philippine Islands "between the United States and the Philippines we believe in free interchange of products, with such limitations as to sugar and tobacco as will afford adequate protection to domestic industries." But I would couple with these all that runs through the spirit of the whole platform and the platform of the preceding Republican convention, which is substantially this. It is the preceding part in the platform of 1908 to the paragraph that I have just read:

> The aim and the purpose of the Republican policy being not only to preserve without excessive duties the security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-workers of this country, who are the most direct beneficiaries of the protective system.

The limitations provided for in these declarations, particularly the last one which I have read, are equally applicable to all the products of the islands as to any other country in the world; and, in fact, these paragraphs appear to me to have been so interpreted by the Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate in their preparation of this bill, entitled, "To provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes."

The paragraph relating to the Philippine Islands provides limitations of two characters. First, it provides that rice, which is one of the large products of the islands, shall not come into the United States except upon the payment of a duty. Now, that is no particular concession to the Filipinos or any great inducement for the Filipinos to engage in the rice industry. We all know that there is produced in these islands but about one-half of the rice which they consume, and that they have imported from time to time, some times as high as ten or twelve million dollars' worth of rice a year, and that answers their own purpose. So it would seem to me of no necessity, in this bill, because it is to produce no revenue so far as the United States Treasury is concerned, and it can present no inducement to the Filipinos themselves to increase their industry in that direction.

The other limitation we have heard elaborately discussed to-day is on the other line. It is proposed to admit sugar from the Philippine Islands free from duty and to bring in different kinds of tobacco and cigars in limited quantities.

I believe, Mr. President, that the limitations contained in this bill on sugar, cigars, and tobacco are just as necessary as the duty on rice. In the first place, the labor conditions in the islands are such that their modes of life and their methods of conducting their agricultural pursuits are such that they have almost lost the oriental markets for their tobacco and cigars.

Now, in legislation which is proposed, we are suggesting to them that possibly for wares that have been practically abandoned by the people of the Orient, possibly they can send into the United States of America and find a market.

I believe it will prove a disappointment to the Filipino if the Filipino deals in tobacco himself, which I very much doubt, and it will prove a financial loss to whoever undertakes to exploit Filipino cigars and tobacco in this country under the present condition of producing those articles in the Philippine Islands. We all know—we have heard it talked here to-day—that the sugar produced is of equally poor character, the poorest, almost, produced in the world, if I am correctly informed, and that we are very much better off, and certainly our producers in this country are very much better off, if we allow the Filipinos to consume their own sugar or else to palm it off on their oriental neighbors rather than the people of the United States.

I can see nothing in this legislation that can give great hope to the Filipino that the United States is endeavoring to lead them on to great advances and to give them great encouragement in the development of the industries in which they are most largely engaged.

You will find, Mr. President, almost the same condition in regard to the principal and largest product of the islands, and which covers 65 and sometimes 70 per cent of their entire exports—I refer to hemp. The last few years have witnessed such deterioration in the quality of the hemp produced in the Philippine Islands as to cause grave questions to rise as to whether it can maintain its position unless decided improvements are soon brought about—whether it can maintain the position which it has maintained for many years in the markets of the world.

CHIEF PRODUCTS OF THE PHILIPPINE ISLANDS.

Hemp, tobacco, sugar, and copra are perhaps the most important agricultural products of the islands that enter into competition with other than a home market. I append herewith tables exhibiting the largest exports shown in Spanish times, covering the period from 1885 to 1894.

[Extract from the report of the Secretary of War to the President on the Philippine Islands, January 28, 1908.]

Value of Philippine exports in Spanish times, calendar years 1885–1894.

Calendar year.	Hemp.	Sugar.	Tobacco and manufactures.	Copra.	Total, including all other articles.
1885	$5,509,757	$8,669,522	$2,297,358	----------	$20,551,434
1886	4,340,058	7,019,978	2,010,092	$5,781	20,113,847
1887	5,161,560	6,156,709	1,559,070	20,809	19,447,997
1888	5,009,422	6,271,030	2,449,181	131,347	19,404,434
1889	10,402,614	9,101,024	2,256,494	209,820	25,671,322
Average annual	7,302,680	7,443,658	2,114,240	76,752	21,037,807
1890	6,925,564	7,265,030	2,469,063	85,704	21,547,541
1891	10,323,913	5,606,740	2,150,300	----------	20,878,359
1892	6,886,529	7,768,566	2,535,740	743,918	19,163,960
1893	7,697,164	10,368,883	2,433,304	414,652	22,183,223
1894	7,243,842	5,476,617	1,576,175	1,172,191	16,541,842
Average annual	7,815,402	7,315,174	2,232,912	483,306	20,062,983

I also call your attention, Mr. President, to a like table of exports during the years of American invasion from 1903 to 1907.

Value of Philippine exports, 1903–1907 of American occupation.

Fiscal year.	Hemp.	Sugar.	Tobacco and manufactures.	Copra.	All other.	Total.
1903	$21,701,575	$3,955,568	$1,882,018	$4,473,029	$1,107,709	$33,119,899
1904	21,794,960	2,668,507	2,013,287	2,527,019	1,246,854	30,250,627
1905	22,146,241	4,977,023	1,969,193	2,005,356	1,134,800	32,352,615
1906	19,446,769	4,863,865	2,389,899	4,043,115	1,173,495	31,917,134
1907	21,085,081	3,034,480	3,129,194	4,053,193	1,511,429	33,713,357
Average annual	21,234,925	4,079,886	2,282,716	3,438,342	1,234,857	32,270,726

NOTE.—Total exports do not include gold and silver coin.

So that in hemp, as well as tobacco, these islands have certainly been in a prosperous condition; the large increase, in a measure, adds to the increased price of the article.

You will notice, Mr. President, that the tobacco exports have already regained the position which they occupied during the Spanish régime. Sugar has rapidly declined. At the highest average which they ever gained during Spanish administration, the Philippine Islands exported about 265,000 tons of sugar; and during the last year, I think, it was about 125,000 tons; at least somewhere in that neighborhood. I have not the exact figures.

A careful examination of these tables, taken from the report of the then Secretary of War and now President, January 27, 1908, shows that in those export products the islands have, with the single exception of sugar, more than regained their position and prosperity in their exportations; the aggregate annual exports during the five reported years of the Spanish rule, 1890–1894, inclusive, being $20,062,983, as against an aggregate average annual export during American occupation, 1903–4, inclusive, of $32,270,726.

I can not improve on the words of this report in regard to the sugar and tobacco industries:

> * * * It seems to me wonderful that the exports from the islands have so far exceeded the exports in Spanish times, and have been so well maintained that last year there was more exported from the islands than ever before in the history of the Philippines. * * *

I will also quote in detail from the same report the admirable conclusions which the Secretary reached in regard to these leading industries:

> The chief products of the islands are abacá, or manila hemp, as it is generally called, the fiber of a fruitless variety of banana plant; cocoanuts, generally in the form of the dried cocoanut meat called "copra;" sugar, exported in a form having the lowest degree of polarization known in commerce, and tobacco exported in the leaf and also in cigars and cigarettes. There are other exports of course, but these form the bulk of the merchantable products of the islands. In addition to these, and in excess of most of them except hemp, is the production of rice, which constitutes the staple food of the inhabitants. Some years before the Americans came to the islands the production of rice had diminished in extent because the hemp fiber grew so much in demand that it was found to be more profitable to raise hemp and buy the rice from abroad. In the first few years of the American occupation, however, during the insurrection and the continuance of the guerrilla warfare, and finally the prevalence of ladronism, many of the rice fields lay idle and the importation of rice reached the enormous figure of $12,000,000 gold, or about four-tenths of the total imports. With the restoration of better conditions, the production in rice has increased so that the amount of rice now imported is only about $3,500,000 in gold, and the difference between the two importations doubtless measures the increased native production of the cereal.
>
> During the six years of American occupancy under the civil government agriculture has been subject to the violent destruction which is more or less characteristic of all tropical countries. The typhoons have damaged the cocoanut trees, they have at times destroyed or very much affected the hemp production, and drought has injured the rice as well as the cocoanuts. The character of the tobacco leaf has deteriorated much because of a lack of care in its cultivation due to the loose and careless habits of agriculture caused by war and ladronism, and locusts have at times cleared the fields of other crops without leaving anything for the food of the cultivators.
>
> There is a good deal of land—

The Secretary says—

> There is a good deal of land available for sugar in the Philippines, but there is very little of it as good as that in Cuba, and the amount of capital involved in developing it is so great that I think the possibility of the extension of the sugar production is quite remote. The moment it expands, the price of labor, which has already increased 50 to 75 per cent, will have another increase. All that can really be expected is that the sugar industry—and this is also true of the tobacco industry—shall be restored to their former prosperity in the earlier Spanish times, when the highest export of sugar reached 265,000 tons to all the world.
>
> The tobacco industry needs a careful cultivation, which, under present conditions, it is very difficult to secure. The carelessness with which the plant is grown and the defective character of the leaves is such as to make the manufacturers of cigars and tobacco in Manila despair of using the Philippine product without the addition of the wrappers either from Sumatra or the United States.
>
> All that a friend of the Philippines can hope for is that the sugar and tobacco industries shall regain their former reasonably prosperous conditions. The development of the islands must be in another direction.

I read this because it is the result of the careful thought and study of the man who has thought and studied over the Philippine question to a greater extent, probably, than any other man in the world, who is now our President, and was Secretary of War when he wrote these words:

> The question of labor and capital both must always seriously hamper the growth of sugar production. Nor would I regard it as a beneficial result for the Philippine Islands to have the fields of those islands turned exclusively to the growth of sugar. The social conditions that this would bring about would not promise well for the political and industrial development of the people, because the cane-sugar industry makes a society in which there are wealthy landowners holding very large estates with most valuable and expensive plants and a large population of unskilled labor, with no small farming or middle class tending to build up a conservative, self-respecting community from bottom to top. But, while I have this view in respect to the matter, I am still strongly of the opinion that justice requires that the United States should open her sugar and tobacco markets to the Philippines. I am very confident that such a course would not injure, by way of competition, either the sugar or the tobacco industries of the United States, but that it would merely substitute Philippine sugar and tobacco for a comparatively small part of the sugar and tobacco that now comes in after paying duty. Their free admission into this country would not affect the prices of sugar and tobacco in the United States as long as any substantial amount of those commodities must be imported with the full duty paid in order to supply the markets of the United States.
>
> So confident am I that the development, which the sugar and tobacco interests of the United States fear in the Philippines from an admission of those products free to the United States, will not ensue to the injury of those interests that I would not object to a limitation on the amount of sugar and tobacco in its various forms, manufactured and unmanufactured, which may be admitted to the United States from the Philippines, the limitation being such a reasonable amount as would admittedly not affect the price of either commodity in the United States or lead to a great exploitation of the sugar and tobacco interests in the islands.

I call attention, Mr. President, to the words of the President, then Secretary of War, that he did not deem it well for the islands or its people to develop those interests of sugar and tobacco to a very large extent.

Mr. DICK. What was the date of that communication?

Mr. BULKELEY. This is the special report of the Secretary of War to the President of the United States in 1908, the final report of Secretary Taft after he returned from his last trip to the Philippine Islands.

There are but three islands in all this archipelago that are largely interested in the tobacco industry. They are Isabella, with a population of 76,431; La Union, with a population of 137,839; and Cagayan, with a population of 156,239, making a total population of 370,509. Those engaged in the production of tobacco principally in those islands own lands to the extent of about 50,000 acres. Most of their farms are small—a trifle over an acre each, it is estimated, as I was informed by the collector of internal revenue in the islands, Mr. Hord, with whom I had some conversation about this matter.

I had intended, Mr. President, to call attention to the provisions of this bill as compared with the provisions of bills heretofore enacted providing revenue for the Philippine Islands; but, gratifying to myself, the Committee on Finance this morning accepted some amendments to the bill relating to the manufactures of that island in tobacco as well as other industries.

I will casually remark that in all these exemptions the provision has been that they should be products wholly the growth and product of the islands; and the word "manufacture" has never appeared in all the legislation of Congress in connection with the Philippine Islands until in the present bill.

I sincerely trust that nothing will happen to this tariff bill if this provision shall be enacted into law as now amended. I hope the committee will find occasion to-morrow, in their further consideration of the case, to reduce to a minimum the amount that can be brought in free of duty even under this proposed law. Under the law—and I called attention to the fact this morning when I suggested the amendment—all the raw material of the world could have been shipped into the Philippine Islands, paying of course the duties prescribed by the tariff which is now in the course of preparation for the Philippine Islands and applying the cheap labor of those islands.

I called attention to the bulletin of the Bureau of Labor giving the wages of those engaged in the tobacco industry:

> In Spanish times wages were, for sowers, transplanters, cutters, and packers, 20 cents silver currency (15 cents American currency) a day. Selectors received double this wage. When day-labor can be secured in the tobacco provinces at the present time the wage is about 40 cents silver currency (17 cents American currency) per day.

So that, if the bill as originally reported—fortunately now amended—had become a law, the wage-earners of this country would have had, during its continuance, the possible competition of the cheap labor of 7,000,000 people, more or less, inhabitants of those islands, at the wages to which I have called your attention in the bulletin of the Bureau of Labor, No. 58, published in May, 1905.

The Philippine Commission, in its annual report for 1905, made this specific recommendation for a change in the tariff laws affecting duties on sugar and tobacco:

> Legislation which shall reduce the duties on sugar and tobacco exported from the Philippine Islands into the United States to not more than 25 per cent of the present rates fixed by what is known as the "Dingley tariff law." (Page 33, Annual Report, Phil. Com., 1905.)

This recommendation failed to receive favorable consideration from the Congress, and was renewed in the annual report of June 30, 1906, page 65, Vol. VII, as follows:

> The commission, with the utmost earnestness, renews its recommendation that Congress be asked to amend the Dingley tariff in such way as to provide free entry into the United States of products of the Philippine Islands, or at least to reduce the duties on these articles to 25 per cent of the present rate.

This suggested legislation also failed to receive the approval of the Sixtieth Congress, and the tariff laws affecting the Philippine Islands still remain in force as enacted in 1902.

I ask the attention of Senators to the marked distinction between the legislation proposed in the bill now pending and the tariff legislation heretofore suggested. The act of 1906, which failed of enactment, provided:

That all articles wholly the growth and product of the Philippine Islands coming into the United States from the Philippine Islands shall hereafter be admitted free of duty, except sugar, etc.

The pending bill provides, in addition, for "the manufacture," and omits the provision that these free manufactures shall be in whole or even in part of the growth or product of the islands. They might, and undoubtedly would, be the growth and product of the cheap labor of the world, and in their production or manufacture subject only to the cheaper labor of the Philippine Islands, which would immediately open a new field of competition with American labor, which the pending legislation seeks to overcome, and which the Republican platform of 1908 plainly declared should be properly safeguarded in the proposed revision of the tariff schedules.

The tobacco grown in these islands at present, at least, is not a quality that is desirable to introduce into the United States, and I need only quote from the reports of the Philippine Commission from year to year to verify this statement, and the reports of the governors of the provinces where tobacco is raised are of the same general tenor:

TOBACCO PRODUCTS.

The provinces of Cagayán and Isabela produce the only tobacco fit for use in the manufacture of the better quality of cigars and cigarettes. In several provinces tobacco leaf is produced to a limited extent, but it is believed to be of inferior quality. If the tobacco of the Philippine Islands is to attract foreign markets, it is necessary that immediate steps be taken to improve the character of the seed used, the methods of cultivation, and means of preparation for market. It is not believed that the market for tobacco products has been, on the whole, injured by the new internal-revenue law. The largest wholesale and retail dealers in cigars and cigarettes in Manila, who is likewise a distributor for all the cigar and cigarette manufacturers, has recently issued a pamphlet to the trade entitled "The Cigar Question." Among other things in that pamphlet, he says: "The demand for Philippine cigars and cigarettes has in the past two years exceeded the output, causing long and vexatious delays in filling orders." This difficulty is a real one, and it is not apparent, in view of the enormous domestic consumption of cigars, how the manufacturers of the islands can largely avail themselves of the markets of the United States for their products should those markets be opened to them by striking off the present insurmountable tariff barriers. It will be several years before measures can be made effective to produce a sufficient amount of tobacco suited to American tastes so as to affect the American market or materially to help the industry in these islands.

In this connection it should be remarked that the total output of cigars from all manufactories during the year ended July 31, 1905, was 150,910,950, of which 81,258,130 were for export. The normal annual consumption of cigars in the United States is 7,000,000,000. If it were possible to divert every cigar made in these islands to the United States, home producers would still practically have to supply 98 per cent of the cigars consumed there. Most of the cigars exported from the islands to China and other markets—and China is the greatest market—are of a very inferior quality, and could find no market whatever in the United States. In view of these facts it seems certain that if the Philippine cigars were admitted customs free into the United States, the cigar manufacturers of that country would, for a long time to come, retain considerably over 90 per cent of the trade.

The total taxes collected for twelve months prior to July 31, 1905, on cigarettes amounted to ₱1,996,131.57, 96 per cent of which was paid in the city of Manila and 4 per cent in the provinces, approximately. The total output of cigarettes during that period was 2,964,441,590, besides 14,910,265 exported. The Manila and provincial markets were largely overstocked with cigarettes removed from the manufactories prior to August 1, 1904, to escape the tax. The result was that the cigarette market was dull during the last five months of 1904; but beginning with January, 1905, and continuing down to the date of this report the volume of cigarettes removed from the manufactories, taken as a whole, has attained normal dimensions. The tax rate imposed upon cigarettes in the Philippine Islands is one-third of the rate imposed in Porto Rico and less than one-third of that imposed in the United States. The consumption of cigarettes in these islands, as statistics show, is enormous.

I quote from the report of the Philippine Commission for 1906:

But if there were an absolutely free admission of the Filipino-made cigars into the United States only a comparatively small portion of those produced would seek the American market. Manufacturers would not be willing to abandon their present markets nor to send all their cigars to the United States. A greater portion of the cigars produced here are of a very inferior quality or grade and are sold in China, and would not find purchasers at all if sent to the United States. Even of the better class of cigars produced in the islands many of them would continue to go to Europe, Africa, and other regions where they have heretofore been sold, and from whence goods are imported into the islands. Comparatively few people in the United States have acquired a taste for Philippine cigars, and the demand for them would be only gradual. The area of lands suitable for raising good tobacco in the islands with any satisfactory means of transportation is very limited. It will be many years before, under the most favorable circumstances and alluring hopes of lucrative trade, tobacco planters could possibly increase the yield of their present holdings or increase their present holdings so as to supply sufficient leaf for the manufacture of a greater percentage of cigars than are being manufactured here to-day. The supply of tobacco leaf is at present inadequate to meet the demands of the local manufacturers to make cigars for domestic consumption, and most of the leaf is totally unsuited for making cigars for export to the United States and to European markets.

As a matter of fact, wrapper tobacco is produced in the islands only to a limited extent. The collector of internal revenue of the islands, who is very familiar with all matters of that character, having to deal with the internal-revenue collection of the islands, tells me that not 5 per cent of the tobacco produced in the islands is suitable for wrappers. Most of the cigars that they make for export are what are familiarly known to the trade as "paper cigars." They are not cigarettes, but they are cigars wrapped in paper. The Filipinos themselves are not smokers of cigars to a large extent; but men, women, and children use cigarettes, and the 7,000,000 people in the islands use altogether nearly as many cigarettes as are made in this country.

The Philippine Commission in 1905, the year previous to the report from which I have just read, had this to say:

In every report made by the commission it has urged the repeal of, or at least a large reduction in, the duties imposed by the tariff laws of the United States upon exports of sugar and tobacco from the Philippine Islands to the United States. We now renew our recommendations in this behalf. The reasons which we have so often presented still remain in full force. As we have heretofore stated, both of these industries are in a languishing state, both because of the very considerable destruction of work animals by rinderpest and other cattle diseases and the lack of capital to enable the farmers engaged in raising tobacco and sugar to do more than barely to exist. The producers of tobacco, it is true, have a precarious home market, but they are completely in the hands of the comparatively few manufacturers of tobacco, who generally fix the price which the producer is compelled by his necessities to accept or starve. There is only a limited area of lands adapted to the profitable cultivation of tobacco, and the quality produced is generally poor. Even if the markets of the United States were open to Philippine tobacco, the crude methods obtaining in farming and the conservatism of the people make it certain that no very large increase in output can be expected for many years to come. Even if all the tobacco produced or to be produced in the Philippine Islands now or in the future were exported to the United States and consumed there, it would be so insignificant a proportion of the total amount of tobacco used by the people of the United States that it could not by a possibility disturb the home market, but, as a matter of fact, the greater portion of the output here must be consumed here. The only effect of the abolition of existing duties in the United States on Philippine tobacco, either now or for years to come, would be simply to enable the producer to obtain a living price.

As for sugar, it is the same story. I am reading from the statements of those who are best acquainted with the condition of the people, the condition of their industries, and the results that are produced by their industry—the report of the Philippine Commission. The universal testimony in report after report, not only of the commission, but of the governors of the several provinces, who make their reports to this same commission, are that these products have reached such a low state in their production that they are hardly fit for any market.

The first effort to introduce this tobacco into the United States was caused by the loss of the oriental markets. They produce a tobacco apparently so rank that it is hardly fit for any smoker, but their customers forget that in their eagerness to have a light wrapper cigar, or perhaps they prefer it because oftentimes a light wrapper is stronger than a dark one, a lesson which many of us have to learn.

To continue the quotation from the report of the Philippine Commission of 1905:

As for sugar, it may be said that the high-water mark of annual production was about 300,000 tons during Spanish sovereignty. Since American occupation its production has steadily decreased, so that for the fiscal year 1905 the total amount exported was only 125,276 short tons, which included a considerable amount held in warehouses from previous years. The sugar planters last year obtained a better price for their sugar than for many years before, and this to some extent has served to increase the area planted to sugar this year; and while crop prospects are good, it can hardly be hoped that the total amount produced will exceed 125,000 tons. Moreover, the price of sugar has steadily declined since the last crop was sold. We shall not attempt to repeat in detail the many reasons which forbid any really large increase in sugar production in these islands for many years to come. We content ourselves with stating briefly some of the controlling reasons why this must be so. In the first place, as in the case of tobacco, the area of the lands upon which sugar can be profitably grown in these islands is comparatively small. The supply of native labor is limited and there is no probability of a change in the policy of the Government of the United States forbidding the importation of Chinese or other foreign labor.

The universal testimony is that the unmanufactured tobacco is of such an inferior quality, only about 5 per cent being fit for wrappers, that no benefit will accrue to the Filipino producers by an attempt to open a market in the United States for a product confessedly distasteful for use, and must only end in disappointment to the would-be beneficiary. It is equally true as regards the manufactured product—cigars. Without venturing an opinion of my own, I will again quote from the testimony of

the then Secretary of War, in 1905, before the Ways and Means Committee:

* * * I hope that the Philippine cigar will achieve a better reputation among American smokers after its exportation to this country than it has now. I have brought several thousands of cigars from the Philippines in ecstasy of Philippine enthusiasm, and have sent them to my friends who smoke; but the expression of thanks is for the courtesy, but not for the cigars. And while that may not indicate that the taste will not be formed for Philippine cigars, it nevertheless shows that time must be taken, and that they will not permit a rival cigar on the same level as the Cuban cigar, whether that cigar be made in this country or in Cuba.

* * * * * * *

Tobacco is raised in nearly every province in the Philippine Islands, but it is not usually exported, except from the provinces I have named. It is of a poor character—

This is President Taft's own statement—

but it is quite sufficient to make cigars as long as 2 feet and 2 inches thick, that hang from the roofs of the cabins and are used as family cigars—the mother, the father, and the children all taking a whiff when convenient. The truth is, that in the United States you calculate that one-half—that is, the female portion—do not use tobacco at all, and not, I suppose, more than 60 or 70 per cent of the male. In the Philippine Islands, of the 7,000,000, I suppose six-sevenths of the men, women, and children must be considered as active consumers of tobacco. And that creates an enormous demand—I mean enormous in proportion to the population—for the tobacco which is raised in the islands. It is only the better kind of tobacco that is exported; the rest is used for home consumption. * * *

As it is almost the hour when, under the order of the Senate, it will adjourn, I will stop at this point. It would only take me a few moments longer to conclude, but I fear there is not time enough to do so to-night, although I am practically through.

The VICE-PRESIDENT. The hour of 11 o'clock having arrived, under the order heretofore adopted, the Senate stands adjourned until to-morrow, June 15, 1909, at 10 o'clock a. m.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 14, 1909.

DIRECTOR OF THE CENSUS.

Mr. Edward Dana Durand to be Director of the Census.

SURVEYOR OF CUSTOMS.

Louis P. Bryant to be surveyor of customs in the district of New Orleans.

DEPUTY COMMISSIONER OF CORPORATIONS.

Luther Conant, jr., to be Deputy Commissioner of Corporations in the Department of Commerce and Labor.

POSTMASTERS.

CALIFORNIA.

Frank D. Burrows, at San Anselmo, Cal.
Charles B. Fischer, at Burbank, Cal.
William H. Macy, at San Dimas, Cal.

INDIANA.

Edwin L. Lautzenhiser, at North Manchester, Ind.

KANSAS.

Griffith R. Hughes, at Fort Scott, Kans.

LOUISIANA.

Arthur F. Clement, at Mansfield, La.
Tolbert J. Wakefield, at Lake Charles, La.

MASSACHUSETTS.

Arthur W. Alden, at Randolph, Mass.

MICHIGAN.

Robert E. Newville, at Boyne City, Mich.

MINNESOTA.

Grace M. Henderson, at Verndale, Minn.

OHIO.

Frank A. Chatfield, at Bloomville, Ohio.

OREGON.

J. C. Pritchett, at Freewater, Oreg.

SOUTH DAKOTA.

Jacob R. Guthrie, at Murdo, S. Dak.
A. W. Prewitt, at Philip, S. Dak.

TEXAS.

N. C. Schlemmer, at Austin, Tex.

HOUSE OF REPRESENTATIVES.

MONDAY, *June 14, 1909.*

The House met at 12 o'clock m.

Prayer by the Chaplain, Rev. Henry N. Couden, D. D., as follows:

Our Father in heaven, we bless Thy holy name for the spirit that moved our fathers, in Congress assembled, to that high and patriotic resolve that gave to us our national ensign, the Star Spangled Banner, which for an hundred and thirty-two years, in peace and in war, has floated in triumph o'er land and o'er sea, the emblem of liberty and union.

God grant that it may continue to wave, since in liberty is opportunity, in union strength, in strength peace, in peace prosperity and achievement; and grant, we beseech Thee, that its history and triumphs may be told in song and in story till all the ends of the earth shall know liberty, justice, truth, righteousness—yea, until the emblem of peace shall be perched upon every banner and the curse of war be known no more among men; that the Prince of Peace may indeed reign supreme in every heart, to the glory and honor of Thy holy name, our God and our Father. Amen.

The Journal of the proceedings of Thursday, June 10, 1909, was read and approved.

THE TARIFF.

Mr. CULLOP. Mr. Speaker, in 1843 the tariff was the great question absorbing the attention of the American people, and they were then, as now, engaged in its consideration, as it was then, as now, the most important question commanding the attention of Congress.

Hon. James Whitcomb, of Indiana, during the campaign that year, wrote a pamphlet on the subject, entitled Facts for the People.

Governor Whitcomb was a man of the people, and every act of his noble life and distinguished career was to serve them in the advancement of their interest. By his own efforts he won his way from a humble farmer's boy to a seat in the United States Senate, where he took high rank among the great men in that body at that time. He was appointed Commissioner of the General Land Office by President Van Buren, was elected governor of Indiana in 1843, and reelected in 1846. In 1849 he was elected to the United States Senate from Indiana, and after serving about one-half his term died full of honors, leaving an imperishable name as a legacy to the great State which had bestowed upon him its highest honors.

By those who knew him he was regarded as one of the wisest men that great State ever produced and one of the ablest political debaters in the whole country. The arguments made in his pamphlet, Facts for the People, which then attracted the attention of the country and won him fame, are directly applicable to the question to-day, and so far as the same applies I herewith submit them for consideration on the pending measure.

WHAT IS A TARIFF?

This question is often asked, but not satisfactorily answered. It is of the greatest importance to every taxpayer that it should be correctly understood. What little information we have on the subject among the farmers, mechanics, and laborers is either derived from interested sources, and is therefore one-sided, or it is so covered up with hard words as not to be understood by the mass of the people. When plainly expressed, the humblest individual of sound mind in the community can understand it. To all such we say, "You are precisely the class of men who, above all others, should understand it." We believe that the mass of the people are virtuous and intelligent and that they are capable of self-government. We believe that God in His kind providence has given them minds equal to the management of their own affairs. It is only necessary that they should know about the facts to enable them to form a correct judgment on every question, public or private, in which they are interested.

The doctrine that a freeman must surrender the right of thinking for him to some knowing neighbor is essentially slavish and unworthy a rational being. Let not the poorest lay away the noble faculty of his reason, like a talent in a napkin. It was bestowed on him by the author of his being for active use. It is of little consequence that the hands are used in procuring a livelihood or in acquiring property if the mind is neglected. In that case too frequently it is others only who are benefited. All wealth comes through the hands of the laborer. "The cloud-capped towers and gorgeous palaces," the splendid cities, and the smiling fields of cultivation are of his creation.

And why, then, do they generally retain so little of that which passes through their hands? It is because the ingenuity of a

few, who work their minds and neglect their hands, to make a living from those who work their hands and neglect their minds has been exercised in all ages. When a fair return is made for all this, no objection is made. It is necessary, or at least desirable, that some should engage in business or callings that require the particular exercise of the mind. It is a division of labor and is for the advantage of the whole community.

But we do object to those who by unjust or partial laws, or by their mere wits, suck up their living from the roots that strike into the earth without contributing anything themselves to the common wants of society. They are a dead weight on the community, for the more idlers there are the harder must the rest work. Let it not be said that we make war on the rich. We only defend the poor. Industry, enterprise, and skill are in the highest degree meritorious, and wealth acquired by their means is a merited reward and should be protected. We only desire that all should start fair in the race for wealth and happiness. Poverty at the best is a heavy weight to carry, and it should not be made heavier by unjust laws. Our country is our common mother, and if she is excusable in showing more of her sympathy and kindness toward some of her children, it should be for the weak and unfortunate. Let it not be said that we are playing the demagogue. We abhor the character. The demagogue flatters the people for his own sinister advantage in the shape of power or wealth, and it is precisely that character that we are about to combat. But are not the sentiments and opinions we have put forth true? Can any man of correct feeling, can any friend of justice, can any lover of mankind, who looks into his heart object to them? We think not.

Again we ask:

WHAT IS A TARIFF?

It is a law of Congress which requires goods landed in our ports or brought into our country to pay a tax, and this tax is called a "duty." The great object of such a law is to raise money for the National Treasury, to pay the expenses of the Government. The goods, when landed, pass through custom-houses at the ports, where they are examined, weighed, measured, or counted by the government officers, who receive the amount of the tax.

But this tax, although at first paid by the importer of the goods at the custom-house, is at last paid by the people, because the higher the tariff or tax is on a particular kind of goods the higher must the wholesale importer sell it afterwards to make a profit in his business. For instance, if the importer brings in cloth for which he gave $1 a yard, and he wants to make 10 per cent profit on it, he must sell it for $1.10. If the tariff duty or tax on it is 100 per cent, that is another dollar on the yard, and as he wants to make 10 per cent on all his outlay, he must sell it for $2.20. This he sells to the Indiana merchant, and the latter also wants to make his profit of 50 per cent, being one-third more. He will therefore have to sell it to one of our farmers or mechanics for $3.30 a yard.

Here we see that the importer in the first place paid only $1 a yard tax into the Treasury, but the dollar at last comes out of the farmer or mechanic who buys the cloth for use, with the profit on it, making 60 cents more. Thus we see that the importing merchant, when he sells his goods, not only charges the first cost and a profit on it, but he adds the amount of the tax at the custom-house and a profit on that also. And an additional profit is charged on both cost and tax by every merchant through whose hands they afterwards pass, until they are at last bought for actual use of the retail merchant, who charges his profit at, say, from 33 to 100 per cent on the whole.

In this manner it is clear that the tax caused by the tariff is always paid by the consumer, and that, too, with the addition of the profits on the amount of the tax at every step. The farther the consumer lives from the seaboard the greater are the profits which he is compelled to pay on the tax, besides refunding it. The tax therefore is swelled much larger to the people of the new States than to those of the old.

Hence it is clear that a tariff makes the goods just so much dearer to the people as the tax amounts to with all the profits added to it.

That this is the nature and result of a tariff all parties admit, and they are only mentioned here that what we may say hereafter may be fully understood by every person. It is our intention to guard the people against deceptions too frequently practiced on this subject and to enable them to be their own judges in a matter which so nearly concerns them.

To apply this to our state revenue. If the law of Indiana were to require that all the taxes should be paid by the merchants of the State for the privilege of selling their goods, it is plain that in selling their goods they would charge a profit, not only on their first cost and carriage, but on the taxes also. And if they charged but 50 per cent profit, the purchaser or consumer would thus have to refund to the merchant not only the taxes by him paid, but 50 per cent, or one-third, more than the buyer would have had to pay if called on by the collector. And this is precisely the operation of a tariff tax, excepting that in the latter case the goods generally pass through more hands before they are finally bought for use by the real taxpayer, and there is a fresh profit charged at every step.

Every tax is an evil. But so far as a tax is necessary to defray the expenses of government it is a necessary evil. When such expenses become extravagant, the additional tax thereby created is an unnecessary and unmitigated evil. It is the duty of the Government, therefore, to cut down and retrench its expenditures as much as possible, so as to lessen the burden of the taxes.

There has always been a tariff law in the United States of some kind or other since the first Congress under the Constitution. No serious proposition has ever been made in Congress or by the Government to abolish it. The only contest has been between those who are for a high, or, as it is sometimes called, a "protective," tariff and those who are for a low, or revenue, tariff.

On this point the testimony of Daniel Webster himself, who was in favor of a high tariff, should be sufficient.

In his speech on the tariff in Congress, April, 1824, he says:

> Consider that our whole revenue, with a trifling exception, is collected at the custom-house, and always has been, and then say what propriety there is in calling on the Government for protection—to manufacture—as if no protection had heretofore been afforded.

Then, as both political parties have always been in favor of a tariff of some kind and have always had one, the question is, In what do they differ on this point? It is simply in this: Those who style themselves the Democratic party are in favor of a revenue tariff, and those who style themselves the Whig party are in favor of high, or, as they call it, a protective tariff.

A revenue tariff is such a tax on imported goods as is sufficient to pay the expenses of the Government and no more.

A high or protective tariff is a higher tax on such goods, and, of course, beyond what is necessary for the support of the Government.

The friends of a high tariff insist that such a measure is necessary to protect our own manufactures; that many foreign articles are made so cheap abroad that they would, unless they were heavily taxed, undersell similar articles made by the manufacturers in the United States.

They contend that the people ought to be made to pay a higher price for their cotton shirting and sheeting, their flannels and baizes, their cassinettes and other coarse woolen cloths, their articles made of iron and steel, their salt, and many other articles of necessary and daily use in every log cabin in the country, so as to enable the large cotton and woolen cloth and other manufacturers in some of the old States, and the salt companies, to sell their articles at a higher price. And this they insist is necessary to enable these manufacturers and companies to carry on their business.

They know, however, that the people, and especially the poorer part of them, would like to sell the fruits of their labor for a full or at least a fair value, and to buy their necessaries as cheap as possible; and, therefore, to reconcile them to this tax, they say that it is to last only until the manufacturers and companies are able to stand alone and make these articles as cheap as the foreign ones, and, therefore, that the people, in the long run, will be benefited by it.

But the smallest amount of a tariff tax is some protection to similar articles made in our country.

Let us make all this plain by

A FAMILIAR EXAMPLE.

Suppose one of our incorporated towns in Indiana should pass a law or ordinance that all articles brought within the town limits to market from the country should pay a tax. Among others, suppose the tax of 50 cents on every bushel of potatoes. Suppose a bushel of potatoes could be raised for 50 cents. The farmer, taking them to market, to "make himself whole," would be obliged, then, to charge $1 a bushel; that is, 50 cents for the trouble of "raising and hauling" them to town and 50 cents for the tax which he would be obliged to pay for the privilege of selling them.

Now, one raising potatoes in town, in his garden, or on his outlot, with the same trouble or expense of 50 cents a bushel, could get his $1 a bushel in market also, although he would have to pay no tax, because he would ask and could get the highest price in market, for the tax on the farmer's potatoes would keep them up to a dollar, and the town people must pay that or do without. And it is manifest that the tax, although paid by the farmers in the first instance, would, after all, be paid by the people in town, who were the buyers, the farmers

being obliged to charge just so much more. So high a tax, to be sure, would cause fewer potatoes to be eaten in town, and, of course, fewer would be sold by the farmer. The farmer also could not buy as many articles in town as he would have done had he sold more potatoes. He could not be as good a customer to the mechanics in town, nor get as much sugar, tea, coffee, salt, iron, and so forth, as he would have done if he had sold or exchanged more of his potatoes. He can not, for instance, get leather from the tanyard in town, because the people in town can not afford to give the money for his produce. He is not well prepared for tanning leather on his farm, and, besides, has too many other matters to attend to; but leather he must have, and the time that he takes to tan an inferior article would have enabled him to raise potatoes enough to buy twice as much from the tanner if the tax was not in the way.

So far such tax would diminish trade and be injurious to both parties.

Now, the operation of such a law between town and country is precisely that of a tariff between this and a foreign country.

The most difficult national question can be understood by any man who is able to attend to his own business without the aid of a guardian, if exhibited to him by a familiar example and if he will think for himself. There are too many who are interested in veiling such questions beneath the mist of deceptive words and pompous declamation.

But to return. Another and more important effect would be produced by this town tariff. The advanced price on potatoes, occasioned by the tax, would not all be paid into the town treasury. That part paid on the potatoes sold by the farmer would go into the treasury, but the extra 50 cents a bushel paid for those raised in town would go into the gardener's pocket. The gardener would be benefited by that part of the operation, and not the town government, for carrying on which the tax was imposed.

Again, if the tax on potatoes should be so high that the farmers would take theirs to other towns where the taxes were not so high, then none would be brought from the country to the first town, and no tax would be derived from that source. That would be a prohibitory tariff, and the first town would be compelled to resort to direct taxation to pay the town expenses. The farmers, too, being compelled to trade with other towns, the mechanics, merchants, and so forth, in the first town would lose the benefits of their custom.

But the potatoes that might yet be raised in our own town would still bring a dollar a bushel, although it would cost the gardener but 50 cents a bushel to raise them. The remaining 50 cents would then be a tax on the rest of the community for the exclusive benefit of the gardener, not a cent of it going into the treasury for the common benefit of the citizens.

All this would be bad enough; but the argument of the town council would be that they wanted to protect the gardeners until they could raise and sell potatoes as cheap as the farmers, and make the town independent of the country. Well, suppose the ten or a dozen gardeners should have bought up nearly all the outlots for that purpose, and, having no other cultivation to attend to, should, by the aid of machinery, wealth, and so forth, actually raise potatoes so cheap that after the people of the town had bought all the potatoes they wanted of them, at a high price, there would still be an overplus, which the gardeners could afford to be at the expense of sending to the other towns and undersell the farmers. Would the gardeners need a tax on their neighbors for their own protection any longer?

But perhaps it might still be urged that, if the profits of the gardeners were so high, it would encourage others to turn gardeners also, and so cheapen the article. But—to make the comparison just as to our large manufactories—suppose it required great wealth to procure machinery, and so forth, to engage in the business, that it could generally be done only by rich companies. They could then undersell any new beginner and break him up, and then indemnify themselves by again raising their prices. Besides, it is seen that they already raised more potatoes than were used in town. And would the gardeners ask for an increased tax if they believed it would cheapen the article and diminish their profits?

Another argument is that by encouraging others in town to turn gardeners there would be fewer mechanics, and so forth, left to attend to their old business and more gardeners to buy their work. But there are but few gardeners needed, as their work is carried on by machinery, and so forth, and it is not machinery, but human beings, that need shoes, leather, salt, sugar, coffee, and so forth. The gardeners can use only a small part of these articles which are for sale in town, and by their high tax they have driven off the farmers, who would have used them in exchange for their productions. Is it strange that under such circumstances the gardeners should become rich and the rest of the town complain of "hard times?"

Not satisfied with all this, however, suppose the gardeners, made wealthy by this very tax, should beg the town council to lay a still higher tax on potatoes. Would there be any reason or justice in it? It might be natural enough for the gardeners to ask, but would you suppose that a town council, fairly elected by all the citizens, would pass such a law? Would you suppose that, to gratify one-tenth part of the people in the town, they would be willing to increase the already heavy burdens of taxation on the other nine-tenths?

Now, let us suppose that each one of the 26 divisions or wards of the town was entitled to elect a member of the town council, and that these gardeners lived in the 4 or 5 outer divisions, and where, by their wealth, which they had got by this very tax, they should be able to control the elections and elect members friendly to their wishes and interests. It would not be very strange if these members should vote for any amount of tax; but would it not be passing strange if the members elected in the other wards or divisions should vote for it? If, however, they should be so ignorant, or so far seduced by plausible speeches and flattery, as to desert the interests of their confiding neighbors and vote to tax them still more, ought they ever to be elected again?

Now, this is a plain and familiar example of the operation of the last tariff upon the whole United States as to most articles of necessity. The reader will be able to make the application.

We ask our farmers and laboring men, without distinction of party, seriously, if they can approve such a law? We ask them if they have not been deceived, if their confidence has not been abused?

We have heard this, aye, this very law, imprudently praised on the stump and in the press as the poor man's best friend. And if a modest complaint is only hinted, we are told that we are making war against the rich. If the friends of the poor who are ground under the iron heel of taxation mildly protest against such treatment, they are told not to make war against the rich. The rich are to be protected; but if war is made against the poor, they are not to be allowed the privilege of defending themselves.

The unjust distinction against the poor is made still greater in other articles. The coarser kinds of woolen goods so much used by the farmer and laborer, and especially flannels and baizes, so necessary for infancy, for old age, and sickness, is taxed still higher by this bill.

It would be some consolation to the farmer if the tax he had to pay should go into the Treasury for the common benefit. But where, as we have shown, the taxes are so high that the foreign article is excluded, the domestic article only can be bought and the tax or tariff on it, of course, goes into the pocket of the manufacturer.

So as to salt—salt, that prime necessary of life, which the wealthy inhabitant of the city only uses on his table, but which the western farmer uses extensively to save his pork and beef and bacon, and to salt his stock, and so forth. This article, even in tax-oppressed England, is admitted tax free. It is there regarded, like the air we breathe, as an absolute necessity. But in this land of liberty where we have so many stump professions for the poor, the poor man's salt is sorely taxed. Ay, taxed by this boasted tariff, this "poor man's best friend."

It may be said that the laborer may pay as little tax as he pleases by buying less from the merchants. To this we answer that his necessities compel him to buy something; and even if he bought nothing, he would still pay his portion of the tariff tax. This is well understood and easily proved. If the laborer should stint and deprive himself of the comforts and necessaries of life sold at the "store," yet those who did buy would, by paying the increased price, be so much the less able to pay the laborer his fair wages, so true is it, in most instances, that all such impositions in the long run weigh on the hands of the laborer. Such a policy is not only unjust, but it is impolitic and unwise. For there is nothing at last that gives solid and permanent wealth to a country but labor.

All wealth comes from that humble and too frequently despised source. It is the business of trade, commerce, and navigation, merely to traffic in or exchange the products of labor. If labor should cease, these proud interests would be annihilated, they would pass out of existence. A free and prosperous laboring and farming interest in a country is its glory and its pride. It constitutes the very sinews and life-blood of its prosperity. Without its life-giving breath every other interest would sink in death. Every wise government therefore should foster and encourage, cherish and protect the laborer.

Why then manacle, cripple, and palsy its hands? The poor man pays, under this tariff, in proportion to his purchase more for his coat, his shirt, his blanket, his salt, and other necessaries than the rich man does for his wines, his furnitures, his silks, and apparel.

When any class of men are "protected" in their business, it must be that they obtain an advantage, a substantial benefit. And if so, it comes from others. "Protection" to one class is therefore a tax on the rest of the community. In buying and selling "what is one man's gain must be another's loss."

Rest assured that, however successful Members of Congress from manufacturing districts may be in "humbugging" our Members on this subject, they are too wise to be "humbugged" themselves. We have already shown from the speech of Mr. Webster himself, in 1824, that he regarded the protection of his constituents who were manufacturers as a sacrifice of the other great interests in his community.

We have seen, too, that Mr. Clay, in 1810, viewed a tariff as a tax on the rest of the people for the benefit of the manufacturer, for he did not venture to propose that it should last always. It was to continue only until the "protected" article could be made as cheap here as abroad. And how far that has been, and is, the case we have shown already.

Let us see if the manufacturers can give us the double price for our produce. Let us see if they can consume it. In the good old times of virtue and simplicity the mother and daughter in a thrifty farmer's family did their own spinning and weaving and were able to clothe their fathers and brothers. By modern improvements most of our clothing is made in the large manufactories. Now, suppose that 10 men engaged in manufacturing were to clothe as many who might be engaged in raising provisions, and that they should mutually supply each other. But the thrifty farmer and his sons could easily raise a great deal more provisions than the whole family, men and women could eat. Ten able-bodied men on our western farms, therefore, can furnish far more than 10 puny manufacturers could consume. But this comparison would be conceding entirely too much. Calculate the number of yards of clothing and the number of hats and pairs of shoes that the 10 farmers would use in the course of a year, and then how long it would take the 10 manufacturers to make those articles.

Now, the real condition of our manufactories makes the difference still greater. That great difference consists in the wonderful improvements made in machinery. It is ascertained that one man with a spinning machine can produce as much yarn as 267 men can with each a one-third wheel. Now, even if it took one manufacturer all his time to make clothing for one farmer, the same manufacturer, with the assistance of a machine, could make enough, from the above calculation, to clothe 267 farmers. But this labor-saving machine has but one mouth to feed—the man who "tends it"—and one farmer, by planting a few more rows of corn, could stuff that mouth into an apoplexy. What will the other 266 farmers do with their surplus produce?

But, say some, can we not induce our farmers to abandon their lands and turn their attention to something else? But to what shall they turn their attention? To manufacturing? We have shown that the cotton factories not only supply the whole United States at a high price, but send a surplus to foreign countries. The large manufactories at the East glut our markets with boots and shoes and hats and saddles and tinware and woodenware, and so forth, until our village and country mechanics are nearly broken up.

Well, but what is the remedy, then? To ascertain this we must first know what is the evil. The fact is that the few manufacturers necessary to glut this country with their goods can not consume the twentieth part of our surplus produce.

They exclude by a high tariff an immense amount of cheap necessaries that we could get from abroad in exchange for our provisions. But the foreigner can not buy our produce unless we buy his articles. This is easily proven. It is charged, indeed, as an argument for a high tariff that we can not buy goods from abroad unless our staples are taken in return. This is certainly true. And is it not just as true that those from abroad can not buy our produce unless we buy their goods in return? If one proposition is true, the other is also.

The fact is that exports and imports must, in a given length of time, be about equal. This is admitted by every man of experience who has any regard for his reputation as a statesman. Mr. Webster, in sustaining this position as true, in a clear and forcible argument, observes.

We inhabit a various earth. We have reciprocal means for gratifying one another's wants. This is the true origin of commerce, which is nothing more than an exchange of equivalents, its only object being, in every stage, to produce that exchange of commodities between individuals and between nations which shall conduce to the advantage and happiness of both.

Mr. Clay himself has said:

For we are instructed by all experience that the consumption of any article is in proportion to the reduction of its price, and that, in general, it may be taken as a rule that the duty (tax) forms a portion of its price.

John Quincy Adams, in his fourth annual message, also says:

In our country a uniform experience of forty years has shown that whatever the tariff of duties upon articles imported from abroad has been, the amount of importations has always borne an average value nearly approaching to that of the exports, though occasionally differing in the balance, sometimes being more and sometimes less.

Imports and exports, then, being equal, they who are opposed to our getting goods from abroad are necessarily opposed to our sending off our surplus produce; the one depends on the other.

Will a high tariff make manufactures cheaper? If its friends did not sometimes urge this as an argument in its favor, we should scarcely deem it worthy of a reply.

Does the manufacturer himself believe it? He complains that they are now too cheap, and therefore he asks for a high tariff to enable him to sell at better prices. If the manufacturer is embarrassed because he can not sell his goods high enough, would he ask for a high tariff if it would cause his goods to fall still lower in price? By no means. That would not be "protection." Yet the manufacturers were foremost in urging the higher tariff upon Congress at its last session; and Mr. Simmons, of Rhode Island, himself a wealthy manufacturer, was the chairman of the Committee on Manufactures in the Senate which reported in its favor.

But it is said that prices of manufactures have declined; that cotton goods, for instance, are much cheaper than they were twenty or thirty years ago. This is very true. But this has been owing, not to a high tariff, but to the vast improvements in machinery. If one man, with the aid of a machine, can now spin as much cotton or wool as 267 men could formerly, the only wonder is that goods are not much cheaper than they are. The truth is, low prices are the excuse and cause of high tariffs. But high tariffs are the enemies of and prevent low prices. If it were not for high tariffs, machinery would supply our wants at far less expense. High tariffs are the deadly enemies of all the advantages flowing from improvements in the social arts, and confine those advantages to a privileged few.

A high tariff is injurious to commerce, navigation, and the defense of the country. The United States are happily separated from the most powerful nations of the globe by the wide ocean. A war with either of them, therefore, must, to a great extent, be fought on that element. Ships and sailors are necessary in such a contest. Who has not heard of—who among us does not feel—the valor of a John Paul Jones of the Revolution, of the Porters, the Decaturs, the Bainbridges, the Lawrences, and our other naval heroes of the last war, in successfully grappling with proud England, the queen of the sea, the first naval power of the world, on her own boasted element, and tearing from her reluctant grasp the wreath of victory? Who does not see the necessity of keeping up the numbers and spirits of our hardy sailors, with whose assistance we can hold foreign arrogance and foreign aggression "at arm's length?"

Now, it is well known that nearly all our brave tars are reared in the merchant service. They commence their life of peril and daring on the stormy deep in trading vessels. This is their apprenticeship. Thence they go into our ships of war and make our glorious flag respected in every port and on every sea, or they enter on board of privateers, despoiling the enemy's commerce and crippling his energies.

But if our merchant vessels are thrown out of employ, what becomes of this apprenticeship of the American tar, this nursery of seamen? Whence can our men-of-war get their supply of skillful hands and stout hearts?

Now, it is manifest that a high tariff, by diminishing imports, diminishes trade; and, of course, diminishes the number of vessels employed in trade. It diminishes the shipping interest engaged in exchanging our products over the whole world. Its direct tendency, therefore, is to cripple our naval force, which has been well termed the "right arm of the national defense."

Now, let us see how far this is borne out by the facts. During the ten years from 1800 to 1810, although our merchant vessels were annoyed by both England and France, they increased in tonnage nearly 50 per cent. In the five following years, even when we were engaged in a war with the immense naval power of Great Britain, our tonnage was but slightly diminished. But in the following fifteen years, ending with the year 1830, under the high tariff of 1816, 1824, and 1828, our shipping was reduced to the amount of 277,819 tons, being over 50 per cent, although our population was increased over 50 per cent. Thus the high tariffs had nearly destroyed our shipping

and had accomplished what England with her thousand ships of war was unable to effect.

Now, contemplate the other side of the picture. In 1833 the compromise tariff was passed by which the tariff tax on imports was gradually diminished from time to time for ten years, and within the nine years since we have more than recovered all that we had lost, our foreign tonnage amounting in 1841 to 946,073 tons. And yet it be said that this shipping interest has been exclusively engaged in importing goods from abroad. It was also employed in taking out at least an equal amount of exports, as we have already established.

Is the present high tariff impartial in its operations? Many of the remarks already made might be referred to this head. But we desire to submit a few more to the candid reader. We say the candid reader, for in the recent state of political excitement there were, and doubtless there yet are, some who will not be convinced; some whose prejudices are too strong for argument; some who are so anxious for office that the permanent interests of the people are of less importance in their eyes than the attainment of short-lived distinction. Strange as it may seem, there are some who would be sorry to find their opponents right. With such it would be lost time to argue. We only ask the attention of those of all parties who desire to know the truth for its own sake.

We have already proved that the operation of a high tariff is to compel one part of the community to pay another class of persons a higher price for their products. We will now examine the whole amount of these higher prices caused by the late tariff, and compare the numbers and occupation of those who pay and those who get paid.

The census taken in 1840 shows that there were then in the United States 3,700,000 persons engaged in "farming" or agriculture, and that the products of their labor and their farms amounted in the year to $794,000,000. This makes $213 to each tiller of the soil.

The census also shows that there were 791,000 persons engaged in trade and manufactures, and that their products were $394,000,000 in the year, which gives $500 to each of them.

Now, in the present times, which man most needed protection, the manufacturer, who makes $500 a year, or the farmer, who makes only $213 a year, not one-half?

The above does not yet show the full extent of the evil; for from this number of 791,000 persons engaged in trade and manufactures should be taken our village and country mechanics, whose profits generally are not larger than those of the farmer, and who are greatly injured by the overshadowing competition of the large factories of the old States.

And we should also take from that number the mere hands or workmen employed in these factories; for, as they receive only their humble wages, the profits caused by the high tariff go to the rich companies or individuals who own those establishments.

Are not the farmer and laborer equally entitled to protection? At any rate, if either part of the community is to be favored, ought it not to be the many and not the few? Yet we find the smallest class, who are not already doing more than twice as profitable a business as the others, are to be still further benefited at their expense.

Is it just, is it sound policy, that these few wealthy manufacturers on whose behalf it was promised in 1816 that a "protection" of three years would be sufficient, and who have since received higher and higher "protection," should again be quartered on the country?

Is it just, is it fair, that they should have many of their goods "protected" when there are none of the same brought into the country to compete with them?

In vain do we look into this bill for "protection" to the farmer of Indiana. We beg pardon. To preserve the appearance of impartiality, it is most graciously provided in this bill that any beef, pork, meat, flour, oats, and corn imported from abroad shall pay a duty. As if we were afraid that the half-starved of foreign countries should spare these articles, send them here, and undersell us—undersell us in our own country, when our complaint is that we raise more than we can sell, and can only sell at the lowest prices.

We pretend to exclude foreigners from sending provisions into our country, when they themselves are dying in their cellars and in their streets for want of such provisions. The manufacturers prevent the importation of articles from abroad, which, of course, must prevent the foreigner from exchanging them for our produce, which is rotting in our stacks, barns, and cribs. And then, as a set-off, say the foreigner shall not bring agricultural products to Indiana. This is nothing but the mockery of protection to the farmer. They know that such produce can not be brought here.

Let us not be misunderstood. We are the friends of the manufacturers. We rejoice in the mechanical and chemical improvements of the age by which nations are clothed with far less labor and at far less expense than formerly. We are gratified to see industry encouraged and rewarded everywhere, but we do object to the elevation of the interests of a few above those of the many to give assistance where it is not needed at the expense of honest labor which is crying for relief.

Let it not be said that we are opposed to American labor or to home industry. We claim to be, and can prove that we are, more friendly to these great interests on which, under a kind Providence, our national wealth and happiness depend than our opponents themselves. We are not for the home league, on the part of a pampered few, to fleece and rob the needy and suffering multitude. Is there no American laborer but what is found in the wealthy factories? Is there none at the plow, the scythe, and the sickle? Have we no home crops, home herds of cattle, and home flocks of sheep?

Home industry! At that inspiring name the tide of patriotism rushes to our heart, we raise our heads and cast our eyes over our whole beloved country. We can not fetter and contract our affections to the noisome precincts of the factory alone. But see! Look abroad over our thousand hills and boundless plains. "See the emigrant cutting down the trees, building his log cabin, and turning up the prairie where golden harvests have slept ever since the flood." There is "home industry." Look at the farmer improving his fences, feeding his cattle, and taking his crops to market. There is "home industry." Look at his wife and daughters cooking his food, making his clothes, doing everything to save what he has earned and giving comfort to his habitation. This is "home industry."

This class exceeds all others in society, both in numbers and importance. Without them our widespread and fertile lands would be as valueless as the deserts of Arabia. Not a house would be built did he not feed the builders. Not a village or city would spring into existence or continue to exist did they not draw substance and wealth from the farmers around them. Not a ship floats whose freight is not, in the first instance, the product of his toil or the labor of those whom he feeds. The lawyer, the doctor, the divine, the mechanic, the seaman, the soldier, the public officer, the merchant, the banker, the broker, the idler, and the knave are all fed from his hands, clothed by his toil. The wealth of the Girards and the Astors is the accumulation of his industry; it is he who fills the treasuries of States and nations, builds navies and supports armies. Without him society can not exist, and the world would be surrendered to a few wandering savages living by the chase.

This is the "home industry" which, above all others, merits "protection." But what "protection" does he obtain or ask? Or what is it possible for the Government to give? Does the immigrant expect or ask the Government to cut down the trees for him or build his cabin and plow up the prairie? Does the farmer ask or expect the Government to build his fences or plow his fields? Does he go to his Government and say: "My land is poor; I can scarcely get a living; I beg for protection; I beg you to impose a tax on the produce of my neighbor's more productive lands, that my crop will sell higher, and I may get rich?" If he were to approach Congress or the state legislature with such a petition he would be laughed to scorn. He would be told that he had himself chosen his occupation and chosen his home; that he must encounter the hazards of the one and the inconvenience of the other; that it would be as unjust to tax his neighbor's crops to enable him to sell his goods at a higher price as it would be to take his neighbor's property without consideration and give it to him.

There are but few men in society who advocate an equal distribution of property by law, and these are stigmatized as agrarians and levelers. But is not a protective tariff, so called, founded on the same principle? When the law compels me to pay more for a hat than I should otherwise be obliged to pay, does it not take a part of my property and give it to the hatter? If the law compels the farmer to give 5 bushels of wheat for goods which he could otherwise purchase for 4, does it not take from him a part of his property and give it to the manufacturer?

And this is called "protecting home industry." The industry of thousands is taxed to swell the income of one; but the thousands are forgotten and the one only remembered. And because he gets rich there is as much gratulation as though the rest of the community had not thereby become poor.

The main object of a tariff, as we have said, is, or should be, to raise a revenue. But if the taxes imposed on articles from abroad are too high, they either diminish the amount imported or shut them out altogether. If less goods are imported, less taxes are paid at the custom-house. If the tax is so high that the foreign article can not afford to pay the tax and afterwards

sell for a saving price, it will not be brought into the country at all. In that case no goods would pass through the custom-house to pay taxes, and, no taxes being collected in that manner, there would be no way left to supply the Treasury but by excises or direct taxation, which the friends of a high tariff profess to abhor. The quantity of articles from abroad that can be used in a country is in proportion to the number of its people. Every tax on such articles, as we have proved, raises their price, and the price is raised in proportion to the amount of the tax. If such articles are raised but a little, by a small tax, the poorest of the people only will be prevented from buying them.

If such taxes are raised still higher, those who are a little better off than the poorest will next be unable to buy, and so on, until they are so high that, from inability or on account of domestic competition, none will buy, and then the revenue from that source will cease altogether. If the taxes are very high, although the amount paid on a particular article is then greater, yet there will be fewer of such articles sold on account of the high price, and consequently fewer brought into the country, and therefore less revenue collected. So that if the taxes are either too high or too low, the revenue will be diminished at the custom-house. If the object is to raise a great amount of revenue, therefore, a medium should be observed.

We have thus endeavored seriously to place this great question before our countrymen. If we knew our own hearts, we have been actuated only by an anxious desire to guard their labor and their property from the spoiler. The manufacturers are rich and powerful. They can afford to employ writers and politicians to battle for their interests. They crowd their papers and their speeches with praises of high tariff. Members of Congress scatter their speeches in their favor throughout the country. But if you listen to or read those speeches carefully you will find that they are loose and "flowery." They do not go into explanations. They do not descend into facts. They are plausible and pretty, but not to the point. They avoid the true question and endeavor to excite prejudices.

But while wealth commands its thousands of advocates, poverty and labor are too often left undefined. In such a case we can not withhold our humble aid. We have confined ourselves to public documents and to the speeches of our opponents themselves—to facts and to figures. We ask a patient hearing.

We know that we are exposing ourselves to the assaults of selfishness. Whoever undertakes to protect the many from being plundered by the few expect all the abuse, ridicule, and misrepresentation that hireling talent, political prejudices, and aristocratic interests can bring into the field. Our support and consolation will be found in an approving conscience. Our opponents claim to be the exclusive friends of a tariff for the purpose of smuggling in an unrighteous tax upon the backs, the mouths, and the labor of the country. They know that if their scheme of taxation stood out in its naked deformity, it would receive the hooting and execrations of the honest and unsuspecting of their own party.

"Let us reason together." We are satisfied that, striving as you do to make an honest living, you do not desire to be robbed of your hard earnings. We are convinced that you are anxious for the best interests of our common country. Many of us are attached to you by mutual acts of neighborly kindness, by the ties of relationship, and often by a common religious faith. Can we not have charity toward each other, and, throwing away passion and prejudice, go earnestly in quest of truth for its own sake?

Our opponents, disguise it as they may, are afraid of the people. They doubt their capacity for self-government. They believe the mass of them to be ignorant and vicious. Hence their constant endeavors to excite their passions, their prejudices, and their imagination by mere shows, parades, and spectacles. Hence, too, their endeavors to gratify their appetites, as if the readiest channel to man's reasoning faculties was down his throat. And why do they do so? It is because they do not believe the laboring part of mankind has any reason, or, at least, not enough to understand their own rights or the nature of our Government. They can only allow them sense enough to attend to the narrow limits of their humble calling. And the only use that they can imagine they have of them is that they should grope and drag out an obscure life of toil and weariness, to pay taxes, to be cajoled, deceived, and "humbugged," to serve as stepping-stones for men to get into office, and finally to sink into the earth, unmourned and forgotten. Let us repeal so unworthy an estimate of us, as independent freemen.

Let us rise to the dignity of our nature. If a foreign or savage foe invades our beloved country, these dictators are ready to call upon us in their behalf, to bare our toil-worn bosoms to the strife of battle; they are compelled to admit that we can then "do our own fighting." Let us show them also that we can "do our own thinking and our own voting." They are forced to admit that we are men in the battlefield; let them not treat us as children at the ballot box. Let us, by protecting the hand of labor, press on in the road of national wealth and social happiness And let our rallying cry be, "No political advantages from birth or fortune; no monopolies or special privileges; equal rights and equal taxes; and equal and exact justice to all men."

[Mr. SIMS addressed the House. See Appendix.]

ARBITRATION AND PEACE.

Mr. BARTHOLDT. Mr. Speaker, I ask unanimous consent to print in the RECORD certain remarks of the gentleman from Minnesota [Mr. TAWNEY], Dr. Nicholas Murray Butler, Mr. Andrew Carnegie, and myself on the subject of arbitration and peace.

The SPEAKER. Is there objection?

There was no objection.

J. BLAIR SHOENFELT.

Mr. MURPHY. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Missouri demands the regular order. The Clerk will call the committees.

The Clerk called the committees.

Mr. MURPHY. Mr. Speaker, I ask unanimous consent for the present consideration of the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 76.

Resolved, That the Secretary of the Interior be, and he is hereby, directed to transmit to the House of Representatives, if not deemed inconsistent with the public good, a copy of all reports of Indian Inspector Cyrus Bede on the conduct of J. Blair Shoenfelt while Indian agent at Union Agency, located at Muskogee, Ind. T., which said reports were made during the year of 1904 or 1905.

Mr. PAYNE. I understand the resolution has been introduced and referred to a committee regularly and that the time has expired.

Mr. MURPHY. Yes.

Mr. LIVINGSTON. Mr. Speaker, is this subject to unanimous consent?

The SPEAKER. What disposition does the gentleman desire to make of his resolution which he has called up; does he offer it on the floor and desire action now?

Mr. MURPHY. Yes.

The SPEAKER. What action does the gentleman desire?

Mr. MURPHY. I move that the committee be discharged from the further consideration of the resolution and it be adopted.

The SPEAKER. It has not been referred to a committee.

Mr. LIVINGSTON. Then, at least the gentleman from Missouri must explain his resolution before we can stand for it.

The SPEAKER. As the Chair understands it, the gentleman's resolution is a printed resolution interlined with the words "copy of all," "while," "at," and "were," and not the resolution which was referred to the Committee on Indian Affairs, but a new resolution.

Mr. MURPHY. Then the Chair has the wrong one.

The SPEAKER. The Chair has the one which seems to be interlined as stated, and the gentleman offers it, as the Chair understands, as a resolution upon the floor as a Member of the House.

Mr. PAYNE. Mr. Speaker, I desire to know if it requires unanimous consent. I understood the gentleman offered a resolution which has been referred to the Committee on Indian Affairs, and they have failed to report it, and, under the ruling of the Chair some weeks ago, I believe that to be in order. The resolution which the gentleman showed me this morning was a printed resolution, purporting to have been referred to the Committee on Indian Affairs. I now understand the gentleman to say he sent up the wrong resolution in the place of sending up another one.

The SPEAKER. Hence the Chair asked the gentleman from Missouri if he offers this resolution as an original resolution. If so, the Chair will recognize the gentleman for that purpose. The question is on agreeing to the resolution.

The question was taken, and the resolution was agreed to.

LEAVE OF ABSENCE.

By unanimous consent, Mr. PADGETT was granted leave of absence for two weeks on account of important business.

ADJOURNMENT.

Mr. PAYNE. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 12 o'clock and 9 minutes p. m.) the House adjourned until Thursday next.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

A letter from the Secretary of the Interior, transmitting the acts and resolutions of the fourth legislative assembly of Porto Rico in special session (H. Doc. No. 51)—to the Committee on Insular Affairs and ordered to be printed.

A letter from the Secretary of the Treasury, transmitting a copy of a letter from the Secretary of War submitting an estimate of appropriation for erection of certain markers on the battlefield of Gettysburg (H. Doc. No. 52)—to the Committee on Appropriations and ordered to be printed.

A letter from the Acting Secretary of the Treasury, transmitting a copy of a letter from the Secretary of the Interior submitting an estimate of appropriation for rent of certain rooms in connection with the work of the Bureau of Engraving and Printing (H. Doc. No. 53)—to the Committee on Appropriations and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of J. W. Phillips, administrator of estate of Absalom Phillips, deceased, *v.* The United States (H. Doc. No. 54)—to the Committee on War Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of Jeremiah Cain *v.* The United States (H. Doc. No. 55)—to the Committee on War Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of W. P. Boales, administrator of estate of A. J. Wiglesworth, *v.* The United States (H. Doc. No. 56)—to the Committee on War Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of Baxter Smith, administrator of estate of Hugh C. Jackson, *v.* The United States (H. Doc. No. 57)—to the Committee on War Claims and ordered to be printed.

A letter from the assistant clerk of the Court of Claims, transmitting a copy of the findings filed by the court in the case of Mrs. Pettie Light-Johnston and Mrs Scrappy Light-Bradshaw *v.* The United States (H. Doc. No. 58)—to the Committee on War Claims and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. HANNA: A bill (H. R. 10618) to establish a fish-culture station at the city of Sykeston, in the State of North Dakota—to the Committee on the Merchant Marine and Fisheries.

By Mr. OLDFIELD: A bill (H. R. 10619) for the improvement of the navigation of the White and Black rivers in the State of Arkansas—to the Committee on Rivers and Harbors.

By Mr. BARNHART: A bill (H. R. 10620) for the improvement of the naval militia, and for other purposes—to the Committee on Naval Affairs.

By Mr. HANNA: A bill (H. R. 10621) to establish a fish-culture station at or near Sykeston, in the State of North Dakota—to the Committee on the Merchant Marine and Fisheries.

By Mr. SPIGHT: A bill (H. R. 10622) to confer jurisdiction on the Court of Claims in certain cases—to the Committee on War Claims.

By Mr. HUGHES of West Virginia: A bill (H. R. 10756) to establish a national wagon roads commission, with a view to the improvement and construction of wagon roads in conjunction with the several States in the interest of commerce and the postal service—to the Committee on Agriculture.

By Mr. VREELAND: Resolution (H. Res. 77) for the relief of Michael Fitzpatrick and to pay funeral expenses of Charles C. Fitzpatrick—to the Committee on Accounts.

By Mr. COOPER of Wisconsin: Memorial of the legislature of Wisconsin, asking Congress to enact a law providing for the physical valuation of railroads—to the Committee on Interstate and Foreign Commerce.

Also, memorial of the legislature of Wisconsin, petitioning Congress for the establishment of a permanent nonpartisan expert tariff commission—to the Committee on Ways and Means.

Also, memorial of the legislature of Wisconsin, relating to investigation of stock exchanges—to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr. AUSTIN: A bill (H. R. 10623) granting a pension to Lou E. Grill—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10624) granting an increase of pension to Nancy C. Kirk—to the Committee on Invalid Pensions.

By Mr. BARNHART: A bill (H. R. 10625) granting an increase of pension to Amos H. Stevenson—to the Committee on Invalid Pensions.

By Mr. BROWNLOW: A bill (H. R. 10626) granting a pension to Henry Spurgeon—to the Committee on Pensions.

Also, a bill (H. R. 10627) granting a pension to Stanley S. Stout—to the Committee on Invalid Pensions.

By Mr. BYRNS: A bill (H. R. 10628) for the relief of the estate of Sterling Walker, late of Robertson County, Tenn.—to the Committee on War Claims.

By Mr. CHAPMAN: A bill (H. R. 10629) granting an increase of pension to A. J. Gray—to the Committee on Invalid Pensions.

By Mr. DE ARMOND: A bill (H. R. 10630) granting an increase of pension to James Taylor—to the Committee on Invalid Pensions.

By Mr. DODDS: A bill (H. R. 10631) granting an increase of pension to Michael Reichard—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10632) granting an increase of pension to Charles E. York—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10633) granting an increase of pension to Jacob Souders—to the Commiteee on Invalid Pensions.

By Mr. ELVINS: A bill (H. R. 10634) for the relief of John A. Martin—to the Committee on Military Affairs.

By Mr. FOCHT: A bill (H. R. 10635) granting a pension to L. W. Sieber—to the Committee on Invalid Pensions.

By Mr. FULLER: A bill (H. R. 10636) granting an increase of pension to James Jones—to the Committee on Invalid Pensions.

By Mr. HAMLIN: A bill (H. R. 10637) granting an increase of pension to Samuel Paxton—to the Committee on Invalid Pensions.

By Mr. HELM: A bill (H. R. 10638) to carry into effect the findings of the Court of Claims in the matter of the claim of the trustees of the Christian Church of Nicholasville, Ky.—to the Committee on War Claims.

Also, a bill (H. R. 10639) to carry into effect the findings of the Court of Claims in the matter of the claims of the trustees of the First Presbyterian Church of Harrodsburg, Ky.—to the Committee on War Claims.

By Mr. KENDALL: A bill (H. R. 10640) granting an increase of pension to Sylvester Hendrix—to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 10641) granting an increase of pension to William A. Nixon—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10642) granting an increase of pension to Levi P. Thompson—to the Committee on Invalid Pensions.

By Mr. SHARP: A bill (H. R. 10643) granting a pension to Dorotha C. Swihart—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10644) granting a pension to Harrison Wagner—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10645) granting a pension to Frank Richardson—to the Committee on Invalid Pensions.

By Mr. SHEFFIELD: A bill (H. R. 10646) granting a pension to Hannah Kelley—to the Committee on Pensions.

Also, a bill (H. R. 10647) granting a pension to Mary E. Young—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10648) granting a pension to Jennie L. Tate—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10649) granting a pension to Alice Case—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10650) granting an increase of pension to Sarah A. Peck—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10651) granting an increase of pension to George L. Nye—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10652) granting an increase of pension to James Maguire—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10653) granting an increase of pension to James McCaffrey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10654) granting an increase of pension to Sarah A. Hunt— to the Committee on Invalid Pensions.

Also, a bill (H. R. 10655) granting an increase of pension to George Dempster—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10656) granting an increase of pension to Patrick Connors—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10657) granting an increase of pension to Thomas Congdon—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10658) granting an increase of pension to Lewis M. Boria—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10659) granting an increase of pension to James D. Barnes—to the Committee on Pensions.

By Mr. SMITH of California: A bill (H. R. 10660) for the relief of Nancy J. Wilkins, heir of Robert W. McNeil—to the Committee on War Claims.

Also, a bill (H. R. 10661) granting an increase of pension to Daniel W. Edwards—to the Committee on Invalid Pensions.

By Mr. SMITH of Michigan: A bill (H. R. 10662) granting an increase of pension to Jesse Gray—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10663) granting a pension to Mary Clinton—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10664) granting a pension to S. W. Knapp—to the Committee on Invalid Pensions.

By Mr. SPIGHT: A bill (H. R. 10665) granting a pension to Louisa S. Flournoy—to the Committee on Pensions.

Also, a bill (H. R. 10666) granting an increase of pension to William Hardcastle, alias Jacob Salter—to the Committee on Pensions.

Also, a bill (H. R. 10667) for the relief of Mrs. A. T. Mason, of Benton County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10668) for the relief of Caroline Elliott, of Benton County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10669) for the relief of Alfred McFadgen—to the Committee on Military Affairs.

Also, a bill (H. R. 10670) for the relief of Willis J. Moran—to the Committee on War Claims.

Also, a bill (H. R. 10671) for the relief of Mrs. Martha T. Davis—to the Committee on War Claims.

Also, a bill (H. R. 10672) for the relief of D. W. Carpenter, of Marshall County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10673) for the relief of James H. Knox—to the Committee on War Claims.

Also, a bill (H. R. 10674) for the relief of W. M. McKie—to the Committee on War Claims.

Also, a bill (H. R. 10675) for the relief of J. J. Miller, of De Soto County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10676) for the relief of Jeremiah H. Morgan, of Benton County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10677) for the relief of W. D. Aston—to the Committee on War Claims.

Also, a bill (H. R. 10678) for the relief of William Moyers, of Marshall County, Miss.—to the Committee on Claims.

Also, a bill (H. R. 10679) for the relief of J. N. McIntyre—to the Committee on War Claims.

Also, a bill (H. R. 10680) for the relief of Nancy P. Garrison—to the Committee on War Claims.

Also, a bill (H. R. 10681) for the relief of J. R. Hollowell, of Lafayette County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10682) for the relief of James H. Benton—to the Committee on War Claims.

Also, a bill (H. R. 10683) for the relief of George L. McGehee and John C. McGehee, heirs of Mary McGehee, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10684) for the relief of Mrs. G. W. Ross, Mrs. H. C. Cary, Mrs. Annie Brooks, L. C. Wilcoxon, and Willie Wilcoxon, heirs at law and representatives of Wiley Franks, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10685) for the relief of Miss Emily Clayton and other heirs of Thomas F. Clayton, deceased, late of Benton County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10686) for the relief of the estate of James Boswell, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10687) for the relief of the estate of William West, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10688) for the relief of estate of William Bayliss, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10689) for the relief of the estate of Asa R. Chilton, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10690) for the relief of estate of Dr. I. H. Hayes, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10691) for the relief of the estate of John M. Rook, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10692) for the relief of the estate of Andrew B. Conley, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10693) for the relief of the estate of M. W. Ham, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10694) for the relief of the estate of Gideon E. Franklin, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10695) for the relief of the estate of Francis S. Jones, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10696) for the relief of the estate of Mark M. Harwell, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10697) for the relief of the estate of William A. Jeffries, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10698) for the relief of the estate of Elizabeth Hull Wellford, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10699) for the relief of the estate of Harriet W. Fleming, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10700) for the relief of the estate of A. M. Doak, deceased, late of Lafayette County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10701) for the relief of the estate of Isham G. Bailey, deceased, late of Marshall County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10702) for the relief of the estate of W. F. Gaines, deceased, late of Marshall County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10703) for the relief of the estate of Jacob Joiner, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10704) for the relief of the estate of C. G. Boswell, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10705) for the relief of the estate of David A. Hamilton—to the Committee on War Claims.

Also, a bill (H. R. 10706) for the relief of the estate of Joseph N. Moran, deceased, late of Benton County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10707) for the relief of the estate of Mrs. E. J. Matlock, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10708) for the relief of the estate of Alfred Swearingin, deceased, late of De Soto County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10709) for the relief of the estate of William Joslin, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10710) for the relief of the estate of Abner W. Lanier, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10711) for the relief of the heirs of John P. Caruthers—to the Committee on War Claims.

Also, a bill (H. R. 10712) for the relief of heirs of Wiley Franks, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10713) for the relief of heirs of George A. Barbee—to the Committee on War Claims.

Also, a bill (H. R. 10714) for the relief of heirs of John Nicholson, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10715) for the relief of heirs or estate of T. H. P. Morton, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10716) for the relief of heirs of C. H. Hicks, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10717) for the relief of the heirs or estate of W. H. Cooper, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10718) for the relief of the heirs or estate of Ransom Vick, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10719) for the relief of heirs or estate of Mrs. Eunice Hurdle, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10720) for the relief of the heirs of John Hughey, deceased, late a citizen of Tippah County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10721) for the relief of heirs of W. M. Stevenson, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10722) for the relief of the heirs of Thomas Duty, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10723) for the relief of heirs or estate of Lemuel I. Capell, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10724) for the relief of the heirs or estate of Joel L. Ingram, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10725) for the relief of the heirs of Frances Pickle, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10726) for the relief of the heirs of Hardin P. Franklin, deceased, late of Marshall County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10727) for the relief of the heirs of Jacob Kuykendall—to the Committee on War Claims.

Also, a bill (H. R. 10728) for the relief of the heirs of William Bailey, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10729) for the relief of the heirs of Mrs. Polly Callahan, deceased, late of Marshall County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10730) for the relief of the heirs of William M. Kimmons, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10731) for the relief of heirs of Mrs. Susan L. Bailey, deceased, late of Marshall County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10732) for the relief of the heirs of J. B. Fuller, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10733) for the relief of the heirs of Abraham Jones—to the Committee on Claims.

Also, a bill (H. R. 10734) for the relief of the heirs of W. E. Tomlinson, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10735) for the relief of the heirs of W. T. Eason, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10736) for the relief of the heirs of Mrs. Louisa Ragsdale—to the Committee on War Claims.

Also, a bill (H. R. 10737) for the relief of the heirs of Mrs. M. A. Allen—to the Committee on War Claims.

Also, a bill (H. R. 10738) for the relief of the heirs of John Parham, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10739) for the relief of heirs of Joseph A. Brunson, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10740) for the relief of the heirs of Thomas Ingram, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10741) for the relief of heirs of John Housten, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10742) for the relief of heirs of Durant Lane Tyer, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10743) for the relief of heirs of Sidney Dean, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10744) for the relief of heirs of Robert W. Smith, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10745) for the relief of the heirs of Charles T. Alexander and Jane B. Alexander, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10746) for the relief of the heirs of John Carruth, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10747) for the relief of the heirs of John C. McGehee, deceased, late of De Soto County, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10748) for the relief of the heirs of Samuel Scott, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10749) for the relief of the heirs or legal representatives of A. M. Rayburn, deceased—to the Committee on Claims.

Also, a bill (H. R. 10750) for the relief of the heirs of Mrs. Charity Clements, deceased—to the Committee on War Claims.

Also, a bill (H. R. 10751) for the relief of the heirs of Nancy Baker, deceased, of Senatobia, Miss.—to the Committee on War Claims.

Also, a bill (H. R. 10752) for the relief of the heirs of John D. Martin, deceased, late of Marshall County, Miss.—to the Committee on War Claims.

By Mr. THOMAS of Kentucky: A bill (H. R. 10753) for the relief of Kate Oakes Smith—to the Committee on War Claims.

Also, a bill (H. R. 10754) granting an increase of pension to Phillip Sullivan—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10755) granting an increase of pension to James G. Durham—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. AUSTIN: Petition of Golden Rule Council, No. 131, Junior Order United American Mechanics, of Tennessee, favoring an exclusion law against all Asiatics to the United States and possessions of the same—to the Committee on Foreign Affairs.

By Mr. BYRNS: Paper to accompany bill for relief of Augustus Barber—to the Committee on Invalid Pensions.

By Mr. CONRY: Petition of Publishers' Association of America, favoring free pulp—to the Committee on Ways and Means.

Also, petition of Charles N. Prouty, favoring free hides—to the Committee on Ways and Means.

Also, petition of International Gem Company, of New York, favoring moderate duty on gems—to the Committee on Ways and Means.

Also, petitions of American Newspaper Publishers' Association and Butterick Publishing Company, favoring free pulp—to the Committee on Ways and Means.

Also, petition of Darling & Co., of Long Island City, N. Y., for reduction of duty on glue—to the Committee on Ways and Means.

Also, petition of Farm Life, of Chicago, Ill., favoring free lumber—to the Committee on Ways and Means.

Also, petition of Hall & Ruckel, of New York, favoring reduction of duty on soda ash—to the Committee on Ways and Means.

Also, petition of National Association of Lithographers of America, favoring duty on postal cards and lithographs—to the Committee on Ways and Means.

Also, petition of New York Silk Conditioning Works, favoring division of schedule on wool—to the Committee on Ways and Means.

Also, petition of Isaac Prouty & Co., of Spencer, Mass., for free hides—to the Committee on Ways and Means.

Also, petition of Powers & Moyer, of New York, favoring duty on precious stones—to the Committee on Ways and Means.

Also, petition of Standard Fashion Company, of New York, favoring free pulp—to the Committee on Ways and Means.

Also, petition of Thomas & Thompson, of Baltimore, Md., favoring duty on sheep dips—to the Committee on Ways and Means.

By Mr. DODDS: Petition of citizens of Trupant, Mich., against a duty on tea and coffee—to the Committee on Ways and Means.

By Mr. FULLER: Paper to accompany bill for relief of James Jones—to the Committee on Invalid Pensions.

Also, petition of J. F. Steward, of the International Harvester Company, favoring section 41 of the original Payne bill, concerning patents issued to nonresidents—to the Committee on Ways and Means.

By Mr. HAMLIN: Papers to accompany bills for relief of Samuel P. Kinkert, John T. Broke, Miss Fay Milligan, Oscar M. Peck, and Thomas Braswell—to the Committee on Invalid Pensions.

By Mr. HANNA: Petition of citizens of North Dakota, against any parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. HAYES: Papers to accompany bills for relief of Martha J. Hill and Michael Burns—to the Committee on Invalid Pensions.

By Mr. MACON: Paper to accompany bill for relief of Josephine McGuire—to the Committee on Pensions.

By Mr. OLDFIELD: Paper to accompany bill for relief of James Hatfield—to the Committee on Invalid Pensions.

By Mr. ROBERTS: Petition of citizens of Massachusetts, favoring reduction of tariff on wheat to not over 10 cents per bushel—to the Committee on Ways and Means.

By Mr. WOODYARD: Petition of citizens of West Virginia, asking increase of pensions of survivors of Mexican and civil wars to $25 per month, and pensions of widows to $20 per month; for payment of pensions monthly and through postal savings banks—to the Committee on Invalid Pensions.

SENATE.

TUESDAY, *June 15, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, D. D., of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

FINDINGS OF THE COURT OF CLAIMS.

The VICE-PRESIDENT laid before the Senate communications from the assistant clerk of the Court of Claims, transmitting certified copies of the findings of fact filed by the court in the following causes:

In the cause of Fannie B. Stothard, widow of Thomas Stothard, *v.* United States (S. Doc. No. 96);

In the cause of the Cumberland Presbyterian Church of Athens, Ala., *v.* United States (S. Doc. No. 92);

In the cause of the trustees of the Eudora Baptist Church, of White Station, Tenn., *v.* United States (S. Doc. No. 97);

In the cause of William Halloran *v.* United States (S. Doc. No. 95);

In the cause of Louis V. Metoyer, administrator of estate of Theophile Metoyer, deceased, *v.* United States (S. Doc. No. 94);

In the cause of the vestry of St. Thomas's Protestant Episcopal Church, of Hancock, Md., *v.* United States (S. Doc. No. 90);

In the cause of St. Paul's Protestant Episcopal Church, of Chattanooga, Tenn., *v.* United States (S. Doc. No. 91); and

In the cause of Andrew J. Meade *v.* United States (S. Doc. No. 93).

The foregoing causes were, with the accompanying papers, referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented a petition of the Helena Commercial Club, of Helena, Mont., praying for the enactment of legislation giving power to the Interstate Commerce Commission to suspend the taking effect of proposed advances in existing rates, etc., which was referred to the Committee on Interstate Commerce.

He also presented a petition of the Helena Commercial Club, of Helena, Mont., praying that an appropriation be made to enable the Interstate Commerce Commission to make valuations of all railroad property in the country, which was referred to the Committee on Interstate Commerce.

Mr. SCOTT presented memorials of sundry citizens of West Virginia and Ohio, remonstrating against the imposition of a duty on feldspar, which were ordered to lie on the table.

Mr. BRISTOW presented petitions of sundry citizens of Kansas City, Kans., praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a memorial of the Warren M. Crosby Company, of Topeka, Kans., remonstrating against any increase of the duty on gloves above those provided for in the pending tariff bill, etc., which was ordered to lie on the table.

He also presented a petition of sundry citizens of Kansas, praying for the removal of the duty on hides, which was ordered to lie on the table.

Mr. BURTON presented a petition of the city council of Cleveland, Ohio, praying that crude asphalt be placed on the free list, which was ordered to lie on the table.

He also presented a petition of the National Refining Company, a corporation in the State of Ohio, praying that an ad valorem tax of not less than 50 per cent be placed upon all crude oil and products imported into the United States, which was ordered to lie on the table.

Mr. DEPEW presented a memorial of members of the Evening Mail chapel, stereotype department, of New York City, N. Y., and a memorial of members of the New York World chapel, electrotype department, of New York City, N. Y., remonstrating against the inclusion in the new tariff bill of any duty on news print paper or wood pulp, which were ordered to lie on the table.

Mr. ROOT presented petitions of sundry citizens of Rochester, Melrose, Bath, Gorham, Mount Morris, Canandaigua, Middlesex, Rushville, Penn Yan, Elmira, Murray, Wolcott, Benton, Auburn, Alabama, Batavia, Seneca Falls, Buffalo, Pavilion, Dresden, Victor, Halls Corners, Holley, Troy, Urbania, Syracuse, Stanley, Phelps, Fleming, Hammondsport, Dansville, Geneva, Waterloo, Italy, Romulus, Oakfield, Akron, Medina, and Brockport, all in the State of New York, praying that a protective duty be placed on foreign-oil productions, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GUGGENHEIM:

A bill (S. 2616) granting an increase of pension to George A. Hamilton; and

A bill (S. 2617) granting an increase of pension to John Otto; to the Committee on Pensions.

By Mr. WARNER:

A bill (S. 2618) granting a pension to John Ammerman (with accompanying papers);

A bill (S. 2619) granting an increase of pension to Henry W. Thieman (with accompanying papers); and

A bill (S. 2620) granting a pension to Joseph R. Allred (with accompanying papers); to the Committee on Pensions.

AMENDMENTS TO THE TARIFF BILL.

Mr. KEAN submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

Mr. NELSON submitted an amendment intended to be proposed by him to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes, which was ordered to lie on the table and be printed.

THE AMERICAN MERCHANT MARINE.

Mr. GALLINGER. I ask that 2,000 copies of Senate Document No. 225, Sixtieth Congress, first session, entitled "Development of the American Ocean Mail Service and American Commerce," together with a brief additional paper, be printed as a document for the use of the Senate document room. It is a document that is being constantly called for and is out of print.

The VICE-PRESIDENT. Without objection, it is so ordered.

THE SUGAR TRUST.

Mr. BORAH. I have an article, appearing in the New York Times of June 13, relative to the sugar trust's loan deal with the Pennsylvania Sugar Refining Company. I move that it be printed as a document (S. Doc. No. 87, pt. 2).

The motion was agreed to.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. GALLINGER. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Chamberlain	Frye	Oliver
Bacon	Clapp	Gallinger	Overman
Beveridge	Clay	Guggenheim	Page
Borah	Crane	Hughes	Paynter
Brandegee	Crawford	Johnson, N. Dak.	Penrose
Briggs	Cullom	Johnston, Ala.	Perkins
Bristow	Cummins	Jones	Piles
Brown	Davis	Kean	Root
Bulkeley	Dick	La Follette	Scott
Burkett	Dillingham	Lodge	Smoot
Burnham	Dolliver	McCumber	Sutherland
Burrows	Fletcher	McLaurin	Taliaferro
Burton	Flint	Martin	Tillman
Carter	Foster	Nixon	Warner

Mr. PAYNTER. I desire to announce that my colleague [Mr. BRADLEY] was ill last night and is ill to-day. Hence he could not attend the session last night and he will not be able to be here to-day.

Mr. GALLINGER. I have been requested to announce that the Senator from Wisconsin [Mr. STEPHENSON] is detained by illness in his family.

The VICE-PRESIDENT. Fifty-six Senators have answered to the roll call. A quorum of the Senate is present.

Mr. BULKELEY. Mr. President, I will detain the Senate but a very few moments this morning, to conclude the remarks which I had prepared and was not able to finish at the time of the adjournment of the Senate last night.

I was endeavoring to impress upon Senators the position of the tobacco industry, particularly in the Philippine Islands. My remarks, and my quotations from the report of the Philippine Commission, the Secretary of War, and the Collector of Internal Revenue I might supplement by very extended quotations from the governors of the various provinces in which the tobacco industry especially is carried on, but it would only be accumulating the evidence which I have striven to present to show that the tobacco of the Philippine Islands is to-day actually unfitted for the American market, in addition to the fact that the tobacco is not of that character which, up to the present time, at least, has acquired favor in this country.

I wish to read one or two quotations from the report of the collector of internal revenue of the Philippine Islands in regard to this industry. This is on page 226 of the Annual Report of the War Department for the fiscal year ending June 30, 1905, Volume XIII, being the report of the Philippine Commission, part 4:

> In the districts where tobacco cultivation has been carried on for years, no one should be contented with the results obtained, but should by constant experimentation with new seed and improved cultivation endeavor to improve the quality of the crop. Here in the Philippines it is commonly stated that the tobacco grown to-day is inferior to that formerly grown. This is greatly to be regretted, and it should be the especial effort of every planter to produce tobacco, not equal to that grown a few years ago, but far superior to the finest crops that were ever harvested. The tobacco markets of the world willingly pay, and pay well, too, for tobacco of a superior quality, whether it is to be used for cigars, cigarettes, or manufacturing purposes. The trade does not pay well for common tobacco, for anyone can grow coarse, common tobacco of low grade. The quality of the tobacco must be superior to that formerly grown to command a good price, for tobacco consumers are becoming more fastidious and constantly demand better goods for their money.

The author is of the opinion that the Philippine Islands can and should produce cigar-filler tobacco that is fully equal to the finest product of the famous Vuelta Abajo district of Cuba and a cigar wrapper equal to Sumatra tobacco. With careful attention to soil and climatic conditions, it is believed districts can be found that will raise tobacco similar in flavor and aroma to that grown in the best districts of Turkey. These results can only be obtained, however, by persistent, intelligent, well-directed efforts on the part of the planter.

Philippine tobacco to-day does not occupy the position it should, and every planter or company engaged in its cultivation should strive to place it on the high standard it deserves.

In his report, one of the provisional governors in the island of Cagayan writes as follows:

The principal source of wealth and revenues of the province is in tobacco, from which business nearly all of the pueblos derive profit, even where the plant is not cultivated, as, for example, the pueblos of Gattaran and Lal-loc, because they supply the packing and rattan needed for this article to others producing tobacco.

In another place:

Another contributory cause of the evil from which the tobacco business suffers is the internal-revenue tax—

Not the customs duty, but the internal-revenue tax—

that, excessively increasing the expense of production, makes it impossible for our tobacco to compete with that of other countries. Formerly the Spanish Government favored the introduction of Cuban and Philippine tobacco in Spain, and even went so far as to prohibit the planting of tobacco in the latter nation, but with the change of sovereignty we at once lost the protection extended to us by Spain.

In the island of Isabela, another province where tobacco is raised in large quantities, the governor reports:

Tobacco is the only crop that is raised for export, and this province raises more and a better tobacco than any other province in the island. Great fears are entertained by the people in regard to the internal-revenue law, but as its provisions are being explained and understood the objections are disappearing. There are no manufactories of any kind in this province, all the tobacco being shipped to Manila.

But I will not prolong the reading of these reports. They are all of a similar character, indicating that, in the mind of the most intelligent observers of the industries of those islands, it is the inferior quality of their products that is losing them the markets of the world, and that their own internal-revenue laws are interfering more with the production of tobacco on account of its excessive cost than are the customs duties laid by the United States.

As a matter of fact, the customs duties of the United States are all returned to the Philippine Islands for the purposes of their government, and to-day, with that condition, we have practically actual free trade, so far as the Government of the United States is concerned, with the Philippine Islands.

My own view of the matter, as I have studied the question, is that we had far better, for the benefit of the Filipinos and their future, put a prohibitory duty on all their products until they have raised their quality so that they will be fit to enter into competition with the markets of the United States and the products of our own industry. We should educate them with the idea that they can not come into competition with the world and its markets and its wage-earners until they produce a quality of goods, either tobacco or sugar or anything else, that warrants entering into that competition.

I believe to-day, Mr. President, that the Filipinos can probably receive no benefits from this proposed legislation, and that the only benefit which can accrue, if any accrue, will be to the large manufacturing tobacco industries and the five or six large tobacco companies and cigar manufacturers of the city of Manila, who to-day fix the price in the rural districts of all the commodities for which we are legislating. But let us educate them first not only in their schools, but in their agricultural industries, with the idea, as I have said before, that it is the quality of goods that they put upon the market which produces a market for the goods themselves, and that a poor quality of goods will never find a market in the United States of America.

The only benefits, to my mind, that can accrue to anyone from free trade in the principal products of the Philippines, especially in tobacco, are to the two or three large companies located in Manila who control very largely the dealings with the producers as well as the exportation of the manufactured products. The producers of tobacco are limited in number, and the tobacco-producing lands are located largely in the valleys of the islands I have heretofore named; their land holdings are small, generally about a single acre, and their product is traded for merchandise almost exclusively with Chinese dealers, fairly to be presumed in the interest of the Manila companies; it is possible, of course, that with the advent of free trade, even to a limited extent in the greater productions of the islands, that the great corporations of our own country may see another opportunity for the development of their varied interests.

On behalf of the tobacco industry of this country, and particularly of my own State, for which I speak here to-day, and representing, I believe, the views of the growers of leaf and wrapper tobacco and manufacturers engaged in its use, I ask you to give due consideration to this section before permitting it to be enacted into law.

I ask to have inserted as a part of my remarks, without reading, sundry letters and petitions from individuals and trade unions, which I now send to the desk.

The VICE-PRESIDENT. Without objection, permission is granted.

The matter referred to is as follows:

EAST HARTFORD, CONN., *April 21, 1909.*

Hon. MORGAN G. BULKELEY,
United States Senate, Washington, D. C.

MY DEAR SIR: Inclosed you will find a copy of resolutions recently passed by the directors of the New England Tobacco Growers' Association, which in themselves speak the sentiment of the New England tobacco growers, who number in this vicinity about 5,000, and producing, on a safe estimate, about 20,000 acres of a type of the best tobacco that can be grown.

This product is the moneyed crop grown in the Connecticut Valley in the States of Connecticut and Massachusetts, and our growers have expended large sums of money to develop the finest tobacco for cigar purposes, and to-day there are thousands of dollars invested in the industry, and we feel that if any of the Philippine tobacco should get free entry into this country that it would be a deathblow to the tobacco growers in New England.

We know well that the Philippines to-day are not developed, but that they have climatic and soil conditions favorable to produce a type of tobacco which would be equal to Sumatra goods, which now have a market of 85 per cent of the entire wrapper trade in this country.

We are of the opinion that if the present proposed tariff bill is passed capitalists will go into the islands to develop them, and with the cheap labor put our industry out of business, and then demand entire free trade, thus depriving the Government of any revenue whatever on wrapper tobacco, as this would naturally supersede the tobacco now coming into bond as grown in Sumatra.

We ask that you use your best influence to defend our industry and defeat the measure as proposed.

Yours, truly,

W. K. ACKLEY,
Secretary pro tempore New England Tobacco Growers' Association.

[From CONGRESSIONAL RECORD, April 27, 1909.]

HARTFORD, CONN., *April 20, 1909.*

At a meeting of the directors of the New England Tobacco Growers' Association the following resolutions were unanimously adopted:

Whereas the present tariff measure which is now before the United States Senate, known as the "Payne bill," is a menace to the tobacco-growing industry of the New England States on account of allowing a certain portion of the product of the Philippine Islands to enter this country free of duty, thereby compelling the tobacco growers of the United States to enter into competition with the cheap labor of the Filipino;

Whereas we believe that if the present tariff measure now before Congress becomes a law that part of the bill which relates to the free entry of the Philippine tobacco will be used as an entering wedge for a greater quantity to come into this country free of duty in the near future;

Whereas we, the directors of the New England Tobacco Growers' Association and the growers of Connecticut tobacco, strongly reiterate our former action on this subject and strenuously object to any measure in the proposed tariff bill which may become a hardship to the producers of leaf tobacco in this country:

Resolved, That Mr. Marcus L. Floyd and Joseph G. Mitchelson, of Tariffville, Conn., are hereby duly appointed as delegates to represent the New England Tobacco Growers' Association at Washington, D. C., and are requested to use every honorable means in their power to defeat this proposed legislation;

Resolved, That we fully concur in any action which they may take in our behalf; be it further

Resolved, That we, the directors of the New England Tobacco Growers' Association, appreciate the efforts which have been made by our Senators and Congressmen to protect our interests, and that it is the sense of this meeting that a copy of the above resolutions be forwarded to them.

The above is a true copy.

Attest:

W. K. ACKLEY,
Secretary pro tempore New England Tobacco Growers' Association.

NORTH BLOOMFIELD, CONN., *April 8, 1909.*

Senator MORGAN G. BULKELEY,
Washington, D. C.

DEAR SIR: I inclose copy of resolutions adopted by the Connecticut Valley Leaf Tobacco Board of Trade at a meeting held April 6 at Hartford.

Tobacco men in general, both farmers and dealers, feel that any tobacco admitted free into this country from the Philippine Islands, no matter how small a quantity, serves as an entering wedge to develop the industry in the islands, thus making one more competitor for the tobacco grower.

Connecticut tobacco now costs about 12 cents per pound in the bundle; and by the government report, from 1901 to 1906, inclusive, the average price of tobacco in the bundle was about 16 cents per pound; and if the crops of 1907 and 1908 were included in this average, it would have figured between 14 cents and 15 cents per pound in the bundle; so you will easily see that the farmer, even at the present protection, is not making an exorbitant profit.

Thanking you in advance for anything you may be able to do for us, we remain

Yours, very truly,

THE CONNECTICUT VALLEY
LEAF TOBACCO BOARD OF TRADE,
F. B. GRIFFIN, *Secretary.*

Resolutions.

Resolved, That we are opposed to that part of the Payne tariff bill that provides for the free entry into the United States of certain quantities of Philippine leaf tobacco and cigars, and we further protest against any change whatever in the present rate of duty on leaf tobacco as provided for in the Dingley bill.

Resolved further, That a copy of these resolutions be sent to each of our Representatives and Senators, with the request that they use every honorable means to defeat that part of the Payne bill that provides for the free entry into this country of Philippine tobacco and cigars.

[From CONGRESSIONAL RECORD, May 18, 1909.]

MIDDLETOWN, CONN., *April 29, 1909.*

Hon. MORGAN G. BULKELEY,
Hartford, Conn.

DEAR SIR: We the undersigned citizens of Middletown, Conn., being employed in the cigar industry, do vigorously protest against the free admittance of Philippine manufactured cigars in any quantity.

Since October, 1907, the cigar industry, owing to the general depression in business, has seriously suffered. We believe that if the cigar business received any additional impairment a good percentage of the cigar makers in this country would have to give up their trade, in which they served three long years' apprenticeship, and be forced to go into competition with the cheaper paid and less skilled laborers.

We protest against being pitted against oriental labor in our struggle for existence. We hold that no amount of legislation on the part of the Congress of the United States can or ever will lift the Filipinos to our standard.

We respectfully call your attention to the fact that while the Filipino lives in a country where clothing, shoes, and warm houses are unnecessary, we live in a climate which necessitates these protections for our bodies, and we have to pay American prices for them. Again, we can not live on 6 cents' worth of rice a day.

For these reasons we beg of you to use your voice and vote against the enactment of any bill providing for free trade in Philippine cigars.

Respectfully, yours,

Chas. Anderson, E. B. Convey, Charles Twenty, J. F. Richey, J. J. Convey, Chas. H. Smith, Charles P. Abbey, Stephen Spaw, Daniel Robert Convey, Bruno Daigle, Jas. Daly, Jas. W. Convey, William Fluhrer, L. L. May, John C. Graham, Frank E. Convey, Fredrick J. La Rouche, James A. Dunn, John R. Hill, Jack S. La Vialette, John J. Smithwick, Edmond Fitzgibbons, John T. Barry, Wm. O'Donnell, Humphrey O'Connor, John Cushing, John Anderson, Gus Boden.

NEW YORK, *May 1, 1909.*

Hon. MORGAN G. BULKELEY,
United States Senate.

DEAR SIR: In connection with E. J. Howard and A. J. Ensign, of East Hartford, I have been engaged for thirty years in packing and buying Connecticut tobacco.

The experience I have gained in all these years enables me to fully understand the difficulties the Connecticut grower is laboring under. Owing to a changing climate, Connecticut will only produce three wrapper crops during a period of ten years. The seven off years will produce only a binder crop, which, taking the seven years together, will hardly pay the cost of production. According to my calculation, the average receipts per acre during a cycle of ten years, yield about $200 per acre. Against this result stands an outlay for fertilisers of $80 to $100, labor $65, leaving a margin of $35 to pay for interest on investment and taxes. This is exactly the position in which the Connecticut tobacco grower stands, and unless he has acreage enough to raise a variety of crops, which many tobacco farmers have not got, he simply works year in and year out for a bare living.

Why, then, endanger that existence still further by the free admission of 300,000,000 cigars, 3,000,000 pounds of filler, and 300,000 pounds of wrapper tobacco from the Philippines?

The cigars alone will reduce the domestic manufacture by just that many, and what is still worse, they may be covered with a Sumatra wrapper, for which the Philippine manufacturer pays 22 cents per pound duty, whilst American manufacturers have to pay $1.85 per pound duty. There is absolutely no justice or equity in that proposition, and, after all, the only beneficiary in the matter would be the tobacco trust. They are ready to gobble up the whole free-entry material, dump it into this country, and sell through the hundreds of their stores to the consumer. As the illustrious Representative of the great State of Connecticut, the originator of the Monumental Bridge over the Connecticut River, I appeal to you to stand out for the best interest of the Connecticut tobacco grower when the Philippine clause of the new tariff comes up in the Senate.

I have the honor to be, sir,

Yours, very respectfully,

F. ANTHAUSER,
214 Pearl Street, New York.

OLDS & WHIPPLE,
Hartford, Conn., March 31, 1909.

Hon. MORGAN G. BULKELEY,
Washington, D. C.

DEAR SIR: Your kind letter of March 22 duly received, also copy of the new tariff bill which you kindly mailed us. The tariff bill relating to tobacco is the one that interests us the most and the bill in which we are directly interested.

We have given this matter a great deal of careful thought, and we believe it to be for the best interests of all the tobacco-growing districts of the United States to have the tariff on tobacco remain as it is at the present time; and, also, this includes our relations with the Philippine Islands.

It hardly seems a fair proposition to the farmer in the United States who pays from $1.50 to $2 per day for ordinary farm labor to be compelled to sell his products on a par with the products of the Philippine Islands, produced where, we understand, the price paid for labor is from 8 cents to 12 cents per day.

We understand it is the wish of at least a portion of the Filipinos to have the tariff on tobacco remain the same as at present; that they do not wish any change made in the tariff with the United States. If this is true, and the farmers of the United States do not desire it, why should there be any change from the present tariff rate?

Personally we would prefer to have the tariff on all grades of tobacco and our relations with the Philippine Islands remain the same as at present. We think when the tariff legislation is settled that the tobacco business will resume its normal conditions in a shorter period if it is generally known that the tariff rates and conditions will all remain the same as in the past. If any changes are made, it will take a longer period, in our opinion, for the trade to adapt itself to those conditions, and we do not believe will result in the best good to all parties, both growers and dealers in leaf tobacco.

Yours, truly,

OLDS & WHIPPLE.
Per F. H. WHIPPLE.

THE KETCHIN & HAYES TOBACCO CORPORATION,
Tariffville, Conn., March 31, 1909.

Senator MORGAN G. BULKELEY,
Washington, D. C.

DEAR SIR: We are pleased to have a chance to say our little mite regarding the bill presented by Mr. PAYNE, and particularly that portion touching free admission of Philippine tobacco to the United States we are very much opposed to.

We are very much opposed to admitting any tobacco from the Philippine Islands at less duty than from any other country.

We have spent a great deal of money in trying to grow a very superior tobacco in the Connecticut Valley, and we believe that which we have accomplished other States can accomplish. The great expense incurred by us in the line of tobacco experimentation should receive some reward. Until now we have received the moral support of the Government and, as our hopes are about to be fully realized, we find that support slipping from under our feet and we feel there is danger of again being dashed to earth on the tobacco question.

The situation from our point of view is this: Assuming that in a year or two the American Tobacco Company or some Dutch company will have every available spot on the Philippines covered with tobacco, and assuming that every pound of this tobacco will reach the United States free of duty, we shall then find a competitor who will bother us considerably if he does not absolutely put us out of business, and our reason for this assumption is the fine point of distinguishing between imported filler and wrapper tobaccos. The matter of determining the per cent of wrappers in a bale of fillers is indeed an art, and the relation is so close that it gives the inspector or customs-house officer an absolutely free hand. For vivid examples of this little game, we need look no further than Tampa, Fla.

Under conditions now existing in the Philippines we have no fear, but with cooly labor backed by American capital and free admission of tobacco to the United States we should have cause to fear.

Thanking you for the opportunity of expressing our opinion, we are,

Most respectfully, yours,

KETCHIN & HAYES TOBACCO CORPORATION,
W. M. KETCHIN, *Secretary and Treasurer.*

SUFFIELD, CONN., *March 30, 1909.*

Hon. M. G. BULKELEY,
United States Senate, Washington, D. C.

MY DEAR SIR: Through your esteemed favor I received a copy of the proposed new tariff bill, which I looked over very carefully. As for my part I can not see where the Filipinos will derive any benefit from the limited importation of wrapper, filler, and cigars, as it would be possible for any large corporation to produce the entire importation, and you know a large corporation could deliver the goods at port ahead of the small individual producer. As for our part (the Connecticut Valley tobacco growers), the Government through the Department of Agriculture has expended many thousands of dollars in the last nine years in methods of growing and curing. A part of these experiments have been carried on under my personal supervision, having a contract with the department until 1910 without recompense. Just now we are beginning to reap the benefit of these experiments and it doesn't seem right to be forced into competition with cooly labor when we are just commencing to creep. All we ask is to be left alone under the present Dingley rate.

Very respectfully, yours,

W. S. PINNEY.

STATE OF CONNECTICUT, GENERAL ASSEMBLY,
Hartford, April 5, 1909.

Hon. MORGAN G. BULKELEY,
United States Senate, Washington, D. C.

MY DEAR SIR: In answer to your inquiry of March 22 ultimo as to my opinion regarding the tariff matter as affecting our Connecticut tobacco industry, I must say that I am most strenuously opposed to any reduction of the tariff on leaf tobacco or any measures or propositions that will have a tendency to destroy our main and almost only agricultural industry.

I believe that all Connecticut growers feel, as I do, the absolute necessity of maintaining our present condition in the leaf market, meager as it now is. We have been gradually forced by foreign competition to surrender more than 60 per cent of our home market to the product of slave labor, whose product in no way benefits the consumer or adds to the quality of the cigar. We are reduced to this absolute fact that the small farms in the Connecticut tobacco-growing districts can not exist if competition goes further or prices grow less. Our domestic competition, against which there can be nothing said or done, is all Connecticut can stand. The product known as "shade grown," produced under syndicate management or by companies or corporations aggregating large capital and their immense facilities for production of the popular and valuable Florida and Georgia leaf, are almost sufficient in themselves to destroy the Connecticut industry—and this is especially true of the smaller farmers—without the product of foreign soils.

Philippine tobacco coming to this country under a less handicap than at present can be placed in the same category as Sumatra. I do not consider it at all as experimental.

I believe that all growers in Connecticut are of this opinion; they all feel that, without the strongest protection, under the present peculiar circumstances, the small grower, at least, must abandon the growing of tobacco, though his farm may be inadequate for other branches of farming.

Yours, very truly,

EDW. E. KING,
Member of the General Assembly, January Session, 1909.

HARTFORD, CONN., *April 12, 1909.*

Hon. MORGAN G. BULKELEY,
United States Senator, Washington, D. C.

DEAR SIR: At a regular meeting of Local Union No. 42, of Hartford, Conn., a branch of the Cigar Makers' International Union of America, held Thursday, April 1, 1909, the undersigned committee was instructed to prepare a letter setting forth the views of the members of this union on the tobacco schedule in the proposed tariff act as submitted by the Ways and Means Committee to the Congress now in session, as wage-workers engaged in the manufacture of cigars, an industry ranking twelfth in importance, and also a large contributor toward the expense of the Government.

We view with apprehension and alarm the attitude of the Ways and Means Committee in reporting a tobacco schedule that provides for even a limited amount of tobacco and cigars to enter the home markets of our country from the islands of the Philippines on practically a free-trade basis, to compete, we believe, with an already over-crowded industry.

Several thousands of cigar makers are now out of work, and to add to this number through the admission of even 150,000,000 cigars per year from those islands is manifestly unfair to cigar makers and unjust to employers of labor in this, an overtaxed industry. The wages paid to us amount to nearly $300,000 per year. Hartford factories producing but a small percentage of the total production of the country, the effect of this proposed measure to further encroach upon our home markets appears to our members to seriously lessen the opportunity to secure employment.

Believing the industry is threatened by this entering wedge to ultimate free trade with the Philippine Islands, we respectfully request that you give this letter your serious consideration and to protect the cigar makers and tobacco growers in preventing the unjust schedule from becoming a part of the general tariff laws of the United States, and believing we have made clear to you the effect the adoption of this schedule will have upon the trade at large, we hope and believe this schedule will not be adopted by Congress nor receive support from the Connecticut delegation in Congress.

Hoping to hear from you, we are,
Respectfully,

JOHN PRINTZ,
JOHN H. KILLIAN,
G. F. KNEEBUSCH,
J. S. POWELL,
J. C. KLEE,
Committee.

S. SOUTHEINER,
President Cigar Makers' Union No. 42, Hartford, Conn.

HARTFORD, CONN., *April 5, 1909.*

Hon. MORGAN G. BULKELEY,
United States Senator, Washington, D. C.

MY DEAR SENATOR: I write to-day upon the subject of the tobacco schedule as reported by the Ways and Means Committee to the Congress of the United States.

As a workingman engaged in the industry of cigar making, I view with apprehension and alarm the attitude of the Ways and Means Committee in reporting a tobacco schedule which provides for a limited amount of tobacco and cigars to enter the home markets of our country from the islands of the Philippines, on practically a free-trade basis, to compete seriously, I believe, with an already overcrowded industry.

Several thousands of our members are now out of work, and to add to this number by the admission of 150,000,000 more cigars per year from those islands does not seem to me to be fair treatment toward an already overtaxed industry.

In our own city of Hartford there are upward of 500 persons employed in the cigar factories, to say nothing of those employed in the tobacco-packing plants. There are dependent upon the output of the cigar factories between 1,800 and 2,000 people. The wages received amount to nearly $300,000 per year.

Hartford factories producing but a small percentage of the total production of the country, and the workers viewing this measure, as they do, and believing their industry is threatened by this entering wedge to ultimate free trade with the Philippine Islands, I am impelled to write you and respectfully request that you give this matter your serious attention, and to protect the cigar makers and growers of leaf tobacco in preventing this unjust schedule from becoming a part of the general tariff laws of the United States.

Hoping I make clear to you as we feel about this question, I am,
Most sincerely, yours,

SOL. SOUTHEINER,
President Cigar Makers' Union, Hartford, Conn.

E. A. & W. F. FULLER,
Hartford, Conn., March 25, 1909.

Hon. MORGAN G. BULKELEY,
United States Senate, Washington, D. C.

DEAR SENATOR BULKELEY: Your esteemed favor of the 22d instant, also copy of the new tariff bill, is before me.

My view of that part referring to Philippine tobacco, in its immediate effect, is the difficulty of fairly and honestly apportioning the distribution of tobacco and cigars admitted duty free, i. e., what particular person or firm is to have the benefit of free entry in respect to the stated quantity of wrapper leaf, filler leaf, and cigars.

To my mind, this whole plan has back of it the tobacco trust, the American Cigar Company.

The opportunity for crooked work in connection with the bringing in of Sumatra leaf is something to be reckoned with.

This is an entering wedge, which in the no very distant future will furnish the present growers of Sumatra leaf a field to produce an almost unlimited quantity of wrapper leaf for admission free that now pays a duty of $1.85 per pound.

Yours, very truly,

EDW. A. FULLER.

THE CONNECTICUT TOBACCO CORPORATION,
Tariffville, Conn., June 3, 1909.

Hon. MORGAN G. BULKELEY,
United States Senate, Washington, D. C.

DEAR SENATOR: Statistics show now that the tobacco trust controls more than 70 per cent of the tobacco business of this country. The annexation of Porto Rico gave them quite an impetus, and the bringing in from the Philippine Islands any amount of tobacco or cigars free of duty will fall directly into their hands and give them another step forward. You can figure out that they have made this wonderful gain on the tobacco business of this country in the past few years, and in spite of all the fighting we can do they seem to continue to make such gains. Now, then, for Congress to go to work and open up a new field for their activities—one that will be so easily controlled by them—it does seem unfair. The strangest part of the whole thing to us is that while our Federal Government is spending a great deal of money apparently fighting the trust, they will then, with the other hand, apparently feed and open up such avenues for trust operations.

Yours, truly,

MARCUS L. FLOYD.

Showing attitude of tobacco growers of Pennsylvania, tobacco growers of Massachusetts, Leaf Tobacco Packers' Association of Ohio, and cigar manufacturers:

PENNSYLVANIA FARMERS OPPOSE THE FREE IMPORTATION OF TOBACCO FROM THE PHILIPPINES.

Mr. Chairman and Gentlemen of the Finance Committee:

I, as president of the Lancaster (Pa.) Tobacco Growers' Association, again make my appearance in behalf of our society and fellow-farmers, to enter our protest against the removal of duty on Philippine tobacco. By the result of the Spanish war three great tobacco countries came into our possession—Cuba, Porto Rico, and the Philippine Islands. We made many concessions for them in many ways by the lowering of duties in their favor. We tobacco men suffered severely, not only with the lowering of duties on their products, but by the lowering of duties on Sumatra. Then we were raisers of wrapper goods, but the lowering of duty on Sumatra drove us completely out of that field. We then changed our modes, and are now producing fillers; in fact, the only field left open to us. By the lowering of duties on Cuba and Porto Rico we were again assailed in our standpoint, for from raising fillers we have no retreat. There is nothing left for us lower in the tobacco field. Now comes the wiping out of the duty on Philippine tobacco. This reduction affects the great States of Pennsylvania and Ohio more than any other States in the Union, for their chief crop is the raising of fillers. So is the crop of the Philippines. Give them a lower duty and our industry is ruined, and we are no small producers. Between the years 1860 and 1907, a period of forty-six years, our tobacco crop in Lancaster County has varied from 35,000 to 75,000 cases per annum, grown on from 14,000 to 18,000 acres, and has brought into our country $80,000,000 in cash—a larger sum of money than was ever realized from tobacco in the same area of any country in the world, except Sumatra. Also, the ninth internal-revenue district, of which we are the chief, has in the last seven years paid to the Government in revenue $17,377,343. We also manufactured in the year 1906, 801,399,420 cigars. This district is the banner cigar-manufacturing district in the United States. Is this industry not worth protecting? Verily, it is; and that is why I am sent here by my fellow-farmers to enter our solemn protest against the lowering of this duty. I know the Republican party, in its platform upon which his honor Judge Taft was elected to the Presidency, has promised a revision and a modification of the tariff; but we naturally supposed they were those things which in our infancy we could not manufacture in competition with foreign manufacturers which were long established, but now, since we have become established, we can manufacture under a reduced duty. We never for a moment supposed that it had reference to an industry where every advantage is on their side. We can not compete with the cheap labor and the long season of the Philippine Islands. We have also made a promise that trusts, especially the tobacco trust, shall be held in check. Suits by the Government are now pending for that purpose. Reducing the tax will give them the field in the Philippine Islands, and they will have the whip hand over Pennsylvania and Ohio. They can snap their fingers at us and say they can get fillers elsewhere. You see the condition of affairs in Kentucky. Tobacco can scarcely be raised there now at a profit. You lower this duty and thousands and thousands of my fellow-farmers will be in the same condition. I am sure my constituents had no idea when they gave to Judge Taft 16,000 majority that the reduction of duty would be in those things which compete with what we produce from the soil. As I said on a former occasion, we have always been protectionists, and are so now; but never before this tobacco industry was assailed had we anything to protect. Yet we stood shoulder to shoulder with the iron maker and the woolgrower to protect their products, knowing it would finally be a blessing to all. Yet how can this prove a blessing to anyone by ruining our industry, which is well established, to try to foster an industry which has just got a foothold? We have contributed much for their welfare, and will do more; but do not ask us to sacrifice that which we live by. The protective principles, which dominated everything pertaining to free trade at the last election, are paramount over all the tobacco-growing States, and tens of thousands of growers scattered over this great Union have not given up hope, but turn their eyes to this Congress and ask them for justice—first, last, and all the time. And in seeking this we are asking protection for millions of dollars expended in buildings which are suitable for no other industry but this. There is not a farm in our whole county that has not from $3,000 to $10,000 expended in shedding, which, as I said before, would be useless. We have not the flimsy shedding of the Tropics, but permanent buildings erected especially for this purpose.

Again, gentlemen, let me say, if you grant this removal of duty, what will prevent Sumatra from being smuggled into the Philippine Islands and passing it here duty free as Philippine tobacco? The present Army of the United States is not large enough to guard these islands to prevent it. Much more could be said in behalf of the cigar-tobacco industry, but you, gentlemen, certainly see the justice of our claim. If we thought as some think—that this reduction would not affect our industry—we would not be up in arms to prevent it. So, gentlemen, we leave this with you, trusting you may see your way clear to give the tiller of the soil the protection he asks for.

B. EZRA HERR,
M. L. GREIDER,
GEORGE HIBSHMAN,
Officers of Lancaster County (Pa.) Growers' Association.

APRIL, 1909.

AGAWAM, MASS., *March 30, 1909.*

Hon. M. G. BULKELEY,
Washington, D. C.

DEAR SIR: Your favor of the 26th received; in reply will state that I do not think that I can suggest anything to you on the Payne tariff bill that will be of any use to you, but will gladly give my opinion as I understand the bill: Philippine tobacco wrappers, 300,000 pounds

fillers, which include binders or seconds, in fact, all grades except wrappers, 3,000,000 pounds with the proviso that such bales or packages may include 15 per cent wrappers yearly, free. I think it is all wrong, and that if it passes that it will prove such a handicap to the tobacco growers of the Connecticut Valley that they will have to go out of the business, which will mean a great loss, as they are equipped with sheds, etc., for which they have been to great expense. It not only hits the Connecticut Valley, but all other parts of the country where tobacco is raised. Now, then, for my argument, which is: That Philippine tobacco will be of about the same quality in a few years as Sumatra, as the soil and climate is about the same, and that 300,000 pounds means just that much trade taken from us if it stops even there, which I doubt very much. And the 3,000,000 pounds of fillers, which means a large proportion seconds, would hit us hard, as a good share of our goods and all of Wisconsin's are seconds or binders.

Yours, truly,

A. E. BELDEN,
Agawam, Mass.

DAYTON, OHIO, *April 28, 1909.*

At a special meeting of the board of directors of the Ohio Leaf Tobacco Packers' Association, an association comprising in its membership all the representative packers of Ohio leaf tobacco, the following resolution was unanimously adopted:

Whereas there is now pending before Congress a tariff bill in which a clause provides for the free entry of 300,000 pounds of wrapper-leaf tobacco, 1,500,000 pounds of filler-leaf tobacco, and 150,000,000 cigars from the Philippines, as found in paragraph 471d, page 189, of said tariff bill, as reported by Mr. ALDRICH on April 12, 1909; and

Whereas if such bill becomes a law, it will work a great injustice and cause untold injury to our tobacco industry, comprising as it does all the growers, packers, dealers, jobbers, and cigar manufacturers, both in this State and throughout the United States; and

Whereas the free importation of cigars in a limited quantity, as specified in said bill, simply works to provide employment for 2,000 Filipinos at a low rate of wages and takes away the livelihood of the same number of American citizens, whose cost of living demands and who receive fair wages for their work; and

Whereas said tobacco, which is proposed to be imported free, is raised by cheap Filipino labor, whose cost of living is so small that a very meager wage scale suffices for their support; and

Whereas the specifying of a "limited quantity" of either the raw or manufactured article will put into the hands of one or a few large operators the possibility of absolutely controlling the importation of this limited quantity at an abnormal margin of profit; and

Whereas the importation of a limited quantity will do more harm to the general trade in the United States than it will benefit the Filipinos; and

Whereas, along the present lines of duty established by the Dingley tariff bill, the tobacco trade and the producers of tobacco are all fairly satisfied, now that different interests have become adjusted to those rates: Therefore be it

Resolved, That we, as a trade organization and being one of a number of similar organizations located throughout the tobacco-growing districts of the United States, whose purposes are to promote and foster the growing of leaf tobacco and the handling and manufacturing in all its branches and to look after the interests of tobacco raisers, tobacco packers, tobacco jobbers, cigar and tobacco manufacturers, and their employees, do hereby strenuously protest against the admitting free of duty of any tobacco or cigars whatsoever in the United States from the Philippine Islands; and be it further

Resolved, That 500 copies of this resolution, duly signed, be printed and distributed among the members of the association and kindred associations throughout the country, each to be forwarded to their respective Congressmen and Senators, with a personal request that they use their best efforts to defeat the passage of the proposed measure; and be it further

Resolved, That a special appeal be made to Senator DICK, of Ohio, who is a member of the Finance Committee, to use every endeavor to prevent the passage of the Philippine free clause in the Senate bill.

WALTER M. BRENNER, *President.*
C. H. SOLLIDAY, *Vice-President.*
W. J. LUKASWITZ, *Secretary-Treasurer.*
A. H. REEDER,
L. A. WHEELER,
S. M. KROHN,
CHAS. BILLMAN,
HENRY MEYER,
Directors.

CIGAR MANUFACTURERS PROTEST AGAINST THE FREE ENTRY OF TOBACCO AND CIGARS FROM THE PHILIPPINE ISLANDS.

Mr. Chairman and Gentlemen of the Finance Committee:

In this hearing we have the honor to directly represent the cigar manufacturers of one of the greatest cigar-manufacturing States. Pennsylvania alone manufactures approximately 2,000,000,000 cigars annually, which is about one-quarter of the total annual output of one of the greatest industries of our country, and which annually manufactures under normal trade conditions over 8,000,000,000 cigars, the total value of this product being about $350,000,000, and for which we pay in wages alone over $75,000,000 and contribute toward the maintenance of our Government an internal-revenue tax of over $25,000,000 annually.

This great industry has been built up and is maintained under a protective tariff. Prior to 1863 the cigar-manufacturing industry of this country was practically nil. Nearly all the cigars consumed here were made in and imported from Germany. At that time, all told, less than 3,000 people were employed in the cigar-making trade in the United States. To-day we give employment to 125,000 skilled mechanics, and employ all told in and about our factories over 200,000 American citizens, representing 1,000,000 human beings who are dependent upon the cigar industry for a livelihood.

The cigar manufacturers have suffered greatly during the present period of industrial depression, and in many instances we have kept our workmen employed despite the fact that our stock rooms are crowded to the limit with cigars for which there is no market in sight.

The trade has already and is now suffering the effect of anticipated hostile tariff legislation. We have been promised adequate protection to the industries of our country, and we fail to see why the Congress should endeavor to avoid its pledges in this direction.

Remove the duty from the cigars imported from the Philippine Islands, and just to that extent you curtail the production of cigars in this country, displace American workmen, who under normal trade conditions are employed in the production of these cigars.

Owing to the enormous difference in the wages paid in this country and the Philippine Islands, and the difference in the cost of the raw material, light, fuel, rent, etc., the ability to successfully compete with the Philippine Islands on a free-trade basis in cigars is positively out of the question. The difference in wages alone amounts to $1 or more per day, say nothing of the advantage they possess in the way of cheap raw materials and other favorable means of production.

We have shown that the cigar industry has grown to its present magnificent proportions and given employment to 200,000 people, with an annual disbursement to the wage-earner alone of $75,000,000, and a revenue to the Government of $25,000,000, under a protective tariff. We earnestly protest against legislation of which we are not only firmly convinced, but about which there can be no dispute, that it will have a disastrous effect on this great industry, and without any resultant good to the people of our country in general.

The cigar manufacturers of this country have invested upward of $100,000,000, and expend annually for raw material alone $75,000,000. We respectfully submit that legislation destructive to the best interests of this great industry merits your careful consideration. We can not compete on a free-trade basis even to a limited extent with the Philippine Islands. Upon this point the cigar manufacturers, the tobacco growers, and the leaf-tobacco dealers, and the working men and women employed in this industry are united in their opposition to the transfer, from the United States to the Philippines, of that industry from a generally prosperous business and fairly paid labor to the competition of the cheapest workers in the world.

A. B. HESS,
S. R. MOSS,
I. H. WEAVER,
Committee of Cigar Manufacturers.

Amount of revenue lost to the United States Government in the event of the passage of either the Payne bill or the bill as reported by the Senate Finance Committee dealing with the importation of tobacco and cigars from the Philippine Islands:

Tariff rate on wrappers, per pound	$1.85
Tariff rate on fillers, per pound	.35
Lowest possible tariff on cigars, per thousand	50.00

Revenue lost to the Government by the bill proposed by the Senate Finance Committee:

300,000 pounds of wrappers, at $1.85 per pound	$555,000
1,500,000 pounds of fillers, at 35 cents per pound	525,000
150,000,000 cigars, at $50 per thousand	7,500,000
	8,580,000

The above is the amount of duty it is proposed to contribute to the Filipinos, or whatever interests that should import into the United States from the Philippine Islands, as proposed by the pending tariff bill as reported by the Senate Committee on Finance, or a direct contribution to the American Tobacco Company of $8,580,000 a year.

Should the House bill be enacted into law, it would mean a further contribution of $525,000, or a total of $9,105,000 a year.

While no deduction has been made in the above figures for the 25 per cent reduction in the present rates, neither has any computation been made for the 25 per cent ad valorem on manufactured cigars and tobacco, which amount would be greater than the reduction on the manufactured article.

Submitted by the representatives of the Cigar Makers' International Union.

Mr. BULKELEY. I desire to offer one or two amendments to the amendment of the committee, which I send to the desk.

The VICE-PRESIDENT. They will be read for information. An amendment is now pending and will be first acted upon.

Mr. BULKELEY. I will read them.

The VICE-PRESIDENT. They can be read at the desk, if the Senator prefers.

Mr. BULKELEY. I should like to have them read from the desk. Possibly they may meet the views of the committee.

The VICE-PRESIDENT. The amendments will not be in order until the pending amendment is disposed of. The Senator from Connecticut gives notice of amendments that he proposes to offer, which will be read.

The SECRETARY. On page 1 of the printed amendment, line 11, after the words "filler tobacco," insert the word "unstemmed" in parentheses; on page 2, line 1, strike out the words "five hundred thousand;" on page 2, line 2, strike out the words "one hundred and fifty" and insert the word "seventy."

Mr. BULKELEY. These amendments meet somewhat the criticism that I have been called upon to make in the course of my remarks, limiting to some extent the quantity that may be admitted into this country free of duty, cutting the number of cigars from 150,000,000 to 70,000,000, cutting the quantity of filler tobacco from 1,500,000 pounds to 1,000,000 pounds; and correcting wrapper tobacco so as to provide that it shall be unstemmed. Those cover the three amendments.

Mr. PENROSE. The amendments offered by the Senator from Connecticut are in line with the wishes of the tobacco-growing sections of Pennsylvania, and I ask unanimous consent to have printed in the RECORD the resolutions of the Lancaster Leaf Tobacco Board of Trade, also the resolution of the Tobacco Growers' Association of Lancaster, Pa., and a communication from the president and officers of the Lancaster County (Pa.) Tobacco Growers' Association.

The VICE-PRESIDENT. Without objection, the request is granted.

The matter referred to is as follows:

THE LANCASTER LEAF TOBACCO BOARD OF TRADE,
Lancaster, Pa., April 19, 1909.

At a special meeting of the Lancaster Leaf Tobacco Board of Trade held this day the following resolution was passed unanimously:

Whereas there is now pending before the Senate of the United States a tariff revision measure, section 5 of which provides for the free entry into the United States of 3,000,000 pounds of filler tobacco, 300,000 pounds of wrapper tobacco, and 150,000,000 cigars free of duty from the Philippines; and

Whereas this number of cigars, together with the cigars which will be made from the above amount of tobacco, exceeds the number of cigars manufactured in the Philippines during the year 1907 and is equal to one-fiftieth of all cigars manufactured in the United States during 1907, we believe the passage of this measure would work untold injury to the tobacco growers, tobacco packers, dealers and jobbers, cigar manufacturers, cigar jobbers, bench workers, and the many thousands of people who, in one way or another, make their livelihood out of the tobacco industry; and

Whereas the free entry of this number of cigars and this amount of tobacco is equal to one-seventh of all tobacco grown in the State of Pennsylvania: Therefore be it

Resolved, That we most vehemently protest against the passage of this section of the proposed tariff revision bill, and that a copy of this resolution be forwarded to our Representatives in both Houses of Congress, urging them to use their best efforts to defeat the passage of the proposed measure.

I. H. WEAVER,
A. B. HESS,
M. ROSENTHAL,
C. EMORY LONG,
Committee.

LANCASTER, PA., *December 14, 1908.*

Hon. BOIES PENROSE,
United States Senate:

The Tobacco Growers' Association of Lancaster County, Pa., in session December 14, 1908, unanimously passed the following resolution:

Resolved, That the tobacco growers of Lancaster County hereby protest against the introduction into this country of any tobacco and cigars from the Philippine Islands free of duty, and hereby request our United States Senators and the Congressman from this district to use every effort before the Ways and Means Committee to prevent the passage of a law that would be detrimental to the tobacco interests of Pennsylvania.

Attest:

B. EZRA HERR, *President.*
GEORGE HIBSHMAN, *Secretary.*

FARMERS OPPOSE THE FREE IMPORTATION OF TOBACCO FROM THE PHILIPPINES.

Mr. Chairman and Gentlemen of the Finance Committee:

I, as president of the Lancaster (Pa.) Tobacco Growers' Association, once again make my appearance in behalf of our society and fellow-farmers to enter our protest against the removal of duty on Philippine tobacco. By the result of the Spanish War three great tobacco countries came into our possession—Cuba, Porto Rico, and the Philippine Islands. We made many concessions for them in many ways by the lowering of duties in their favor. We tobacco men suffered severely, not only with the lowering of duties on their products, but by the lowering of duties on Sumatra. Then we were raisers of wrapper goods, but the lowering of duty on Sumatra drove us completely out of that field. We then changed our modes and are now producing fillers; in fact, the only field left open to us. By the lowering of duties on Cuba and Porto Rico we were again assailed in our standpoint, for from raising fillers we have no retreat. There is nothing left for us lower in the tobacco field. Now comes the wiping out of the duty on Philippine tobacco. This reduction affects the great States of Pennsylvania and Ohio more than any other States in the Union, for their chief crop is the raising of fillers. So is the crop of the Philippines; give them a lower duty and our industry is ruined, and we are no small producers. Between the years 1860 and 1907, a period of forty-six years, our tobacco crop in Lancaster County has varied from 35,000 to 75,000 cases per annum grown on from 14,000 to 18,000 acres, and has brought into our country $80,000,000 in cash, a larger sum of money than was ever realized from tobacco in the same area of any country in the world except Sumatra. Also the ninth internal-revenue district, of which we are the chief, has in the last seven years paid to the Government in revenue $17,377,343. We also manufactured in the year 1906, 801,399,420 cigars. This district is the banner cigar manufacturing district in the United States. Is this industry not worth protecting? Verily it is, and that is why I am sent here by my fellow-farmers to enter our solemn protest against the lowering of this duty. I know the Republican party, in its platform upon which his honor Judge Taft was elected to the Presidency, has promised a revision and a modification of the tariff, but we naturally supposed they were those things which in our infancy we could not manufacture in competition with foreign manufacturers which were long established, but now, since we have become established, we can manufacture under a reduced duty. We never for a moment supposed that it had reference to an industry where every advantage is on their side. We can not compete with the cheap labor and the long season of the Philippine Islands. We have also made a promise that trusts, especially the tobacco trust, shall be held in check; suits by the Government are now pending for that purpose. Reducing the tax will give them the field in the Philippine Islands, and they will have the whip hand over Pennsylvania and Ohio. They can snap their fingers at us and say they can get fillers elsewhere. You see the condition of affairs in Kentucky. Tobacco can scarcely be raised there now at a profit. You lower this duty and thousands and thousands of my fellow-farmers will be in the same condition. I am sure my constituents had no idea when they gave to Judge Taft 16,000 majority that the reduction of duty would be in those things which compete with what we produce from the soil. As I said on a former occasion, we have always been protectionists, and are so now, but never before this tobacco industry was assailed had we anything to protect. Yet we stood shoulder to shoulder with the iron maker and the woolgrower to protect their products, knowing it would finally be a blessing to all. Yet how can this prove a blessing to anyone by ruining our industry, which is well established, to try to foster an industry which has just got a foothold? We have contributed much for their welfare and will do more, but do not ask us to sacrifice that which we live by. The protective principles, which dominated everything pertaining to free trade at the last election, are paramount over all the tobacco-growing States, and 10,000 growers scattered over this great Union have not given up hope, but turn their eyes to this Congress and ask them for justice first, last, and all the time; and in seeking this we are asking protection for millions of dollars expended in buildings which are suitable for no other industry but this. There is not a farm in our whole county that has not from $3,000 to $10,000 expended in shedding, which, as I said before, would be useless. We have not the flimsy shedding of the Tropics, but permanent buildings erected especially for this purpose.

Again, gentlemen, let me say, if you grant this removal of duty, what will prevent Sumatra from being smuggled into the Philippine Islands and passing it here duty free as Philippine tobacco? The present Army of the United States is not large enough to guard these islands to prevent it. Much more could be said in behalf of the cigar-tobacco industry, but you, gentlemen, certainly see the justice of our claim. If we thought as some think—that this reduction would not affect our industry—we would not be up in arms to prevent it. So, gentlemen, we leave this with you, trusting you may see your way clear to give the tiller of the soil the protection he asks for.

B. EZRA HERR,
M. L. GREIDER,
GEORGE HIBSHMAN,
Officers of Lancaster (Pa.) Growers' Association.

APRIL, 1909.

Mr. ALDRICH. So far as the committee are concerned, they are willing to accept the amendments offered by the Senator from Connecticut and to modify the committee amendment in that way. I ask that that modification be made.

The VICE-PRESIDENT. The Secretary will state the modification.

The SECRETARY. On page 1 of the printed amendment, line 11, after the word "tobacco," insert the word "unstemmed" in parentheses; on page 2, line 1, after the words "one million" strike out the words "five hundred thousand;" on page 2, line 2, strike out the words "one hundred and fifty" and insert the word "seventy," so as to read: "seventy million cigars."

Mr. JONES. I have two communications from cigar makers which I should like to have printed in the RECORD. I think the amendment suggested by the Senator from Connecticut will be satisfactory to the organizations.

The VICE-PRESIDENT. Without objection, the communications will be printed in the RECORD.

The matter referred to is as follows:

CIGAR MAKERS' LOCAL UNION, No. 325,
Spokane, Wash., April 22, 1909.

Senator JONES.

DEAR SIR: I represent but a few hundred of the 40,000 cigar makers in our union, who come to you in the most serious difficulty of our existence of fifty years. The clause in the new tariff bill relating to the admission of cigars from the Philippines, free of duty, is a menace to our very existence. It takes years to learn our trade, and it usually bounds our career; and it is impossible to maintain the standard of American living in competition with the Chinamen and natives of a land where a few cents a day is sufficient to supply its people with all they are accustomed to.

I ask you, in all seriousness, to consider the welfare of your own people, among which our union stands forth as an organization whose aim is to better the condition of its people.

Yours, very truly,

W. A. MITCHELL, *Financial Secretary.*

SEATTLE, WASH., *May 7, 1909.*

Hon. W. L. JONES,
Washington, D. C.

DEAR SIR: I wish to protest against allowing 150,000,000 cigars from Philippine Islands free from duty, because it will put me out of business. It costs more for tobacco at present than it does for cigars. Remember, my cigar makers can not live on $8 per month. According to C. H. Hubbard's report, labor commissioner in the State of Washington, they get $2.25 per day when they work.

Respectfully,

LAWRENCE MORGAN.

Mr. FLETCHER. I believe the amendments which have been offered to the substitute have been accepted by the committee, and the substitute as amended is now before the Senate.

The VICE-PRESIDENT. The pending question is on the amendment offered by the Senator from Wisconsin [Mr. LA FOLLETTE].

Mr. FLETCHER. I supposed that that had been accepted.

Mr. LA FOLLETTE. No; I do not understand that it has been accepted. After having their attention called to this subject last night, the committee had a meeting this morning and reduced the amount 5,000,000 below the 75,000,000 provided in my amendment.

I count myself fortunate, Mr. President, in having so strongly impressed the committee with the protest of the cigar makers of America. I am almost tempted, Mr. President, in view of the readiness with which the committee yielded in reducing the number of cigars to be imported from the Philippines free of duty by 80,000,000, to suggest that they give to the cigar makers

of this country the opportunity to manufacture 10,000,000 more of the cigars that shall go to supply the trade each year. That would mean the employment of quite a number of idle cigar makers. Possibly, if I modify my amendment offered last night at 75,000,000 to 60,000,000, it will be accepted. I think I will chance it, Mr. President, by offering it in that form.

The VICE-PRESIDENT. The Senator from Wisconsin withdraws his former amendment and offers another amendment?

Mr. LA FOLLETTE. Yes.

The VICE-PRESIDENT. Without objection, the former amendment is withdrawn. The Secretary will report the amendment as modified.

The SECRETARY. On page 2, line 2, of the amendment as modified, it is proposed to strike out "seventy million" and insert "sixty million," so as to read, "and cigars in excess of 60,000,000 cigars."

Mr. LA FOLLETTE. I do this especially in the hope, Mr. President, that it will be accepted, or perhaps that the number will be reduced to fifty-five millions.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. PILES. I should like to ask that the amendment proposed by the Senator from Connecticut be stated. I did not quite catch it.

The VICE-PRESIDENT. The Secretary will state the amendment.

Mr. LA FOLLETTE. The pending amendment, upon which the vote was about to be taken, is not the amendment of the Senator from Connecticut.

The VICE-PRESIDENT. The amendment which the Senator from Connecticut offers——

Mr. LA FOLLETTE. It is a modification of the amendment which was pending.

The VICE-PRESIDENT. The pending amendment will be stated.

The SECRETARY. On page 2, in line 2 of the committee amendment, before the words "million cigars," it is proposed to strike out "seventy" and insert "sixty," so that, if amended, it will read:

And cigars in excess of 60,000,000 cigars.

The VICE-PRESIDENT. The question is on the amendment to the amendment, which has just been stated.

Mr. PILES. What I asked to have stated was the amendment of the Senator from Connecticut, which, I understand, provides for "70,000,000 cigars."

Mr. ALDRICH. The committee have modified their amendment, reducing the number of cigars from 150,000,000 to 70,000,000.

Mr. LA FOLLETTE. I understood that was the amendment offered by the Senator from Connecticut [Mr. BULKELEY].

The VICE-PRESIDENT. The Senator from Rhode Island [Mr. ALDRICH], on behalf of the committee, has modified the amendment heretofore presented.

Mr. LA FOLLETTE. Mr. President, before the vote is taken upon this modification of the amendment I offered last night, I ask to have read a communication from the legislative representative of the Cigar Makers' International Union, which I send to the Clerk's desk.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

WASHINGTON, *June 12, 1909.*

Senator R. M. LA FOLLETTE.

DEAR SIR: Relative to the proposed admission of 150,000,000 cigars free of duty from the Philippine Islands, we beg to submit for your further consideration the following facts, which we believe proves conclusively that free trade in cigars with the Philippine Islands, even in a limited degree, would prove disastrous to our industry. One hundred and fifty million cigars represents the labor of about 2,500 cigar makers for a full year, and in view of the fact that there are already about 12,000 idle cigar makers in the United States, we are justly alarmed by the proposed legislation, which would unquestionably add another 2,500 to the large army of unemployed cigar makers, together with those dependent upon them.

The tobacco and cigar exports of the Philippine Islands under American occupation have reached a higher degree of prosperity during the years 1903 to 1907 than prevailed from 1895 to 1899, when they were still under Spanish rule, as the following figures from the special report of Secretary of War Taft show: For the five years referred to under Spain the annual average exports of cigars and tobacco amounted to $2,114,240, for the five years reported under American occupation the annual average was $2,129,194; thus disproving any contention that our occupancy of the islands has seriously impaired their tobacco and cigar export trade.

The report of the insular collector of internal revenue for 1908 shows that the total number of cigars manufactured in the Philippine Islands during 1907 was 197,000,000, and for 1908, 198,754,787. Of this number there were imported into the United States during the year 1907, 1,593,000, and during 1908, 1,365,000.

A bulletin of the Department of Labor shows that there are about 20,000 persons employed in the cigar industry in the Philippine Islands, at an average of $10.21 per month. The rate of wages for cigar makers, as near as we can learn, is 37.12 cents a day.

As noted above, there were imported into the United States from the Philippine Islands during 1907, 1,593,000 cigars, and during 1908, 1,365,000. In this connection we desire to show the confusing nature of the figures contained in a note on tariff revision, and Insular Bureau reports, as contained in the following memorandum:

The Notes on Tariff Revision, issued by the Ways and Means Committee, on page 227, under the caption "Importations," referring to leaf tobacco, furnishes the "general information" to the effect that the total importation of unmanufactured tobacco from the Philippines was 70,163 pounds, valued at $4,584. On page 280, referring to the duty on cigars, the paragraph furnishing "general information" as to the importations does not show any importation from the Philippine Islands.

The publication Estimated Revenues, as issued by the Finance Committee of the Senate, on page 28, referring to paragraph 221 of the Senate bill, shows the importation of cigars from the Philippine Islands during the fiscal year ending June 30, 1907, to have been 3,141.89 pounds, valued at $4,150.

Averaging 12 pounds to a thousand cigars, 3,141.89 pounds would equal 261,820 cigars; 3,141.89 pounds of tobacco, at $4.50 per pound, minus 25 per cent reduction on account of Philippine importation and plus 25 per cent ad valorem (based on 261,820 cigars), will about equal $11,352.74, which is noted on page 29 as the revenue under the present law.

The Insular Bureau reports the exportation of cigars to the United States in 1907 as 1,593,000, and in 1908 as 1,365,000, which figures agree with the importations of cigars from the Philippines to the United States, as stated on page 279 of the quarterly report for April–June, 1908, issued by the Insular Bureau. In the report named the Insular Bureau states the value of 1,593,000 cigars in 1907 as $26,067, which valuation does not seem to agree with the valuation placed upon these cigars upon importation into the United States as noted on page 28 of the Senate Finance Committee's publication entitled "Estimated Revenues."

We further desire to call to your attention that our industry has greatly suffered by the free importation of cigars from Porto Rico. During the past two years there has been admitted into the United States from Porto Rico on an average of about 10,000,000 cigars a month, or an amount per year almost equal in number to that which it is proposed to admit free of duty from the Philippine Islands. This amount of cigars admitted free of duty from Porto Rico has already displaced about 2,000 American workmen, and we have borne this injustice with hardly any complaint on our part; but we feel that we are now compelled to earnestly yet respectfully protest against the further contemplated injustice, which will cause untold hardship on the already too large number of American citizens now out of employment, with no immediate prospects for obtaining the same, and the thousands of women and children dependent upon them for the necessaries of life.

And, furthermore, in the event of the passage of that part of the pending tariff bill dealing with the importation of cigars from the Philippine Islands, the amount of revenue lost to the United States Government on 150,000,000 cigars, at $50 per thousand, would be $7,500,000.

The above is the amount that it is proposed to contribute to the Filipinos, or whatever interests that should import into the United States from the Philippine Islands the above amount of cigars, or a direct contribution to the American Tobacco Company of $7,500,000 annually.

While no deduction has been made in the above figures for the 25 per cent reduction in the present rates, neither has any computation been made for the 25 per cent ad valorem on manufactured cigars, which would amount to a greater sum than the reduction in the present rates.

Submitted by the representative of the Cigar Makers' International Union.

J. CRONIN.

Mr. LA FOLLETTE. Mr. President, I ask to have read a communication from the cigar makers of Marinette, Wis., which I send to the Clerk's desk.

The VICE-PRESIDENT. In the absence of objection, the Secretary will read the communication just presented by the Senator from Wisconsin.

The Secretary read as follows:

CIGAR MAKERS' LOCAL UNION NO. 287,
Marinette, Wis., April 13, 1909.

Hon. ROBERT M. LA FOLLETTE,
Washington, D. C.

DEAR SIR: We understand the Ways and Means Committee of Congress has proposed a bill providing that 150,000,000 cigars shall be permitted to come from the Philippines free of duty in any one fiscal year. The cigar makers of Marinette protest against admitting any cigars from the island except at the regular import duty, as we believe it would be an injustice to the cigar industry of the United States. Hoping you will give this your earnest consideration and attention.

Yours, respectfully,

J. FITZHENRY, *President.*
A. E. SANDERS, *Secretary.*

Mr. LA FOLLETTE. Mr. President, I shall detain the Senate but a moment longer. I send to the desk two other communications out of a very large number which I have received from the cigar makers of Wisconsin and other States, and ask to have them read in this connection.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

CIGAR MAKERS' LOCAL UNION NO. 168,
Oshkosh, Wis., April 14, 1909.

Mr. ROBERT M. LA FOLLETTE,
United States Senate.

DEAR SIR: I wish you would do all you can against that Philippine Island bill for admitting cigars into this country free from duty, for that would hurt the cigar industry a great deal in this country, for we can not compete with such cheap labor such as the Philippine cigar

makers are. They only receive about 28 cents a day. What would the American cigar makers do with such a cheap wage? Hoping to receive fair play, I remain,

Yours, truly,

J. GALLATIN, *Secretary.*

CIGAR MAKERS' LOCAL UNION No. 447,
Kenosha, Wis., April 14, 1909.

Hon. R. M. LA FOLLETTE.

DEAR SIR: As one of your constituents, we beg to request you to use your influence to defeat the bill introduced by the Ways and Means Committee to reduce the duty or let any cigars manufactured in the Philippine Islands in the United States free of duty from the rate fixed by the Dingley law, or any bill aiming to let cigars in free in any form. The bill, should it become a law, would practically destroy our trade, as the cigar makers on these islands earn about 37 cents per day. Our workmen can not possibly get along on less than they are now earning. Reduction of duty or free means reduction of wages and ruin to our trade. We protest against any change in duty, and beg of you to earn the commendation and gratitude of our members by standing like a stone wall against any change.

WM. SCHRADER, *President.*
CHAS. F. SCHMIDT,
Corresponding Secretary.

The VICE-PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Wisconsin to the amendment of the Committee on Finance.

Mr. BURKETT. Mr. President, it seems to me that if anything were wanting to justify a vote of lack of confidence in the committee in charge of this bill or to justify a word in criticism for the neglect of a due and proper regard for a conscientious and honest endeavor at legislation here, the proceedings which have transpired this morning would fill any omission of that kind. The committee brought in here originally a proposition, said to come from the President, to be the result of his wisdom, in conjunction with other matters in the bill, to permit 150,000,000 cigars to come in from the Philippine Islands free of duty. The Senator from Wisconsin [Mr. LA FOLLETTE], in a due and orderly way, as was his legitimate right, and backed by the judgment, I suspect, of a good many more Senators in this assembly than might be supposed at first thought, moved to amend that proposition by reducing it to 75,000,000. The Committee on Finance took that up almost at midnight last night and have reported this morning, without any excuse or reason being given, a reduction from the first proposed amendment, from 150,000,000 cigars down to 70,000,000 cigars, just 5,000,000 decrease beneath the amount provided for in the amendment offered by the Senator from Wisconsin.

It seems to me that on a question of this sort, especially when it is involving our relations with the Philippines, we ought to be alone controlled by the highest sense of responsibility and duty. It seems to me this is too important a matter to juggle with and to play what looks to me—and I suspect it looks the same to others—to be a game of petty politics.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Nebraska yield to the Senator from Rhode Island?

Mr. BURKETT. Yes.

Mr. ALDRICH. Mr. President, there is no mystery about this; there is no "petty politics" in it. As I said last night, the committee had not given this matter of cigars full consideration in the committee. We have since last night heard the views of a dozen Senators upon this subject, who believe that this amendment ought to be made. It is upon the insistence of Senators from the Pacific slope, of Senators from the center of the country, and of Senators in the eastern part of the country that we have made this change. There is no mystery about it; there is no politics about it; there is nothing about it except a desire on the part of the committee to do the right thing; and, above everything else, to pass this bill.

Mr. BURKETT. That looks, Mr. President, to me as if there was also another desire—to hang the Senator from Wisconsin [Mr. LA FOLLETTE] up in the air somewhere with his amendment.

Mr. ALDRICH. There is no disposition of that kind, and no such——

Mr. LA FOLLETTE. It would not be possible for the committee to do that with me. The Senator from Nebraska need not worry about me.

Mr. ALDRICH. Mr. President, the Committee on Finance have no desire to leave the Senator from Nebraska or any other Senator in the air or anywhere else, except where he places himself.

Mr. BURKETT. Now, Mr. President, so much for that. Whatever may have been the reason for cutting this amendment so suddenly, since last night at midnight, down to just five million underneath the proposed amendment of the Senator from Wisconsin, I leave the Senate and the country, so far as that is concerned, to judge of motives.

Mr. PILES. Mr. President——

The VICE-PRESIDENT. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. BURKETT. I do.

Mr. PILES. Mr. President, I will say to the Senator from Nebraska that before anyone proposed any amendment to this cigar proposition, I myself asked the committee to cut it down to the lowest possible notch. I realized that the President, having been in the Philippines, was more familiar with that country than any other man in the United States, in all probability, and I felt that something ought to be done for the Filipino people. At the same time I realized that the cigar manufacturers on the Pacific coast, especially in my home city, were everywhere opposed to letting in a very large number of Philippine cigars, and so I urged upon the committee the taking up of this proposition and of reducing to the lowest possible number the quantity of cigars which should come in free from that country. I am very much gratified at the action of the Senator from Wisconsin in this matter, and I am deeply gratified over the result of the action of the committee.

Mr. BURKETT. Now, Mr. President, I do not care for any more apologies for the action of the Committee on Finance——

Mr. DEPEW. Mr. President——

Mr. BURKETT. Will the Senator from New York just wait until I get through? There are a number here who are always ready to spring up in defense of the Finance Committee whenever it needs it. But what I want to call attention to is this: I will say that I have shared, as I took occasion yesterday——

Mr. PILES. Mr. President——

The VICE-PRESIDENT. Does the Senator from Nebraska yield to the Senator from Washington?

Mr. BURKETT. Let the Senator wait until I get through, and then he can make all the speeches he desires.

The VICE-PRESIDENT. The Senator from Nebraska declines to yield.

Mr. BURKETT. As I took occasion yesterday to say, when I was speaking upon the sugar question, there is but one thing that will make me vote to admit free of duty all these cigars, and that is our obligation and duty to the Philippine Islands. I look with a good deal of apprehension, I will say, and with a good deal of disfavor upon the proposition to admit 150,000,000 cigars free from the Philippine Islands. I have received letters while we have been in session here from cigarmakers in my own State, calling attention to the importance of this matter to them. I have written back and said to them and recited to them the seriousness of the condition that confronts the people of the Philippine Islands.

I have reminded them of the importance of our obligation on account of the responsibility that we have assumed with reference to the Philippine Islands, and I have made up my mind only after much reflection and hesitation to join with others in what it seemed to me a just thing to do in these respects with reference to the people of the Philippine Islands. I regret, as I have said, that it seemed to be the judgment of the committee that we should admit 150,000,000 cigars from the Philippine Islands free of duty, but that proposition was brought in by the committee and we were told that this whole amendment was the result of investigation and was in accordance with the judgment of the President of the United States; but when the Senator from Wisconsin introduced his amendment to reduce the number of cigars to be admitted free from the Philippines, after a very few minutes' consideration the committee reported to reduce the amount 5,000,000 below the number he proposed.

The Senator from Rhode Island [Mr. ALDRICH] says, of course, that they have considered the proposition since then. That only reenforces what I said in the beginning of our right to cast a vote of lack of confidence upon the work of this committee, if anything else were needed to justify us in this particular.

Mr. GALLINGER. Why does not the Senator introduce it?

Mr. BURKETT. I will say to the Senator from New Hampshire that I have cast a good many votes of lack of confidence in the work of the committee. Propositions have been brought in time after time, and when attention has been called to them members of the committee, after the matter has been brought in, have risen to say that they have not investigated the matter. What right, I want to know, has the committee to report a bill or any part of a bill and ask us to legislate upon it and to vote upon it, if they have not given it enough attention and enough investigation to justify them in bringing it in here?

I have no manner of criticism of the committee if, after additional evidence and additional hearings, it is their wisdom that the number of cigars to be admitted free can safely be reduced, and that we would fulfill our obligations to the Philip-

pine Islands and to the Filipinos by reducing the number to 70,000,000; but, Mr. President, I submit that the manner and the method in which it has been done does justify the action of those of us who have, as I have said to the Senator from New Hampshire, on several occasions taken the opportunity of voting a lack of confidence in the action of this committee.

There have been too many times during the hearing of this bill that this same sort of thing has occurred. Whether it is petty politics, as it appears to be to me, or whether it is not, as the Senator from Rhode Island assures us, I am certain that the people who will observe this action, not only here, but throughout the country, will realize that it is an effort to get just a little under the Senator from Wisconsin in order that he and his amendments may be hung up in the air.

Now, sir, if in a single half hour session the Finance Committee can afford to change their judgment and reduce the number from 150,000,000 down to 70,000,000, it seems to me that it justifies me and everybody else who feels friendly disposed to the makers of cigars in this country to go 10,000,000 further in accordance with the amendment now proposed by the Senator from Wisconsin.

Mr. DICK. Mr. President, in my judgment, the highest compliments that have been paid to the Finance Committee are some of the bitter criticisms which have been cast upon it by some Members of this body. The fact that it changes its opinion once in a while upon some important schedule, after careful discussion and consideration, instead of inviting the condemnation or criticism of Senators, should invite their commendation and praise.

The importation of cigars and other Philippine products free of duty is a matter of very broad range and wide discussion. It is not new in the Congress of the United States. The obligations are so conflicting between our trust on the one hand toward this dependent archipelago, and our industries on the other, that it is not to be wondered at that Senators may differ, and honestly differ, as to what our exact duty may be.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Ohio yield to the Senator from New Hampshire?

Mr. DICK. Certainly.

Mr. GALLINGER. In connection with these harsh and, as I think, unmerited criticisms of the committee, the Senator is aware of the fact that after the Committee on Appropriations has spent weeks, and oftentimes months, in preparing an appropriation bill, when it is brought into the Senate scores of changes are made in the bill. Appropriations are reduced or increased as circumstances may require, and upon additional testimony that is presented, but nobody has ever risen in the Senate to criticise the Committee on Appropriations for making those changes. I agree with the Senator from Ohio that it is a tribute to the committee, rather than a matter that merits condemnation, that the committee is willing to make changes when the circumstances seem to demand it.

Mr. DICK. It would seem so to me, Mr. President, and, furthermore, it seems to me to disprove absolutely the claim that this committee, with arbitrary power, is forcing through every schedule as it wants it passed. I have been voting as loyally as I can with the committee. I do not agree entirely with all its conclusions or with all the presentations it makes; but, in the main, it is my judgment that we are working out a tariff bill which will satisfy the country, which will restore confidence, and which will bring back to the country the prosperity we so much need and desire.

But, Mr. President, one thing more I want to say, because I feel it. I think the country is to be congratulated, the Congress is to be congratulated, and the Senate is to be congratulated that we have so able a committee, headed by so able a chairman, as those who represent this body in the consideration of this great measure. This is not said for political reasons; it is not said to curry favor; it is my own estimate of an exact and just criticism, if such it may be termed, of the men who, in my judgment, as I have had opportunity to observe, have disposed of their obligations in a manner that ought to meet the approval of all Senators agreeing or disagreeing with their conclusions.

They have not been required, as has been stated here earlier in this debate, to hear everybody or to invite contentious opinions upon the schedules; but, day and night, in season and out of season, encroaching even upon the Sabbath day, if you please, always and ever they have been ready to hear all Senators and their constituents with reference to every matter involved in this great measure.

I have had some occasion to know that this is the truth. Ohio, studded from the Lakes to the Ohio River with a greater diversity of interests, perhaps, than is true of any other State in the Union, has been represented here perhaps oftener than any other requesting such courtesy, and never has it been denied.

I give this assurance, if I may, that the people of Ohio are not unappreciative of what has been done for them nor ungrateful. Nor would it be becoming in me as their representative to longer submit without a protest to these unfair and unjust criticisms of this committee, which has done its work so faithfully and so well.

Mr. DEPEW. Mr. President, in regard to this matter and the committee, the bitter attack now made upon it by the Senator from Nebraska seems to be the culmination of a criticism that has been running against the committee since it presented its tariff report to the Senate. The charge has been made as to the unfair constitution of the committee and the way it has been formed, and that charge has been repeated often to the Senate; and now the charge is made that it is playing petty politics in regard to this matter of the duty on Philippine cigars and in other ways.

As to the Philippine measure, while I do not know the personal views of the President, we all of us have read the declarations which he made both before he became President and since, growing out of his intimate knowledge of Philippine conditions, for the largest possible measure of free trade between the Philippine Islands and the United States. He has frequently declared such a measure most important for the welfare and uplift of the Philippine people and their loyalty to the United States.

I had no doubt, when this matter was presented by the Finance Committee, that it was substantially in agreement with the views entertained by the President, because they were the views he has so often expressed. Only the proposition of the Committee on Finance was less in what was granted to the Philippines than what the President had repeatedly said he thought would be good policy in the development of those islands and the creation of friendly relations between the Filipino people and the United States.

In regard to this particular proposition, just before the Senator from Wisconsin offered his amendment to reduce the cigars imported free from 150,000,000 to 75,000,000, the president of the Cigar Makers' Union of the United States interviewed me on the subject. He told me the views of the Cigar Makers' Union, the condition of its members as to nonemployment, and said that what they wanted was to reduce the number imported free to 75,000,000.

I want to say, if the Senator from Wisconsin had not offered the amendment to reduce the number of cigars imported free from the Philippines, I would have done so. The president of the union is a New Yorker, and there are more cigar makers in the State of New York than in any other State in the Union.

In regard to the committee having reduced it from 75,000,000 to 70,000,000, it was the demand of the Senator from Connecticut, who had been speaking here for several hours and who represents a great tobacco State, that the number should be reduced from 75,000,000 to 70,000,000. I want to say that I appealed to the committee personally, because of this presentation that had been made to me by the Cigar Makers' Union, to have the number reduced to the lowest possible figure, which would satisfy the Executive and the friends of the development of the Philippine Islands.

Now, sir, it has been charged that this committee has been unfairly formed, and one of the best posted of the correspondents of the great newspapers in the gallery, who are so keen and clear on all matters, said to me the other day, when I explained to him how the committee had been formed, that with his long experience here he had not thoroughly understood it, because he had not had occasion to look it up. I think it had better go into the RECORD, so that the country may know whether we are dominated by one-man power and by an automatic and self-constituted committee—just how the committees of the Senate are formed.

How are the committees of the Senate formed? This being a continuing body, we make new committees every two years, when one-third of the membership is changed. Then, sir, the officers of the caucus, elected the previous two years, cause a notice to be sent to all Senators on the Republican side asking them to meet in the marble room for the purpose of organization. When we meet there are 60 chairs. There are now 60 Republican members. Those chairs have no names upon them. There is no assignment of seats for Senators of prominence or long service. Everything is informal and free. Every man can take any seat he pleases, and if it so suits him he can take a

front seat, where he can be most conspicuous. There are no rules restricting any Senator as to what he shall propose or how long he shall speak. We are equals in the caucus.

Then, in the usual and ordinary way a motion is made for the organization of the caucus, and that is put to a vote by the oldest Senator in term of service, according to a rule which has prevailed in the Senate ever since its organization. When that is done a motion is made that the Chair shall appoint 11 or 13 Senators to constitute a committee on committees. That reaches the ideal that the uplift reformers have been claiming in their venomous attacks on the methods in the House. The attack upon the methods in the House has been that it is wrong for the Speaker to name the committees, and that they should be made by a committee of the House itself.

This committee on committees is appointed by the Chair. When it is complete, another caucus is called by due notice in writing to submit this committee on committees for the action of the Senators. The whole body thus assembled can reject, change, or adopt the report. If the caucus votes to accept the committee as reported, the committee goes to work. It addresses a letter to every Senator, asking him what he wishes in committee assignments; and it does its best, according to my experience, having gone five times through it, to gratify the wishes and ambitions of each Senator.

But when you come to the conditions existing at the beginning of this extra session, they were peculiar. Everybody knew that all the business of this session would come from one committee, and of the 50 Republican Senators, a large majority wished to get on that committee. The rules restrict its membership to 14, of whom 9 are Republicans. To select from this number of applicants 9 was a problem difficult for this committee on committees to solve. They accomplished the task and reported the result of their conclusions to the caucus, and it was a very full caucus. There was the opportunity again for any Senator to charge that the committee was unfairly made up; that the country, in its different parts, was not properly represented. There was one such protest in the caucus, but the Senator making the protest did not criticise the committee except to claim that his own State ought to be represented on it. He did not, however, make a motion or ask for a vote.

Therefore, the committee as suggested by the committee on committees received the vote of every single Republican Senator who was present in the caucus. But if any Senator was dissatisfied with the committee, he still had another opportunity, because that committee was reported to the full Senate, in order that the Senate might vote whether that committee should stand as the Committee on Finance or whether it should be changed in any particular. On that vote the committee was accepted by the Senate by the unanimous vote of Senators on both sides of the Chamber. So that the committee stands before us having been at least four times indorsed by the Republicans or the joint votes of both sides.

I understand the same process exactly is pursued by the minority Members of the Senate in the recommendations they make as to who of their number shall go upon committees.

My colleague and I represent a State that has a great variety of interests. I think the statistics show that New York is the largest manufacturing State in the Union and has more varied productions than any other State; and my colleague and I, representing those interests, both the employees and the employers, have not hesitated to go day by day to the committee in order to present the claims of these industries in New York for their consideration, and in many instances we have succeeded in placing before them views and testimony from people directly interested which have led to a modification in rates which the committee had reported to the Senate upon particular items in this bill. We have found the committee, even when disagreeing with our views, eminently open minded and courteous.

Now, as to the charge that this committee is discredited in this body, how are we to judge? How are we to know and how is the country to know whether this committee is discredited? Votes talk louder than speeches. We have been told here repeatedly that the people of the United States are hostile to this committee. We have been told here repeatedly that only the Senators who oppose the committee know what is the opinion of the people of the United States. We have been told here repeatedly that every Senator who supports this committee is marching headlong to political destruction, and he does not know it; the only people who know it are the critics of the committee. If that be so, then the Senate is the most extraordinary suicide club which has ever existed. There have been here—taking the wool schedule, which it was said was the real test of popular feeling—practically 51 Senators supporting the committee and 8 Senators opposing the committee; 8 Senators only with salvation free and 51 going headlong and heedless to oblivion; 51 not knowing the sentiment of their own States and 51 ignorant of what the people of the country think and want.

When I look at the electoral college, which selected the President of the United States and you, sir, for the high offices which you adorn—both of you—I discover that the total electoral vote is 483; necessary for a choice, 242. Taking the wool schedule, upon which there was the greatest controversy, the Republican Senators voting to support the committee represented 294 electoral votes, or a majority of 52 of the electoral college, and yet the country has been repeatedly informed by several of the 8 Republican Senators who antagonize the committee that they have a knowledge of the wishes, the opinions, and the desires of the people which is not possessed by the Senators supporting the committee who represent a majority of 52 in the entire vote, Republican and Democratic, of the electoral college. If we take the highest vote cast against the committee on the most important schedules, they represented 55 in the electoral college, while the Senators supporting the committee represent 272.

Now, sir, this committee has had duties to perform greater than any that have fallen upon any other committee during my ten years in the Senate. I was not here during the consideration of the Dingley bill, but it strikes me that the framers of that measure had an easy task compared with the framers of this bill. The committees of the two Houses which prepared the Dingley bill met when a terrific industrial disaster had overwhelmed the country, and the people believed that it was due to the Democratic revenue measure which was then in force. The demand of the country upon that committee was to protect the industrial interests of the United States. The demand of the country upon the committee was that the action of that committee should be protective—protective everywhere; to give employment to labor and employment for capital. The difficulty that committee had to contend with was not to put rates up or down, but to restrain the eager desire of the whole community for rates so high as to be prohibitive in their practical application. The action of the committee in this easy process was sustained point by point by the concurring opinion of a distressed country.

But now we meet in the midst of great prosperity for the purpose of revising the schedules which have been eleven years in existence. The development of the country during that period has been such in many lines of industry as to require changes. I doubt very much—and I have many sources of information, and travel about the country almost as much as anyone—the strength of the demand originally which led the national convention to put that plank into the platform, and I believe, sir, that if that plank had not been in the platform Mr. Taft would not have lost a single electoral vote and that his phenomenal popular majority of over a million would have been just as great.

But it was put into the platform, and in obedience to that promise the Committee on Ways and Means met immediately after election, in the early part of November. They continued their work until March, and I think into April, and then the work with all the testimony which had been taken, filling 13 large volumes, with the discussions which had been given to it in the public press, came to the Senate, in a large measure perfected, and then the Finance Committee of the Senate had to undertake on their part to meet the requirements of the country, first for revenue and next for protection.

I have been a member of many committees, and the older Senators are familiar with the hard work of committees. They know that there are Members of this body whose names rarely appear in the RECORD, but who have their monuments in the statute books; many Senators who rarely appear in debate, do not appeal to popular prejudice or popular passion, who are working day and night with an energy, with an industry, and with an intelligence often impairing their health, giving their best time and mind to what they believe, though knowing they will get no individual credit for it, is for the best interests of the country.

Knowing as I do from intimate study of the action of this committee and of its results, I believe that no committee intrusted with so great a labor and so tremendous a responsibility has ever more faithfully, intelligently, and patriotically performed its work.

Mr. OLIVER. Mr. President, when the Senator from Wisconsin [Mr. LA FOLLETTE] offered his amendment last night, after listening to him—and, in fact, before I heard his speech—it was my full intention to vote for the amendment as presented

by him. I made up my mind to do this in deference to the wishes of the thousands of tobacco growers and cigar makers in the State of Pennsylvania, whose interests are jeopardized, as I think, by the proposition as it originally emanated from the committee.

I made up my mind to vote with the Senator from Wisconsin entirely without reference to the source from which the amendment emanated. I intend to vote on this proposition, as I will vote on every other proposition that comes before the Senate, in accordance with what I believe to be right; and I will vote for it as readily coming from the Senator from Wisconsin as if it came from the Senator from Rhode Island.

But in this instance, Mr. President, the developments of this morning seem to indicate that the Senator from Wisconsin resembles the Irishman who went into a shop and asked the price of a pair of suspenders. "The price is 15 cents." "Fifty cents!" said he. "I will give you 37." The shopkeeper, being an honest man, said: "I did not ask you 50 cents; I asked you 15 cents." "Fifteen cents!" says the Irishman. "Oh, I will give you 10 cents, then."

The Senator from Wisconsin offered an amendment last night which seemed to me to be fair and right, and simply because the proposition of the Senator from Connecticut was below his, and that that proposition has been accepted by the committee, he now proposes to go still lower; and I suppose if his amendment is adopted, he will endeavor to secure from the conference committee another amendment putting it down to fifty or forty million.

I thought for a little while I would be one of the men whom the Senator from Wisconsin, with his characteristic modesty, denominates his followers, but I can not follow him that far down.

Mr. ALDRICH. Mr. President, I do not intend to delay the Senate now or at any time with any apologies for or to answer any criticism upon the Committee on Finance or any of its members. This is not only in consonance with my feeling of obligations to the people of the United States and to the Senate and to my party, but it is in consonance with the course which I have followed throughout my public life. There are men whose condemnation is the highest commendation—whose disparagement is a decoration.

My duty here is in reference to this bill, and I desire to say to the Senator from Nebraska [Mr. BURKETT], whose vote and whose voice have from the start betrayed an entire want of confidence in the committee, that in the future, as in the past, the committee will take into consideration the questions which are presented to them by Senators and others, and that they will decide these questions from time to time according to what they believe to be the public interest, following the lines of policy which the party which we represent has adopted, and which the people of the United States have approved, and they will not be deflected a thousandth part of an inch from following their obligation and discharging their duties, as they look upon them, and this without reference as to how it shall affect one Senator or another Senator.

It matters not to us, from our standpoint of the public interest, what the opinion of any individual Senator may be. If any Senator sees fit for any cause to express a want of confidence in the committee, that is the position which he is entitled to take, and there has been no criticism on the part of any member of the committee of the views or the acts of any Senator, and there will not be.

I have had long experience in public life and in service upon many committees, and I want to say now, in justice to the Republican membership of the Committee on Finance, that I have never yet, in my long experience, been in cooperation with, and in conference with, men who have so clearly and positively appreciated their public obligations and who have so unflinchingly followed what they believed to be right as the members of that committee; and this applies to every one of them.

We have never presented matters here for the consideration of our associates or of the Senate that have not had the absolutely unanimous approval of the Republican members of that committee.

It is true that on one or two questions we have had an understanding that the members of the committee would have the right upon the floor to exercise their individual judgment and to express their individual opinions, but upon all the great questions that affect this tariff legislation the Republican members of the committee have been entirely unanimous; and the committee appreciate to the fullest extent the fact that their associates in this body, with a few exceptions, have stood behind them and given them their generous support and approval. We should be less than human if we did not fully appreciate that support.

We shall continue the same course in the future that we have adopted in the past, and whenever Senators come to us and say that we have made mistakes, errors in judgment, and convince us that changes ought to be made, they will be made, and be made promptly, without reference to criticism or denunciations on the part of any Senator or Senators.

Mr. BORAH obtained the floor.

Mr. BAILEY. Mr. President, just a moment.

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Texas?

Mr. BORAH. Certainly.

Mr. BAILEY. Mr. President, during this entire debate the Senator from Rhode Island frequently refers to the Finance Committee. Of course those of us here perfectly understand that he means the majority of the committee.

Mr. ALDRICH. I think perhaps I did not state clearly, as I should have stated, the fact that I was referring simply to the Republican members of the committee.

Mr. BAILEY. We all understand that here, but possibly when they are debating some other tariff bill some benighted Senator will do us the honor to review these proceedings. I therefore think it well enough once for all to say that except when the Senator from Rhode Island specially declares otherwise his references to the Finance Committee include only the Republican majority of that committee.

Mr. BORAH. Mr. President, I do not rise to discuss the matter of the action of the committee or to take any part in the discussion as to the particular action of the committee this morning. I am not seriously disturbed over the probability of the committee leaving the amendment of the Senator from Wisconsin in the air, if it should desire to do so, and I have no idea that they desire to do so.

I merely wanted to say a word in view of the vote which I proposed to cast with reference to the Philippine tariff, both in this bill and the bill which will come later before the Senate. The broad subject which is involved here is our relationship to the Philippine people. I am not going into an extensive discussion of that relationship, or what it ought to be, further than to say that I propose to cast every vote that I do cast here with a view of loosening the bands that ties the Philippine people to the United States Government.

I am aware that when I speak that sentiment I express a view perhaps contrary to the view of the President of the United States, for whose opinion and for whose great service to those people I have a profound regard. Nevertheless, I have a firm conviction that the first duty of the people of the United States is to arrange and prepare those people for separate and independent government and for separate and independent sovereignty.

I do not believe that it is in accordance with the spirit of our Constitution or with the spirit of our institutions that we should continue a policy which must have for its ultimate effect the binding to us of a colonial possession and in a sense a people governed and controlled by colonial policies.

While I must therefore differ to some extent with my party and with the President in these matters, nevertheless, it is a conviction which I can not put aside for mere party policy. I regret that the committee has not seen fit to go further than it has. I regret that the commitee has not seen fit to wipe out the clause in the sugar provision with reference to the tariff. I regret very much any step or any movement which would seem to bind these people closer to us, because I believe what they are entitled to and what the interests of the United States demand is a separate and independent sovereignty just as soon as we can give it to them.

Mr. BACON. Mr. President, I desire to make an inquiry of the honorable Senator from Rhode Island in regard to the effect of this particular amendment.

I think it is generally conceded that the provisions in the bill which permits the introduction of sugar from the Philippine Islands to the extent of 300,000 tons free of duty will represent in duties thus lost to the Government about $10,000,000. That is not the question I wish to ask the Senator. It is something leading up to it.

We have had this morning read from the desk a communication from those who are engaged in the manufacture of cigars, in which it is stated that the introduction of 150,000,000 cigars from the Philippine Islands free of duty will displace the revenue from a corresponding number of imports to an amount of $7,500,000. With the number reduced to 70,000,000, if that amendment should be adopted the question I want to ask the Senator is this— [A pause.]

Mr. ALDRICH. I think the Senator commenced to ask a question some time ago, but I lost sight of the question in his preliminary statement. If he will tell me the question, I will be very glad to answer it.

Mr. BACON. I was proceeding to state it when the Senator deliberately turned his back to talk with some members of the committee.

Mr. ALDRICH. All right.

Mr. BACON. I was stating it, and let me say I was not stating it in a manner which the Senator could not have understood if he had paid attention.

Mr. ALDRICH. But the Senator's premises were so contrary to what I understood to be the fact——

Mr. BACON. That simply led up to the other question and was entirely independent of it, except in the relation which they might bear to each other. There was nothing in the first question which made it necessary that the Senator should understand in order that he should reply to the second.

I will repeat it, in response to the Senator's request. I stated the fact, prior to the time when the Senator withdrew his attention from me, that a communication had been read from the desk, sent to the Senator from Wisconsin by some parties engaged in cigar manufacturing, in which it was stated by them that upon a calculation made the estimated value of the duty upon 150,000,000 cigars would be $7,500,000. With the proposed amendment reducing the number to 70,000,000 cigars, we might say, in round numbers, it would be half that or a little less than half. With that half the corresponding revenue or loss of revenue would be three and a quarter million dollars.

I desire to know of the Senator whether his committee, in fixing this limitation within which there should be a free importation of cigars from the Philippine Islands, estimated the amount of revenue which would be lost by that amount of free importation?

Mr. ALDRICH. The Senator's question involves so many things he will have to bear with me if he expects an answer. It will take a little time. It is a question which can not be answered categorically.

Mr. BACON. The Senator says there are so many "ifs." I will state it with one "if." Possibly that may be within my power of felicitous expression, I will not say in the power of the Senator to comprehend, because of course everybody knows he does comprehend, and when there is a failure of comprehension on his part the cause is undoubtedly mine. Therefore I will try to state it more simply.

If 70,000,000 cigars are imported free of duty from the Philippine Islands, what is the estimate of the committee as to the loss of revenue to the United States Government upon those 70,000,000 cigars thus freely imported? I hope that is sufficiently plainly expressed.

Mr. ALDRICH. That involves also the same number of "ifs" and "buts," and so forth. For instance, the statement which the Senator refers to shows that in 1908 there were 1,500,000 cigars imported into the United States from the Philippine Islands and the year before 1,300,000, in round numbers. It is an impossible supposition, but suppose that 70,000,000 cigars will ever be imported into the United States from the Philippine Islands, the Senator understands. I suppose, from the start that this is not a question of revenue. Does the Senator suppose that any Senator upon this side of the Chamber would suggest the free importation of cigars or anything else from a foreign country or from territory that was not a part of the territory of the United States? Does the Senator think that this is a question of dealing with the free importation of articles from territory which does not belong to the United States? The question is entirely aside from any of the considerations which he is suggesting.

I remember that years ago I was obliged, by bitter experience at the time, to conclude that a man never loses anything he never had. We may easily enough construct losses in all our individual experiences, to say nothing about losses to the Nation, of things that we never possessed. There is no loss of revenue in this case, because we never had it, and we never could have it to the extent which the Senator is talking about. This is simply and only a question as to how we intend to treat the Filipinos and the Philippine Islands, they now being in our possession, and no suggestion being made which has either the approval of the Congress or the approval of the country to surrender that territory to anybody else. It is whether we shall recognize our obligation to that people and whether we shall try, within proper limits, to give them aid and assistance. That is the whole question which is involved in these amendments.

Mr. BACON. Mr. President, I may be mistaken in my recollection, but if I am not, the Senator has changed his views in a few years on the question of the free importation of goods from the Philippine Islands.

Mr. ALDRICH. I have never changed my opinion upon that subject. So far as my personal views are concerned, I would go much further than any suggestion which is made in this bill.

Mr. BACON. I presume, after the statement of the Senator, I am undoubtedly mistaken in my recollection that he voted against the removal of duties on importations from the Philippine Islands. I presume that from the Senator's present statement I am incorrect in that recollection. I am not, however, incorrect in my recollection that a majority of the Senator's party in this Chamber did oppose it and defeat it. I supposed that, with the usual dominance of the Senator, he was with the majority in that instance, as he has been in almost all others since.

But, Mr. President, the Senator has replied with a good deal of feeling to a question which I asked for information. I asked it purely for information.

Mr. ALDRICH rose.

Mr. BACON. If the Senator will excuse me a moment I wanted to know whether or not the Finance Committee had investigated this matter and had come to any conclusion in regard to it. I presumed from the readiness with which the Senator replied to the suggestion as to the amount of revenue lost in the matter of sugar they had considered that and the Senator had the information to give us on that subject. Having considered the question with reference to sugar, I supposed they had also considered it with reference to cigars. I wanted to get information in reference to it, and I asked it with utmost good faith, believing that the Senator could give it.

So far as the question being a matter of discussion about the loss of something we never had, I do not think the Senator is entirely correct in that, for these reasons, if I do not in giving them too much complicate it by again illustrating by sugar and do not call down upon myself the severe criticism of the learned Senator:

There is a certain amount of sugar to be consumed in the United States. The production of sugar in this country is less than our consumption. Consequently the balance must be made up by importation, and if a certain amount of that importation is by artificial means induced to come from the Philippine Islands and is introduced free, it necessarily decreases the amount of the importations from other countries, which do not come in free, and therefore there must necessarily be a loss of revenue to the extent of every pound that comes in from the Philippine Islands free. Now, by way of illustration, I do not know that the illustration would hold in its entirety as controlling the question of the importation of cigars, but it certainly will throw some light upon it.

Mr. ALDRICH rose.

Mr. BACON. If the Senator will pardon me a moment, I will then yield with pleasure. There are, of course, very many more cigars consumed in the United States than are produced in the United States. The production is less than the consumption, and the possible production, you might say, is less than the consumption, for the reason that we do not manufacture to a sufficient extent or produce to a sufficient extent the class of tobacco that is made up into cigars.

There are a certain number of millions of cigars to be imported upon which we derive a very handsome revenue in the way of impost duties. If we provide for seventy million of that surplus to come from another country free, of course we decrease to that extent the number of cigars which are to be imported and upon which there would be a duty. Consequently it is not a question of the loss of something which we did not have.

I now yield with pleasure to the Senator.

Mr. ALDRICH. We import a certain amount of cigars from Cuba and not any particular amount from anywhere else. It is extremely doubtful in my mind whether we shall ever import under any circumstances any considerable amount of cigars from the Philippine Islands. We have imported a million and a half. I think that is the maximum in any one year.

I will say to the Senator, as far as the loss of revenue is concerned, if the cigars which we have ever imported from the Philippine Islands had not been admitted free the loss of revenue on them would have been $712. The same rule which applies to Cuban cigars to a certain extent and Porto Rican cigars do not now apply to the Philippine cigars. Possibly there may a taste grow up in the United States for Philippine cigars. It never has up to this time. So far as that part of it is con-

cerned, I think we are now only in the dark as to what cigars, if any, will be imported into the United States.

But, as I said before, it is not a question of revenue. It is true that if we should import from the Philippine Islands 300,000 tons of sugar free of duty the country would lose the revenue from that 300,000 tons if it was imported from some country that was obliged to pay a duty, and the amount of that duty is a bonus unquestionably to the producers of sugar in the Philippine Islands.

Mr. BACON. The same as if it were taken out of the Treasury?

Mr. ALDRICH. No, sir; because it never was in the Treasury.

Mr. BACON. It would be but for that.

Mr. ALDRICH. That might be. There might be a great many things go into the Treasury if it were not for circumstances.

Mr. BACON. It prevents that amount from going into the Treasury.

Mr. ALDRICH. It is entirely problematical whether there would be any large amount; but whether the amount is large or small, whatever it is, is a bonus to the sugar producers of the Philippine Islands.

Mr. BACON. Of course.

Mr. ALDRICH. In other words, it is an encouragement to people who are under the United States flag and inhabiting territory belonging to the United States. That is all of the proposition.

Whether the aid or assistance or encouragement proposed goes too far or not every Senator must decide for himself; but I can not conceive of any Senator of the United States, with the obligations which we are under to that people, who would not only be willing, but anxious, to do everything possible to encourage those people to develop their industries, to put them on the road to self-government, which is what we are all after, I take it.

Now, that is the whole proposition. I can conceive that a Senator might think we were doing too much or too little, but I can not conceive any Member of the American Senate not feeling that we must do something, and do as much as possible, in that direction.

Mr. BACON. Mr. President, the Senator by his remarks opens considerations that I did not intend to enter upon at all. The Senator and I were both in the Senate at the time the question came up as to whether we should deprive that people of the right to govern themselves and whether we should take possession of them and hold them as a conquered province. Upon one side of that question was the Senator from Rhode Island; upon the other side of it, whether my efforts were feeble or otherwise, was myself; and it will always be to me a source of personal gratification that by no word or vote of mine was that great wrong done to that people or was that great injury done to the United States.

I am not going into it now; we have thrashed it over in the Senate in the years past, and I am willing to stand on the record. I echo every word the Senator from Idaho [Mr. BORAH] this morning said on this subject. I think the words of the Senator from Rhode Island as to the desire of this people to put the Filipino people on their feet, that they might be forwarded in self-government, are not consistent with the vote which the Senator cast yesterday afternoon or last night—I have forgotten which.

Mr. ALDRICH. On what?

Mr. BACON. On the amendment offered by the Senator from Missouri [Mr. STONE], which simply committed ourselves to the proposition that we would do this in time. It is true it said not exceeding fifteen years; and, Mr. President, when those who profess to wish that the Filipinos shall enjoy an independent government put it in the indefinite, distant future, generations ahead, and they go forward to tighten the bonds which tie us to that country, professions of an intention to turn them loose do not amount to anything. There can be no Senator in the sound of my voice who does not know the fact that if we tie that country, whether by innumerable commercial bonds, innumerable bonds of interest with those in this country who will be influential to see that their interests are there protected and fostered and advanced, the day will never come when we will be rid of what I consider to be, so far as concerns the United States, a very body of death. So far as the interests of this country are concerned, it is a monumental injustice, perpetrated by a Government based upon free institutions, which tie us to a people every impulse of every man of which is for freedom and for independence.

But, Mr. President, I am not going to discuss that now. I did not rise for the purpose of starting anything of that kind; I was impressed by the fact, Mr. President, that while we might permit that people to work out their own salvation, as they ought to do, we are in what I consider to be a false pretense, extending to them alleged benefits at a time when we are but forging all the stronger the manacles which shall enslave them forever.

It has been suggested to me, in response to the statement of the Senator, that the importations of cigars from the Philippines are so very small as to amount to nothing; if it be true that the small importations from that country do not give promise of any larger importation, why fix the limit at 70,000,000, or 60,000,000, or 50,000,000, unless it is expected that that limit is to be reached?

Mr. ALDRICH. Mr. President, for the same reason that we are extending this aid in every direction which presents the possibility or probability of use. It may be true, as I said, that the taste may grow up in this country for Philippine cigars or Philippine tobacco.

Mr. BACON. I want to say something in regard to that matter. I am glad the Senator mentioned it, because I was about to forget it.

I am not now addicted to the weed, except a very occasional indulgence; but the time was when I was a regular smoker, and I have smoked, to a considerable extent, Philippine cigars. I have smoked them in the islands, and I have smoked them when they have been sent to me from the islands. I want to say to the Senator that they are, according to my taste, a very desirable cigar—a cigar, I believe, that could be made extremely popular in this country if it should be generally introduced.

The question as to the amount which has been introduced in the past when a tariff existed is not an index as to what will be the amount imported when there is no tariff upon it. If the importation is not to be increased, then it is not going to give any such benefit to the Filipinos as the Senator promises; and if it is to be introduced, then it does come to the question of the displacement of an amount of importation from other countries where we would have import duties.

It was not with a view to any argument of this question that I made the inquiry of the honorable Senator, but in good faith I wanted to know if the Finance Committee, represented by its majority membership, when they brought in here an amendment limiting the amount of importations to 150,000,000 cigars, had considered the question, if the 150,000,000 cigars which are thus permitted free should be imported, what would be the loss of revenue to the Government? We are certainly entitled to that information.

Mr. ALDRICH. Mr. President——

Mr. BACON. When it was reduced to 70,000,000, I wanted to know if the committee had considered it.

Mr. ALDRICH. It would be impossible for any man to make a mathematical calculation on a matter of speculation.

Mr. BACON. Certainly, not with accuracy.

Mr. ALDRICH. You can not do it with approximate accuracy; there are so many different conditions which affect the rate, for instance, which would be imposed on cigars—their value, their size. There is an infinite variety of conditions.

The Senator can make that mathematical calculation himself as well as I can. He knows what the duties are on cigars, I take it, and he knows that we must take a certain amount, but it is entirely a matter of calculation whether the number is one million or two million or fifty million or sixty million or seventy million. If there are seventy million of a certain character imported, one could state what the duty would be. But that is not the question involved here at all.

Mr. BACON. I think both questions are involved.

Mr. ALDRICH. All right; the Senator has a right to his own opinion. He is as good a mathematician as I am. He can calculate with equal facility with myself as to how many would be imported and what the duty would be if not admitted free.

Mr. BACON. I should like to say to the Senator that his reply to me is one which he could have made to any question for information which any Senator could have propounded to him in the progress of this debate as to probable revenue. Yet the Senator stood in his place right where he now sits and figured out, I think, to a 50-cent piece what was to be the revenue from this entire bill. He could have with great propriety turned to the Senate and said, "Why should I give you any such information? You are all good mathematicians; take a pencil and paper and figure it out for yourselves."

Mr. ALDRICH. In estimating the revenue I did not estimate any revenue from free importations.

Mr. BACON. No; I said the entire revenue under this bill; I did not say from free importations. I have been handed by the Senator from Nevada [Mr. NEWLANDS] the statement which the Senator from Rhode Island made on the 14th of June, which

was yesterday. There the Senator made a precise statement as to sugar, and I can not understand how there can be any more difficulty in the matter of estimating regarding cigars than there is as to the matter regarding sugar. On page 3180 of the RECORD the Senator from Rhode Island is reported to have said yesterday:

Mr. President, this proposition is practically to pay the sugar producers of the Philippine Islands a bounty of about 1.68 cents per pound.

That, I am told by the Senator from Nevada, is $10,000,000 annually on 300,000 tons. That is what I had understood. Of course, though, that is not the question now. We are not now on the sugar question; we are on the cigar question.

I want to say this, and very frankly: When the question of annexing foreign land, tropical land, was involved in the votes which we had in the Senate eleven years ago, I recollect saying that while I was not a protectionist, and I am not, that while I do not believe in the principle or in the practice, I was not in favor of going out and hunting up countries in the world for the purpose of having them come into competition with the productions of our own country and in competition with the industries of our own country. That view of it I have now. I do not believe in a protective tariff, nor do I believe in taking the Philippine Islands and encouraging industries there with the undoubted and necessary effect of bringing them into competition with industries in this country.

I think it is true the Senator has no anticipation of the introduction of any 70,000,000 cigars. Then this limitation ought not to be put at that rate. If it is true that there are to be only one or two million cigars imported, we ought to have a limitation, if any at all, which would be corresponding in amount.

Mr. ALDRICH. Mr. President, the papers which have been read show the anticipations on the part of cigar makers that the amount will be greatly in excess of 150,000,000.

Mr. BACON. Then, Mr. President, why should the Senator, or why should the Senate—possibly they are synonymous terms, so far as the question of what shall be done in this bill is concerned—why should the Senate unduly alarm and disturb a large body of our citizenry by the fixing of a limitation which they think will be reached, and which, if reached, will be of great disadvantage to them at a time when the Senator says that there is no possibility that it will be reached or any prospect of it?

Mr. ALDRICH. Mr. President, it is very difficult for me at times to understand the reasoning of the Senator from Georgia. He is now expressing great alarm, which seems to affect him seriously, that there may be importations into the United States to the disadvantage of some workingmen in the United States. That alarm has not been expressed heretofore on any of these schedules, so far as I have heard, either by his voice or by his vote.

Mr. BACON. The Senator is undoubtedly mistaken.

Mr. ALDRICH. Now, he picks out the wards of the United States, the people to whom we are under the greatest obligations, and suddenly becomes a protectionist.

Mr. HEYBURN. Not under obligations.

Mr. ALDRICH. Well, we have obligations to them. We have the greatest obligations. Suddenly the Senator from Georgia becomes a great protectionist——

Mr. BACON. No; the Senator is mistaken about that.

Mr. ALDRICH. And, with the greatest anxiety in his voice, he appeals to us to save the workingmen of the United States from the competition of somebody. Now, I hope the Senator will, in the consideration of this bill, extend that sympathy to workingmen employed in other industries in the United States, and by his voice and his vote try to save those workingmen from competition in every direction.

Mr. BACON. Mr. President, the Senator is entirely mistaken. I have not changed in any particular. I am still opposed to levying a tax on importations for the purpose of benefiting private industries, no matter who may be the beneficiaries under such a tax. At the same time, while I repeat that that is true, I am not so indifferent to those industries that I am in favor of going out to the islands of the sea for the purpose of fostering industries and bringing them into competition, unnecessarily, with our own.

Mr. ALDRICH rose.

Mr. BACON. I hope the Senator will pardon me a moment. I have not got through. I heard him through with great patience, and waited until he took his seat before I began to reply.

Mr. President, the Senator from Rhode Island says that I have shown indifference to the question of the laboring men in this country. The difference between the Senator and myself in that regard is this: We take a broader view of the interest of the laboring men. This entire tariff legislation, although there are some pretenses to a more enlarged view, when properly analyzed is in the interest of a very small percentage of the laboring men of the United States. All these schedules, which are not deceptive delusions, are for men engaged in certain lines of industry, which constitue, in the number of those engaged, I think, possibly one-twentieth of the others engaged in the industries of the United States, certanly not over a tenth of those who are actually engaged in them, and all the other nine-teths of those laboring men have to pay tribute in order that these men may have increased wages, and, as the Senator from Montana [Mr. CARTER] said two or three days ago, that they may have a bill of fare equal to that furnished by the best hotel in Washington City.

Mr. President, some of us on this floor represent a large number of the laboring class, who contribute very much by their labors to the wealth of this country, who get not one dollar of benefit under this bill, but who have imposed upon them burdens, which they bear every hour of the day and of the night, in order that others may reap that which they have not sown. As the Senator from Montana said, he wants a high tariff on raw wool in order that the sheep herder of Montana shall have $40 a month of wages, and board equal to that at the New Willard; wages which the legitimate profits of their business will not give them, and board which the legitimate profits of their business will not afford to them, but to secure which they must tax the men who labor in the cotton fields. They are the men, Mr. President, as well as millions of others in other employments, about whom we are concerned. We are concerned as to the whole country, but we absolutely protest against a policy which seeks to tax nine-tenths of the people in order that one-tenth may have that which the legitimate rewards of their labor will not give to them.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Rhode Island?

Mr. BACON. I do.

Mr. ALDRICH. The arguments and theories of the Senator from Georgia belong to past and forgotten ages.

Mr. BACON. Well, the Senator is mistaken about that.

Mr. ALDRICH. I think not. Now, let us see. There is not a protectionist or a man who defends the protective policy in the United States, or anywhere else that I know of, who does not defend it as a national policy. If the policy of protection does not give wages to all of the laboring people of the United States engaged in all of the industries in every vocation, then it is indefensible.

Mr. BACON. Then, it is without defense, if the Senator from Rhode Island depends upon that defense of it.

Mr. ALDRICH. I say, without hesitation, that every wage-earner in the United States gets the advantage; that it is a national policy; that it raises the general scale of wages; that it enables our people to live in a better and more comfortable way. That is what the doctrine of protection is. It is not for the people who are engaged in any specific industry.

Does the Senator think that a boiler maker or a man who is running an engine in a protected manufactory will get greater wages than the man who is running an engine across the street in some other enterprise that is not protected? Certainly we have never advanced any such doctrine as that. We hold no such doctrine as that. The Senator from Georgia is setting up a man of straw which nobody on this side has ever claimed existed. We have no such idea about it at all.

We ask the Senator from Georgia to join us in the protective policy for the benefit of the men who are working in the cotton fields in his State, for the benefit of the men who are raising cotton in his own State, in order that they may have this higher scale of wages which the protective policy makes possible in the United States. We ask him to join with us in the protective policy—he, of course, politely declines—because it enables the people of Georgia, as well as the people of my State, to live more comfortably and more in consonance with our ideas of the way that civilized people ought to live.

Mr. BACON. Mr. President, the Senator from Rhode Island is too well informed a man for me to give him credit for sincerity when he says that the protective-tariff system is a benefit to the man who produces cotton, the man who labors in the field producing cotton, or the man who employs labor producing cotton. I will tell the Senator how the protective tariff benefits the man who raises cotton. The Senator from Rhode Island knows the fact that the protective tariff does not affect the price of cotton. The price of cotton is fixed in the free markets of the world, and no duty which could be put upon cotton would advance the price of cotton. As I have said in this Chamber,

if you were to put $10 a pound upon cotton, it would not increase the price of cotton in this country a fraction of a hundredth part of a mill.

Of course, Mr. President, those who are engaged in the production of any article must have their wages measured by the value of the article which they produce and by the profit which may be made in its production. While it is true that the protective tariff does not in the slightest degree enhance the wages of a man engaged in the production of cotton, or the profits of the man who employs the laborer engaged in the production of cotton, it is also true that the so-called "benefits" that the protective tariff confers upon the man engaged in the production of cotton are the benefits of tremendous and burdensome taxation upon every article which he has to use in the production of that cotton.

It is even now grown to be considered to be a tremendous favor, if the small amount of revenue, which is to be derived from fertilizers, is to be remitted in his favor. Senators are not willing even that there should be the small concession of free bagging and ties; but upon every piece of harness, upon every piece of machinery, upon every trace chain, upon every vehicle and tool and implement, upon everything which is used outside of what he can make upon the farm in the way of food, there is an immense tax, which the farmers have to pay, and on account of which they receive no reciprocal benefit whatever. On account of this tariff tax the cotton farmer must pay two prices for all these things. And this is not only true of the cotton growers, but in greater or less degree of all others in the United States engaged in agriculture.

Mr. President, I want to say one word in regard to what the Senator from Rhode Island says about his State. Whenever you impose a protective-tariff system under which the direct benefits go to those who are engaged in manufacturing, and where it is a matter merely of theory as to whether or not anybody else gets any reciprocal or resulting indirect benefits, if it is true under these conditions that there is in one part of the country great concentration of manufacturing enterprises and a comparatively small amount of it in the other parts of the country, the necessary result of it is that in the country at large, and from the people at large, there is a tremendous revenue gathered for the benefit of those engaged in manufacturng, and all of it poured into the particular section where this manufacturing interest is concentrated.

Mr. President, take these schedules or the schedules of any protective tariff, and figure out honestly and sincerely what benefits the agricultural classes get under it and what benefits the manufacturing classes get under it, and then, when you have arrived at the conclusion, which is inevitable, that the manufacturing classes get immeasurably the greater benefit—when you go a step further and show that while they get the greater benefit, they are so concentrated in one particular section that they get almost the entire benefit, and the agricultural classes, spread over the country, bearing the burdens, getting no benefit, it is no wonder, Mr. President, that New England is solid for the protective tariff. I should like to know how much of agricultural interest there is in New England. Almost her entire industries are the protected industries of the country. It is true, as the Senator says, that it is not limited to the man who is engaged in making a boiler, upon which there is a protective tariff, but that it extends to another across the street making something else; but it unfortunately happens that that other something else is also protected, and the man who is not protected, and can not in the nature of things be protected, has to be taxed to pay them both.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from New Hampshire?

Mr. BACON. I do, with pleasure.

Mr. GALLINGER. I would say to the Senator that the people of New England, a large portion of whom are employed in the so-called "protected industries," consume between five and six million barrels of western flour each year, and every bushel of corn, of barley, and of oats, and every pound of beef that they consume comes from the farmers of the West.

Mr. BACON. Oh, yes.

Mr. GALLINGER. Now, I submit to the Senator that the farmers, after all, are getting a good deal of benefit out of the fact that the operatives in the mills of New England are being kept employed. I will say to the Senator that the consumption of flour in the six New England States, under a tariff law that destroyed to a large extent our industries, was reduced one-half, and the farmer suffered to that extent because of the legislation of the Senator's party a few years ago.

Mr. BACON. Mr. President, the Senator from Rhode Island spoke of an antiquated argument. I should like to know if there is one more hoary with age and one that would be gray, if it were not baldheaded, than the argument just suggested by the Senator from New Hampshire as to the market furnished by the manufacturing industries to agricultural products. Of course I understand that the Senator will not——

Mr. GALLINGER. Mr. President, if the Senator will answer it, I should be very happy to hear his answer. If he thinks that the people of New England, consuming the products of the western farmer, are not doing something toward benefiting the western farmer, I should like to know the logic of the Senator on that point.

Mr. BACON. Well, Mr. President, while this hoary-headed argument is advanced with so much confidence, I should like to know what would become of the products of the manufacturing classes if the agriculturists were not there to take them and use them?

Mr. GALLINGER. I think it is a reciprocal matter.

Mr. BACON. Of course it is, Mr. President, so far as that is concerned; but the difference is that the farmer sells his product to the manufacturer at its real value, while he is compelled to buy the products of the manufacturer at artificial, high prices, and there are ten agriculturists to where there is one manufacturer.

Mr. GALLINGER. The Senator is mistaken about that. If he means merely manufacturers, that is true; but if he means employees, it is not quite correct.

Mr. BACON. Well, Mr. President, I have not got the statistics before me now, and I do not speak with accuracy, but of course we all know that very much the larger proportion is in favor of the agricultural classes as opposed to the manufacturing classes, even including their employees.

But, Mr. President, I had no expectation of doing anything more when I rose than to ask information from the Senator from Rhode Island. I am sorry I can not get it. I should like to know very much if the 150,000,000 or 70,000,000 cigars which are to be imported from the Philippine Islands—whether or not the Finance Committee, or the majority members of it, have made any estimate as to the amount of revenue which would be represented—I will put it in this way for the Senator—by a corresponding importation from some country where there is a duty imposed?

Mr. ALDRICH. Mr. President, perhaps it will inform the Senator if I say that the duty on cigars is four dollars and a half and 25 per cent ad valorem; and perhaps he may be able to tell us what that would be on a thousand Philippine cigars. I am not able to do so at present. It depends entirely upon how much they weigh and various other things in connection with them.

I do not intend to be led into a discussion of the general question of protection, but I will say to the Senator from Georgia that it can be established beyond the slightest doubt that the people engaged in agricultural pursuits in the United States are the principal beneficiaries of the protective policy. It is proximity to profitable markets which is the basis of the protective system.

Mr. BACON. Well, Mr. President, that is something, of course, that requires a good deal of argument on both sides, and would occupy more time than could be now properly devoted to it. It certainly does not apply to those engaged in the production of cotton, which keeps the balance of trade in this country and has kept it for forty years, and without which it would have been against us most if not all the time.

Mr. NEWLANDS. Mr. President——

Mr. BACON. I have finished. I yield to the Senator from Nevada.

Mr. NEWLANDS. I merely wish to state, Mr. President, that the Senator from Georgia [Mr. BACON] has inquired of the Senator from Rhode Island [Mr. ALDRICH] what amount of duty would be lost to the Treasury of the United States by permitting the free importation of 70,000,000 of Filipino cigars. The Senator from Rhode Island was unable to give an estimate, or, at all events, did not give an estimate. The Senator from Rhode Island was able to give an accurate estimate of the amount that would be lost to the Treasury of the United States by the bounty on their sugar to the Filipino producers. I quote from his language of yesterday at page 3180 of the CONGRESSIONAL RECORD:

> Mr. ALDRICH. Mr. President, this proposition is practically to pay the sugar producers of the Philippine Islands a bounty of about 1.68 cents per pound.

One and sixty-eight one-hundredths cents per pound means a little less than $35 a ton, and that rate on 300,000 tons would be

$10,000,000 in bounty, as the Senator from Rhode Island states, to the Philippine producers. That amount is lost to our National Treasury as the duty paid upon the importations of foreign sugar and is turned over to the Philippine producers.

With reference to cigars, an equally accurate estimate can be made by the Senator from Rhode Island. The duty upon cigars is $4.50 per pound and 25 per cent ad valorem. The table which the Senator from Rhode Island has prepared states that the total ad valorem duty on cigars is 151 per cent. The action, then, of the committee proposes to take this duty out of the National Treasury and to turn it over as a bounty to the Filipino producers of cigars. Certainly four dollars and a half per pound and 25 per cent ad valorem would amount at least to 5 cents on each cigar, for 100 cigars must weigh approximately a pound; so that 5 cents on 70,000,000 cigars would be three and a half million of dollars lost to the National Treasury and paid over as a bounty to the Filipino producers.

TO WHOM WILL THE BOUNTY BE PAID.

Now, I wish to remark regarding the Filipino producers that this bounty is not paid to the humble worker who makes the cigars, but it is paid to the great combination in the Philippine Islands that has practically the control of the cigar industry there, just as the Bocks have the control of the cigar industry in Cuba. Those who have been to the Philippine Islands will recall the fact that there is an immense building in the city of Manila, the largest and most valuable building there, devoted entirely to the business of the great tobacco combination and trust organized under the Spanish law, which had a monopoly practically of the tobacco business before our occupation, and which has continued it since. So that the action proposed by the committee means that $10,000,000 of sugar duties will be taken from the Federal Treasury and turned over, not to the workers upon the sugar plantations, but to the big planters owning large tracts of land, and probably to the sugar trust itself, which will ultimately monopolize the cultivation and production of sugar in the Philippines if it shall prove profitable, as they are now doing in Cuba. It will also take three and a half million of dollars out of the National Treasury, which otherwise would go there as duties upon 70,000,000 of cigars, and pay that over, not to the workers, but to this great tobacco combination. I ask how much of it will filter through the hands of these great combinations and into the pockets of the Filipino workmen, the common men, the peasants, whom these bounties are intended to benefit and whose education and advancement and prosperity it is intended to promote?

I call attention to the fact that in cigars and sugar alone we are to give annual bounties of over $13,000,000 to these great interests. Would it not be better, instead of doing that, to consider direct aid to the Philippine Commission itself, either in the shape of a bond issue or of a direct appropriation, that will enable them to go right down to the class of people whom it is intended to benefit, and train them in agricultural and industrial pursuits, and let them receive the benefit of this bounty, instead of the favored interests?

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Nevada yield to the Senator from Idaho?

Mr. NEWLANDS. I will yield in just a moment. I call attention to the fact that this bounty is not for one year; it is for twenty years; it is for all time if those islands remain in our perpetual occupation; and during twenty years the total sum taken from the Federal Treasury and paid to special interests will amount to $300,000,000, or approximately that; and that by direct aid—involving only a tithe of that expenditure, only a few million dollars annually, and expended wisely by the Philippine Commission itself—in the advancement of the agricultural methods of the common people themselves would do more to train those people, to give them an education, and to train them in habits of industry and improved methods of production, than to turn this money over to the great combinations and the employers of these people, who are simply serfs attached to the soil.

Mr. HEYBURN. I should like to ask the Senator, if he has the knowledge—and I think he has—have the Filipinos advanced since the conquest intellectually or in a material sense? If so, how much does the Senator think they have advanced?

Mr. NEWLANDS. It is very difficult for me to say, from the casual observation I had there during a six weeks' or a two months' experience; but I should say, from my observation and from what I heard whilst there, that the Filipino children are quite apt at learning; that they are quite apt in learning the English language; and that they are quite apt in acquiring new methods. There is a disposition among them, I must say, to avoid labor, as there is amongst white people in that hot climate; and whenever they get a little education, the disposition is to drift away from manual labor into clerical and other pursuits.

Mr. HEYBURN. Will the Senator permit me further?

Mr. NEWLANDS. Certainly.

Mr. HEYBURN. Had they advanced in material prosperity as a people at the time the Senator had an opportunity to observe them?

Mr. NEWLANDS. I should judge they had not improved much materially from what I saw at the time and from what I heard and from the representations which we have received since from the commission.

Mr. HEYBURN. Will the Senator permit me to inquire whether or not, in his judgment, this bill would benefit the Filipinos?

Mr. NEWLANDS. I do not think it would benefit the masses of people themselves; I think that it would promote these great interests; I think they would absorb the profit; and I think the masses of the people would get very little of this proposed bounty.

Mr. HEYBURN. Would they be injured by the provisions of this bill in their material prosperity?

Mr. NEWLANDS. Injured only in one way. I should say that if we stimulate production in those islands by giving them the prices of this country, prices double the world's prices, and accustom them to such prices, then, if we should conclude to let them go, they would have to drop down to the world's prices, and no man can measure the industrial collapse that would be caused in those islands by the change. For instance, in this country they will get 4 cents a pound for their sugar under this arrangement. At Hongkong they can only get 2 cents. When we should part with them, they would be compelled to fall back to the Hongkong price, the price which sustains Java and which sustains other sugar-producing countries. The Senator can understand that the collapse would be a very serious one.

Mr. HEYBURN. Would this larger use of money tend in any way to elevate the grade or character of the lives of those people?

Mr. NEWLANDS. I can not understand how it would. I am inclined to think that if you give the great interests that are employed in production there $15,000,000 or so annually out of the National Treasury as a subsidy it will be reflected perhaps in a partial increase in the prosperity of the masses of the people; but I have no doubt that the mass of this money will be absorbed by the great employers themselves, and that little of it will accrue to the benefit of the people. I am talking now about the comparative efficiency of the aid given to those islands. If we have in view a philanthropic purpose there of aiding the people themselves, so that ultimately they will become prosperous and self-supporting, the thing to do is to aid them directly.

Mr. HEYBURN. If the Senator will pardon me just a moment, I was in some doubt whether the Senator's plea was on behalf of the Filipinos or the American Government, and I wanted to ascertain, if I could, whether or not it would elevate or depress the standard of the civilization of the Philippine Islands.

Mr. NEWLANDS. It is impossible for me to say that the increased expenditure of bounty of nearly $15,000,000 to the producers of sugar and to the great combinations that control the tobacco there will not to some degree benefit the employees of those great industries. I would not deny that. But I say the degree is entirely inconsequential when you compare the largeness of the bounty with the results obtained, and I contend if we are disposed to enter upon a philanthropic work of giving these people $15,000,000 annually in order to increase the prosperity of the masses of the people, there is a much more effective and a much more economical way.

I should be glad to avoid it myself; I should be glad to entirely administer the Philippines with their own revenues; but we know now that those islands are comparatively poverty stricken; that they are almost worthless; that the total exports do not exceed $32,000,000 annually; that the total revenue is only $17,000,000, a sum hardly adequate to support the municipal administration of the District of Columbia. The whole revenue, insular and municipal, amounts to only $17,000,000. At the rate of $5 a head, if you propose to educate 2,000,000 children in those islands, it would take $10,000,000 annually, two-thirds of the entire revenue.

You have entered upon an impossible task in endeavoring to train those people in a common language and to train them in industrial pursuits with the small revenue of those islands, and

you will have to abandon the task or else you will have to increase the amount of money with which it is to be done.

Now, those alternatives being before you, I contend that this sugar and tobacco bounty is the most expensive and costly and ineffective way of giving aid to the Filipino people.

Mr. DANIEL. Before the Senator from Nevada sits down I should like to ask him if there is any idea of this tobacco coming here paying revenue taxes to the Government?

Mr. NEWLANDS. Here?

Mr. DANIEL. Yes.

Mr. NEWLANDS. I do not know how that is.

Mr. DANIEL. As I understand, it will be free from the tariff tax. How about the revenue tax?

Mr. NEWLANDS. I do not know. The Senator will have to inquire of some one else.

Mr. SCOTT. Mr. President, the Senator from Nevada [Mr. NEWLANDS], in his very able remarks on the Philippine Islands, reminds me a little of the man who was going into the egg business. He had a hundred hens, counted on a hundred eggs every day, and had his wealth all figured out. So with the Senator from Nevada. He has all this sugar and tobacco coming from the Philippines each year and the natives growing rich. Just like the egg man. The Senator, in referring to the fact that the islands will send 300,000 tons of sugar and 70,000,000 cigars here annually, knows from a personal visit to those islands that that is practically impossible, and that it could not be made possible within the next fifteen or twenty years.

The tobacco of that country will never come into competition with the tobacco of this country; and I say that because I have a knowledge of tobacco, having had experience when I was a young man in buying leaf tobacco. When the tobacco was submitted, as the Senator knows, to the party that visited the Philippine Islands, it was found to be of an inferior quality. It is fit scarcely for a filler and for a very few wrappers, and the character of the cigars made is such that they will never be smoked in any large quantities by the people of this country.

If I were representing here a constituency such as that, say from Connecticut, I would welcome the coming in of leaf tobacco from the Philippine Islands. Why? Because it would make a market for our wrapper.

The Senator knows, as well as any man can possibly know from a personal visit, that with the appliances for growing and producing sugar there, which are most unprogressive, as he has admitted, the islands can not in the next fifteen years produce sugar enough to ever send over the amount we provide in this bill.

I wish to say just this, while I am on my feet. I do not want to take the time of the Senate, because so much of it is being wasted that I am ashamed even to rise in my seat. The country is clamoring for us to stop talking. It is praying for us to act. I desire to emphasize this all I can. I intend to vote for everything to come in from the Philippine Islands as I would from Arizona or Alaska. They either belong to us, they are either a part of us, or they are not. I believe they are a part of us, and anything they have to sell they have the same right to send to this country as Alaska or any other Territory has. That will be the reason for my vote upon all these propositions.

We have large cigar-manufacturing establishments in my city, my home place. We make the noted stogie that is known the world over, and I am not afraid to go to my people and show them that we are not injuring the cigar maker because we are admitting these cigars from the Philippine Islands, because I believe they have just the same right to come into competition with the cigars of my city as the cigars from any other State in this Union have. Consequently, I make this statement, so that it may be known when I vote that I am not doing it to injure any industry or to put any man out of employment, but because I believe those people have the same right that the people of any other Territory have.

Mr. ROOT. Mr. President, I wish to record my dissent both from the proposition of the Senator from Wisconsin and from the reduction in the amount of cigars to be admitted free from the Philippine Islands, to which the committee has now given its assent.

I regret that the Senator from Nebraska [Mr. BURKETT] should have for so long a period changed the discussion of this question into a question of the committee, and I reject his suggestion that a vote which does not agree with the conclusions of the committee is a vote of want of confidence.

I do not doubt, sir, that the committee reached the conclusion which they have announced this morning upon the most painstaking and sincere consideration. Personally, I do not agree with that conclusion. There are many cigar makers in my own State who have expressed to me the same opinions which have been contained in the letters and memorials read from the desk deprecating any interference with the prosperity of the cigar-making trade in the United States.

I would not injure the cigar makers of New York or of any other State, but, in my opinion, sir, they are mistaken in supposing that the passage of the pending measure in its full and original proportions would be any real injury to them. It appears by the report of the Commissioner of Internal Revenue for the year 1908 that there has been a large and steady increase in the production of cigars in the United States since the year 1898. That increase has been, notwithstanding the introduction of cigars from Porto Rico, without the payment of duty.

Bear with me, sir, while I read the figures which show the increase. There were produced in the United States of cigars in 1898, 4,915,000,000; in 1899, 5,531,000,000; in 1900, 6,176,000,000; in 1901, 6,914,000,000; in 1902, 6,907,000,000; in 1903, 7,308,000,000; in 1904, 7,376,000,000; in 1905, 7,551,000,000; in 1906, 8,137,000,000; in 1907, 8,376,000,000.

I do not believe, sir, that the prosperity and growth of the United States have yet come to an end. Our population will continue to increase; our wealth will continue to increase; our purchasing power will continue to increase, and this steady, natural, normal growth will continue.

What this measure in its full and original form proposed to do was to permit the tobacco raisers of the Philippine Islands to send to the United States a quantity of cigars which at its maximum could never equal the actual and regular increase in the consumption of cigars in this country for one single year.

Mr. President, there can be from this measure, even after the long course of years has brought it to the fullest development that is possible, no injury to the cigar makers of the United States. The utmost that it can do would be to take over to the Filipinos a part of the possible increase in the cigar business that is to come in the future.

Mr. President, we have some duties to the Filipinos. I am sure no Member of this body really desires to bring about a separation between the Philippine Islands and the United States by making our administration of the government of those islands a failure, by making the guardianship of the United States the cause of injury rather than of benefit, the cause of disaster and poverty rather than of prosperity and growth.

The die is cast, Mr. President, upon which we have the responsibility for the Philippine Islands. No action of ours can reverse it. The good faith, the good name, the honor of the American people are all pledged to lead the people of the islands on by paths of growing prosperity and capacity for government to the point where they will be capable of supporting and governing themselves.

We can not fulfill that high duty by giving them money, as the Senator from Nevada [Mr. NEWLANDS] would have us do. Gifts of money tend to reduce the independence of individual character. We can not fulfill that duty by making the islands unsuccessful in business, by retarding and confining their industry. We can fulfill it only by giving to them the opportunities to grow in habits of industry, to grow in the building up of national pride and national power, to grow in the accumulation of property and the diffusion of wealth, lying at the foundation of civilization. We can fulfill that duty only by making the people of the Philippines at once prosperous and intelligent.

Mr. President, we are now proposing in this measure to provide that all the products of the United States shall be admitted into the Philippine Islands free of duty. We are proposing to take to ourselves the benefit of the free introduction of our products into that gateway of the trade of the Orient. We had already proposed that in return for that benefit to ourselves we should admit their products free of duty, but with a limitation upon their great products of sugar and tobacco at such a point that, in the judgment of the Members of the House of Representatives, no injury whatever would be done to the American sugar and tobacco producers. We are now proposing to cut in two, and more than cut in two, the remnant that the original measure allowed to be introduced from the Philippines into the United States free of duty in return for the introduction of all our products into the Philippines free of duty.

Why, Mr. President, do we not go on and say to the Filipinos, "You shall take all of our products free of duty, and we will take none of yours without imposing upon them a duty." Ah, sir, we have the power. By the fortune of war the supreme, the irresistible power of this great Nation has been set over the weak and distracted people of the Philippines. But the possession of power carries with it an obligation that rises

above all considerations of trade, all considerations of particular and of selfish interests—an obligation that we must recognize. If we do not, dishonor is the name of America. Terrible and arbitrary power that we exercise over these poor people, and they are helpless! They must accept our words.

I for one, sir, am not willing to vote for a bill which, in my judgment, secures this great and powerful Nation an undue advantage over the weak people of the Philippine Islands; and I am against the reduction, whether the Senator from Wisconsin or all the committees of the Senate approve it; and I shall vote against it.

Mr. NEWLANDS. May I ask the Senator from New York whether his proposal for training the Philippine people in self-government also involves ultimate independence, and, if so, when, in his judgment, that can be attained?

Mr. ROOT. I will cheerfully answer the Senator from Nevada. My proposal to train the people of the Philippine Islands to the capacity for self-government involves the expectation and the belief that the time will come when they will be able to assume relations to the United States quite similar to those that now exist between Cuba and the United States, probably not precisely identical, because the conditions must necessarily differ, but that the people of the Philippine Islands shall assume toward the United States such a relation that they will exercise the privilege and the right of self-government under the protecting care of the Government of the United States.

It may be that at some day in the far distant future they will be able to maintain themselves without that care, but I think that that period must be regarded as too far in the future to be made the subject of consideration or discussion now.

As to the question when, I do not think, sir, it will be possible for the people of the Philippine Islands to reach such capacity for self-government as to make them able to go alone, even with the protection of the United States, during the life of the present generation or until a new generation and, perhaps, more than one new generation, has been trained up under the influences of education and with observation of the practice of constitutional governments which they now have before them in those islands.

Mr. President, nations in their development move slowly. The rules to be applied to them are not those which we apply to human life. It is impossible to develop a people from the civilization of one century to the civilization of future centuries in a few months or a few years. Self-government does not come by nature. It is a matter of development of character, and the development of character among a people is slow and laborious.

I believe, sir, that we have now upon us a duty we can not escape, but must perform, and that we shall be engaged in the performance of that duty, doubtless with many protests and many expressions of dissatisfaction, but with a fine, faithful, and loyal purpose on the part of the American people, after the Senator from Nevada and the Senator from New York shall have passed off the scene of action. I do not look to its accomplishment during the lives of any who are within the hearing of my voice, but it will be accomplished, and I am not one of those, sir, who think that my country will be the worse for the performance of this great act of unselfish altruism, which befits the mission of liberty and justice to the poor and the weak of the earth that is a part of our heritage from our fathers.

Mr. NEWLANDS. Mr. President, I will further ask the Senator from New York whether within the last twenty years or more, in the contention which has taken place amongst the great and powerful nations of the world for the Asiatic trade, he knows of an instance where any power obtaining territory, port concessions, or other favors or concessions of that character, has sought to exercise its power in such a way as to exclude from the territory controlled by it the accustomed trade of other nations. Is this effort made by us for a reciprocal arrangement with our own dependency, which we hold in trust for the Filipino people, to secure a favored arrangement for ourselves, which permits our imports into the Philippine Islands free, and to cut out the trade with other nations with those islands, now constituting over three-fourths of the Philippine imports, justified at a time when the United States is demanding that the policy of the open door should be maintained in China, and that no nation, whatever readjustment it may make with China, whatever status it may obtain in any port, whatever control it may acquire over any territory there, shall grant such a readjustment or secure such control in a way to interfere with the open door to all nations? I ask the Senator whether the policy which we propose to inaugurate there is consistent with the pretensions of our country in China?

Mr. ROOT. Mr. President, I have never heard any one question the right of any government to determine itself what the tariff dues should be upon imports into its own territory. That, sir, is not the open-door question. The "open door" is a phrase that is used as an equivalent for the proposition that no country should undertake to secure advantages in trade in the territory of any other country to the exclusion or detriment of still other nations. Its immediate application was to the Empire of China, in which a number of countries were securing concessions and establishing spheres of influence. It was apprehended a few years ago that those countries would seek in the concessions and within the spheres of influence to secure preferential advantages to the exclusion of other countries. It was against that that the open-door policy was directed, and not for a moment against the right, the privilege, the propriety of any country, or every country, fixing its own tariff dues around its own territories as it saw fit.

We have never questioned and, so far as I know, no one has ever questioned, the right of China to impose tariff duties at all her ports. Indeed this country is under a treaty with China which will naturally and necessarily lead to an increase of the duties of China at all her ports. But, sir, what we objected to, and what the countries of the western world agreed to and what the countries of the West and the East have now agreed to, is that no other country should secure over any part of the territory of China a preference which would close the door to her neighbors.

Mr. President, it follows that, whether wise or unwise, the establishment, as between the United States and the Philippine Islands, of a tariff arrangement stands on the same basis as the establishment between the United States and Porto Rico of a tariff arrangement. It is upon the same basis as the establishment between the United States and Hawaii of a tariff arrangement. We determine for ourselves what shall be the tariff duties upon the admission of goods to our territory, and we do not question the right of every other country in the world to determine for itself what shall be the tariff dues upon the admission of goods to its territory.

Mr. NEWLANDS obtained the floor.

Mr. ALDRICH. Mr. President, I appeal to the Senator from Nevada to allow a vote to be taken on this proposition. If we shall proceed to discuss and consider every phase of every international question which may be involved with any country in the world, we shall not pass the bill this year. I hope the Senator from Nevada will allow a vote to be taken upon this proposition.

Mr. NEWLANDS. Mr. President, I prefer to reply now to the remarks of the Senator from New York [Mr. ROOT]. I shall be, of course, mindful of the desire of the Senator from Rhode Island for an early vote upon the amendment.

As I understand the Senator from New York, he proposes that the policy of the United States toward the Philippine Islands shall involve ultimate independence, though that independence may be under a protectorate and the time is indeterminate. He therefore realizes that the Philippine Islands are to be regarded not as the possessions of the United States, but as a separate entity temporarily under our control, under a great trust declared by us, that our occupation is simply for the benefit of the Filipino people and not for our own advantage. Our position, therefore, with reference to the islands is not that of absolute sovereignty over and ownership of a Territory to be held for all time as a part of the United States, but it is the position of temporary occupation under a trust to the people entitled to independence, whose independence is absolutely assured by the pledged faith of our own Nation.

In that view the Philippine Islands constitute a part of the Orient entitled ultimately to independent national life, and the question I presented is, Whether we can intrude ourselves into the Orient and, under the plea of philanthropy, take possession of numerous islands there, and then impose upon them the policy of the closed door to the trade of other nations while we are insisting that the open door shall be maintained in the neighboring country of China.

What has been our contention in China? Our contention has been that whatever control the great nations should obtain in China, whether by concession of privilege or concession of territory, the power of that nation should not be exercised in such a way as to close the door to other nations, but that equal trade privileges should be maintained to all the nations of the world; that while China might impose a tariff, that tariff should be equal to all; not a tariff which would give concessions to Germany because of the power of Germany there, or concessions to England because of the power of England there, or concessions to Japan because of the power of Japan there.

So conscious has Japan been of the nature of this pledge demanded by Mr. Hay of the open door, that when she entered upon a war intended to check the aggressions of Russia, and

took possession of Korea and of Manchuria, she declared her purpose, in accordance with Mr. Hay's manifesto, to recognize the integrity and the independence of Korea, and to maintain the open door in Korea and Manchuria to all the nations of the world. Japan was entering upon an era of conquest as a means of national preservation. We in our movements in the Philippine Islands were entering simply upon an era of benevolence—of international philanthropy. How can we claim that Japan should keep the faith as to Korea and Manchuria, which she has won by the force of her arms, by the expenditure of enormous sums of money, when we propose to break the faith in the Philippine Islands?

What is the position of the trade of the Philippine Islands to-day? She has about $32,000,000 exports and about $32,000,000 imports. From what countries do those imports come? Eight million dollars from England, something less from Germany, something less from the United States, and the rest of the importations from Japan, China, and other countries. It is proposed by this arrangement to give the United States the right to put its importations into the Philippine markets without the payment of the 20 or the 25 per cent duty imposed by the Philippine Islands upon importations from every other country. The purpose is to absolutely monopolize for this country the importations in the Philippines; to exclude the importations of England, Germany, France, Japan, and China; to cut off even her importations in the Orient from her neighboring people. And we do this at the same time that we are demanding of all these nations, England, Germany, France, and Japan, that in all their negotiations and in all their acquired concessions, and in all their gaining of spheres of influence in China, they shall, whatever may be their expenditures, either in blood or in treasure, preserve the open door and maintain equal trade facilities in all the ports of China to all the nations of the world.

So, I ask, what consistency is there in this policy of greed in attempting to exclude and cut off and annihilate the trade of other nations with the Philippine Islands, whilst in China we are demanding the open door, and whilst, on the part of Japan, we are insisting upon the observance of faith regarding the Manchurian country, which she has absolutely won by force of arms, just as thoroughly won as we have won the Philippines? We are intruders in the Orient. Japan is a part of the Orient, yet we demand of her a policy regarding Manchuria and China which we ourselves refuse to pursue in the Philippines.

WHAT IS OUR DUTY TOWARD THE PHILIPPINES?

The Senator from New York has commented upon the great duty which we have to discharge to the Philippine Islands; that we stand before the world facing all history as to the performance of the assurance we have given of our philanthropic and humane intentions. I would not abate one jot of the performance of that duty. I only differ as to the method in which that duty shall be performed. I would much prefer if we could simply administer those islands upon their own revenues. But we have something in view beyond the mere administration of the islands. We have in view the termination as quickly as possible of our occupation there. What does that involve? Not simply the mere administration of the government of the islands, but the instruction of their people in a common language, in improved industrial and agricultural methods, in the principles of self-government, and in the capacity to stand alone.

In that work I would utilize the Philippine revenues, and I would not call upon the Government of the United States for a dollar if the work could be performed with the Philippine revenues. But all our illusions have vanished regarding those islands. We realize that they are not the source of wealth, and though beautiful to the eye they never can have any great productive capacity. We realize that all nature is against them. The cholera is there, the Asiatic cholera, destructive of man; the surran and rinderpest, so destructive to animals; the hurricane and the typhoon, destructive of property and life.

We all realize that the Philippine Islands to-day are taxed to their utmost capacity, that only $17,000,000 can be raised, and that that amount of money for the insular government, for the municipal government, is not adequate, is hardly adequate to meet the requirements of administration, much less the great humane, educational, and philanthropic work which we have in view.

If we are to carry out our pledges to the world it has got to cost us something. We have assumed the rôle of international philanthropy, and philanthropy always costs something. What has it cost us already? Nearly $600,000,000 in war and military occupation there. What is it costing to-day in military expense? One-fourth of the annual expense of our army and navy is attributable to our occupation of the Philippines, a sum aggregating nearly $50,000,000 annually. That is what it has cost us—$600,000,000 in the past, $50,000,000 annually in the future. Is it not about time that we were bringing this great trust to an end, not by abandonment of it, but by working vigorously and energetically toward the goal of accomplishment? Is it working vigorously and energetically in giving these people a common language when we put only 500,000 of their children in their schools and leave 1,500,000 out of school? Are we training them in habits of industry, in improved methods of agriculture, when we fail to give them in all their provinces industrial schools and agricultural schools which can improve their methods of industry and of agriculture? Will it not be money saved to accomplish all this work of philanthrophy in twenty years, instead of stringing it out over one hundred years?

Are we to continue this plan of philanthropic work over one hundred years, costing the United States in military and naval expenditures $50,000,000 annually and with the prospect of a war in the end costing us a billion dollars? Are we to continue this for a hundred years when by putting a little fire and a little energy into this philanthropic work we can accomplish it in twenty? Are we to continue for one hundred years to teach the Filipino people a common language, or shall we accomplish it in ten, fifteen, or twenty years? Do we not all recognize that the work is to be done with the children and not with the adults, and that the thorough training of 2,000,000 children for ten years will mean that in the next generation the majority of the people of those islands will be speaking the English language, and that they will then have a common language through which they can convey to each other their ideas upon government, upon economics, upon administration, upon morals?

Now, I protest against an ineffective way of doing this. The Senator from New York says I would make gifts to the Filipino people that would demoralize them. I would not make gifts to the Filipino people. I would avoid a bounty of $15,000,000 annually to favored interests in the Philippine Islands, to the great planters, to the sugar trust which in the future will monopolize the production there, to the great tobacco organization which is now there and which will monopolize the tobacco industry in those islands, and I would devote a tithe only, a small proportion of it, to the advancement of the Filipino people, and I would put it in the hands of the Philippine Commission and give them the power to expend it in a way that would best advance the educational and industrial development of the Philippine Islands.

I wish to bear witness to the rare judgment and disinterestedness and efficiency with which the Philippine Commission is discharging its difficult duties. Their work there is a credit to the United States. Our work here is not. Instead of appropriating this $15,000,000 annually to favored interests, a part of which only will filter down to the masses of the people and give them perhaps a slightly increased prosperity in a slightly increased way, I would apply only a portion of it to the Filipino government itself, not for gifts to the people, not for the purpose of debauching them, not for the purpose of demoralizing them, but for the purpose of enabling the Philippine Commission to carry out the philanthropic work which we have inaugurated, and which we must always keep in view, not the simple administration of the islands, but the instruction of the people in a common language, the development of industrial and agricultural training, the development of the capacity to stand alone.

Mr. President, I am proposing no gift to the Filipino people. I am not to-day proposing any gift to the Filipino people. I say that if they can not get along with their revenues, if the United States can not discharge its great obligation to those people and to civilization out of the revenues now afforded by the taxation of that country, then we must either abandon our trust and leave the islands or we must put up some money; and I suggest that that shall be done in an efficient way, not in a way that will debauch and demoralize.

THE PHILIPPINES DIFFERENT FROM PORTO RICO.

The Senator from New York says that their relations are somewhat similar to those of Porto Rico. Porto Rico is a part of the United States. We are exercising no trust regarding Porto Rico. We realize the fact that for all time Porto Rico is a part of the United States. It will soon receive a territorial government. It may sometime be admitted to statehood. I hope the time will come when Cuba, by voluntary act, will apply for political union with this country, instead of the maintenance of a mere commercial union; that she will see the large advantage of political union with this country, which

will also involve the advantage of commercial union; and I hope to see Cuba and Porto Rico one of these days, first as Territories and then united as a single State, in the Union.

Our policy regarding Porto Rico, therefore, is entirely different from that which we should pursue toward the Philippine Islands. Our occupation there is temporary. The Senator from New York admits that it is temporary. And what policy are we to pursue under this bill? We are to pursue the policy of accustoming those people not to the world's prices for their products, but to the favored prices that exist in the United States, the subsidized prices, prices double the world's prices. We propose to stimulate sugar production there by giving them not the $40 a ton which they get in the Hongkong market, but the $75 a ton which they get in the American market.

We propose to stimulate production not by giving them the power by improved methods to meet the low prices which they now receive for their products in China, Japan, and in the Orient generally, but by giving them the subsidized prices maintained in this country by a tariff amounting on sugar to nearly 100 per cent and on tobacco to 151 per cent. When our temporary occupation ends, as he admits it will end, and the Philippines have a separate autonomy, absolutely distinct from us, with their own government, their own fiscal system, their own revenue system, I ask the Senator from New York whether, under those conditions, those islands can sink to the acceptance of the world's prices without an utter collapse of their industries?

True humanity dictates that we should not accustom them to the subsidized prices of this country, to these props to their industries, which later will be withdrawn; but to teach them by improved methods of industrial training and agricultural development to meet the world's prices; to be able to accept in Hongkong the price of $40 a ton for sugar, instead of seeking the favored price in the United States of $75 a ton; to be able to accept the price that Bremen gives and London gives in the sugar market. Then the Philippines will be able to maintain their autonomy; but if you once give them autonomy—an autonomy based upon the subsidized prices of this country—and then cut the cord that binds them to this country, they will be a derelict in the ocean and will go to wreck.

The PRESIDING OFFICER (Mr. CARTER in the chair). The question is on the amendment proposed by the Senator from Wisconsin [Mr. LA FOLLETTE] to the amendment of the committee.

Mr. LA FOLLETTE. Mr. President, I shall detain the Senate but a moment. I offered the amendment last evening in the utmost good faith. I said when I offered it that it did not accord with my own views and that it did not represent the opinions of the cigar makers of this country. They would have preferred, as I stated last night, that no cigars from the Philippine Islands be admitted free of duty. When the Committee on Finance conceded the reduction I proposed, and even extended it somewhat, I felt that possibly the Senate might be willing to make a still further reduction. Because I regard it unjust to the workingmen employed in this line of manufacture that they be asked to bear the burden of concessions made to the Filipinos, I sought to get a still further reduction from the Senate by the amendment which I offered, and which is now pending.

I grant, Mr. President, that when these islands passed into our possession we incurred certain obligations with respect to the Filipinos. While we retain possession we are bound to maintain peace and order and do within the limits of reason what we can to educate, improve, and elevate those whom the fortunes of war gave into our custody for the time being. But, sir, I deny that the plan offered by the committee as an amendment to this tariff bill, taken as a whole, is fair to the Filipinos.

Almost the entire day yesterday was spent upon a discussion of this amendment in so far as it relates to sugar. I do not know whether Senators followed closely the debate upon the provisions respecting sugar.

The vote upon the amendments offered by the Senator from Kansas [Mr. BRISTOW] in support of his contention was very small; and yet, Mr. President, when all of that debate is reviewed and all of the arguments submitted by the Senator from Kansas in support of his amendments fully considered, I am confident that many Senators will feel that they did not give to his arguments and to the facts submitted by him and by the Senator from Minnesota [Mr. CLAPP] the weight and consideration to which they were entitled.

If we are to deal fairly by the Philippines, we should not, Mr. President, so adjust our tariff relations with those islands that they will be compelled to sell the sugar which they produce to the sugar trust, and forced to buy the refined sugar which they consume from the sugar trust. If we are to enact legislation for the benefit of these islands rather than the sugar trust, then we will reject this entire proposition which has come from the Committee on Finance.

Mr. President, coming back to the amendment before the Senate, I stand here to deny the right of this Government to single out men in any particular industry, and make them carry the burden of the so-called "liberality" and "generosity" and "benevolence" which the country should bear as a whole in helping the people of the Philippine Islands. The producers of tobacco in Connecticut, the tobacco farmers of Wisconsin, and all the other States; the manufacturers of cigars and the men employed in our cigar factories, should not be called upon to divide their wages and their profits in order to improve the condition of the people in the Philippine Islands.

I have wondered, Mr. President, whether if those Filipinos instead of weaving mats were weaving by better processes cotton cloth, we would find the Committee on Finance ready to admit into this country the product of their looms free of duty. Every million of cigars that comes to our custom-house manufactured by Filipino labor at 37 cents a day will take away from the cigar manufacturer and the men employed in his factory labor to produce that million cigars. Fixing it at 60,000,000 or 70,000,000 or 150,000,000, means, unless it is a fraud upon the Philippine Islands, the importation into this country of that number of cigars. Mr. President, wherever the line is drawn, it means that the cigar maker of this country is to lose the labor that enters into every cigar imported free of duty under this provision.

There are 2,500 cigar makers walking the streets of the cities of this country without employment, and their families have nothing to sustain them excepting out of the accumulated earnings of those unemployed men. It is right and proper to consider the Filipino, but it is our first duty, Mr. President, to consider the American wage-earner.

I ask the adoption of this amendment at the lowest point at which it is possible to get the united support of enough votes to write it into this bill, and upon the amendment as I have offered it, fixing the limit at 60,000,000, I ask for the yeas and nays.

Mr. DICK. Mr. President, while the Senator from Wisconsin has been speaking, I have received a telegram, which I desire to have read from the desk.

The PRESIDING OFFICER. The Secretary will read, in the absence of objection.

The Secretary read as follows:

DAYTON, OHIO, *June 15, 1909.*

Hon. CHARLES DICK,
United States Senate, Washington, D. C.:

The tobacco growers, packers, dealers, and cigar manufacturers and workmen are united in beseeching you to vote against the free importation of any cigars or leaf tobacco from the Philippine Islands, and respectfully refer you to the protest of the leaf-tobacco boards of trade, as well as the Chamber of Commerce of Dayton, Ohio.

THE OHIO LEAF TOBACCO PACKERS' ASSOCIATION.

Mr. DICK. Mr. President, I will not detain the Senate by discussing the protests referred to nor by their reading, but request that they be printed in the RECORD. They are the resolutions of the Ohio Leaf Tobacco Packers' Association.

The PRESIDING OFFICER. In the absence of objection, permission is granted.

The resolutions referred to are as follows:

THE OHIO LEAF TOBACCO PACKERS' ASSOCIATION,
Dayton, Ohio, April 29, 1909.

At a special meeting of the board of directors of the Ohio Leaf Tobacco Packers' Association, an association comprising in its membership all the representative packers of Ohio leaf tobacco, the following resolution was unanimously adopted:

Whereas there is now pending before Congress a tariff bill, in which a clause provides for the free entry of 300,000 pounds of wrapper leaf tobacco, 1,500,000 pounds of filler leaf tobacco, and 150,000,000 cigars from the Philippines, as found in Article 471d, page 189, of said tariff bill as reported by Mr. ALDRICH on April 12, 1909; and

Whereas if such bill becomes a law it will work a great injustice and cause untold injury to our tobacco industry, comprising as it does all the growers, packers, dealers, jobbers, and cigar manufacturers, both in this State and throughout the United States; and

Whereas the free importation of cigars in a limited quantity, as specified in said bill, simply works to provide employment for 2,000 Filipinos at a low rate of wages, and takes away the livelihood of the same number of American citizens, whose cost of living demands and who receive fair wages for their work; and

Whereas said tobacco which is proposed to be imported free is raised by cheap Filipino labor, whose cost of living is so small that a very meager wage scale suffices for their support; and

Whereas the specifying of a "limited quantity" of either the raw or manufactured article will put into the hands of one or a few large operators the possibility of absolutely controlling the importation of this limited quantity at an abnormal margin of profit; and

Whereas the importation of a limited quantity will do more harm to the general trade in the United States than it will benefit the Filipinos; and

Whereas along the present lines of duty established by the Dingley tariff bill the tobacco trade and the producers of tobacco are all fairly

satisfied now that different interests have become adjusted to those rates: Therefore be it

Resolved, That we, as a trade organization and being one of a number of similar organizations located throughout the tobacco-growing districts of the United States, whose purposes are to promote and foster the growing of leaf tobacco and the handling and manufacturing in all its branches, and to look after the interests of tobacco raisers, tobacco packers, tobacco jobbers, cigar and tobacco manufacturers and their employees, do hereby strenuously protest against the admitting free of duty of any tobacco or cigars whatsoever into the United States from the Philippine Islands; and be it further

Resolved, That 500 copies of this resolution, duly signed, be printed and distributed among the members of the association and kindred associations throughout the country, each to be forwarded to their respective Congressmen and Senators, with a personal request that they use their best efforts to defeat the passage of the proposed measure; and be it further

Resolved, That a special appeal be made to Senator DICK, of Ohio, who is a member of the Finance Committee, to use every endeavor to prevent the passage of the Philippine free clause in the Senate bill.

WALTER M. BRENNER, *President.*
C. H. SOLLIDAY, *Vice-President.*
WM. J. LUKASWITZ, *Secretary-Treasurer.*
C. S. BILLMAN,
A. H. REEDER,
L. A. WHEELER,
S. M. KROHN,
HENRY MEYERS,
Directors.

Mr. DICK. I also ask to have inserted in the RECORD a protest from the Dayton Chamber of Commerce against the adoption of this provision.

The PRESIDING OFFICER. In the absence of objection permission is granted.

The matter referred to is as follows:

DAYTON, OHIO, *May 8, 1909.*

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: We are attaching hereto a copy of resolutions adopted by the Chamber of Commerce, in convention assembled, Tuesday, May 4, 1909, protesting against the clause in the proposed new tariff bill, permitting the importation of wrapper and filler tobacco and cigars from the Philippines into the United States free of duty, when above a certain amount. The resolutions are self-explanatory, and we trust that you will lend your support to our interests in this very important matter.

Yours, very truly,

DAYTON CHAMBER OF COMMERCE,
W. B. MOORE, *Secretary.*

—

Whereas there is now pending in the Senate of the United States a tariff bill containing a clause which if adopted by Congress will permit of the importing into the United States from the Philippine Islands free of duty of 300,000 pounds of wrapper tobacco, 1,500,000 pounds of filler tobacco, and 150,000,000 cigars; and

Whereas the raising of tobacco and the manufacturing of cigars comprise one of our largest industries, requiring vast amounts of capital and employing large quantities of labor; and

Whereas we believe that the free importation from the Philippine Islands of the above-named amount of tobacco and cigars will come in direct competition with these products of our city and the surrounding territory, and will tend to largely reduce the crop value to our farmers, and will also take away the employment of a large number of the employees of our tobacco packing house, cigar factories, and their allied industries: Therefore be it

Resolved, That we, the Chamber of Commerce of the city of Dayton, through the special committee appointed for this purpose at a regular monthly meeting held in the city of Dayton on May 4, 1909, do hereby strenuously protest against the admitting free of duty of any tobacco or cigars whatsoever into the United States from the Philippine Islands; and be it further

Resolved, That copies of this resolution be sent to the Senators and Congressmen from this State with a request that they use their best efforts to defeat the passage of the proposed measure.

THE DAYTON CHAMBER OF COMMERCE,
LEOPOLD RANER, *President.*
W. B. MOORE, *Secretary.*

Mr. DICK. I make the further request, Mr. President, that resolutions of the Cigar Makers' Union, No. 17, of Cleveland, Ohio, together with other protests I have received from large numbers of cigar makers' unions and manufacturers throughout the State of Ohio, be inserted in the RECORD.

The PRESIDING OFFICER. Without objection, the resolutions will be printed in the RECORD at the request of the Senator from Ohio.

The resolutions referred to are as follows:

CIGAR MAKERS' UNION No. 17,
Cleveland, Ohio.

Hon. CHARLES DICK.

DEAR SIR: In behalf of the Cigar Makers' International Union, an organization composed of 47,000 members, we earnestly protest against free trade in cigars with the Philippine Islands, even to a limited extent, which at this time would be extremely disastrous to the trade, which is already badly demoralized by the continued depression in trade. The government statistics show that there has been no material improvement in the manufacture of cigars since the depression started in October, 1907.

These reliable government statistics are reinforced and made doubly sure, as to the condition of trade, by the amounts we expend for out-of-work benefits.

During the year 1908 we expended $101,483.50, while in 1903, a year normal in trade conditions, we only expended $15,558, and in 1907 we expended $19,407.50 for out-of-work benefit purposes.

The condition of trade and the cigar industry is in a most precarious condition, and at a point where it can not with safety be charged with any additional burdens.

I hold and assert, without fear of successful contradiction, that the importation of cigars from the Philippine Islands free of duty, even in limited numbers, will have a disastrous effect upon the already overwrought and seriously menaced trade.

When the Porto Rican Islands were annexed and their products admitted free, it was claimed that, owing to the limited number of cigar makers and the alleged inferior quality of the tobacco, that we here would not experience any injurious effects. The result has been that American enterprise and capital at once commenced to exploit the cheap labor and cheaply grown tobacco in the islands to an extent that the importations of cigars from Porto Rico have now become a serious menace to the wages and well-being of the cigar makers and manufacturers of the mainland.

The American Tobacco Company, with its unlimited capital and resources, immediately seized the opportunity to avail itself of the cheap labor of the Porto Ricans and at once commence the manufacture of cigars in the Porto Rican Islands, with the consequent decrease of the number of American cigar makers here.

Our advices indicate that the Porto Ricans are now, generally speaking, fully employed, while, as stated in the foregoing, thousands of our members and thousands of American cigar makers are walking the streets in idleness. Including union and nonunion, there are fully 12,000 cigar makers now idle in the United States. The same conditions concerning cheap labor, cost of living, light, clothing, apply with even greater force in the Philippine Islands.

To admit 150,000,000 cigars free of duty from the Philippine Islands will come in direct competition with the American product and have a disastrous effect in the nature of cutting prices, far more so than the operation of any sweat shops or other hostile influences in our own country.

We know that under Spanish rule the cigar industry in the Philippine Islands developed to a very high degree, and assert that those capable of being pressed into the business of cigar making are still there, and if given an opportunity, such as proposed by the pending legislation, they will come in direct competition with the American cigar makers and crowd just that many more into the now dangerously large army of unemployed, who are bordering on starvation and vainly asking for an opportunity to earn a livelihood at their chosen occupation.

In the name of humanity, in the name of the best interests and welfare of our own people, as loyal American citizens, we protest against free trade in cigars with the Philippine Islands.

A bulletin of the Department of Labor shows that there were employed, all told, in the cigar industry of the Philippine Islands about 20,000 people, at an average of $10.21 per month. The rate of wages for cigar makers, as near as I can learn, is 37½ cents per day, while the government census of 1900 shows that the average wage of the workers of this country is about $400 per year, or about $1.36 per day.

A good cigar can be bought in Manila for 1 cent apiece, or from $5 to $10 per thousand. The home-produced cigar sells for 5 cents, 10 cents, 15 cents apiece, or from $20 to $60 per thousand generally, and from that up for especially high grades.

Under the proposed legislation cigars could be laid down at San Francisco for from $8.50 to $13.50 per thousand.

We protest against being pitted against oriental labor in our struggle for existence. We hold that no amount of legislation on the part of the Congress of the United States can or ever will lift this people to our standard; and that the act proposed, and against which we respectfully protest, will have a tendency to, and will, drag us down nearer their level.

About one-half of the cigar factories in the Philippine Islands are said to be controlled by Chinese manufacturers, and with the number of Chinese now in the islands, will monopolize the cigar trade, as they did prior to the exclusion act in San Francisco.

Prior to the passage of this Chinese-exclusion act, in 1882, the cigar factories of San Francisco employed about 40 American citizens and over 6,500 Chinamen.

The bill proposed means that the Chinese-exclusion act, so far as it relates to the cigar industry, will be nullified completely by establishing free trade.

Mr. Edward Rosenberg, an American citizen, while in Manila, in a letter dated August 1, 1903, says: "Considering the very small wages paid the Filipino workers, the poor and scanty food they necessarily live on, they are, next to the Chinese, the cheapest and best workers of the Orient. They live in light shacks, built of bamboo, and covered with leaves; cost of building, from $30 to $70. The number of Chinese living on the island I estimate to be between 100,000 and 150,000."

We would like to know how a man living in a northern climate, who needs from 7 to 8 tons of coal per year and needs warm clothing and lives in a house for which he must pay a large rent, is going to compete on a free-trade basis with people living under such conditions.

If the Filipinos should ever cease to be subjects and become American citizens in every particular, with the right to organize for their own protection, with factory laws similar to those prevailing in the States of Illinois, New York, Massachusetts, etc., for the protection of women and children against unscrupulous exploitation, then it will be the time to talk about the changing of the tariff.

Manila alone has 31 cigar and cigarette factories, also about 48 others run by Chinese, which, if they get free trade, will also become exporters, and in the event of free trade they can export to the United States enormous quantities of cigars.

At the hearing before the Committee on Ways and Means January 27, 1905, Secretary Taft, in the testimony submitted, in speaking of the fears of the cigar makers when a similar bill was under consideration, as to the effect of the proposed legislation, said: "There may be some justification for the apprehension of the cigar makers that this measure would injure them. I admit that a perfection-shaped cigar, which the cigar makers of this country receive $34 per thousand for making, is made in the Philippine Islands for $6 per thousand."

An act that will tend to build up the cigar industry of the Philippine Islands at the expense of a like industry and the citizens employed therein in our own country proper is neither wise nor just legislation. Knowing that we are positively right in this matter, we, in defense, vigorously, yet respectfully, protest against its enactment.

Yours, very respectfully,

W. J. CANNON, *Secretary.*

WASHINGTON, *June 12, 1909.*

DEAR SIR: Relative to the proposed admission of 150,000,000 cigars free of duty from the Philippine Islands, we beg to submit for your further consideration the following facts, which we believe proves conclusively that free trade in cigars with the Philippine Islands, even in a limited degree, would prove disastrous to our industry. One hundred and fifty million cigars represents the labor of about 2,500 cigar makers for a full year, and in view of the fact that there are already about 12,000 idle cigar makers in the United States, we are justly alarmed by the proposed legislation, which would unquestionably add another 2,500 to the large army of unemployed cigar makers, together with those dependent upon them.

The tobacco and cigar exports of the Philippine Islands under American occupation has reached a higher degree of prosperity during the years 1903 to 1907 than prevailed from 1895 to 1899, when they were still under Spanish rule, as the following figures from the special report of Secretary of War Taft show for the five years referred to under Spain the annual average exports of cigars and tobacco amounted to $2,114,240. For the five years reported under American occupation the annual average was $2,129,194, thus disproving any contention that our occupancy of the islands has seriously impaired their tobacco and cigar export trade.

The report of the insular collector of internal revenue for 1908 shows total number of cigars manufactured in the Philippine Islands during 1907 was 197,000,000, and for 1908, 198,754,787. Of this number there were imported into the United States during the year 1907, 1,593,000, and during 1908, 1,365,000.

A bulletin of the Department of Labor shows that there are about 20,000 persons employed in the cigar industry in the Philippine Islands, at an average of $10.21 per month. The rate of wages for cigar makers, as near as we can learn, is 37.12 cents a day.

As noted above, there were imported into the United States from the Philippine Islands during 1907, 1,593,000 cigars, and during 1908, 1,365,000. In this connection we desire to show the confusing nature of the figures contained in a note on tariff revision and Insular Bureau reports as contained in the following memorandum:

The Notes on Tariff Revision, issued by the Ways and Means Committee, on page 227, under the caption "Importations," referring to leaf tobacco, furnishes the "general information" to the effect that the total importation of unmanufactured tobacco from the Philippines was 70,163 pounds, valued at $4,584. On page 280, referring to the duty on cigars, paragraph furnishing "general information" as to the importations does not show any importation from the Philippine Islands.

The publication Estimated Revenues, as issued by the Finance Committee of the Senate, on page 28, referring to paragraph 221 of the Senate bill, shows the importation of cigars from the Philippine Islands during the fiscal year ending June 30, 1907, to have been 3,141.89 pounds, valued at $4,150.

Averaging 12 pounds to a thousand cigars, 3,141.89 pounds would equal 261,820 cigars. Three thousand one hundred and forty-one and eighty-nine one-hundredths pounds of tobacco, at $4.50 per pound, minus 25 per cent reduction on account of Philippine importation and plus 25 per cent ad valorem (based on 261,820 cigars), will about equal $11,352.74, which is noted on page 29 as the revenue under the present law.

The Insular Bureau reports the exportation of cigars to the United States in 1907 as 1,593,000, and in 1908 as 1,365,000, which figures agree with the importations of cigars from the Philippines to the United States as stated on page 279 of the quarterly report for April–June, 1908, issued by the Insular Bureau. In the report named the Insular Bureau states the value of 1,593,000 cigars in 1907 as $26,067, which valuation does not seem to agree with the valuation placed upon these cigars upon importation into the United States, as noted on page 28 of the Senate Finance Committee's publication entitled "Estimated Revenues."

We further desire to call to your attention that our industry greatly suffered by the free importation of cigars from Porto Rico. During the past two years there has been admitted into the United States from Porto Rico on an average of about 10,000,000 cigars a month, or an amount per year almost equal in number to that which it is proposed to admit free of duty from the Philippine Islands. This amount of cigars admitted free of duty from Porto Rico has already displaced about 2,000 American workmen, and we have borne this injustice with hardly any complaint on our part, but we feel that we are now compelled to earnestly, yet respectfully, protest against the further contemplated injustice, which will cause untold hardship on the already too large number of American citizens now out of employment, with no immediate prospects for obtaining the same, and the thousands of women and children dependent upon them for the necessaries of life.

And, furthermore, in the event of the passage of that part of the pending tariff bill dealing with the importation of cigars from the Philippine Islands, the amount of revenue lost to the United States Government on 150,000,000 cigars at $50 per thousand would be $7,500,000.

The above is the amount that it is proposed to contribute to the Filipinos, or whatever interests that should import into the United States from the Philippine Islands, the above amount of cigars, or a direct contribution to the American Tobacco Company of $7,500,000 annually.

While no deduction has been made in the above figures for the 25 per cent reduction in the present rates, neither has any computation been made for the 25 per cent ad valorem on manufactured cigars, which would amount to a greater sum than the reduction in the present rates.

Submitted by a representative of the Cigar Makers' International Union.

CIGAR MAKERS' LOCAL UNION NO. 4,
Cincinnati, Ohio, April 22, 1909.

Hon. CHARLES DICK.

DEAR SIR: Cigar Makers' Union No. 4, comprising in its membership of 700 wage-earning citizens, fathers of families, whose desire it is to continually improve their own conditions, at a regular meeting unanimously adopted a resolution whereby they earnestly request you to vote against the bill allowing 150,000,000 cigars to come from the Philippines free of duty in any one fiscal year. Hoping that you will grant us the above request, I remain

Yours, respectfully,
JOSEPH RAPP, *Secretary.*

CIGAR MAKERS' LOCAL UNION NO. 75,
Columbus, Ohio, May 20, 1909.

Senator CHARLES DICK.

DEAR SIR: Cigar Makers' Union No. 75, of this city, again requests that you vote against the free admission of cigars from the Philippine Islands. There are thousands in our craft out of employment at present, and the admission free of duty of 150,000,000 cigars free of duty would add thousands more to the list.

Yours, fraternally,
JULIUS EBE,
Financial Secretary.

CIGAR MAKERS' LOCAL UNION NO. 75,
Columbus, Ohio, April 21, 1909.

Senator DICK.

DEAR SIR: Cigar Makers' Union No. 75, of this city, emphatically protests against the admission to this country, free of duty, of cigars manufactured in the Philippine Islands, and respectfully requests that you assist in the defeat of the measure.

Respectfully, yours,
JULIUS EBE,
Financial Secretary.

CIGAR MAKERS' LOCAL UNION NO. 313,
Lima, Ohio, May 10, 1909.

Hon. CHARLES DICK.

DEAR SIR: We call your attention to the tariff bill in regard to letting into the United States 150,000,000 cigars free of duty from the Philippine Islands. Owing to the dull times our industry is at present suffering from an overproduction, and many of our people out of employment, and it would be impossible for the manufacturers to compete against those people. I have been requested to call your attention to the condition of the cigar industry by many of the unemployed. Sincerely trusting you favor our request,

Yours, truly,
W. F. BATTY,
Financial Secretary.

CIGAR MAKERS' LOCAL UNION NO. 123,
Hamilton, Ohio, April 14, 1909.

Mr. CHARLES DICK,
United States Senate, Washington, D. C.

DEAR SIR: Cigar Makers' Union No. 123 protests against the bill providing that 150,000,000 cigars shall be permitted to come from the Philippines free of duty in any one fiscal year. Hoping that you will vote against the bill.

Yours, respectfully,
[SEAL.]
A. P. LOMBARD,
Corresponding Secretary.

CIGAR MAKERS' LOCAL UNION NO. 123,
Hamilton, Ohio, April 26, 1909.

Mr. CHARLES DICK,
United States Senate, Washington, D. C.

MY DEAR SIR: Your esteemed favor of the 21st at hand, and in reply will state the reasons why Cigar Makers' Union No. 123 protests so vigorously is there are so many thousands of cigar makers out of work in this country now. And if there would be 150,000,000 cigars coming free of duty it would mean so many more out of work. And we think that the home industry should be protected. Because one-half of the cigar factories in the Philippine Islands are controlled by Chinese, and it is impossible for an American citizen to live on a Chinaman's wages. Now for the sake of humanity cast your vote against cigars coming to this country free of duty from the Philippines.

And besides the cigars are not made under healthy conditions. Now, if there is anything else you want to know will gladly furnish it, and will be glad to hear from you.

I remain,
Yours, respectfully,
[SEAL.]
A. P. LOMBARD,
Corresponding Secretary.

CIGAR MAKERS' LOCAL UNION NO. 115,
Canton, Ohio, April 20, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: We, the cigar makers of Canton, Ohio, do hereby earnestly protest against any change of duty on cigars from the Philippine Islands.

Yours, fraternally,
ALBERT KELLER, *Secretary.*

CIGAR MAKERS' LOCAL UNION NO. 79,
Sandusky, Ohio, April 6, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: Cigar Makers' Union No. 79, of Sandusky, Ohio, protest against the proposed bill, that 150,000,000 cigars be permitted to come from the Philippine Islands free of duty, in any one fiscal year.

Yours, respectfully,
FRANK J. MILLER,
Financial Secretary.

CIGAR MAKERS' LOCAL UNION NO. 48,
Toledo, Ohio, April 5, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: We understand that the Committee on Ways and Means of the Congress has proposed a bill providing that 150,000,000 cigars shall be permitted to come from the Philippines free of duty in any one fiscal year. This union is strictly opposed to such a measure, and request that you use your voice and vote against the importation of any cigars free of duty, because it would be a direct injury to our craft.

Yours, fraternally,
ARTHUR SCHETTER,
Financial Secretary.

FEDERAL LABOR UNION No. 6854,
Zanesville, Ohio, May 23, 1909.

Senator CHARLES DICK,
United States Senate.

DEAR SIR: Federal Labor Union, No. 6854, of Zanesville, at a regular meeting held May 20, 1909, by motion voiced its most emphatic protest against the clause in the new tariff bill regarding the importation of free cigars from the Philippines and the section providing that no label be placed on the boxes or packages of cigars or tobacco save the United States revenue stamps and the name of factory. We believe both these sections are harmful to organized labor, and call upon our Representatives and Senators to use their utmost endeavors to defeat those clauses.

Trusting this may receive your careful attention, I remain,

Truly, yours,

[SEAL.] J. W. BARRETT, *Secretary.*

CIGAR MAKERS' LOCAL UNION No. 173,
Zanesville, Ohio, April 19, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: This union directs me to acquaint you with our opinions and to offer our protests against the placing of cigars imported from the Philippines on the free list. We believe this uncalled for and in direct opposition to the best interests of American workmen as a whole.

We also are opposed to any restrictions of what a manufacturer sees fit to place on his products other than what is necessary for the maintenance of our internal revenue. We are informed that there are clauses in the tariff bill now before Congress that can be used against the use of union labels, and especially against the tobacco workers' union label.

Trusting we see these questions in the light of public good, we are,

Fraternally, yours,

CIGAR MAKERS' UNION No. 173,

[SEAL.] CHAS. O. DOZER, *Secretary.*

CIGAR MAKERS' LOCAL UNION No. 173,
Zanesville, Ohio, May 14, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: The members of this union again appeal to you to prevent, if possible, the placing of cigars imported from the Philippine Islands on the free list, and especially the provision which limits the amount to 150,000,000. We feel that such free list is wholly uncalled for and can not benefit anyone, either from the standpoint of the cigar manufacturers or their employees of our country.

Trusting you will give every possible effort toward the establishment of a fair rate of duty, we are,

Very truly, yours,

[SEAL.] CHARLES O. DOZER, *Secretary.*

CIGAR MAKERS' LOCAL UNION No. 96,
Akron, Ohio, May 11, 1909.

Hon. CHARLES DICK.

DEAR SIR: Cigar makers and manufacturers of Akron, at a joint meeting held Monday, May 10, request you to do all in your power to stop the free duties on cigars from Philippines, as it would be a great injustice to American workmen.

Yours, respectfully, CHRIS. FREUDEMANN, *Secretary.*

CIGAR MAKERS' LOCAL UNION No. 360,
Delaware, Ohio, May 17, 1909.

Hon. CHARLES DICK,
United States Senate, Washington, D. C.

DEAR SIR: At a meeting of the cigar makers of Delaware, Ohio, held May 17, for the purpose of discussing the Philippine bill in regard to the importation of 150,000,000 cigars free of duty, it was resolved that we would ask your aid to defeat the bill. It would hurt all of the men that work for a living at the cigar trade, and would in time force them to try and make a living at something else.

D. T. GRIFFIN, *President.*
H. DAUERHEIM, *Secretary.*

CIGAR MAKERS' LOCAL UNION No. 249,
Findlay, Ohio, May 10, 1909.

Hon. CHARLES DICK,
United States Senate, Washington, D. C.

DEAR SIR: At our regular meeting yesterday I was instructed to write you and have you vote against the Philippine bill having cigars shipped in this country free of duty, as it means a great harm to the cigar makers of this country and manufacturers. Hoping you will vote against free duty and use your influence against passing the bill. We have 27 members here; all are against passage of the bill.

Trusting you will consider before voting, we remain,

Yours, truly,

HENRY SCHELLING, *President.*
PHILIP SETZLER, *Financial Secretary.*

CIGAR MAKERS' LOCAL UNION No. 86,
Mansfield, Ohio, May 10, 1909.

Hon. CHARLES DICK,
United States Senate, Washington, D. C.

DEAR SIR: The Philippine bill, in reference to the importation of 150,000,000 cigars free of duty, is now before your honorable body. The members of cigar makers' union and manufacturers of Mansfield, Ohio, earnestly petition, urge, and request you to vote and use your utmost influence against the passage of the Philippine bill.

Yours, very respectfully,

G. B. DORMAN, *Secretary.*
VALENTINE THOMA,
ED ERDENBERGER,
Officers.
WILLIAM EPKE,
JACOB THOMA,
CHARLES GIMBEL,
ERNST MINK,
J. A. BICKEL,
CHARLES SPAMER,
A. ERDENBERGER,
Cigar Manufacturers.

CIGAR MAKERS' LOCAL UNION No. 86,
Mansfield, Ohio, June 3, 1909.

Hon. CHARLES DICK,
United States Senate.

DEAR SIR: Your letter of recent date received, and in reply will say in regard to free trade with the Philippine Islands, even to a limited extent, at this time would be extremely disastrous to the trade, which is already badly demoralized by the continued depression in trade. The government statistics show that there has been no material improvement in the manufacture of cigars since the depression started in October, 1907. To admit 150,000,000 cigars free of duty from the Philippine Islands will come in direct competition with the American product, the American cigar makers, and crowd just that many more into the now dangerously large army of unemployed, who are bordering on starvation and vainly asking for an opportunity to earn a livelihood at their chosen occupation.

Yours, very respectfully,

G. B. DORMAN, *Secretary.*

CIGAR MAKERS' LOCAL UNION No. 176,
Newark, Ohio, May 10, 1909.

Hon. CHARLES DICK,
United States Senate, Washington, D. C.

DEAR SIR: At a regular meeting of Cigar Makers' Local Union No. 176, the following resolution was unanimously adopted:

"*Resolved*, That this organization, in meeting assembled, do hereby earnestly protest again admitting any cigars from the Philippine Islands, except at the regular import duty: And be it further

"*Resolved*, That we humbly petition our Senator to use his influence to carry out the wish of this organization and thereby confer a favor upon the members thereof."

Respectfully submitted.

E. D. EVERTS, *Secretary.*

CIGAR MAKERS' LOCAL UNION No. 416,
Norwalk, Ohio, May 25, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: In reply to yours of the 19th. The reason the above union opposes the free importation of cigars from the Philippines is: The cigar makers of this country can not compete with the cheap labor of the islands, which are mostly Chinese and Filipinos, and if cigars come in free from there most of them would come to the Pacific coast. The cigar industry on the coast now is very small, and cigars free from the Philippines, we are afraid, would put what factories are on the Pacific coast out of business. Trusting this is the information you wish, I remain,

Yours, truly, L. C. COLSON, *Secretary.*

CIGAR MAKERS' UNION No. 45,
Springfield, Ohio, May 17, 1909.

Hon. CHARLES DICK,
United States Senate, Washington, D. C.

DEAR SIR: The Cigar Makers' Union No. 45, of Springfield, Ohio, and the manufacturers protest against the passage of the Philippine bill, admitting 150,000,000 cigars free of duty, and we would ask you to vote and work against the passage of the bill.

Thanking you for past favors,

I am, respectfully, yours,

[SEAL.] L. E. HORLACKER,
Corresponding Secretary.

CIGAR MAKERS' UNION No. 416,
Norwalk, Ohio, May 12, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: Cigar Markers' Union No. 416, of Norwalk, Ohio, protest against admitting cigars free of duty from the Philippine Islands.

Yours, truly,

L. C. COLSON, *Secretary.*

CIGAR MAKERS' UNION No. 152,
Youngstown, Ohio, May 15, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: The cigar makers of Youngstown, Ohio, protest against the importation of 150,000,000 cigars from the Philippine Islands free of duty.

I have no doubt that you have cognizance of the reasons why we should protest against such importation, therefore I will not go to details.

Hoping you will favor us by voting against such injurious legislation.

Yours, truly,

E. WILLIAMS, *Secretary.*

THE UNION CIGAR MANUFACTURERS' ASSOCIATION,
Cincinnati, April 12, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: At a meeting of the Union Cigar Manufacturers' Association, of Cincinnati, the following resolution was passed:

"*Resolved*, That this association enter its solemn protest to that section of the Payne tariff bill, now before your honorable body, that will permit any further increase—admitting cigars free of duty—to this country from the Philippine Islands."

It is palpable that this section of the bill, if enacted in its present form, will incur further hardship on the manufacturers of this country, as well as to their employees.

Respectfully submitted.

JULIUS ADLER, *President.*
O. E. SCHULTE, *Secretary.*

THE FRITZ BROTHERS COMPANY,
Cincinnati, Ohio, April 8, 1909.

Hon. CHARLES DICK,
Senate, Washington, D. C.

DEAR SIR: We wish to refer to the feature of the Payne tariff bill which relates to the free admission into the United States of 150,000,000 cigars per year, and we respectfully enter a strong protest to this proposed feature.

The total export of cigars from the Philippines in 1906 were 93,000,000; in 1907, 116,000,000; and in 1908, 118,000,000, and the Payne bill in its present form not only provides for the free admission into the United States of the entire cigar output of the islands, but even provides for a substantial increase in same.

It is a known fact that the labor employed in the manufacture of these Philippine cigars is not a fair competition to our American labor, and the cigars will be sold in this country at a much lower price than it is possible to manufacture a like article here. Every Philippine cigar imported into this country will positvely replace an Amercan cigar. The burdens already shouldered by the cigar industry in this country are great enough without this additional one.

The passage of this bill will absolutely and positively throw out of employment many additional operatives, and in addition to this, capital which is invested in this industry will be directly affected. We therefore protest most strongly to the passage of this clause in the bill, and petition you to use your best influence to that effect. Thanking you in advance, we remain,

Very respectfully,

THE FRITZ BROS. CO.

L. NEWBURGER & BRO.,
Cincinnati, Ohio, April 8, 1909.

Hon. CHARLES DICK,
Washington, D. C.

DEAR SIR: We have gone over carefully the new tariff schedule applying to free admission of 150,000,000 cigars from the Philippine Islands, and respectfully solicit your effort in defeating this, as it would work untold hardship to our industry. We have no doubt you are familiar with the great number of people employed in the cigar manufacturing interests in this State, and if the schedule should pass in its present form it would affect us considerably, as every one of these Philippine cigars would mean the cutting off of just so many domestic made.

We are confident you can readily see the justice of our claim, and beg to thank you in advance for your assistance in having it stricken out or at least greatly modified.

Assuring you of our appreciation of your effort, and thanking you in advance for your prompt consideration of our request, we remain,

Yours, truly,

L. NEWBURGER & BRO.

THE MIAMI VALLEY LEAF TOBACCO COMPANY,
Dayton, Ohio, April 12, 1909.

Senator CHARLES DICK,
Washington, D. C.

MY DEAR SIR: We beg to call your attention to that portion of the new tariff bill embodied in section 2, pages Nos. 176 and 177, and referring especially to the free admission into this country of 300,000 pounds of wrapper-leaf tobacco, 3,000,000 pounds of filler-leaf tobacco, and cigars not in excess of 150,000,000.

We consider this a very dangerous provision to our trade. The State of Ohio produces about 33 per cent of the cigar leaf filler tobacco of the United States, and this provides for the free entry of filler tobacco equal to very close to 10 per cent of the Ohio crop per annum. There is no doubt but what the trade can stand this percentage if things are to be taken on the face, but, first, the trade considers this but the entering wedge for free tobacco from the Philippines in unlimited quantities, and it certainly appears to us that it would be a much better proposition to make a concession over the regular rates on leaf tobacco in unlimited quantities, even were that concession to be 50 per cent of the present rates, rather than admit a limited amount free. The admission of 150,000,000 cigars free of duty will put out of employment 2,000 American cigar manufacturing employees at American wages and put 2,000 Filipinos to work at Philippine wages, and the importer will get most of the benefit, as he will be protected by a limited importation.

Now comes the important point I wish to call your attention to: Who is going to import this limited amount of tobacco and cigars that is to be admitted from the Philippines? Is there not a very grave danger that the so-called "cigar trust" will have in quick time after the passage of the bill the full amount of this tobacco bought, ready to ship to this country; and if they think well of it and intend to do it, what individual dealer in this country will have a chance to import any of it? It looks to us like this grant of free duty on a limited quantity of tobacco and cigars from the Philippines will turn out as a present of cheap tobacco to the said tobacco trust. Even if this does not so occur, how is this limited importation to be apportioned and regulated? Are there any other instances in any tariff bill where a limited amount of any article has been admitted free? Can such a law be justly operated?

I understand that this filler tobacco can be bought in the Philippines to-day ready for shipment at 5 cents per pound actual weight, whereas the similar grades of Ohio tobacco are to-day bringing in the merchantable form about 20 cents actual weight wholesale.

One other small point: Referring back to page 60, Schedule F, you will note it makes a distinction between stemmed and unstemmed tobacco, while section 2, on page 176, does not make this distinction, as it should. May we ask you to look over this proposition carefully and see if we are not right?

Very truly,

A. H. REEDER.

Mr. CLAPP. Mr. President, would the Senator object at this point to another protest being made in connection with those he has already submitted?

Mr. DICK. Certainly not.

Mr. CLAPP. Then I desire to enter a protest on behalf of several thousand cigar makers of this Republic who are out of employment and who have not even the means to communicate their protests in a formal manner to the Senate.

Mr. DICK. The Senator voices my own sentiments, Mr. President, in his protest. I want to be as generous in dealing with the Filipinos as anyone, but I can not bring myself to believe that by any vote of mine I ought to menace any American industry or deprive a single toiler in our country of a day's wage.

I wish that all the people engaged in this great industry in this country and in my State might feel as free from alarm as the Senator from West Virginia and others who have voiced the opinion here that the importation under this provision of tobacco and cigars into this country would be infinitesimal in amount.

The arguments against the proposed tariff law are uniform and are based on the damage to American cigar makers who will be thrown out of work by the introduction of foreign cigars and the fear that this provision is but an entering wedge for unlimited free trade with the Philippine Islands in tobacco and cigars.

My information, based upon the experience we have had in Porto Rico, is that the use of tobacco from these islands is a matter of acquired taste. The consumption of Porto Rican cigars has been constantly on the increase, until to-day it is estimated that 10,000,000 Porto Rican cigars are used in this country every month, or the equivalent of 120,000,000 annually. Army officers who have served in the Philippines tell me that after a while the use of Filipino tobacco comes to be a matter of preference with them; and my judgment is that as we come to use them more, and the use of them is somewhat stimulated by the low price, they will very largely displace the use of American tobacco and American cigars in our own country.

If, as contended, no harm will come to the American industry and no real good to the Filipino, since none will be exported from the Philippine Islands and none sold here, then there is no real merit in the tobacco feature of this proposition.

I am not so much opposed to the sugar amendment. That is a developing industry, and men largely engaged in it tell us that the importation of 300,000 tons will not seriously affect that business; but we are face to face with another condition so far as the manufacture of cigars is concerned. Twelve thousand idle cigar makers are petitioning Congress for relief. The resolutions presented here last night were more than a protest; they were an appeal to protect them against the encroachment of cheap labor and the competition of the oriental producer. While we are here shaping up a bill which seeks to protect American industries, and particularly the American laborer, no appeal coming from the toilers shall go without fair consideration; and if I can conscientiously do so, I shall vote to sustain their request.

Nor is my vote against the recommendation of the committee to be counted as indicating a lack of confidence. I appreciate perfectly the embarrassing attitude in which it must stand. This legislation is recommended by the President of the United States. I am satisfied that the sentimental opinion of the country favors it. We have heard so much about our little "brown brother," about our responsibility, and our duty to the Philippines that we sometimes forget the old adage, "Charity begins at home," which might be applied quite as well with reference to other affairs.

First of all, Mr. President, it seems to me our duty is to our own, and next to others. The toilers of our own country are entitled to our first consideration. Our charity for others should come afterwards. I can not bring myself, I repeat, to vote for any provision in this bill which threatens an American industry or a single day's toil to any laborer.

The PRESIDING OFFICER. The question is on the amendment submitted by the Senator from Wisconsin [Mr. LA FOLLETTE], upon which he has demanded the yeas and nays.

The yeas and nays were ordered.

Mr. SMOOT. I should like to have the amendment stated, so that we may know just what we are voting upon.

The PRESIDING OFFICER. The amendment will again be stated.

The SECRETARY. It is proposed to strike out "seventy" and insert "sixty," so as to read:

And cigars in excess of 60,000,000 cigars.

The Secretary proceeded to call the roll.

Mr. BANKHEAD (when his name was called). I have a pair with the junior Senator from Wisconsin [Mr. STEPHENSON], and therefore withhold my vote.

Mr. CURTIS (when his name was called). I desire to announce my pair with the senior Senator from Maryland [Mr. RAYNER].

Mr. FLINT (when his name was called). I have a general pair with the senior Senator from Texas [Mr. CULBERSON],

who is absent. I transfer that pair to the senior Senator from Maine [Mr. HALE], and vote. I vote "nay."

Mr. CRAWFORD (when Mr. GAMBLE's name was called). My colleague [Mr. GAMBLE] is necessarily absent. He is paired with the junior Senator from Indiana [Mr. SHIVELY].

Mr. BURROWS (when the name of Mr. SMITH of Michigan was called). My colleague [Mr. SMITH of Michigan] is paired with the junior Senator from Mississippi [Mr. MCLAURIN].

Mr. STONE. I inquire whether the Senator from Wyoming [Mr. CLARK] has voted?

The PRESIDING OFFICER. The Chair is informed that he has not voted.

Mr. STONE. I have a general pair with that Senator, and therefore withhold my vote.

The roll call was concluded.

Mr. ELKINS (after having voted in the negative). At the time I voted I did not observe that the junior Senator from Texas [Mr. BAILEY] was absent from the Chamber. I am paired with that Senator, and therefore withdraw my vote.

Mr. FRYE. I inquire if the senior Senator from Virginia [Mr. DANIEL] has voted?

The PRESIDING OFFICER. The Chair is informed that he has not.

Mr. FRYE. I am paired with that Senator, but I transfer that pair to the Senator from Pennsylvania [Mr. PENROSE] and vote. I vote "nay."

Mr. MONEY. My colleague [Mr. MCLAURIN] has just been called from the Chamber. He is unavoidably absent, and is paired with the junior Senator from Michigan [Mr. SMITH]. If my colleague were present, he would vote "yea."

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. OLIVER]. If he were present, I should vote "yea."

Mr. BACON (after having voted in the affirmative). At the time I cast my vote I had forgotten that I had agreed to pair on this question with the senior Senator from Indiana [Mr. BEVERIDGE]. I understand, however, that the junior Senator from Virginia [Mr. MARTIN] has not voted. I therefore transfer my pair with the Senator from Indiana to the Senator from Virginia, and will permit my vote to stand.

Mr. SCOTT. I desire to announce, on behalf of the junior Senator from Wisconsin [Mr. STEPHENSON], that he is paired with the Senator from Alabama [Mr. BANKHEAD]. If the Senator from Wisconsin were here, he would vote "nay."

The result was announced—yeas 27, nays 38, as follows:

YEAS—27.

Bacon	Cummins	Hughes	Owen
Borah	Davis	Johnston, Ala.	Paynter
Bristow	Dolliver	La Follette	Simmons
Brown	Fletcher	McEnery	Smith, S. C.
Burkett	Foster	Money	Taliaferro
Clapp	Frazier	Newlands	Tillman
Clay	Gore	Overman	

NAYS—38.

Aldrich	Crawford	Heyburn	Piles
Bourne	Cullom	Johnson, N. Dak.	Root
Brandegee	Depew	Jones	Scott
Briggs	Dick	Kean	Smoot
Bulkeley	Dillingham	Lodge	Sutherland
Burnham	du Pont	McCumber	Warner
Burrows	Flint	Nelson	Warren
Burton	Frye	Nixon	Wetmore
Carter	Gallinger	Page	
Crane	Guggenheim	Perkins	

NOT VOTING—26.

Bailey	Culberson	McLaurin	Smith, Md.
Bankhead	Curtis	Martin	Smith, Mich.
Beveridge	Daniel	Oliver	Stephenson
Bradley	Dixon	Penrose	Stone
Chamberlain	Elkins	Rayner	Taylor
Clark, Wyo.	Gamble	Richardson	
Clarke, Ark.	Hale	Shively	

So Mr. LA FOLLETTE'S amendment to the amendment of the Committee on Finance was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment of the committee.

Mr. ALDRICH. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FLETCHER. I desire to offer an amendment to the pending substitute and have it read. My amendment will leave the Philippine Islands to enjoy and retain the concession of 25 per cent which they already enjoy. In other words, the act of March 8, 1902, would still remain in force in reference to all importations from the Philippine Islands. I should like to have the amendment read.

The PRESIDING OFFICER. It will be read to the Senate.

The SECRETARY. Amend the substitute amendment on page 1, line 5, by striking out the colon after the word "countries" and adding the words "except as provided by existing law now in force," and striking out the remainder of the substitute, so that it will read:

471d. There shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from foreign countries, except as provided by existing law now in force.

Mr. FOSTER. Mr. President, it is my purpose to submit some remarks upon the amendment. Understanding that the Senator from Oklahoma has the preference at this hour, I suppose I am compelled to yield to him.

Mr. OWEN. Mr. President, do I understand that the committee desires to have a vote, or that it can be taken at this time?

Mr. ALDRICH. What is that?

Mr. FOSTER. It can not, because I want to speak.

The PRESIDING OFFICER. The Chair is advised of the desire of the Senator from Louisiana to address the Senate before a vote is taken.

Mr. OWEN. Before beginning my remarks, I would ask, there being no objection, that I be not expected or required to read the various tables which I shall use as illustrative of my comments on this bill or any matter which is not essential to the statement I desire to submit to the Senate in regard to it.

The PRESIDING OFFICER. The Senator from Oklahoma asks unanimous consent to insert certain tables in the RECORD without reading, the same to be considered a part of his remarks. Is there objection?

Mr. ALDRICH. What is the request?

Mr. CLAPP. It strikes me, while there may not be any objection to it at this time, it is better to preserve the order that when a speaker reaches anything which he desires to have printed, he call the attention of the Senate to the fact that he desires to insert it without reading.

Mr. GALLINGER. We might want something read.

Mr. CLAPP. Yes. It would establish rather a bad precedent, I think.

Mr. CULLOM. We had better adhere to the rule.

Mr. OWEN. I have no objection whatever to the rule. It will be entirely agreeable to me. The Senate, I am sure, will not care to have them read in extenso, as it would take some hours, perhaps, to read them.

Mr. CLAPP. It is a mere matter of form, I think.

Mr. OWEN. Mr. President, no consideration would induce me to propose or contend for a tariff reduction which would seriously harm any American industry whose existence is justified by the natural resources of our country.

Upon my oath as a Senator of the United States, I feel charged with a solemn responsibility of defending the welfare of the people of the United States, including as vigorously and as distinctly the interests of the people of Maine, of Rhode Island, or of California as the interests of the people of Oklahoma. I shall discharge that duty as an American in a broad and liberal spirit, with patience, with tolerance, and perfect fairness.

By that sense of duty I have felt impelled to submit to the Senate the reasons which make it impossible for me to support H. R. 1438. I can not agree to the passage of this bill without the registration of a solemn protest against it. I plainly see the evil results upon the people of the United States, which have followed the McKinley bill and the Dingley bill, and which must follow the passage of a worse measure.

Mr. President, I am not unmindful that what I shall say will not deter the managers of this bill in the Senate in the least from their predetermined course, but I deem it my duty to place upon the records of the Senate and of the United States the reasons which justify my protest and from which future students may perhaps find something of value in determining this question, when they shall consider it with intellectual and moral integrity and not in a spirit of trade, of barter, or of easy compliance with the demand of special interests, whose lobbyists swarm the corridors of this Capitol.

Mr. President, mere denunciation of a bill, or of the managers of the bill, I regard as serving no good purpose unless proof is offered which shall be convincing to thoughtful and honest men that the condemnation is thoroughly justified.

In pointing out the injurious effects of what I shall demonstrate to be a monopoly-protecting tariff upon our entire people, including every class of consumers, every class of producers, every class of manufacturers or distributers or merchants except the masters of monopoly, I shall do so dispassionately, with a composed temper and with an earnest desire to offer reasons, at least, to those now trusted by our people with power

why they should not persist in a policy full of injury and harm to the Republic.

I shall be compelled in this discussion to point out the logical consequences of a monopoly-protecting tariff; its effect, its dangerous effect, in piling up stupendous wealth on the one side in the hands of its favorites, and in causing great wretchedness and poverty on the other side among the weaker and more defenseless classes of our people.

When I point out the unavoidable effect of extreme poverty as the necessary complement of unlimited wealth in the hands of the few, accumulated under the shelter of law, I wish it distinctly understood that the dark picture of human misery which the truth compels me to portray breathes from me no spirit of pessimism, because I am full of hope. I recognize the immediate dawn of better things and an early remedy. The increasing intelligence of our people already begins to understand the causes of these conditions and to formulate the natural and reasonable remedy for their correction. The spirit of benevolence and of patriotism which characterizes the great body of our people and, I rejoice to say, moves a multitude of the beneficiaries of our unwise system gives promise for an early correction of the injurious consequences which naturally follow a prohibitive tariff, with its necessary brood of successful monopolies, by the reduction of that tariff; if not now, through the party in power, then by the unwearied Democracy that has been faithfully pointing out its evils for twenty-five years. I shall endeavor to point out some of the injurious consequences of the tariff-engendered monopolies and their crushing effect upon human life; but in doing so I shall not be understood as a pessimist, because I am precisely the contrary.

OPTIMIST.

Mr. President, I am an optimist; because I feel that the Anglo-Saxon race and the Teutonic blood represented in this country by millions of men of the northern races of Europe and Great Britain and the adopted sons of other great nations in our land have an unquenchable love of liberty, of justice, and of compassion, and will correct every evil of our great Government; because our forefathers distinguished themselves by a love of liberty that dared death in every form to establish it and maintain it in the bosom of this Republic; because our immediate forefathers not only loved liberty, but they practiced that form of government which made liberty a working force in the administration of this Government from the days when the town meeting in New England, in Massachusetts, Mr. President, in Connecticut, and in Rhode Island instructed their representatives according to the will of a free people. In those good old days when the Representative was not a machine-made politician, but was a Representative in the highest and best sense—of representing directly the opinions and the commercial interests of the common people who sent him.

I am an optimist because of my perfect confidence in the great body of the American people, whose stability, patriotism, and common sense will control this country and direct it along sound paths of good government; because I see in many directions the gradual restoration of the right and power of the people to select their public servants directly, and directly require them to carry out their will. I rejoice to see the establishment of the initiative and referendum in Maine and in Oregon and in other States, as well as in Oklahoma, and the establishment of the direct primary in so many of our States.

I rejoice to see the people instructing their legislatures in the selection of Senators, and while I did not receive any report from the Senator from Michigan, as chairman of the Committee on Privileges and Elections, of the proposed amendment to the Constitution of the United States I had the honor to submit during the last Congress for the election of Senators by direct vote of the people, I have felt justified in being an optimist because I was able to point out 24 States in the Union that had requested from their legislative assemblage this restoration to the people of their ancient right of rule.

Now, Mr. President, I am an optimist, notwithstanding the hostile attitude of the leaders now in control of the Senate, because already there are 29 States, including Michigan, the State of the distinguished chairman of the Committee on Privileges and Elections, in which the election of Senators is controlled by the direct voice of the people.* It will only be a few short years when 46 of the States will be controlled in this manner; and when that day comes, no Senator in this Chamber will be so callous as to mock the pledges made to the people in national platforms.

I am an optimist, Mr. President, because of the magnificent growth of our Republic under the blessings of liberty.

From 5,000,000 people in 1800 we have over eighty-five millions in 1907. From five billions of wealth in 1800 we have a hundred and twenty-five billion in 1909. From a weak nation we have become potentially the greatest nation in the world; but above all, Mr. President, has been our increase in the means of intelligence.

Forests are now converted into paper with lightning speed. Volumes innumerable, filled with learning upon every subject, are crowding into the pathway of knowledge; but chief of all the modern newspapers, filled with learning, wit, and humor, illustrated with splendid descriptions and photographs of everything "in the heavens above, the earth beneath, and the waters under the earth," are thrust into the hands of the wayfaring man for a price incredibly small, so that he who runs may read and instantly learn what is transpiring in regard to everything of human interest at home and abroad, so that every citizen may know at breakfast every fact transpiring on earth that he cares to know, from the diplomatic questions of foreign courts to the wonderful home run of Casey on the Chicago ball grounds, from the market quotations of London and New York to the astonishing description of the last wild beast slain on the eastern coast of Africa by one of our very distinguished fellow-citizens.

While it is true that thirty-five thousand millions of dollars of the proceeds of human labor in the United States have passed into the hands of various corporations, and a very large part of all of the net proceeds of American labor have been improperly acquired by monopoly; and while 7,000,000 women have been driven from out the peaceful shelter of the American home into commercial rivalry with men; and while 5,000,000 children in like manner are being driven under the commercial whip to sacrifice their youth, in large part, to the demand of Mammon; and while there are many millions of men who regard life with great anxiety, constantly in fear of the drastic power of extreme poverty and lack of employment, still I see that the American workmen, in the factories of our land, have exhibited a net output per capita of over twelve hundred dollars, from which the legitimate demand on him for the support of an American family can be met and still leave a large surplus earning.

The American people have shown that they are far more than abundantly capable of sustaining themselves and making the most substantial contribution to the wealth of the Republic and of the world and still leave themselves reasonable leisure.

And, finally, Mr. President, I am an optimist because I believe that the American people—who love liberty, who believe in self-government, who believe in mercy and in charity as well as in industry and providence—will see to it that this Government is so conducted by their representatives that in the future there shall be *a more equitable distribution of the proceeds of human labor;* that we shall change the present policy, whose inevitable tendency is the useless, the vulgar, and insane enrichment of the few at the expense of the misery and sorrow and of the physical and spiritual degeneration of millions of men, women, and children who are now submerged by the devices of commercialism gone mad.

The bill should not pass,

BECAUSE IT IS CONTRARY TO THE WILL OF THE AMERICAN PEOPLE.

Mr. President, the American people were promised by both parties a reduction of the tariff, and had a right to expect substantial reduction. The representatives of one-half of the people, assembled at Denver, emphasized this matter most vigorously in the Democratic platform in the following language:

> We welcome the belated promise *of tariff reform* now offered by the Republican party. * * *
>
> This platform declared:
>
> The people can not safely intrust the execution of this important work to a party which is so *deeply obligated to the highly protected interests as is the Republican party.*
>
> This platform states:
>
> We call attention to the significant fact that the promised relief *was postponed until after the coming election*—an election to succeed in which the Republican party must have *the same support from the beneficiaries of the high protective tariff as it has always heretofore received from them;* and to the further fact that during years of uninterrupted power no action whatever has been taken by the Republican Congress to correct the admittedly existing tariff iniquities.
>
> This platform further declared:
>
> We favor immediate revision of the *tariff by the reduction of import duties.* * * *

* Alabama, Arkansas, California, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maryland, Michigan, Missouri, Mississippi, Nebraska, Nevada, New Jersey, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Virginia, Washington, and Wisconsin. Of these California, Nevada, Idaho, and Michigan came in this year—1909.

The party to which I have the honor to belong has, since 1876, demanded a proper reform of the inequalities, injustices, and false pretenses of a tariff controlled by selfish interests at the expense of the American people.

It never has, Mr. President, at any time contemplated so reducing the tariff as to injuriously affect any legitimate industry whatever. On the contrary, while it has pointed vigorously to the fraud and false pretenses of the monopoly protecting tariff, it always has been mindful of the rights of capital legitimately employed in manufacture, and equally mindful of labor employed in industries established under the shelter of our tariff system.

In 1884 the Democratic national platform said:

> Many industries have come to rely upon legislation for successful continuance, so that any change of law must be at every step regardful of the labor and capital thus involved. The process of reform must be subjected in the execution to this plain dictate of justice; *all taxation shall be limited to the requirements of economical government.* The necessary reduction of taxation can and must be effected *without depriving American labor of the ability to compete successfully with foreign labor* and *without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country.*

The practice of writing these schedules at prohibitive rates and preventing competition and engendering monopoly has been fiercely condemned by the Democracy as "robbery of the great majority for the benefit of the few" (1892). It has demanded a constitutional tariff drawn for the purpose of revenue, but has not condemned the unavoidable incidental protection which any tariff for revenue, or for revenue only, unavoidably affords, and which will always be found sufficient for the incidental protection of legitimate industry.

The reason why protection AS PRACTICED has been denounced as "robbery" is because such schedules have been drawn not for constitutional revenue purposes, but to shelter monopoly and permit monopoly to wrongfully tax the people under the color of a pretended revenue law.

The party to which I have the honor to belong, therefore (1908), welcomed the promise of tariff reform offered by the Republican party in 1908 on the basis of "the difference between the cost of production at home and abroad," for the obvious reason that a tariff so drawn would necessarily be a tariff for revenue with only such incidental protection as justice and common sense requires.

It was this kind of tariff law drawn in 1846, with which both parties were well satisfied in 1856. If this law were now so drawn, the contention between the two great parties on this issue would necessarily cease. [For party platforms compared see Exhibit 11.]

The party leaders of both great parties declared the purpose of reducing the tariff downward. No manner of explanation or evasion can alter the substantial truth that it was the expressed will of the American people making itself felt through both party platforms and through both party leaders that there should be a substantial reduction of tariff duties.

The Republican platform of 1908 declares "*unequivocally*"—a remarkable word in a platform, and suggests the purpose of equivocation—"for revision of the tariff by *special* session of the Congress *immediately* following the inauguration of the next President," and says:

> In all tariff legislation the true principle of protection is best maintained by the imposition *of such duties as will equal the difference between cost of production at home and abroad*, together with a reasonable profit to American industries.

The platform also says that it is the Republican policy—

> To preserve *without excessive duties* the security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-workers of this country, who are the most direct beneficiaries of the protective system.

Excessive duties are here condemned by the leaders of the Republican party, and in 1904 the Republican platform declared:

> *The measure of protection should always at least equal the difference in the cost of production at home and abroad.*

Even in the majority report of the House committee, page 2, section 1, they declared:

> *While duties should be protective*, they should be adjusted as nearly as possible *to represent the difference in cost of production at home and abroad.*

IT VIOLATES THE REPUBLICAN PLEDGES.

The rates of the bill submitted by the Finance Committee average higher than the Dingley bill and are not a reduction at all.

The chairman of the Committee on Finance ostentatiously sets forth 379 items on which reductions are made.

These reductions, as will appear in the CONGRESSIONAL RECORD of May 5 and by Exhibit 12, I here submit, are items of no national importance. Two hundred and seventy-four of these items involve articles whose imports are less than $25,000, or severally less than one-thirtieth part of 1 penny gross imports per capita. The table which I submit gives the items in excess where the imports of such articles amounted to over $25,000, and the table discloses the fact that the total imports excepting lumber was extremely small, and that the pretended reductions are of no importance, while the increases are of substantial importance.

Mr. President, this bill should not passs, because it violates the pledges of the Republican party and of the Republican leader during the last campaign. The party platform, I have shown above, is unequivocal. Its reasonable and natural interpretation is plain. The Senator from Indiana on May 25 set forth at great length the declarations of the President of the United States, quoting him as pledging the American people—

> Genuine and honest revision * * * substantially a *revision downward*, though there will probably be a few exceptions—

As delivered by the President September 24, 1908.

No wonder the Republican Senator from Minnesota [Mr. NELSON] demands to know what this special session was called for, if it was merely to rewrite the Dingley bill.

No wonder the Republican Senators from Iowa, Indiana, Nebraska, Minnesota, and Wisconsin and other States *vehemently protest* against this betrayal of the party pledge. The Senator from Massachusetts will explain in vain to the American people that it was not the purpose of the party to have a substantial revision downward, as the President said, September 24, 1908, at Milwaukee.

The President in his inaugural address reiterated his construction of the purposes of the party, as was strongly pointed out by the Senator from Indiana, and stated in the most positive manner:

> It is imperatively necessary, therefore, that a tariff bill be drawn in *good faith* in accordance with *promises made before the election* by the party in power.

And on December 17 last the President is quoted as having said before the Ohio Society:

> Better no revision at all, better that the new bill should fail, unless we have an honest and thorough revision on the basis laid down and the principles outlined in the party platform.

The Republican platform declared in 1904 for a tariff law merely "equal to the difference in the cost of production at home and abroad," and in 1908 likewise declared for—

> Such duties as will equal the difference between the cost of production at home and abroad.

And yet the leaders of that party, neither in the House nor in the Senate, have concerned themselves to compile "the difference in the cost of production at home and abroad," although they have submitted many volumes of thousands of pages of confused miscellany, a small portion under oath, a large portion not under oath, with no safeguard whatever, and coming from selfish interests seeking the privilege of monopoly over the American people.

When I, as a Senator of the United States, representing the people of the United States, from Maine to California, and entitled by the honor and dignity of my position to a proper answer, demand to know "why the difference in the cost of production at home and abroad" had not been compiled as a basis for the drafting of this statute, the Senator from New Hampshire rises in his place and solemnly advises me that my inquiry is "absurd." [Turning to the Senator from New Hampshire, Mr. GALLINGER.] He will find his remarks on page 2134 of the CONGRESSIONAL RECORD.

The suggestion is made by other Republican leaders that the information can not be obtained, and when I myself offer over 446 items which had been compiled ten years ago by Carroll D. Wright, Commissioner of Labor, they show themselves acquainted with the matter, confess that this information can be obtained, and plead that the report is not up to date.

The Senator from Rhode Island, chairman of the Committee on Finance, rises in his place and, with a fine sense of humor excited by my request and inquiry why the difference in cost of production had not been compiled, advises me with amused satire that he will have a clerk compile for me a list of publications relating to the tariff, but will be unable to furnish me with the intelligence to digest them.

I shall not question the intelligence of the chairman of the Committee on Finance, nor shall I reply to him in kind. I appeal from him to the American people, who will not hold him

guiltless for his callous and reprehensible conduct in this matter.

Mr. President, I keenly regret to feel impelled to comment in this manner upon the conduct of public business in the Senate. Not only has the chairman of the Committee on Finance not furnished the Senate "the difference in the cost of production at home and abroad;" not only has he not made a proper report to the Senate in regard to this matter; not only has he replied with satirical indifference to a respectful demand for proper information which he was charged with the duty of obtaining, but he has withheld information upon this point obtained by our Department of State, through the German Government, for the express purpose of our enlightenment. He has done, Mr. President, what is infinitely more reprehensible; he has refused to the Senator of Virginia and to the other Democratic members of the Senate Finance Committee the privilege of having the same information as he himself has enjoyed by virtue of being an officer of this body; and when, Mr. President, his attention is called to this unjust and unconstitutional conduct, he justifies it by quoting from an evil precedent of Democratic origin and seemed to think he had fully answered for this breach of duty.

Mr. President, a bad Democratic precedent is no more respectable to me than a bad precedent from any other source.

The conduct of the chairman of the Committee on Finance in holding secret meetings with regard to this public matter and in giving repeated confidential audiences to the agents of monopoly, whose advice is influencing the various paragraphs of this bill in their own interests against the interests of the American people, is a bad precedent either to set or to follow, and puts the management of the Senate of the United States under the suspicion of a want of frankness and of a want of sincerity in drawing these schedules. It is of the highest national importance that the Senate of the United States and every Member of it should not only be above suspicion, but, as far as possible, beyond danger of being deceived or misled.

This evil precedent has already borne bad fruit, and the chairman of the Committee on Finance has been induced to put into this bill and to retain in this bill many so-called "jokers"—that is, words and phrases, innocent in appearance, with far-reaching consequences, favorable to the beneficiary and unfavorable to the people. These devices have already been pointed out on the floor, and I shall not pause to enumerate them. No court of justice, and no high official of government charged with a sacred trust should permit himself to conduct "star-chamber proceedings," because it is almost sure to bring upon himself the odium of suspicion and public hostility as a Member of the United States Senate.

I enter my emphatic protest against this conduct of the public business as a precedent. It should not be permitted to stand as a precedent.

The poor excuse that the Democratic Members were lately furnished with the assistance of two statisticians does not in the least degree excuse this grossly improper method of conducting the public business. These experts were not furnished until it was too late to use their services advantageously for the proper digest and amendment of this bill.

For over a year the Republican Members have given it out that they were preparing this bill, and yet with all this time they have never yet furnished either the House or Senate with "the difference in the cost of production at home and abroad" of the items in the paragraphs of the Dingley bill, which they were honor bound to do by the platform of 1904 and by the platform of 1908, which required the redrawing of these paragraphs on this precise basis.

They can furnish no explanation of this astonishing and shocking neglect of duty, except perhaps the explanation offered by the Senator from South Carolina, who humorously apologized for them—

That they could not be expected to furnish a rope with which to hang themselves.

Is it possible, Mr. President, that men of nobility and character, that Senators trusted by the people with such power, have knowingly refused to compile "the difference in the cost of production at home and abroad" on the items of the Dingley bill for our present guidance because they intended to break faith with the American people and did not dare to make the truth manifest by compiling this damning evidence of their betrayal of their party pledges?

Whatever the purpose, Mr. President, the responsible authorities of the Senate in charge of this bill have furnished everything else except the evidence in point, and have obscured the issues both in the Senate and House by many volumes of undigested and undigestible matter, as well calculated to confuse the mind of an intelligent and laborious legislator as the huge volumes of testimony bundled before the petit jury in the criminal-rich cases, for the purpose of befogging the issue and assuring a miscarriage of justice.

In answer to my resolute demand for this information, the managers of the Senate, presenting and sustaining this bill, undertook to ridicule and discourage the inquiry. The chairman of the Committee on Finance [Mr. ALDRICH] indulges in satire, evasion, and suggests a lack of intelligence in the inquiry. The Senator from New Hampshire [Mr. GALLINGER] declares the inquiry absurd. The Senator from Montana [Mr. CARTER] suggests that Senators can not expect to be fed with an intellectual spoon, and so forth. And this is the utterly contemptible and pusillanimous manner in which party pledges are redeemed. This is the answer made to a respectful inquiry, why this information is not furnished as to "the difference in the cost of production at home and abroad," and why this bill is not written in the light of this evidence, as the party pledged itself to do to the American people.

Mr. President, the Republican leaders in charge of this bill occupy a position absolutely and utterly indefensible. They have boldly and openly violated the pledges of the party and have sacrificed the interests of the American people to benefit those selfish interests which are using these high schedules for the purpose of sheltering monopoly.

Mr. President, I can not help but believe that the Republican leaders, acting through the subtle influence of machine politics, have been led into a support of these high schedules without fully realizing that they are violating their party pledges, which confines them to the difference of the cost of production at home and abroad, but having made the error, defend it from false pride of opinion.

They have been, not perhaps quite hypnotized, but overwhelmed with the "power of suggestion" enveloping them and creating the atmosphere and controlling environment established by a swarm of attorneys, special pleaders, and fascinating representatives of the high-tariff beneficiaries.

They seem to have entirely lost sight of the principle of protection taught by their forefathers and defended by their own platform. This bill ought not to pass

BECAUSE IT VIOLATES THE TRUE PRINCIPLE OF LEGITIMATE PROTECTION, WHICH DOES NOT ENGENDER OR DEFEND MONOPOLY.

This bill ought not to pass, because it violates the principle of protection from beginning to end.

Mr. President, if there is one thing that ought to be more thoroughly understood than another in this country it is—

The principle of legitimate protection.

There is not the slightest doubt about what it means from the days of Alexander Hamilton to this good day. The meaning of protection is absolutely clear to all students of economy, and that is a duty under a constitutional revenue tariff, so levied as to equal "the difference in cost of production at home and abroad," and thus enable the American manufacturer *to meet on equal terms the competition of the foreign manufacturer*, who enjoys cheaper labor or more favorable conditions, but not to establish monopoly by prohibitive duties.

Alexander Hamilton, in his famous report on the encouragement of manufacturers, gives the reasons for this policy. It was accepted by Washington, by Jefferson, by Madison, by Andrew Jackson, and various Democratic leaders down to the days of Samuel J. Tilden and Grover Cleveland, and has not been denied, as far as I am informed, by any great Democratic leader.

The Democratic platform of 1884 vigorously declared that in reducing the tariff the reduction—

Must be effected, without depriving American labor of the ability to compete successfully with foreign labor, and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country.

And the Republican platform of 1904 says:

The measure of protection should always, at least, equal the difference in the cost of production at home and abroad.

And this doctrine is repeated again in the tariff of 1908 in the following words:

The true principle of protection is best maintained by the imposition of such duties as will *equal the difference between the cost of production at home and abroad.*

The Republican platform of 1908, however, adds the words:

Together with a reasonable profit to American industries.

This latter is not the doctrine of protection. It is the political wedge of monopoly. It is the latest political device of those who have been fraudulently building up monopoly under color of the doctrine of protection.

The Democrats have sincerely and justly declared "Republican protection" a fraud and the shelter of monopoly. The Republicans have unjustly and deceitfully declared the Democratic tariff for revenue to be free trade.

I shall undertake, Mr. President, to show that the tariff under the doctrine for revenue would be three times as high as a tariff drawn purely for purposes of protection under the principles laid down in the Republican platform of equaling the difference in the cost of production at home and abroad, if it were honestly drawn.

The Democratic doctrine of a tariff for revenue is not free trade or anything which approximates it. It is a tariff high enough to abundantly afford every protection to any American industry which it has an honest right to ask, as I shall immediately show.

The Democratic doctrine has been the correct one; that is, a tariff as low as economical government will permit, and not so low as to injure any legitimate industry established under our tariff system, contending that a tariff for revenue properly drawn will meet by incidental protection every legitimate demand.

I shall not pause to discuss the difference between the two parties. I shall content myself with showing that this bill does not conform to the principle of legitimate protection, absolute or incidental, laid down by either party, but under the pretense of protecting American labor and American capital legitimately employed it is written in such a manner as to utterly ignore the principles of protection as taught by the Republicans themselves. This will be perfectly obvious to any man who will take the schedules submitted under the head of "Estimated revenues of this bill," of April 12, 1909, showing the rates proposed by this present bill and the comparison of the rates with the Dingley bill.

THE DIFFERENCE IN THE COST OF PRODUCTION AT HOME AND ABROAD.

The cost of production depends on materials and labor.

Materials are as cheap in the markets of the world to the American as to the European, except as we tax import of raw material by our own statute. Our policy, with few exceptions, is to admit raw material free, so that the question of the relative cost of materials is of very small relative importance.

Our manufacturers get free raw materials for their export business by refund of duties paid.

Many materials are cheaper in the United States than they are abroad, except where controlled by our unrestrained monopolies.

LABOR COST.

Labor cost in wages *in the protected industries, measured by efficiency* and *the purchasing power of wages* paid to labor, is approximately the same in the United States as in Europe, except where the American wage-earner is highly organized.

1. I shall undertake to show that this is true by showing that the money paid American labor *in protected industries* is approximately on an average but little more than that paid in Europe.

2. That the American workman is *twice as efficient*, and because of efficiency is entitled to twice the wage of the European workman, and that the difference in labor cost compared to the value of the product is in favor of the American manufacturer.

3. I shall undertake to show that $150 of wages in the United States buys only what a hundred dollars buys in Europe in manufactured goods, and for this reason the American manufacturer does not pay his labor as much in proportion to work done as the European manufacturer.

4. I shall undertake to show, finally, that the total percentage of wages to the gross product of all American manufacturers is only 17.8 per cent of the gross value of the product, and, therefore, that the difference in the cost of production in the United States and abroad must be on an average less than this percentage. If labor abroad cost half as much as in the United States, as the high protectionists pretend, then the difference in cost of production necessary to be provided for by a purely protective tariff would be less than the average of 10 per cent, while a revenue tariff would be between 30 and 40 per cent.

I shall undertake to show the bad effect of a prohibitive tariff on wages, on commerce, on distribution of wealth, and in corrupting of public and private life.

3. Effect of prohibitive tariff.

ON WAGES.

(*a*) Has lowered wages relative to product.

(*b*) Has lowered wages in protected industries compared to unprotected industries.

(*c*) Has lowered purchasing power of wages.

(*d*) Has established monopoly, and, consequently,

1. Has prevented or obstructed the organization of labor.
2. Restricted output and diminished demand for labor.
3. Has substituted foreign pauper labor for American labor.
4. Has required ruinous hours.
5. Subjected labor to bad housing, bad water, insanitary conditions.
6. Has increased mortality of labor.
7. Has destroyed political liberty of its labor in large measure.
8. Has impaired labor's commercial independence.
9. Has appropriated all the net proceeds of labor and accumulated it in the hands of the few.

ON COMMERCE.

(*a*) Has weakened our imports and exports.

(*b*) Has diminished the output of smaller factories, depending for material on monopolies.

(*c*) Has raised prices in United States 50 per cent above the prices abroad, thus *diminishing consumption.*

1. This means a ruinous tax on the man or woman with fixed income. A man with income of $1,500 *has one-third of income* confiscated by monopolies' high prices.

This affects all men with fixed income. The clerk, the servant, the government employee, the pensioner, the man receiving fixed return from investment, yields one-third of it all to monopoly.

ON DISTRIBUTION OF WEALTH.

1. It has piled up enormous wealth in few hands, which now grows with accumulating force, absorbing all *natural opportunities* of life. The oil fields, coal, ore, timber, transportation, and transmission services, municipal franchises, real estate, water powers, with the inevitable result, if not checked, of commercial mastery and commercial slavery and destruction of political independence.

2. It has *corrupted our public life*, our elections, our cities, our courts, legislatures, and executive officers, and our private citizens.

FIRST. RELATIVE LABOR COST.

Mr. President, I wish to point out the relative labor cost, because in considering this matter as a student, I have faithfully undertaken to do so. What I shall say will be as a student of this matter and not as a mere controversialist—and I defy the Committee on Finance to challenge the accuracy of the figures which I submit to the Senate—the labor cost of material is the first great factor that ought to be considered by the Senate. The percentage which labor bears to various products, as shown by our statistical tables, is carefully set forth in Exhibit 1, taken from volumes 7–10 on manufactures of our federal census.

It is true that the Census Bureau neglected to work out the percentages of labor cost, but that is a mathematical problem easy of solution, to which I have given industrious attention. I call the attention of the Senate to these percentages, which are of vital importance if this bill is to be writen in a spirit of integrity. From this table it appears that labor's share of the gross product in the food industries was 5.7 per cent; in textiles, 19.5 per cent; in iron and steel, 22.10 per cent; lumber, 27.4 per cent; leather industries, 16.5 per cent; in paper and printing, 21.6 per cent; in liquors and beverages, 8.9 per cent; in chemicals and allied products, 8 per cent; clay, glass, and stone products, 37.1 per cent; in metals and metal products, 12.7 per cent; tobacco products, 18.9 per cent; for vehicles for land transportation, 34.4 per cent; in shipbuilding, 35.2 per cent; in miscellaneous industries, 19.9 per cent.

The average of wages paid to labor, compared with the gross product in the 14 great industries, therefore, is only 19.7 per cent of the gross product. And yet the leaders bring in this bill with the average three times as high as the total labor cost, and ask us, representing the people of the United States, to accept it without a murmur and without a protest. They have neglected to point out the difference of the cost of production at home and abroad. I have undertaken to do so, and to put upon the records of the Senate a lasting memorial of what this cost is, that they shall not leave this matter without explanation to the people of the United States. It shall be recorded and it is recorded by the tables which I shall immediately submit.

Mr. President, before I submit these tables, however, I wish to call attention to the report of Carroll D. Wright. I have suggested heretofore to the managers of this bill that they might consult the tables of Carroll D. Wright with advantage. He

offers 446 different articles, with the total labor cost measured to the cent in each and every one of them, taking this information from the United States, from Germany, from Belgium, from England, and he verifies in these particular instances the accuracy of our general tables taken from the Census Bureau.

Obviously, the difference in the percentage which the wages of labor abroad would bear to manufactured products in like great industries will be somewhat similar to the percentage in this country. Wages are somewhat cheaper abroad in the protected industries than they are in this country, and if the average wage was only half abroad what it is at home, the difference in the cost of wages at home and abroad would not exceed 10 per cent ad valorem on the gross products of labor in all of our 14 great groups of manufacturing industries; but when it is remembered that American labor is twice as productive in this country as it is abroad, even this 10 per cent disappears. Notwithstanding this important and vital fact, the representatives of high protection continually declaim that a 50 per cent tariff is almost solely and exclusively in the interest of the American laborer and for the protection of the American manufacturer from bankruptcy.

THE LOWER WAGES IN EUROPE OFFSET BY GREATER EFFICIENCY OF AMERICAN LABOR.

James G. Blaine once said:

That the actual labor cost of the American product is less because the effectiveness of American labor was superior to that of the workingman of any other nation on earth.

Prof. William G. Clark, indorsed as an authority by the Senator from New Hampshire [Mr. GALLINGER], in the Engineering Magazine for May, 1904, submits a table, which he bases on official data, showing the comparative productivity of American labor for the year 1900, as follows, to wit:

American, average annual output	$2,450
Canadian, average annual output	1,455
Australian, average annual output	900
French, average annual output	640
England, average annual output	556
German, average annual output	460

I do not assert that these figures are strictly correct, but believe it will be generally conceded that the American workman has at least twice the efficiency of the European workman, because of the use of superior machinery, modern appliances, and more effective invention.

PER CENT OF WAGES TO VALUE OF PRODUCT NOT CONSIDERED IN TARIFF RATES OF PENDING BILL.

The percentage which labor receives upon the gross product in the textiles industry, for example, as compiled by our own census on manufactures, is only 19.5 per cent; and yet when the woolen schedule, for example, is examined, the present bill puts yarn, 143 per cent (par. 373); knit fabrics, 141 per cent (par. 374); plushes and other pile fabrics, 141 per cent; wool advanced in any manner beyond scouring, 140 per cent; woolen cloths or worsted, 134 per cent (par. 374); blankets, 107 per cent; flannels for underwear, 143 per cent; dress goods, coat linings, and so forth, 105 per cent (par. 376); felts, not woven, 95 per cent; wearing apparel, clothes, dolman, jackets, ulsters, and so forth, for ladies and children, 80 per cent; hats of wool, 92 per cent; shawls, 92 per cent; woolen carpets, 114 per cent (par. 389).

Grossly violating the principle of protection, even from the Republican standpoint, and even in cotton cloth, which is particularly needed by our poorest people, cotton carpets are taxed 50 per cent (par. 389); cotton cloth 42 per cent, and as high as 61 per cent for different kinds of cotton cloth; cotton handkerchiefs, 55 per cent; cotton sleeve linings, 58 per cent.

Mr. President, the cost of labor in transforming wool and cotton into cloth is small. It does not exceed an average of 25 per cent, and in England it is slightly more than in the United States, because the labor there is not so efficient as in the United States; and the difference in the cost of production at home and abroad as far as the labor cost in cotton and woolen cloth is concerned is almost a negligible quantity.

It will not do, Mr. President, to attempt to deceive anyone by pretending that the difference in cost of production of items on this bill at home and abroad is not available, or that it would take years to compile it, as the managers of this bill have asserted on the floor of the Senate during this debate. It is available, and it has been collected on many sample products.

I had the honor to submit to the Senate, during the present session, the report of Carroll D. Wright, Commissioner of Labor, of 1898, who carefully examined into this question of costs, giving the precise amounts of costs in 446 instances. And in regard to woolen goods he shows that No. 1 woolen yarn can be made at a labor cost of 5.44 per cent of the finished product (S. Doc. 20, 55th Cong., 3d sess., p. 84); that woolen yarn No. 2 could be made with a labor cost of 4.74 per cent of the finished product; that woolen yarn No. 3 could be made for 7.11 per cent of the finished product; that woolen yarn No. 4 could be made for 6.49 per cent of the finished product; that woolen yarn No. 5 could be made at a cost of 7.71 per cent of the finished product; that woolen yarn No. 6 could be made at a labor cost of 9.29 per cent of the finished product; and including the entire cost of labor in transformation materials, which are shown in No. 426, that woolen cloth in the United States, 55 inches wide, 24 ounces to the yard, can be made at a labor cost of 16.44 per cent of the finished product.

But the Committee on Finance approve a rate of 143 per cent on woolen yarn.

Mr. President, if I should point out all of such inequalities between the cost of production at home and abroad and the rates fixed by this bill, with its 4,000 items, it would require a volume and many days of time. I therefore content myself with a complete demonstration of the general character of this bill in its indifference to the principles of protection as laid down in the Republican platform, and will then proceed with other considerations.

I take a few items from Carroll D. Wright's report, giving the cost of labor in transforming wool into blankets in the United States, compiled by him under the instructions of the Senate ten years ago, and of woolen cloth.

He explains that this work was obtained directly from the manufacturers by the Department of Labor, using "experts from the department, detailed for that purpose."

He shows the total cost of labor in blankets, cloth, and woolen yarns to be from 5 per cent to 30 per cent.

[From report of Carroll D. Wright, Commissioner of Labor, 1898, by experts on cost, in answer to Senate resolution.]

Woolen goods.

No. 390.—*Blankets:* United States; 1897; unit, 1 pound.
White; best grade; all wool; warp, 16 cut; filling, 10 cut; 46 threads of warp and 38 picks of filling per inch; size, 72x80 inches; weight, 6 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.145	15.56
Cost of materials and all other items except labor	.787	84.44
Total cost	.932	100.00

No. 391.—*Blankets:* United States; 1897; unit, 1 pound.
White; navy; all wool; warp, 7½ cut; filling, 6½ cut; 24 threads of warp and 24 picks of filling per inch; size, 58x78 inches; weight, 3¼ pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0978	15.28
Cost of materials and all other items except labor	.5422	84.72
Total cost	.6400	100.00

No. 392.—*Blankets:* United States; 1897; unit, 1 pound.
White; medium grade; all wool; same general description as product No. 390, but made of cheaper quality wool.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.13	18.57
Cost of materials and all other items except labor	.57	81.43
Total cost	.70	100.00

No. 393.—*Blankets:* United States; 1897; unit, 1 pound.
All wool; warp, 11 cut; filling, 9 cut; 23½ threads of warp and 27 picks of filling per inch; size, 58x76 inches; weight, 2 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1417	31.40
Cost of materials and all other items except labor	.3096	68.60
Total cost	.4513	100.00

Woolen goods—Continued.

No. 394.—*Blankets:* United States; 1897; unit, 1 pound.
White; best grade; cotton warp and wool filling; warp, No. 16; filling, 10 cut; 52 threads of warp and 42 picks of filling per inch; size, 60x72 inches; weight, 5 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.125	15.76
Cost of materials and all other items except labor	.668	84.24
Total cost	.793	100.00

No. 395.—*Blankets:* United States; 1897; unit, 1 pound.
White; mixed cotton and wool; warp, 10 cut; filling, 10 cut; 36 threads of warp and 36 picks of filling per inch; size, 60x72 inches; weight, 5 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.135	16.71
Cost of materials and all other items except labor	.673	83.29
Total cost	.808	100.00

No. 392.—*Blankets:* United States; 1897; unit, 1 pound.
White; medium grade; all wool; same general description as product No. 390, but made of cheaper quality wool.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.13	18.57
Cost of materials and all other items except labor	.57	81.43
Total cost	.70	100.00

No. 393.—*Blankets:* United States; 1897; unit, 1 pound.
All wool; warps, 11 cut; filling, 9 cut; 23½ threads of warp and 27 picks of filling per inch; size 58x76 inches; weight, 2 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1417	31.40
Cost of materials and all other items except labor	.3096	68.60
Total cost	.4513	100.00

No. 394.—*Blankets:* United States; 1897; unit, 1 pound.
White; best grade; cotton warp and wool filling; warp No. 16; filling, 10 cut; 52 threads of warp and 42 picks of filling per inch; size, 60x72 inches; weight, 5 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.125	15.76
Cost of materials and all other items except labor	.668	84.24
Total cost	.793	100.00

No. 400.—*Blankets:* United States; 1897; unit, 1 pound.
Horse; medium grade; all wool; warp and filling, both 5-cut; 22 threads of warp and 22 picks of filling per inch; size, 84x90 inches; weight, 7 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0650	19.07
Cost of materials and all other items except labor	.3607	80.93
Total cost	.4457	100.00

No. 401.—*Blankets:* United States; 1897; unit, 1 pound.
Horse; plaid; all wool; warp and filling, both 4½-cut; 21½ threads of warp and 17 picks of filling per inch; size, 78x80 inches; weight, 5 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1000	21.42
Cost of materials and all other items except labor	.3669	78.58
Total cost	.4669	100.00

Woolen goods—Continued.

No. 402.—*Blankets:* United States; 1897; unit, 1 pound.
Horse; low grade; mixed wool and cotton; warp and filling, both 4-cut; 20 threads of warp and 20 picks of filling per inch; size, 84x90 inches; weight, 7 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0550	32.09
Cost of materials and all other items except labor	.1164	67.91
Total cost	.1714	100.00

No. 403.—*Blankets:* United States; 1897; unit, 1 pound.
Horse; blue; cotton warp and wool filling; warp, No. 10; filling, 4-cut; 32½ threads of warp and 48 picks of filling per inch; size, 84x90 inches; weight, 7 pounds.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0714	24.43
Cost of materials and all other items except labor	.2209	75.57
Total cost	.2923	100.00

No. 404.—*Blankets:* Belgium; 1897; unit, 1 pound.
White; all wool; medium quality.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0525	14.99
Cost of materials and all other items except labor	.2977	85.01
Total cost	.3502	100.00

No. 405.—*Cloth:* United States; March, 1898; unit, 1 yard.
Beaver; 54 inches wide; weight, 29 ounces per yard; warp yarn, No. 16 colored cotton; weft yarn, ⅞ of 2¼ run and ⅛ of 1 run shoddy; 85 ends of warp and 62 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.240	28.20
Cost of materials and all other items except labor	6.11	71.80
Total cost	.851	100.00

No. 406.—*Cloth:* United States; March, 1898; unit, 1 yard.
Cassimere; 54 inches wide; weight, 20½ ounces per yard; warp yarn, 2¼ run; weft yarn, 2⅜ run; 50 ends of warp and 36 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.20	23.81
Cost of materials and all other items except labor	.64	76.19
Total cost	.84	100.00

No. 407.—*Cloth:* United States; March, 1898; unit, 1 yard.
Cassimere; 54 inches wide; weight, 22 ounces per yard; warp yarn, 2 run; weft yarn, 2½ run; 50 ends of warp and 36 picks of filling per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.2100	23.80
Cost of materials and all other items except labor	.6725	76.20
Total cost	.8825	100.00

No. 408.—*Cloth:* United States; 1897; unit, 1 yard.
Cassimere; 54 inches wide; weight, 26 ounces per yard; warp yarn, 4-run; weft yarn, 5-run; 75 ends of warp and 64 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.3654	28.31
Cost of materials and all other items except labor	.9252	71.69
Total cost	1.2906	100.00

Woolen goods—Continued.

No. 409.—*Cloth:* United States; 1897; unit, 1 yard.
Cassimere; 54 inches wide; weight, 20 ounces per yard; warp yarn, 4-run; weft yarn, 5-run; 60 ends of warp and 52 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.2801	28.09
Cost of materials and all other items except labor	.7172	71.91
Total cost	.9973	100.00

No. 410.—*Cloth:* United States; 1897; unit, 1 yard.
Cassimere; 55 inches wide; weight, 22 ounces per yard; 4¼-run yarn, single, double, and twisted, is used in both warp and weft; 38 ends of warp and 38 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.2163	17.30
Cost of materials and all other items except labor	1.0337	82.70
Total cost	1.2500	100.00

No. 411.—*Cloth:* United States; November, 1897; unit, 1 yard.
Cheviot; 56 inches wide; weight, 32 ounces per yard; warp yarn, 2-ply No. 24 worsted face and 2½-run wool; back weft yarn, 2¾-run face and 2-run back; 80 ends of warp and 60 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.42	28.00
Cost of materials and all other items except labor	1.08	72.00
Total cost	1.50	100.00

No. 412.—*Cloth:* United States; November, 1897, unit, 1 yard.
Cheviot; 55 inches wide; weight, 28 ounces per yard; 1¼-run yarn used in both warp and weft; 38 ends of warp and 32 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.22	22.45
Cost of materials and all other items except labor	.76	77.55
Total cost	.98	100.00

No. 413.—*Cloth:* United States; 1897; unit, 1 yard.
Cheviot; half shoddy; 56 inches wide; weight, 22 ounces per yard; 1⅞-run yarn is used in both warp and weft; 28 ends of warp and 26 ends of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.15	28.30
Cost of materials and all other items except labor	.38	71.70
Total cost	.53	100.00

No. 414.—*Cloth:* United States; November, 1897; unit, 1 yard.
Cheviot; piece dyed; 55 inches wide; weight, 20 ounces per yard; 2 threads of 3¾ runs each, doubled and twisted, used in both warp and weft; 40 ends of warp and 30 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1688	22.51
Cost of materials and all other items except labor	.5812	77.49
Total cost	.7500	100.00

No. 415.—*Cloth:* United States; 1897; unit, 1 yard.
Kersey; high grade; finely finished; 55 inches wide; weight, 20 ounces per yard; 4½-run yarn is used in both warp and weft; 48 ends of warp and 48 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.54	30.86
Cost of materials and all other items except labor	1.21	69.14
Total cost	1.75	100.00

Woolen goods—Continued.

No. 416.—*Cloth:* United States; November, 1897; unit, 1 yard.
Kersey; 55 inches wide; weight, 27 ounces per yard; warp yarn, 4 run; weft yarn, 4½-run face and 2-run back; 76 ends of warp and 60 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.38	31.93
Cost of materials and all other items except labor	.81	68.07
Total cost	1.19	100.00

No. 417.—*Cloth:* United States; November, 1897; unit, 1 yard.
Kersey; piece dyed; 55 inches wide; weight, 32 ounces per yard; warp yarn, ⅝ of 7 run and ⅜ of 2½ run; weft yarn, ⅝ of 5 run and ⅜ of 2½ run; 88 ends of warp and 66 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.4202	22.47
Cost of materials and all other items except labor	1.4498	77.53
Total cost	1.8700	100.00

No. 418.—*Cloth:* United States; 1897; unit, 1 yard.
Kersey; one-third shoddy; 56 inches wide; weight, 28 ounces per yard; warp yarn, 20 ends of 3½ run and 20 ends of 1½ run per inch; weft yarn, 2 run; 40 ends of warp and 40 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.288	25.09
Cost of materials and all other items except labor	.860	74.91
Total cost	1.148	100.00

No. 419.—*Cloth:* United States; November, 1897; unit, 1 yard.
Kersey; half shoddy; piece dyed; 55 inches wide; weight, 32 ounces per yard; warp yarn, ⅝ of 3 run and ⅜ of 1 run; weft yarn, 2½ run; 54 ends of warp and 40 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.2388	28.09
Cost of materials and all other items except labor	.6112	71.91
Total cost	.8500	100.00

No. 420.—*Cloth:* United States; November, 1897; unit, 1 yard.
Frieze; 55 inches wide; weight, 32 ounces per yard; warp yarn, 3½ run; weft yarn, 1½ run; 44 ends of warp and 44 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.26	25.49
Cost of materials and all other items except labor	.76	74.51
Total cost	1.02	100.00

No. 421.—*Cloth:* United States; 1897; unit, 1 yard.
Melton; 54 inches wide; weight, 28 ounces per yard; warp yarn, 3 run; weft yarn, 3½ run; 58 ends of warp and 54 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.2549	25.67
Cost of materials and all other items except labor	.7381	74.33
Total cost	.9930	100.00

No. 422.—*Cloth:* United States; November, 1897; unit, 1 yard.
Thibet; 55 inches wide; weight, 23 ounces per yard; 3¼ run yarn used in both warp and weft; 95 ends of warp and 46 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.32	28.57
Cost of materials and all other items except labor	.80	71.43
Total cost	1.12	100.00

Woolen goods—Continued.

No. 423.—*Cloth:* United States; November, 1897; unit, 1 yard.
Thibet; piece dyed; 55 inches wide; weight, 22 ounces per yard; warp yarn, 5 run; weft yarn, 1¼ run; 46 ends of warp and 32 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1825	28.08
Cost of materials and all other items except labor	.4675	71.92
Total cost	.6500	100.00

No. 424.—*Cloth:* United States; November, 1897; unit, 1 yard.
Tricot; piece dyed; 32 inches wide; weight, 3½ ounces per yard; 6½ run yarn used in both warp and weft; 35 ends of warp and 26 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.035	25.00
Cost of materials and all other items except labor	.105	75.00
Total cost	.140	100.00

No. 425.—*Cloth:* United States; November, 1897; unit, 1 yard.
Whip cord; 55 inches wide; weight, 22 ounces per yard; warp yarn, 5½ run and 9 run, twisted; weft yarn, 4 run; 98 ends of warp and 40 picks of weft per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.38	24.36
Cost of materials and all other items except labor	1.18	75.64
Total cost	1.56	100.00

No. 426.—*Cloth:* United States; November, 1897; unit, 1 yard.
Woolen cloth; 55 inches wide; weight, 23 to 24 ounces per yard; warp yarn, 2-ply 3½ run wool; weft yarn, 2-ply $\frac{1}{16}$ worsted; 30 picks per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.24	16.44
Cost of materials and all other items except labor	1.22	83.56
Total cost	1.46	100.00

No. 427.—*Cloth:* Great Britain; 1897; unit, 1 yard.
Cheviot; 54 inches wide; worsted warp and woolen weft; warp 2 fold No. 10 worsted; weft No. 9½ and No. 30 twist; 20 picks per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.2233	29.45
Cost of materials and all other items except labor	.5349	70.55
Total cost	.7582	100.00

No. 428.—*Cloth:* Great Britain; 1897; unit, 1 yard.
Melton; 54 inches wide; woolen warp and weft; warp No. 12; weft No. 12; 32 picks per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.2026	29.89
Cost of materials and all other items except labor	.4752	70.11
Total cost	.6778	100.00

No. 429.—*Cloth:* Great Britain; 1897; unit, 1 yard.
Undress worsted; 56 inches wide; woolen warp and weft; warp No. 18; weft No. 18; 50 picks per inch.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.2407	25.15
Cost of materials and all other items except labor	.7162	74.85
Total cost	.9569	100.00

Woolen goods—Continued.

No. 430.—*Woolen yarn:* United States; 1897–98; unit, 1 pound.
No. 1 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0260	5.44
Cost of materials and all other items except labor	.4522	94.56
Total cost	.4782	100.00

No. 431.—*Woolen yarn:* United States; December, 1897; unit, 1 pound.
No. 2 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0287	4.74
Cost of materials and all other items except labor	.5773	95.26
Total cost	.6060	100.00

No. 432.—*Woolen yarn:* United States; November, 1897; unit, 1 pound.
No. 2 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0800	21.82
Cost of materials and all other items except labor	.2866	78.18
Total cost	.3666	100.00

No. 433.—*Woolen yarn:* United States; 1897–98; unit, 1 pound.
No. 3 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0382	7.11
Cost of materials and all other items except labor	.4987	92.89
Total cost	.5369	100.00

No. 434.—*Woolen yarn:* United States; December, 1897; unit, 1 pound.
No. 3 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0337	5.50
Cost of materials and all other items except labor	.5788	94.50
Total cost	.6125	100.00

No. 435.—*Woolen yarn:* United States; November, 1897; unit, 1 pound.
No. 3½ yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1000	23.12
Cost of materials and all other items except labor	.3325	76.88
Total cost	.4325	100.00

No. 436.—*Woolen yarn:* United States; December, 1897; unit, 1 pound.
No. 4 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0412	6.49
Cost of materials and all other items except labor	.5938	93.51
Total cost	.6350	100.00

No. 437.—*Woolen yarn:* United States; 1897–98; unit, 1 pound.
No. 5 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0640	10.48
Cost of materials and all other items except labor	.5469	89.52
Total cost	.6109	100.00

Woolen goods—Continued.

No. 438.—*Woolen yarn:* United States; December, 1897; unit, 1 pound. No. 5 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0512	7.71
Cost of materials and all other items except labor	.6133	92.29
Total cost	.6645	100.00

No. 439.—*Woolen yarn:* United States; November, 1897; unit, 1 pound. No. 5½ yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1200	22.37
Cost of materials and all other items except labor	.4165	77.63
Total cost	.5365	100.00

No. 440.—*Woolen yarn:* United States; 1897–98; unit, 1 pound. No. 6 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0742	11.88
Cost of materials and all other items except labor	.5505	88.12
Total cost	.6247	100.00

No. 441.—*Woolen yarn:* United States; December, 1897; unit, 1 pound. No. 6 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0637	9.29
Cost of materials and all other items except labor	.6218	90.71
Total cost	.6855	100.00

No. 442.—*Woolen yarn:* United States; 1897–98; unit, 1 pound.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0941	13.51
Cost of materials and all other items except labor	.6025	86.49
Total cost	.6966	100.00

No. 443.—*Woolen yarn:* United States; November, 1897; unit, 1 pound. No. 9 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1500	19.85
Cost of materials and all other items except labor	.6055	80.15
Total cost	.7555	100.00

No. 8 yarn.

No. 444.—*Woolen yarn:* United States; 1897–98; unit, 1 pound. No. 10 yarn.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.1085	14.65
Cost of materials and all other items except labor	.6322	85.35
Total cost	.7407	100.00

No. 445.—*Woolen yarn:* Belgium; 1897; unit, 1 pound.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0700	26.66
Cost of materials and all other items except labor	.1926	73.34
Total cost	.2626	100.00

Woolen goods—Continued.

No. 446.—*Woolen yarn:* Belgium; 1897; unit, 1 pound.

	Amount.	Per cent of total.
Cost of labor in transforming materials	$0.0306	11.65
Cost of materials and all other items except labor	.2320	88.35
Total cost	.2626	100.00

CENSUS TABLES, SHOWING PERCENTAGE OF LABOR TO VALUE OF PRODUCT IN COST OF PRODUCTION.

Mr. OWEN. Mr. President, I submit the following tables, taken from Table 156 of the Abstract of the Census of 1900, relative to 15 groups of industries. While these tables can not be called microscopically exact, they certainly comprise the best evidence available to show the relative return to labor and to capital affected by the tariff, and in so far as they lack precision are more favorable to capital than to labor, because these figures were obtained from the reports of manufacturing establishments controlled by capital, and the evidences, therefore, are out of the mouths of the manufacturers themselves, but are based on watered stocks, and cover returns to capital contained in salaries and miscellaneous items which can not be determined.

These tables which I shall submit will show the capital alleged to be invested in 1890, 1900, and 1905, with the expenses, including salaries of officers, amounts paid in wages, amounts paid under the head of "Miscellaneous," and the amount paid for "materials," with the value of the product and the profit, showing the percentage of profit to capital and the percentage paid to labor out of the proceeds of labor, and the percentage of wages to the increase of value by manufacture.

I have been compelled to make these compilations, and am indebted for the calculations to Mr. Josiah H. Shinn, of Washington, a statistical expert of high standing, and to Mr. J. J. McCoy, Actuary of the United States Treasury. The Census Bureau neglected to point out in its tables the comparative reward of capital and labor, and I have done so, in order to show the truth with regard to it.

Neither the Committee on Finance nor the Committee on Ways and Means in the House has seen fit to furnish this information to the country, and yet only in this direction and by like methods and tables can be determined "the difference in cost of labor or of production at home and abroad" on which this tariff bill is falsely pretended to be drawn.

The percentage of labor is worked out in every one of the great tables affecting the 14 groups of industries in the United States from details gathered with infinite care from the manufacturer himself, and are therefore as favorable to him as they might naturally be expected to be. A very interesting ratio of the relative wages is found in these tables; that is to say, that under this high prohibitive tariff, engendering monopolies, the result has followed which might be expected to follow—that labor continually receives a diminishing share of that which it produces. For instance, taking the textile industry, in 1890 labor received 22 per cent of the gross product; in 1902 it received 20.8 per cent of the gross product; and in 1905 it received 19.5 per cent. So it will be found all through these tables that the monopolies which have been built up upon these tariffs have gradually diminished the part which labor receives.

Look at these wonderful tables, showing the profits of the various manufacturers of the country by groups of industries. Remember the enormous stock-watering operations shown by Moody's Manual and by Poor's Manual and the corporation statistics of the last fifteen years, and then consider what it means when this watered capital on food products pays 16.4 per cent interest, with a fairly estimated profit, considering water, of 32 per cent; on textiles, of 12 per cent, with a fairly estimated profit of 24 per cent; on iron and steel, of 10.6 per cent, which would be probably 30 per cent; on lumber, of 18.7 per cent, and probably of nearly 50 per cent; on the industries of leather, 13.5 per cent, when it should be at least three times that; and so all through the list.

These monopolies are shown to have the certain enormous rates of profits which these tables point out. These tables necessarily include a multitude of companies whose profits are reasonable and just in every respect, who are not monopolists, who are doing business on a fair competitive market, so that the profits of monopoly are the special profits which swell this total to a high figure, and which stand above, and far above, the averages

which are given. When there is also taken into consideration the fact that on a physical valuation they would not have probably one-third of the capital invested which they pretend to have by their capital stock; when it is remembered that under the head of salaries and miscellaneous expenses and other artful methods of bookkeeping the earnings of these monopolies are being secretly used and concealed and being invested in various forms of property, it is no exaggeration to say that the earnings on physical valuation are probably three times what they appear to be on the face of the census reports.

Mr. President, I call the attention of Senators in considering these tables and invite them to remember that since 1890 the United States has gone through the most remarkable stock-watering operation that the civilized world has ever seen. And *the earning power of labor and of public franchises has been capitalized in a multitude of monopolies*, which have been established by combining competing enterprises into single companies, so that, while the capital of 1890 was in a large measure watered stock, it is probably no exaggeration to say that the capital of 1905 will average probably 66 per cent of "water;" so that when you consider the percentage of profit on the capital in these tables it should be at least doubled and should be probably trebled to give a fair estimate.

Another item which should be kept in mind is that the men who control corporate organizations can allow themselves such enormous rewards under the head of salaries that this item is also an important additional item in favor of capital. With this explanation, it will be seen that labor's share of the return of the work done in this aggregate group of all the great industries relating to manufactured products is very small and, after supplying the necessaries of life, leaves labor no surplus; the profit of capital, confessedly, is 16.4 per cent.

Now, Mr. President, I submit a tabulated abstract showing the profits of capital conceded; also a table of estimated profits and a table of probable profits in the 14 great groups of our national industries.

THE MEANING OF WORDS USED IN THE TABLES.

Salaries.—Covers the salaries of officials, salesmen, bookkeepers, clerks, stenographers; in some cases, superintendents and foremen.

Wages.—The word "wages" means the wages of workingmen.

Miscellaneous.—Means (see Special Report of Census, Manufactures, vol. 1, 1905, p. xcix):

1. Amount paid for rent of factory or works.
2. Amount paid for taxes, not including internal revenue.
3. Amount paid for *rent of offices and buildings* other than factory or works, and for *interest*, *insurance*, internal-revenue tax, *ordinary repairs of buildings and machinery*, *advertising*, *traveling expenses*, and *all other sundry expenses not reported under the head of "Materials."*

Materials.—The word "materials," page ci, means:

1. Cost of components of the product.
2. Cost of fuel, oil, and waste.
3. Packing boxes, and materials to make them.
4. Wrapping paper.
5. Freights paid by the manufacturers.
6. Rent of power and heat.

The salaried officials include the administration force, whether of *sales*, *manufacturing*, *purchasing*, *advertising*, or *mail orders* (p. lxxiv).

See Exhibit 1.

EXHIBIT 1.

Summary of manufactures by fourteen groups of industries.

[Special Census Report, Manufactures, pt. 1, 1905, p. 28 et seq.; Twelfth Census, 1900, Manufactures, pt. 1, p. 20 et seq., and pp. cxliv and cxlv; with special calculations by Josiah H. Shinn and J. J. McCoy, actuary of United States Treasury.]

	1905.	1900.	1890.
1. Food-products industries:			
Capital	$1,173,151,276	$940,889,838	$507,678,328
Expenses—			
Officers	$51,456,814	$39,313,664	$33,313,664
Wages	$164,601,813	$129,910,070	$99,373,450
Miscellaneous	$131,773,642	$77,986,185	$52,986,982
Materials	$2,304,416,564	$1,839,256,143	$1,318,963,830
Total	$2,652,248,833	$2,086,466,062	$1,495,587,926
Profit	$192,996,067	$191,235,948	$140,609,265
Gross product	$2,845,234,900	$2,277,702,010	$1,636,197,191
Per cent profit on capital stock	16.4	20	27.6
Labor's share of gross product, per cent	5.7	5.7	5.5
Increase in value	$540,818,338	$438,445,867	$317,233,361
Cost of labor	$164,601,813	$129,910,070	$99,373,450
Per cent of cost of labor to increase in value	30.4	33.7	35.1
2. Textile industries:			
Capital	$1,744,169,234	$1,366,604,058	$1,008,030,268
Expenses—			
Officers	$39,281,415	$40,982,857	$35,490,433
Wages	$419,811,630	$341,734,390	$278,167,769
Miscellaneous	$199,006,264	$128,481,214	$78,404,675
Materials	$1,246,562,061	$895,984,796	$705,004,900
Total	$1,934,751,370	$1,416,183,766	$1,097,078,839
Profit	$212,690,048	$221,301,718	$164,593,665
Gross product	$2,147,441,418	$1,637,484,484	$1,261,672,504
Per cent profit on capital stock	12	16.1	16.3
Labor's share of gross product, per cent	19.5	20.8	22
Value of gross output	$2,147,441,418	$1,637,484,484	$1,261,672,504
Cost of materials	$1,246,562,061	$895,984,796	$705,004,900
Increase in value	$900,879,358	$741,499,688	$556,667,595
Cost of labor	$419,811,630	$341,734,390	$278,167,769
Per cent of cost of labor to increase in value	46.6	46.1	50
3. Iron and steel industries:			
Capital	$2,331,498,157	$1,523,979,076	$997,872,488
Expenses—			
Officers	$100,444,693	$58,099,781	$36,583,536
Wages	$482,357,502	$281,875,499	$185,851,714
Miscellaneous	$166,806,567	$91,492,127	$57,604,353
Materials	$1,179,981,459	$987,198,370	$617,554,226
Total	$1,929,590,234	$1,518,665,777	$897,181,329
Profit	$247,059,492	$274,834,131	$146,872,208
Gross product	$2,176,739,726	$1,793,499,908	$1,144,056,537
Per cent profit on capital stock	10.6	17.9	14.7
Labor's share of gross product, per cent	22.10	21.2	24.9
Value of gross output	$2,176,739,726	$1,793,499,908	$1,144,056,537
Cost of materials	$1,179,981,459	$987,198,370	$617,554,226
Increase in value	$996,758,268	$806,302,538	$526,502,311
Cost of labor	$482,357,502		
Per cent of cost of labor to increase in value	48.5	45	46
4. Lumber industries:			
Capital	$1,013,827,128	$916,116,515	$834,418,473
Expenses—			
Officers	$48,571,811	$38,962,937	$30,833,134
Wages	$336,058,178	$212,201,768	$101,548,706
Miscellaneous	$130,350,824	$43,142,331	$45,510,782
Materials	$518,908,150	$561,501,302	$462,658,350
Total	$1,034,389,963	$844,808,318	$740,501,022
Profit	$189,341,228	$183,078,261	$137,383,836
Gross product	$1,223,730,336	$1,030,906,579	$877,954,920
Per cent profit on capital stock	18.7	19.6	16.2
Labor's share of gross product, per cent	27.4	20.6	23.9
Value of gross output	$1,223,730,336	$1,030,906,579	$877,954,920
Cost of materials	$518,908,150	$561,501,302	$462,658,350
Increase in value	$704,822,186	$469,405,277	$415,296,570
Cost of labor	$336,058,178	$212,201,768	$101,558,705
Per cent of cost of labor to increase in value	47.7	45.2	43.5
5. Leather industries:			
Capital	$440,777,194	$343,600,513	$246,795,718
Expenses—			
Officers	$18,372,722	$14,186,690	$15,348,257
Wages	$116,694,140	$90,750,885	$98,432,593
Miscellaneous	$40,737,343	$22,942,504	$18,567,831
Materials	$471,112,921	$395,551,322	$294,446,011
Total	$646,917,126	$532,440,401	$426,814,702
Profit	$58,830,344	$51,290,045	$39,741,328
Gross product	$705,747,470	$583,731,046	$467,556,030
Per cent profit on capital stock	13.3	14.9	24.6
Labor's share of gross product, per cent	16.5	16.9	20.1
Value of gross output	$705,747,470	$583,731,046	$467,556,030
Cost of materials	$471,112,921	$395,551,322	$294,446,011
Increase in value	$234,634,549	$188,179,814	$193,110,019
Cost of labor	$116,694,140	$90,750,885	$98,432,593
Per cent of cost of labor to increase in value	49.7	53	51

Summary of manufactures by fourteen groups of industries—Continued.

	1905.	1900.	1890.
1. Food-products industries—Continued.			
Value of gross output	$2,845,234,900	$2,277,702,010	$1,636,197,191
Cost of materials	$2,304,416,564	$1,839,256,143	$1,318,963,830
Increase in value	$540,818,338	$438,445,867	$317,233,361
Cost of labor	$164,601,813	$129,910,070	$99,373,450
Per cent of cost of labor to increase in value	30.4	33.7	35.1
2. Textile industries:			
Capital	$1,744,169,234	$1,366,604,058	$1,008,030,268
Expenses—			
Officers	$39,281,415	$40,982,857	$35,490,433
Wages	$419,811,630	$341,734,390	$278,167,769
Miscellaneous	$199,006,264	$128,481,214	$78,404,675
Materials	$1,246,562,061	$895,984,796	$705,004,900
Total	$1,934,751,370	$1,416,183,766	$1,097,078,839
Profit	$212,690,048	$221,301,718	$164,593,665
Gross product	$2,147,441,418	$1,637,484,484	$1,261,672,504
Per cent profit on capital stock	12	16.1	16.3
Labor's share of gross product, per cent	19.5	20.8	22
Value of gross output	$2,147,441,418	$1,637,484,484	$1,261,672,504
Cost of materials	$1,246,562,061	$895,984,796	$705,004,900
Increase in value	$900,879,358	$741,499,688	$556,667,595
Cost of labor	$419,811,630	$341,734,390	$278,167,769
Per cent of cost of labor to increase in value	46.6	46.1	50
3. Iron and steel industries:			
Capital	$2,331,498,157	$1,523,979,076	$997,872,488
Expenses—			
Officers	$100,444,693	$58,099,781	$36,583,536
Wages	$482,357,502	$281,875,499	$185,851,714
Miscellaneous	$166,806,567	$91,492,127	$57,604,353
Materials	$1,179,981,459	$987,198,370	$617,554,226
Total	$1,929,590,234	$1,518,665,777	$897,181,329
Profit	$247,059,492	$274,834,131	$146,872,208
Gross product	$2,176,739,726	$1,793,499,908	$1,144,056,537
Per cent profit on capital stock	10.6	17.9	14.7
Labor's share of gross product, per cent	22.10	21.2	24.9
Value of gross output	$2,176,739,726	$1,793,499,908	$1,144,056,537
Cost of materials	$1,179,981,459	$987,198,370	$617,554,226
Increase in value	$996,758,268	$806,302,538	$526,502,311
Cost of labor	$482,357,502		
Per cent of cost of labor to increase in value	48.5	45	46
4. Lumber industries:			
Capital	$1,013,827,128	$916,116,515	$834,418,473
Expenses—			
Officers	$48,571,811	$38,962,937	$30,833,134
Wages	$336,058,178	$212,201,768	$101,548,706
Miscellaneous	$130,350,824	$43,142,331	$45,510,782
Materials	$518,908,150	$561,501,302	$462,658,350
Total	$1,034,389,963	$844,808,318	$740,501,022
Profit	$189,341,228	$183,078,261	$137,383,836
Gross product	$1,223,730,336	$1,030,906,579	$877,954,920
Per cent profit on capital stock	18.7	19.6	16.2
Labor's share of gross product, per cent	27.4	20.6	23.9
Value of gross output	$1,223,730,336	$1,030,906,579	$877,954,920
Cost of materials	$518,908,150	$561,501,302	$462,658,350
Increase in value	$704,822,186	$469,405,277	$415,296,570
Cost of labor	$336,058,178	$212,201,768	$101,558,705
Per cent of cost of labor to increase in value	47.7	45.2	43.5
5. Leather industries:			
Capital	$440,777,194	$343,600,513	$246,795,718
Expenses—			
Officers	$18,372,722	$14,186,690	$15,348,257
Wages	$116,694,140	$90,750,885	$98,432,593
Miscellaneous	$40,737,343	$22,942,504	$18,567,831
Materials	$471,112,921	$395,551,322	$294,446,011
Total	$646,917,126	$532,440,401	$426,814,702
Profit	$58,830,344	$51,290,045	$39,741,328
Gross product	$705,747,470	$583,731,046	$467,556,030
Per cent profit on capital stock	13.3	14.9	24.6
Labor's share of gross product, per cent	16.5	16.9	20.1
Value of gross output	$705,747,470	$583,731,046	$467,556,030
Cost of materials	$471,112,921	$395,551,322	$294,446,011
Increase in value	$234,634,549	$188,179,814	$193,110,019
Cost of labor	$116,694,140	$90,750,885	$98,432,593
Per cent of cost of labor to increase in value	49.7	53	51

Summary of manufactures by fourteen groups of industries—Continued.

	1905.	1900.	1890.
6. Paper and printing:			
Capital	$798,758,312	$557,610,887	$344,063,725
Expenses—			
Officers	$81,808,311	$48,974,128	$34,625,086
Wages	$185,547,791	$140,092,453	$117,611,864
Miscellaneous	$138,245,437	$76,069,693	$50,524,277
Materials	$308,209,655	$214,158,423	$149,597,579
Total	$713,811,194	$479,294,677	$351,359,706
Profit	$143,301,062	$127,023,091	$84,227,724
Gross product	$857,112,256	$606,317,768	$445,587,430
Per cent profit on capital stock	17.9	22.7	24.4
Labor's share of gross product, per cent	21.6	23.1	26.5
Value of gross output	$857,112,256	$606,317,768	$445,587,430
Cost of materials	$308,209,655	$214,158,423	$149,597,579
Increase in value	$548,902,601	$392,159,345	$295,989,851
Cost of labor	$185,547,791	$140,092,453	$117,611,864
Per cent of cost of labor to increase in value	33.8	35.7	39.7
7. Liquors and beverages:			
Capital	$559,547,620	$534,101,049	$310,002,635
Expenses—			
Officers	$21,421,353	$16,398,405	$11,118,673
Wages	$45,146,285	$36,946,557	$29,140,916
Miscellaneous	$223,446,420	$188,754,287	$117,046,500
Materials	$139,854,147	$122,218,073	$109,830,410
Total	$429,868,205	$364,812,422	$267,136,589
Profit	$71,398,400	$60,691,745	$74,018,772
Gross product	$501,266,605	$425,504,167	$341,155,361
Per cent profit on capital stock	10.8	11.3	23.8
Labor's share of gross product, per cent	9.9	8.6	8.5
Value of gross output	$501,266,605	$425,504,167	$341,155,361
Cost of materials	$139,854,147	$122,218,073	$109,830,410
Increase in value	$361,412,458	$203,286,094	$231,324,951
Cost of labor	$45,146,285	$36,946,557	$29,140,916
Per cent of cost of labor to increase in value	12.5	18.2	12.6
8. Chemicals and allied products:			
Capital	$1,504,728,510	$498,390,219	$322,543,674
Expenses—			
Officers	$49,864,233	$26,335,164	$14,171,587
Wages	$93,965,248	$43,870,602	$33,872,540
Miscellaneous	$128,879,323	$49,825,945	$29,508,932
Materials	$609,351,160	$356,192,334	$239,915,794
Total	$882,059,964	$476,224,045	$317,468,913
Profit	$149,905,299	$76,667,832	$62,587,584
Gross product	$1,031,965,263	$552,891,877	$380,056,497
Per cent profit on capital stock	9.9	15.3	19.4
Labor's share of gross product, per cent	8	7.9	8.9
Value of gross output	$1,031,965,263	$552,891,877	$380,056,497
Cost of materials	$609,351,160	$356,192,334	$239,915,794
Increase in value	$422,614,103	$196,699,543	$140,140,703
Cost of labor	$93,965,248	$43,870,602	$33,872,540
Per cent of cost of labor to increase in value	22.2	22.3	24.2
9. Clay, glass, and stone products:			
Capital	$553,846,682	$350,902,367	$217,386,297
Expenses—			
Officers	$21,555,724	$13,718,966	$11,370,622
Wages	$148,471,903	$109,022,582	$90,541,771
Miscellaneous	$37,822,036	$19,185,057	$14,094,740
Materials	$123,124,392	$94,615,281	$68,990,146
Total	$330,974,055	$236,542,486	$184,997,279
Profit	$60,256,367	$57,021,749	$44,808,724
Gross product	$391,230,422	$293,564,235	$229,806,003
Per cent profit on capital stock	10.8	16.2	20.6
Labor's share of gross product, per cent	37.1	37.4	39.3
Value of gross output	$391,230,422	$293,564,235	$229,806,003
Cost of materials	$123,124,392	$94,615,281	$68,990,146
Increase in value	$268,106,030	$198,948,954	$160,815,857
Cost of labor	$148,471,903	$109,022,582	$90,541,771
Per cent of cost of labor to increase in value	55.4	54.8	56.3
10. Metals and metal products other than iron and steel:			
Capital	$508,340,758	$410,646,057	$204,285,820

Summary of manufactures by fourteen groups of industries—Continued.

	1905.	1900.	1890.
10. Metals and metal products other than iron and steel—Continued.			
Expenses:			
Officers	$24,854,500	$16,059,194	$14,924,917
Wages	$117,590,837	$96,749,051	$64,055,644
Miscellaneous	$41,595,062	$21,295,406	$14,731,078
Materials	$644,367,583	$496,979,368	$179,169,940
Total	$828,417,072	$631,083,019	$272,881,579
Profit	$93,845,384	$117,712,445	$44,026,571
Gross product	$922,262,456	$748,795,464	$316,908,150
Per cent profit on capital stock	15.6	28.6	21.5
Labor's share of gross product, per cent	12.7	12.9	20.4
Value of gross output	$922,262,456	$748,795,464	$316,908,150
Cost of materials	$644,367,583	$496,979,368	$179,169,940
Increase in value	$277,894,873	$251,816,096	$137,738,210
Cost of labor	$117,599,837	$96,749,051	$64,055,644
Per cent of cost of labor to increase in value	42.3	38.4	46.5
11. Tobacco:			
Capital	$323,963,501	$124,089,871	$96,094,753
Expenses—			
Officers	$8,800,434	$8,951,534	$10,241,271
Wages	$62,640,303	$49,852,484	$44,550,735
Miscellaneous	$80,145,016	$79,495,422	$37,501,681
Materials	$126,088,608	$107,182,656	$92,304,317
Total	$277,674,361	$245,482,096	$184,658,004
Profit	$53,443,320	$37,594,450	$27,088,619
Gross product	$331,117,681	$283,076,546	$211,746,623
Per cent profit on capital stock	16.4	30.2	28.1
Labor's share of gross product, per cent	18.9	17.6	21
Value of gross output	$331,117,681	$283,076,546	$211,746,623
Cost of materials	$126,088,608	$107,182,656	$92,304,317
Increase in value	$205,029,073	$175,893,890	$119,442,306
Cost of labor	$62,640,303	$49,852,484	$44,550,735
Per cent of cost of labor to increase in value	30.5	28.3	37.3
12. Vehicles for land transportation:			
Capital	$447,697,020	$396,778,672	$248,224,770
Expenses—			
Officers	$24,334,118	$15,191,444	$11,172,134
Wages	$221,800,517	$164,614,781	$118,212,379
Miscellaneous	$29,107,649	$19,842,332	$9,460,374
Materials	$334,244,377	$268,278,205	$174,024,639
Total	$609,486,661	$467,926,762	$313,469,526
Profit	$34,437,781	$40,722,367	$31,006,717
Gross product	$643,924,442	$508,649,129	$344,476,243
Per cent profit on capital stock	7.6	10.2	12.4
Labor's share of gross product, per cent	34.4	32.4	34.3
Value of gross output	$643,924,442	$508,649,129	$344,476,243
Cost of materials	$334,244,377	$268,278,205	$174,024,639
Increase in value	$309,680,065	$240,370,924	$169,851,604
Cost of labor	$221,800,517	$164,614,781	$118,212,379
Per cent of cost of labor to increase in value	71.6	68.5	69.6
13. Shipbuilding:			
Capital	$121,623,700	$77,382,701	$53,393,074
Expenses—			
Officers	$3,339,741	$2,008,537	$1,194,870
Wages	$29,241,087	$24,839,163	$14,833,977
Miscellaneous	$5,255,506	$3,685,661	$1,392,551
Materials	$37,463,179	$33,483,772	$16,925,109
Total	$75,299,513	$64,020,133	$34,346,507
Profit	$7,469,726	$10,558,025	$5,995,608
Gross product	$82,769,239	$74,578,158	$40,342,115
Per cent profit on capital stock	6.1	13.6	11.2
Labor's share of gross product, per cent	35.2	33.3	35.7
Value of gross output	$82,769,239	$74,578,158	$40,342,115
Cost of materials	$37,463,179	$33,483,772	$16,925,109
Increase in value	$45,306,060	$41,091,386	$23,417,006
Cost of labor	$29,241,087	$24,839,163	$14,833,977
Per cent of cost of labor to increase in value	64.5	60.4	63.3

Summary of manufactures by fourteen groups of industries—Continued.

	1905.	1900.	1890.
14. Miscellaneous:			
Capital	$974,316,571	$1,243,920,721	$768,870,920
Expenses—			
Officers	$50,055,229	$49,199,289	$33,363,252
Wages	$187,514,312	$202,746,162	$136,643,444
Miscellaneous	$101,198,304	$81,933,611	$49,025,323
Materials	$460,205,501	$490,073,705	$300,231,851
Total	$799,573,406	$823,952,761	$519,263,870
Profit	$142,031,467	$180,139,523	$126,310,583
Gross product	$941,604,873	$1,004,092,294	$645,574,453

Summary of manufactures by fourteen groups of industries—Continued.

	1905.	1900.	1890.
14. Miscellaneous—Continued.			
Per cent profit on capital stock	14.5	13.3	16.4
Labor's share of gross product, per cent	19.9	21.6	21.1
Value of gross output	$941,604,873	$1,004,092,294	$645,574,453
Cost of materials	$460,205,501	$490,073,705	$300,231,851
Increase in value	$481,399,372	$514,018,589	$345,342,602
Cost of labor	$187,514,312	$202,746,162	$136,643,444
Per cent of cost of labor to increase in value	38.9	39.4	39.5

Average percentage of wages to labor compared to gross product in the 14 great classes of industries.

Industries.	Profit on capital, 1905.	Ratio of wages to gross product.			Estimated profit on capital.	Probable profit on capital.	Per cent of labor wages to gross product.	Per cent of wages to increase of value in manufactures by labor.		
		1905.	1900.	1890.				1905.	1900.	1890.
1. Food products	16.4	5.7	5.7	5.5	32.8	49.2	5.7	30.4	33.7	35.1
2. Textiles	12	19.5	20.8	22	24	36	19.5	46.6	46.1	50
3. Iron and steel	10.6	22.1	21.2	24.9	21.2	31.8	22.1	48.5	45	46
4. Lumber	18.7	27.4	29.6	22.9	37.4	56.1	27.4	47.7	45.2	48.5
5. Leather	13.3	16.5	16.9	20.1	26.6	39.9	16.5	40.7	43	51
6. Paper and printing	17.9	21.6	23.1	26.5	35.8	53.7	21.6	33.8	35.7	39.7
7. Liquors and beverages	10.8	8.9	8.6	8.5	20.6	22.4	8.9	12.5	12.2	12.6
8. Chemicals and allied products	9.9	8	7.9	8.9	19.8	29.7	8	22.2	22.3	24.2
9. Clay, glass, and stone	10.8	37.1	37.4	39.3	20.6	22.4	37.1	55.4	54.8	56.3
10. Metal and metal products other than iron and steel	15.6	12.7	12.9	20.4	31.2	46.8	12.7	42.3	38.4	46.5
11. Tobacco	16.4	18.9	17.6	21	32.8	49.2	18.9	30.5	28.2	37.3
12. Vehicles for land transportation	7.6	24.4	32.4	34.3	15.2	22.8	24.4	71.6	68.5	69.6
13. Shipbuilding	6.1	35.2	33.3	26.7	12.2	18.3	35.2	64.5	60.4	63.3
14. Miscellaneous	14.5	19.9	21.6	21.1	29	43.5	19.9	38.9	39.4	39.5

For full details see Exhibit 1. Average rate of wages to gross product in all industries, 17.8 per cent, calculating from table of totals of wages and value of products.

RELATIVE LABOR COST.

Mr. OWEN. The first important deduction shown from these tables is the relative cost of labor as compared with the gross product. It is less than 6 per cent in food products, and yet the tariff on food products is an average of 32 per cent, in order to measure the cost of difference at home and abroad.

The total labor cost in textiles is 19.5 per cent, and yet the tariff in this bill on flax manufactures is over 44 per cent, on cotton manufactures over 47 per cent, on wool manufactures over 58 per cent, and on silk manufactures over 60 per cent to measure the difference in the cost of production at home and abroad; a patent and ridiculous fraud on its face, which has not been explained, which will not be explained, and which can not be explained by the managers of this bill, and so it goes all through this table.

The total percentage of the value of the product paid in wages in textiles is 19.5 per cent.

If we concede that the labor cost in Europe is absolutely nothing; if we concede that the foreigner would not have to pay any freight to bring his goods to America, would pay nothing for ocean insurance, for breakage, wharfage, dockage, leakage, rattage, or stealage, still 19.5 per cent would be high enough to protect the American manufacturer *on an average*.

Granting, however, that the European laborer earns half as much, then one-half of 19.5 per cent would be sufficient.

Granting that the American laborer has twice the efficiency of the European laborer, then no tariff whatever is necessary to protect the American manufacturer; and granting that the wages paid in Europe buy more of manufactured products and as much of food products as in America, the European manufacturer would be entitled to a bonus from his home government to put him on a parity with the American manufacturer.

In some cases a duty is necessary for protective purposes, but the cases are few and the rate not high. A tariff for revenue intelligently drawn will be more than three times as high as a tariff for pure protection drawn in a spirit of perfect honesty.

If the Finance Committee can show any justification for the schedules on the basis of the "difference of the cost of production at home and abroad," I am willing to concede this measure of incidental protection under a tariff for revenue, but to conceal the facts, to refuse to hear, to ridicule the inquiry, and ignore the facts when proven is surely indefensible.

This abstract briefly exhibits the ratio of wages to gross products and affords a basis of comparison with the ratio of wages to gross products in countries competing with ours. This supplies a basis for a generalization showing the difference in the cost of production at home and abroad.

It will be seen, for example, that the average ratio of wages paid to the gross product in the textile industry averages 19.5 per cent, less than 20 per cent. The difference in the wage cost in the United States and abroad, conceding that the foreign workman receives a wage only half of that paid the American workman and conceding that he is equally efficient and conceding that his wages (half in money) has a purchasing power of half the wages of the American workman, the difference in the cost of production based on such wages would be an average of less than 10 per cent.

But it is not true that the wages paid foreign workmen buys only half as much, but the fact is that every dollar paid the foreign workman buys at least 50 per cent more than the dollar paid the American workman, so that $10 paid a European workman is equivalent to $15 in purchasing power in the United States.

So that the difference in the amount paid in wages because of this factor as compared to the value of the gross product is less than an average of 10 per cent, as above estimated.

Another factor of vital importance is the superior efficiency of the American workman. Ten dollars paid to him turns out twice as much goods as that paid the European workman; consequently the difference in wages compared to gross product is not only not against the American workman, but it is in his favor, although he does not get the benefit of it from the man who employs him.

It is not surprising, in view of these calculations based upon our national statistics and well-established facts, that the managers in charge of this bill dare not answer the question whether this bill is being written in accordance with the pledge of the party that the rates should be determined by the difference in the cost of production at home and abroad.

The monopolist can not and does not consume his profit. So that the result is that the capital of monopoly is rolling up like

a huge snowball, picking up every opportunity offered by God to mankind in our natural resources—the forests, the mines, the water powers, the highways, and the land, both of city and of the countryside; and labor, the creator of wealth, languishes and grows weaker as the creature of wealth grows stronger and exercises a natural but unrestrained appetite by "acquiring" the title to every visible and invisible natural resource.

Mr. President, I am a firm friend of capital and always ready to befriend its just rights. I believe in giving it safety and stability, protecting it in its right to earn a fair reward upon its employment. It is of great importance that the incentive should be removed neither from the capitalist nor from the business man who uses capital nor from the laborer who is employed by capital, but I do not believe that all of the net proceeds of human labor and every opportunity of human life should be appropriated by capital and all the reasonable opportunities of life cut off from millions of wage-earners who have no more wisdom or knowledge of how to protect themselves against the crafty schemes of monopoly than if they were so many blind girl babies. The Senate and the Senators on this floor, it seems to me, are under a solemn personal responsibility to find the way to protect the weaker elements of society, and they ought not to write the laws of this country to serve monopoly at the expense of the defenseless citizen wage-earner.

The incentive ought not to be taken away from capital; neither should the incentive be taken away from the small business man who may be crushed by gigantic organizations of capital, and above all the incentive of a reasonable reward, of a reasonable return for labor, of the power to support a family by labor, industry, and providence. The power to have some leisure for playtime should not be taken away from the American workingman or the American working woman or the American working child by the grinding process of unthinking corporate monopoly.

Under the head of "Miscellany" are concealed many items favorable to capital by increasing the capital itself under color of repairs, and so forth.

The estimate of the profit on capital is also too small, because more than half of the capital claimed is water.

All of the return on capital, except a small percentage, necessary to provide for a reasonable return on capital, is a net profit, while the return on labor contains no net profit worth mentioning, although it is true that by long, hard hours of labor, great deprivation, rigid economy, and careful saving, the labor classes, through the savings banks exhibit a considerable accumulation out of the proceeds of their labor.

Statistics of the savings banks of the United States for 1906.

[Comptroller Currency Report, 1907.]

	Total depositors.	Amount of deposits.	Average.
New England	2,987,261	$1,168,148,705	$391.04
Eastern States	3,562,804	1,656,905,727	465.06
Southern States	31,598	6,143,167	194.41
Middle States	1,087,746	385,503,885	354.41
Pacific States	357,783	265,435,714	741.89
Total United States	8,027,192	3,482,137,198	433.79

The savings under forty years of high-protective tariff average $433.79 to those who have been able to save, and these figures include hundreds of millions of the savings of the well-to-do and many of the capital class, but only one person in ten, after all, has a savings account, and the savings between the laboring people and actual want will not average $43 per capita for our entire productive population, counting all savings as the savings of labor, while many millions are utterly defenseless against the exactions of capital.

When it is remembered what the enormous product of the labor of the average American workman is—$2,500 per annum—it will be observed that these savings of many years comprise but a small part of the proceeds of labor.

In the table exhibited—the industries engaged in "food products"—labor's share of the gross product is very small, because of the very large amount of raw material used, out of which labor had previously been paid in the process of production.

The same thing is relatively true of the industries dealing with liquors and beverages.

It is also true that labor's share in lumber and iron and steel, and clay, glass, and stone products, and in vehicles and shipbuilding reaches a high percentage relative to the product, for the simple reason that nearly all of the value in lumber, outside of the stumpage, is pure labor. Labor goes into the woods, cuts the tree down, hauls it to the mill, puts it on the runway, saws the log, planes it, stacks the lumber, and puts the lumber on the car. Capital, having acquired the land, furnishes the sawmill, and permits labor to have a part of its own profits in wages, but no more than labor can command in a free, competitive market for labor.

The same thing is true with regard to clay products. The workman digs the clay out of the ground, puts it through every process with the work of his hands, and converts it into a finished product. Capital, having acquired the title to the clay, permits the workmen to dig upon the earth, owned by the capitalist, and furnishes the workmen with tools, and pays the workmen precisely as much, and no more, as his labor commands in a free, competitive, labor market.

The laborer has a very narrow margin, and unless he be exceptional in self-denial, in providence, and is free from accident or sickness or other incidental loss, he may, perhaps, save enough to lift himself from the severe conditions which so environ him to a more fortunate place where he can join the capital class and get the benefits of a system which is well devised to make the rich richer and the poor poorer.

THE HIGH TARIFF HAS LOWERED THE WAGES OF AMERICAN WORKMEN.

Mr. President, the advocates of a high tariff have always professed, and I suppose usually felt, the greatest solicitude for the welfare of the laboring man, and have believed, or appeared to believe, that a high tariff would protect the American laboring man against the injurious competition of the "pauper labor" of Europe. I shall show by our own statistics that *the wages of the American workman have been lowered under the operation of this tariff.*

Wages are not valued alone by dollars and cents; dollars change in purchasing power, depending on the number of dollars put in circulation in any given country and the intimacy of its commercial relations with other countries, and the whole world is confused in the question of prices by the grossly unequal distribution of currency in the different nations of the world; a great problem, which is now undergoing and will undergo a more rapid readjustment under the fast increasing improvement of rapid modern intercourse.

Attention is expressly called to the fact that labor's share of the proceeds of labor has not increased in the highly protected industries—it has decreased.

In the textile industries labor received 22 per cent of the gross product in 1890, 20.8 in 1900, and 19.5 in 1905.

In iron and steel labor received 24.9 per cent in 1890 and 22.1 per cent in 1905.

In leather goods labor received 21.1 per cent of the proceeds of labor in 1890, 16.9 per cent in 1900, and 16.5 per cent in 1905.

In paper and printing labor received 26.5 per cent of the proceeds of labor in 1890, 23.1 per cent in 1900, 21.6 per cent in 1905.

In chemical and allied products labor received 8.9 per cent in 1890, 8 per cent in 1905.

In clay, glass, and stone products labor received 39.3 per cent in 1890, 37.1 per cent in 1900.

In metal and metal products, other than iron and steel, labor received 20.4 per cent in 1890 and 12.7 per cent in 1905.

In tobacco labor received 21 per cent in 1890 and 18.9 per cent in 1905.

In shipbuilding labor received 36.7 per cent in 1890 and 35.2 per cent in 1905.

In miscellaneous industries labor received 21.1 per cent in 1890 and 19.9 per cent in 1905.

It is perfectly obvious that under the high tariff the reward of labor has diminished relatively to the gross product of labor.

When we compare the increase of the value of products, the increase of the cost of materials, and the number of wage-earners, and the total wages between 1890 and 1900, we find that the growth of capital value corresponding with that of the value of products is decidedly more than the increase of total wages; that the average wage for all classes of wage-earners, in dollars and cents, is less in 1900 than in 1890. The increase of earnings is 25 per cent; that of wages only a little over 22 per cent.

	Capital value.	Value of products.	Cost of materials.	Number of wage-earners.	Total wages.	Average value, product of the wage-earner.	Per cent.
1900	$9,813,834,390	$13,000,149,159	$7,343,627,875	5,306,143	$2,330,908,168	$2,450	17.8
1890	6,525,050,759	9,372,378,843	5,162,013,878	4,251,535	1,891,953,795	2,204	20.2
Increase	3,288,783,631	3,627,770,316	2,181,613,997	1,054,608	438,954,373		

Nineteen hundred average wage, $437; annual weekly wage, $8.60, to support 3 people, a labor loss of 10 per cent in wages relative to value of product.

The percentage of wages to value of products was 17.8 per cent in 1900, 20.2 per cent in 1890, a loss for labor of 10 per cent.

Here is an increase of $3,627,740,316 in the value of the products of labor under the "value of products," and $428,984,373 goes to 1,054,608 additional laborers, while $3,198,755,943 is the net value of the products of such labor. One million fifty-four thousand six hundred and eight new workmen get $428,984,373 with which to sustain approximately 3,000,000 people; to feed, clothe, and shelter them; *leaving no surplus for enforced idleness, sickness, accident, or death;* and a vast profit goes to capital that does not have the same exacting demands for food and clothing. The annual weekly wage is only $8.60 to support three people. How does this compare with Europe where the dollar buys 50 per cent more, and $8.60 here is only equal to $5.73 there? Look at their wages, their earning power, and ask what is the difference in the cost of production here and there. Do these census records teach us nothing?

The above figures demonstrate beyond the possibility of dispute that wages are being lowered under the operation of a monopoly-protecting tariff. It shows more, that a tariff averaging nearly 50 per cent is thoroughly unjustifiable on the Republican theory of protecting labor, since the gross amount of labor's wages only comprises an average of 19.7 per cent of gross product value (Exhibit 1), much less on the theory of providing only the "difference in the cost of labor," since the difference in the cost of labor will not approximate 20 per cent, nor equal the half of it.

The plain truth is the bill will not protect labor, but will gratify the clamorous demand of organized greed and avarice urged by the lobby of numerous monopolies. This tariff, in the pretended interest of the American workman, does not properly include over 1,000,000 *out of 29,000,000 workmen*, while it taxes all.

It has been convincingly shown by Edward Atkinson, in his learned report of December, 1902 (Exhibit 2), that not over 1,000,000 persons out of 29,000,000 persons would be affected in an adverse way if the tariff were absolutely abolished. This calculation, made in great detail, goes far to show the utterly false pretense of a great public demand for a high protective or prohibitive tariff. Attention is earnestly called to it in Senate Document No. 46, Sixty-first Congress, first session, from which I submit the essential part as Exhibit 2.

THE HIGH TARIFF HAS LOWERED THE WAGES OF AMERICAN WORKMEN IN PROTECTED INDUSTRIES MORE THAN THE WAGES OF WORKMEN IN UNPROTECTED INDUSTRIES.

I submit as Exhibit 3 a carefully compiled table of the labor wages of our American railways (Statistics of Railroads in United States, 1907, Interstate Commerce Commission, p. 59), showing the wages of railroad employees in the unprotected industries of the railroad service, and also a table of the wages of employees in building trades, which are not protected, but which are duly organized, prepared by William J. Spencer, secretary of the building-trade department of the American Federation of Labor, for 1908 (Exhibit 4), showing the average wages of masons and bricklayers, structural iron setters, ornamental iron setters, plasterers, lathers, hoisting engineers, tile setters, plumbers, steam fitters, steam fitters' helpers, gas fitters, carpenters, stonecutters, marble cutters and setters, painters, sheet metal workers, electricians, roofers, cement finishers, laborers, and hod carriers. Their wages per hour will be seen to be, on an average, at least twice as high as the wages of labor in protected industries (Exhibit 5), as shown by Census Bulletin 77 of the Bureau of Labor of 1907.

Mr. President, here will be seen that the cheapest workmen (Exhibit 3) in the railroad service, the brakemen, received an average throughout the United States for 1907, $1.46 a day; section foremen, $1.90; other shopmen, $2.06; carpenters, $2.40; machinists, $2.87; firemen and other trainmen, $2.54; conductors, $3.69; engineer men, $4.30; station agents, $2.05; general office clerks, $2.30; other officers, $5.99; general officers, $11.93. These wages in unprotected industries are decent, are reasonable, are just according to service, in the transportation work of the United States. These people have their wages influenced to an important degree by labor organization.

Now, Mr. President, I wish to call the attention of the Senate to the fact—and a vital fact in this matter—that in the protected industries of the United States the wage-earner does not receive one-half as much as in the unprotected industries, and these tables abundantly exhibit it.

Exhibit No. 4 shows that masons and bricklayers get from 45 to 87 cents an hour; structural iron setters, 30 to 62 cents an hour; ornamental iron setters, 30 to 70 cents an hour; plasterers, 50 to 87½ cents an hour; lathers, 45 to 62½ cents an hour; hoisting engineers, 50 to 75 cents an hour; tile setters, 35 to 75 cents an hour; plumbers, 50 to 75 cents an hour; steam fitters, 35 to 75 cents an hour; steam fitters' helpers, 15 to 37½ cents an hour; gas fitters, 35 to 81 cents an hour; carpenters, 35 to 62½ cents an hour; stonecutters, 45 to 70 cents an hour; marble cutters and marble setters, 30 to 62½ cents an hour; painters, 25 to 56 cents an hour; sheet metal workers, 30 to 62½ cents an hour; electricians, 25 to 65 cents an hour; roofers, 25 to 75 cents an hour; cement finishers, 35 to 75 cents an hour; laborers and hod carriers, 15 to 50 cents an hour.

Mr. President, these people are outside of the protected industries; they have some degree of organization and can demand the value from capital for their labor.

The laws of human nature operate upon the laboring man precisely as they do upon the capitalist, and he tries to get the greatest return for his wares. Labor organizations have sometimes gone to extremes and put the price of labor above a reasonable market value and lowered the demand to the point of putting themselves out of business. The urgency of labor's need for supplying food and clothing is an extenuating circumstance even when the demand itself is unreasonable and foolish, but when the demand of monopoly puts an exorbitant price upon the necessaries of life its motive is not hunger for food or need for clothing or shelter for children, but merely ambition for power or mere greed for gain.

Now, Mr. President, I wish to call the attention of the Senate to the astonishing difference between the wages of men in unprotected industries with the wages in the "protected industries," so called, and you will observe that the wages in the protected industries, except where modified by a powerful organization of the laborers, as in the glass industry, are far below the wages in unprotected industries. Organized capital has beaten down the wages of labor to a point at which the proper support of a family required by a decent American standard is often impossible. This meanness on the part of such offending manufacturers is painfully apparent.

THE PROTECTED INDUSTRIES HAVE DRIVEN OUT THE AMERICAN AND SUBSTITUTED THE FOREIGNER.

It has resulted in driving out the native American who was able to escape and has substituted in his place the oppressed people of other races, who, having been under the grinding monopoly of the landed nobility and powers which have seized every opportunity in European countries, do not feel so keenly the crushing conditions imposed upon them in these offending factories.

I call attention to the low wages which are paid in the protected industries, so low as not to be sufficient to sustain an American family upon the wages of the head of the family, who may be devoting all his time to that purpose. The average wage in the cotton and wool industry will not exceed a dollar a day, and that is shown by our census tables, which I submit.

Now, Mr. President, the protected industries have driven out the American and substituted the foreigner. We have been listening for years to talk about the protection of American labor against the pauper labor of Europe; and yet our census shows how shallow and how hollow that pretension is. I call your attention to what is shown by our census.

The Boston Traveler in the article of June 2, 1909, ridicules the argument of the Senator from Massachusetts [Mr. LODGE], and says:

He made an impassioned plea for the mill operatives of New England, who "must not be deprived of their right to work and wages," and for the manufacturers, who must be protected against "cheap labor abroad." The mill operatives, for whom the Nahant Senator's eloquence was unloosed, are practically all Greeks, Syrians, Poles, Armenians, and Italians, who have driven out every other kind of labor, because, under present wages in the cotton mills, to bring up a family under American conditions is absolutely impossible. * * *

Mr. LODGE's defense of the cotton manufacturers, whose mills are filled with aliens on starvation wages, is paralleled in history only by the arguments made in parliament at the time England was attempting to abolish the slave trade, that if the bringing of black people from Africa to America and elsewhere was prohibited shipowners would not find any use for their vessels, and that these slave ships furnished the only market for decayed fish and other putrid food, on which there would be a dead loss if the slave trade was outlawed.

The Pittsburg Survey gives a tabulated map showing that the Carnegie mills at Homestead, from which organized labor was driven by private armed military power in the Homestead riots, is filled with Slovaks, 6,477 of them; with Poles, 611 in number; with Bohemians and Germans, in another group; with Croatians, 1,249 in number; with Hungarians, 1,323 in number; with Roumanians, 410 in number; with Poles, 1,644 in number; with Lithuanians, 476 in number. Austria-Hungary furnished 10,421; Russia, 2,577; etc.

Representatives on behalf of these monopolies make "impassioned appeals" to protect the American workman against the foreign pauper labor which the monopolies have imported and are using wholesale with the effect of driving the native American to despair.

Mr. President, examine the census of 1900, Volume I, pages cxxxi and 698, on population and see what it exhibits.

Table of foreign born, etc.

Census 1900, Volume I.	Foreign born (cxxxi).	White population foreign parentage (p. 698).	Total foreign born and of foreign-born parentage.	Total population.	Percentage of population foreign born and of foreign-born parentage.
Massachusetts	846,324	897,386	1,743,710	2,805,346	62.1
Rhode Island	134,519	140,292	274,811	428,556	64.1
Connecticut	238,210	282,245	520,455	908,420	57.3
New York	1,900,425	2,415,845	4,316,270	7,268,894	59.3
New Jersey	431,831	556,294	988,125	1,883,669	52.4
Pennsylvania	985,250	1,430,028	2,415,278	6,302,115	38.3

It will be seen by the table which I submit that Massachusetts has 1,743,710 persons foreign born or of foreign-born parentage out of 2,805,346 total population, having therefore 62.1 per cent of people who are foreign born or of foreign-born parentage; Rhode Island, in like manner, has 64.1 per cent of its population foreign born or of foreign-born parentage; Connecticut has 57.3 per cent of foreign born or of foreign-born parentage; New York has 59.3 per cent of its people foreign born or of foreign-born parentage; New Jersey has 52.4 per cent of its population foreign born or of foreign-born parentage; thus disclosing in the completest manner the extent to which this use of foreign labor has driven out the American.

Mr. KEAN. What is the date of that?

Mr. OWEN. The last census of 1900, to which I invite the Senator's prayerful attention.

Mr. DILLINGHAM. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Vermont?

Mr. OWEN. With pleasure.

Mr. DILLINGHAM. I will be glad to have the Senator give, if he has them, the figures of the percentage of foreign-born as distinguished from their children.

Mr. OWEN. I have it, Mr. President, in the table which I submit, giving the exact details.

I call attention to this matter because too much has been said in behalf of protecting the American laborer and keeping out the pauper labor of Europe. The pauper labor of Europe to-day fills the very factories of these protected monopolies, and those same pauper laborers of Europe are coming into this country at the rate of 100,000 a month. It is time that this hypocrisy should cease.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield to the Senator from New Hampshire?

Mr. OWEN. Certainly.

Mr. GALLINGER. Has the Senator the statistics for the State of Wisconsin?

Mr. OWEN. The statistics will be found in the same tables to which I have referred.

Mr. GALLINGER. The Senator has them not at hand?

Mr. OWEN. Not at hand. I have them available, but not so as to easily read them.

I will say that, of course, on the eastern coast, with our country inviting foreigners into this land we should expect a large percentage; and I do not speak that in any sense of reproach to those States. I, for one, am not at all in favor of closing our ports by any tax upon these poor souls who seek a refuge in our land from a monopoly which is worse by far than that which we endure. I invite them, and bid them God speed and welcome. This Republic is under the deepest obligations to those who have come from abroad and to their children. I honor them, and I am glad, as one American, to give them a cordial welcome. I wish they were better paid; and when they go West and enter the fields of the West, perhaps they will find conditions more congenial to human life and more profitable and beneficial to them.

Mr. President, I am glad to see America, the land of liberty, made an asylum for the oppressed of other lands, and recognize the fact that the United States is under enormous obligations to people who have come from foreign lands, and I only call attention to these figures to show that the plea of the monopolies that they are deeply concerned about high wages for the American workman is so offensively hypocritical and absurd that no words known to the English language are capable of describing it.

I have submitted Table 5, showing the wages of workmen in American industries; and I call your attention to the fact that, except where they are organized, they are on almost starvation wages. The papers were full a few days ago of the slavery of white women brought into these protected factories from Italy, sold by their kinspeople, and all their wages practically taken for their keep and to pay to the foreign home—a substantial exhibition of white slavery under the color of freedom and under the protection of the American flag, which ought not to endure slavery either of the white man or the black man.

WAGES IN PROTECTED INDUSTRIES LOWER THAN IN UNPROTECTED INDUSTRIES.

I respectfully submit a table (Exhibit 5) showing the wages of workmen in the protected industries of every class: In the industry of making carpets; of clothing; cotton goods; foundry and machine shops; furniture; glass; fur hats; hosiery and knit goods; iron and steel, bar, and iron and steel, Bessemer; iron and steel, blast furnace; lumber, paper, and wood pulp; pottery; printing and binding; shipbuilding; silk goods; woolen and worsted goods. I have indicated in every case in these tables the condition of labor organization.

It will be seen by the tables of Exhibit No. 5, in the grouped industries, for example, that in 1907 burlers got 14 cents an hour; dyers, 16 cents an hour; loom fixers (who must be men of a high class), 28 cents an hour; spoolers, 13 cents an hour; twisters, 12 cents an hour; weavers, Wilton (high-class experts), 30 cents an hour; weavers, ingrain, 15 cents an hour; winders, 13 cents an hour; and, except where the workmen must be trained experts, their wages are very low.

Buttonhole makers (female), 12 to 14 cents an hour; examiners (female), 11 to 14 cents an hour; finishers, 10 to 13 cents an hour; pressers (male), 19 to 26 cents an hour; sewing-machine operators, 22 to 31 cents an hour; carding-machine tenders, 10 to 13 cents an hour; dyers, 11 to 15 cents an hour; loom fixers, 16 to 24 cents an hour; spinners, 9 to 13 cents an hour; spinners (female), 7 to 12 cents an hour; weavers (male), 11 to 19 cents an hour; weavers (female), 9 to 16 cents an hour; bleachers, 13 cents an hour; calenderers, 14 cents an hour; color mixers, 14 cents an hour.

In the hat business, colorers get 19 cents an hour; fitters, 12 cents an hour; flower blowers, 17 cents an hour; trimmers, 15 cents an hour; weighers, 13 cents an hour.

Silk goods.—Beamers get 19 cents an hour; doublers, 11 cents an hour; dyers, 19 cents an hour; loom fixers, 27 cents an hour; pickers, 12 cents an hour; quillers, 9 cents an hour; spinners, 10 cents an hour; weavers, female, 10 cents an hour; weavers, female, 17 cents an hour.

Woolen goods.—Burlers get 11 cents an hour; carders, 12 cents an hour; card strippers, 13 cents an hour; combers, 12 cents an hour; combers, female, 9 cents an hour; dyers, 15 cents an hour; loom fixers (experts), 26 cents an hour; male spinners,

11 cents an hour; male weavers (expert), 21 cents an hour; female weavers (expert), 18 cents an hour.

It must be remembered that these figures, low as they are, are not uniformly paid; that the laborer who misses an hour from sickness or weakness, or who is thrown out of employment by the closing of the shop for repairs or for any other reason must then rely upon his accumulation in savings out of the wages paid. The matter which I wish to call attention to is that under the pretense of protecting the American workman in protected industries, the most of whom are foreigners, they are paid only about half of the wages that workmen received in unprotected industries, and with these pretenses of "passionate interest" in the American workman is an unspeakable fraud which ought not to be endured by men who regard this matter soberly and seriously from a standpoint of patriotism and the better interests of the American Republic.

A great advantage which men have who are organized and not in the "protected industries," so called, is that they no longer submit to the long, grinding, sweat-shop hours, but have an eight-hour day.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield to the Senator from New Hampshire?

Mr. OWEN. With pleasure.

Mr. GALLINGER. Will the Senator kindly inform me in what part of the country the wages are paid that he has just read?

Mr. OWEN. Table No. 5, which I submit with this matter, shows the wages paid in different parts of the country.

THE ORGANIZATION OF AMERICAN WORKMEN.

Mr. President, I have been gratified to observe the growing organization of workingmen, which is steadily advancing in the United States. Only by such organization and by the solidarity of their interests can labor make effective its righteous hope for a decent market for its wares; only in this way can men, under present conditions of organized capital, obtain a fair return for their labor.

It is true that sometimes the unwise members in certain labor organizations compel their leaders to stand for wages "higher than the traffic will bear," and in this case they throw themselves out of employment and are thus compelled to be more moderate in their demands. It is true that sometimes thoughtless men force their leaders into gross error and compel them to make demands that are unreasonable, but all men make errors, and all men are unreasonable at times, and these things are self-correcting.

Examine these tables which I submit, and you will observe that just in degree as they are organized just in that degree do they receive proper compensation and obtain decent hours.

They deserve the greatest credit for what they have done in obtaining the eight-hour rule among the organized trades and in promoting legislation to protect labor and to promote its interest. If Congress had heretofore seen more clearly its duty, their organization would have been in large measure unnecessary.

Shall the organization of labor be condemned because of the thoughtless or even criminal act of some occasional individuals out of this vast army? It would be as reasonable to condemn the church because of the sins of its occasional members. The organization of labor stands in the main for good order, for respect to law, for patriotism, for the upbuilding of our country, for the preservation of human life and a decent reward to those who perform the hardest labors of life and bear the sweat and dust, exposure and danger, of life's hard places.

These great organizations are a bulwark to society and stand for the future stability and preservation of our institutions, while their chief antagonists, the captains of monopoly, who, I trust, will soon be led by public opinion to better methods, have been often misled by avarice and greed, have been thus blinded to their duty toward the working people, and are blindly pursuing a policy whose results constitute a menace to the stability of our present peaceful progress.

I think the less of the management of the United States Steel, and of the American Tobacco Company, and of the sugar trust, and the Cramp shipbuilding yards, and others, that they have so opposed organized labor that no member of organized labor can be employed by these monopolies.

Prof. John R. Commons, of the University of Wisconsin (vol. 2, Publications of the American Sociological Society, p. 141), says:

> The unions have practically disappeared from the trusts, and are disappearing from the large corporation as they grow large enough to specialize minutely their labor. The organized workmen are found in the small establishments like the building trades or the fringe of independents on the skirts of the trusts; on the railways where skill and responsibility are not yet displaced by division of labor; in the mines where strike breakers can not be shipped in; on the docks and other places where they hold a strategic position.

Aaron Jones, esq., master of the National Grange, November 11, 1903, at Rochester, N. Y., said:

> Combinations and trust methods in the sale of supplies and in the purchase of the products of the farm have in previous addresses been set out. A striking and forceful illustration of these methods and their effect on both the producer and the consumer is furnished by the market reports of meats. October 10, 1902, market reports show that in one of the leading live-stock markets of the country the price of hogs has been lowered during the year 30 per cent and the price of pork raised 10 per cent. These manipulations add 40 per cent profit to the meat trust, taking 30 per cent from the farmer and 10 per cent from the consumer. Beef steers in the hands of farmers were reduced 20 per cent and dressed beef raised 10 per cent, thus adding 30 per cent profit to the trust and taking 20 per cent from the farmer and 10 per cent from the consumer. More than $150,000,000 has been lost to the live-stock industry in the past year by the manipulations of the meat trust. This may in a measure explain how the meat trust may contribute $50,000 to place the official management of a single city under obligations to it. If the entire product of the farm—wheat, corn, hay, cotton, live stock, dairy, and fruit—is taken into account, farmers have lost more than $700,000,000 in the past year through manipulations of combines and trusts, and because farmers have not developed and maintained a wise, safe, and well-guarded business system of selling the products of the farm. Farmers have also suffered another great loss in the purchase of supplies needed in this business.

Monopolies prefer unorganized labor; they prefer that labor should be helpless and incapable of making effective any demand for its comfort or convenience, or for its rights.

The law should firmly and unhesitatingly demand and require of labor, organized or unorganized, strict obedience to the law; but it should also demand and require of monopoly considerate and decent treatment of labor and of its rights both as producer and consumer.

The tables indicating the wages of working people in high-tariff industries are taken from Bulletin No. 77 of the United States Bureau of Labor for 1907.

I call upon the chairman of the Committee on Finance to explain the astonishing parallel between the low rate of wages paid to people in protected industries and the high wages paid those in industries not protected.

What satisfactory explanation can the Senator from Rhode Island offer for the difference in the pay of masons and bricklayers, who receive 60 cents an hour in Boston, and the burler in the carpet factory receiving 14 cents; the dyer, 16 cents; the loom fixer, 28 cents; the spooler, 13 cents; the twister, 12 cents; the weaver of Brussels and Wilton, 30 cents; the weavers of ingrain, 16 cents; and the winders, 13 cents an hour?

How does the Senator from Rhode Island explain why the plasterer receives 60 cents an hour in Boston and the workers in cotton goods can not possibly receive half as much, and do not average one-third as much?

In good old Boston the plasterer gets 60 cents an hour; the tile setter gets 60 cents an hour; the plumber, 55 cents an hour; the steam fitter, 53 cents; the stonecutter, 50 cents; the carpenter, 40 cents; the marble cutter, 56 cents; and side by side with these unprotected industries the carding-machine tender in the cotton goods protected industry receives 13 cents; the dyers, 15 cents; the loom fixers, 24 cents; the spinners, 13 and 14 cents; the mule spinners, 24 cents; the weavers, 20 cents; the female weavers, 17 cents; the bleachers, 14 cents; the color mixers, 14 cents; the male dyers, 15 cents; the male engravers, 45 cents; the male printers, 44 cents; and this remarkable comparison is most striking all the way through these tables, except in cases where labor itself, by its own organization, has prevented itself from being plundered by the employer.

PROTECTION AS IT IS PRACTICED IS AN OPEN, OBVIOUS FRAUD.

It is time that the New England Senators were dropping the mask of superior knowledge and of mysterious learning with regard to the protective tariff.

The worst enemy of protection, as it is practiced, is detection.

The infinite pains taken by the committee in charge of this bill to furnish Members of this body with all sorts of data except the vital facts with regard to "the difference in cost of production at home and abroad," does not argue well for their judgment or for their sincerity in dealing with this question.

I am more than willing to believe that they have merely followed a beaten track and trodden the pathway of greatest convenience, of easy good nature, but I can not but feel that a generous complaisance to those who have contributed to their successful campaigns is also responsible for the lack of this essential information. I wish to make record here that the information which I have obtained with regard to this matter is due to no effort of theirs. I have been compelled as a Member

of this body to dig out laboriously the information which I lay before the Senate.

How does the Senator from Rhode Island explain the fact that in the unprotected industries of New England, of transportation for example, the station agents get an average daily pay of $2.03, while a carding machine tender in the protected cotton-goods industry receives 13 cents an hour, and the dyers 15 cents an hour, and the spinners 13 cents an hour, and the weavers 19 cents an hour.

How does he explain that enginemen in the unprotected industry on the railway service receive $3.78 a day and conductors $3.26 a day, and in the protected industry of printing textiles the bleachers receive 13 cents an hour, the calenderers 14 cents an hour, the color mixers 14 cents an hour, and dyers 15 cents an hour?

How does the Senator from Rhode Island explain why it is that in the unprotected industry of railways in New England firemen receive $2.20 a day, trainmen $2.32 a day, carpenters $2.25 a day, section foremen $2.24 a day, laborers $1.85 a day, when in the protected industry of hosiery and knit goods the knitters receive only 20 cents an hour for men and 13 cents an hour for women, loopers 14 cents an hour, the menders 13 cents an hour, the men pressers 17 cents, and the women pressers 10 cents an hour?

And how do these higher wages in unprotected industries contrast with the blast-furnace men and cinder snappers receiving 15 cents an hour, the hot-blast men 19 cents an hour, the keepers' helpers 17 cents an hour, and the top fillers 17 cents an hour?

The plain truth is that in the unprotected industries of transportation, as shown by the compilation of wages by the Interstate Commerce Commission and the labor in the unprotected industries of the building trades, compiled by the American Federation of Labor, by William J. Spencer, secretary, is far better paid than in the protected industries of the cotton mills, the hosiery mills, the woolen mills, and iron mills, and other factories.

The tables submitted of the wages of the building trades, which are unprotected, show that they receive a wage over 200 per cent higher than the wages in the protected industries, and the reason for this is not difficult to see. Labor in the building trades and in the railroad business is comparatively easy of organization, because the men in the railroad and building trades are out of doors and can be reached and talked to and organized. They are not locked up inside of the jail-like inclosures of private factories, where it is almost impossible to reach the employees or to organize them.

Labor has rarely succeeded in thoroughly organizing itself in any of the great manufacturing industries, which are usually controlled by monopolies and mechanical corporate power.

Organized labor was practically driven out of the shops of Andrew Carnegie and of the United States Steel Corporation, American Tobacco Company, Cramps' shipyards, and various others of the existing monopolies.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield to the Senator from New Hampshire?

Mr. OWEN. Certainly.

Mr. GALLINGER. The Senator has put in tables—I have not seen them—showing the wages in protected and unprotected industries. In the New York Sun of the 13th instant there is a dispatch from London giving the wages paid in unprotected industries in Great Britain. Is the Senator willing that I should have this inserted in the RECORD?

Mr. OWEN. I am perfectly willing that it should be inserted in my remarks.

Mr. GALLINGER. Thank you.

The VICE-PRESIDENT. Without objection, it will be inserted.

Mr. OWEN. I will state to the Senator from New Hampshire that in my examination of this matter I have tried not to make a partial statement giving the facts favorable to my view and those unfavorable to the other side, but have tried to give, in a just measure, both sides, because the only purpose which I have in view is to arrive at the truth and to make it manifest. I do not know what the quotation from the Sun is nor its sources nor its accuracy.

Mr. GALLINGER. It is a dispatch bearing a London date, I will say to the Senator.

Mr. OWEN. I have heard of dispatches from London which were not reliable.

The matter submitted by Mr. GALLINGER is as follows:

WOMEN ON STARVATION PAY—REVELATIONS OF THE "SWEATING" SYSTEM IN LONDON—FACTS BROUGHT OUT BY A POOR SEAMSTRESS'S ATTEMPT AT SUICIDE—HOME WORKERS, 62 CENTS TO $1.10 A WEEK—AVERAGE WEEKLY PAY OF ENGLISH WOMEN $1.75.

[From New York Sun, June 13, 1909.]

LONDON, *June 2.*

A poor little seamstress attempted suicide in London recently. She jumped into the Thames and was ignominiously fished out, not drowned, and not in the least repentant. When questioned as to reasons for her act she had only one to give. She simply could not keep body and soul together by working her hardest at her trade, and in utter fatigue she had decided to end her struggles.

There was nothing very new in her story, but when she explained that she always had plenty of work to do, the only difficulty being to live on the prices paid for her labors, London was roused from its apathy long enough to protest against the "sweating" of women thus revealed.

The House of Lords once defined "sweating" as a condition under which work is carried on in insanitary surroundings and for low wages. There are those who would add that it is a condition of labor which does not give the laborer, in return for a fair day's work, enough to maintain himself and his family in decency and comfort.

In England it is women who are the greatest sufferers from sweating. Their average wage, taking it all the year round and allowing for sickness and slackness, is not much more than $1.75 a week. The Lancashire textile trade average is $3.75, and in some districts as much as $6; but this comparatively high rate is pulled down by the East End home worker, who earns anything from 62 cents to $1.10 a week.

In the unskilled women's trades there is no standard by which wages are computed. For instance, one famous firm of cocoa manufacturers pays women for filling bags with cocoa 28 cents a thousand bags, and exactly the same work is done for 16 cents for another firm. In East London there is a firm whose girls earn $3.50 a week by packing tea. In the same locality there is another firm, the head of which is a well-known sportsman and yachtsman, where the earnings of the girls average only $1.87 a week.

The manager of a tin-plate factory recently fixed time rates at $1.50 a week for his women workers, and he openly gave the reason that they had taken advantage of piecework rates to make too much. Some had earned $4!

The average wage paid to waitresses in tea shops or restaurants throughout the country does not exceed $2.50 a week. On this the girls must keep up a neat and well-dressed appearance. Then wages are likely to be interfered with and even, if "necessary," reduced.

Many firms don't pretend to pay their girls a living wage. The head of a large company was asked recently how he expected the girls in his employment to live on $1.50 a week.

"I don't expect it," he answered. "Immediately we hear that a girl has lost her father or that she has no outside means of support, she is discharged."

This same firm employs what it calls "half-day waitresses." They work from 11.30 a. m. till 6.30 p. m. for $1 a week. All tips are forfeited.

The lot of the home worker is the worst of all. Miss Mary MacArthur, secretary of the Women's Trade Union League, gave a picture of the home worker in the East End in an interview.

"So terrible is their life that I wonder that they take the trouble to exist at all," she said. "Here is a single room in a Stepney slum. The furniture consists of a table, a chair, and a bed. The unfinished trousers at which the woman stitches serves as a blanket at night.

"She slaves from daybreak until her eyes fail, and she never earns more than 5 shillings a week. She sustains herself mainly, almost entirely, upon weak tea. Some days she drinks 14 cups, making the same tea leaves do service again and again. That is one of the women slaves of England, and there are thousands in similar plight.

"I know many women who make men's shirts at 1 shilling or 9 pence a dozen. I have even found the actual worker making at 8 pence a dozen shirts which had originally been given out at 1 shilling a dozen.

"There is a girl in Woolwich; she has one child, aged 2 years, entirely dependent upon her. She is a shirt finisher and does buttoning and buttonholing by hand. She is paid 5 shillings a dozen for collars. Remember, this is high-class work. Cotton costs her from 3 pence to 4 pence a week. Her average earnings are 4 shillings 6 pence a week, or from one-half pence to three-fourths pence an hour.

"Every day she has to spend an hour and a half in fetching her work, as it is only given out in small quantities. Sometimes she has worked with hardly any break for twenty hours, from 6 a. m. until 2 a. m. the following morning. The rent of the room is 1 shilling and 6 pence a week.

"All this she told the parliamentary committee. The members of Parliament were aghast. Some were incredulous. 'But how do you live, you and the child?' asked one member of Parliament. 'We don't live,' the woman replied, with a passion in her tone I had never heard before. 'Often we have no food at all.'"

Miss MacArthur contends that goods are not sold any cheaper when made by sweated labor. She tells of a fur-lined motor coat, marked at $105, which was made for $1.88 by sweated labor; and of a $5.25 nightdress for which the home worker who made it got 5 cents—63 cents for a dozen of these nightdresses. The employer of the girls who made these nightdresses said he could not pay more, as there was no profit in his trade.

There are many persons who are struggling to organize and help the women workers of England. There is a scheme for a trades board, which shall fix a legal minimum wage, and there are other propositions which will help to do away with the present sweating system, if they are ever put into practice.

Mr. OWEN. Mr. President, the Senator from New Hampshire might have struck out the London heading and inserted New York, Pittsburg, or Jersey City, and the cruel oppression of

labor by organized capital, *uncontrolled by law*, would not be overdrawn, as I shall abundantly show before I conclude.

The Senator and the party of which he is a conspicuous leader have a duty to perform in which they seem strangely oblivious.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield to the Senator from Utah?

Mr. OWEN. With pleasure.

Mr. SMOOT. The Senator has made a comparison about a man, a bricklayer——

Mr. GALLINGER. Or a plumber.

Mr. SMOOT. In an unprotected industry, receiving 60 cents an hour, while a little girl who does spooling in a woolen mill gets 14 cents. Is that a fair comparison?

Mr. OWEN. I should say it is not a fair comparison. That comparison has not been made.

Mr. SMOOT. The Senator just made a comparison that was even worse than that, because he spoke of burlers in a woolen mill, and they were receiving only 11 cents.

Mr. OWEN. I gave, in extenso, the wages paid to burlers and to all other employees in woolen mills and in silk mills and in cotton mills, stating what it was, whether they were male or whether they were female. I have given them all, and the comparison is just which I have made, substantially, and no comparison the Senator might suggest of a little girl and a big, burly brick mason, who weighs 247 pounds, will affect the general comparison in the slightest degree.

Mr. SMOOT. That is exactly the comparison which the Senator makes. And in relation to the wages paid here for weavers, I may say I do not know a weaver in any part of this country who earns so small an amount as that stated by the Senator. I have many times seen weavers earn as high as $3 a day, and the higher the wage they earn the better it is for the manufacturer, because they are all on piecework.

Mr. OWEN. Does the Senator challenge the accuracy of the census in this matter?

Mr. SMOOT. I challenge the figures the Senator gave here as to the wages paid to woolen weavers in this country.

Mr. OWEN. Then I commend the Senator to the United States census, from which the table was taken, and he may dispute the authoritative tables of the Federal Government; but he can not correct the accuracy of my quotation from the census reports.

Mr. SMOOT. I am not saying that the figure quoted by the Senator was not quoted from some table, but I do positively say that weavers in this country are not paid the price the Senator quoted.

Mr. OWEN. I appeal from the evidence of the Senator from Utah, as a special pleader, to the evidence of the federal census and of the London Board of Trade, and prefer to take the census of the United States and the official figures to his off-hand comments.

Mr. DOLLIVER. Mr. President——

Mr. OWEN. I cordially yield to the Senator from Iowa.

Mr. DOLLIVER. I have been very much interested in the Senator's statistics and figures, but it has often occurred to me that the industries to which he refers as unprotected industries are really the only perfectly protected industries we have in the United States, for the reason that if a man is to build a brick house here at all he has no competition from any quarter on earth. A man making a horseshoe has to be protected by a law, but a man shoeing a horse has an absolute, perfectly natural protection, because the horse has to be shod where he is and not in some other country, and no competition, direct or indirect, beats upon those occupations which are naturally and perfectly protected.

Mr. OWEN. I think there is force in the observation of the Senator from Iowa, and I shall not quarrel with it, but content myself with saying that like industries abroad are also much better paid than factory labor. But I do call attention to the fact that these men who are in the railway service and in the unprotected building trades and not in the business of manufacturing woolen or cotton or flax textiles are receiving a very much higher reward than those who are in those industries, and I have shown by these tables that they could be paid a much larger price without depriving the factories of a just reward. If there were some competition, it would be far better for labor; and if there were some measure of competition in this country, I believe it would be better for the manufacturers themselves.

LABOR HAS NOT BEEN ABLE TO SHARE EQUITABLY WITH THE EMPLOYERS IN THE VALUES THAT LABOR HAS INCREASINGLY CREATED.

In Volume VIII, page 982, of the Twelfth Census, 1900, is the following table. It shows that labor received in 1850, 23.21 per cent of the total value of products, while in 1900 it received only 17.8 per cent of the product, although the per capita increase in production was greater by 130 per cent in 1900 than in 1850.

Year.	Average number of wage-earners.	Total annual wages.	Total annual value of products.	Average per capita production.
1850	957,059	$236,755,404	$1,019,106,616	$1,064
1900	5,321,280	2,330,578,010	13,030,279,506	2,451

Year.	Average annual wage.	Per cent of product paid in wages.	Per capita increase in production in the 50 years.	Per capita increase in wages in 50 years.
			Per cent.	*Per cent.*
1850	$247	23.21		
1900	437	17.90	130	77

From Exhibit 1 labor shows a diminishing wage as compared to value of its product.

In textiles labor received 22 per cent of the product in 1890, 20.8 per cent in 1900, 19.5 per cent in 1905.

In the iron and steel industries labor received 24.9 per cent of the product in 1900, 22.1 per cent in 1905.

In the leather industries labor received 20.1 per cent of the product in 1890, 16.9 per cent in 1900, 16.5 per cent in 1905.

In paper and printing industries labor received 26.5 per cent in 1890, 23.1 per cent in 1900, 21.6 per cent in 1905.

In metal and metal products labor received 20.4 per cent of the gross product in 1890, 12.9 per cent in 1900, 12.7 per cent in 1905.

In tobacco industries labor received 21 per cent in 1890, 18.9 per cent in 1905.

Labor has constantly grown in efficiency, but has not been able to share equitably in the value it has created.

Taking a special industry, such as iron and steel, including rolling mills and blast furnaces, as shown by the special report of the United States Census Office, Part IV, selected industries, 1905, on pages 5 and 16, will be found the tables for the years 1890 and 1905. I submit an analysis which shows that the per capita increase of the product of labor by weight was 50 per cent; by value, 33.5 per cent; while the increase in wages is only 11 per cent.

Year.	Average number of wage-earners employed.	Total annual wages paid.	Total value of products.	Total weight of products in tons.
1890	171,181	$89,273,956	$478,087,619	10,204,478
1905	242,740	141,489,906	905,654,152	34,844,933

Year.	Per capita increase in production in 15 years in values.	Per capita increase in production by weight.	Per capita increase in wages in 15 years.	Average weekly wage.
	Per cent.	*Per cent.*	*Per cent.*	
1890				$10.02
1905	33.5	50.5	11.5	11.20

These figures might be multiplied indefinitely in all of the monopoly-controlled industries.

I submit a table of the wages in the woolen and cotton goods factories of New England. It shows that they do not receive today an average wage of exceeding a dollar a day, a fact of special interest in connection with this controversy where the schedules are supposed to be written for the protection of labor.

Wages 1860 and 1900 compared in woolen and cotton goods factories of New England.

Year.	Number of employees.	Wages.	Wages per capita.	Value of product.	Value of output per capita.	Pounds of cotton used.	Actual increase in output by weight.
Cotton:							Per ct.
1860	81,403	$16,720,920	$205	$79,359,000	$794	283,701,306	
1900	161,944	56,258,202	341	191,690,913	1,162	940,908,114	331
Woolen:							
1860	25,583	6,144,847	240	47,722,814	1,474		
1900	82,472	31,230,772	378	161,566,277	1,934		

This schedule shows that, counting the best paid labor, the annual average wage of the employees in the cotton and woolen mills do not exceed $1 a day, and that, therefore, the pretense of better paid labor in the United States in the cotton and woolen mills, at least, is not true, because such wages do not greatly exceed the wages in Europe; and measured by purchasing power, probably do not exceed them at all; and measured by the output of American labor, which is twice as efficient as European labor, the American labor is not as well paid as European labor. The American manufacturer gets all the net profit. It has been shown in this debate what the enormous profits of the cotton and woolen mills have been, and our statistics clearly demonstrate the inequitable manner in which these profits have been proportioned between the American monopolists and his foreign-born workmen.

AMERICAN AND EUROPEAN WAGES IN PROTECTED INDUSTRIES COMPARED.

I submit this comparison of wages in the United States, Germany, France, and the United Kingdom, with the proper authorities, showing that the wages paid in the United States in the textile industry do not very greatly exceed those paid in Germany, France, and England, while it is conceded that the output of the American laborer is twice as much as in Europe.

The spinners, for example, in Germany in 1905, at Mulhausen, received from $6.57 to $7.30 per week. In France they received $5.91 and in the United States $4.12. The weavers, on the contrary, received in Germany $4.02 to $4.75; in France, $4.48 to $5.19; in the United Kingdom, $5.11 to $7.06; and in the United States, $8.29. So that the weavers in our country received double as much as they did in Germany, and the spinners in our country received a smaller money wage than in either Germany or France.

Mr. SMOOT. Does the table show that the weavers receive less than the spinners in Germany?

Mr. OWEN. Yes, sir.

Mr. SMOOT. Whoever prepared the table does not know a thing about manufacturing, and it can not possibly be true.

Mr. OWEN. The Senator from Utah, having corrected the United States census with regard to employees in cotton factories, may now correct the tables used by the Board of Trade of the United Kingdom in their report to Parliament, from which this is taken.

Mr. SMOOT. I know just as well as I know I am alive that there is no country that can employ weavers at a less price than they can spinners. Spinners are boys and girls. Weavers are men and women. It can not be possible. It is a mistake.

Mr. OWEN. I again appeal from the personal assurances of the Senator from Utah [Mr. SMOOT] to the records of the Board of Trade of London and of the United States census, from which these figures are accurately taken; and I call attention to the fact that the Senator from Rhode Island, the chairman of the Committee on Finance, when he was giving these tables, confined himself to those parts of the tables favorable to his contention and failed to insert those parts of the tables which were unfavorable to his contention, and such a leadership I neither approve nor follow.

These tables show the differences which I have pointed out, and they speak for themselves and are easily capable of their verification.

Wages in textile industry in Germany, France, United Kingdom, and United States.

In the protected industries.	Germany, 1905, Mulhausen.		France, 1905, Lille.		United Kingdom. Weekly pay, 1906 (W. K. Preston).	United States. Average, 1904.	Hours.
	Weekly pay.	Hours work.	Weekly pay.	Hours work.			
COTTON INDUSTRY.							
Spinners:							
Male	$6.57–$7.30	66	$5.91	60		$4.12	64.55
Female						5.16	61.01
Weavers:							
Male	4.02– 4.75	66	4.48– 5.19	60	$5.11–$7.06	8.29	60.42
Female						7.58	60.13
Piecers	4.42– 4.87	66	3.51– 5.19	60			
Laborers	3.81	66	4.10	60			
Dyers	3.65– 4.62	58½–63	4.66– 5.25	60–66		6.89	62.48
Mule spinners			11.78–12.45	60	8.52–10.95	11.24	59.32
WOOLEN INDUSTRY.							
	Mulhausen.		Roubaix.		Bradford.		
Spinners	7.20– 7.79	61	6.22– 6.81	60	1.95– 2.68	6.52	58.34
Weavers (Aschen):							
Male	5.11– 5.84	60	5.45– 5.84	60	3.16– 4.14	9.87	58.47
Female	4.38	60				8.79	57.57
Combers (Leipzig):							
Male	4.38	65	4.20– 4.26	60	4.87– 5.60	7.11	58.33
Female					2.68– 3.41	5.49	57.40
Dyers (Leipzig)	5.60	65	3.79– 3.91	60	5.84	7.86	59.11
SILK INDUSTRY.							
Weavers:	Crefeld, 1905.		Lyon, 1905.				
Silk—							
Male	5.11– 5.84	58–58½	3.20– 3.51	60		9.74	56.52
Female						8.19	57.82
Velvet	5.84– 6.57	58–58½	4.10– 4.97	60			
Ribbon—							
Male	7.30	58–58½	a 3.51– 4.66	60		10.93	52.98
Female						9.84	50.71
Dyers	6.57	60	5.84– 6.81	60		10.98	55.05

a St. Etienne.

NOTE.—In 1905 the wages received at St. Etienne, France, by ribbon weavers varied from $3.51 to $4.66 per week. In 1906 it was over 100 per cent more than this. In August, 1907, it was from 30 per cent to 50 per cent higher than in 1905. These weavers received as pay, in piecework, from one-half to two-thirds the value of their product.

Authority for United States figures: Bulletin of the Bureau of Labor, No. 59, July, 1905.

Authority for foreign figures: Cost of Living in German Towns (1908); Cost of Living in French Towns (1909); Cost of Living of Working Classes, United Kingdom, 1908; Report of Board of Trade to Parliament.

I exhibit a comparison of wages in the United States, Germany, France, and the United Kingdom in the nonprotected industries, which present a very much more favorable wage to the unprotected American workingman and much more favorable hours.

Comparison of wages in United States, Germany, France, and United Kingdom.

Class of labor. (In the unprotected industries.)	Berlin (1905).		London (Oct., 1905).		Paris (Oct., 1905).		United States—North Atlantic (1904).	
	Weekly wages.	Number of hours.	Weekly wages.	Number of hours.	Weekly wages.	Number of hours.	Weekly wages.	Number of hours.
Bricklayers and masons	$9.51	53½	$10.65	50	$9.35	60	$25.52	46.92
Carpenters	9.51	53½			10.50	60	18.03	47.89
Joiners and cabinetmakers	7.77	52			9.35	60		
Plumbers	7.81	53½	11.10	50	9.35	54	20.60	48.00
Painters	7.16	53½	8.77	50	9.35	60	16.95	48.40
Laborers (building trades)	6.25	53½	7.10	50	8.84	60	9.50	54.70
Hod carriers (building trades)	8.86	53½	7.10	60	8.84	60	13.88	46.72
Molders	8.27–9.41	58½–60	9.49	50	[a] 11.97 [b] 8.17	60 60	17.17	56.38
Turners	9.02–9.41	58½–60	9.49	50	[a] 11.23 [b] 8.17	60 60	15.34	50.07
Smiths	7.30–7.58	58½–60	9.49	50	[a] 12.73 [b] 9.05	60 60	16.73	57.03
Pattern makers	8.77–9.01	58½–60	10.56	50	[a] 12.60 [b] 8.88	60 60	17.87	56.25
Brewers	7.79	57	7.30	54	6.43	60	17.54	58.20
Compositors (printing)	8.73	54	9.49	50	[c] 11.09 [d] 12.86	48 42	18.24	52.16
Street sweepers	5.11–5.84	63			6.59	60	9.50	58.28

[a] Piecework. [b] Time work. [c] Day. [d] Night.

Report of board of trade: Cost of living in German towns, 1908; cost of living in French towns, 1909; cost of living of working classes, United Kingdom, 1908.

Mr. GALLINGER. Mr. President——

The VICE-PRESIDENT. Does the Senator from Oklahoma yield to the Senator from New Hampshire?

Mr. OWEN. With pleasure.

Mr. GALLINGER. I will ask the Senator if he has consulted Bulletin No. 80, published in January, 1909? It is four years later than the one he quoted from. If the Senator will turn to page 63, he will find that in Dundee male shifters are working for $2.29 a week in the textile mills, and male preparers are working for $2.51 a week. It seems to be an extraordinarily low wage. There is nothing like it in this country, I take it, and yet that is in the unprotected textile mills of Great Britain and from a recent publication by our Commissioner of Labor.

Mr. OWEN. I have these tables of 1904 and 1905, which compare the dates as nearly as they could be compared, and have not attempted to compare the tables of Great Britain, made by the board of trade there, with the tables made at a very different period. I have compared them as nearly as they were available of adjacent years. But, I will say to the Senator from New Hampshire, that the question of "the difference in the cost of production at home and abroad" is easily discovered, and he illustrates that he knows how to do it.

I now take a table—Exhibit No. 6, the wages and cost of living in the United Kingdom, Germany, and France—showing the average family income, the cost of living, the articles of food, and so forth. I ask that it may be printed in my remarks without reading.

As Exhibit No. 6, I submit the wages and cost of living in the United Kingdom, Germany, and France.

EXHIBIT 6.

Wages and cost of living in United Kingdom, Germany, and France.

Limit weekly income.	Under $6.08.			$6.08 and under $7.40.			$7.40 and under $8.52.			$8.52 and under $9.73.			$9.73 and over.		
	United Kingdom.	Germany.	France.	United Kingdom.	Germany.	France.	United Kingdom.	Germany.	France.	United Kingdom.	Germany.	France.	United Kingdom.	Germany.	France.
Number of returns	261	1,065	614	289	1,329	931	416	1,223	1,065	382	692	821	596	737	1,951
Average family weekly income	$5.20	$5.30	$5.58	$6.56	$6.50	$6.73	$7.77	$7.75	$7.87	$8.89	$8.92	$9.08	$12.65	$11.85	$12.88
Average number of children	3.1	2.3	1.77	3.3	2.5	1.80	3.2	2.5	1.92	3.4	2.8	2.13	4.4	3.8	2.91
COST OF LIVING.															
Bread and flour:															
Cost	$0.74	$0.64	$0.73	$0.81	$0.70	$0.76	$0.80	$0.74	$0.82	$0.82	$0.83	$0.89	$1.05	$1.09	$1.15
Amount, pounds	28.44	23.04	24.10	29.97	25.05	24.58	29.44	26.06	26.19	29.90	29.83	27.62	37.76	38.21	35.89
Meat:															
Cost	$0.79	$0.99	$0.92	$1.01	$1.18	$1.12	$1.25	$1.41	$1.38	$1.32	$1.57	$1.55	$1.75	$2.10	$2.11
Amount, pounds	6.42	5.83	5.55	7.57	6.60	6.49	8.66	7.82	7.81	9.25	8.77	8.57	11.87	11.35	11.55
Fish, cost	$0.15	$0.06	.....	$0.18	$0.06	.....	$0.20	$0.06	.....	$0.24	$0.07	.....	$0.32	$0.09	.....
Eggs:															
Cost	$0.12	$0.11	$0.13	$0.17	$0.15	$0.15	$0.22	$0.17	$0.18	$0.24	$0.19	$0.19	$0.34	$0.24	$0.26
Amount, number	6.2	6.9	6.9	8.7	9.2	8.1	11.3	10.2	9.3	12.0	11.06	10.2	16.3	14.4	13.4
Milk:															
Cost	$0.16	$0.25	$0.15	$0.23	$0.31	$0.18	$0.31	$0.34	$0.20	$0.33	$0.40	$0.22	$0.41	$0.44	$0.27
Amount, pints	5.54	10.57	5.81	7.72	12.30	6.88	9.85	12.83	7.6	10.34	14.45	8.1	12.63	16.10	9.73
Cheese:															
Cost	$0.10	$0.06	$0.08	$0.11	$0.08	$0.10	$0.12	$0.09	$0.12	$0.12	$0.10	$0.14	$0.16	$0.13	$0.19
Amount, pounds	0.67	0.40	0.46	0.70	0.46	0.55	0.79	0.62	0.68	0.77	0.60	0.75	1.02	0.77	1.00
Butter, lard, etc.:															
Cost	$0.41	$0.49	$0.42	$0.51	$0.60	$0.47	$0.58	$0.65	$0.50	$0.62	$0.72	$0.55	$0.90	$0.90	$0.72
Amount, pounds	2.05	2.56	2.25	2.47	2.79	2.41	2.67	3.07	2.59	2.87	3.45	2.80	3.96	4.23	3.62
Potatoes:															
Cost	$0.18	$0.20	$0.15	$0.20	$0.21	$0.16	$0.21	$0.21	$0.16	$0.20	$0.23	$0.18	$0.28	$0.29	$0.24
Amount, pounds	14.05	26.04	12.30	15.84	23.96	13.93	16.11	23.81	14.64	15.87	24.63	15.85	19.93	33.55	20.50
Fruit, cost	$0.10	$0.11	$0.24	$0.14	$0.16	$0.28	$0.20	$0.19	$0.33	$0.23	$0.21	$0.35	$0.32	$0.27	$0.48
Macaroni, oat meal, etc., cost	$0.09	$0.07	$0.08	$0.10	$0.09	$0.10	$0.12	$0.09	$0.10	$0.11	$0.10	$0.11	$0.14	$0.12	$0.13
Coffee, cocoa, and tea:															
Cost	$0.23	$0.15	$0.15	$0.29	$0.19	$0.16	$0.33	$0.21	$0.20	$0.35	$0.24	$0.21	$0.46	$0.30	$0.30
Amount, pounds	.....	.....	0.44	.....	.....	0.46	.....	.....	0.55	.....	.....	0.55	.....	.....	0.82
Sugar:															
Cost	$0.16	$0.09	$0.11	$0.20	$0.10	$0.11	$0.22	$0.10	$0.12	$0.23	$0.11	$0.13	$0.30	$0.13	$0.16
Amount, pounds	3.87	1.83	1.48	4.62	1.96	1.50	4.97	1.98	1.72	5.21	2.14	1.83	6.70	2.67	2.22
Sirups, condiments, etc., cost	$0.26	$0.13	$0.01	$0.33	$0.17	$0.01	$0.41	$0.17	$0.02	$0.46	$0.20	$0.03	$0.62	$0.24	$0.04
Meals away from home	$0.03	$0.09	$0.22	$0.05	$0.13	$0.32	$0.08	$0.16	$0.42	$0.14	$0.18	$0.53	$0.18	$0.31	$0.75
Total expenditure for food:															
Per week	$3.50	$3.44	$3.38	$4.34	$4.10	$3.94	$5.05	$4.58	$4.56	$5.43	$5.14	$5.09	$7.23	$6.66	$6.81
Per year	$182.00	$178.88	$175.76	$225.68	$213.20	$204.88	$262.60	$238.16	$237.12	$282.36	$267.28	.....	$375.44	$346.32	.....

NOTE.—Totals are found by converting the totals in foreign money into United States money, and may differ from true totals.

Authority for above table: Report of an inquiry by the Board of Trade for both Houses of the English Parliament, 1908, as to cost of living in German towns; 1909, as to cost of living in French towns.

As Exhibit No. 7, I submit the income and cost of living in the United States of workingmen's families.

EXHIBIT 7.

Workingmen's families, income and cost of living in the United States, 1901.

Geographical division.	Number of families noted.	Average size of family.	Average income of family.		Average expenditure of family.		Average expenditure for food.	
			Annual.	Weekly.	Annual.	Weekly.	Annual.	Weekly.
North Atlantic States	1,415	5.25	$834.83	$16.05	$778.04	$14.96	$338.10	$6.50
South Atlantic States	219	5.30	762.68	14.67	700.62	13.47	298.64	5.74
North Central States	721	5.46	842.60	16.20	785.95	15.11	321.60	6.18
South Central States	122	5.65	715.46	13.76	690.11	13.27	292.68	5.36
Western States	90	4.69	891.52	17.15	751.46	14.45	308.53	5.32
United States	2,567	5.31	827.19	15.91	768.54	14.78	326.90	6.99

Authority for above table: Bulletin of the Bureau of Labor, United States, No. 59, July, 1905.

As Exhibit No. 8 I submit the quantity and value of the food consumed by workingmen's families in the United States per week, 1901:

EXHIBIT 8.

Quantity and value of certain articles of food consumed by workingmen's families in the United States per week, 1901.

(Average income, $14.78 per week. Number of families, 2,567.)

Article.	Amount.	Cost.
Bread and flour	17.95 pounds	$0.56
Meats	14.78 do	1.97
Fish	1.54 do	.15
Eggs	19.7 number	.32
Milk	13.7 pints	.41
Cheese	.31 pounds	.05
Butter and lard	3.87 do	.73
Potatoes	17.0 do	.25
Vegetables and fruit		.68
Rice	.48 pounds	.04
Coffee and tea	1.10 do	.31
Sugar	5.16 do	.30
Condiments, molasses, etc		.11
Other food		.39
Total expended for food per week		6.27
Total expended for food per year		326.90

Authority: Bulletin of the Bureau of Labor, No. 59, July, 1905.

As Exhibit No. 9 I submit the weekly rents workingmen pay in England, Germany, France, and United States.

EXHIBIT 9.

Weekly rents in England, Germany, France, and United States.

Tenements.	London.	Berlin.	Paris.	United States.
Two-room	$1.46	$1.34	$1.12	[a] $1.91
Three-room	1.82	1.98	1.46	
Four-room	2.19		1.67	

[a] Average of 2,567 families, 1901, irrespective of size of tenement, in total United States.

Report of board of trade to Parliament: (1908) cost of living in German towns; (1909) cost of living in French towns; (1908) cost of living of working classes, United Kingdom.

Exhibit No. 10 is the per cent of income of workingmen's families spent for food.

EXHIBIT 10.

Per cent of income of workingmen's families spent for food.

Limit of income.	United Kingdom, 1905.	Germany, 1905.	France, 1905.	United States.
	Per cent.	Per cent.	Per cent.	Per cent.
$6.08–$7.30 per week	66	62	59	[a] 42½
$7.30–$8.52 per week	65	59	58	
$8.52–$9.73 per week	61	58	56	

[a] 2,567 workingmen's families.

Authority: Bulletin of United States Bureau of Labor No. 59. Report of board of trade to Parliament on cost of living (1908–9).

IT WOULD NOT BE DIFFICULT TO DETERMINE WITH COMPARATIVE PRECISION THE DIFFERENCE IN THE COST OF PRODUCTION MEASURED BY THE COST OF MATERIALS AND OF WAGES, THE RELATIVE EFFICIENCY OF LABOR, AND THE PURCHASING POWER OF THE WAGE RECEIVED. FUTURE TARIFFS SHOULD BE BASED UPON SUCH INFORMATION COMPILED BY EXPERTS EMPLOYED FOR THE PURPOSE. THIS WOULD GIVE A PROPER BASIS FOR DETERMINING THE DIFFERENCE IN COST OF PRODUCTION AT HOME AND ABROAD, AND FOR DETERMINING THE EXTENT TO WHICH THE AMERICAN MANUFACTURER WOULD BE PROTECTED IN PERCENTAGES OVER AND ABOVE THE DIFFERENCE IN THE COST OF PRODUCTION, AND WOULD ESTABLISH A SOUND FOUNDATION UPON WHICH TO WRITE A TARIFF FOR REVENUE WHICH WOULD AFFORD A LEGITIMATE AND REASONABLE INCIDENTAL PROTECTION, WITHOUT GIVING SHELTER TO MONOPOLY.

It will be observed from these tables the vital fact that the American laborer in the protected industries, and especially in the cotton and woolen industries, does not receive the enormous wages in comparison with the European workman in like industries which the advocates of high tariff would have us believe. On the contrary, their wages are very little, if any, better than those of the European workman, and that the workman in the United States, especially in the textiles, has been compelled to supplement his own wages by compelling his wife and his daughter and his children of tender years to help earn sufficient to enable them to keep body and soul together.

THE EXTREME USE OF WOMEN AND CHILDREN IN THE RACE FOR MONEY-MAKING.

An untutored, full-blood Sioux Indian was taken East and shown the glories of its civilization and, when he had been surfeited with sight-seeing, the question was asked him, what had struck him as the most important thing he saw, and he replied: "The way in which the white man makes his little children work."

So evil has been this result of a monopoly-breaking tariff in this Nation that a general alarm has been widely excited, and various States and committees throughout the Nation are engaged in attempting its correction. (Proceedings of the fifth annual conference, Chicago, Ill., National Child Labor Committee, 105 East Twenty-second street, New York.)

Bulletin No. 69, on Child Labor, Department of Commerce and Labor, shows that 26 per cent of the male children of the United States between 10 and 15 years of age are breadwinners; 1,264,000 male children between 10 and 15 years are breadwinners; 485,000 female children between 10 and 15 years are breadwinners.

2. If the number of children over 15, wage-earners and not yet adults, were classified, it would be found very large. Table 164, Census Bulletin, page 69, for example, gives the number of children at home, at school, and employed as breadwinners in families in which there are female textile workers 10 to 14 years of age, for Chicago, and New York, and out of 3,595 children over 15 years of age, 190 were at home, 52 at school, and 3,353 employed in gainful occupations. No record is made by the census of children not employed in gainful occupations under 10 years of age, nor over 15 years of age; so that it is probably no exaggeration to state that four or five million of children are engaged in labor when they ought to be in school or at play.

By Census Volume 2, page cxxxi, it is shown that the number of females engaged in gainful occupations, outside of domestic service was 5,329,292, and the probable number of women and girls now engaged in gainful occupations will probably exceed seven millions; 28 per cent being so employed in Massachusetts, 29.6 per cent in Rhode Island, 24.3 per cent in Connecticut, 20.8 per cent in New Jersey, 23 per cent in New York and 7.9 per cent in Oklahoma. The reason for women being compelled to go into competition with men in the gainful occupations is largely because the men of the family do not receive enough to maintain the family and enable the women to have the means they require and to remain at home where they properly belong

in a civilization of a high order. The driving of the American woman from the home where her activities would best be employed in promoting her own happiness and the happiness of mankind, and where her services to the race would be best employed in raising children and teaching them the lessons of religion, morality, and the sturdy virtues taught by our forefathers, is not the least of the crushing effects of modern monopoly engendered by a monopoly protecting tariff, and by the unrestrained avarice and ambition with their false standards of life which are thus set up in a mad race for power.

It will be seen by the wages in the textile industries that the cotton spinners of Germany and France are paid more in money than in the United States, the weavers less, and the mule spinners of France more, than those of the United States; that the woolen spinners of Germany and France are paid more money than they are in the United States, while the weavers are paid less, but in considering the fact that the money of the cotton spinners and woolen spinners of France and Germany will buy 50 per cent more than in the United States, the wages they receive are decidedly better. When it is remembered the American workman turns out twice as much as the German or Frenchman, then the ungenerous treatment of the American cotton and woolen spinners is obvious. It is also obvious that the plea of the Massachusetts and Rhode Island *manufacturer* that the HIGHER WAGES he is compelled to pay his cotton and wool spinners in order to meet the pauper labor competition of France and Germany is a *monumental falsehood* used to hoodwink the patriotism of the American people and lead them to tax themselves for the poor spinner's sake who toil in the cotton and woolen mills.

It is interesting to observe that labor in the protected industries of Germany, France, and the United Kingdom are paid much smaller wages than in the unprotected industries, and labor might well question the value of a protective system which operates throughout the world to give them less remuneration for their labor than in the unprotected industries.

A COMPETITION-PROHIBITING TARIFF HAS SERVED TO INCREASE PRICES AND LOWER THE PURCHASING POWER OF ALL WAGES AND OF ALL INCOMES.

In the Journal of the Royal Statistical Society for March, 1909, page 68, A. Sauerbeck, an acknowledged authority, gives a comparison of world prices, based on 45 commodities, and using as an index the standards fixed by the period of eleven years, 1867–1877, which in the aggregate was the equivalent of the average of the twenty-five years preceding; that is, from 1853–1877. The index number is 100.

Prices of commodities in 1908.

[By A. Sauerbeck.]

The following table shows the course of prices of 45 commodities during the last twenty years as compared with the standard period of eleven years, 1867–1877, which in the aggregate is equivalent to the average of the twenty-five years, 1853–1877. (See the Society's Journal, 1886, pp. 592 and 648; and 1893, pp. 220 and 247.)

(Summary of index numbers. Groups of articles, 1867–1877=100.)

Year.	Vegetable food (corn, etc.).	Animal food (meat, etc.).	Sugar, coffee, and tea.	Total food.	Minerals.	Textiles.	Sundry materials.	Total materials.	Grand total.	Silver.	Wheat harvest.	Average price of consols.	Average Bank of England rate.
													Per cent.
1889	65	86	75	75	73	70	68	70	72	70.2	103	98	3 5/16
1890	65	82	70	73	80	66	69	71	72	78.4	106	96 1/4	4 1/16
1891	75	81	71	77	76	59	69	68	72	74.1	108	95 1/4	3 1/16
1892	65	84	69	73	71	57	67	65	68	65.4	91	96 1/4	2 1/16
1893	59	85	75	72	68	59	68	65	68	58.6	90	98 1/4	3 1/16
1894	55	80	65	66	64	53	64	60	63	47.6	106	101	2 1/16
1895	54	78	62	64	62	52	65	60	62	49.1	91	100 1/4	2
1896	53	73	59	62	63	54	63	60	61	50.5	116	111	2 1/16
1897	60	79	52	65	66	51	62	59	62	45.3	100	112 1/4	2 1/16
1898	67	77	51	68	70	51	63	61	64	44.3	120	111	3 1/4
1899	60	79	53	65	92	58	65	70	68	45.1	113	107	3 1/4
1900	62	85	54	69	108	66	71	80	75	46.4	99	99 1/4	4
1901	62	85	46	67	89	60	71	72	70	44.7	106	94	3 1/2
1902	63	87	41	67	82	71	71	71	69	39.6	113	94 1/2	3 5/16
1903	62	84	44	66	83	66	69	72	69	40.7	104	90 1/2	2 1/2
1904	63	83	50	68	81	71	67	72	70	43.4	93	88 1/2	3 1/16
1905	63	87	52	69	87	72	68	75	72	45.7	113	89 1/2	3
1906	62	89	46	69	101	80	74	83	77	50.7	116	88 1/2	4 1/2
1907	69	88	48	72	107	77	78	86	80	49.6	117	84	4 5/16
1908	70	89	48	72	89	62	73	74	73	40.1	111	86	3
Average:													
1899–1908	64	86	48	68	92	67	71	75	72	44.6	109	92 1/4	3 1/16
1888–1897	62	81	66	70	70	59	66	65	67	61.0	101	101 1/2	2 9/16
1878–1887	79	95	76	84	73	71	81	76	79	82.1	97	99 1/2	3 7/16

It will thus be observed that as compared with 100 for 1853–1877, the grand total index number of world prices for 1889 was 72, and for 1899 to 1908 it was 72, a fall in prices due to the demonetization of silver throughout the world.

It will also be observed that the index number for 1889 and 1905 was 72; for 1908 it was 73, thus indicating a singular stability in the grand total of the world prices (London), since 1889, notwithstanding important intermediate variations.

Conceding that the volume of metallic money in the world, together with the law of supply and demand of other materials, are the determining factors fixing the average of world prices, it should be observed that the wonderful increase in the output of modern machinery as applied to all classes of products seems to have been about equaled by the output of metallic money, whose annual rate of gold output has approximately doubled since 1896.

This table also shows the effect upon world prices by the disturbance of commercial credits of the world by financial panic; the panic of 1893 being followed by the lowest world prices in a generation.

It would seem to follow that the lowering of prices stimulated purchases and exchanges and led to a corresponding reaction. The panic of 1907 was followed by an immediate reaction in world prices.

It is important to point out that, notwithstanding the increased output of merchantable articles, the increase of gold circulation available for the use of the world markets has been very large, and that this probably accounts for the substantial stability of world prices since 1889. These figures are of intense interest when compared with the changes in prices which have taken place in the United States. Taking the tables of the Statistical Abstract of 1907, it will be seen that middling cotton which was 11.07 cents in 1890 was 11.5 cents in in 1906, having reached a very low price of 6.94 cents in 1894, just after the panic, and a still lower point of 5.94 cents in 1898, just after the Dingley bill passed; while standard sheetings for 1890 was 7 cents, and 1906, 7.25 cents, reaching a low point of 5.11 cents in 1894, just after the panic, and its lowest point, 4.2 cents, in 1898, just after the passage of the Dingley bill.

In like manner standard drillings and other cotton cloths fluctuated similarly following the panic and following the Dingley bill.

Mr. President, I now submit a table (No. 202) from the Abstract of Our National Statistics (1907), giving the relative wholesale prices of raw and of manufactured commodities of 1890 to 1906 and per cent of increase in prices for 1906 over prices for each preceding year; and also Table 203, giving the relative wholesale prices of commodities from 1890 to 1906 and the per cent of increase in prices from 1906 over prices for each preceding year by group of commodities.

Great increase in prices under Dingley Act. Relative wholesale prices of raw and of manufactured commodities, 1890 to 1906, and per cent of increase in prices for 1906 over prices for each preceding year.

Calendar year.	Raw commodities.		Manufactured commodities.		All commodities.	
	Relative price.	Per cent of increase in 1906 over each preceding.	Relative price.	Per cent of increase in 1906 over each preceding.	Relative price.	Per cent of increase in 1906 over each preceding.
1890	115.0	9.5	112.3	8.3	112.9	8.4
1891	116.3	8.3	110.6	9.9	111.7	9.6
1892	107.9	16.7	105.6	15.2	106.1	15.4
1893	104.4	20.6	105.9	14.8	105.6	15.9
1894	93.2	35.1	96.8	25.6	96.1	27.4
1895	91.7	37.3	94.0	29.4	93.6	30.8
1896	84.0	49.9	91.9	32.3	90.4	35.4
1897	87.6	43.7	90.1	35.0	89.7	36.5
1898	94.0	33.9	93.3	30.3	93.4	31.0
1899	105.9	18.9	100.7	20.8	101.7	20.4
1900	111.9	12.5	110.2	10.3	110.5	10.8
1901	111.4	13.0	107.8	12.8	108.5	12.8
1902	122.4	2.9	110.6	9.9	112.9	8.4
1903	122.7	2.6	111.5	9.1	113.6	7.7
1904	119.7	5.2	111.3	9.3	113.0	8.3
1905	121.2	3.9	114.9	6.1	115.9	5.6
1906	125.9	.....	121.6	.....	122.4	.....

NOTE.—From reports of the Bureau of Labor, Department of Commerce and Labor. This table summarizes wholesale prices of 258 staple commodities. The commodities designated as "Raw" are such as are marketed in their natural state and also such as have been subjected to only a preliminary manufacturing process; this group includes 50 articles. The commodities designated as "Manufactured" are such as have been subjected to more than a preliminary factory manipulation and in which the manufacturing labor cost constitutes an important element in the price; this group includes 208 articles. A relative price, or index number, as it is technically called, of any article is the per cent which the price of that article at any date is of the price of the same article at a date or period which has been selected as the base or standard. The base selected by the Bureau of Labor for this compilation is the average price for the ten-year period 1890 to 1899. The relative prices shown under each group are simple averages of the relatives of all articles included within the group. Average price for 1890–1899=100.

EXHIBIT 6.

Relative wholesale prices of commodities, 1890 to 1906, and per cent of increase in prices for 1906 over prices for each preceding year, by groups of commodities.

Calendar year.	Farm products.		Food, etc.	
	Relative price.	Per cent of increase in 1906 over each preceding year.	Relative price.	Per cent of increase in 1906 over each preceding year.
1890	110.0	12.4	112.4	0.2
1891	121.5	1.7	115.7	a2.7
1892	111.7	10.7	103.6	8.7
1893	107.9	14.6	110.2	2.2
1894	95.9	28.9	99.8	12.8
1895	93.3	32.5	94.6	19.0
1896	78.3	57.9	83.8	34.4
1897	85.2	45.1	87.7	28.4
1898	96.1	28.6	94.4	19.3
1899	100.0	23.6	98.3	14.5
1900	109.5	12.9	104.2	8.1
1901	116.9	5.7	105.9	6.3
1902	130.5	a5.3	111.3	1.2
1903	118.8	4.0	107.1	5.1
1904	126.2	a2.1	107.2	5.0
1905	124.2	a.5	108.7	3.6
1906	123.6	.....	112.6	.....
1907	.....	.....	117.8	.....

Calendar year.	Cloths and clothing.		Fuel and lighting.	
	Relative price.	Per cent of increase in 1906 over each preceding year.	Relative price.	Per cent of increase in 1906 over each preceding year.
1890	113.5	5.7	104.7	23.7
1891	111.3	7.8	102.7	26.1
1892	109.0	10.1	101.1	28.1
1893	107.2	11.9	100.0	29.5
1894	96.1	24.9	92.4	40.2
1895	92.7	29.4	98.1	32.0
1896	91.3	31.4	104.3	24.2
1897	91.1	31.7	96.4	34.3
1898	93.4	28.5	95.4	35.7
1899	96.7	24.1	105.0	23.3
1900	106.8	12.4	120.9	7.1
1901	101.0	18.8	119.5	8.4
1902	102.0	17.6	134.3	a3.6
1903	106.6	12.6	149.3	a13.3
1904	109.8	9.3	132.6	a2.3
1905	112.0	7.1	128.8	.5
1906	120.0	.....	129.5	.....

a Decrease.

Relative wholesale prices of commodities, 1890 to 1906, etc.—Continued.

Calendar year.	Metals and implements.		Lumber and building materials.	
	Relative price.	Per cent of increase in 1906 over each preceding year.	Relative price.	Per cent of increase in 1906 over each preceding year.
1890	119.2	13.4	111.8	25.3
1891	111.7	21.0	108.4	29.2
1892	106.0	27.5	102.8	36.3
1893	100.7	34.3	101.9	37.5
1894	90.7	49.1	96.3	45.5
1895	92.0	47.0	94.1	48.9
1896	93.7	44.3	93.4	50.0
1897	86.6	56.1	90.4	55.0
1898	86.4	56.5	95.8	46.2
1899	114.7	17.9	105.8	32.4
1900	120.5	12.2	115.7	21.1
1901	111.9	20.8	116.7	20.1
1902	117.2	15.4	118.8	17.9
1903	117.6	15.0	121.4	15.4
1904	109.6	23.4	122.7	14.2
1905	122.5	10.4	127.7	9.6
1906	135.2	.....	140.1	.....

Calendar year.	Drugs and chemicals.		House furnishing goods.	
	Relative price.	Per cent of increase in 1906 over each preceding year.	Relative price.	Per cent of increase in 1906 over each preceding year.
1890	110.2	a8.2	111.1	a0.1
1891	103.6	a2.3	110.2	.7
1892	102.9	a1.7	106.5	4.2
1893	100.5	.7	104.9	5.8
1894	89.8	12.7	100.1	10.9
1895	87.9	15.1	96.5	15.0
1896	92.6	9.3	94.0	18.1
1897	94.4	7.2	89.8	23.6
1898	106.6	a5.1	92.0	20.7
1899	111.3	a9.1	95.1	16.7
1900	115.7	a12.5	106.1	4.6
1901	115.2	a12.2	110.9	.1
1902	114.2	a11.4	112.2	a1.1
1903	112.6	a10.1	113.0	a1.8
1904	110.0	a8.0	111.7	a.6
1905	109.1	a7.2	109.1	1.7
1906	101.2	.....	111.0	.....

Calendar year.	Miscellaneous.		All commodities.	
	Relative price.	Per cent of increase in 1906 over each preceding year.	Relative price.	Per cent of increase in 1906 over each preceding year.
1890	110.3	9.8	112.9	8.4
1891	109.4	10.7	111.7	9.6
1892	106.2	14.0	106.1	15.4
1893	105.9	14.4	105.6	15.9
1894	99.8	21.3	96.1	27.4
1895	94.5	28.1	93.6	30.8
1896	91.4	32.5	90.4	35.4
1897	92.1	31.5	89.7	36.5
1898	92.4	31.1	93.4	31.0
1899	97.7	24.0	101.7	20.4
1900	109.8	10.3	110.5	10.8
1901	107.4	12.8	108.5	12.8
1902	114.1	6.1	112.9	8.4
1903	113.6	6.6	113.6	7.7
1904	111.7	8.4	113.0	8.3
1905	112.8	7.4	115.9	5.6
1906	121.1	.....	122.4	.....

a Decrease.

NOTE.—From reports of the Bureau of Labor, Department of Commerce and Labor. The group farm products includes 16 commodities; food, etc., 53; cloths and clothing, 75; fuel and lighting, 13; metals and implements, 38; lumber and building material, 27; drugs and chemicals, 9; house furnishing goods, 14; and the miscellaneous group, 13. Average price for 1890–1899=100.

I also submit Dun's tables showing the variations in prices in the United States.

It should be kept clearly in mind that the federal census is, to a very appreciable degree, influenced by the manufacturing industries of the country favorably to themselves, and this dif-

ference is demonstrated by Dun's tables, which show the increase of prices to be much larger in the United States than as shown by Census Abstract Tables 202 and 203:

Leading classes of necessary articles of daily consumption—Prices, at primary markets, from July 1, 1860, to May 1, 1907.

[Index number, from Dun's Review.]

Date.	Breadstuffs.	Meats.	Dairy and garden.	Other food.	Clothing.	Metals.	Miscellaneous.	Total.
July 1—	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*	*Dolls.*
1860	20.530	8.973	12.662	8.894	22.439	25.851	15.842	115.101
1861	15.749	7.485	10.813	7.653	21.147	22.500	16.573	101.920
1862	18.057	7.150	13.406	10.987	28.413	23.207	17.290	118.510
1863	26.154	10.115	13.530	16.359	45.679	37.079	24.264	173.180
1864	45.616	15.685	26.053	27.303	73.485	59.192	31.653	278.987
1865	25.404	16.112	18.049	21.057	49.307	38.956	25.551	194.436
1866	31.471	17.155	23.472	20.821	45.377	41.762	27.922	207.978
1867	36.537	14.278	18.418	20.167	38.169	35.426	25.529	188.524
1868	38.416	13.210	23.614	19.720	35.694	27.385	24.786	182.825
1869	29.116	13.181	18.121	16.347	35.309	28.355	24.201	164.630
1870	25.322	14.161	16.112	13.308	31.480	26.612	21.786	148.781
1871	24.809	12.177	20.799	13.823	30.624	27.371	21.907	151.510
1872	22.171	11.055	16.019	14.845	32.427	32.643	21.319	150.479
1873	20.460	10.114	15.629	13.625	29.411	32.298	21.355	143.089
1874	25.657	11.560	19.142	13.678	27.260	25.254	19.582	143.133
1875	24.848	13.287	14.918	14.418	25.318	23.515	18.398	134.702
1876	18.777	10.726	15.912	12.914	21.747	20.452	15.951	116.479
1877	21.812	10.036	11.790	13.321	21.850	15.578	15.160	109.547
1878	15.672	8.181	10.608	11.346	19.836	15.789	14.836	96.268
1879	17.054	8.238	10.253	9.884	20.420	15.149	16.286	97.285
1880	17.461	9.230	12.594	11.539	21.984	18.708	17.139	108.655
1881	20.369	11.381	11.311	11.663	20.982	19.295	16.900	111.901
1882	25.494	13.740	14.685	11.627	21.202	19.832	16.650	123.230
1883	19.018	11.210	12.250	10.726	20.209	18.071	15.764	107.248
1884	17.871	11.172	11.309	9.323	19.014	16.272	14.685	99.706
1885	16.370	9.205	10.872	8.712	17.740	14.132	13.666	90.697
1886	15.311	8.906	10.241	8.570	18.063	14.466	13.669	89.226
1887	15.156	8.667	11.188	9.252	18.174	16.035	15.153	93.624
1888	16.984	9.416	11.849	9.917	17.447	15.366	14.155	95.134
1889	14.351	8.244	9.695	10.912	17.107	14.782	14.600	89.691
1890	14.867	8.036	10.711	9.749	17.264	15.506	15.416	91.549
1891	19.782	9.217	12.455	9.339	16.501	15.107	13.691	96.092
1892	17.426	8.700	10.403	8.733	15.648	14.827	14.252	90.105
1893	14.963	10.135	11.710	9.188	15.871	14.030	14.716	90.613
1894	15.115	9.389	10.394	8.478	13.860	12.015	14.041	83.292
1895	14.765	8.622	9.874	8.689	15.315	11.021	13.233	81.519
1896	20.504	7.058	7.872	8.529	13.602	13.232	13.520	74.317
1897—January 1	11.729	7.327	10.456	8.170	12.407	13.014	12.309	75.502
July (low)	10.587	7.529	8.714	7.887	13.908	11.642	12.288	72.455
1898—January 1	13.511	7.336	12.371	8.312	14.654	11.572	12.184	79.940
July 1	12.783	7.694	9.437	8.826	14.663	11.843	12.522	77.768
1899—January 1	13.816	7.520	11.458	9.096	14.150	11.843	12.540	80.423
July 1	13.483	7.988	10.974	9.157	15.021	15.635	12.969	85.227
1900—January 1	13.254	7.258	13.702	9.200	17.484	18.085	16.312	95.295
July 1	14.898	8.906	10.901	9.482	16.324	14.834	16.070	91.415
1901—January 1	14.486	8.407	15.556	9.504	16.024	15.810	15.881	95.668
July 1	14.904	9.430	11.030	9.086	15.098	15.344	16.617	91.509
1902—January 1	20.002	9.670	15.248	8.952	15.547	15.375	16.793	101.587
July 1	20.534	11.628	12.557	8.748	15.533	16.084	16.826	101.910
1903—January 1	17.104	9.522	14.613	9.418	15.938	17.185	16.578	100.356
July 1	17.473	9.269	13.083	9.186	17.136	16.544	16.765	99.456
1904—January 1	17.102	8.138	15.287	9.653	17.316	15.887	16.759	100.142
July 1	18.244	9.033	10.648	10.406	16.514	15.428	16.919	97.192
1905—January 1	18.278	7.950	13.948	10.099	16.319	16.188	16.936	100.318
July 1	18.831	8.614	9.982	9.922	17.986	15.916	17.061	98.312
1906—January 1	16.554	8.426	14.399	9.822	19.313	17.141	18.809	104.464
July 1	17.923	9.677	12.500	9.645	19.177	16.649	19.555	105.216
1907—January 1	16.079	9.350	14.965	9.760	19.637	18.087	19.386	107.264
May 1	18.165	9.641	14.461	9.824	20.098	17.524	19.242	108.955

NOTE.—In the above table the course of prices of commodities is shown, and in each case the price is multiplied by the annual per capita consumption, which precludes any one commodity having more than its proper weight in the aggregate. Breadstuffs include many quotations of wheat, corn, oats, rye, barley, beans, and pease; meats include live hogs, beef, sheep, and many provisions, lard, tallow, etc.; dairy and garden products embrace eggs, vegetables, fruits, milk, butter, cheese, etc.; other food includes fish, liquors, condiments, sugar, rice, tobacco, etc.; clothing covers the raw material of each industry, and many quotations of woolen, cotton, silk, and rubber goods, as well as hides, leather, boots, and shoes; metals include various quotations of pig iron and partially manufactured and finished products, as well as the minor metals, tin, lead, copper, etc., and coal and petroleum; miscellaneous includes many grades of hard and soft lumber, laths, brick, lime, glass, turpentine, hemp, linseed oil, paints, fertilizers, and drugs. The third decimal is given for accuracy of comparison.

There thus appears by Dun's more accurate tables an increase from 1896 to May 1, 1907, of 46.7 per cent on total average of prices of 1896, and on clothing the increase from January 1, 1897, to May 1, 1907, was 69 per cent, and on miscellaneous articles was 55 per cent.

The two tables from our own census contain overwhelming evidence of the injurious results of the Dingley bill upon labor; it shows, for example, Mr. President, that prices have been increased on raw commodities 25.9 per cent over the average prices from 1890 to 1900, and 49.9 per cent over the prices of raw commodities under the Wilson bill.

Our prices were already in 1906 much higher than in Europe, so that these increases are the more striking.

Mr. President, do not the manufacturing classes themselves see that such an enormous raise in prices of raw commodities is injurious both to their domestic and foreign trade? Do they not see it necessarily limits the consumption of the people, whose little salaries are fixed, whose little pension can not be increased in dollars and cents, whose purchasing power is limited to a fixed wage, a wage not exceeding, among the manufacturing laboring classes, $160 per annum per capita?

The obvious result is to restrict consumption of goods, limit the output of goods, lower the factory output, and limit the demand for labor.

Mr. President, in like manner the increase of manufactured commodities in price, including a group of 208 articles, has been 35 per cent since the lower prices under the Wilson bill and an increase of 36.5 per cent upon all commodities above the more reasonable prices under the Wilson bill.

What corresponding increase of wages has labor received? Their wages are relatively less than they were ten years ago, both in relation to the output of labor and in relation to the purchasing power of the wage received; and the demand for labor has been necessarily diminished by preventing the consumption of manufactured and other commodities, because of prices which could not be paid out of the limited number of dollars the ordinary American has received. Such a policy is injurious to the manufacturer, to the wage-earner, to the common citizen consumer, to the business men of the entire Nation, and to our national growth and development.

And differentiating these increases of prices, it will be seen by Table 203 that the prices of 1906 for food are 34 per cent higher than they were in 1896 under the Wilson bill; the cloths and clothing have increased 31.4 per cent above the prices of 1896 under the Wilson bill; that fuel and lighting have increased 40 per cent since 1894 under the Wilson bill; that metals and metal implements have increased 56 per cent above the prices under the Wilson bill; that lumber and building material have increased 55 per cent over the prices under the Wilson bill; that house furnishings have increased 23.6 per cent above the lower prices of the Wilson bill; and miscellaneous articles of various kinds have increased 32.5 per cent above the more reasonable prices of the Wilson bill. Are the American people utterly oblivious to these striking and conclusive facts?

It is perfectly obvious from Sauerbeck tables of the prices of the world and from Dun's table of American (United States) prices that American (United States) prices have increased far beyond European prices since the low price of 1896, notwithstanding American (United States) prices were then much higher than they were in Europe. It therefore follows, beyond question, that the purchasing power of American wages, even of the starvation wages paid in the cotton and woolen mills, has been lowered in such a way as to greatly harm the American workmen, even in protected industries, and has harmed equally the entire American people, workmen, consumers generally, and even the manufacturers, who are severely taxing each other by high prices—the finished product of the one being the raw material of the other. The only people who have a net profit are those who own and control the successful monopolies.

Is the Finance Committee so committed to the demands of the representatives of organized greed in this country that they will refuse to deal justly by the American people?

Or do they believe that by making the rich richer and the poor poorer they will receive adequate political benefit at the hands of those whom they enrich?

I know, Mr. President, that it has been easy to finance Republican campaigns, and I know many good men have not stopped to think that this money was extorted from the misery and sweat of helpless men, women, and children.

Members of the Senate do not often visit the sweat shops; nor do they often see the sorrow and distress of the individuals who compose the weaker elements of our great Nation. I remind them that 500,000 die annually by our neglect, as shown by the comparison between the death rate of New Zealand and Australia, where better laws prevail, where the maxim of the law is "Better reduce want than increase wealth."

Mr. President, I feel charged with a solemn duty to make a record before the Senate of these conditions, and I deem it a great opportunity to have the privilege of submitting a prayer to the leaders of the Senate that they do not be unmindful or inconsiderate of the need and the rights of the inarticulate mass, and that they do not lend too complacent attention to the trained advocates of unsatisfied greed.

Senator Orville H. Platt, the late distinguished Senator from Connecticut, once said, in substance, in commenting on the faults of the American legislator, that "The American legislator should not be charged with incompetency. As a rule, he is fairly well qualified; neither can he be justly charged with dishonesty. There are a few who may be dishonest, perhaps, but they do not exercise any control of legislation. The fault of the American legislator is 'good-fellowship' and doing for a friend what under no other circumstances would the legislator for a moment consider. For that reason," said he, "I deem it the highest legislative virtue to be cross and crabbed to all the world, especially in the last ten days of the session."

If will be thus seen that, from Sauerbeck's tables, the increase of the world prices has been much lower than the increases of prices in the United States, and that this difference must be accounted for in some reasonable manner.

The most natural way in which to account for it is to show that the prices in the United States are artificially controlled by monopoly.

And this average high increase must be interpreted in the light of a great offset of the lowering of prices of all products produced by the American people of which monopoly controls the price. For example, crude oil is produced by Oklahoma in vast quantities—approximately 50,000,000 barrels per annum—which sells for less than 1 cent a gallon, while the refined product retails for over 11 cents a gallon. It costs half a cent a gallon to refine it. The low price is fixed by the Standard on the crude and the high price is fixed by the Standard on the refined. And the increase of all prices is in the face of the vital fact that monopoly fixes an extremely low price on the articles produced by the people of which the monopoly controls the price. *The average high price would be far higher except for the very low price* fixed by monopoly on its purchases, as on crude oil. This is not only true with regard to oil, but also is true with regard to cattle, hogs, sheep, hides, wool, various minerals, tobacco, and so forth. That this low price of articles bought by monopoly prevented the general average from reaching the high point which they would otherwise reach in the statistical tables is a factor of great importance.

Without regard to statistics, everybody knows that the prices are now very much higher than they have ever been.

The schedules of this bill are approximately 50 per cent on the value of proposed imports, and this is proof that the prices in the United States are 50 per cent higher than they are in Europe and abroad on the articles of these schedules by the open confession of the managers of this bill, and I therefore do not need to furnish further proof of this matter as the schedules confess that the prices in this country are approximately 50 per cent higher than they are abroad on articles affected by the present tariff law.

Mr. President, it is of great importance to observe these differences between our present prices and the increase of our present prices as compared with the increase of the prices of the world, because it thus enables us to determine to what extent local conditions have raised our prices above the level of the prices of the world.

WORLD PRICES AND PRICES IN THE UNITED STATES—RISE IN PRICES IN THE UNITED STATES NOT DUE TO INCREASE IN PER CAPITA CIRCULATION.

At first thought it might occur to some one that the higher prices in the United States were due to the larger per capita circulation, but this conclusion is impossible because, while our per capita circulation December 31, 1906 (Statistical Abstract, 1907, Table 269), was $33.99 per capita, France had a per capita of $40.88 and Germany $25.03 and the British Empire $28.12, with no substantial differences in competitive prices at London, thus exhibiting the interesting fact that this enormous increase of prices in the United States, and the fact that United States prices are much higher than the level of world prices, is not due to our increased circulating medium, but is due to the monopolies in this country which have for commercial purposes raised these prices in America far above the prices in the markets of the world.

That these high prices are not necessary for the maintenance of a reasonable profit is shown by the table of lower prices at which these same American goods are sold abroad by the protected monopolies in this country.

A few of these prices are submitted to prove that the prices in the United States under monopoly will average 50 per cent higher than in the markets of the world.

As evidence of this I submit a table from James G. Parsons showing the differences in discounts between export and home prices.

TABLE I.—*Showing differences in discounts between export and home prices.*

[By James G. Parsons, Senate Document No. 54, Sixty-first Congress, first session.]

Articles and description.	Export discount from list.	Home discount from list.	Per cent difference.
Auger bits:	*Per cent.*	*Per cent.*	
Irwin's solid center	60, 10, and 10	50 and 10	39
Snell's	70	60	33⅓
Snell's "King"	60 and 10	50	39
Auger handles, Gunn's No. 5, adjustable and ratchet	35	15 and 10	18
Bells, Texas cow	50 and 10	50	11
Bird cages, Hendryx's brass	50	30	40
Bolt clippers, "New Easy"	60, 10, and 5	50, 10, and 10	18
Bolts:			
Carriage, ⅜ by 6 inches and smaller	80 and 10	75 and 10	25
Machine, ⅜ by 4 inches and smaller	80 and 10	75, 10, and 5	19
Tire	80, 10, and 5	80	17
Borers, bunghole, Enterprise	40 and 2	25	27
Braces:			
Fray's genuine "Spofords"	70	60	33⅓
Fray's ratchet, Nos. 81–161	60 and 10	50	39
Fray's ratchet, Nos. 83–143	60 and 10	50	39
Fray's ratchet, Nos. 62–142	70	50	66⅔
Fray's ratchet, Nos. 66–166	60 and 10	50	39
Fray's sleeve, Nos. 207-214	60, 10, and 10	50	54
Fray's sleeve, Nos. 407–414	60 and 10	50	39
Fray's sleeve, Nos. 606–614	60 and 10	50	39
Fray's plain, Nos. 306–314	70	50	66⅔
Can openers, "King"	25	0	33⅓
Cartridges, rim fire	60, 10, 10, and 6	50	64
Chains, kennel	60 and 10	60	11
Coffee mills, Enterprise	40 and 10	20 and 25	11
Door rollers and hangers, Lane's	60, 10, 10, and 5	60 and 10	17
Gauges, Disston's steel and center	45	25, 7½, and 10	12
Harness snaps:			
Covert's "Trojan"	50 and 10	40	33⅓
Covert's "Yankee"	50	30 and 2	37
Covert's "Derby"	40 and 10	25	39
Lawn sprinklers, Enterprise	40 and 2	30	19
Levels, Starrett's bench and pocket	40 and 5	33⅓ and 5	11
Oilstones, "Lily White" and "Washita" No. 1	50	33⅓	33⅓
Plumbs, levels, etc., Disston's	70, 10, 10, 10, and 5	60 and 10	72
Sausage stuffers, Enterprise	40 and 2	25 and 7½	18
Saws:			
Disston's Nos. 7, 107, 107½, 3, and 1	45 and 7½	30 and 7½	27
Disston's combination	45 and 7½	30 and 7½	27
Disston's Nos. 12, 16, D8, 120, 76, 8	40 and 10	25 and 7½	28
Disston's compass and keyhole	40 and 10	25 and 7½	28
Disston's butcher	50	30	40
Disston's framed wood	50	25	50
Disston's band	70, 10, and 10	60	65
Scroll saws, Barnes's velocipede	30	20	14
Screw-drivers, Disston's electric	70, 10, 10, and 10	70	37
Smoked beef shavers, Enterprise	40 and 10	25 and 7½	28
Squares:			
Disston's try, rosewood handle	70, 10, 10, 10, and 5	60 and 10	72
Disston's steel	45	25, 7½, and 10	13
Traps, Lovell's rat and mouse	50	33⅓	33⅓
Trowels, Disston's brick	45 and 7½	25	47
Vises:			
Armstrong's plain and hinged	80 and 10	60	122
Armstrong's pipe	60	50	25
Bonney's	50	30 and 10	26

TABLE II.—*Showing difference between export and home prices of certain specified articles.*

Articles and description.	Export price.	Home price.	Difference.
			P. ct.
Auger bits:			
Irwin's solid center, 4-16, per doz	$1.30	$1.80	39
Irwin's solid center, 16-16, do	2.92	4.05	39
Auger handles, Gunn's No. 5, do	9.75	11.48	18
Bird cages, Hendryx's No. 316, do	13.00	18.20	40
Bolt clippers, "Easy" and "New Easy," No. 1, each	1.71	2.03	18
Bolts:			
Carriage, ⅜ by 6 inches, per 100	.60	.75	25
Machine, ⅜ by 4 inches, do	.57	.68	19
Tire, ⅜ by 6 inches, do	.65	.76	17
Braces:			
Fray's genuine "Spofford," No. 107, per doz	6.30	8.40	33⅓
Fray's ratchet, No. 81, do	10.44	14.50	39
Fray's ratchet, No. 62, do	6.90	11.50	66⅔
Fray's sleeve, No. 207, do	7.13	11.00	54
Fray's sleeve, No. 606, do	7.56	10.50	39
Fray's plain, No. 306, do	3.60	6.00	66⅔
Bunghole borers, Enterprise, No. 1, do	.74	.94	27
Can openers, "King," per gross	4.50	6.00	33⅓
Coffee mills, Enterprise, No. 1, each	1.22	1.35	11
Files, Nicholson's:			
Mill and round bastard, 3 to 4 inch, per doz	.40	.64	60
Mill and round bastard 5-inch, do	.48	.68	45
Mill and round bastard, 6-inch, do	.59	.75	27
Flat bastard, 3 to 4 inch, do	.40	.79	98
Flat bastard, 5-inch, do	.48	.83	73
Flat bastard, 6-inch, do	.59	.92	56
Flat bastard, 7-inch, do	.75	1.03	37
Flat bastard, 8-inch, do	.88	1.12	28
Flat bastard, 9-inch, do	1.01	1.35	34

TABLE II.—*Showing difference between export and home prices of certain specified articles*—Continued.

Articles and description.		Export price.	Home price.	Difference.
				P. ct.
Files, Nicholson's—Continued.				
Flat bastard, 11-inch	per doz.	$1.51	$1.84	22
Flat bastard, 13-inch	do	2.11	2.52	19
Square bastard, 3 to 4 inch	do	.40	.81	102
Square bastard, 5-inch	do	.48	.88	83
Square bastard, 6-inch	do	.59	.98	66
Square bastard, 7-inch	do	.75	1.09	45
Square bastard, 8-inch	do	.88	1.18	34
Square bastard, 9-inch	do	1.01	1.41	40
Square bastard, 10-inch	do	1.26	1.58	25
Square bastard, 11-inch	do	1.51	1.94	29
Square bastard, 12-inch	do	1.82	2.18	20
Square bastard, 13-inch	do	2.11	2.67	27
Gauges:				
Disston's combined steel	each	.55	.62	12
Disston's center	do	.17	.19	12
Harness snaps:				
"Trojan," 1½ loop	per gross	2.70	3.60	33⅓
"Yankee," 1½ loop	do	2.90	3.98	37
"Derby," No. 733	do	2.70	3.75	30
Lamp chimneys:				
Macbeth's No. 502	per doz.	.40	.68	70
Macbeth's No. 504	do	.50	.82	64
Lawn sprinklers, Enterprise, No. 2	each	1.76	2.10	19
Levels, Starrett's 24-inch bench	do	1.28	1.42	11
Plumbs and levels, Disston, No. 12	per doz.	5.82	10.08	72
Pocketknife and tool kit, Ulery's	per set	1.15	1.50	30
Rifles:				
Stevens's "Little Scout," No. 14	each	1.35	1.75	30
Stevens's "Maynard Jr.," No. 14	do	1.80	2.20	22
Stevens's No. 16	do	2.00	2.60	30
Stevens's "Little Krag," No. 65	do	2.50	3.00	20
Stevens's "Favorite"	do	3.47	4.50	30
Sausage stuffers, Enterprise, No. 5	do	2.20	2.61	18
Saws:				
Disston's hand, 30-inch, No. 7	per doz.	13.74	17.48	27
Disston's hand, 30-inch, No. 16	do	15.39	19.98	28
Disston's combination, No. 43	do	15.25	19.42	27
Disston's butcher, 24-inch, No. 7	do	8.50	11.90	40
Disston's framed wood, No. 60	do	6.00	9.00	50
Disston's band, 2-inch, 18-gauge	per foot	.157	.26	65
Barnes's combined scroll and circular	each	28.00	32.00	14
Screws, flat-head iron wood:				
Size, ¼ inch, Nos. 1 to 4	per gross	.034	.073	115
Size, ⅜ inch, Nos. 1 to 4	do	.034	.073	115
Size, ½ inch, Nos. 1 to 3	do	.034	.073	115
Size, ⅝ inch, No. 4	do	.038	.076	100
Size, ¾ inch, No. 4	do	.04	.079	97½
Screws, flat-head brass wood:				
Size, ¼ inch, No. 1	do	.072	.136	89
Size, ⅜ inch, No. 6	do	.084	.195	132
Size, ½ inch, No. 6	do	.084	.211	151
Size, ⅝ inch, No. 6	do	.096	.227	136
Size, ¾ inch, No. 6	do	.108	.251	132
Screws, round-head iron wood:				
Size, ¼ inch, No. 1	do	.034	.087	156
Size, 1 inch, No. 6	do	.06	.112	87
Size, 1½ inches, No. 10	do	.10	.17	70
Size, 2 inches, No. 16	do	.228	.378	66
Size, 3 inches, No. 18	do	.412	.67	63
Screws, round-head brass wood:				
Size, ¼ inch, No. 1	do	.072	.168	133
Size, 1 inch, No. 6	do	.16	.329	106
Size, 1½ inches, No. 10	do	.336	.776	131
Size, 2 inches, No. 16	do	.768	1.955	155
Size 3 inches, No. 18	do	1.24	3.646	194
Screw-drivers, Disston's electric, 12-inch	per doz.	1.36	1.86	37
Shoe dressing:				
Whittemore's "Gilt Edge"	do	1.20	1.75	46
Whittemore's "Baby Elite"	do	.60	.67	12
Shotguns:				
Stevens' No. 105	each	2.80	4.25	52
Stevens' No. 107	do	3.00	4.50	50
Stevens' No. 225	do	8.67	9.75	12
Smoked-beef shavers, Enterprise, No. 23	do	4.32	5.55	28
Squares:				
Disston's try, rosewood, 10-inch, No. 1	per doz.	1.66	2.88	72
Disston's steel, 4-inch	each	1.10	1.46	13
Traps, Lovell's mouse and rat, metallic	per gross	5.50	7.33	33⅓
Trowels, Disston's brick, 8-inch, No. 1	per doz.	4.07	6.00	47
Vises:				
Armstrong's hinged, No. 1	each	1.80	4.00	122
Armstrong's combination, with leg sockets	do	6.40	8.00	25
Bonney's No. 112	per doz.	2.25	2.84	26
Watches:				
Elgin movement, 20-year gold-filled case	each	7.98	10.29	28
Elgin movement, silveroid case	do	3.04	4.47	47
Wrenches, Hawkeye "5 in 1"	per doz.	3.60	4.50	25

(Senate Document No. 54, Sixty-first Congress, first session.)

It is thus seen that our own manufacturers, to obtain the protection from foreign competition, not only do not give American consumers the low prices they are entitled to, but they give all the benefit to foreigners. These tables demonstrate that the pretense of high tariff to protect themselves against the cheap labor of Europe is false; that our manufacturers can compete and do compete in the open markets of the world, and that they actually do give to foreigners the benefits they deny to Americans, of whose patriotic self-sacrifice they take wrongful advantage.

Protection's favors to foreigners is strongly set forth in Senate Document No. 54, Sixty-first Congress, first session, prepared by James G. Parsons, and submitted by me to the Senate, and to which I refer for the most abounding evidence for the truth of my contention—that this bill and its immediate predecessors, the Dingley bill and the McKinley bill, were written under the color of serving the American laborer, when, in point of fact, it has done nothing of the kind, but, on the contrary, favors the foreigner at the expense of the American.

The defense of this indecent practice has been abundantly answered in Document 54, and I shall not take the time to further comment upon it.

A similar table, showing that our prices are 50 per cent higher than world prices, is submitted (Exhibit 12), prepared by Byron W. Holt, of New York.

Our great agricultural products have their prices fixed by the markets of the world, except where freight prevents.

The price of corn per bushel was 55 cents in 1892 and 53 cents in 1906, and wheat was 93 cents in 1891 and 82 cents in 1906, and exported cattle in 1891, $81.25, and $93.17 in 1906 under improved methods of feeding and transportation, while cotton was 10 cents in 1890 and 11 cents in 1906.

We have a right to expect cheapening of manufactured products because of the constant increasing improvements in machinery—and in this we are disappointed—and a rise in the price of agricultural products produced from an area necessarily limited, and in this we are not gratified.

The prohibitive tariff has increased the cost of living of the workman and of every other person in the United States, and, therefore, *has diminished the purchasing power of the wages received.*

I have submitted Table No. 202, Abstract of Census, 1907, page 577, which shows that raw commodities have increased since the Dingley bill went into effect 49.9 per cent, manufacturers' commodities have increased 32.3 per cent up to 1906, and all commodities have increased 35.4 per cent up to 1906, and still higher in 1909.

Mr. President, I now submit Tables 197 and 206, which show in detail the increase of price of food products, showing lard to have increased, since 1896, 38 per cent, corn meal 29 per cent, fresh pork 41 per cent, salt pork 55 per cent (Statistical Abstract of Census, 1907), and similar increases in other things required by the consumer.

LABOR IS HARMED BY THESE HIGH PRICES.

Mr. President, it is obvious that the laboring man who receives a fixed wage, or the laboring woman who receives a given number of dollars, whether in the factory, on the farm, in the mine, in the forest, or in domestic service, by an increase of 34 per cent in the price of all articles to be bought with wages received will be required to pay $134 to buy the same amount of goods which cost $100 in 1896 under the Wilson bill.

This means the equivalent of a flat loss of 25 per cent of the narrow wages received by the working people, and shows that the results of this tariff have been seriously injurious to the working people, because of these artificial prices.

HIGH PRICES INJURIOUS TO SALARIED PEOPLE.

Under these high prices it would take, in 1906, $1,354 to buy as much as $1,000 bought in 1896; in other words, a salaried man who received a salary of $1,354 in 1896 could save out of it $354, but to buy the same things in 1906 would take his entire salary of $1,354, and leave him nothing saved.

The effect of these high prices on the salaried man is to diminish the purchasing power of his salary 25 per cent.

This is the probable reason why Congress raised the salaries of Members of Congress and of Senators 50 per cent; it was to keep the Senators and Members of Congress from suffering the injury which the Dingley bill inflicted on the balance of the country.

HIGH PRICES ARE INJURIOUS TO THE MANUFACTURERS.

High prices on raw material (and one manufacturer's raw material is the finished product of another manufacturer) has the effect of making it more difficult for American manufacturers to compete in the markets of the world, because their first cost on this very account is heavier than would be the case with their foreign competitors.

Our manufacturers do compete, however, on a considerable scale, because of the greater efficiency of the American workman and of American invention and improved processes, and because of rebates in *foreign material* bought and reshipped in manufactures.

In this way a market is afforded foreign material and denied our own materials unless they compete with foreign material at world prices.

But if the manufacturers could obtain a uniform cost of material 35 per cent less than it is now our commerce would be greatly multiplied, the activity of our factories wonderfully stimulated, all of America's laboring elements would be employed, and the productive energies of the Nation brought to the highest degree of activity and efficiency.

If lower prices should prevail, we would avoid the evil of underconsumption and need have no fear of overproduction.

The percentage of weekly earnings, retail prices, and the weekly earnings as measured by retail prices is shown by the Bureau of Labor bulletin, July, 1905:

	Weekly earnings per employee.	Retail prices.	Weekly earnings as measured by retail prices.
	Per cent.	*Per cent.*	*Per cent.*
1890	101.0	102.4	98.6
1891	100.8	103.8	97.1
1892	101.3	101.9	99.4
1893	101.2	104.4	96.9
1894	97.7	99.7	98.0
1895	98.4	97.8	100.6
1896	99.5	95.5	104.2
1897	99.2	96.3	103.0
1898	99.9	98.7	101.2
1899	101.2	99.5	101.7
1900	104.1	101.1	103.0
1901	105.9	105.2	100.7
1902	109.2	110.9	98.5
1903	112.3	110.3	101.8
1904	112.2	111.7	100.4

100 equals the standard prices averaged between 1890–1900.

It will be observed that even by these tables, coming from sources interested in putting the best face on the matter, the weekly earnings bought no more in 1904 than they did between 1890 and 1900, while they rose in 1896 to 104.2 from 96.9 in 1894, showing an increased purchasing power of over 7 per cent following the passage of the Wilson—lower tariff—Act.

Mr. President, the tables prepared by Edward Atkinson, of Boston (Exhibit 2), showing the relative number of persons who could be affected by a tariff as far as their wages are concerned in the so-called "protected or partially protected industries," should not be forgotten. It will be shown by these tables that 10,381,765 persons are farmers, planters, overseers, agricultural laborers, gardeners, florists, nurserymen, dairy men and women, and other agricultural pursuits; lumbermen and raftsmen, stock raisers, herders and drovers, turpentine farmers and laborers, and wood choppers, to which must be added all persons in professional service, 1,258,739; all persons in domestic and personal service, 5,580,657; and all persons in trade and transportation, 4,766,964; making a total of 21,788,125; and estimating those who are engaged in other services which could not be regarded as in any degree open to competition, it is found that out of a total of 29,074,117 there could not be exceeding 600,000 persons occupied in arts which would require a protective duty. This table is very carefully drawn and is convincing to a sincere and disinterested student. It therefore appears that very little over 2 per cent of the American people are employed in such a way as to really require any measure of so-called "protection," while 100 per cent of our people are taxed about 50 per cent on an average on all dutiable goods, to their very great injury, and without even benefiting the 2 per cent who are employees, mostly of foreign birth or parentage, in the so-called "protected industries," while nearly all of such industries are owned by monopolies who give their foreign employees the lowest wages in America and keep millions for themselves.

MONOPOLY.

This bill ought not to pass, because similar bills heretofore have established, and this bill will continue to maintain, monopoly, labor's chief oppressor, and will be followed by high prices, low wages, greater mortality to labor, increased crime, and extravagant and corrupt standards.

Mr. President, no man familiar with history of his country will seriously question that when the tariff has its schedules so high as to prevent competition from abroad it must engender monopoly at home.

The first step of triumphant monopoly is to cut off foreign competition; the next step is easily effected by any of a variety of successful expedients.

First. By the policy of placing a control of the stock of competing companies in the hands of a trustee for the purpose of preventing competition. This was nothing more nor less than a conspiracy in restraint of trade. The courts in due time pronounced the so-called "trust" an unlawful combination. The reason why it was unlawful was because it violated the common law of the English-speaking people. *It violated the common law, which holds as void any contract in restraint of trade.* The common law of our States holds a man is entitled to buy at a price fixed in a free competitive market, and that any restraint of trade denying the citizen this common-law right is a fraud upon him. *The present tariff law and the proposed law is conspicuously guilty of this sin,* although its error has not yet been declared by the courts. A test case should be brought.

Indeed it is a form of robbery under the color of law and carried on under the safeguards of organized society; *it is a fraud to impose a prohibitive tax under the pretense of raising revenue, but in reality to protect monopoly.* It is a species of immoral conspiracy which ought not to be endured by any nation of intelligent and liberty-loving men.

The contracts putting the control of the stock of competing companies in the hands of a "trustee," being the first form in which organized monopoly became conspicuously bad, has led to the term "trust" being loosely and incorrectly used to describe any monopoly.

Second. Another expedient by which monopoly was established was "a gentleman's agreement," by which prices were fixed by verbal agreement and not by contract. This was nothing more nor less than a verbal conspiracy, and was no less a fraud and unlawful than if the verbal agreement had been a legal contract in writing. The only difference between the two was the greater difficulty of detection of the combination.

The gentleman's agreement usually proved inefficient, because men engaged in this character of fraud could not trust each other.

Third. Another form by which the American people have been defrauded by monopoly is where a giant corporation, like the Standard Oil Company, sets a fixed price on crude oil and a price on the refined products, and because of its power intimidates the independent refiner and compels the refiner through fear of destruction, in the crafty ways so fully described by Ida Tarbell in the history of Standard Oil, to recognize and maintain the prices so fixed. In this way the Standard Oil Company, through its subsidiary companies, sets the price of crude oil in Oklahoma of the best quality at 41 cents a barrel. No refiner wishes to violate this rule for fear of the Standard, and no refiner dares to offer to sell refined oil at less than the Standard price for fear of the Standard. It only costs one-half cent a gallon to refine petroleum, and crude oil costs 41 cents a barrel in Oklahoma. The people ought to get very cheap oil, but they do not get it, because the Standard Oil Company overshadows the land and controls the market, both of crude oil and of the refined products.

It is a common practice for the independent refiners to stand on the prices fixed by the Standard, both on crude and refined, for fear that they will be destroyed. The history of the past is strewn with the wreckage of companies who have ventured to cut the prices of the Standard Oil Company.

I think the Congress of the United States ought to impose a rule on interstate corporations using the mails and enjoying public protection that they shall not vary their price to the consumers of the United States, except in so far as the difference in freight justifies. In this way the Standard Oil Company could not put the price of refined below cost locally for the purpose of running out an independent competitor in a local field while the Standard at the same time raises the price in another field, with which to make the consumer pay the cost of this illegitimate warfare on a competitor. If the Standard were compelled to give the same price plus freight in all parts of the United States to the consumer, the Standard could not in that event afford to lower its local price for the purpose of killing off a petty competitor. And I appeal to the leaders of the Republican party in the Senate of the United States to bring in an amendment to this bill providing this remedy.

I am sure the chairman of the Committee on Finance will appreciate the force of this observation, and if he does not afford the country the relief which I invite him to do he at least shall have no complaint of me that he did not receive a wise and virtuous suggestion from Oklahoma. I assure him that if he will submit the proper amendment he can rely upon the Senators from Oklahoma giving him enthusiastic support in such a policy.

I pause to ask the chairman of the Committee on Finance whether he will bring in or support such an amendment.

I appeal to the leaders of the Republican party in the Senate of the United States to bring in an amendment to the bill providing this simple, effective remedy against monopoly. If we want to establish competition in the United States, if we hope

to maintain competition in the United States, we must protect the little competitor and not permit him to be killed off by ingenious processes. Otherwise we might as well recognize now that monopoly is fixed and is to be dealt with as monopoly. If we deal with it as monopoly, then a different process would be available, which I suggest to the Senate of the United States, and that is, conceding monopoly to be established, conceding that we can not control or that we will not control monopoly, I suggest that monopoly, having the power of taxation of the American people without limitations, shall be controlled by being limited in the dividends it may pay upon its invested capital, determined by physical valuation.

Fourth. But another and far more dangerous form of monopoly, skillfully drawn to avoid the decisions of the Supreme Court of the United States with regard to contracts in restraint of trade, is the more recent successful plan of merging one corporation with another, such as illustrated in the United States Steel Corporation, by which all competitors of any importance were absorbed. It was organized in 1901, and at that time absorbed a number of gigantic concerns, to wit: Federal Steel, National Tube, American Steel and Wire Company, National Steel, American Tin Plate, American Steel Hook, American Sheet Steel, American Bridge, Shelby Steel Tube, The Carnegie Company, The Lake Superior Consolidated Iron Mines, and acquired interests in numerous other companies, such as the Pittsburg Steamship Company, The Oliver Iron Mining Company, The National Steel Company, including The Sharon Steel Company, The Union Steel Company, The Donora Mining Company, The Republic Coke Company, The River Coal Company, The Sharon Coke Company, The Sharon Ore Company, The Sharon Sheet Steel Company, and a controlling interest in the companies of the Sharon Coal and Limestone Company and the Sharon Tin Plate Company, and directly and indirectly controlling the American Coke Company, The Continental Coke Company, The H. C. Frick Coke Company, The McClure Coke Company, The Southwest Connellsville Coke Company and the United Coal and Coke Company, consolidated under the title of H. C. Frick Coke Company, acquiring also the Clairton Steel Company in May, 1904, The St. Clair Furnace Company. This contract carried with it the stock of the Champion Iron Company, The Clairton Land Company, the St. Clair Terminal Railroad Company, and 51 per cent of the stock of the St. Clair Limestone Company; in April, 1905, the Heckler Coke Company was acquired. On April 15, 1907, by lease United States Steel obtained the control of the Great Northern Railroad Company ore properties through the Great Western Mining Company, a subsidiary company of the United States Steel Corporation, and so forth.

These gigantic mergers of the various companies, by which their competition with each other was effectually destroyed, formed the new company, which issued a total of stocks and bonds of about fourteen hundred millions, a large part of which was "watered," having no physical value corresponding with the face values of the stocks and bonds issued.

In 1907 this gigantic merger company took over the Tennessee Coal, Iron and Railroad Company, which was itself composed of various companies merged together in the same fashion as the United States Steel Corporation, and was its only great competitor; under the control of this great merger company are various water-supply plants, natural-gas properties, pipe lines, ore docks, a multitude of iron mines, and some 25 railroad companies.

By these gigantic mergers competition is effectually controlled under the forms of law, and the resulting giant corporation has such a dominating and masterful position that smaller corporations dare not compete or cut the price or attempt to do so. Competition is thus utterly destroyed.

Moody's Manual for 1907, page 2320, gives over 1,000 companies absorbed or merged by or into other companies for 1907.

The smaller corporations engaged in the same business are indeed of some use to the giant monopoly, because the smaller corporation being in existence and doing business at the same prices fixed by the larger corporation, the greater concern can point to the smaller concern as evidence to the common people that there is active competition in the field. The common people may accept the testimony, but it will be a Barmecide feast when they test the prices.

When the people threaten to remove the monopoly tariff, which shelters monopoly, all of the agents of monopoly join in one mighty chorus in defense of the poor little independent man who will be utterly ruined if the tariff is lowered a particle. But the smaller concern is used as a highwayman might hold up a child to ward off a merited chastisement. It is, however, no chastisement and no injustice whatever to the monopoly to take down the tariff wall that shelters monopoly from reasonable competition, but merely a just action in restoring the competition which never should have been interfered with.

The United States Steel Corporation, I am informed, permits no organized labor in its service. The thoughtlessness of this monopoly of its labor, and its forgetfulness of its moral obligation toward poor human beings engaged in its service has been shown with great force in a recent philanthropic investigation conducted under the Russell Sage Foundation in the "Pittsburg Survey." What these giant monopolies are capable of doing when not restrained by any other consideration than what is called "business" and the pressure for "dividends," "dividends," "dividends," is set forth in great detail in the Journal of Constructive Philanthropy, published by the Charity Organization Society of the City of New York, 105 East Twenty-second street, New York; Robert W. deForest, president; J. P. Morgan, treasurer; Edwin T. Devine, general secretary, 105 East Twenty-second street, New York City, in "Charities and the Commons" in the issues of January, February, and March, 1909.

What a monopoly tariff does for its protected workmen is abundantly set forth in this wonderful report of the unspeakable conditions which have grown up under our system of government, where the beneficiaries of the tariff have forgotten manhood, and have forgotten womanhood, and even childhood in their insane pursuit of wealth and power.

Ida M. Tarbell, a critical and learned student of sociology, has described it in a few words in the American Magazine of May, 1909:

A TARIFF-MADE CITY—WHAT IT DOES FOR ITS WORKMEN.

The city of Pittsburg is the greatest monument in this country to the practice of high protection. For fifty years it has been the stronghold of the doctrine. For fifty years it has reaped, as no other center in the United States, the benefits of prohibitive duties.

The town lies at the heart of a district in which is produced from one-quarter to one-half of all the various kinds of American iron and steel, as well as a goodly proportion of all our tin, plate glass, and machine-shop products. All of these articles have for years had the American market practically to themselves. All of these articles have for years been exported and sold at less prices than the American consumer can buy them. All these industries have produced enormous fortunes. So many, so conspicuous are they, that a recognized American type in Europe and the United States is the "Pittsburg millionaire." Now, it is certain the tariff produced the Pittsburg millionaire, but that was not what the tariff was fixed for by the Congress of the United States. The tariff was laid to protect and help the Pittsburg workman. According to the protectionist argument, Pittsburg, as the bulwark and center of protected industries, should produce the happiest, most prosperous, and best conditioned workmen in the United States. How is it?

There has just been published in *Charities and The Commons* (now *The Survey*) one of the most significant pieces of investigation the country has seen. It is the result of a year or more of work on the part of a band of trained investigators commissioned by the Charities Publication committee. It gives a blueprint of Pittsburg—the place itself, the people, and their work. What does this blueprint show of the workingman under protection?

It shows him working *twelve* hours a day for SEVEN days in the week, and once in two weeks filling a "long turn," or a twenty-four-hour shift. It is not simply the exceptional man who overworks in this cruel fashion. The twelve-hour day is the extreme of an "altogether incredible amount of overwork by everybody," so the Survey declares. Can you make a man by these hours? Is it any wonder that those who lived and walked among these men preparing this Survey report their saying: "Too tired to read—too tired to think. I work and eat and sleep." Any wonder that they report the God-fearing women crying out for the old country: "We might not have been able to live so well there; but, oh, man, we could have brought up the children in the fear o' God and in a land where men reverence the Sabbath." Any wonder that those men who have not the restraining influence of a family drown fatigue at night in saloons and brothels?

And what do they earn for their toil? In the tariff-protected industries, steel and iron, the greatest number receive a wage, says the report, "so low as to be inadequate to the maintenance of a normal American standard of living—wages adjusted to the single man in the lodging house, not to the responsible head of a family." And this in industries where "to protect the workingman" this country has for years taxed itself millions upon millions of dollars. The estimated tariff profit in the steel trust alone in 1907 was $80,000,000. Who got the money? Go look at the steel palaces and chateaux in New York and Paris. Go ask the Pittsburg millionaires who fill the glittering places of pleasure in the great cities of Europe and this country, who figure in divorce and murder trials, who are writing their names on foundations and bequests and institutions.

How does this "protected" workingman live? What kind of households are these "builded on steel?" The reporter of the situation summarizes them: "*Evil conditions were found to exist in every section of the city. Over the omnipresent vaults graceless privy sheds flouted one's sense of decency. Eyrie rookeries perched on the hillsides were swarming with men, women, and children—entire families living in one room and accommodating boarders in a corner thereof. Cellar rooms were the abiding places of other families. In many houses water was a luxury, to be obtained only through much effort of toiling steps and straining muscles. Courts and alleys fouled by bad drainage and piles of rubbish were playing grounds for rickety, pale-faced, grimy children. An enveloping cloud of smoke and dust, through which light and air must filter, made housekeeping a travesty in many neighborhoods; and every phase of the situation was intensified by the evil of overcrowding—of houses upon lots, of families into houses, of people into rooms.*"

Among the worst illustrations of these *typical* conditions are certain properties owned by the very corporations who are reaping wealth from the tariff-protected products. These beneficiaries of the generosity of the American people, these gentlemen who, when they see the taxation in their interest threatened, hold up the laborer and his good as a reason for continuing it, what do *they* say when these conditions are pointed out to them: "*We don't want to go into the housing business.*

We are manufacturers, not real estate dealers. We may be forced to build houses in certain new districts in order to attract and hold labor, but in an old, settled community let the laboring man take care of himself. We don't believe in paternalism."

They have had no more interest in preserving the lives of the men who do the terrible toll necessary to their wealth than in giving them decent housing. For years the death rate from typhoid fever in Pittsburg has been the highest of any city in the civilized world. Everybody knew it. Everybody knew why. There was no supply of pure drinking water. A filtration plant was needed. Did any Pittsburg millionaire offer to build it—insist that the industries which called the vast army of labor to Pittsburg should build it? No; they left a corrupted city government to fight over the appropriations for the work and scattered in endowments and in institutions in other cities and other States many times the five millions needed in Pittsburg to save the lives of the workmen. They hold up to the world for admiration their love of great material problems—they argue with the American people that their skill in solving these problems is a good and sufficient reason for continuing general taxation in their favor. But a problem which, worked out, would benefit nobody but the humble two-dollar-a-day man who sweats out his life in the heat of their profitable furnaces does not interest them. It might savor of paternalism!

Not even the child has touched them. The conditions under which the children of the poor are brought up in Pittsburg are such that babies die like flies. Of those along the river, a settlement worker told Samuel Hopkins Adams, when he was working on health conditions for the Survey: "*Not one child in ten comes to us from the river-bottom section without a blood or skin disease, usually of long standing. Not one out of ten comes to us physically up to the normal for his or her age. Worse than that, few of them are up to the mental standard, and an increasing percentage are imbecile.*"

As to the schools, here is what an authority says: "*The school buildings are in many cases crowded, dark, dirty, often of three stories, and bad fire risks. The condition of the children in these schools, good and bad, rich and poor, may be known by the large proportion having defective teeth, reduced hearing, imperfect vision. An excessively large number of them are mouth breathers, partially so because they are unable to breathe through their noses in the smoky air of Pittsburg, and a very considerable number are below the stature and the weight determined for the average child. In a large percentage the defects of teeth, nose, and throat bring them below the physical normal. These are the children that wear out in childhood.*"

Is it a wonder that this gentleman suggested:

"*Ought not the Pittsburg schools to be closed and the children repaired?*"

This Pittsburg Survey is the most awful arraignment of an American institution and its resulting class pronounced since the days of slavery. It puts upon the Pittsburg millionaire the awful stamp of greed, of stupidity, and of heartless pride. But what should we expect of him? He is the creature of a special privilege which for years he has not needed. He has fought for it because he fattened on it. He must have it for labor. But look at him and look at his laborer and believe him if you can.

Justice takes a terrible revenge on those who thrive by privilege. She blinds their eyes until they no longer see human misery. She dulls their hearts until they no longer beat with humanity. She benumbs their senses until they respond only to the narrow horizon of what they can individually possess, touch, feel. She makes, as she has in Pittsburg, a generation of men and women who day by day can pass hundreds of tumbled-down and filthy homes, in which the men and women who make their wealth live, and feel no shock; who can know that deadly fevers and diseases which are preventable are wiping out hundreds of those who do their tasks, and raise no hand. Little children may die or grow up stunted and evil within their sight and no penny of their wealth, no hour of their leisure, is given them. Women may pass hours of incessant toil and die, broken and unhonored, within their sight, and they raise no hand. Wealth which comes by privilege kills. The curse of Justice on those who will not recognize injustice is the sodden mind, the dulled vision, the unfeeling heart.

I. M. T.

I was interested after reading this distressing record of the misery and degradation of the employees in protected industries at Pittsburg, and their great poverty, to observe, in striking contrast, that Mr. H. C. Frick, one of the masters of the iron, steel, and coke monopoly, was reported by the public press as trying to buy an oil painting by Holbein from the Duke of Norfolk for $350,000. I could not help thinking how scandalous it was to take the labor of these poor people and dissipate it in such folly.

The papers announce also that Mr. Schwab, another steel magnate, was successfully "bucking the tiger" at Monte Carlo, and gambling on a gigantic scale. No doubt he has millions which he may hazard at the gambling table and not feel the loss, but where does he get it? He gets it out of the grimy sweat of a labor so poorly paid that the women and children must, of necessity, suffer degradation and physical, social, and spiritual degeneration.

The morning papers state that a New York lady now suing her husband for divorce has spent in the last ten years $770,000 in various interesting and fanciful extravagances, paying from $500 to $800 for dresses, having scores of servants to dance attendance and promote the wildest vagaries of fashion. One can not pick up a paper without reading the unseemly and indecent waste of the national resources by those beneficiaries who profit by monopolies sheltered under a noncompetitive tariff, one which prevents all competition, and gives them the power to combine at home for the purpose of fleecing the American people and picking their pockets wholesale by prices which are 50 per cent higher than the prices in the markets of the world. Side by side are babies dying like flies for want of proper food and air and decent environment. The omnipotent God will surely punish a nation or a party that sees these evils with callous heart and offers no remedy.

Some one might say that Ida Tarbell's picture is too graphic. I do not think it possible to convey in two pages the terrific arraignment of our civilization which is exhibited in the Pittsburg Survey.

But I submit another authority, whose calm and disinterested judgment and statement of the facts ought to command the attention of the entire nation.

RESULTS OF PITTSBURG SURVEY.

Prof. Edward T. Devine, of New York City, general secretary of the Charity Organization Society of the City of New York (see Vol. III, Amer. Sociological Soc., May 1, 1909), gives a sketch of the results of the Pittsburg Survey, describing what was found to be the actual fact at this great center of the protective industries. He says they found the following results:

I. An altogether *incredible amount of overwork* by everybody, reaching its extreme in the twelve-hour shift for seven days in the week in the steel mills and the railway switch yards.

II. *Low wages for the great majority* of the laborers employed by the mills; not lower than in other large cities, but low compared with the prices—so low as to be *inadequate to the maintenance of a normal American standard of living; wages adjusted to the single man,* not to the responsible head of a family.

III. Still *lower wages for women,* who receive, for example, in one of the metal trades in which the proportion of women is great enough to be menacing, *one-half as much as unorganized men in the same shops* and *one-third as much as the men in the union.*

IV. *An absentee capitalism,* with bad effects strikingly analogous to those of absentee landlordism, of which also Pittsburg furnishes noteworthy examples.

V. A *continuous inflow of immigrants with low standards* attracted by a wage which is high by the standards of southeastern Europe, and which yields a net pecuniary advantage because of *abnormally low expenditures for food and shelter,* an inadequate provision for *sickness, accident, and death.*

VI. The *destruction of family life,* not in any imaginary or mystical sense, but by the demands of the day's work, and by the very demonstrable and material method of typhoid fever and industrial accidents, both preventable, but costing last year in Pittsburg considerably more than a thousand lives, and irretrievably shattering many homes.

VII. *Archaic social institutions* such as the aldermanic court, the ward school district, the family garbage disposal, and the unregenerate charitable institution, still surviving after the conditions to which they were adapted have disappeared.

VIII. *The contrast*—which does not become blurred by familiarity with details, but on the contrary becomes more vivid as the outlines are filled in—*the contrast* between the *prosperity* on the one hand *of the most prosperous of all the communities* of our western civilization, with its vast natural resources, the generous fostering of government, the human energy, the technical development, the gigantic tonnage of the mines and mills, the enormous capital of which the bank balances afford an indication, and, *on the other hand, the neglect of life, of health, of physical vigor, even of the industrial efficiency of the individual.* Certainly no community before in America or Europe has ever had such a surplus, and *never before has a great community applied what it had so meagerly to the rational purposes of human life.* Not by gifts of libraries, galleries, technical schools, and parks, but by *the cessation of toil one day in seven, and sixteen hours in the twenty-four, by the increase of wages, by the sparing of lives, by the prevention of accidents, and by raising the standards of domestic life, should the surplus come back to the people of the community in which it is created.*

The details of this tragic condition is found in the January, February, and March numbers of Charities and Commons, 1909, published in New York.

Mr. President, I have not the slightest doubt that the great and powerful city of Pittsburg, supplied as it is with some of the best brains and best men in the world, will correct, or at least abate, in some degree these conditions. I have no doubt that public sentiment throughout the United States will so influence our great commercial monopolies that they themselves will be led to a more considerate treatment of their laborers and cease to regard them as machines of iron or wood, to be worn-out in production and renewed by others. I have the confidence in the patriotism and good sense of the leaders of both of the great parties of our country to believe that they will not endure the prolonged continuance of these conditions.

THE PROFITS OF MONOPOLY.

The Senator from Iowa gave us a graphic description of the unreasonable profits of the United States Steel upon its watered stock. Its net earnings after paying interest on bonds of subsidiary companies and the accounts of miscellaneous expenditures and charges amounted to one hundred and fifty-six millions. Its products for 1906 amounted to 13,511,149 tons of ingots, out of which was produced 10,578,433 tons of finished products.

Its assets for 1906 are stated (Moody's Manual, p. 2282) at $1,681,309,769; its net profits for dividends 1906 were $98,219,088, exceeding $9 a ton on 10,578,433 tons of product, not counting profits to subordinate corporations.

Its profit on the finished product has exceeded $9 a ton, collected from the consumers of the United States under a tariff which prohibits the consumer buying elsewhere, and thus

enables this gigantic corporation and its independent allies to exercise a complete monopoly of all our people.

The proposed schedule in this bill of 31.65 per cent average tariff upon all metal and all manufactures of metal operates not for the benefit of labor, but to establish monopolies which control labor, compel it to disorganize, imposes cruelty and extraordinary conditions upon labor, and, together with other monopolies, established in like manner, pick the pockets of the laboring men and of all other men from the Atlantic to the Pacific by artificial prices, which the retailer and jobber is compelled by penalties to observe, so that the wages received by labor is craftily and fraudulently taken out of his pockets by these stealthy organizations, whose lobbyists now infest this capital and falsely advise Senators and Members with regard to their duty in the premises.

Side by side with these abnormal developments will be found hundreds of thousands of honest companies, working at reasonable profits, engaging in legitimate competition, content with the ancient maxim of—

Live and let live,

and who are also victimized by the exactions of monopoly in greater or less degree as the case may be.

The prices which are lowered in the United States by legitimate competition are so far offset by the unreasonable high prices of monopoly that the general average has gone far above the markets of the world, as I have heretofore shown.

Mr. President, several Senators have shown on the floor the enormous profits made by various monopolies.

The authoritative record can be found in Moody's Manual of 1907, a volume of twenty-five hundred pages, giving the accounts of the corporations doing business in the country, but not by any means all of the monopolies. In these tables will be found the enormous profits which have been advertised to the public stating what they have made. The record does not tell the entire story by any means, but it tells enough. The manner in which the people of the United States are unjustly taxed by these artificial high prices in the interest of monopoly is shown by sugar.

Our record shows that the people of the United States consume 2,993,979 tons of sugar per annum. The London price is 2 cents a pound less than the New York price, so that the people pay about $40 a ton for sugar in excess of the London price—approximately one hundred and thirty millions of dollars—while the duty collected is only sixty millions, leaving a profit of seventy millions to the monopolies and interests protected by the tariff, amounting in this one item to about $5 per annum for every family in the United States.

In similar manner will be shown the profits to the trusts on pig iron, on steel billets, on steel rails, as compiled by the Actuary of the Treasury. (S. Doc. 45, 61st Cong., 1st sess.)

PIG IRON.

	Per ton.
United States	$17.75
United States duty	4.00
United States price, less duty	13.75
Germany	11.21
France	11.25
Belgium	11.75
England	11.00

United States production of pig iron, 1907, 25,781,361 tons; duty, $4 per ton; tax on consumer, $103,125,444; government revenue, 1907, $1,466,825.

BILLETS, STEEL.

	Per ton.
United States	$24.71
United States duty	6.72
United States value, less duty	17.99
Germany	14.88
France	15.00
Belgium	15.50
England	15.14

United States production, 1906, 23,398,136 tons; duty, $6.72 per ton; tax on consumers, $157,235,474; government revenue, 1906, $590,663.

RAILS, STEEL.

	Per ton.
United States	$25.41
United States duty	7.84
United States price, less duty	17.57
Germany	17.84
France	17.99
Belgium	18.59
England	18.14
Average of above—Europe	18.14
United States price	25.41
Difference	7.27

United States production of steel rails, 1907, 3,977,872 tons; difference in price, home and abroad, $7.27; tax on consumer, $28,919,129; government revenue, 1907, $30,070.

NAILS.

	Per ton.
United States	$47.13
United States duty	11.20
United States price, less duty	35.93
Germany	33.60
France	34.60
Belgium	33.00

United States production, wire nails, 1906, 512,800 tons; United States duty, $11.20 per ton; tax on consumer, $5,743,360; government revenue, 1907, $91; cost to the people for each dollar collected by the Government, $63,114.85.

RÉSUMÉ.

	United States revenue.	People pay additional.	Cost to the people for each $1 tax collected by the Government.
Sugar	$60,135,181.00	$70,641,821.00	$2.17
Pig iron	1,466,825.00	103,125,444.00	71.23
Steel billets, etc	590,663.00	157,235,474.00	267.05
Steel rails	30,670.00	28,919,129.00	943.91
Nails, wire	91.00	5,743,360.00	63,114.85

Census Bulletin No. 57, 1905, points out the confessed profits on various manufacturing enterprises, a few of which I give.

CENSUS PROFITS ON WOOL MANUFACTURING, CLOTHING, AND TILE.

Census Bulletin No. 57, 1905, gives the following statistics on woolen and worsted goods and clothing manufactures, and so forth, from which the profit can be calculated:

Number of establishments	8,873	
Expenses:		
Salaries paid 28,454 officials and clerks		$30,015,521
Wages paid 394,893 workmen		163,503,042
Miscellaneous expenses		98,564,867
Cost of materials		514,002,738
Total expenses		806,086,168
Value of product		911,399,841
Profit		105,313,673
Capital		529,892,740
Approximately 20 per cent.		

MEN'S CLOTHING.

Number of establishments	4,504	
Expenses:		
Salaries paid 13,210 officials and clerks		$13,703,162
Wages paid 137,190 workmen		57,225,506
Men over 16	58,769	
Women over 16	75,468	
Children under 16	2,963	
Miscellaneous expenses		57,695,240
Materials		185,793,436
Total expenses		314,417,344
Value of product		355,796,571
Profit		41,379,227
Capital		153,177,500
About 27 per cent.		

WOMEN'S CLOTHING.

Number establishments	3,351	
Salaries paid 10,920 officials and clerks		$9,975,944
Wages paid 115,705 workmen		51,180,193
Men over 16	42,614	
Women over 16	72,242	
Children under 16	849	
Miscellaneous expenses		24,349,282
Materials		130,719,996
Total expenses		216,225,415
Value product		247,661,560
Profit		31,436,145
Capital		73,947,823
About 42 per cent.		

BRICK AND TILE.

Number of establishments	4,634	
Salaries paid 3,690 officials and clerks		$3,530,474
Wages paid 66,021 workmen		28,646,005
Miscellaneous expenses		6,969,161
Cost of materials		16,316,499
Total expense		55,462,139
Value product		71,152,062
Profit		15,689,923
About 22 per cent.		

The profit on men's clothing amounts to 27 per cent, on women's clothing 42 per cent, and yet side by side with this manufacturer's profit the sweating system is in full force (an interesting account of which will be found in H. Rept. No. 2309, 52d Cong., 2d sess.), with ruinous conditions under which oppressed labor earns its miserable bread; industrious young

women, twelve hours a day in the shops of unremitting industry, and increasing speed, earning $4, $5, and $6 a week. For a $10 suit 85 cents is paid for the making of a coat, 25 to 35 cents for the pants, and 20 to 25 cents for the vest; for a $15 suit $1.50 is paid for making the coat, and so on. It is no wonder, of course, people living in abject wretchedness of the sweat shops exhibit a very great mortality as compared with other people, and develop tuberculosis and other diseases.

The CONGRESSIONAL RECORD of June 4, 1909, gives a table of some of the profits of the cotton mills of the country, submitted by Senator SMITH of South Carolina. I ask that it be printed in the RECORD.

Statistics relative to cotton-mill stocks as investments.

Name of company.	Date of incorporation.	Capital.	Surplus.	Debt.	Earnings per share, 1907.	Dividends, 1907.	Total dividends for eight years.	Average dividends for eight years.	Book surplus per share.	Capitalization per spindle.	Par value.
							Per cent.	*Per cent.*			
Amoskeag	1831	$5,760,000.00	$3,720,691.00	$1,425,000.00	$21.30	$16.00	126	15.75	$64.59	$10.76	$100.00
Androscoggin	1860	1,000,000.00	1,123,884.00	16,559.00	24.91	10.00	75	9.37	112.38	13.98	100.00
Bates	1852	1,200,000.00	1,376,361.00	117,565.00	41.87	35.00	130	16.25	114.61	14.61	100.00
Border City	1880	1,000,000.00	333,598.00	500,000.00	37.50	23.50	119	14.87	33.35	12.51	100.00
Richard Borden	1871	1,000,000.00	502,174.00	541.00	32.62	20.00	[a]101	12.62	50.21	10.37	100.00
King Philip	1871	1,500,000.00	851,765.00	150,431.00	25.65	6.00	108½	21.25	56.78	11.10	100.00
Dartmouth	1895	600,000.00	685,105.00	470,529.00	82.50	66.00	158	19.75	114.18	5.00	100.00
Dwight	1841	1,200,000.00	1,299,219.00	735,740.00	103.94	12.00	100	12.50	108.26	5.45	500.00
Great Falls	1823	1,500,000.00	960,000.00	338,603.00	21.33	12.00	117	14.62	64.00	11.36	100.00
Laurel Lake	1881	600,000.00	184,251.00	None.	28.24	14.00	[b]190½	23.75	37.08	10.03	100.00
Massachusetts Cotton	1839	1,800,000.00	1,431,690.00	2,160,763.00	41.30	5.00	50	6.25	79.53	14.13	100.00
Lawrence	1831	1,250,000.00	787,000.00	500,000.00	25.27	8.00	123	15.25	62.96	12.50	100.00
Pacific	1853	3,000,000.00	6,332,854.00	None.	550.00	320.00	124	15.50	2,110.95	.....	1,000.00
Pepperell	1899	2,556,000.00	1,628,487.00	117,940.00	.....	12.00	158	19.75	63.71	10.27	100.00
Sagamore	1879	900,000.00	355,693.00	607,899.00	48.53	30.00	85	10.63	39.53	9.80	100.00
Troy	1814	300,000.00	474,294.00	2,816.00	335.00	67.00	189	23.62	794.90	6.31	500.00
Union	1879	1,200,000.00	584,044.00	None.	46.00	35.50	183	22.87	48.67	10.39	100.00
Whitman	1895	1,500,000.00	945,411.00	474,345.00	29.76	8.00	58½	7.25	63.09	11.35	100.00

[a] In addition to which a 25 per cent dividend was paid.
For eight years average annual dividends for group, 15.65 per cent.

[b] In addition to which a 100 per cent dividend was paid.

The merger in the capital of earnings is not shown, nor in plant improvements out of earnings, which would make the earnings still larger. W. Irving Bullard, of Danielson, Conn., a great cotton manufacturer, is quoted as saying at Boston April 16, 1908:

A summary of 100 cotton mills in Oldham district, in England, shows the following remarkable facts: Capital invested, $30,501,230; net earnings, $6,605,785; average earning per mill, $66,055; dividend, 15¾ per cent.

The average dividend disbursements for these 100 mills was 15¾ per cent, while the net earnings show an average of 35¼ per cent.

The indecent treatment of helpless labor by organized capital is not confined to America, but we ought to lead the world in the conservation of human life and unrewarded toil by laws wisely and humanely drawn.

The recent giant monopolies, engendered and sheltered by the prohibitive tariff, are responsible for the unrest of the country.

The American Tobacco Company, which has become sufficiently powerful to fix the price of all tobacco raised in the United States, advertises its assets for 1906 at $278,628,564. By merger and otherwise it controls the American Cigar Company, American Stogie Company, the Havana Tobacco Company, with various subcompanies, the American Snuff Company, the Lorillard Company, and so forth. The impatience and violence of the tobacco raisers in Kentucky and Tennessee, known as the "Night Riders," is due directly to the tyranny of this company, which, being strong enough to control prices, is enabled to exercise its will on the tobacco growers, who have been making a blind effort to protect themselves by force. In like manner the crushing effect of extreme poverty, due to the processes which I have described, is leading to actual crime in many ways and is responsible for the growth of radical socialism and anarchism throughout the world.

DISTRIBUTION OF WEALTH.

In The Social Unrest, John Graham Brooks, on page 161, quoting Thorold Rogers (Oxford Economy), says:

In a vague way they (the laborers) are under the impression that the greater part of the misery which they see is the direct product of the laws enacted and maintained in the interest of particular classes. *And on the whole they are in the right.*

Quoting Professor Smart, of Glasgow:

But when machinery is replacing man and doing the heavy work of industry, it is time to get rid of that ancient prejudice that men must work ten hours a day to keep the world up to the level of the comfort it has attained. Possibly, if we clear our minds of cant, we may see the reason why we still wish the laborer to work ten hours a day is that we, the comfortable classes, may go on receiving the lion's share of the wealth these machines, iron and human, are turning out.

So Professor Cairnes, an economist noted for ability and caution, in his Leading Principles (ibid., 162), says:

Unequal as is the distribution of wealth already in the country, the tendency of industrial progress—on the supposition that the present separation between industrial classes is maintained—is toward an inequality still greater. The rich will be growing richer; the poor at least relatively poorer. It seems to me, apart altogether from the question of the laborers' interest, that these are not conditions which furnish a solid basis for a progressive social state; but, having regard to that interest, I think the considerations adduced show that the first and indispensable step toward any serious amendment of the laborer's lot is that he should be, in one way or another, lifted out of the groove in which he at present works and placed in a position compatible with his becoming a sharer in equal proportion with others in the general advantages arising from industrial progress.

Spahrs's table for the distribution of wealth in the United States, taken from his work, "The Present Distribution of Wealth in the United States," when our national wealth was $60,000,000, is as follows:

Class.	Families.	Per cent.	Average wealth.	Aggregate wealth.	Per cent.
Rich	125,000	1.0	$263,040	$32,880,000,000	54.8
Middle	1,362,500	10.9	14,180	19,320,000,000	32.2
Poor	4,762,500	38.1	1,639	7,800,000,000	13.0
Very poor	6,250,000	50.0	.....	.....	.....
Total	13,500,000	100.0	4,800	60,000,000,000	100.0

The inequalities have been steadily growing worse, and when a single person's fortune is estimated at a thousand millions and is gathering in $50,000,000 per annum of the net proceeds of the products of the labor of this country, while millions of human beings can not lay aside $50 apiece per annum, what must be the inevitable result? It is this condition, half understood, that is developing rapidly a sentiment of radical socialism, discontent, and social unrest.

Moody's Manual of 1907, page 30, presents a "General Summary" of corporations offering stocks and bonds for sale to the stock exchanges and recorded by him in great detail in a volume of nearly 3,000 pages, as follows:

	Total stocks and bonds.
Steam railroad division	$15,436,758,000
Public utilities division	8,130,464,000
Industrial division	10,156,333,000
Mining division	2,525,173,000
	36,248,668,000
Page 10, Report (1907) Comptroller of the Currency, resources national banks	8,390,328,402
Page 35, Report (1907) Comptroller of the Currency, resources other banks and trust companies	11,168,511,516

In addition to this enormous volume of corporate wealth, which comprises a registered one-third of our national wealth, there is an unregistered volume of corporations which are close corporations which do not sell stock, which are personal corporations, amounting to thousands of millions of dollars.

I respectfully call your attention to the Statistical Abstract of 1907, Table 244, which sets forth the wealth of the United

States, which shows clearly where its approximate ownership may be found, to wit:

Table 244, Statistical Abstract, 1907.

Total wealth in United States	$107,104,211,917
Real property	62,341,492,134
Live stock	4,073,791,736
Farm implements and machinery	844,989,863
Manufacturing machinery, tools, etc	3,297,754,180
Railroad equipment	11,244,752,000
Street railway, shipping, waterworks	4,840,546,909
Agricultural products	1,899,379,652
Manufactured products	7,409,291,668
Imported merchandise	495,543,685
Mining products	326,851,517
Clothing and personal ornaments	2,000,000,000
Furniture, carriages	5,750,000,000
Total for United States	107,104,211,917

Where do the city laborers under protection come in as joint heirs of modern prosperity?

What part of this wealth created by labor is theirs?

They have no real estate, no live stock, farm machinery, manufacturing machinery, railroads, or under any visible classification. The only thing that they can have under this tabulation is clothing and a little personal property.

And yet the products of the labor in our specified manufacturing industries of 1905 reached a total of $14,802,147,087, for 5,470,321 wage-earners, whose product was therefore worth $2,708 per capita.

These people received $2,611,540,532 in wages (Stat. Abst. U. S., 1907, p. 144), or $479 per capita.

This $479 each must feed and shelter and clothe and educate and provide leisure and the joyous participation in the common providences of God for an average of three people, on about $160 each per annum, or about an average of $13.33 per month.

There can hardly be much margin of saving under the circumstances for sickness, ill health, accident, or loss of employment.

In New York City, with over four millions of people, less than 1 in 40 has any real estate.

LESS THAN 100,000 OWN CITY.

[From the New York Times.]

Lawson Purdy, president of the board of taxes and assessments, in a speech at the City Planning Municipal Art Exhibition, said that the value of the taxable property in New York City is now estimated to be about $6,800,000,000. Two-thirds, or 67 per cent, of this property, he added, is land. Mr. Purdy said that it is estimated that less than 100,000 persons own every particle of the land.

Our wealth increases over $4,500,000,000 every year over and above our expenses. What proportion does labor, the creator of wealth, retain net out of its own creation?

A beggarly part, Mr. President. Our national policy can be improved; our national policy should be changed.

We ought not to persist in a policy artfully designed to make the rich richer and the poor poorer.

FALSE STANDARDS OF LIFE.

Piling up enormous wealth in few hands is setting false standards of life and making classes whose sympathies are very far apart.

One can not help but be struck with the enormous cost of hotel services, for example, in the New York hotels conducted expressly for the patronage of the rich; $15 to $20 a day for a bedroom, sitting room, and bath is nothing unusual; $15 for a dinner for two persons is not regarded as extravagant; and side by side with this will be found families who can not save $30 net out of their labor of a year's time.

This may seem unimportant; I regard it as a matter of very great importance, illustrating the grossly unequal distribution of the proceeds of human labor; a condition which pampers one class and starves another; a condition which ought not to be encouraged by a nation which desires to preserve its liberties.

TIPPING.

The whole tipping system which in sections where these differences of wealth are most pronounced is an evidence offering itself on every hand to show that the servants who render service are not properly paid, and that the well-to-do class ought voluntarily to pay the servants for every little act. This system degrades the servant and puts him in an attitude of a beggar—a beggary which the giver of tips encourages in spite of himself. The whole practice which universally prevails in Europe emphasizes the relation of master and servant, of master and dependent, in which the servant is to be thankful for gifts, and it is injurious both to the one who gives and the one who receives and illustrates the false standards of living which are being established in this country. Men who serve ought to be properly paid in the first instance and not compelled to be put in the attitude of beggars in order to make a living. It lowers the moral tone of the American Republic.

MONOPOLIES' EVIL AND DANGEROUS METHODS.

Mr. President, piling up stupendous wealth in a few hands is dangerous to the welfare of the country. The Senator from Wisconsin, in his remarks on Senate bill 3023 a year ago, pointed out that practically 100 directors, interlocked with each other, controlled all of the great corporations of transportation, telegraph, telephone, express, and industrials in the United States. He gave their names and the corporations which they controlled in part.

In the remarks which I had the honor to submit on February 25, 1908, upon this bill (S. 3023), I pointed out the ability of a few men in New York to create a panic whenever they wanted to, and I pointed out how they could profit by it.

A few men control the management of the banks in New York City, Boston, Philadelphia, and Chicago, with associate banks throughout the country, and can make the stock market go up or down as they please by the simplest of all processes, to wit:

BY RESTRICTING CREDITS

when they want the market to go down—

BY EXTENDING CREDITS FREELY

when they want the market to go up.

The panic of 1893 was an artificial panic, because it was brought about in this manner for the purpose of putting an end to the talk of remonetizing silver, and as a political argument, ingeniously and powerfully exerted, it did finally put an end to it.

I was in the banking business myself at that time, and received a circular letter from New York pointing out the mischievous character of the discussion favoring remonetization of silver; that it was driving gold abroad. Several letters followed along the same line, and, I am informed, and believe, that these circulars were sent out at the instance of a committee representing banks belonging to the New York clearing house; that it was the definite and predetermined policy then and there to constrict credits; and that, finally, these banks struck the crowning blow by "calling," in June, 1893, the large volume of demand loans then on the street for immediate payment, when the usual credit accommodations were already quite cut off by these banks and their associate institutions and other associated financiers.

When this panic was over the weaker elements of the financial world by thousands had been compelled to give up their properties to the financial masters, who had accumulated cash for the purpose of taking over the property of less farsighted and powerful operators.

I pointed out in my remarks February 25, 1908, the astonishing manner in which these forces had caused the stock market to go up and down by which the unwary have been fleeced of their property during the preceding ten years.

The panic of 1907 was an artificial panic, brought about by conspiracy, in my opinion, of men discussed by President Roosevelt as "malefactors of great wealth."

I think his description was precise and apt, and I think that the Senate ought never to be content until a proper inquiry has been made into the panic of 1907, to determine who the beneficiaries were of that artful, crafty, far-reaching, and terrible conspiracy, which has thrown millions of men out of employment and brought tears and grief to the unnumbered women and children in this land who have suffered the consequence of that financial panic.

I was informed with regard to what might be expected to happen nearly a year before it did happen.

The panic of 1907 was brought about by a prolonged bull movement, free extension of credits, maintaining stocks and bonds at a high figure until in sufficient volume they were loaded upon the unwary, to whom money was freely loaned on a proper margin, and then began the process of restricting credits, slowly, steadily, firmly, the masters of the market, the high priests of monopoly, having accumulated an immense volume of cash and cash credits, to be used when the market struck bottom. This they did, with the most magnificent results, making unnumbered millions out of the weaker elements who had been led into the trap of obtaining credits.

It is true that the panic resulted in paralyzing productive energies of the American people, disturbing credits throughout the whole world, and throwing millions of men out of employment and causing unspeakable suffering to many millions of women and children. But monopoly had its reward, if the accumulation of money beyond the needs of a human being can be called a reward; if a callous heart and deadened sensibilities to the sufferings of human kind can be called a reward.

I wish to say to the chairman of the Committee on Finance that his committee is, in my judgment, honor bound to determine who the beneficiaries of that financial panic were and to take steps against the possibility of its repetition. There was a double purpose in this panic. One was that the very powerful financially might double their holdings of property by smashing values, accumulating cash and cash credits, and buying

in the stocks and bonds of weak financiers who could not stand the storm.

Another purpose was to discredit Theodore Roosevelt, whose heart had been moved by a resolute purpose to protect the people against such sinister forces.

In his message of January 31, 1908, he said:

WHO COMMIT HIDEOUS WRONG.

The attacks by these great corporations on the administration's actions have been given a wide circulation through the country, in the newspapers and otherwise, by those writers and speakers who, consciously or unconsciously, act as the representatives of predatory wealth—of the wealth accumulated on a giant scale by all forms of iniquity, ranging from the oppression of wage-workers to unfair and unwholesome methods of crushing out competition, and to defrauding the public by stockjobbing and the manipulation of securities. Certain wealthy men of this stamp, whose conduct should be abhorrent to every man of ordinary decent conscience and who commit the hideous wrong of teaching our young men that phenomenal business success must ordinarily be based on dishonesty, have during the last few months made it apparent that they have banded together to work for a reaction. Their endeavor is to overthrow and discredit all who honestly administer the law, to prevent any additional legislation which would check and restrain them, and to secure, if possible, a freedom from all restraint, which will permit every unscrupulous wrongdoer to do what he wishes unchecked provided he has enough money. The only way to counteract the movement in which these men are engaged is to make clear to the public just what they are seeking to accomplish in the present.

The absurd fluctuations of stocks controlled by these high financiers, I set forth at the time, illustrate the unspeakable folly of any citizen trusting himself upon a market capable of such uncontrolled manipulation. Monte Carlo is perfectly innocent by the side of this gigantic gambling house with its wonderfully improved modern machinery for misleading the judgment of the ordinary citizen, with its secret pitfalls and ingenious traps by which to defraud our people.

The spirit of monopoly—the idea of getting something for nothing—has done a great harm to the American people. Hundreds of thousands of people are the beneficiaries of it and many millions are the victims of it. Those who are enriched by it set new standards of extravagant living, of wasteful expenditure, and of false pride and bad example, the imitation of which has made the American citizen notorious throughout the whole world.

This bill, Mr. President, is a taproot from which monopoly partly draws its power, fattens, grows strong, and overshadows the land like an evil tree killing and impairing the life of those who stand beneath.

The violent manner in which the monopolists of this country juggle the stock market subjects it to tremendous changes from time to time, as shown in the following quotations:

These ranges are since 1900, and will be found in the New York Times Weekly National Quotation Review, page 13, of October 21, 1907:

	High.	Low.
Adams Express	315	114
Allis Chalmers Co	27	4
Amalgamated Copper	139	33
American Beet Sugar Co	36	9
American Cotton Oil	57	24
American Express	272	142
American Grass Twine	62	3
American Hide and Leather	13	2
American Ice Securities	94	20
American Linseed Co	30	5
American Snuff Co	250	26
American Steel Foundries	18	3
American Woolen Co	48	7
Atchison, Topeka and Santa Fe	110	18
Baltimore and Ohio	125	55
Delaware, Lackawanna and Western	560	171
Denver and Rio Grande	53	16
Duluth, South Shore and Atlantic	24	4
General Electric	334	109
Great Northern preferred	348	140
Iowa Central	57	11
Kanawha and Michigan	76	10
Kansas City Southern	39	7
Knickerbocker Ice	85	8
Lake Erie and Western	76	12
Manhattan Beach	23	4
Missouri, Kansas and Texas R. R.	43	9
National Biscuit Co	86	23
New York, Chicago and St. Louis	76	11
New York Central	174	99
Norfolk and Western	97	22
Northern Pacific	700	45
Northern Central	250	150
Ontario Mining	13	1
Pennsylvania Railroad	170	110
Peoria and Eastern	50	5
Pere Marquette	106	20
Pullman Co	268	148
Reading	164	15
Tennessee Coal and Iron	166	25
United Railways Investment	98	9
United States Cast Iron	55	6
United States Express	160	45
United States Leather	20	6
United States Steel	55	8

I call attention to some of these figures, however: Adams Express went from 114 to 315, about 300 per cent; the Allis-Chalmers Company went from 4 to 27, over 600 per cent. Amalgamated Copper, one of the giant concerns of this country, from 33 to 130, 400 per cent. And so it goes on through the list.

The monopoly protecting tariff shortens the life of labor and exposes it to greater mortality.

Mr. President, in the last forty years the world has wonderfully improved in medical knowledge. It has wonderfully improved in inventive processes, which have led to increased conveniences of life, which have developed the most important economies of production, manufacture, and distribution.

All of these things have tended to the prolongation of human life where people could receive the full benefit of them; so much so, that it is probably no excessive estimate to say that the average of human life in the well-to-do classes has been increased by a period of ten years. It has been one of the wonderful developments of increasing modern intelligence.

It is a grievous thing, therefore, to observe that notwithstanding these great benefits, which ought to be a common heritage of the human race, and notwithstanding the increasing longevity of the well-to-do classes, the entire average of life shown by the mortality tables has not been improved. The number of persons who die per thousand is substantially the same.

Mr. President, I submit the comparative mortality statistics of our country and the other civilized nations of the world.

The mortality statistics exhibit the remarkable fact that just in degree as poverty obtains and governments permit monopoly, without protecting the weaker elements from dangerous exposure, just in that degree the number of deaths from all causes rises in the annual average.

It is a very important matter, and it shows that just in degree as thoughtful men write their laws for the preservation of human life to that degree is human longevity extended; to that degree there is the conservation of the best of all national resources—the lives of the children, the lives of the workingmen and working women of the country.

The following table gives the number of people per thousand who died in the following countries from 1903 to 1906 (p. 28 of the Mortality Statistics of the Census Office for 1907):

Country.	1903.	1904.	1905.	1906.
Ceylon	25.9	24.9	27.7	24.3
Hungary	26.1	24.8	27.3	24.8
Roumania	24.8	24.4	25.4	
Spain	25	25.8	25.9	25.2
Austria	23.8	23.7	25	
Italy	22.4	21.1	21.9	20.8
Japan	20	21.2	21.9	
France	19.3	19.4	19.6	19.9
German Empire	20	19.6	19.8	
United States	16.1	16.6	16.2	16.1
Netherlands	15.6	15.9	15.3	14.8
Norway	14.8	14.3	14.8	13.7
Denmark	14.7	14.1	15	13.5
United Kingdom	15.8	16.5	15.5	15.6
Australasia	11.3	10.8	10.5	10.6
New Zealand	10.4	9.6	9.3	9.3

There is no table which has ever been read in this body that has such vital significance as that table, which shows that if the people of the United States took the same pains to preserve the life of the Nation that New Zealand has done, we would save over six to the thousand; and, measured by our 80,000,000 people, it would mean a saving to this country of over 500,000 lives annually. Pittsburg is no exception in the exposure of human life to bad conditions. It is merely illustrative.

The policy of New Zealand is expressed in their great motto, "Better reduce want than increase wealth;" and when you reduce want, even if it be at the expense of increasing wealth, you prolong human life. You make life worthy to be lived, and you raise the standard of men physically, morally, and spiritually.

Let our national standard be "*Men first, then wealth.*"

New Zealand has abolished monopoly and given a more even distribution of the opportunities of life to willing labor than any other country in the world, and it offers to the United States an example of how to care for its people, because the difference of these vital statistics of an average of 9.9 deaths per annum out of a thousand and 16.3 per thousand, makes a difference of 6.4 per thousand, or the vast multitude of 512,000 people who annually die in the United States in excess of the deaths that would occur under more favorable conditions of life. Are they not worth preserving as fully as we agree on the conservation of our other national resources?

The death rate in our cities, especially the industrial cities, seems to run still higher than the general average; for example, the annual average number of deaths from all causes, per thousand population for 1901 to 1905, was as follows (id., pp. 91 and 92):

In Massachusetts:	
Boston	18.8
Fall River	20.3
Lowell	20.2
Providence, R. I.	18.8
New York City	19.0
Pittsburg, Pa.	20.7
Philadelphia	18.2
Norristown, Pa.	24.5

Notwithstanding the fact that the cities with their opportunity of cooperation in improved water supply, sewerage, hospital service, and sanitary supervision ought to have better health than those less favorably situated. The heavy death rate in cities is due to the extreme high death rate among the very poor, who are compelled to live in insanitary places and are otherwise exposed, while the more favored population of the cities would show a better rate than the average.

TABLE 21.—*Death rates from all causes per 1,000 population in registration States in 1900.*

Connecticut	16.977
Maine	17.493
Massachusetts	17.736
Michigan	13.867
New Hampshire	17.979
New Jersey	17.378
New York	17.921
Rhode Island	19.078
Vermont	16.962

Table 95, Abstract of the Census, 1900, shows a heavy mortality in manufacturing cities and in cities where negroes live. For example, per thousand, from all causes:

Augusta, Me.	26.4
Baltimore, Md.	21.0
Biddeford, Me.	23.2
Boston, Mass.	21.1
Cincinnati, Ohio	19.1
Hoboken, N. J.	21.1
Jersey City, N. J.	20.7
Pittsburg, Pa.	20.0
Philadelphia, Pa.	21.2

Census Bulletin No. 77 gives an interesting account of 42 of the so-called "dusty trades," showing, for example, that of polishers who die between 25 and 34 years, 56 per cent of such deaths are due to consumption. The per cent of like deaths due to consumption in each age group is very high; for example, between the ages of 25 and 34 years, 70 per cent of the grinders who die, die of consumption; 59 per cent of the tool makers, 50 per cent of the gold-leaf makers, 50 per cent of brass workers, 56 per cent of printers, 66 per cent of compositors, 61 per cent of engravers, 52 per cent of stone workers, 50 per cent of marble workers, 56 per cent of glass blowers, 46 per cent of glass cutters, 44 per cent of plasterers, 49 per cent of paper hangers, 62 per cent of lithographers, 68 per cent of the hosiery and knitting mill employees, 50 per cent of spinners, 53 per cent of weavers, 50 per cent of rope makers, 55 per cent of cabinetmakers, 62 per cent of wood turners, 55 per cent of hatters, 52 per cent of silk-mill employees, 58 per cent of upholsterers, showing that workers in these dusty trades are very liable to die of tuberculosis.

This table shows that the exposure of human life to dust and hard conditions leads to the destruction of human life by tuberculosis in a serious way. I think these tables are of interest.

Mr. President, I deem it my duty to call the attention of the country to the fact that this death rate stands in startling contrast to the death rate of New Zealand, where the average for 1901 to 1906 was less than 10 deaths per thousand. It is equally important, in considering the reason for the greater security of life in New Zealand, to remember that in New Zealand the people take great care to prevent the destruction of human life by the extremes of poverty.

Finally, Mr. President, I wish to call the attention of the Senate to the fact that in New Zealand great pains are taken to protect the people against monopoly, against the appropriation of everything in heaven and on earth, everything visible or invisible by men, because they happen to have piled up available credit at their command. In New Zealand they believe that the land was made for the use and benefit of the living generation, who make it desirable to live in. Therefore they control monopoly in that great republic. We have copied them before in their political processes when we adopted the greatest of all means for the control of fraud in elections by the adoption of the Australian ballot, and we will do well to imitate them in other matters, where they protect the living generation against the uncontrolled and natural ambition and greed of man for wealth and power.

BETTER REDUCE WANT THAN INCREASE WEALTH.

In New Zealand they do not impose a tariff tax artfully drawn to make the poor poorer and the rich richer. In New Zealand they do not establish a tariff under the false pretense of raising revenue, where the legislator openly or secretly intends the tariff rate not to raise revenue, but to prevent importation, to prevent competition, and to protect monopoly in the home market.

THE PURPOSES OF TAXATION.

Constitutionally, a tax can have no other basis than the raising of a revenue for public purposes, and whatever governmental exaction has not this basis is tyrannical and unlawful. A tax on imports, therefore, the purpose of which is not to raise a revenue, *but to discourage and indirectly prohibit some particular import for the benefit of some home manufacture, may well be questioned as being merely colorable*, and *therefore not warranted by constitutional principles.* (Cooley, Prin. Con. Law, 57.)

The Supreme Court of the United States, in the Topeka case, said:

"To lay with one hand the power of the Government on the property of the citizen and with the other to bestow it upon favored individuals to aid private enterprises and *build up private fortunes is none the less a robbery because it is done under the forms of law and is called 'taxation.'* This is not legislation; it is a decree under legislative forms." (20 Wall., 664, in Loan Asso. v. Topeka.)

New Zealand pursues the policy

BETTER REDUCE WANT THAN INCREASE WEALTH

and imposes a 10 per cent inheritance tax on estates of one hundred thousand and more, and imposes also an income tax.

New Zealand does not hesitate to protect her working units from excessive house rent, providing concrete houses at a low rate of interest.

I am not unaware of the fact that this latter suggestion will furnish occasion to the clamorous advocates of special privileges to burst into a chorus of denunciation against New Zealand, that this is socialism. It is true that it is socialistic. But no wise policy should be condemned by a mere epithet "socialism," for our post-office system and common-school system, and municipal waterworks, sewers and streets system are "socialistic." New Zealand believes that the land upon which the New Zealanders live and move and have their being ought not to be monopolized by the very rich, nor used by them through the acquirement of titles to dictate terms upon which the New Zealanders shall be allowed to live.

The New Zealanders must be a very foolish people. They actually believe that the land upon which they live should be controlled in the interest of the living generation of men who cultivate it and make it beautiful. I understand that this foolish doctrine is contrary to the fundamental canons of monopoly.

It violates the fundamental law of continental Europe and of Great Britain. It would overthrow the idea of the good old days of William the Conqueror when he took charge of Britain and parceled the lands among his warlike leaders.

These titles have thence come down in the good old way, and the dukes and princes of England, and of Germany, of Austria, and of Russia still hold the titles and in measure still impose their will upon the inhabitants thereof. It is also true that this special class of landed nobles, who exercised monopoly of the land, having finally learned that they could only eat so much and only wear so much and only occupy a given number of palaces, were obliged to throw out the younger brothers of each succeeding family, and, human selfishness having become satiated in princely and luxurious living, have turned themselves to some extent to the service of their fellow-men. But they have had the wisdom and been compelled to limit the extortion which their legal rights made possible.

Indeed, they had a great example in France, which was serviceable in teaching them not to go too far. It was this monopoly of land—the Senator from New York [Mr. DEPEW] to the contrary notwithstanding—which caused the French revolution, sending the land monopolists to the guillotine, and resulted in the minute subdivision of the lands of France among those who tilled the soil and made it productive.

Mr. President, one might be misunderstood in discussing the greed of modern times. I do not blame an individual for exhibiting the natural tendency of human life. I do not blame a man for becoming greedy for wealth and power; all of us have these impulses; but I do blame the laws which persist in sheltering him at the expense of those who are entitled to protection in the constitutional right to life, liberty, and the pursuit of happiness.

I wish to call attention to what is the effect of monopoly. Monopoly is worse in Europe than in our country because under the rule in Europe the land was monopolized in the first place by imperial power, and the control of the land was handed down to dukes, princes, and various others, and those people who come to our shores and are willing to submit to any kind of treatment do so because they come from conditions of monopoly more severe than those which we have in our own country.

It was the monopoly of land which led to the French revolution, notwithstanding the comments of the Senator from New York, who attributed it to other reasons. Thomas Jefferson, when minister to France in 1785, pointed out the terrific effect of land monopoly in that Empire. He said:

The property of France is absolutely concentrated in a very few hands, having revenues of from half a million of guineas a year downward. These employ the flower of the country as servants, some of them having as many as 200 domestics, not laboring. They employ also a great number of manufacturers and tradesmen, and, lastly, the class of laboring husbandmen. But, after all, there comes the most numerous of all the classes; that is, the poor, who can not find work. I asked myself what could be the reason that so many should be permitted to beg who are willing to work in a country where there is a very considerable proportion of uncultivated lands? Those lands are undistributed only for the sake of game. It should seem, then, that it must be because of the enormous wealth of the proprietors, which places them above attention to the increase of their revenues by permitting these lands to be labored.

I have always felt sorry for the French nobility, for the so-called "flower of France," and have wondered why it was they were incapable of realizing the fatal danger which their greed, their extravagance, and their frivolity engendered. They played with a powder magazine of human passion which finally exploded.

Our laws should protect the people in the peaceful enjoyment of life, liberty, the pursuit of happiness, and of the fruits of their own industry. If the laws fail, there will be built up in this country a powder magazine of human passion that may some day explode with fatal consequences.

A safety valve has been furnished, for possible danger to the land monopolist and other thence engendered monopolists of continental Europe, by modern transportation, which has permitted their great surplus of population to go to other parts of the world and build up homes by their peaceful labor, where they would not be subject to princes or potentates or to tyranny in any form, whether governmental, religious, or plutocratic; and our forefathers came to this land to free themselves from this tyranny and to establish a government whose fundamental doctrine was that the precious privileges of life, liberty, and the pursuit of happiness were inalienable. That is to say, Mr. President, the individual could not deprive himself of them if he would; that he had no right to deprive himself of these things.

It has remained for the representatives of the people in Congress to permit the dangers of monopoly to grow up by special privileges granted by statute, by building up a monopoly breeding tariff, by which foreign competition has been cut off and home competition controlled and commercial mastery of our people established by the organization of trusts, by secret agreements, and by gigantic mergers, which embraced in one corporate body every competitor.

Mr. President, there is no evil to a free people more dangerous in every way than financial and commercial monopoly.

When a monopoly is organized strong enough to dictate the prices of the product of labor, or to dictate the prices of the necessaries of life to the laborer and the entire people, there has also been established a *commercial master on the one side and a commercial slavery on the other.* The Standard Oil Company, which fixes the price of crude oil to the producer and fixes the price of kerosene and gasoline to the consumer, regardless of values either to one or the other, exercises a commercial mastery that differs in degree, but does not differ in kind, with the mastery which Pharaoh exercised over the Egyptians when he established a monopoly in corn in Egypt.

Mr. President, under the advice of Joseph, Pharaoh and his captains stored all the surplus corn of Egypt during seven years of plenty. They exercised their legal rights. During the seven years of drought which followed they had the richest monopoly recorded in history.

The price of corn went up; the price of corn went sky-high under this monopoly of the home market. The Holy Bible advises us that, in exchange for enough of this monopolized product—

Joseph gathered up all the money that was found in the land of Egypt, and in the land of Canaan, for the corn which they bought. * * *

And when money failed in the land of Egypt, and in the land of Canaan, all the Egyptians came unto Joseph and said, "Give us bread, for why should we die in thy presence? for the money faileth."

And Joseph said, "Give your cattle; and I will give you for your cattle, if money fail."

And they brought their cattle unto Joseph, and Joseph gave them bread in exchange for horses, and for the flocks, and for the cattle of the herds, and for the asses.

And the Egyptians then gave up to this triumphant monopoly all of their land in exchange for corn for bread.

And Joseph bought all the land of Egypt for Pharaoh, for the Egyptians sold every man his field because the famine prevailed over them, so the land became Pharaoh's.

Then Joseph said unto the people, "Behold I have bought you this day, and your land for Pharaoh: lo, here is seed for you, and ye shall sow the land.

"And it shall come to pass in the increase, that ye shall give the fifth part unto Pharaoh, and four parts shall be your own, for seed of the field, and for your food, and for them of your households, and for food for your little ones."

Mr. President, we probably in this day of greater liberty and greater enlightenment would rise in revolution against the dictation of Pharaoh in this form, but the practice upon which Pharaoh acted, the principle upon which he established a monopoly in a necessary of life by the exercise of his legal rights and thereby acquired, by mastery of prices, all of the property of the Egyptians and made them his commercial servants and slaves, are in full play in this Republic under the operation of a thousand varieties of monopolies, dictating prices upon all of the necessaries of life and gradually absorbing—I may say, Mr. President, rapidly absorbing—all of the property of this Republic.

Pharaoh and his captains gave the Egyptians four-fifths of what they produced. The present masters of monopoly do not give to labor so large a part of what it produces. I have demonstrated by Exhibit 1 the wages paid as compared to the value of the gross product, and have demonstrated by those tables that taking the raw materials at the factory and calculating the additional value created directly by labor, it does not receive one-half of the value it actually creates, much less four-fifths, which was the rule established by Pharaoh.

Mr. President, it may seem austere to recall the monopoly of Pharaoh, but I think it very important that the Senate of the United States should consider and feel itself more actively responsible for the development and care of the interest of the productive masses of the Republic. I have no desire to hold the leaders of the Republican party responsible for the drift of modern times. I shall be content to see them exert themselves to retain its good features and restrain its bad features.

I am willing to exculpate them. I will be very glad to see them take advantage of a great opportunity to make themselves permanently the representatives of the people if they will only give those things to the people which they are in honor bound to give to enable them to enjoy life, liberty, the pursuit of happiness, and the fruits of their own industry, which are now filched from them by prices 50 per cent higher than the prices of the world.

WHO IS GETTING ALL THE NET PRODUCTS OF LABOR IN THIS COUNTRY?

Mr. President, it is perfectly obvious to thoughtful men that the tremendous accumulation of wealth in a few hands is leading to the rapid monopolization of every natural opportunity. Nearly all of our national transportation is so controlled. There is obvious control by monopoly of telegraph, telephone, the express, of lumber, of building material, of coal, of cotton manufactures and woolen manufactures, of farm machinery, of oil, of iron, of steel and their products; and on the other hand we have a rather pitiful condition of extreme poverty exhibiting itself in all of our great cities, side by side with this enormous concentration of wealth.

Mr. President, I believe we have the best people in the world; that even our masters of monopoly have shown a greater measure of liberality in their gigantic benefactions to the people from whom their fortunes have been drawn than any men in the history of the world. I rejoice in their benevolence. I know that they are neither hard-hearted nor lacking in generous impulse; they have simply been following the rules of business established by a rigorous commercial age, where "dividends" were emblazoned on every battle flag and "success"—"financial success"—was the only standard. It is no wonder that the weak and the poor and the inarticulate mass have been forgotten in the fierce contest for wealth and power.

We have a wonderful country and a great and magnificent people. We have a great mass of the middle classes of people, who are not in penury, have neither riches nor poverty, but comprise the bulwark of this Republic, whose patriotism, whose wisdom, whose penetrating intelligence can be perfectly relied upon; and the petty larceny of the two millions of our revenue by the sugar trust, to which they pleaded guilty in New York within the last few days, being but a trivial circumstance beside the universal plundering of the national pocketbook by the wholesale fraudulent prices fixed by the monopolies of this country, our great middle class, conservative and sound, will soon correct these evils at the ballot box.

I am deeply disappointed that the party in power has apparently lost its opportunity to serve the people by removing the tariff wall sheltering monopoly and by lowering prices in the United States.

MONOPOLY HAS SUBJECTED LABOR TO IRREGULAR EMPLOYMENT.

The panic of 1907 was caused by monopoly and by the dangerous plutocracy our system has erected in the United States, as I fully set forth on February 25, 1908. This panic threw out of employment millions of men, two millions of whom are out of employment now, according to the recent report of Samuel Gompers, president of the American Federation of Labor, from whose report I quote:

Permit me to call attention to this: At the beginning of December, 1908, I sent out a circular letter to the executive officers of a number of international trade unions of America and got from them a report as to the state of employment and unemployment, and from the reports which were made to me within fifteen or twenty days I culled the following information:

The blacksmiths report during the past year about 50 per cent of the trade unemployed; those employed averaging about four days a week.

Boiler makers and iron-ship builders, 30 per cent unemployed.
Boot and shoe workers, 25 per cent unemployed.
Bridge and structural-iron workers, 25 per cent unemployed.
Carpenters and joiners, 40 per cent unemployed.
Wood carvers, 30 per cent unemployed.
Cement workers, 30 per cent unemployed.
Cigar makers, 10 per cent unemployed.
Commercial telegraphers, 15 per cent unemployed.
Coopers, 15 per cent unemployed; two-thirds of the employed working half time.
Elevator constructors, 40 per cent unemployed.
Steam and hot-water fitters, employment in the West fair; in the East fully 40 per cent unemployed and working about one hundred and eighty days a year.
Freight handlers, about 30 per cent unemployed.
Glass-bottle blowers, about 20 per cent unemployed. On account of conditions of the trade, no work is performed during July or August.
Window-glass blowers, 20 per cent unemployed.
Granite cutters, about 15 per cent unemployed.
Hatters, men working about three-fourths time.
Hod carriers and building laborers, 60 per cent unemployed.
Hotel and restaurant employees, 30 per cent unemployed.
Machinists, 20 per cent unemployed.
Railway maintenance-of-way employees, 25 per cent unemployed.
Butcher workmen, 40 per cent unemployed.
Coal miners, work about two hundred days during the year.
Painters and decorators, 70 per cent unemployed.
Pattern makers, 30 per cent unemployed.
Pavers and rammer men, 25 per cent unemployed.
Printing pressmen, 20 per cent unemployed.
Shipwrights, joiners, and calkers, 50 per cent unemployed.
Tile layers, "state of employment very poor."
Tin-plate workers, 40 per cent unemployed.
Tobacco workers, working on two-thirds time.
Iron molders, 70 per cent unemployed.

I am sure it is not an exaggeration to say that there are now in our country, and have been with little variation since October, 1907, nearly 2,000,000 of wage-earners unemployed.

Secretary STRAUS. Do you mean by that that before that period those 2,000,000 were employed?

Mr. GOMPERS. I do, sir.

Secretary STRAUS. Are there not always some unemployed?

Mr. GOMPERS. In some trades, some callings, and seasons, yes, sir; but up to October, 1907, and for a few years just prior thereto, it was a practical fact that any man who could work could find work to do. I refer to the condition now of the men who want to work and who can find no work to do.

It is probably one of the greatest tributes that can be paid to all our people—and I think in a great measure that credit belongs to the organized workers, organized labor—that during that whole period of nearly eighteen months, and two winters, with so vast a number of unemployed, life and property have been secure and public order has been maintained; and I know of no force in all our country so potent as a conservator of the public peace as the much-abused and maligned labor organizations. In this morning's papers we read of a demonstration of the unemployed in Berlin yesterday, where the sabers of the soldiery were drawn to disperse hungry crowds. It is set forth in the cablegrams that the unemployed there proposed socialistic remedies for relief. I do not know of what those remedies or propositions for relief consisted. I take it that any proposition coming from the poor crowd of fellows who want work or relief would be regarded as extremely radical. But the American workmen ask for no relief that can at all be construed as socialistic. The relief which we ask for the men and women of our country who have been walking the streets in idleness for eighteen months we ask upon high patriotic, practical, and humane grounds, and for good economic reasons. I know, of course, that we are often met, when these matters are presented, with the statement that they are paternalistic, and that our form of government does not admit of the Government undertaking projects that would smack of paternalism. Yet in the great calamity which overtook the people of Italy quite recently the Government of our country generously and promptly appropriated $800,000 as the direct gift of the American people as a whole—this in addition to the many generous contributions of our people in their individual capacity. No word of adverse criticism has been indulged in. On the contrary, the appropriation of this vast sum of money was looked upon as a duty which in common humanity the people of our country owed to a stricken people. It is only referred to to illustrate the thought that the lingering hunger and misery due to the unemployment of our people, brought about by forces entirely beyond their control, should receive consideration at the hands of our government, both national and state.

THE MONOPOLY PROHIBITIVE TARIFF HAS EXPOSED AMERICAN LABOR TO TYRANNY.

Mr. President, the monopolies established under the prohibitive tariff have almost entirely destroyed the organizations of labor among their employees and have driven out in large measure the liberty-loving Americans and have introduced in their place foreigners who know but little of liberty—Slovaks, Bulgarians, Hungarians, Poles, Greeks, Italians.

The American workman has been subjected to foreign pauper competition; he has been refused the right to organize for his own protection.

He has been denied his political liberty.

He has been compelled to march in political parades against his will.

He has been compelled to vote against his conscience under the threat of being discharged or denied the opportunity of working for his living.

THE DEFENSE OF THESE SCHEDULES UNSOUND.

Mr. President, the chairman of the Committee on Finance, on June 4, made the only defense which has been offered of these high schedules, and in discussing the matter he said:

In general, it may be stated that the wages of textile operatives in America are double those of England, France, and Germany. A very exhaustive inquiry has recently been made into the subject of wages by the British Board of Trade, which shows that in Germany the wages of cotton weavers run from 16s. 6d. to 19s. 6d., or from $4.12 to $4.87 per week; that in France the wages run from 16s. 10d. to 19s. 2d., or from $4.20 to $4.79 per week; that in Great Britain the wages run from 16s. to 24s. 11d., or from $4 to $6.22 per week.

For the United States the Bureau of Labor, in Bulletin No. 77, July, 1908, shows that the average wages of all cotton weavers for the year 1907 was $9.74. In addition, I may state that in many of the fine yarn mills of New England making high-priced fancy fabrics the weavers earn from $11 to $13 per week.

Many of the fabrics that will be dutiable under these provisions are valued at a dollar a pound. The cost of the cotton is 20 cents a pound at the outside, leaving 80 cents a pound for cost of labor in various forms in this country. Suppose that that labor costs twice as much in the cotton-manufacturing States of the United States as it does in our competing countries abroad, it is easy to see by a mathematical calculation that 50 per cent ad valorem, to say nothing about 45 per cent, will not equalize the conditions on these various high-priced goods between our own and competing countries.

If this was an original proposition, and we were to submit to the Senate rates which were protective and adequate, in view of the difference in the cost of production, we could not make them any lower than those fixed in these specific rates which we have asked the Senate to adopt.

The chairman takes the wages of the cotton weavers of Germany, France, and Great Britain for 1905, reported by the British Board of Trade to Parliament, just after the panic, and compares these wages with the weavers in the United States for 1907, and withholds the statement made in the report from which he quotes that the wages of ribbon weavers at St. Etienne, France, was twice as great in 1906 as in 1905 and 50 per cent higher in 1907 than in 1905.

The chairman does not point out that the spinners, both male and female, in the United States, by these same tables, were paid less wages in the cotton industry in the United States than they were in Germany or France. The male spinners received $4.12 a week in the United States, $5.91 in France, and $6.57 in Germany, and the spinners in the woolen industries were paid $6.52 in the United States, $6.22 to $6.81 in France, and $7.20 to $7.79 in Germany. The foreign weavers were paid less than our weavers and the foreign spinners were paid more than our spinners, and the chairman of the Committee on Finance withholds this important fact.

It is impossible to follow a leadership that is either careless or inaccurate in making statements for the guidance of the Senate. The chairman has withheld information from this body, and the quotations he offers, being a partial truth, are wholly untrustworthy and misleading.

Mr. President, this is the only defense that has been made, and in effect it amounts to this, that a pound of fabric of cotton costs 20 cents a pound for the cotton and 80 cents a pound for the cost of labor.

The chairman proves too much; he leaves nothing for capital. The statement is obviously false. He leaves nothing for capital, for the enormous dividends paid by the cotton mills of his State.

He is flatly contradicted by the census, which shows that the total labor cost in the entire textile industry is 19.5 per cent of the gross value of the product.

He is flatly contradicted in his contention by the census reports as to every schedule.

He is flatly contradicted by Carroll D. Wright's report on relative labor cost in 446 individaul cases.

The aggregate value of the products of cotton mills for 1900 was $332,806,156 (vol. 10, Table 14). The materials used cost $116,108,879 (Table 13), and the total wages (Table 9) amounted to $86,689,752, and for cotton small wares amounted to $63,194.

Total cost	$332,806,156
Material cost	$116,108,879
Total wages	$86,689,752
Per cent of labor to gross product	26
Average per cent of tariff rate fixed by the Senate bill	47.14

Approximately twice as much as the total wages paid the American workmen, thus sheltering the manufacturer in monopoly by excluding foreign goods.

The chairman of the Committee on Finance, in the face of these census reports, rises in his place as an expert and tells

this Senate that the labor cost of these manufactures is 80 per cent, when the truth is 26 per cent, and he justifies the cotton schedules upon this gross and indefensible error.

Granting that foreign goods have no labor cost whatever, 26 per cent is the maximum schedule to protect the American workmen; 26 per cent is the maximum average rate required if the Republican platform is to be carried out of providing the difference in the cost of production at home and abroad.

If the labor cost abroad is one-half the labor cost in the United States, the rate required to prevent the foreign manufacturer from having the advantage in cheaper labor would be 26 per cent, the American cost, less 13 per cent, the European cost, or a net rate of 13 per cent.

The difference in the labor cost at home and abroad would therefore be 13 per cent and not 47 per cent, as the schedule is written.

Mr. President, the gross error, to use the mildest terms possible, of the Committee on Finance and the advocates of a prohibitive tariff runs in like manner through other schedules, the proof of which I submit. Taking the table of the committee itself in print No. 3 of April 12, 1909, page 68, I place side by side with the proposed ad valorem rate the total percentage of labor cost to the value of the product, the proof of which will be found in Exhibit 1, taken from the census reports, and in the volumes on manufactures, of census, 1900, and is verified by the figures of the Committee on Finance giving wages and the value of products in columns 8 and 9.

I ask attention to the recapitulation compiled by the Committee on Finance April 12, 1909, and ask permission to print that table with an interlineation which I have placed in it showing, from the figures submitted by the chairman of the Committee on Finance in that table, what is the percentage of wages to value of product as shown in 1904.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oklahoma? The Chair hears none.

The matter referred to is as follows:

Estimated revenues.

RECAPITULATION.

[Compiled by Committee on Finance, April 12, 1909. The ad valorems are based on the dutiable values.]

Schedules.	Value of merchandise (dutiable and free).	Revenue under—		Equivalent ad valorems.		Volume IX, Census 1900.[b]	Census of manufactures, 1905[a] (calendar year 1904).		Percentage of labor cost to value of products by wages and value, as shown, 1904.[b]
		Present law (act of 1897).	Proposed bill (H. R. 1438).	Present.	Proposed.	Percentage of labor cost to value of product.	Wages.	Value of products, including custom work and repairing.	
				Per ct.	*Per ct.*				
A—Chemicals, oils, and paints	$42,067,649.85	$11,187,405.09	$11,754,112.86	27.62	28.20	8	[b]$44,258,256	[c]$572,848,476	7.5
B—Earths, earthenware, and glassware	31,306,008.97	15,350,019.67	15,247,487.70	49.03	48.70	37.1	154,652,719	420,944,049	36.7
C—Metals, and manufactures of	68,016,829.55	21,812,195.72	21,523,669.22	32.44	31.65	12.7	652,109,633	3,130,253,195	20.8
D—Wood, and manufactures of	24,493,810.90	3,705,024.34	2,723,058.08	15.12	11.21	-------	378,461,021	1,393,489,978	27.1
E—Sugar, molasses, and manufactures of	92,784,081.69	60,338,523.31	59,635,940.54	65.03	65.30	-------	23,536,189	413,333,428	5.6
F—Tobacco, and manufactures of	29,959,081.79	26,125,037.41	26,113,185.29	87.20	87.18	18.9	62,640,306	331,117,681	18.9
G—Agricultural products and provisions	63,925,575.39	19,181,915.96	20,594,283.57	30.16	32.28	5.7	100,839,004	2,194,833,894	4.5
H—Spirits, wines, and other beverages	23,083,420.03	16,318,120.14	20,518,168.77	70.69	88.89	8.9	43,924,676	474,487,379	9.2
I—Cotton manufactures	31,869,814.07	14,291,026.65	15,023,742.16	44.84	47.14	26.0	217,955,322	1,014,094,237	21.4
J—Flax, hemp, and jute, and manufactures of	114,172,202.94	49,900,580.31	50,353,163.25	43.67	44.07	13.3	27,223,574	185,094,092	14.6
K—Wool, and manufactures of	62,818,797.81	36,554,815.89	36,554,815.89	58.19	58.19	19.7	135,069,063	767,210,990	17.6
L—Silks and silk goods	38,816,839.20	20,313,706.39	23,581,996.60	52.33	60.76	22.6	36,767,943	133,288,072	20.0
M—Pulp papers and books	20,005,025.62	4,136,029.42	4,042,076.14	20.67	21.83	16.2	123,903,633	548,957,239	22.5
N—Sundries	135,821,484.06	29,893,513.49	31,307,603.27	22.50	23.06	19.9	[d]340,596,182	[e]1,954,228,027	18.3
Total from customs	779,140,621.87	329,110,914.39	338,973,303.34	-------	-------	-------	[f]2,331,988,518	[g]13,534,180,743	-------
Net increase	-------	-------	9,862,388.95	-------	-------	-------	-------	-------	-------
Total luxuries, articles of voluntary use, dutiable	289,411,904.28	149,837,286.47	160,454,103.74	52.48	55.47	-------	-------	-------	-------
Total necessaries, dutiable	489,728,717.59	179,273,627.92	178,519,199.60	36.77	36.69	-------	-------	-------	-------
Total entries for consumption, dutiable and free	1,415,402,284.78	-------	338,945,001.07	-------	23.95	-------	-------	-------	-------
Total necessaries, dutiable and free	1,125,990,380.50	-------	178,519,199.60	-------	15.85	-------	-------	-------	-------

[a] Industries grouped to conform as nearly as possible with the articles enumerated in the respective schedules of the tariff law. Industries with products named in two or more schedules are credited to the schedule which includes the major product. The value of products for each group is the sum of all products of all industries in the group, and hence includes a large amount of duplication due to the product of one industry serving as material for another.

[b] Should be $56,796,143; addition erroneous.

[c] Should be $767,401,417; addition erroneous.

[b] Percentage of wages to value of product calculated and inserted by R. L. OWEN.

[d] Should be $273,959,320 (see page 67).

[e] Should be $1,495,686,437 (see page 67).

[f] Should be $2,277,838,543.

[g] Should be $13,270,192,088.

SCHEDULE A—CHEMICALS, ETC.

Mr. OWEN. This table shows that the percentage of labor to the value of the product in Schedule A, for example, by the very figures given by the Finance Committee itself, is only 7.5 per cent, while the proposed schedule is 28 per cent—four times as high as the entire labor cost involved in the product.

SCHEDULE B—GLASSWARE, ETC.

In like manner in Schedule B the total labor cost is 36 per cent. The total labor cost in Europe, if it were half as much, would leave the net difference in labor cost only 18 per cent, while the proposed tariff is 48 per cent for Schedule B.

SCHEDULE C—METALS, ETC.

In like manner Schedule C exhibits a total labor cost of 20 per cent. The difference in this labor cost and the European labor cost, accepting the statement of the chairman of the Committee on Finance that the labor cost in Europe is only half as much, would be 10 per cent, and the difference in labor cost for which the protection might be required would not exceed 10 per cent, but the proposed rate is 31 per cent—three times as high as it ought to be for protective purposes.

SCHEDULE D—WOOD, ETC.

In Schedule D the total labor cost is 27 per cent, and the difference in labor cost in this country and abroad would be 13½ per cent, not counting freight, which would be as much more in favor of this heavy material; and here the proposed rate is 11 per cent, and this schedule ought to be absolutely free in order to protect our forest and conserve our natural resources otherwise, as well as supply our people with cheap building material and our publishers with cheap paper.

SCHEDULE E—SUGAR, ETC.

In Schedule E, sugar, and so forth, the labor cost is 5.6 per cent; the difference in labor cost would be less than 3 per cent, which would be more than offset by freight, and here the proposed duty is 65 per cent, giving a complete monopoly to the sugar trust, which takes nearly all the profit, leaving a small fraction of the profit to the sugar planter.

SCHEDULE F—TOBACCO, ETC.

The total percentage of labor cost in tobacco manufactures is 18.9 per cent. The difference in this country and abroad, taking the word of the chairman of the Committee on Finance,

would be approximately 9½ per cent; the ad valorem rate of the Senate bill is 87 per cent.

SCHEDULE G—AGRICULTURAL, ETC.

Here the labor cost is 4.5 per cent; the difference in labor cost could not possibly equal the freight, and these products might as well be free, with some very minor exceptions, even from a standpoint of absolute protection.

But instead of corresponding with the rate required to protect, the rate is put at 32 per cent, which is perfectly silly, and should not deceive the most stupid man that ever plowed a furrow. For example, the tariff on corn is 15 cents a bushel (par. 227), and the total amount imported in 1907 was 9,000 bushels, and the amount raised was 2,595,320,000 bushels.

And the farmers of the country are flattered with 15 cents a bushel tax to keep the pauper labor of Europe from running them out of their cornfields. The American farmer who does not see the hypocrisy of this schedule and the profound contempt which it exhibits for his intelligence is assuredly incapable of reason.

SCHEDULE I—COTTON MANUFACTURES.

The labor cost in cotton manufactures, according to the figures of the chairman of the Committee on Finance, is 21.4 per cent. The difference in the labor cost in the United States and abroad would be between 10 and 11 per cent. The schedule is put at 47 per cent.

SCHEDULE J—FLAX, ETC.

In like manner the difference in the cost of labor in the production of flax, hemp, and jute goods is 7 per cent. The schedule is 44 per cent.

SCHEDULE K—WOOL, ETC.

The difference in the cost of production measured by labor in this country and abroad is about 8 per cent. The tariff is 58 per cent.

SCHEDULE L—SILK, ETC.

Silk and silk goods: The difference in labor cost of production is 10 per cent, but the proposed tariff is 60 per cent, so as to insure a monopoly.

SCHEDULE M—PAPER, ETC.

Pulp, paper, and books: In this schedule the difference in the labor cost of production at home and abroad is between 11 and 12 per cent. The tariff schedule is 21 per cent.

SCHEDULE N—SUNDRIES.

And, finally, in sundries the difference of labor cost in this country and abroad is 9 per cent, while the Committee on Finance imposed an equivalent ad valorem of 23 per cent.

I challenge the chairman of the Committee on Finance to answer this exhibit, and invite him to use all of his experts, and to put on the pages of the CONGRESSIONAL RECORD his answer, where it may be critically examined by the scholars of the country.

I charge him before the country and before the eyes of civilized mankind with writing these schedules, under the pretense of protecting the American workingman, far above the total cost of the labor in the gross product, which would not be justified even if the percentage of labor cost in similar articles abroad was absolutely nothing. But granted that the labor cost abroad is one-half what it is in the United States, I put in this table the maximum average rate, thus measuring the difference in the cost of production at home and abroad, and call the attention of the country to it.

The defense of these monopoly protecting schedules has been as remarkable as the schedules themselves. To my inquiry as to why the rates were not adjusted to the difference in the cost of production at home and abroad, the first defense was that of the Senator from New Hampshire, that the inquiry as to what was the difference in the cost of production at home and abroad was absurd.

Mr. President, I have demonstrated that the answer of the Senator from New Hampshire is itself absurd, if it were offered in perfect good faith, as I am sure it was.

The next answer would appear to come from the Senator from Massachusetts, who, having explained a question I did not ask, saw fit to suggest he could not give the Senator from Oklahoma the understanding with which to comprehend, and when I succeeded in enabling him to understand my question he confessed that he was not prepared to answer it.

The Senator from Rhode Island, the chairman of the Committee on Finance, whose genuine good temper at least I always admire, suggested as a proper answer to my inquiry that I was "new to the Senate," a polite way of suggesting a lack of learning and understanding which is commonly practiced by the managers of the committee on committees when they can not answer intelligently an embarrassing question.

The Senator from Montana, another one of the able defendants of this totally indefensible bill, with its monopoly-protecting schedules, thought it a sufficient answer to suggest that the Senator from Oklahoma could not expect to be furnished with intelligence.

Mr. President, I invite the defenders of this bill to put upon the face of the CONGRESSIONAL RECORD an answer to these tables which I have submitted, showing the relative labor cost of our manufactures and the gross disparity of the schedules they submit in comparison with the lower rates which would properly measure the difference in the cost of production at home and abroad.

The proponents of these schedules, in my opinion, can not answer my objections without putting themselves to utter confusion, if they answer in a spirit of perfect moral and intellectual integrity and frankness, because it contains a multitude of items which are practically prohibitive, which produce no revenue worth mentioning, and has resulted necessarily in the exclusion of foreign competition, followed by combinations in restraint of trade and the establishment of monopoly prices—charging the people too much for what they buy from monopoly and paying them too little for what they sell to monopoly. This is why the Republican organization pledged itself to revise the tariff and made the people believe it would be a downward revision.

I give a table of examples of these prohibitive duties, together with the paragraph of the bill, duty, the revenue, and the table from which the information is drawn.

These are but a few of the items which might be multiplied indefinitely.

EXHIBIT 14.

It should be remembered that in products of wholesale international use our imports may be prevented by a small tax where it makes the imports unprofitable, so that the prohibitive rates which average just high enough to prevent competition, as shown by the table below, serve as a great check to international commerce and lower the amount of revenue which we ought to receive under a system of liberal imports and exports.

The trivial reductions claimed to have been made by the Senate bill as amended are of no consequence, because the rates lowered were so far above the prohibitive point that lowering the rates leaves them still prohibitive and reminds me of the quotation of my colleague from Macbeth:

> Then be these juggling fiends no more believed,
> Who palter with us in a double sense,
> Who keep the word of promise to our ear,
> And break it to our hope.

TAXING RAW MATERIALS INJURIOUS TO AMERICAN MANUFACTURERS AND NATIONAL COMMERCE.

Mr. President, when we tax by the tariff the materials needed by our manufacturers, whether such materials are raw materials or partly in the process of manufacture, we put our American manufacturers at a serious disadvantage in competing with foreign manufacturers in the markets of the United States and obstruct our own commercial expansion.

Foreign countries provide their manufacturers in large degree with free raw material, and therefore with cheaper materials needed for manufacture. Foreign manufacturers have, therefore, this advantage over our manufacturers in competing for the markets. Taxing raw materials used by our manufacturers will, for this reason, limit our foreign exports of manufactured goods. This means limiting the production of American factories. This means restricting the number of our workmen, lessening the demand for their labor, lowering their wages; and, what is more, means also a smaller output and a consequent greater cost to the consumer (over and above the increased cost imposed by higher raw materials), for the reason that the greater the output the more economic the production.

Cheaper material means a greater foreign market for American productions; it means increased demand for American labor; it means higher wages for American labor; and it means cheaper prices for American consumers, always believing, as I believe, that the artificial prices now fixed by monopoly will be in due season abated.

American manufacturers are at a further disadvantage because *they sell to foreigners* the goods needed in more advanced manufactures *cheaper than they do to each other within our own borders.* Because of this, millions of capital created by American labor is going abroad to get the advantage of these cheaper prices and to employ, not American workmen, but foreign workmen. (See North's report.)

ANY OBSTRUCTION TO COMMERCE LIMITS THE OPPORTUNITIES FOR THE LEGITIMATE EMPLOYMENT OF BOTH CAPITAL AND LABOR.

Mr. President, it is perfectly obvious, that having provided a tariff high enough to equal "the difference in the cost of production at home and abroad," so as to put our manufacturers

on a perfect level with the manufacturers of foreign lands in the cost of production, that any further tax upon our imports or our exports, or upon their imports or exports is merely a barrier to a free interchange of commerce, limiting both our commerce and their commerce.

There is a very important factor in commerce separate and apart from the question of equality of cost. We import woolen goods, cotton goods, silk goods, and we export goods of the same material to the very countries from which we import such goods. The factor entering into this proposition is not one of cold economy alone, for it obviously would be more economical to buy our woolen goods in our own country and save the difference of freight and the same thing would be true for the Europeans—that it would be better for them to keep their goods at home from a standpoint purely of economy.

But the question of economy is not the only factor controlling or guiding exports and imports. It is a question of taste and of personal fancy that causes Americans to buy French, Scotch, or English goods, and which causes the Scotch, English, and French to buy American goods. We enlarge their markets by buying their stuff. They enlarge our markets by buying our stuff. We increase the demand for their labor; they increase the demand for our labor; and we export no more than we import, for the volume of our exports is determined by the volume of our imports (using these terms to cover credits and expenditures).

VOLUME OF EXPORTS CONTROLLED BY VOLUME OF IMPORTS.

This question can be reduced to a mathematical demonstration, properly interpreted. It is only necessary to take the unit of the export or of the import to determine this question. When the American exports $100,000 worth of goods in any form, whether in cotton bales or in cotton cloth, he receives from his foreign customer a hundred thousand dollars in money, or credit, which he may convert at his will into cash or into goods, and his export will be balanced with an import or its mercantile equivalent in cash, in credit, or expenditure abroad, or with work performed, as in carrying freights, and so forth.

A vast multitude of such transactions do not alter this substantial truth. It merely enlarges and emphasizes it, and it may be taken as a sound commercial maxim that our exports are balanced by our imports and our imports are balanced by our exports, and when we obstruct our imports we obstruct our exports, and thereby diminish the world's demand for the goods of our manufacturers; we thereby diminish the world's demand for the products of American labor; we thereby diminish the demand for American labor; we thereby diminish the employment of American labor and lower the wages of American labor.

BALANCE OF TRADE.

[Giffen Essays in Finance, 161.]

Tables showing the balance of trade are apt to mislead men. For example, our statistics will exhibit in one column our imports, in another column our exports, and the balance is called the "balance of trade." If we have exports more than we have imports in these tables the balance of trade is said to be in our favor.

This conclusion of the balance being in our favor is unmitigated nonsense. Whenever we ship goods from the United States we get what our citizens regard as the equivalent, in cash, credits, or other property.

He who attempts to draw any conclusion whatever as to a nation's wealth or poverty from the mere fact of a favorable or unfavorable balance of trade has not grasped the first fundamental principle of political economy. (R. T. Ely, Problems of To-day, p. 28.)

The plain truth is our statistics, showing merely "exports" and "imports," do not and can not take into account our credits abroad or the credits of foreigners in the United States.

They do not and they can not take into account the payment by the United States of exceeding $100,000,000 annually for ocean-going freight and passengers carried exclusively in foreign bottoms. These tables can not take into account expenditures of citizens of the United States abroad, which probably exceed $100,000,000 per annum.

These tables do not take into account millions of dollars shipped abroad by foreigners working in the United States.

These tables do not take into account numerous foreign investments made by citizens of the United States in foreign lands and by foreigners in our land.

These tables do not take into account even the transfer of great estates from the United States abroad by international marriages.

The plain truth, which can not be disputed without stultification, is this, that for every export we receive its equivalent in cash or credit, and for every import we pay in cash or credit.

The available gold in the world, which is the basis of what we call "cash," is a comparatively small amount. The total gold in the United States amounted to one thousand five hundred and ninety-three millions December 31, 1906. (Statistical Abstract of the United States, 1907, pp. 742.)

The annual production of gold in the world amounted to four hundred millions in 1906. Germany had over a thousand millions in gold, and France about a thousand millions in gold, and the British Empire about a thousand millions in gold in 1906, and all of the gold money on earth combined did not exceed seven billions.

No thoughtful man will pretend that we can pursue a policy by which our exports would be paid in gold and not paid in the goods and credits and properties of foreign countries. It can therefore be taken as true *that our exports are paid for by imports*, and that *when we limit our imports we limit our exports* and our national commerce under *a law as fixed as the law of gravitation*.

Mr. President, the Senator from New Hampshire made a single defense with regard to these schedules which I desire to answer, and it is the only defense, outside of that of the chairman, so far as I have observed in the RECORD, that I regard as meeting the matter in any degree, and that is the statement, in effect that by lowering these schedules we would invite into this country the imports of other countries, which would throw out of employment our own laborers.

This theory, Mr. President, is not sustained by the theory of economic teaching which shows that inevitably exports are always paid for by imports and imports are paid for by exports. If we examine into the individual transactions of which the aggregate is composed, we will observe that when any American ships abroad any export, whether it be cotton or cotton goods of any kind, he is immediately paid in cash or cash credits or its equivalent, and therefore there comes back to the United States the immediate equivalent of that which the American exports. That individual export is instantly balanced. Since the whole must be composed of its several parts, it follows that exports are paid for by imports and imports are paid for by exports, and when we reduce the tariff and invite into our country foreign exports in effect we stimulate American industries; we enlarge the productive power of the American factory; we increase the demand for labor and the employment of capital; and we put ourselves in the attitude of shipping abroad more things than we now ship and enlarging both our exports and imports in like volume. I think the reason why our imports and our exports compare so unfavorably with the other nations of the earth is largely because we have followed the Chinese method of excluding, in large measure, the products of other lands.

I wish to call attention to our status as to imports and exports per capita.

COMPARISON OF THE COMMERCE OF THE UNITED STATES AND OTHER COUNTRIES.

We plume ourselves on our tremendous commerce in exports and imports when, in point of fact, our rank among other nations of the world in the quantity of our foreign commerce per capita is entirely discreditable to us. In the quantity of our exports and imports we rank far inferior to every highly civilized country in Europe, as the following table will exhibit, taken from the Statistical Abstract of the United States for 1907, page 738:

Imports and exports per capita of countries, 1906.

Country.	Imports.	Exports.
United States	17.30	22.10
Argentina	34.87	54.87
New Zealand	70.23	85.70
Australia	53.77	79.70
Belgium	93.90	75.30
Canada	45.08	39.84
Costa Rica	22.53	29.25
Chile	21.25	29.89
Cuba	62.31	66.06
Denmark	64.82	55.55
France	25.86	24.77
German Empire	28.05	22.53
Netherlands	184.36	143.01
Norway	36.22	21.91
Sweden	29.23	22.93
Switzerland	81.97	59.97
United Kingdom	68.45	42.49
Uruguay	21.13	38.34

The imports of the German Empire, of France, United Kingdom, of the Netherlands, of Norway and Sweden, of Switzerland, exceed their exports by hundreds of millions, but the exports of Siam, Egypt, Peru, British Indies, Haiti, Cuba, Mexico, Russia, Santo Domingo, and the Kongo have their exports exceeding their imports, and we are not in a good class if civilization and intelligence are considered.

We are in the activity of our foreign commerce, however, decidedly ahead of the Kongo Free State, Persia, Peru, Paraguay, India, Siam, and Turkey. Our country can feel but little pride in the school of political economy, if organized blind greed can be called a school of political economy, controlling the United States and its pitiful comparison with the foreign output of the other intelligent nations of the world. Let us at least equal Great Britain, which has learned the economic truth that prohibitive tariffs obstruct and do not promote commerce, and let us act upon that policy, retaining our tariff for revenue, high enough for honest incidental protection and no higher.

Our patriotic citizenship has been grossly misled by the leaders of the party in power as to our comparative commercial activities.

The growth of our exports and imports show a small relative increase:

Our total imports:	
1881	650,000,000
1890	773,000,000
1900	830,000,000
1907	1,415,000,000
Our total exports:	
1881	883,000,000
1890	845,000,000
1900	1,370,000,000
1907	1,853,000,000
Population in—	
1881	58,000,000
1890	62,000,000
1900	75,000,000
1907 (estimated)	88,000,000

It will be seen from these tables that notwithstanding the tremendous improvement in modern machinery and the increased output from that source, and the wonderful growth of seagoing vessels and their freight-carrying capacity, our exports and imports have about doubled in twenty-six years and have not increased much faster than our population. This is a discreditable showing to the intelligence of the American people.

It will thus be seen, Mr. President, that our exports and imports are small compared to the exports and imports of nations whom we have been taught to believe inferior to us; but in the building of a nation we are ourselves vast consumers of our own products, and this must stand to our credit.

It will also be seen that our exports and imports have not grown in the last quarter of a century much more rapidly than our population, which shows in fact that we have not kept pace in foreign exports with the enormous productive capacity of modern machinery and invention.

These are facts worthy of consideration, which tend to show the natural consequences of obstructing our imports by prohibitive taxes, by vexatious and difficult regulations; and the present bill is peculiarly unwise because instead of providing a substantial reduction on the prohibitive tariff rates and removing the obstructions to our commerce it has utterly failed to do so. On the contrary, it has increased many items and the average of all items, and the crowning absurdity is offered in proposing to penalize foreign countries, who are already largely excluded from our markets, by threatening them with a 25 per cent advance on rates now largely prohibitive unless they promptly remove within the year the tariff obstructions which are obnoxious to us, and thus we invite the retaliation of the nations of all the world. Nations are composed of individuals, and the law of human nature which governs the individual will govern nations to a substantial degree.

OUR NATIONAL PROSPERITY IS NOT DUE TO A PROHIBITIVE TARIFF, BUT IN SPITE OF IT.

Mr. President, it has been a common practice for the advocates of the high tariff to claim that the prosperity of the people of the United States and the employment of its people is due to the so-called "protective tariff;" nothing could be more utterly fallacious.

Modern prosperity is due to the dissemination of human knowledge through the printing press, inventions of labor-saving machinery, hundreds of thousands of inventions under the reward of personal patents granted by the United States, granted by Great Britain, by Germany, by France, by Norway and Sweden, by Italy, by Japan, by every civilized country in the world.

The United States has granted over 900,000 different patents covering art in manufacture, but the art to which we are chiefly indebted for our modern prosperity is the development of paper making and the printing presses, by which the learning and the knowledge of all men is made the common property of every man and enriched him beyond all computation.

Out of these inventions have sprung the incredibly cheap manufacture of cloth and fabrics of every description; of metals in a multitude of forms, from Bessemer steel to the Waterbury watch, made by machinery and distributed to man at an incredibly cheap price. The telegraph, the telephone, the modern railway, the mail service, and every agency of civilization have been brought into service by the wonderful increase of the intelligence of man. China has just completed its first railway built by Chinese engineers and workmen, and soon will be the joint heir of the wonderful increase in human knowledge.

All of the nations of the world prosper in this magnificent development of the human race, due to the increased intelligence of man, due to modern processes, springing chiefly, and above all, from the great invention of Gutenberg.

Mr. President, not long since I stood upon the banks of the Niagara River. Down the canal below the great falls I saw a great wood yard, and saw two men passing pieces of wood to an endless belt. I followed it down the bluff nearly 200 feet; below a giant penstock of 7 feet in diameter delivered a column of water upon a turbine wheel developing over 1,000 horsepower, which caused to spin with lightning speed French burr wheels, against which these pieces of wood were placed and pressed by hydraulic pressure.

They melted almost instantly, and the macerated fiber by an endless belt, passing immediately to the paper factory on top of the bluff, was automatically delivered into a circular vat with moving arms; adjacent was a man engaged in putting into this vat sizing; the prepared mixture was fed upon an endless belt, porous—the water dripped through, the sheet of wet paper emerged, passing through a series of rolls, the last ones heated by steam, and at the end of the comparatively small room the material which a few minutes before had been logs of wood appeared as rolls of news paper ready for the Hoe press.

At Herald square, New York, I saw these same rolls being fed like lightning into giant printing presses and emerging a modern newspaper, a miracle of design; hundreds of thousands of copies turned out in a few short hours, full of learning, literature, art, full of business, full of wit and humor, full of the news of the whole world gathered together by the ablest men with the aid of the telephone and telegraph; filled with beautiful illustrations and photographs of everything conceivable.

Mr. President, where is the advocate of the prohibitive tariff so lacking in common sense or intellectual integrity that he will assert that these great advances of the human race, which are common to all the civilized nations, whether they have or whether they have not a protective tariff, nevertheless enjoy all of these things. Let those who believe that these things are due to the protective tariff support this bill and applaud it. But those that see that these things are due to the development of the human race and to the providence of God can be misled by no such shallow sophistry.

Mr. President, England has been very prosperous; she is the mistress of the seas; the sun never sets upon her dominions; her wealth is enormous. The prosperity of England is not due to the protective tariff, but to the policy of the greatest freedom of international commerce.

France and Germany have the protective tariff and are likewise prosperous, but they are prosperous in spite of the protective tariff and not because of it. The prosperity of the whole world is due to the increasing intelligence of the human race, its mastery over the forces of nature, its substitution of machinery for the labor of man.

"Protectionists justly contend that the high tariff of 1897 has not ruined the foreign trade of the United States, which on both its import and export sides has exhibited a great advance." Undoubtedly this contention is true, but the obstructions interposed in commerce has not served to make the imports and exports of the United States contrast favorably with the exports and imports of other nations. The imports and exports of the United States do not compare favorably with those of the civilized nations of the world, as I have already shown.

One thing should be settled for all time, and that is such prosperity as we have can not be due to the artificial obstruction of our international commerce.

HOW THE PRESENT SYSTEM WAS ESTABLISHED.

It would seem incredible that the monopoly engendering policy could be established and persisted in against the will of the people, and I shall endeavor to show how this has occurred and its proper remedy.

In 1856 both parties were agreed on a low revenue-producing tariff. For fifteen year everybody had been content with the low Walker tariff of 1846. The exigency of the civil war required a high tariff for the extra revenues demanded at that time.

Like all tariffs this Morrill tariff of 1861 raised the prices on the consumer and gave the American manufacturer a special opportunity to make money at the expense of the consumer.

When the war was over the question of lowering the tariff began to be considered.

The Protective Tariff League was thereupon organized, with far-reaching affiliations, powerful press agencies, with an educational bureau which instructed every boy who approached the voting age throughout the United States in the sophistry of a high tariff, appealing to his patriotism to stand by American labor. This policy has had abundant success, but it could not have succeeded except for the political changes in party administration which had taken place prior to the war.

This change to which I refer was the transfer of the power directly from the people through the agencies of precinct conventions, nominating delegates to county conventions, county conventions composed of delegated delegates to select delegates for the state convention, state conventions composed of delegates delegated by delegated delegates.

These political functionaries were thrice removed from the people, the state delegates being delegated by county delegates, the county delegates being delegated by precinct delegates, and the precinct delegates probably delegated by the local representatives of what is known as the "machine politician" and his petty circle.

In machine politics the precinct manager will call a primary at some place convenient for his control and probably inconvenient for the attendance of the people. He will notify his strikers in advance and be sure of a sufficient number to put through a slate and plan agreed upon. In this manner the machine can evade a wholesome public opinion and manipulate the delegates to the county convention, and with this machine county convention a machine state convention is assured.

In this manner any person having an important material interest to serve, such as establishing or maintaining a policy of government, permitting some people to tax other people for their benefit, have a political opportunity.

All that the Protective Tariff League and its commercial and political allies had to do under this system of government was to have a proper bureau established, see to it that representatives of the system were in place to manage the machine politics; and in this way they have been able to control nominating conventions—county, State, and national—and the will of the great body of the people could not make itself freely felt, being unorganized and not clearly realizing the manner in which the monopoly-producing system was taxing them.

The Protective Tariff League and the representatives of selfish commercial interests, the beneficiaries of the manipulations of our statutes, have intertwined and interwoven themselves with the organization of the Republican party in such a manner as to be inextricable. They have successfully appealed to the well-known patriotism of the great body of Republican citizens and skillfully trained them to believe as true, things which were not true in fact, and were sophistical in reason and unsound in conclusion. This process has gone on until it has become impossible to separate the political and patriotic impulse from the commercial, so that men of high character and upright purposes find themselves used against their will and are more often used in total unconsciousness of the fact that they are being used by commercial interests under the color of patriotism and party pride. The machine method of politics is a bad method and ought to be abated.

BOTH PARTIES HAVE BEEN AFFECTED BY THIS EVIL.

It is this method which sometimes sends to the Senate of the United States representatives who would not be the choice of the people at a popular election.

It is natural therefore that the election of Senators by direct vote, or the nomination of Senators by direct vote, should not be approved by those who have been or might expect to be indebted to machine politics hereafter for their own preferment.

It was a recognition of this abuse, which has grown up in our country, that led the Democratic party at Denver, which, I freely confess, is not entirely purged of this evil of machine politics, to put the query to the people of the United States, Shall the people rule?

The true remedy for this condition is not by an inconsequential debate with the chairman of the Committee on Finance, who has spent months and years over these schedules without ever touching the only question of importance, to wit, the difference in the cost of the production at home and abroad, but it is to be found by reducing the political machine to innocuous desuetude and the restoration of the people's rule by the direct primary, allowing each citizen, regardless of party, to nominate and elect his representative in county, State, and Nation, and to establish an "initiative and referendum," with its salutary check on the representatives of the people.

Machine politics glorifies organization and forgets that the best safeguard of society is to allow the actual sentiment of the majority of the people having appreciable education to rule and not take that power out of their hands by clever machine manipulation.

When we follow delegation of power from the citizen to the primary delegate, from the primary delegate to the county delegate, from the county delegate to the nominee for the legislature, from the member of the legislature to the United States Senate, a Senator chosen in this manner is four degrees removed from the people.

Through machine politics selfish interests can exercise an undue influence in our parties and in our administration of government. I can not but feel that the influences of monopoly in this country are in present control; that this bill is written to serve their purposes; to make the rich richer and the poor poorer; to benefit the few at the expense of the many.

In making this comment I do so with the profound conviction that this condition can not be greatly prolonged, but that the American people will in a short time cause the laws to be so amended as to promote the greatest of all modern needs—*the more equitable distribution of the proceeds of human labor.*

> Ill fares the land to hastening ills a prey,
> Where wealth accumulates and men decay.

Mr. President, I do not desire to detain the Senate longer. I have taken some pains to show that in the protected industries the labor of the country is not paid as well as in the unprotected industries; that labor has continued to receive a diminishing part of the proceeds of labor; that labor has not received a fair share of its own product. I have undertaken to show how labor was naturally oppressed by the upbuilding of gigantic monopolies in this country, whose policy was to close up factories, to pay labor as small a wage as possible, to raise prices, and to limit the output; to tax the people as high as they thought the "traffic would bear," and to control their wage-earners, both commercially and politically. That is a very natural thing for them to do. They are not greatly to blame if the law permit. The lawmaker is greatly to blame if the law continues to permit.

But I have also demonstrated that our census shows, in the most overwhelming and convincing manner, that this bill has paid no attention whatever to "the difference in cost of production at home and abroad;" that that difference, even if the foreign manufacturer paid nothing whatever for his labor, could not exceed nineteen and a fraction per cent for pure protective purposes, while many of the rates in this bill exceed 100 per cent. Having shown this, having pointed out what the effect has been upon the wages and general conditions of labor and upon the mortality of human life under this system of government which we have been following; having submitted the suggestions for the amendment of these conditions, in the hope that perhaps in the future they may be of some use to future students of these questions, I am done.

I have called attention to the policy of New Zealand, which protects human life first, which has controlled monopoly, in order that the poorer and the weaker elements of society may have a better opportunity to live. I have called attention to what the necessary result is of gigantic fortunes piling up until the fortune of a single individual will reach nearly a thousand millions; that its only effect upon this country must be to absorb all of the transportation and transmission companies, all the coal mines, all of the purchasable lumber and ores, all of the purchasable real estate, all of the things visible and invisible desired by men and generally grouped together and called the "opportunities of life."

There can be but one result, and the Senate is in honor bound to consider this and to find a way to control it and correct it, in order to protect the children and the women, as well as the men of this country.

I can do nothing more than appeal to the Senate and to call their attention to their responsibility in this matter. Having done so, I have discharged the only duty which it is possible for me to discharge. I have given many days of hard labor to this question, and of unremitting industry, in a desire to place upon this record the truth, and nothing but the truth, in the hope that it might appeal to the leaders of the Senate, and, if it did not, that it might appeal to the people of the United States.

APPENDIX.

EXHIBIT 2.

Tables prepared by Edward Atkinson, of Boston, showing the relative number of employees in the so-called "protected or partially protected industries." (S. Doc. 46, 61st Cong., 1st sess.)

CLASS I.

Persons occupied for gain who are free from the competition of an import from a foreign country:

(We sell to Canada twice the quantity of the products of agriculture and of manufactures that we import. In ratio to numbers the Canadians are now our best foreign customers, and there is little opposition to the treaty of reciprocity.)

Free of foreign competition in agriculture or listed under that title.

Farmers, planters, and overseers	5,674,875	
Agricultural laborers	4,410,877	
Gardeners, florists, and nurserymen	61,788	
Dairy men and women	10,875	
Other agricultural pursuits	5,530	
		10,163,945
Lumbermen and raftsmen		72,020
Stock raisers, herders, and drovers		84,988
Turpentine farmers and laborers		24,737
Wood choppers		36,075
		10,381,765
Less the number subject to competition removed to Class III		200,000
		10,181,765

Also free of foreign competition.

All persons in professional service	1,258,739
All persons in domestic and personal service	5,580,657
All persons in trade and transportation	4,766,964
	21,788,125

Free from foreign competition in manufactures and the mechanic arts.

Persons occupied in building trades		1,212,526
Oil wells and employees		24,626
Brick and tile makers (with a few exceptions)		49,933
Miners and quarrymen (with a few exceptions)		563,866
Bakers		79,188
Butchers		113,956
Confectioners (with a few exceptions)		31,194
Millers		40,548
Blacksmiths		226,477
Iron and steel workers (with a few exceptions)		290,611
Steam boiler makers		33,046
Stove, furnace, and grate manufacturers		12,473
Wheelwrights		13,505
Boot and shoe makers (with a few exceptions)		208,912
Leather curriers and tanners (with a few exceptions)		42,671
Bottlers and soda-water manufacturers		10,519
Cabinetmakers (with a few exceptions)		35,619
Coopers		37,200
Saw and planing mill operatives		161,624
Other woodworkers		111,273
Paper-box makers		21,098
Charcoal, coke, and lime burners		14,448
Model and pattern makers		15,073
Rubber factory operatives (with a few exceptions)		21,866
Upholsterers		30,821
Small miscellaneous industries (with a few exceptions)		471,300
Printers, lithographers, and pressmen (with a few exceptions)		155,147
Fishermen and oystermen	68,177	
Less the small number in deep-sea fisheries transferred to Class III numbering not over	8,000	
		60,177
Engineers and firemen	223,495	
Less the proportion probably occupied in arts in Classes II and III in part or fully subject to foreign competition	23,495	
		200,000
		4,289,697

CLASS II.

Persons occupied for gain who would be practically free from foreign competition if materials of foreign origin used in their processes were free of duty:

Chemicals (other than oil wells and oils)		14,814
Glass workers (subject to a few exceptions)		49,998
Marble and stone cutters (subject to a few exceptions)		54,460
Potters (mostly making tiles, drainpipes, etc.) (subject to a few exceptions)		16,140
Butter and cheese (subject to a few exceptions)		19,241
Food preparations (subject to a few exceptions)		28,782
Machinists (subject to a few exceptions)		283,145
Tool and cutlery makers (subject to a few exceptions)		28,122
Wire-workers (subject to a few exceptions)		18,487
Harness and saddle (subject to a few exceptions)		40,101
Trunk and leather case (subject to a few exceptions)		7,051
Brewers and maltsters (subject to a few exceptions)		20,962
Distillers and rectifiers (subject to a few exceptions)		3,144
Brass workers (subject to a few exceptions)		26,760
Clock and watch makers (subject to a few exceptions)		24,120
Gold and silver workers (subject to a few exceptions)		26,112
Tin plate and tinware (subject to a few exceptions)		70,505
Other metal workers (subject to a few exceptions)		58,602
Bookbinders (subject to a few exceptions)		30,278
Engravers (subject to a few exceptions)		11,151
Paper and pulp mills (subject to a few exceptions)		56,328
Textile industries	567,065	
Less those occupied in the finer and fancy fabrics, say, removed to Class III	67,065	
		500,000
Tailors, seamstresses, milliners, shirt makers, and makers of other clothing	907,466	
Less those who are on the finest articles of fancy and fashion	7,466	
		900,000
Engineers and firemen		23,495
Glove makers:	12,271	
Less removed to Class III	2,271	
		10,000
Broom and brush makers		10,220
Photographers (with a few exceptions)		26,941
Tobacco and cigars (with a few exceptions)		131,452
Manufacturers and officials	243,082	
Less transferred to Class III	3,082	
		240,000
		2,708,411
Deducting for the few exceptions in fine and fancy cut and plate glass; Italian marble; fine and hand-decorated china; Stilton, Roquefort, and other fancy cheeses; Scotch marmalade and the like; worsted combers and other machinery in which there is much hand work; fancy cutlery; English saddles and harnesses of high cost; handmade trunks, boots, and shoes; foreign beer and ale of special brands; fine wines and liquors; hand work in brass, copper, gold, and silver; a few watches; finely bound and printed books, engravings, and photographs; fancy paper; handmade brushes; and a few other articles not specifically transferred to Class III, estimated in number at		312,116
There remains in Class II free of competition		2,396,295

CLASS III.

Subject to foreign competition—	
In agriculture	200,000
In deep-sea fisheries	8,000
Textile operatives	67,065
Clothing	7,466
Glove makers	2,271
Manufacturers and officials	3,082
	287,884
Add from tabulation of Classes I and II as per previous list of exportations	312,116
Probable number subject to foreign competition	600,000

That number comprises all who, in the judgment of the compiler, could be subject to foreign competition of an adverse or urgent kind if no duty, even for revenue, were maintained. A moderate duty for revenue purposes would incidentally protect them.

RECAPITULATION.

Class I.—Persons who can not be subjected to foreign competition, but who pay their proportion of duties on imports and of the enhancement of prices brought into effect by protection	26,077,822
Class II.—Persons not subject to foreign competition, whose industry in many branches would be promoted by the abatement of duties on materials of foreign origin used by them	2,396,295
Class III.—Persons occupied in arts which would require a readjustment if all duties were suddenly removed, which no one proposes	600,000
Total	29,074,117

In dealing with Classes I and II, I have used my own experience and judgment in putting into Class III such proportion of persons occupied (especially in the textile arts) as may make the finer and fancy or handmade fabrics which depend mainly on fashion and fancy for their sale.

I have also assumed the abatement of duties on wool, hides, drugs, dyestuffs, and chemicals, from which about $15,000,000 of revenue are now derived. So long as these taxes exist the manufactures of textile fabrics, boots, shoes, and leather goods, paper, and many other articles are restricted and their exports are much lessened.

Under Class II, subject only in small part to foreign competition, are also listed glass, pottery, chemicals, tools, brewers, clocks, watches, gold and silver ware, tailors, milliners, photographers, and machinery. I have made allowance by exceptions in these arts to the best of my judgment.

In all these arts there is, and probably always will be, an import of the fine and fancy fabrics or of articles chosen for style or fashion, all of which are suitable subjects for revenue duties. These imports rather set a standard for domestic manufacturers to emulate than subject them to competition in the great bulk of their products, which are for the use of the millions rather than the millionaires. Tobacco will always be subject to revenue duties. Under existing conditions there is no justification for duties on machinery, pig iron, copper, coal, ores, or other metals, which are the materials and tools of our domestic industry. We are exporting the highest types of metallurgy and machinery, while the tax on special machinery of other kinds which we import, and upon coal, ores, hay, potatoes, fish, beeves, and other necessities are burdens upon industry of the most obnoxious kind.

If anyone takes exception to this division, and now justifies the continuance of a tariff for "protection with incidental revenue," let him carry over as many as he honestly can from Classes I and II into Class III, giving reasons for such changes. I think it will prove impossible for any sincere student of the subject to designate 1,000,000 persons out of the 29,000,000 now occupied for gain whose industry would be seriously or adversely affected, even if all duties on foreign products of like kind were at once removed—an act which no one proposes. If all duties on materials were removed, the number would be lessened far below a million.

On the other hand, there are proportionately in agriculture from 1,500,000 to 2,000,000 out of 10,000,000 who rest upon exports for the disposal of their surplus products. There are about as many persons occupied even in manufacturing and in the mechanic arts only, whose products are exported, as there are in all the same arts which are now or can be protected by duties on imports. Out of 29,000,000 persons occupied for gain, not over 3,000,000 to 4,000,000 are or can be directly affected by tariff legislation, either by the obstruction of exports or imports in consequence of duties on imports. Twenty-five million are engaged in arts necessary to the existence of society and which can neither be promoted nor retarded by duties on imports, except so far as the cost of their living is increased by an ill-adjusted or injudicious system of taxation.

EXHIBIT 3.

Distribution of employees for the year ending June 30, 1907, by groups.

[Statistics of railways in United States, 1907, Interstate Commerce Commission.]

Territory covered.	General administration.		Maintenance of way and structures.		Maintenance of equipment.		Conducting transportation.		Unclassified.	
	Number.	Per 100 miles of line.	Number.	Per 100 miles of line.	Number.	Per 100 miles of line.	Number.	Per 100 miles of line.	Number.	Per 100 miles of line.
Group I	2,728	33	22,517	276	13,282	163	47,060	577	73	1
Group II	12,905	54	101,183	424	89,965	377	197,476	827	196	(a)
Group III	7,458	29	73,698	283	56,484	217	106,362	409	57	(a)
Group IV	4,238	32	25,011	192	17,848	137	34,083	262	603	5
Group V	6,396	24	45,714	176	35,441	136	62,415	240	764	3
Group VI	12,606	25	99,734	195	57,470	112	124,588	244	270	1
Group VII	2,043	17	22,654	190	10,838	91	19,386	162	.....	.....
Group VIII	7,331	23	66,563	210	30,491	96	59,998	190	102	(a)
Group IX	3,587	22	29,800	181	16,293	99	25,574	156	697	4
Group X	5,516	29	51,129	267	24,069	126	36,514	191	855	4
United States, 1907	64,808	28	538,003	236	352,181	155	713,465	314	3,617	2
United States, 1906	57,054	26	495,879	223	315,952	142	649,820	292	2,650	1
United States, 1905	54,141	25	448,370	207	281,000	130	595,456	274	3,229	1
United States, 1904	48,746	23	415,721	196	261,819	123	566,798	267	3,037	2
United States, 1903	45,222	22	433,648	211	253,889	124	576,881	281	2,897	1
United States, 1902	41,071	20	399,502	200	228,280	114	518,390	259	1,982	1
United States, 1901	38,816	20	343,717	176	206,418	105	479,111	245	3,107	2
United States, 1900	36,451	19	324,946	169	197,799	103	450,063	234	8,394	4
United States, 1899	34,170	18	287,163	153	180,749	96	417,508	223	9,334	5
United States, 1898	32,431	18	261,866	142	171,600	93	398,907	216	9,754	5
United States, 1897	31,871	17	244,873	134	160,667	88	378,361	206	7,704	4

[a] Less than 1.

Comparative summary of average daily compensation of railway employees for the years ending June 30, 1907 to 1897.

[Average daily compensation in dollars.]

Class.	United States.										
	1907.	1906.	1905.	1904.	1903.	1902.	1901.	1900.	1899.	1898.	1897.
General officers	11.93	11.81	11.74	11.61	11.27	11.17	10.97	10.45	10.03	9.73	9.54
Other officers	5.99	5.82	6.02	6.07	5.76	5.60	5.56	5.22	5.18	5.21	5.12
General office clerks	2.30	2.24	2.24	2.22	2.21	2.18	2.19	2.19	2.20	2.25	2.18
Station agents	2.05	1.94	1.93	1.93	1.87	1.80	1.77	1.75	1.74	1.73	1.73
Other station men	1.78	1.69	1.71	1.69	1.64	1.61	1.59	1.60	1.60	1.61	1.62
Enginemen	4.30	4.12	4.12	4.10	4.01	3.84	3.78	3.75	3.72	3.72	3.65
Firemen	2.54	2.42	2.38	2.35	2.28	2.20	2.16	2.14	2.10	2.09	2.05
Conductors	3.69	3.51	3.50	3.50	3.38	3.21	3.17	3.17	3.13	3.13	3.07
Other trainmen	2.54	2.35	2.31	2.27	2.17	2.04	2.00	1.96	1.94	1.95	1.90
Machinists	2.87	2.69	2.65	2.61	2.50	2.36	2.32	2.30	2.29	2.28	2.23
Carpenters	2.40	2.28	2.25	2.26	2.19	2.08	2.06	2.04	2.03	2.02	2.01
Other shopmen	2.06	1.92	1.92	1.91	1.86	1.78	1.75	1.73	1.72	1.70	1.71
Section foremen	1.90	1.80	1.79	1.78	1.78	1.72	1.71	1.68	1.68	1.69	1.70
Other trackmen	1.46	1.36	1.32	1.33	1.31	1.25	1.23	1.22	1.18	1.16	1.16
Switch tenders, crossing tenders, and watchmen	1.87	1.80	1.79	1.77	1.76	1.77	1.74	1.80	1.77	1.74	1.72
Telegraph operators and dispatchers	2.26	2.13	2.19	2.15	2.08	2.01	1.98	1.96	1.93	1.92	1.90
Employees—account floating equipment	2.27	2.10	2.17	2.17	2.11	2.00	1.97	1.92	1.89	1.89	1.86
All other employees and laborers	1.92	1.83	1.83	1.82	1.77	1.71	1.69	1.71	1.68	1.67	1.64

Comparative summary of average daily compensation of railway employees for the years ending June 30, 1907 to 1897, by groups.

GROUP I.—NEW ENGLAND.

[Average daily compensation in dollars.]

Class.	1907.	1906.	1905.	1904.	1903.	1902.	1901.	1900.	1899.	1898.	1897.
General officers	13.34	12.76	12.58	11.92	11.32	10.91	10.92	10.70	10.53	9.75	9.42
Other officers	5.72	5.65	5.89	6.22	5.79	6.01	5.58	5.80	5.67	6.15	6.18
General office clerks	2.13	2.06	2.08	2.04	2.05	2.06	2.07	2.08	2.08	2.11	2.12
Station agents	2.03	1.99	1.96	1.93	1.88	1.84	1.82	1.80	1.81	1.79	1.79
Other station men	1.91	1.89	1.84	1.83	1.78	1.74	1.77	1.79	1.76	1.77	1.76
Enginemen	3.78	3.62	3.60	3.55	3.51	3.50	3.48	3.48	3.45	3.48	3.45
Firemen	2.20	2.08	2.07	2.02	2.00	1.98	1.98	1.97	1.96	1.97	1.95
Conductors	3.26	3.19	3.12	3.09	3.01	2.94	2.96	2.97	2.94	2.93	2.89
Other trainmen	2.32	2.17	2.12	2.09	2.02	1.96	1.94	1.94	1.91	1.92	1.88
Machinists	2.61	2.45	2.44	2.41	2.34	2.26	2.31	2.29	2.26	2.26	2.17
Carpenters	2.25	2.15	2.13	2.11	2.07	2.06	2.06	2.06	2.04	2.03	2.00
Other shopmen	2.02	1.95	1.93	1.88	1.86	1.85	1.85	1.86	1.87	1.89	1.82
Section foremen	2.24	2.17	2.14	2.13	2.10	2.07	2.04	2.03	1.96	2.00	2.00
Other trackmen	1.55	1.52	1.50	1.49	1.46	1.44	1.44	1.44	1.43	1.43	1.40
Switch tenders, crossing tenders, and watchmen	1.68	1.65	1.60	1.57	1.54	1.53	1.53	1.48	1.46	1.48	1.49
Telegraph operators and dispatchers	2.15	2.07	2.01	1.94	1.86	1.80	1.82	1.84	1.76	1.75	1.78
Employees—account floating equipment	2.22	2.17	2.13	2.10	1.85	1.70	1.70	1.71	1.65	1.64	1.63
All other employees and laborers	1.85	1.80	1.76	1.72	1.68	1.65	1.64	1.66	1.63	1.70	1.65

Comparative summary of average daily compensation of railway employees for the years ending June 30, 1907 to 1897, by groups—Continued.

GROUP II.—NEW YORK, PENNSYLVANIA, NEW JERSEY, DELAWARE, MARYLAND.

Class.	1907.	1906.	1905.	1904.	1903.	1902.	1901.	1900.	1899.	1898.	1897.
General officers	14.12	13.43	13.81	13.50	12.91	12.00	11.59	11.25	11.11	10.36	9.91
Other officers	6.24	5.81	6.32	6.55	7.09	6.96	6.97	6.66	6.50	6.33	6.06
General office clerks	2.46	2.35	2.44	2.41	2.43	2.30	2.32	2.30	2.30	2.28	2.27
Station agents	2.03	1.91	1.88	1.89	1.84	1.76	1.72	1.68	1.69	1.69	1.66
Other station men	1.82	1.73	1.79	1.79	1.75	1.64	1.63	1.64	1.65	1.65	1.64
Enginemen	4.26	4.06	4.06	4.06	4.00	3.76	3.65	3.62	3.60	3.61	3.56
Firemen	2.55	2.46	2.38	2.33	2.26	2.14	2.08	2.05	2.02	2.03	1.97
Conductors	3.49	3.33	3.39	3.38	3.33	3.08	3.00	2.97	2.93	2.94	2.86
Other trainmen	2.56	2.40	2.28	2.21	2.14	1.98	1.93	1.90	1.87	1.87	1.84
Machinists	2.66	2.55	2.44	2.42	2.34	2.21	2.20	2.19	2.20	2.18	2.14
Carpenters	2.52	2.42	2.28	2.29	2.21	2.08	2.08	2.04	2.03	2.03	2.01
Other shopmen	2.06	1.95	1.89	1.89	1.86	1.74	1.75	1.64	1.59	1.57	1.58
Section foremen	1.96	1.89	1.87	1.87	1.82	1.71	1.69	1.66	1.68	1.69	1.69
Other trackmen	1.48	1.40	1.31	1.30	1.27	1.20	1.20	1.19	1.18	1.17	1.17
Switch tenders, crossing tenders, and watchmen	1.65	1.60	1.67	1.67	1.61	1.58	1.56	1.59	1.56	1.55	1.53
Telegraph operators and dispatchers	2.21	2.07	2.27	2.25	2.20	2.05	2.01	2.01	1.97	1.94	1.90
Employees—account floating equipment	2.31	2.20	2.25	2.27	2.23	2.11	2.12	2.01	1.96	2.02	2.00
All other employees and laborers	1.83	1.74	1.67	1.66	1.63	1.58	1.57	1.56	1.54	1.51	1.54

GROUP III.—OHIO, INDIANA, SOUTHERN MICHIGAN.

General officers	11.51	11.72	12.10	12.11	11.85	11.03	10.43	10.12	9.86	9.96	9.84
Other officers	6.48	6.25	6.48	6.45	6.79	6.14	5.91	5.93	5.83	6.02	5.85
General office clerks	2.24	2.34	2.32	2.27	2.28	2.23	2.21	2.19	2.17	2.21	2.24
Station agents	2.06	1.95	1.90	1.90	1.84	1.77	1.72	1.70	1.69	1.69	1.68
Other station men	1.77	1.72	1.71	1.70	1.66	1.58	1.56	1.55	1.55	1.55	1.55
Enginemen	4.14	3.98	3.98	3.99	3.94	3.73	3.65	3.67	3.57	3.57	3.52
Firemen	2.46	2.35	2.34	2.33	2.28	2.15	2.08	2.09	2.00	2.01	1.98
Conductors	3.56	3.37	3.36	3.39	3.35	3.21	3.12	3.14	3.07	3.10	3.03
Other trainmen	2.59	2.30	2.36	2.36	2.31	2.16	2.09	2.04	1.99	2.00	1.96
Machinists	2.77	2.60	2.56	2.58	2.47	2.35	2.23	2.22	2.17	2.13	2.09
Carpenters	2.30	2.19	2.21	2.17	2.11	2.02	1.96	1.95	1.93	1.91	1.86
Other shopmen	2.04	1.91	1.91	1.88	1.85	1.70	1.69	1.68	1.69	1.69	1.64
Section foremen	1.92	1.79	1.79	1.78	1.75	1.68	1.63	1.60	1.59	1.59	1.61
Other trackmen	1.52	1.43	1.39	1.42	1.37	1.28	1.25	1.22	1.18	1.17	1.16
Switch tenders, crossing tenders, and watchmen	1.75	1.65	1.66	1.60	1.56	1.68	1.61	1.75	1.71	1.70	1.71
Telegraph operators and dispatchers	2.11	2.00	1.99	1.94	1.87	1.82	1.78	1.78	1.78	1.78	1.79
Employees—account floating equipment	1.83	1.76	1.73	1.67	1.63	1.48	1.44	1.38	1.46	1.48	1.51
All other employees and laborers	1.80	1.78	1.81	1.83	1.73	1.64	1.57	1.58	1.55	1.54	1.59

GROUP IV.—WEST VIRGINIA, VIRGINIA, NORTH CAROLINA, SOUTH CAROLINA.

General officers	9.63	10.49	9.59	9.92	9.54	9.52	8.40	6.92	7.06	7.31	7.96
Other officers	4.89	4.66	4.60	4.39	3.76	3.69	3.92	3.25	3.01	2.87	2.93
General office clerks	2.08	1.98	1.92	1.87	1.88	1.87	1.75	1.64	1.68	1.94	1.95
Station agents	1.70	1.62	1.61	1.56	1.56	1.36	1.38	1.39	1.39	1.35	1.36
Other station men	1.33	1.26	1.21	1.06	.81	1.14	1.14	1.12	1.16	1.14	1.12
Enginemen	4.54	4.28	4.25	4.19	4.04	4.12	3.95	3.76	3.76	3.66	3.56
Firemen	2.18	2.04	1.94	1.95	1.85	1.90	1.85	1.75	1.76	1.67	1.61
Conductors	3.50	3.19	3.11	3.07	3.08	3.02	2.92	2.97	2.92	2.80	2.66
Other trainmen	1.82	1.66	1.65	1.54	1.52	1.55	1.52	1.51	1.45	1.54	1.39
Machinists	2.78	2.69	2.57	2.53	2.41	2.26	2.19	2.25	2.22	2.29	2.13
Carpenters	2.11	2.02	1.94	1.89	1.76	1.54	1.65	1.52	1.57	1.60	1.61
Other shopmen	1.76	1.69	1.68	1.59	1.55	1.48	1.44	1.45	1.45	1.45	1.37
Section foremen	1.69	1.64	1.56	1.51	1.48	1.42	1.40	1.35	1.37	1.35	1.39
Other trackmen	1.15	1.09	1.05	.97	.90	.93	.93	.90	.88	.87	.86
Switch tenders, crossing tenders, and watchmen	1.61	1.53	1.44	1.32	1.23	1.33	1.33	1.21	1.20	1.23	1.21
Telegraph operators and dispatchers	2.23	2.04	1.97	1.72	1.66	1.65	1.62	1.54	1.59	1.57	1.58
Employees—account floating equipment	1.56	1.58	1.62	1.60	1.50	1.50	1.57	1.55	1.38	1.55	1.31
All other employees and laborers	1.54	1.41	1.39	1.40	1.26	1.24	1.28	1.38	1.28	1.31	1.33

GROUP V.—KENTUCKY, TENNESSEE, GEORGIA, ALABAMA, MISSISSIPPI.

General officers	10.11	11.33	10.65	10.53	9.69	10.35	10.47	9.49	9.01	8.36	8.19
Other officers	5.00	5.05	4.81	4.90	4.07	3.94	4.05	3.66	3.67	3.63	3.40
General office clerks	2.17	2.12	2.13	2.09	1.92	1.96	2.20	2.13	2.19	2.26	1.61
Station agents	1.78	1.70	1.69	1.65	1.59	1.53	1.52	1.45	1.45	1.41	1.44
Other station men	1.54	1.46	1.45	1.37	1.33	1.38	1.37	1.39	1.40	1.38	1.46
Enginemen	4.59	4.35	4.28	4.25	4.22	4.01	3.90	3.88	3.96	3.83	3.69
Firemen	2.30	2.10	2.03	2.09	2.03	1.97	1.96	1.95	2.01	1.92	1.85
Conductors	3.78	3.41	3.29	3.31	3.31	3.12	3.14	3.12	3.13	3.04	3.07
Other trainmen	2.24	2.01	1.89	1.88	1.79	1.75	1.75	1.71	1.76	1.73	1.71
Machinists	2.91	2.77	2.71	2.62	2.59	2.27	2.29	2.34	2.34	2.26	2.20
Carpenters	2.18	2.04	2.02	2.01	1.94	1.83	1.80	1.81	1.83	1.74	1.78
Other shopmen	1.76	1.65	1.63	1.63	1.61	1.58	1.52	1.49	1.50	1.45	1.50
Section foremen	1.74	1.69	1.65	1.66	1.63	1.57	1.57	1.52	1.56	1.57	1.53
Other trackmen	1.15	1.07	1.03	1.02	.98	.96	.95	.95	.93	.88	.88
Switch tenders, crossing tenders, and watchmen	1.66	1.85	1.77	1.63	1.72	1.68	1.63	1.77	1.81	1.75	1.73
Telegraph operators and dispatchers	2.13	2.04	2.01	1.94	1.87	1.80	1.78	1.77	1.81	1.67	1.64
Employees—account floating equipment	1.11	1.18	1.15	1.20	1.36	1.45	1.41	1.40	1.37	1.14	1.21
All other employees and laborers	1.73	1.68	1.65	1.57	1.45	1.47	1.44	1.54	1.50	1.52	1.40

GROUP VI.—WISCONSIN, ILLINOIS, IOWA, MINNESOTA.

General officers	14.73	14.72	15.12	13.66	14.20	14.07	13.10	12.59	11.46	10.92	10.89
Other officers	7.50	7.33	7.71	7.59	7.42	6.89	6.64	6.71	6.57	7.16	7.01
General office clerks	2.22	2.20	2.12	2.15	2.11	2.14	2.10	2.16	2.16	2.22	2.14
Station agents	2.08	1.97	1.95	1.94	1.86	1.80	1.77	1.77	1.74	1.76	1.78
Other station men	1.77	1.69	1.69	1.66	1.61	1.55	1.55	1.57	1.55	1.56	1.63
Enginemen	4.18	4.08	4.05	3.98	3.88	3.71	3.68	3.68	3.67	3.70	3.68
Firemen	2.57	2.48	2.44	2.39	2.34	2.24	2.22	2.23	2.17	2.16	2.16
Conductors	3.82	3.71	3.69	3.65	3.36	3.29	3.27	3.29	3.25	3.31	3.24
Other trainmen	2.53	2.37	2.36	2.34	2.19	2.04	2.00	1.97	1.96	1.97	1.96

Comparative summary of average daily compensation of railway employees for the years ending June 30, 1907 to 1897, by groups—Continued.

GROUP VI.—WISCONSIN, ILLINOIS, IOWA, MINNESOTA—continued.

Class.	1907.	1906.	1905.	1904.	1903.	1902.	1901.	1900.	1899.	1898.	1897.
Machinists	2.88	2.70	2.62	2.58	2.42	2.29	2.18	2.18	2.13	2.15	2.12
Carpenters	2.30	2.21	2.20	2.24	2.18	2.06	2.01	2.03	1.99	1.97	1.98
Other shopmen	2.02	1.94	1.96	1.95	1.88	1.79	1.74	1.73	1.73	1.71	1.77
Section foremen	1.80	1.70	1.68	1.70	1.69	1.64	1.63	1.63	1.63	1.64	1.66
Other trackmen	1.55	1.46	1.41	1.45	1.43	1.34	1.31	1.30	1.23	1.20	1.19
Switch tenders, crossing tenders, and watchmen	2.29	2.13	2.11	2.10	2.10	2.01	2.00	2.07	1.97	1.95	1.91
Telegraph operators and dispatchers	2.19	2.11	2.12	2.11	1.94	1.98	1.94	1.92	1.90	1.92	1.91
Employees—account floating equipment	1.81	1.71	1.68	2.05	2.07	1.83	1.66	1.63	1.81	1.62	1.68
All other employees and laborers	2.07	2.03	2.01	2.01	1.96	1.91	1.85	1.90	1.89	1.90	1.71

GROUP VII.—NORTH DAKOTA, SOUTH DAKOTA, MONTANA, WYOMING, NEBRASKA.

General officers	14.72	15.24	11.79	10.01	10.32	10.52	10.04	9.61	9.59	8.75	8.75
Other officers	8.19	8.26	8.38	8.42	7.74	7.63	7.81	7.01	7.52	7.29	8.16
General office clerks	2.31	2.26	2.23	2.12	2.26	2.22	2.31	2.22	2.18	2.24	2.29
Station agents	2.27	2.19	2.17	2.16	2.08	2.01	2.00	2.00	1.97	1.94	1.96
Other station men	1.91	1.84	1.85	1.81	1.82	1.77	1.83	1.81	1.81	1.82	1.85
Enginemen	4.31	4.27	4.27	4.17	4.08	3.89	4.00	3.90	3.87	3.94	3.82
Firemen	2.66	2.58	2.58	2.47	2.49	2.36	2.41	2.32	2.31	2.34	2.28
Conductors	3.86	3.82	3.82	3.74	3.45	3.31	3.36	3.38	3.35	3.38	3.26
Other trainmen	2.66	2.55	2.56	2.47	2.22	2.23	2.22	2.20	2.16	2.18	2.11
Machinists	3.43	3.35	3.29	3.16	2.98	2.84	3.00	2.96	2.87	2.86	2.86
Carpenters	2.62	2.55	2.49	2.40	2.25	2.27	2.41	2.38	2.31	2.37	2.36
Other shopmen	2.31	2.22	2.19	2.18	2.15	1.90	1.94	1.96	1.96	2.05	2.02
Section foremen	1.99	1.85	1.80	1.78	1.78	1.74	1.75	1.73	1.72	1.70	1.71
Other trackmen	1.56	1.46	1.42	1.47	1.44	1.41	1.49	1.44	1.37	1.33	1.35
Switch tenders, crossing tenders, and watchmen	2.37	2.22	2.07	2.06	2.21	2.04	2.12	2.28	2.38	2.36	2.32
Telegraph operators and dispatchers	2.60	2.44	2.39	2.34	2.26	2.11	2.11	2.14	2.12	2.13	2.15
Employees—account floating equipment	2.31	2.47	2.45	2.29	2.11	2.10	2.10	1.70	1.93	2.08	2.16
All other employees and laborers	2.19	2.11	2.03	2.10	2.10	2.07	2.10	2.07	2.00	1.95	2.04

GROUP VIII.—MISSOURI, ARKANSAS, OKLAHOMA, KANSAS, COLORADO.

General officers	10.40	9.52	9.94	10.90	10.88	11.29	11.25	10.85	10.42	10.55	10.35
Other officers	6.09	5.88	6.07	5.88	6.07	5.45	5.23	5.43	5.46	5.24	5.29
General office clerks	2.22	2.22	2.19	2.13	2.23	2.17	2.17	2.20	2.24	2.25	2.29
Station agents	2.05	2.01	1.97	2.07	1.97	1.94	1.89	1.87	1.84	1.83	1.75
Other station men	1.70	1.71	1.65	1.76	1.68	1.66	1.54	1.57	1.60	1.62	1.58
Enginemen	4.56	4.36	4.22	4.28	4.02	4.05	3.95	3.91	3.88	3.93	3.89
Firemen	2.86	2.74	2.62	2.62	2.44	2.46	2.42	2.38	2.34	2.35	2.34
Conductors	4.12	4.04	3.91	3.94	3.69	3.45	3.40	3.42	3.33	3.32	3.33
Other trainmen	2.78	2.65	2.63	2.50	2.37	2.22	2.20	2.12	2.12	2.13	2.12
Machinists	3.35	3.12	3.12	2.97	2.83	2.73	2.68	2.57	2.53	2.57	2.49
Carpenters	2.33	2.36	2.41	2.49	2.44	2.36	2.32	2.27	2.22	2.27	2.31
Other shopmen	2.06	1.99	1.96	1.99	1.95	1.90	1.86	1.89	1.88	1.87	1.90
Section foremen	1.74	1.71	1.68	1.68	1.71	1.69	1.67	1.68	1.68	1.68	1.67
Other trackmen	1.43	1.37	1.35	1.37	1.41	1.33	1.30	1.26	1.22	1.21	1.21
Switch tenders, crossing tenders, and watchmen	2.18	2.13	1.98	2.12	2.35	2.12	2.10	2.31	2.27	2.21	2.21
Telegraph operators and dispatchers	2.47	2.35	2.40	2.32	2.31	2.25	2.30	2.26	2.26	2.27	2.27
Employees—account floating equipment	2.42	2.47	2.35	2.28	2.26	2.15	2.04	2.04	2.05	2.06	2.12
All other employees and laborers	1.93	1.87	1.92	1.76	1.88	1.87	1.86	1.82	1.80	1.81	1.86

GROUP IX.—LOUISIANA, TEXAS, NEW MEXICO.

General officers	7.69	8.04	7.67	7.54	7.11	6.80	7.48	6.93	6.47	6.55	6.48
Other officers	4.60	4.82	4.74	4.77	4.95	4.92	4.94	4.87	4.70	4.76	4.88
General office clerks	2.41	2.32	2.29	2.23	2.26	2.09	2.25	2.30	2.16	2.39	2.44
Station agents	2.48	2.37	2.40	2.29	2.28	2.35	2.42	2.34	2.28	2.27	2.29
Other station men	1.87	1.73	1.76	1.74	1.73	1.63	1.63	1.58	1.71	1.86	1.78
Enginemen	4.68	4.35	4.45	4.32	4.29	4.09	4.07	4.10	4.06	4.08	3.99
Firemen	2.79	2.65	2.66	2.56	2.53	2.42	2.37	2.40	2.36	2.34	2.32
Conductors	4.13	3.88	3.83	3.89	3.81	3.48	3.58	3.62	3.65	3.62	3.54
Other trainmen	2.77	2.53	2.46	2.50	2.37	2.26	2.25	2.26	2.25	2.23	2.21
Machinists	3.37	3.09	3.03	3.05	3.01	2.87	2.80	2.63	2.86	2.85	2.77
Carpenters	2.46	2.38	2.46	2.51	2.38	2.31	2.35	2.32	2.31	2.34	2.32
Other shopmen	2.01	2.01	1.99	1.99	1.88	1.87	1.80	1.83	1.82	1.83	1.81
Section foremen	1.90	1.80	1.78	1.79	1.80	1.86	1.91	1.86	1.87	1.86	1.87
Other trackmen	1.34	1.26	1.22	1.21	1.22	1.18	1.16	1.15	1.15	1.15	1.71
Switch tenders, crossing tenders, and watchmen	2.07	1.98	2.02	2.07	2.44	2.37	2.21	2.27	2.22	2.22	2.24
Telegraph operators and dispatchers	2.61	2.54	2.52	2.55	2.41	2.39	2.41	2.42	2.23	2.22	2.23
Employees—account floating equipment	1.99	1.83	1.88	2.01	1.85	1.78	1.72	1.78	1.77	1.86	1.84
All other employees and laborers	1.88	1.79	1.76	1.77	1.74	1.67	1.75	1.65	1.70	1.70	1.75

GROUP X.—PACIFIC STATES, ARIZONA, NEVADA, UTAH.

General officers	11.88	9.27	10.00	10.66	9.97	10.24	11.30	11.05	11.05	10.98	9.94
Other officers	6.97	6.09	6.89	7.21	6.84	7.07	7.34	7.62	7.38	7.54	6.81
General office clerks	2.59	2.24	2.33	2.48	2.46	2.63	2.59	2.61	2.63	2.70	2.76
Station agents	2.55	2.41	2.57	2.60	2.55	2.47	2.45	2.46	2.43	2.42	2.42
Other station men	2.23	2.03	2.19	2.27	2.24	2.18	2.20	2.20	2.20	2.18	2.26
Enginemen	4.47	4.52	5.02	4.97	4.83	4.58	4.58	4.53	4.45	4.47	4.23
Firemen	2.83	2.80	2.96	2.97	2.80	2.67	2.67	2.68	2.53	2.51	2.39
Conductors	4.27	4.05	4.07	4.09	3.81	3.70	3.75	3.70	3.65	3.67	3.68
Other trainmen	3.15	2.74	2.92	2.93	2.73	2.61	2.64	2.64	2.64	2.65	2.61
Machinists	3.52	2.96	3.27	3.07	2.97	2.89	2.89	2.87	2.96	2.91	3.06
Carpenters	3.00	2.65	2.86	2.78	2.75	2.71	2.73	2.76	2.82	2.77	2.75
Other shopmen	2.80	2.26	2.36	2.45	2.35	2.23	2.12	2.35	2.33	2.34	2.38
Section foremen	2.41	2.19	2.34	2.30	2.31	2.28	2.26	2.24	2.22	2.22	2.28
Other trackmen	1.65	1.45	1.40	1.47	1.47	1.41	1.39	1.39	1.38	1.39	1.37
Switch tenders, crossing tenders, and watchmen	2.32	2.13	1.89	2.05	1.89	2.49	2.50	2.51	2.54	2.57	2.52
Telegraph operators and dispatchers	2.73	2.71	2.91	2.95	2.91	2.83	2.81	2.81	2.67	2.76	2.77
Employees—account floating equipment	3.13	2.64	2.54	2.58	2.41	2.35	2.32	2.24	2.22	2.21	2.21
All other employees and laborers	2.35	2.13	2.30	2.22	2.40	2.24	2.07	2.29	2.31	2.29	2.30

EXHIBIT 4.

Labor wages in building trades where not protected but duly organized.

[Prepared by Wm. T. Spencer, Secretary Building Trades Department, American Federation of Labor.]

Name of city.	Masons and bricklayers.	Structural iron setters.	Ornamental iron setters.	Plasterers.	Lathers.	Hoisting engineers.	Tile setters.	Plumbers.	Steam fitters.	Steam fitters' helpers.	Remarks.
	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	Cents.	
Albany, N. Y.	60	45		60	45	a $3.00		50	43½		
Atlanta, Ga.	45	44½	44½	40	29½	29½	40	40	a $3.50	a $1.25–$2.00	Roofers work 10 hours; other trades, 9 hours.
Baltimore, Md.	b 56½ c 62½	50	31½–43¾	62½	50	62½	50	43¾	43¾	25	Slate and tile roofers, 50 cents.
Boston, Mass.	60	50	50	60	45	50	60	55	53	25	Rate of wages is the maximum.
Buffalo, N. Y.	b 50 c 55	50	30	50	d $2.25	a $3.00	56½	45½	43¾	a $1.50	
Burlington, Vt.	40–45			40–45	a $2.50			a $3.00	a $3.00	a $1.50	All trades work 9 hours.
Birmingham, Ala.	62½	62½	62½	56¼	37½	50	62½	62½	62½	31¼	Roofers and ornamental iron setters, 9 hours.
Chicago, Ill.	62½	60	56¼	68¾	62½	62½	62½	65	59¾	30	Painters, 55 cents, January 1, 1909.
Cincinnati, Ohio.	62½	50	50	62½	52½	50	50	60	37½	23	Marble cutters and setters work 9 hours.
Cleveland, Ohio.	60	60	50–60	56¼	e 4	50	43¾–50	61¼	50	25	
Columbus, Ohio.	b 50 c 62½	60	40	56¼	d $2.00	a $3.00–3.60	40	50	45–50	a $1.50	
Denver, Colo.	b 62½ c 75	50	30–50	68¾	e 4½–6	50	50–56¼	62½	62½	31¼	
Detroit, Mich.	50–60	25–37½	a $2.50–$3.00	a $4.00–4.50	40	a $2.00–2.25	50	a $3.00–3.75	a $2.50–3.75	a $1.50–2.00	
Duluth, Minn.	b 60 c 65	45	45	62½	50	45	50	62½	60	31	
Erie, Pa.	b 45 c 60	45		40	e 3			37½	37½		
Grand Rapids, Mich.	b 40–55 c 55	50	50	50	45	a $2.00–2.50	50	38½	38½	a $2.00	Nearly all trades work 9 hours.
Galveston, Tex.	75			75	e 3½–4		75	62½	62½	25	Rate of wages paid same as 1907.
Indianapolis, Ind.	65	50	50	50	45	50	50	50	50	25	Rate of wages paid same as 1907.
JerseyCity, N. J.	65			65	62½	62½	62½	56¼	56¼	37½	
Kansas City, Mo.	b 60 c 70	50	50	68¾	50	50	62½	62½	62½	25	
Louisville, Ky.	b 55 c 60	30–40	22–30	62½	50	f $10	50	50	43½–50	18¾–17½	Marble and sheet-metal workers, 9 hours; cement finishers and iron setters; 10 hours.
Milwaukee, Wis.	60	50	50	60	45	50	56¼	56¼	50	2	
Minneapolis, Minn.	60	50	45	62½	e 4	40	35–50	50	50	25	Wages same as in 1907.
Montreal, Canada.	b 40 c 50	20–25	22½–27½	33½–40	30	25	25	35	35	a $1.25	All trades work 9 hours per day.
Memphis, Tenn.	70	50		62½	e 3	50	56¼	50	50		Rate of wages paid same as in 1907.
New Orleans, La.	62½	50	50	50–65	50	50	62½	56¼	56¼	17½	Plasterers' hodcarriers, 35 cents.
New York City, N. Y.	70	56¼	56¼	68¾	56¼	a $5.50	62½	62½	62½	37½	
Newark, N. J.	65	43¾–56¼	55–62½	65	55	60	50	50–55	50	25	
Omaha, Nebr.	62½	47½	47½	62½	43¾	37½	50	62½	56¼	25	Rate of wages paid same as in 1907.
Portland, Oreg.	b 56¼ c 81½	37½–40	37½–40	68¾	d $1.75		62½	56¼–62½	56¼–62½		
Pittsburg, Pa.	60–65	50	50	52½	40	50	50–55	56¼	50		
Providence, R. I.	b 45 c 55	35	40	55	40	37½	55	50	37½	21¾	Rate of wages paid same as in 1907.
Philadelphia, Pa.	b 50 c 62½	50	30	50¾	48¾	50	55	43¾	30–37½	18–25	Marble laborers, 25 cents. Frescopainters, 47½ cents.
Rochester, N. Y.	57	50	50	57	a $4.00	a $3.00	37½	40¾	40¾	a $1.50	Iron setters' helpers $2.50 per day.
Seattle, Wash.	75	55	50–55	75	62½	50–62½	62½	81½	81½		
St. Paul, Minn.	b 50 c 60	50	50	56¼	g 3½ c b 5	c 40 f 45	37½–50	42½–56¼	45	32½	Roofers work 9 hours per day; engineers and laborers, 10 hours.
San Francisco, Cal.	87½	62½	62½	87½	62½	75	75	75	75	37½	Cement laborers, 50 cents.
St. Louis, Mo.	b 56¼ c 65	60	65–70	75	62½	62½	56¼	66¼	66¾	37½	
Salt Lake City, Utah.	$6.00	$5.00	$5.00	$5.00	$4.00	$4.00	$5.00	$5.00	$5.00	$2.50	Rate scale is by the day.
Scranton, Pa.	b 45 c 55	50	50	50	50	30	50	47	40	25	
Syracuse, N. Y.	55	50		55	d $2.25	40		50	50		
Toronto, Canada.	50	25–30	30–35	50	42	35	50	40	40		Rate of wages paid same as in 1907.
Tacoma, Wash.	62½	55	55	75	d $2.25 b 5	43¾	70	70	70	31	
Toledo, Ohio.	60	40	25	50	45	30		43¾	37½	50	
Wheeling, W. Va.	60	50	50	43¾	43¾	45	50	46¾	46¾	15	Rate of wages paid same as in 1907.
Washington, D. C.	62½	50	50	62½	a $2.25–2.50	50	50	50	50	a $2.20	
Wilmington, Del.	b 45 c 51	50	50	50	35	40	45	40	40	35	

a Per day. b Masons. c Bricklayers. d Per thousand. e Per yard. f Per week. g Pine. h Metal. i Hoisting. j Swing. k Cutters.

Labor wages in building trades where not protected but duly organized—Continued.

Name of city.	Gas fitters.	Carpenters.	Stone cutters.	Marble cutters and setters.	Painters.	Sheet-metal workers.	Electricians.	Roofers.	Cement finishers.	Laborers and hod carriers.	Remarks.
	Cents.	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	*Cents.*	
Albany, N. Y.	.....	37½	45	.....	37½	50	37½	.....	50	31½	
Atlanta, Ga.	a $3.00	a $2.50–3.50	50	50	a $2.50–2.75	a $3.00	a $3.00	a $1.75	45	a $1.25	Roofers work 10 hours. Other trades 9 hours.
Baltimore, Md	43½	34½–43½	b 45 c 50	37½–50	31½–37½	37½	43½	25–35	50	c f $1.50 e 31½	Slate and tile roofers, 50 cents.
Boston, Mass.	45	43½	50	45	39½	43½	45	f 37½ g 43½	50	d 25 e 30	Rate of wages is the maximum.
Buffalo, N. Y.	43½	40	50	56½	37½	37½	40	22½–30	40	18–22	
Burlington, Vt.	a $2.75	a $2.75	37½	.....	a $2.50	.....	a $2.50	.....	.....	a $1.50–1.75	All trades work 9 hours.
Birmingham, Ala.	62½	40	45	62½	47½	47½	43¼	25	56½	a $1.25	Roofers and ornamental iron setters, 9 hours.
Chicago, Ill.	65	56½	56½	56½	50	56½	62½	52½	55	35	Painters 55 cents, Jan. 1, 1909.
Cincinnati, Ohio	37½	45	56½	a $4.00	45–47½	25–40	40⅝	37½	40	e 40	Marble cutters and setters work 9 hours.
Cleveland, Ohio.	56½	42½	50	f 31½–43½ g 50	37½	37½	43½	25–40	50	25–28½	
Columbus, Ohio.	35	40–45	50	50	35	a $2.50–3.00	37½–40	31–40	35	d 20 e 34½	
Denver, Colo.	62½	55	56½	f $3.00–3.50 g 55	50	56½	50	40	37½–56½	34½–37½	
Detroit, Mich.	c $2.50–3.50	30–40	50	a $2.00–3.00	25–40	25–35	a $2.50–3.00	f 30–35 g 20–30	a $.250–3.50	a $1.50–2.00	
Duluth, Minn.	62½	45	56½	50	45	47½	46⅞	45	50	.....	
Erie, Pa.	.....	30	45	.....	35	25–30	30½	.....	40	20–25	
Grand Rapids, Mich.	38½	35	45	50	35	27–30	27–40	a $2.25–3.00	a $2.50–3.00	11½–22½	Nearly all trades work 9 hours.
Galveston, Tex.	62½	45	.....	.....	45	40	45	45	75	25	Rate of wages paid same as 1907.
Indianapolis, Ind.	40	40	50	40–75	30–37½	40	25–37½	.....	.....	d 25 e 25–31½	Rate of wages paid same as 1907.
Jersey City, N. J.	56½	50	62½	62½	45	50	50	50	62½	37½	
Kansas City, Mo.	62½	40	56½	56½	45	42½	40–50	35	50	d 25–30 e 35	
Louisville, Ky.	.....	37½–40	50	f 33½ g 44½	37½	30⅝	37½–43½	.....	30–40	a d $1.75 a e $2.50	Marble and sheet metal workers, 9 hours; cement finishers and iron setters 10 hours.
Milwaukee, Wis.	56½	37½	50	56½	37½	37½	40	40	50	30	
Minneapolis, Minn.	40	42½	56½	30–50	42½	42½	31½–37½	25–30	30–35	20	Wages same as in 1907.
Montreal, Canada.	35	22½–30	36–40	25–30	25–30	30–35	22½–30	22½	30	15–20	All trades work 9 hours per day.
Memphis, Tenn.	50	45	62½	.....	40	41½	40	41½	30–50	30	Rate of wages paid same as in 1907.
New Orleans, La.	50	35–45	45–50	45–50	37½	35–45	45	30	40–50	20–27½	Plasterers' hodcarriers, 35 cents.
New York City, N. Y.	62½	62½	62½	62½	a $3.50	56½	56½	h $4.75 i $3.00	62½	a $2.80	
Newark, N. J.	50	50	60	56½	47½	50	50	43¾–50	35–40	35	
Omaha, Nebr.	56½	30–43	50	45	45	40–50	40	52	50	25–30	Rate of wages paid same as in 1907.
Portland, Oreg.	.....	37½–43¾	56½	43¾	37½–43¾	50	37½–43¾	.....	28–44½	30–40	
Pittsburg, Pa.	56½	43¾–50	50	50	42½	37½–42½	50	50	40–50	25–37½	
Providence, R. I.	40	41	50	50	35	40	37½	25	.....	21–28	Rate of wages paid same as in 1907.
Philadelphia, Pa.	30–37½	45	50	50	40	40	40	40	45	e 18¾ f 30–35	Marble laborers, 25 cents. Fresco painters, 47½ cents.
Rochester, N. Y.	.....	40⅝	57	37½	$3.00	37½	37½	37½	37½	21–23	Iron setters' helpers, $2.50 per day.
Seattle, Wash.	81½	50–62½	62½	62½	50	50–62½	50	50	62½	25–31½	
St. Paul, Minn.	40–56½	35–45	56½	f 30–40 g 37½–50	40	40	41½	h 41½ h 50	32½	15–25	Roofers work 9 hours per day; engineers and laborers, 10 hours.
San Francisco, Cal.	75	62½	62½	62½	56½	68¾	62½	168¾ h 75	75	f 37½ f 50	Cement laborers, 50 cents.
St. Louis, Mo.	66½	60	56½	56½	50	56½	65	62½	.....	42½–45	
Salt Lake City, Utah.	$5.00	$4.50	$4.00	$6.00	$4.50	$4.50	$3.50–4.00	$5.00	$5.00	$4.50	Rate scale is by the day.
Scranton, Pa.	47	37½	45	45	37½	45	37½	40	50	25	
Syracuse, N. Y.	.....	40	50	.....	43¾	37½	43¾	.....	50	20	
Toronto, Canada.	40	30–35	50	30–35	35	32½–35	30	25–30	30–40	25	Rate of wages paid same as in 1907.
Tacoma, Wash.	70	45	70	40	45	62½	50	62½	50	31–45	
Toledo, Ohio.	50	35	50	50	35	.....	37½	25	35	25	
Wheeling, W. Va.	46⅞	37½	50	50	42½	37½	40	37½	40	a $2.25–2.50	Rate of wages paid same as in 1907.
Washington, D. C.	50	50	50	56½	43¾	50	50	50	50	a d $1.50 a e $2.50	
Wilmington, Del.	40	40	50	50	40	35	35	35	55	35	

a Per day.
b Hard stone.
c Soft stone.
d Laborers.
e Hod carriers.
f Cutters.
g Setters.
h Composition.
i Per week.
j Hoisting.
k Slate.
l Metal.

EXHIBIT 5.

[From Bulletin 77, United States Bureau of Labor, 1907.]

CARPETS.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Burlers, female:				
North Atlantic	59.02	58.87	$0.1434	$0.1467
Dyers, male:				
North Atlantic	58.56	58.49	.1586	.1623
Loom fixers, male:				
North Atlantic	58.98	59.11	.2777	.2817
Spoolers, female:				
North Atlantic	58.68	58.62	.1285	.1311
Twisters, female:				
North Atlantic	58.48	58.53	.1116	.1239
Weavers, brussels and wilton, male:				
North Atlantic	58.29	58.24	.3004	.3048
Weavers, ingrain, male:				
North Atlantic	59.75	59.88	.1593	.1575
Weavers, ingrain, female:				
North Atlantic	57.16	59.46	.1567	.1501
Winders, female:				
North Atlantic	58.47	58.50	.1250	.1378

Protected by a tariff of from 50 to 114 per cent. (Pars. 380 to 390.)
Work people in trade poorly organized in some localities; it is prohibited by employers.
Average labor percentage of all textiles is 19.5.

CLOTHING—FACTORY PRODUCT.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Buttonhole makers, machine, male:				
North Atlantic	56.25	56.75	$0.2469	$0.2450
South Atlantic	55.54	55.70	.2641	.2487
United States	55.78	56.09	.2583	.2473
Buttonhole makers, machine, female:				
North Atlantic	53.50	53.38	.1282	.1428
South Atlantic	53.10	53.77	.1688	.1271
North Central	54.27	54.43	.1692	.1350
South Central	55.22	56.00	.1217	.1212
United States	54.21	54.46	.1487	.1317
Cutters, hand, male:				
North Atlantic	52.10	52.51	.3672	.3697
South Atlantic	53.77	53.62	.3192	.3203
North Central	48.61	48.63	.4131	.4326
South Central	57.14	57.14	.2255	.2380
United States	51.15	51.37	.3761	.3846
Cutters, machine, male:				
North Atlantic	50.00	50.54	.4267	.4300
South Atlantic	54.18	54.35	.3616	.3757
North Central	48.07	48.09	.4382	.4262
United States	49.27	49.14	.4244	.4198
Examiners, male:				
North Atlantic	52.08	52.84	.2858	.2904
South Atlantic	53.74	56.15	.2388	.2358
North Central	50.95	50.51	.3247	.3217
United States	51.95	52.56	.2921	.2921
Examiners, female:				
North Atlantic	53.57	52.93	.1447	.1468
South Atlantic	55.14	55.38	.1159	.1195
United States	54.36	54.07	.1303	.1341
Finishers, female:				
North Atlantic	55.13	54.88	.1161	.1301
South Atlantic	57.88	56.78	.1155	.1278
North Central	54.00	54.00	.1346	.1377
South Central	56.14	55.91	.1015	.1051
United States	55.63	55.16	.1201	.1286
Pressers, male:				
North Atlantic	53.87	54.06	.2152	.2285
South Atlantic	59.25	56.96	.2116	.2149
North Central	54.08	54.06	.2676	.2675
South Central	56.95	56.76	.2071	.1975
United States	55.04	54.70	.2280	.2369
Sewing machine operators, male:				
North Atlantic	54.94	55.12	.2188	.2243
South Atlantic	58.71	55.88	.2579	.2349
North Central	54.02	54.03	.3103	.3161
South Central	57.50	56.75	.2791	.2809
United States	55.50	55.16	.2320	.2351

CLOTHING—FACTORY PRODUCT—continued.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Sewing machine operators, female:				
North Atlantic	53.75	53.70	$0.1330	$0.1378
South Atlantic	56.26	56.63	.1373	.1407
North Central	54.10	54.09	.1939	.1885
South Central	54.59	54.95	.1302	.1317
United States	54.41	54.53	.1420	.1454

Protected by tariff of from 70 per cent to 118 per cent. Paragraphs 376 to 399.
Work people in trade making brave endeavors to organize.
Average percentage of labor in all textiles 19.5 per cent.

COTTON GOODS.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Carding machine tenders, male:				
North Atlantic	59.20	58.62	$0.1242	$0.1383
South Atlantic	65.38	63.51	.0875	.1046
South Central	63.35	63.17	.1053	.1115
United States	61.25	60.47	.1127	.1263
Dyers, male:				
North Atlantic	60.00	58.27	.1413	.1549
South Atlantic	64.73	62.79	.0966	.1124
United States	60.71	58.96	.1346	.1484
Loom fixers, male:				
North Atlantic	59.27	58.10	.2171	.2448
South Atlantic	65.27	63.39	.1434	.1560
South Central	64.32	64.51	.1642	.1683
United States	60.73	59.56	.1999	.2228
Spinners, frame, male:				
North Atlantic	58.82	58.29	.1199	.1333
South Atlantic	65.82	64.16	.0899	.0909
United States	61.18	59.99	.1098	.1210
Spinners, frame, female:				
North Atlantic	59.05	58.38	.1120	.1290
South Atlantic	65.59	63.50	.0761	.0904
South Central	64.27	64.31	.0668	.0710
United States	60.96	60.09	.0999	.1146
Spinners, mule, male:				
North Atlantic	59.37	59.07	.1978	.2228
Weavers, male:				
North Atlantic	58.48	58.55	.1698	.1940
South Atlantic	65.56	63.54	.1117	.1270
South Central	65.00	64.82	.1105	.1127
United States	60.80	60.21	.1498	.1719
Weavers, female:				
North Atlantic	58.85	58.67	.1483	.1668
South Atlantic	65.76	63.44	.0958	.1129
South Central	62.89	62.98	.0950	.0955
United States	60.17	59.73	.1366	.1531

DYEING, FINISHING, AND PRINTING TEXTILES.

Bleachers, male:				
North Atlantic	58.47	58.36	$0.1282	$0.1368
Calendrers, male:				
North Atlantic	59.02	58.85	.1435	.1472
Color mixers, male:				
North Atlantic	58.98	58.74	.1333	.1417
Dyers, male:				
North Atlantic	58.66	58.53	.1460	.1501
Engravers, male:				
North Atlantic	57.72	56.86	.4534	.4620
Printers, male:				
North Atlantic	58.20	58.27	.4476	.4477

Protected by tariff of from 17 per cent to 61 per cent (par. 313 to 314–315–317) and on cotton threads from 20 per cent to 78 per cent (par. 310).
Work people making brave endeavors to organize.
Average percentage in all textiles, 19.5.

FOUNDRY AND MACHINE SHOP.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Blacksmiths, male:				
North Atlantic	57.70	57.30	$0.2962	$0.3068
South Atlantic	55.17	55.13	.2887	.3062
North Central	56.51	56.40	.3094	.3115
South Central	56.06	56.65	.3435	.3541
Western	54.39	54.11	.3873	.4207
United States	56.69	56.52	.3111	.3200
Boiler makers, male:				
North Atlantic	56.46	56.32	.2992	.3055
South Atlantic	54.28	54.09	.2976	.3163
North Central	55.58	55.42	.3198	.3121
South Central	58.42	58.34	.3146	.3076
Western	54.03	53.42	.3997	.4645
United States	56.00	55.73	.3162	.3290
Boiler riveters, male:				
North Atlantic	55.24	55.64	.2871	.2755
South Atlantic	54.00	54.00	.2639	.2533
North Central	57.11	57.95	.3087	.2647
South Central	58.50	57.18	.1509	.1679
United States	55.35	55.78	.2774	.2614
Brass finishers, male:				
North Atlantic	54.17	54.12	.2748	.2793
North Central	55.76	55.93	.2736	.2699
United States	54.73	54.73	.2744	.2762
Core makers, male:				
North Atlantic	56.51	55.64	.2706	.2816
South Atlantic	55.00	54.86	.2769	.2962
North Central	55.18	55.34	.2511	.2603
South Central	55.50	56.00	.2867	.2934
Western	53.53	53.21	.4131	.4239
United States	55.81	55.43	.2701	.2780
Core makers, female:				
North Atlantic	54.75	54.67	.1314	.1472
North Central	54.94	54.88	.1257	.1497
United States	54.93	54.88	.1259	.1496
Laborers, male:				
North Atlantic	56.90	56.19	.1623	.1681
South Atlantic	55.18	55.29	.1477	.1518
North Central	56.52	56.40	.1744	.1786
South Central	56.91	56.86	.1540	.1572
Western	54.39	55.04	.2412	.2508
United States	56.45	56.19	.1690	.1750
Machinists, male:				
North Atlantic	56.61	55.86	.2829	.2948
South Atlantic	54.55	54.47	.2960	.3096
North Central	55.17	55.12	.2926	.2999
South Central	56.07	56.25	.3248	.3367
Western	54.46	53.94	.3759	.3940
United States	55.83	55.40	.2949	.3051
Molders, brass, male:				
North Atlantic	54.70	54.39	.3105	.3126
North Central	56.56	56.74	.2912	.2960
South Central	54.00	54.00	.3222	.3500
Western	54.00	54.00	.4305	.4653
United States	55.27	55.13	.3077	.3107
Molders, iron, male:				
North Atlantic	56.20	55.76	.3180	.3290
South Atlantic	55.31	55.18	.3090	.3219
North Central	55.94	55.99	.3104	.3220
South Central	56.77	56.10	.3218	.3339
Western	54.21	54.54	.4227	.4277
United States	55.93	55.74	.3234	.3317
Pattern makers, metal, male:				
North Atlantic	56.30	56.56	.3282	.3422
North Central	54.53	54.70	.3093	.3064
United States	54.72	54.95	.3113	.3113
Pattern makers, wood, male:				
North Atlantic	55.89	55.62	.3458	.3542
South Atlantic	55.30	55.17	.3437	.3540
North Central	55.18	55.05	.3420	.3436
South Central	56.42	56.45	.3342	.3522
Western	54.71	54.83	.4534	.4590
United States	55.52	55.37	.3512	.3567

Protected by tariff up to 91 per cent on knives and variable on innumerable articles.

Various trades in this industry fairly organized. Average percentage of labor cost in iron and steel products, 21.10.

FURNITURE.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Cabinetmakers, male:				
North Atlantic	53.36	53.06	$0.3012	$0.3041
South Atlantic	59.37	59.42	.1721	.1720
North Central	55.80	56.13	.2514	.2503
South Central	59.75	59.74	.1904	.1927
United States	55.50	55.65	.2577	.2577
Carvers, hand, male:				
North Atlantic	48.64	49.17	.3691	.3630
North Central	55.97	56.01	.2850	.2956
United States	52.73	53.30	.3221	.3222
Machine woodworkers, male:				
North Atlantic	56.32	56.27	.2576	.2636
South Atlantic	59.37	59.38	.1706	.1741
North Central	57.97	58.04	.2106	.2155
South Central	59.84	59.82	.1778	.1745
United States	58.03	58.03	.2101	.2156
Sawyers, male:				
North Atlantic	54.26	54.20	.2772	.2860
South Atlantic	59.57	59.62	.1897	.1855
North Central	57.84	57.72	.2174	.2236
South Central	59.91	59.90	.1898	.1907
United States	57.36	57.28	.2256	.2313
Upholsterers, male:				
North Atlantic	48.89	49.01	.3969	.3981
North Central	55.77	55.48	.2675	.2748
United States	53.48	53.38	.3104	.3148
Varnishers, male:				
North Atlantic	55.93	55.53	.2378	.2441
South Atlantic	59.58	59.62	.1922	.1528
North Central	57.31	57.24	.1997	.2044
South Central	59.82	59.73	.1554	.1632
United States	57.25	57.11	.2072	.2080

Protected by tariff of 35 per cent. (Par. 211.)
Work people poorly organized.
Average percentage of labor in general manufacturing goods, 19.9.

GLASS.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Batch makers, male:				
North Atlantic	59.70	59.12	$0.1810	$0.1832
South Atlantic	57.78	57.40	.1969	.1994
North Central	61.11	61.16	.1984	.2076
United States	59.89	59.74	.1891	.1939
Blowers, flint glass, male:				
North Atlantic	49.60	49.65	.6413	.6570
South Atlantic	55.42	55.50	.5738	.5698
North Central	49.98	49.90	.6722	.6806
United States	50.21	50.24	.6510	.6616
Blowers, green glass, male:				
North Atlantic	47.91	47.77	.7616	.7963
South Atlantic	50.00	50.00	.7994	.8009
North Central	49.64	49.49	.7846	.7704
United States	48.65	48.42	.7718	.7894
Blowers, window glass, male:				
North Atlantic	41.91	41.95	.8892	.9443
North Central	40.00	40.00	.8571	.9213
United States	41.20	41.21	.8772	.9356
Cutters, window glass, male:				
North Atlantic	44.41	44.45	.7044	.7489
North Central	55.14	55.54	.6831	.7490
United States	49.02	49.07	.6953	.7490
Flatteners, window glass, male:				
North Atlantic	57.16	57.55	.7519	.8471
North Central	56.35	56.00	.6788	.7738
United States	56.81	56.87	.7208	.8151
Gaffers, flint glass, male:				
North Atlantic	51.17	51.28	.5376	.5306
North Central	49.50	49.50	.8014	.7989
United States	51.04	51.10	.5583	.5580

GLASS—continued.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Gatherers, flint glass, male:				
North Atlantic	50.41	50.48	$0.3032	$0.3090
South Atlantic	58.00	58.00	.2956	.3031
North Central	49.50	49.59	.3248	.3361
United States	50.62	50.51	.3115	.3231
Gatherers, window glass, male:				
North Atlantic	41.91	41.94	.6429	.6867
North Central	40.00	40.00	.6079	.6829
United States	41.19	41.20	.6298	.6852
Laborers, male:				
North Atlantic	59.07	59.07	.1511	.1527
South Atlantic	58.75	58.88	.1391	.1380
North Central	59.65	59.66	.1530	.1726
United States	59.39	59.41	.1518	.1641
Leersmen, male:				
North Atlantic	57.18	57.44	.1718	.1784
South Atlantic	59.54	59.54	.1702	.1702
North Central	57.41	56.36	.1829	.1994
United States	57.37	57.21	.1761	.1846
Packers, male:				
North Atlantic	56.01	56.40	.1997	.2022
South Atlantic	51.62	52.16	.2073	.2096
North Central	59.47	59.46	.1886	.1921
United States	57.49	57.53	.1947	.1981
Pressers, male:				
North Atlantic	52.51	52.44	.4074	.5002
South Atlantic	53.23	53.27	.7866	.8817
North Central	49.99	50.33	.6357	.6388
United States	51.70	51.73	.5084	.5751
Press gatherers, male:				
North Atlantic	52.51	52.44	.3100	.3833
South Atlantic	53.00	53.00	.6404	.7230
North Central	50.05	50.00	.4826	.4723
United States	51.71	51.65	.3815	.4257
Teasers, male:				
North Atlantic	76.49	76.42	.2022	.2035
South Atlantic	80.31	80.80	.1782	.1783
North Central	83.58	83.63	.1751	.1840
United States	79.43	79.68	.1903	.1936

Protected by tariff of from 40 per cent to 382 per cent (par. 97 to 102).
Work people in trade highly organized.
Average percentage of labor in glass, 37.1.

HATS, FUR.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Blockers, male:				
North Atlantic	53.85	53.88	$0.3534	$0.3647
Colorers, male:				
North Atlantic	55.43	54.67	.1960	.1971
Coners, male:				
North Atlantic	53.79	53.92	.2881	.2891
Curlers, male:				
North Atlantic	53.48	53.46	.5031	.4348
Feeders, female:				
North Atlantic	54.12	54.16	.1145	.1266
Finishers, male:				
North Atlantic	53.91	53.45	.3317	.3310
Flangers, male:				
North Atlantic	55.05	54.14	.3304	.3244
Fur blowers, male:				
North Atlantic	55.18	54.09	.1644	.1759
Hardeners, male:				
North Atlantic	54.00	54.11	.2925	.2959
Pouncers, male:				
North Atlantic	54.31	53.72	.2542	.2451
Sizers, male:				
North Atlantic	53.94	53.58	.3004	.3135
Stiffeners, male:				
North Atlantic	53.79	53.91	.3091	.3065
Trimmers, female:				
North Atlantic	54.33	53.65	.1460	.1507
Weighers, female:				
North Atlantic	53.29	53.32	.1260	.1386

Protected by a tariff of from 35 to 62 per cent. (Par. 442.)
Work people in trade fairly organized.
Average percentage of labor in miscellaneous, 19.9.

HOSIERY AND KNIT GOODS.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Boarders, male:				
North Atlantic	58.60	58.08	$0.2002	$0.2230
South Atlantic	63.80	63.70	.1148	.1444
North Central	58.12	57.75	.1403	.1415
United States	59.66	59.12	.1682	.1885
Finishers, female:				
North Atlantic	58.05	58.97	.1377	.1458
South Atlantic	64.16	64.20	.0865	.1052
North Central	58.20	57.19	.1108	.1165
United States	58.51	58.87	.1271	.1353
Knitters, male:				
North Atlantic	63.28	60.30	.2031	.2030
South Atlantic	64.33	64.41	.1103	.1241
North Central	57.48	57.23	.2741	.3023
United States	61.65	60.33	.2112	.2144
Knitters, female:				
North Atlantic	58.35	58.07	.1348	.1381
South Atlantic	59.38	59.25	.1001	.1059
North Central	56.33	56.12	.1073	.1164
United States	57.74	57.46	.1226	.1270
Loopers, female:				
North Atlantic	58.62	58.42	.1455	.1471
South Atlantic	63.98	63.68	.0885	.1017
North Central	58.48	57.89	.1219	.1252
United States	59.88	59.40	.1275	.1332
Menders, female:				
North Atlantic	59.16	58.87	.1272	.1310
South Atlantic	62.64	62.18	.0756	.0847
North Central	57.50	56.96	.1187	.1194
United States	59.45	59.06	.1151	.1190
Pressers, male:				
North Atlantic	59.26	59.35	.1697	.1757
South Atlantic	65.30	65.54	.0877	.1158
North Central	56.32	56.59	.1628	.1653
United States	60.19	60.33	.1470	.1629
Pressers, female:				
North Atlantic	58.63	58.75	.1032	.1014
North Central	56.00	55.00	.1203	.1216
United States	58.35	58.30	.1051	.1038
Ribbers, female:				
North Atlantic	59.78	59.62	.1495	.1704
North Central	59.09	58.96	.1226	.1224
United States	59.62	59.41	.1430	.1549

Protected by a tariff of from 30 to 64 per cent. (Pp. 325 to 327.)
Work people poorly organized.
Average per cent of labor in textiles, 19.5.

IRON AND STEEL, BAR.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Catchers, male:				
North Atlantic	64.04	63.80	$0.3338	$0.3484
South Atlantic	60.92	60.92	.2530	.2732
North Central	67.36	67.36	.5489	.5320
South Central	72.00	72.00	.2647	.3055
United States	65.44	65.29	.3978	.4034
Heaters, male:				
North Atlantic	64.70	64.63	.4948	.5656
South Atlantic	61.85	62.00	.4793	.5504
North Central	67.52	67.52	.6553	.6368
South Central	72.00	72.00	.4846	.4913
United States	66.49	66.50	.5719	.5926
Heaters' helpers, male:				
North Atlantic	67.64	67.50	.2456	.2587
South Atlantic	60.92	61.00	.2218	.2740
North Central	66.99	66.99	.3340	.3224
South Central	72.00	72.00	.1821	.1933
United States	67.10	67.10	.2797	.2844

IRON AND STEEL, BAR—continued.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Hot straighteners, male:				
North Atlantic	63.41	63.97	$0.2066	$0.2124
South Atlantic	61.16	61.06	.1535	.1701
North Central	69.66	69.75	.2600	.2543
South Central	72.00	72.00	.1366	.1418
United States	65.67	65.76	.2078	.2125
Rollers, male:				
North Atlantic	63.76	63.66	.7042	.7734
South Atlantic	61.33	61.33	.7002	.7739
North Central	70.25	70.30	1.0850	1.0397
South Central	72.00	72.00	.9401	1.0059
United States	66.69	66.61	.8674	.8931
Roughers, male:				
North Atlantic	65.36	65.33	.3854	.4040
South Atlantic	61.14	61.14	.3410	.3785
North Central	61.01	61.37	.5182	.5761
South Central	72.00	72.00	.3324	.3519
United States	63.43	63.54	.4407	.4804

IRON AND STEEL, BESSEMER CONVERTING.

Blowers, male:				
North Atlantic	60.33	61.26	$0.5440	$0.5329
South Atlantic	74.00	74.00	.4229	.4412
North Central	66.55	66.55	.6174	.6382
South Central	75.00	75.00	.3898	.4125
United States	65.69	66.00	.5302	.5360
Bottom makers, male:				
North Atlantic	69.00	69.39	.3142	.2982
South Atlantic	72.00	72.00	.2193	.2320
North Central	67.00	67.00	.3430	.3428
South Central	65.14	64.29	.1790	.1689
United States	68.38	68.45	.2879	.2812
Ladle liners, male:				
North Atlantic	64.74	65.40	.3807	.3710
South Atlantic	73.50	73.50	.3166	.3459
North Central	66.55	66.55	.4443	.4424
South Central	75.00	75.00	.2240	.2527
United States	67.86	68.09	.3702	.3736
Melters, male:				
North Atlantic	66.48	67.29	.4084	.3831
South Atlantic	72.00	72.00	.3846	.4212
North Central	50.55	50.55	.5765	.5440
South Central	66.00	66.00	.4229	.4695
United States	61.09	61.73	.4705	.4501
Steel pourers, male:				
North Atlantic	56.41	53.20	.5239	.5135
South Atlantic	74.00	74.00	.4592	.5071
North Central	51.53	51.53	.7068	.6990
South Central	66.00	66.00	.4229	.4636
United States	57.19	55.42	.5712	.5790
Vessel men, male:				
North Atlantic	65.00	57.00	.5512	.5734
South Atlantic	72.00	72.00	.4123	.4484
North Central	55.09	55.09	.7634	.7349
South Central	78.00	78.00	.3049	.3316
United States	63.97	60.55	.5777	.5863

Protected by a tariff of from 13 to 14 per cent. (Par. 124.)
Work people in trade fairly organized among independent producers; poorly organized where the trust controls.
NOTE.—Frightfully long hours these people work.
Average per cent of labor in iron and steel products, 22.10.

IRON AND STEEL, BLAST FURNACE.

Cinder snappers, male:				
North Atlantic	84.00	84.00	$0.1478	$0.1567
South Atlantic	84.00	84.00	.1375	.1404
North Central	84.00	84.00	.1743	.1794
South Central	84.00	84.00	.1287	.1264
United States	84.00	84.00	.1499	.1569
Hot-blast men, male:				
North Atlantic	84.00	84.00	.1813	.1907
South Atlantic	84.00	84.00	.1536	.1561
North Central	84.00	84.00	.1759	.1897
South Central	84.00	84.00	.1560	.1530
United States	84.00	84.00	.1738	.1822

IRON AND STEEL, BLAST FURNACE—continued.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Keepers, male:				
North Atlantic	84.00	84.00	$0.2023	$0.2137
South Atlantic	84.00	84.00	.1836	.1865
North Central	84.00	84.00	.2133	.2228
South Central	84.00	84.00	.1662	.1656
United States	84.00	84.00	.1981	.2070
Keepers' helpers, male:				
North Atlantic	84.00	84.00	.1637	.1718
South Atlantic	84.00	84.00	.1396	.1428
North Central	84.00	84.00	.1749	.1841
South Central	84.00	84.00	.1287	.1331
United States	84.00	84.00	.1573	.1644
Top fillers, male:				
North Atlantic	81.95	81.98	.1640	.1763
South Atlantic	84.00	84.00	.1330	.1537
North Central	79.46	79.46	.1995	.2095
South Central	84.00	84.00	.1583	.1591
United States	82.04	82.11	.1655	.1765

Tariff of from 19 to 41 per cent. (Par. 129.)
Average per cent of labor gross of product, 22.1.

LUMBER.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Cant setters, male:				
North Atlantic	60.00	60.00	$0.1950	$0.1950
North Central	60.83	60.83	.2089	.2179
South Central	60.00	60.00	.1875	.1875
Western	60.00	60.00	.2050	.2175
United States	60.63	60.63	.2053	.2129
Carriage men, male:				
North Atlantic	60.00	60.00	.2686	.2759
South Atlantic	61.98	60.76	.1589	.1638
North Central	60.25	60.26	.2330	.2432
South Central	60.82	60.42	.1967	.2152
Western	60.00	60.00	.2417	.2578
United States	60.55	60.31	.2183	.2300
Choppers and sawyers, in woods, male:				
South Atlantic	62.21	62.27	.1433	.1449
North Central	60.34	60.48	.1831	.1906
South Central	60.37	60.39	.1787	.1844
Western	61.56	61.50	.2940	.3138
United States	60.64	60.73	.1934	.2013
Edgermen, male:				
North Atlantic	60.00	60.00	.2765	.2773
South Atlantic	62.00	61.06	.1765	.1821
North Central	60.22	60.21	.2576	.2641
South Central	60.57	60.30	.2428	.2523
Western	60.00	60.00	.3268	.3420
United States	60.44	60.28	.2554	.2624
Fliers, male:				
North Atlantic	60.00	60.00	.3500	.4421
South Atlantic	62.50	60.69	.4440	.4725
North Central	60.00	60.00	.4816	.4864
South Central	60.09	60.52	.5387	.5708
Western	60.00	60.00	.5113	.5402
United States	60.43	60.18	.4814	.5057
Laborers, male:				
North Atlantic	60.00	60.00	.1688	.1799
South Atlantic	60.71	59.96	.1332	.1367
North Central	60.32	60.16	.1744	.1804
South Central	61.00	60.74	.1507	.1604
Western	60.00	60.00	.2103	.2245
United States	60.44	60.22	.1729	.1805
Sawyers, band, male:				
North Atlantic	60.00	60.00	.5136	.4870
South Atlantic	62.45	61.36	.5191	.5304
North Central	60.29	60.30	.5063	.5230
South Central	61.14	60.60	.5697	.5970
Western	60.00	60.00	.4975	.5069
United States	60.54	60.37	.5170	.5303

LUMBER—continued.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Sawyers, circular, male:				
North Atlantic	60.00	60.00	$0.3500	$0.3500
South Atlantic	61.67	60.83	.3673	.3700
North Central	60.00	60.00	.3667	.3411
South Central	60.00	60.00	.5119	.5378
Western	60.00	60.00	.5456	.5699
United States	60.24	60.12	.4477	.4439
Sawyers, gang, male:				
North Atlantic	60.00	60.00	.2308	.2375
South Atlantic	59.33	56.00	.1667	.1833
North Central	60.38	60.38	.3072	.3210
South Central	60.00	60.00	.2815	.2877
Western	60.00	60.00	.3063	.3250
United States	60.13	59.81	.2766	.2886
Trimmers, male:				
North Atlantic	60.00	60.00	.2067	.2133
South Atlantic	62.74	62.19	.1494	.1496
North Central	60.27	60.31	.2274	.2285
South Central	60.43	60.43	.1799	.1836
Western	60.00	60.00	.2487	.2595
United States	60.46	60.46	.2150	.2160

Protected by a tariff of from 2.78 to 15.84 per cent. (Par. 197.)
Work people fairly organized in the West.

PAPER AND WOOD PULP.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Back tenders, male:				
North Atlantic	64.14	55.14	$0.1766	$0.2249
North Central	68.33	68.33	.1580	.1664
United States	65.02	57.57	.1727	.2142
Beaters, male:				
North Atlantic	61.23	53.34	.1783	.2054
North Central	68.79	68.74	.1628	.1665
United States	62.82	56.19	.1750	.1962
Bleachers, male:				
North Atlantic	53.25	53.47	.2036	.2113
North Central	62.57	62.57	.1640	.1668
United States	55.60	55.81	.1936	.1999
Calenderers, male:				
North Atlantic	54.56	56.20	.1980	.2047
North Central	64.88	64.88	.1752	.1777
United States	57.00	57.97	.1926	.1992
Calenderers, female:				
North Atlantic	55.00	55.00	.1382	.1595
Cutters, male:				
North Atlantic	52.24	58.01	.2123	.1722
North Central	59.14	59.12	.1758	.1796
United States	54.38	58.37	.2010	.1746
Cutters, female:				
North Atlantic	54.94	60.18	.1088	.1101
North Central	59.95	59.97	.0956	.1046
United States	56.13	60.13	.1056	.1086
Enamelers, male:				
North Atlantic	48.55	48.37	.2160	.2333
North Central	60.00	60.00	.1796	.1879
United States	51.64	50.18	.2062	.2263
Finishers, male:				
North Atlantic	60.05	56.96	.1776	.1959
North Central	59.93	61.40	.1791	.1835
United States	60.02	58.07	.1780	.1928
Finishers, female:				
North Atlantic	57.70	56.70	.1313	.1374
North Central	59.97	60.52	.1013	.1062
United States	58.97	58.60	.1144	.1229
Laborers, male:				
North Atlantic	59.31	58.65	.1573	.1606
North Central	60.62	60.59	.1499	.1550
United States	59.63	59.11	.1555	.1593

PAPER AND WOOD PULP—continued.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Machine tenders, male:				
North Atlantic	61.11	53.99	$0.2771	$0.3349
North Central	68.35	68.35	.2696	.2716
United States	62.41	56.27	.2757	.3249
Press tenders, male:				
North Atlantic	66.73	58.90	.1572	.1842
North Central	61.44	61.44	.1343	.1453
United States	65.79	59.33	.1531	.1777
Pulp grinders, male:				
North Atlantic	68.11	52.64	.1592	.1975
North Central	71.93	71.92	.1342	.1492
United States	68.51	54.07	.1566	.1939
Rag sorters, male:				
North Atlantic	57.85	59.86	.1675	.1638
Rag sorters, female:				
North Atlantic	52.10	52.85	.1043	.1150
North Central	59.56	59.64	.0979	.1168
United States	53.77	54.63	.1029	.1155
Wood cookers, male:				
North Atlantic	61.39	56.28	.2036	.2421
North Central	71.75	71.75	.1833	.1885
United States	62.22	57.72	.2019	.2371
Wood preparers, male:				
North Atlantic	62.32	56.76	.1637	.1990
North Central	59.90	59.89	.1505	.1618
United States	61.81	57.24	.1609	.1933

Protected by a tariff of wood pulp free to 10 per cent. (Par. 402.)
Paper from 5.58 to 49 per cent. (Pars. 403 to 409.)
Work people fairly organized.
Average percentage of labor miscellaneous, 19.9.

POTTERY.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Dippers, male:				
North Atlantic	46.50	46.50	$0.5206	$0.5654
North Central	44.43	44.54	.5382	.5268
United States	45.06	45.12	.5329	.5382
Jigger men, male:				
North Atlantic	51.39	51.28	.4354	.4356
North Central	53.00	53.00	.4772	.4496
United States	52.41	52.37	.4620	.4445
Kiln firemen, male:				
North Atlantic	62.44	62.44	.3684	.3684
North Central	82.15	82.15	.2500	.2500
United States	74.09	74.09	.2984	.2984
Kiln men, male:				
North Atlantic	46.43	46.70	.3800	.3707
North Central	45.73	45.71	.4038	.4362
United States	46.04	46.13	.3933	.4084
Mold makers, male:				
North Atlantic	53.15	53.15	.3868	.3833
North Central	52.40	52.40	.3452	.3461
United States	52.70	52.70	.3616	.3607
Pressers, male:				
North Atlantic	52.72	52.68	.4354	.4445
North Central	53.00	53.00	.3737	.3619
United States	52.81	52.77	.4140	.4207
Sagger makers, male:				
North Atlantic	50.81	51.07	.5046	.4823
North Central	47.44	47.44	.5223	.5420
United States	49.13	49.19	.5134	.5131
Setters out, male:				
North Atlantic	46.22	46.22	.4867	.4915
North Central	45.68	45.68	.5120	.5477
United States	45.93	45.93	.5006	.5224

Protected by a tariff of from 20 to 60 per cent. (Pars. 90 to 92.)
Work people highly organized. Note the reasonable working hours.
Average percentage of labor in clay products, 37.1.

PRINTING AND BINDING, BOOK AND JOB.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Bookbinders, male:				
North Atlantic	53.34	52.82	$0.3440	$0.3514
South Atlantic	54.00	53.08	.3081	.3269
North Central	53.84	53.63	.3150	.3195
South Central	53.52	53.17	.3128	.3213
Western	49.56	49.64	.3946	.4165
United States	53.36	53.02	.3280	.3363
Compositors, male:				
North Atlantic	50.53	50.16	.3614	.3712
South Atlantic	51.82	50.85	.3271	.3336
North Central	51.29	51.19	.3421	.3433
South Central	52.60	52.91	.3337	.3409
Western	49.07	48.91	.4335	.4671
United States	51.01	50.75	.3537	.3620
Compositors, female:				
North Atlantic	51.87	51.59	.2887	.3077
North Central	52.96	52.29	.2758	.2671
United States	52.24	51.74	.2843	.2989
Electrotypers, male:				
North Atlantic	51.54	51.63	.4216	.4239
North Central	52.95	51.45	.3505	.3617
Western	49.83	49.04	.4800	.5022
United States	51.99	51.26	.3960	.4050
Linotype operators, male:				
North Atlantic	49.49	49.42	.4545	.4581
South Atlantic	50.34	50.03	.4213	.4263
North Central	49.63	49.61	.4608	.4743
South Central	48.80	49.16	.4731	.4572
Western	47.91	47.50	.5690	.5743
United States	49.46	49.38	.4625	.4675
Linotype operators, female:				
North Atlantic	52.11	52.42	.3062	.3085
North Central	53.11	53.00	.2037	.2716
Western	46.00	45.75	.5321	.4808
United States	51.74	51.78	.2812	.3118
Press feeders, male:				
North Atlantic	52.38	52.49	.2086	.2264
South Atlantic	53.83	52.75	.1609	.1622
North Central	53.90	53.49	.1896	.1949
South Central	53.23	52.86	.1649	.1712
Western	49.06	49.05	.2366	.2498
United States	52.91	52.62	.1949	.2053
Press feeders, female:				
North Atlantic	53.95	53.96	.1265	.1244
South Atlantic	54.00	53.70	.1136	.1208
North Central	53.90	53.43	.1450	.1407
South Central	53.75	53.60	.0989	.1168
United States	53.93	53.74	.1279	.1282
Pressmen, male:				
North Atlantic	52.81	52.62	.3550	.3691
South Atlantic	53.85	52.95	.3024	.3143
North Central	53.94	53.52	.3384	.3517
South Central	53.55	52.94	.3136	.3358
Western	49.00	48.94	.4357	.4553
United States	53.10	52.75	.3475	.3619
Proof readers, male:				
North Atlantic	50.15	49.81	.4101	.4197
South Atlantic	53.67	51.88	.3258	.3402
North Central	52.91	51.33	.3815	.4022
South Central	53.50	53.50	.3598	.3481
Western	48.86	48.86	.4006	.4275
United States	51.03	50.41	.3958	.4071
Proof readers, female:				
North Atlantic	52.44	51.72	.2928	.3195
South Atlantic	54.00	54.00	.1636	.1713
North Central	52.40	52.03	.2736	.2800
South Central	53.17	51.14	.2388	.2789
Western	50.40	49.50	.3009	.3030
United States	52.47	51.98	.2709	.2945
Sewers and stitchers, book, female:				
North Atlantic	53.34	52.96	.1269	.1306
South Atlantic	53.79	52.82	.0994	.1073
North Central	53.81	53.63	.1180	.1219
South Central	53.07	53.05	.1069	.1067
Western	49.79	49.58	.1525	.1663
United States	53.08	52.83	.1206	.1249

PRINTING, NEWSPAPER.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Compositors, male:				
North Atlantic	46.97	47.08	$0.5006	$0.5140
South Atlantic	47.21	44.88	.4711	.5069
North Central	47.19	47.11	.5148	.5281
South Central	48.46	48.52	.5037	.5060
Western	46.48	46.66	.6124	.6363
United States	47.17	46.92	.5135	.5296
Linotype operators, male:				
North Atlantic	46.56	46.46	.5557	.5641
South Atlantic	44.60	44.64	.5560	.5745
North Central	47.32	47.22	.5336	.5455
South Central	47.79	47.74	.6391	.6451
Western	46.35	46.73	.6237	.6653
United States	46.67	46.64	.5646	.5791
Pressmen, male:				
North Atlantic	46.66	46.47	.4645	.4871
South Atlantic	48.11	48.44	.3717	.3721
North Central	49.68	48.52	.4024	.4195
South Central	52.73	52.41	.4312	.4233
Western	48.75	47.56	.4754	.5344
United States	48.34	47.73	.4337	.4558
Stereotypers, male:				
North Atlantic	45.89	45.64	.5285	.5367
South Atlantic	46.80	46.56	.4067	.4466
North Central	48.93	48.73	.4296	.4390
South Central	51.42	51.36	.3973	.4209
Western	50.03	48.74	.5027	.5467
United States	47.68	47.39	.4752	.4905

Protected by a tariff of from 16 per cent to 49 per cent (par. 408).
Work people highly organized. Note the reasonable hours.
Laborers well organized, as a rule.
Average percentage of labor in printing products, 21.6.

SHIPBUILDING.

Blacksmiths, male:				
North Atlantic	54.92	55.13	$0.3093	$0.3066
South Atlantic	57.52	57.77	.2738	.2753
North Central	58.72	58.58	.2956	.3095
Western	53.87	53.83	.3833	.3995
United States	56.01	56.29	.3086	.3063
Boiler makers, male:				
North Atlantic	54.16	54.09	.2876	.2957
South Atlantic	58.36	58.67	.2589	.2622
North Central	59.46	59.11	.3048	.3125
Western	54.00	54.00	.4274	.4702
United States	56.29	56.41	.2892	.2965
Calkers, iron, male:				
North Atlantic	55.74	55.49	.2732	.2810
South Atlantic	54.28	54.23	.2332	.2305
North Central	57.56	57.66	.2995	.3532
Western	54.00	54.00	.3554	.4257
United States	55.70	55.52	.2849	.2990
Calkers, wood, male:				
North Atlantic	52.76	51.26	.3551	.3700
South Atlantic	54.15	54.32	.3005	.2997
North Central	54.00	54.00	.3100	.3300
Western	49.00	49.00	.5958	.7000
United States	52.94	51.85	.3505	.3656
Carpenters, male:				
North Atlantic	53.88	52.64	.3146	.3340
South Atlantic	57.25	57.13	.2746	.2815
North Central	58.55	58.41	.3000	.3087
Western	52.81	53.23	.4329	.4509
United States	54.99	54.21	.3146	.3296
Drillers, male:				
North Atlantic	55.92	55.73	.2368	.2536
South Atlantic	56.29	56.02	.1791	.1775
North Central	56.94	56.85	.2082	.2359
Western	54.00	54.00	.2823	.3016
United States	55.93	55.79	.2297	.2403
Fitters, male:				
North Atlantic	55.19	55.07	.2608	.2700
South Atlantic	58.39	58.05	.2437	.2526
North Central	56.98	57.73	.2736	.2960
Western	54.00	54.00	.4036	.4123
United States	56.74	56.65	.2692	.2814

SHIPBUILDING—continued.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Joiners, male:				
North Atlantic	55.53	55.15	$0.2986	$0.3063
South Atlantic	57.01	57.02	.2759	.2765
North Central	59.00	58.30	.2995	.3172
Western	53.72	53.66	.4305	.4458
United States	55.92	55.87	.3181	.3149
Laborers, male:				
North Atlantic	55.54	55.58	.1677	.1756
South Atlantic	56.81	56.68	.1356	.1418
North Central	58.02	59.00	.1605	.1755
Western	53.90	53.60	.2204	.2309
United States	56.56	57.02	.1622	.1677
Machinists, male:				
North Atlantic	55.16	55.05	.2707	.2787
South Atlantic	58.36	57.88	.2683	.2794
North Central	59.32	59.04	.2969	.3032
Western	54.00	54.00	.3769	.3928
United States	56.41	56.28	.2915	.2958
Molders, iron, male:				
North Atlantic	56.07	55.28	.2870	.2907
South Atlantic	57.38	57.43	.2876	.2971
North Central	55.37	55.14	.3266	.3466
Western	54.00	54.00	.4358	.4397
United States	56.07	56.14	.3218	.3225
Painters, male:				
North Atlantic	54.85	54.72	.2687	.2814
South Atlantic	55.95	56.36	.2425	.2471
North Central	59.18	57.30	.2410	.2246
Western	54.00	54.00	.3025	.3279
United States	55.34	55.51	.2598	.2664
Pattern makers, male:				
North Atlantic	55.92	55.79	.3226	.3235
South Atlantic	57.69	58.11	.3162	.3346
North Central	59.16	59.00	.3384	.3487
Western	54.00	54.00	.4747	.5073
United States	56.56	56.80	.3440	.3454
Riggers, male:				
North Atlantic	55.57	55.19	.2064	.2163
South Atlantic	56.15	55.86	.2366	.2361
North Central	56.69	56.10	.2183	.2281
Western	50.57	52.29	.4892	.4039
United States	55.00	54.92	.2499	.2458
Riveters, male:				
North Atlantic	55.19	54.85	.3345	.3375
South Atlantic	58.56	58.15	.2280	.2294
North Central	57.10	56.94	.2722	.3498
Western	54.00	54.00	.3097	.3689
United States	56.58	56.28	.2784	.3072

Work people well organized in the West.

SILK GOODS.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Beamers, male:				
North Atlantic	59.07	56.89	$0.1887	$0.1938
Doublers, female:				
North Atlantic	57.69	57.17	.1055	.1163
Dyers, male:				
North Atlantic	55.64	55.66	.1954	.1902
Loom fixers, male:				
North Atlantic	58.15	58.03	.2656	.2768
Pickers, female:				
North Atlantic	58.18	57.76	.1185	.1274
Quillers, female:				
North Atlantic	57.74	57.75	.0918	.0984
Spinners, male:				
North Atlantic	58.02	56.74	.1017	.1035
Spinners, female:				
North Atlantic	58.91	58.44	.1085	.1136
Twisters-in, male:				
North Atlantic	57.91	57.92	.2391	.2564
Warpers, male:				
North Atlantic	56.27	56.37	.2403	.2505
Warpers, female:				
North Atlantic	58.12	57.70	.1563	.1663
Weavers, male:				
North Atlantic	57.66	57.68	.2086	.2177
Weavers, female:				
North Atlantic	58.33	58.02	.1543	.1700
Weavers, ribbon, male:				
North Atlantic	56.14	56.16	.2543	.2813

Protected by a tariff of from 46 per cent to 130 per cent. (Par. 392 to 395.)
Work people poorly organized.
Average percentage of labor in textile products, 19.5.

WOOLEN AND WORSTED GOODS.

Occupation and geographical division.	Average hours per week.		Average wages per hour.	
	1906.	1907.	1906.	1907.
Burlers, female:				
North Atlantic	58.31	57.89	$0.1092	$0.1153
Carders, male:				
North Atlantic	58.73	58.49	.1213	.1200
Card strippers, male:				
North Atlantic	58.08	57.95	.1324	.1355
Combers, male:				
North Atlantic	59.20	58.57	.1219	.1239
Combers, female:				
North Atlantic	56.62	56.21	.0948	.0959
Dyers, male:				
North Atlantic	59.43	58.91	.1408	.1500
Loom fixers, male:				
North Atlantic	58.38	57.99	.2546	.2674
Spinners, frame, male:				
North Atlantic	58.32	57.70	.0951	.1159
Spinners, frame, female:				
North Atlantic	58.68	58.00	.1065	.1185
Spinners, mule, male:				
North Atlantic	58.57	58.45	.2027	.2066
Weavers, male:				
North Atlantic	58.73	58.51	.2025	.2116
Weavers, female:				
North Atlantic	58.18	58.07	.1667	.1841

Protected by a tariff on—
Wool, from 35 to 149 per cent. (Pars. 365 to 372.)
Yarns, from 55 to 141 per cent. (Par. 374.)
Knit fabrics, from 55 to 141 per cent. (Par. 374.)
Blankets, from 71 to 143 per cent. (Par. 375.)
Work people poorly organized.
Average percentage of labor in textile products, 19.5.

EXHIBIT 11.

A comparison between the platforms of the two great political parties from 1856 to 1908 on the tariff, monopoly, reciprocity, and income tax:

Republican platforms.	*Democratic platforms.*
1856.	1856.
Tariff, silent.	Tariff, silent.
Monopoly, silent.	Monopoly, silent.
Reciprocity, silent.	Reciprocity, silent.
Income tax, silent.	Income tax, silent.
1860.	1860.
TARIFF.	
12. That while providing revenue for the support of the General Government by duties upon imports, sound policy requires such an *adjustment of these imposts as to encourage the development of the industrial interests of the whole country;* and we commend that policy of national exchanges which secures to the workingmen liberal wages, to agriculture remunerative prices, to mechanics and manufacturers an adequate reward for their skill, labor, and enterprise, and to the Nation commercial prosperity and independence.	Tariff, silent.
Monopoly, silent.	Monopoly, silent.
Reciprocity, silent.	Reciprocity, silent.
Income tax, silent.	Income tax, silent.
1864.	1864.
Tariff, silent.	Tariff, silent.
Monopoly, silent.	Monopoly, silent.
Reciprocity, silent.	Reciprocity, silent.
Income tax, silent.	Income tax, silent.
1868.	1868.
Tariff, silent.	Tariff, silent.
Monopoly, silent.	Monopoly, silent.
Reciprocity, silent.	Reciprocity, silent.
Income tax, silent.	Income tax, silent.
1872.	1872.
TARIFF.	TARIFF.
7. The annual revenue, after paying current expenditures, pensions, and the interest on the public debt, should furnish a moderate balance for the reduction of the principal, and that revenue, except so much as may be derived from a tax on tobacco and liquors, should be raised by duties upon importations, the details of which should be so adjusted as to aid in securing remunerative wages to labor, and promote the industries, prosperity, and growth of the whole country.	6. We demand a system of Federal taxation which shall not unnecessarily interfere with the industry of the people, and which shall provide the means necessary to pay the expenses of the Government, economically administered, the pensions, the interest on the public debt, and a moderate reduction annually of the principal thereof; and recognizing that there are in our midst honest but irreconcilable differences of opinion with regard to the respective systems of protection and free trade, we remit the discussion of the subject to the people in their congressional districts, and to the decision of the Congress thereon, wholly free from executive interference or dictation.
11. Among the questions which press for attention is that which concerns the relations of capital and labor, and the Republican party recognizes the duty of so shaping legislation as to secure	

full protection and the amplest field for capital, and for labor, the creator of capital, the largest opportunities and a just share of the mutual profits of these two great servants of civilization.

Monopoly, silent.
Reciprocity, silent.
Income tax, silent.

1876.

TARIFF.

8. The revenue necessary for current expenditures and the obligations of the public debt must be largely derived from duties upon importations, which, so far as possible, should be adjusted to promote the interests of American labor and advance the prosperity of the whole country.

Monopoly, silent.
Reciprocity, silent.
Income tax, silent.

1880.

TARIFF.

5. We reaffirm the belief avowed in 1876, that the duties levied for the purpose of revenue should so discriminate as to favor American labor.

Monopoly, silent.
Reciprocity, silent.
Income tax, silent.

1884.

TARIFF.

The largest diversity of industry is most productive of general prosperity, and of the comfort and independence of the people.

We therefore demand that the imposition of duties on foreign imports shall be made, not "for revenue only," but that in raising the requisite revenues for the Government such duties shall be so levied as to afford security to our diversified industries and protection to the rights and wages of the laborer, to the end that active and intelligent labor, as well as capital, may have its just reward, and the laboring man his full share in the national prosperity.

Against the so-called "economic system of the Democratic party," which would degrade our labor to the foreign standard, we enter our earnest protest.

The Democratic party has failed completely to relieve the people of the burden of unnecessary taxation by a wise reduction of the surplus.

The Republican party pledges itself to correct the inequalities of the tariff and to reduce the surplus, not by the vicious and indiscriminate process of horizontal reduction, but by such methods as will relieve the taxpayer without injuring the laborer or the great productive interests of the country.

We recognize the importance of sheep husbandry in the United States, the serious depression which it is now experiencing, and the danger threatening its future prosperity; and we therefore respect the demands of the representatives of this important agricultural interest for a readjustment of duties upon foreign wool, in order that such industry shall have full and adequate protection.

Monopoly, silent.
Reciprocity, silent.
Income tax, silent.

1876.

TARIFF.

Reform is necessary in the sum and modes of federal taxation, to the end that capital may be set free from distrust and labor lightly burdened.

We denounce the present tariff, levied upon nearly 4,000 articles, as a masterpiece of injustice, inequality, and false pretense. It yields a dwindling, not a yearly rising revenue. It has impoverished many industries to subsidize a few. It prohibits imports that might purchase the products of American labor. It has degraded American commerce from the first to an inferior rank on the high seas. It has cut down the sales of American manufactures at home and abroad, and depleted the returns of American agriculture—an industry followed by half our people. It costs the people five times more than it produces to the Treasury, obstructs the processes of production, and wastes the fruits of labor. It promotes fraud, fosters smuggling, enriches dishonest officials, and bankrupts honest merchants. We demand that all custom-house taxation shall be only for revenue.

Reciprocity, silent.
Income tax, silent.

1880.

TARIFF.

13. The Democratic party is the friend of labor and the laboring man, and pledges itself to protect him alike against the cormorant and the commune.

Monopoly, silent.
Reciprocity, silent.
Income tax, silent.

1884.

TARIFF.

Commenting on the Republican party, the platform says: "It professes a desire to elevate labor; it has subjected American workingmen to the competition of convict and imported contract labor."

* * * *

"It proffers a pledge to correct the irregularities of our tariff; it created and has continued them. Its own tariff commission confessed the needs of more than 20 per cent reduction; its Congress gave a reduction of less than 4 per cent. It professes the protection of American manufactures; it has subjected them to an increasing flood of manufactured goods and a hopeless competition with manufacturing nations, not one of which taxes raw materials. It professes to protect all American industries; it has impoverished many to subsidize a few. It professes the protection of American labor; it has depleted the returns of American agriculture and industry, followed by half of our people."

"The Democracy pledges itself to purify the administration from corruption, to restore economy, to revive respect for law, and to reduce taxation to the lowest limit consistent with due regard to the preservation of the faith of the nation to its creditors and pensioners. Knowing full well, however, that legislation affecting the operations of the people should be cautious and conservative in method, not in advance of public opinion, but responsive to its demands, the Democratic party is pledged to revise the tariff in a spirit of fairness to all interests. But, in making reduction in taxes, it is not proposed to injure any domestic industries, but rather to promote their healthy growth. From the foundation of this Government, taxes collected at the custom-house have been the chief source of federal revenue. Such they must continue to be. Moreover, many industries have come to rely upon legislation for successful continuance, so that any change of law must be at every step regardful of the labor and capital thus involved. The process of reform must be subject in the execution to this plain dictate of justice; all taxation shall be limited to the requirements of economical government. The necessary reduction and taxation can and must be effected without depriving American labor of the ability to compete successfully with foreign labor, and without imposing lower rates of duty than will be ample to cover any increased cost of production which may exist in consequence of the higher rate of wages prevailing in this country. Sufficient revenue to pay all the expenses of the Federal Government, economically administered, including pensions, interest and principal of the public debt, can be got under our present system of taxation from the custom-house taxes on fewer imported articles, bearing heaviest on articles of luxury and bearing lightest on articles of necessity. We therefore denounce the abuses of the existing tariff, and, subject to the preceding limitations, we demand that federal taxation shall be exclusively for public purposes and shall not exceed the needs of the Government, economically administered."

Monopoly, silent.
Reciprocity, silent.
Income tax, silent.

1888.

PROTECTION TO AMERICAN INDUSTRIES.

We are uncompromisingly in favor of the American system of protection; we protest against its destruction as proposed by the President and his party. They serve the interests of Europe; we will support the interests of America. We accept the issue and confidently appeal to the people for their judgment. The protective system must be maintained. Its abandonment has always been followed by general disaster to all interests except those of the usurer and the sheriff. We denounce the Mills bill as destructive to the general business, the labor, and the farming interests of the country, and we heartily indorse the consistent and patriotic action of the Republican Representatives in Congress in opposing its passage.

DUTIES ON WOOL.

We condemn the proposition of the Democratic party to place wool on the free list, and we insist that the duties thereon shall be adjusted and maintained so as to furnish full and adequate protection to that industry throughout the United States.

MONOPOLY.

We declare our opposition to all combinations of capital, organized in trusts or otherwise, to control arbitrarily the condition of trade among our citizens; and we recommend to Congress and the state legislatures, in their respective jurisdictions, such legislation as will prevent the execution of all

Monopoly, silent.
Reciprocity, silent.
Income tax, silent.

1888.

TARIFF REFORM.

Our established domestic industries and enterprises should not and need not be endangered by the reduction and correction of the burdens of taxation. On the contrary, a fair and careful revision of our tax laws, with due allowance for the difference between the wages of American and foreign labor, most promote and encourage every branch of such industries and enterprises by giving them assurance of an extended market and steady and continuous operations. In the interests of American labor, which should in no event be neglected, the revision of our tax laws contemplated by the Democratic party should promote the advantage of such labor by cheapening the cost of necessaries of life in the home of every workingman and at the same time securing to him steady and remunerative employment. Upon this question of tariff reform, so closely concerning every phase of our national life, and upon every question involved in the problem of good government, the Democratic party submits its principles and professions to the intelligent suffrages of the American people.

TAXATION.

The Republican party, controlling the Senate and resisting in both Houses of Congress a reformation of unjust and unequal tax laws which have outlasted the necessities of war and are now undermining the abundance of a long peace, denies to the people

schemes to oppress the people by undue charges on their supplies, or by unjust rates for the transportation of their products to market. We approve the legislation by Congress to prevent alike unjust burdens and unfair discriminations between the States.

Reciprocity, silent.
Income tax, silent.

1892.

THE PRINCIPLE OF PROTECTION.

We reaffirm the American doctrine of protection. We call attention to its growth abroad. We maintain that the prosperous condition of our country is largely due to the wise revenue legislation of the last Republican Congress. We believe that all articles which can not be produced in the United States, except luxuries, should be admitted free of duty, and that on all imports coming into competition with the products of American labor there should be levied duties equal to the difference between wages abroad and at home.

We assert that the prices of manufactured articles of general consumption have been reduced under the operations of the tariff act of 1890.

We denounce the efforts of the Democratic majority of the House of Representatives to destroy our tariff laws piecemeal, as manifested by their attacks upon wool, lead, and lead ores, the chief products of a number of States, and we ask the people for their judgment thereon.

equality before the law and the fairness and the justice which are their right. Thus the cry of American labor for a better share in the rewards of industry is stifled with false pretenses, enterprise is fettered and bound down to home markets, capital is discouraged with doubt, and unequal, unjust laws can neither be properly amended nor repealed. The Democratic party will continue, with all the power confided to it, the struggle to reform these laws in accordance with the pledges of its last platform, indorsed at the ballot box by the suffrages of the people.

Of all the industrious freemen of our land the immense majority, including every tiller of the soil, gain no advantage from excessive tax laws, but the price of nearly everything they buy is increased by the favoritism of an unequal system of tax legislation. All unnecessary taxation is unjust taxation. It is repugnant to the creed of Democracy that by such taxation the cost of the necessaries of life should be unjustifiably increased to all our people. Judged by Democratic principles, the interests of the people are betrayed when, by unnecessary taxation, trusts and combinations are permitted to exist, which, while unduly enriching the few that combine, rob the body of our citizens by depriving them of the benefits of natural competition.

Reciprocity, silent.
Income tax, silent.

1892.

TARIFF LEGISLATION.

SEC. 3. We denounce Republican protection as a fraud—a robbery of the great majority of the American people for the benefit of the few. We declare it to be a fundamental principle of the Democratic party that the Federal Government has no constitutional power to impose and collect tariff duties except for the purposes of revenue only, and we demand that the collection of such taxes shall be limited to the necessities of the Government when honestly and economically administered.

We denounce the McKinley tariff law enacted by the Fifty-first Congress as the culminating atrocity of class legislation; we indorse the efforts made by the Democrats of the present Congress to modify its most oppressive features in the direction of free raw materials and cheaper manufactured goods that enter into general consumption, and we promise its repeal as one of the beneficent results that will follow the action of the people in intrusting power to the Democratic party. Since the McKinley tariff went into operation there have been ten reductions of the wages of the laboring men to one increase. We deny that there has been any increase of prosperity to the country since that tariff went into operation, and we point to the dullness and distress, to the wage reductions and strikes in the iron trade, as the best possible evidence that no such prosperity has resulted from the McKinley Act.

We call the attention of thoughtful Americans to the fact that, after thirty years of restrictive taxes against the importation of foreign wealth in exchange for our agricultural surplus, the homes and farms of the country have become burdened with a real-estate mortgage debt of over $2,500,000,000, exclusive of all other forms of indebtedness; that in one of the chief agricultural States of the West there appears a real-estate mortgage debt averaging $165 per capita of the total population, and that similar conditions and tendencies are shown to exist in the other agricultural exporting States. We denounce a policy which fosters no industry so much as it does that of the sheriff.

TRIUMPH OF RECIPROCITY.

We point to the success of the Republican policy of reciprocity, under which our export trade has vastly increased and new and enlarged markets have been opened for the products of our farms and workshops. We remind the people of the bitter opposition of the Democratic party to this practical business measure, and claim that, executed by a Republican administration, our present laws will eventually give us control of the trade of the world.

Monopoly, silent.

Income tax, silent.

1896.

TARIFF.

We renew and emphasize our allegiance to the policy of protection as the bulwark of American industrial independence and the foundation of American development and prosperity. This true American policy taxes foreign products and encourages home industry; it puts the burden of revenue on foreign goods; it secures the American market for the American producer; it upholds the American standard of wages for the American workingman; it puts the factory by the side of the farm, and makes the American farmer less dependent on foreign demand and price; it diffuses general thrift, and founds the strength of all on the strength of each. In its reasonable application it is just, fair, and impartial; equally opposed to foreign control and domestic monopoly, to sectional discrimination and individual favoritism.

We denounce the present Democratic tariff as sectional, injurious to the public credit, and destructive to business enterprise. We demand such an equitable tariff on foreign imports which have come into competition with American products as will not only furnish adequate revenue for the necessary expenses of the Government, but will protect American labor from degradation to the wage level of other lands. We are not pledged to any particular schedules. The question of rates is a practical question to be governed by the conditions of time and of production; the ruling and uncompromising principle is the protection and development of American labor and industry. The country demands a right settlement, and then it wants rest.

RECIPROCITY.

We believe the repeal of the reciprocity arrangements negotiated by the last Republican administration was a national calamity, and we demand their renewal and extension on such terms as will equalize our trade with other nations, remove the restrictions which now obstruct the sale of American products in the ports of other countries, and secure en-

RECIPROCITY.

SEC. 4. Trade interchange on the basis of reciprocal advantages to the countries participating is a time-honored doctrine of the Democratic faith, but we denounce the sham reciprocity which juggles with the people's desire for enlarged foreign markets and freer exchanges, by pretending to establish closer trade relations for a country whose articles of export are almost exclusively agricultural products, with other countries that are also agricultural, while erecting a custom-house barrier of prohibitive tariff taxes against the richest countries of the world, that stand ready to take our entire surplus of products, and to exchange therefor commodities which are necessaries and comforts of life among our own people.

MONOPOLY, TRUSTS, AND COMBINATIONS.

SEC. 5. We recognize in the trusts and combinations, which are designed to enable capital to secure more than its just share of the joint product of capital and labor, a natural consequence of the prohibitive taxes which prevent the free competition which is the life of honest trade; but we believe their worst evils can be abated by law, and we demand the rigid enforcement of the laws made to prevent and control them, together with such further legislation in restraint of their abuses as experience may show to be necessary.

Income tax, silent.

1896.

TARIFF RESOLUTION.

We hold that tariff duties should be levied for purposes of revenue, such duties to be so adjusted as to operate equally throughout the country, and not discriminate between class or section, and that taxation should be limited by the needs of the Government, honestly and economically administered. We denounce as disturbing to business the Republican threat to restore the McKinley law, which has twice been condemned by the people in national elections, and which, enacted under the false plea of protection to home industry, proved a prolific breeder of trusts and monopolies, enriched the few at the expense of the many, restricted trade, and deprived the producers of the great American staples of access to their natural markets.

Until the money question is settled we are opposed to any agitation for further changes in our tariff laws, except such as are necessary to meet the deficit in revenue caused by the adverse decision of the Supreme Court on the income tax. But for this decision by the Supreme Court there would be no deficit in the revenue under the law passed by a Democratic Congress in strict pursuance of the uniform decisions of that court for nearly one hundred years, that court having in that decision sustained constitutional objections to its enactment which had previously been overruled by the ablest judges who have ever sat on that bench. We declare that it is the duty of Congress to use all the constitutional power which remains after that decision, or which may come from its reversal by the court as it may hereafter be constituted, so that the burdens of taxation may be equally and impartially laid, to the end that wealth may bear its due proportion of the expense of the Government.

Reciprocity, silent.

larged markets for the products of our farms, forests, and factories.

Protection and reciprocity are twin measures of Republican policy and go hand in hand. Democratic rule has recklessly struck down both, and both must be reestablished. Protection for what we produce; free admission for the necessaries of life which we do not produce; reciprocity agreements of mutual interests which gain open markets for us in return for our open market to others. Protection builds up domestic industry and trade, and secures our own market for ourselves; reciprocity builds up foreign trade, and finds an outlet for our surplus.

Monopoly, silent.

MONOPOLY, TRUSTS, AND POOLS.

The absorption of wealth by the few, the consolidation of our leading railroad systems, and the formation of trusts and pools require a stricter control by the Federal Government of those arteries of commerce. We demand the enlargement of the powers of the Interstate Commerce Commission, and such restriction and guarantees in the control of railroads as will protect the people from robbery and oppression.

Income tax, silent.

1900.

TARIFF POLICY REAFFIRMED.

We renew our faith in the policy of protection to American labor. In that policy our industries have been established, diversified, and maintained. By protecting the home market, competition has been stimulated and production cheapened. Opportunity to the inventive genius of our people has been secured and wages in every department of labor maintained at high rates—higher now than ever before, and always distinguishing our working people in their better conditions of life from those of any competing country. Enjoying the blessings of the American common school, secure in the right of self-government, and protected in the occupancy of their own markets, their constantly increasing knowledge and skill have enabled them to finally enter the markets of the world.

TRUSTS.

We recognize the necessity and propriety of the honest cooperation of capital to meet new business conditions, and especially to extend our rapidly increasing foreign trade; but we condemn all conspiracies and combinations intended to restrict business, to create monopolies, to limit production, or to control prices, and favor such legislation as will effectively restrain and prevent all such abuses, protect and promote competition, and secure the rights of producers, laborers, and all who are engaged in industry and commerce.

TARIFF RESOLUTION.

We hold that tariff duties should be levied for purposes of revenue, such duties to be so adjusted as to operate equally throughout the branches of the National Government, to enact any legislation designed to prevent or even curtail the absorbing power of trusts and illegal combinations, or to enforce the antitrust laws already on the statute books, proves the insincerity of the high-sounding phrases of the Republican platform.

CORPORATE INTERFERENCE IN GOVERNMENT.

Corporations should be protected in all their rights and their legitimate interests should be respected, but any attempt by corporations to interfere with the public affairs of the people, or to control the sovereignty which creates them should be forbidden under such penalties as will make such attempts impossible.

THE DINGLEY TARIFF LAW.

We condemn the Dingley tariff law as a trust-breeding measure, skillfully devised to give the few favors which they do not deserve and to place upon the many burdens which they should not bear.

TRUSTS.

Private monopolies are indefensible and intolerable. They destroy competition, control the price of all material and of the finished product, thus robbing both producer and consumer. They lessen the employment of labor and arbitrarily fix the terms and conditions thereof, and deprive individual energy and a small capital of their opportunity for betterment. They are the most efficient means yet devised for appropriating the fruits of industry to the benefit of the few at the expense of the many, and, unless their insatiate greed is checked, all wealth will be aggregated in a few hands and the Republic destroyed.

The dishonest paltering with the trust evil by the Republican party in state and national platforms is conclusive proof of the truth of the charge that trusts are the legitimate product of Republican policies; that they are fostered by Republican laws; and that they are protected by the Republican administration for campaign subscriptions and political support.

We pledge the Democratic party to an unceasing warfare in nation, State, and city against private monopoly in every form. Existing laws against trusts must be enforced and more stringent ones must be enacted, providing for publicity as to the affairs of corporations engaged in interstate commerce, requiring all corporations to show, before doing business outside the State of their origin, that they have no water in their stock and that they have not attempted, and are not attempting, to monopolize any branch of business or the production of any article of merchandise; and the whole constitutional power of Congress over interstate commerce, the mails, and all modes of interstate communication shall be exercised by the enactment of comprehensive laws upon the subject of trusts.

THE FREE LIST AS A REMEDY.

Tariff laws should be amended by putting the products of trusts upon the free list to prevent monopoly under the plea of protection.

TRUSTS CONDEMNED.

We reaffirm our opposition, declared in the Republican platform of 1888, to all combinations of capital, organized in trusts or otherwise, to control arbitrarily the condition of trade among our citizens. We heartily indorse the action already taken upon this subject, and ask for such further legislation as may be required to remedy any defects in existing laws and to render their enforcement more complete and effective.

Reciprocity, silent.

Income tax, silent.

1904.

THE PROTECTIVE TARIFF.

Protection which guards and develops our industries is a cardinal policy of the Republican party. The measure of protection should always at least equal the difference in the cost of production at home and abroad.

We insist upon the maintenance of the principles of protection, and therefore rates of duty should be readjusted only when conditions have so changed that the public interest demands their alteration; but this work can not safely be committed to any other hands than those of the Republican party. To intrust it to the Democratic party is to invite disaster. Whether, as in 1892, the Democratic party declares the protective tariff unconstitutional, or whether it demands tariff reform or tariff revision, its real object is always the destruction of the protective system.

However specious the name, the purpose is ever the same. A Democratic tariff has always been followed by business adversity; a Republican tariff by business prosperity.

To a Republican Congress and a Republican President this great question can be safely intrusted. When the only free-trade country among the great nations agitates a return to protection, the chief protective country should not falter in maintaining it.

We have extended widely our foreign markets, and we believe in the adoption of all practicable methods for their further extension, including commercial reciprocity wherever reciprocal arrangements can be effected consistent with the principles of protection and without injury to American agriculture, American labor, or any American industry.

COMBINATIONS OF LABOR AND CAPITAL.

Combinations of capital and of labor are the results of the economic movement of the age, but neither must be permitted to infringe upon the rights and interests of the people. Such combinations when lawfully formed for lawful purposes are alike entitled to the protection of the laws, but both are subject to the laws, and neither can be permitted to break them.

RECIPROCITY FAVORED.

We favor the associated policy of reciprocity, so directed as to open our markets on favorable terms for what we do not ourselves produce in return for free foreign markets.

Income tax, silent.

1904.

TARIFF LEGISLATION.

The Democratic party has been, and will continue to be, the consistent opponent of that class of tariff legislation by which certain interests have been permitted, through congressional favor, to draw a heavy tribute from the American people. This monstrous prevention of those equal opportunities which our political institutions were established to secure has caused what may once have been infant industries to become the greatest combinations of capital that the world has ever known. These especial favorites of the Government have, through trust methods, been converted into monopolies, thus bringing to an end domestic competition, which was the only alleged check upon the extravagant profits made possible by the protective system. These industrial combinations, by the financial assistance they can give, now control the policy of the Republican party.

We denounce protection as a robbery of the many to enrich the few, and we favor a tariff limited to the needs of the Government economically administered, and so levied as not to discriminate against any industry, class, or section, to the end that the burdens of taxation shall be distributed as equally as possible.

We favor a revision and a gradual reduction of the tariff by the friends of the masses and for the common weal, and not by the friends of its abuses, its extortions, and its discriminations, keeping in view the ultimate ends of "equality of burdens and equality of opportunities," and the constitutional purpose of raising a revenue by taxation, to wit, the support of the Federal Government in all its integrity and virility, but in simplicity.

TRUSTS AND UNLAWFUL COMBINATIONS.

We recognize that the gigantic trusts and combinations designed to enable capital to secure more than its just share of the joint products of capital and labor, and which have been fostered and promoted under Republican rule, are a menace to beneficial competition and an obstacle to permanent business prosperity. A private monopoly is indefensible and intolerable.

Individual equality of opportunity and free competition are essential to a healthy and permanent commercial prosperity, and any trust, combination, or monopoly tending to destroy these by controlling production, restricting

Reciprocity, silent.

Income tax, silent.

1908.

TARIFF REVISION PROMISED.

The Republican party declares unequivocally for a revision of the tariff by a special session of the Congress immediately following the inauguration of the next President, and commends the steps already taken to this end in the work assigned to the appropriate committees of Congress, which are now investigating the operation and effect of these schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between cost of production at home and abroad, together with a reasonable profit to American industries. We favor the establishment of a maximum and minimum rate to be administered by the President under limitations fixed by the law, the maximum to be available to meet the discrimination by foreign countries against American goods entering our markets, and the minimum representing the normal measure of protection at home, the aim and the purpose of Republican policy being not only to preserve without excessive duties the security against foreign competition to which American manufacturers, farmers, and producers are entitled, but also to maintain the high standard of living of the wage-workers of this country, who are the most direct beneficiaries of the protective system.

TRUSTS.

The Republican party passed the Sherman antitrust law over Democratic opposition, and enforced it after Democratic dereliction. It has been a wholesome instrument for good in the hands of a wise and fearless administration; but experience has shown that its effectiveness can be strengthened and its real objects better obtained by such amendment as will give the Federal Government greater supervision and control over and greater publicity in the management of that class of corporations engaged in interstate commerce having power and opportunity to effect monopolies.

competition, or fixing prices should be prohibited and punished by law. We especially denounce rebates and discrimination by transportation companies as the most potent agency in promoting and strengthening these unlawful conspiracies against trade.

CAPITAL AND LABOR.

We favor enactment and administration of laws giving labor and capital impartially their just rights. Capital and labor ought not to be enemies. Each is necessary to the other. Each has its rights, but the rights of labor are certainly no less "vested," no less "sacred," and no less "unalienable" than the rights of capital.

RECIPROCITY.

We favor liberal trade arrangements with Canada and with peoples of other countries where they can be entered into with benefit to American agriculture, manufactures, mining, or commerce.

Income tax, silent.

1908.

TARIFF.

We welcome the belated promise of tariff reform, now offered by the Republican party, as a tardy recognition of the righteousness of the Democratic position on this question; but the people can not safely intrust the execution of this important work to a party which is so deeply obligated to the highly protected interests as is the Republican party. We call attention to the significant fact that the promised relief is postponed until after the coming election—an election to succeed in which the Republican party must have that same support from the beneficiaries of the high protective tariff as it has always heretofore received from them; and to the further fact that during years of uninterrupted power no action whatever has been taken by the Republican Congress as to correct the admittedly existing tariff iniquities.

We favor immediate revision of the tariff by the reduction of import duties. Articles entering into competition with trust-controlled products should be placed upon the free list; material reductions should be made in the tariff upon the necessaries of life, especially upon articles competing with such American manufactures as are sold abroad more cheaply than at home; and gradual reductions should be made in such other schedules as may be necessary to restore the tariff to a revenue basis.

Existing duties have given the manufacturers of paper a shelter behind which they have organized combinations to raise the price of pulp and of paper, thus imposing a tax upon the spread of knowledge. We demand the immediate repeal of the tariff on wood pulp, print paper, lumber, timber, and logs, and that those articles be placed upon the free list.

TRUSTS.

A private monopoly is indefensible and intolerable. We therefore favor the vigorous enforcement of the criminal law against guilty trust magnates and officials, and demand the enactment of such additional legislation as may be necessary to make it impossible for a private monopoly to exist in the United States. Among the additional remedies we specify three: First, a law preventing a duplication of directors among competing corporations; second, a license system which will, without abridging the right of each State to create corporations, or its right to regulate as it will foreign corporations doing business within its limits, make it necessary for a manufacturing or trading corporation engaged in interstate commerce to take out a federal license before it shall be permitted to control as much as 25 per cent of the product in which it deals, the license to protect the public from watered stock and to prohibit the control by such corporation of more than 50 per cent of the total amount of any product consumed in the United States; and, third, a law compelling such licensed corporations to sell to all purchasers in all parts of the country on the same terms, after making the allowance for the cost of transportation.

Income tax, silent.

INCOME TAX.

We favor an income tax as part of our revenue system, and we urge the submission of a constitutional amendment specifically authorizing Congress to levy and collect a tax upon individual and corporate incomes, to the end that wealth may bear its proportionate share of the burdens of the Federal Government.

Reciprocity, silent.

EXHIBIT 12.

[Tables prepared by Byron W. Holt, October 15, 1906, 42 Broadway, New York.]

TABLE 1.—*Showing differences in discounts between export and home prices.*

Articles—Description.	Export discount from list.	Home discount from list.	Per cent differences.
	Per cent.	*Per cent.*	
Auger bits, Snells or Mathieson	70 and 10	60	48
Auger bits, Jennings pattern	70, 10, and 10	60	60
Auger bits, Kings or Star	60, 10, and 5	60	17
Auger bits, Bates	80 and 10	75	38
Auger bits, handled	33⅓	25	13
Auger bits, car, Jennings pattern	60, 10, and 10	60	23
Alarms, electric	55 and 10	55	11
Axle pulleys	60 and 10	60	11
Ash cans, galvanized	25, 10, and 2	25	17
Bread or meat slicers	50	40	20
Box trucks	50	40	20
Barber's shears	75 and 5	70	28
Bellhanger's gimlets	60, 10, and 5	60	17
Boring machine augers	80 and 10	70 and 10	60
Boring machine ship augers	50 and 10	40	33⅓
Butts, door	50	40	25
Bolts, window	55, 20, 5 and 5	60	23
Bells, hand, nickel-plated	60 and 5	60	6
Bells, jingle	60 and 10	60	11
Bits, expansive, Clark Brown	70 and 10	50 and 10	66
Bits, expansive, Clark's genuine	60 and 10	50 and 10	25
Bits, expansive, cutters and screws	70 and 10	50 and 10	66
Bootjacks	55, 5 and 10	55 and 5	11
Bench hooks	70, 10, 5 and 10	70, 10 and 5	11
Blacksmith's butteries	75, 10, 5 and 10	75, 10 and 5	11
Bridle rings	70, 10, 5 and 10	70, 10 and 5	11
Belt hooks	80, 10 and 10	80 and 10	11
Blind hinges	75, 10 and 10	75 and 10	11
Brass pulleys	60 and 10	60	11
Bird-cage hooks	50	40	20
Bell pulls	55 and 10	55	11
Bells, door	70, 7½ and 10	70 and 7½	11
Bell cranks	70, 5 and 10	70 and 5	11
Barn and cabin door catches	60, 10, 10 and 10	60, 10 and 10	11
Box corners	80 and 10	80	11
Bench screws	10	Net.	11
Cattle ties	60, 10, 10 and 10	60, 10 and 10	11
Cornice hooks	90, 25 and 10	90 and 25	11
Chandelier hooks	70, 5 and 10	70 and 5	11
Chain bolts	70 and 10	70	11
Cake turners	50	40	20
Compasses and calipers	75, 10 and 7½	75 and 5	13
Chisels, box	60	50	20
Carpet stretchers, No. 5	75	60 and 10	44
Casters, stove leg	50	40	20
Casters, rubber tire	40	30	17
Casters, boss	80	70 and 10	35
Coat holders	50	40	25
Coat and hat hooks, crescent	80 and 5	70	53
Carriage washers, perfection	20, 10 and 2	20	17
Chains, hitching	25, 10 and 2	25	17
Carts, hand	50 and 5	40	27
Coal tongs	60, 10 and 10	60 and 10	11
Coal shovels	60, 10, 10 and 10	60, 10 and 10	11
Cow bells	70, 10, 5 and 10	70, 10 and 5	11
Can openers	10	Net.	11
Clamps	60, 10, 10 and 10	60, 10 and 10	11
Cotton, box, and hay hooks	60, 10 and 10	60 and 10	11
Curtain pins	50 and 5 and 10	50 and 5	11
Chest handles	60, 10 and 10	60 and 10	11
Corner braces	80, 10 and 10	80 and 10	11
Clothes line pulleys	70 and 10	70	11
Door bolts	60 and 10	60	11
Door springs	75 and 10	75	11
Door checks	75 and 5 and 10	75 and 5	11
Door holders; pulls and knobs	60, 10, 10 and 10	60, 10 and 10	11

TABLE I.—*Showing differences in discounts between export and home prices*—Continued.

Articles—Description.	Export discount from list.	Home discount from list.	Per cent difference.
	Per cent.	*Per cent.*	
Barn door rollers, hangers, or stops	60, 10 and 10	60 and 10	11
Drills, blacksmith's	60, 10, 10 and 10	60, 10 and 10	11
Drill chucks, Reids	50 and 5	40	27
Door bells, rotary	60 and 10	50	36
Drip pans	65, 10 and 12½	55 and 10	14
Door keys	55 and 10	55	11
Door knockers	75, 5 and 10	70 and 5	11
Desk hooks	60, 10, 10 and 10	60 and 10 and 10	11
Escutcheons, door	55 and 10	55	11
Extension table fasteners	70, 5 and 10	70 and 5	11
Feed cars and measure holders	25, 10 and 2	25	17
Forges, machinist's portable	60, 10 and 7½	60	20
Fire iron sets	60, 10, 10 and 10	60, 10 and 10	11
Fluting scissors, Nos. 93, 94	33⅓	25	12½
Freezers, lightning	65 and 10	50	51
Freezers, blizzard	70 and 10	60	41
Floor scrubbers, No. 1	60 and 10	60	18
Faucets, metal key	60, 10 and 5	60	17
Foot scrapers	70, 5 and 10	70 and 5	11
Game traps	75, 10 and 10	75 and 10	11
Garden trowels and hooks	60, 10 and 10	60 and 10	11
Grindstone fixtures	70, 10, 10 and 10	70, 10 and 10	11
Grass hooks, Bardens	10 and 10	Net.	23
Gate hinges	60, 10, 10 and 10	60, 10 and 10	11
Gate latches	70, 5 and 10	70 and 5	11
Hoof nippers	10	Net.	11
Harness snaps	50 and 10	50	11
Hot-house pulleys	70 and 10	70	11
Harness hooks	60 and 10	60	11
Hacksaw frames, Sterling	50	30, 10 and 10	13
Hacksaw blades, Sterling	50	20, 10 and 5	19
Hacksaw power, Sterling	25 and 10	25	11
Hat and coat racks	50	40	20
Hammers, Spalling; masons	80, 10, 10 and 2½	80 and 10	17
Hammers, shoe	60, 10, 10 and 10	60, 10 and 10	11
Hammer saw-sets, No. 1	75	60 and 10	44
Horseshoe turning sledges	80, 10, 10 and 2½	80 and 10	17
Hinges, hook and strap	50	40	20
Hinges, refrigerator	60 and 10	60	11
Hasps and staples, No. 850	50 and 10	50	11
Hammock hooks and hitching rings	50	40	20
Hand rail stays	50 and 10	50	11
Handles, drop	55 and 10	55	11
Hatchets, shingling	70, 20 and 10	70 and 20	11
Handles, chisel	80, 10 and 10	80 and 10	11
Handles, screw-driver and file	60, 10, 10 and 10	60, 10 and 10	11
Handles, awl	60, 10 and 10	60 and 10	11
Harness brackets and chamois wringers	25, 10 and 2	25	17
Ice box fasts and ice axes	60, 10 and 10	60 and 10	11
Iron manger, hay racks and posts	25, 10 and 12	25	17
Jack chain, steel or brass	60, 7½ and 10	60 and 7½	11
Jackscrews	75, 10, 5 and 10	75, 10 and 5	11
Jacks, carriage	25, 10 and 2	25	17
Keys, padlock	90 and 10	90	11
Knife trays	50	40	20
Label plates	60, 10 and 10	60 and 10	11
Lamps, driving or police	50	40	25
Lamps or lanterns, tubular	50 and 10	45	22
Lamps, automobile	50, 10 and 10	45	35
Lemon squeezers	504	40	20
Ladles, melting	60 and 10	60	11
Linemen's pliers No. 4 and splicing	70	60	33⅓
Locks, ventilating	55, 20 and 5 and 5	60	23
Letter plates	55 and 10	55	11
Locks and latches—door and spring	55 and 10	55	11
Locker catches	60 and 10	60	11
Line cleats	70 and 10	70	11
Links, D	85 and 10	85	11
Lamp hooks	70 and 5 and 10	70 and 5	11
Measuring tapes, architects	50	40	20
Measuring tapes, leather case	40	25	25
Measuring tapes, steel, pocket	50	33⅓	33
Mattocks, adze eye	75, 10 and 5	75	17
Mauls, R. R., ship and wood choppers'	80, 10, 10 and 2½	80 and 10	14
Mop wringers	50	40	20
Mane combs	50 and 5 and 10	50 and 5	11
Match safes	60 and 10	60	11
Meat cutters, Hale	10	Net.	11
Molasses gates	80, 10, 5 and 10	80, 10 and 5	11
Nut cracks	70, 10, 5 and 10	70, 10 and 5	11
Nails, wagon	60 and 10	60	11
Oilstones, Washita, mounted	50 and 10	33⅓	48
Ornamental figures, bronze	70, 5 and 10	70 and 5	11
Oilers, steel, copper and nickel plated	75 and 5	60 and 10	57
Oilers, brass	50 and 10	50	11
Oilers, engineers' and railroads, copper	70	60 and 10	20
Ox-bow pins	80 and 10	80	11
Ox balls	60, 10 and 10	60 and 10	11
Padlocks	60, 7½ and 10	60 and 7½	11
Post augurs	70 and 10	60	48
Picks, railroad, Hunt eye	75 and 5	70	26
Picks, stone and contractors'	70, 10, 10 and 5	70	30
Picks, mattocks, coal and ore picks	75, 10 and 5	75	17

TABLE I.—*Showing differences in discounts between export and home prices*—Continued.

Articles—Description.	Export discount from list.	Home discount from list.	Per cent difference.
	Per cent.	*Per cent.*	
Pliers, farmers' and machinists'	80	70	50
Pruning shears	75	60 and 10	44
Planes, iron or wood bottom	70 and 10	60	48
Push buttons	70, 10, 5 and 10	70, 10 and 5	11
Push plates and picture nails	55 and 10	55	11
Picture knobs and hooks	60, 10 and 10	60 and 10	11
Paper weights and flies	60, 10, 10 and 10	60, 10 and 10	11
Paste jaggers	55 and 5 and 10	55 and 5	11
Plumb bobs	70, 5 and 10	70 and 5	11
Plows, sulky and gang	40	25	25
Plows, hand and contractors'	40	25	25
Road scrapers	40	25	25
Rope binding clamps	60, 10 and 10	60 and 10	11
Rein chains	75, 5 and 10	75 and 5	11
Rim locks	60	50	25
Reamers, square	40, 10 and 10	40	23
Stair buttons	50	40	20
Shutter knobs, No. 30	80, 10 and 5	80	17
Spice cabinets	50	40	20
Slaw cutters	50	40	20
Sawbucks	50	40	20
Sash locks, cast	60, 20, 5, and 5	62½	30
Sash locks, Ives	55, 20, 5 and 5	50 and 10	40
Staples, wrought, No. 849	50 and 10	50	11
Screw-drivers, union	50	40	20
Screw-drivers, No. 40	60, 10 and 10	50	23
Screw-drivers, No. 30	60	60	60
Screw-driver countersinks	40, 10, 10 and 10	45	25
Sledges, 3 to 24 lbs. and railroad	80, 10, 10, 10 and 2½	80½	14
Shears, tailors', simplex	55	40 and 10	20
Scythe snaths	50, 12½, 7½ and 5	50	30
Stable gutters, drains, and gratings	25, 10 and 2	25	17
Scoops, potato	50, 10 and 5	40	40
Screws, saw	60 and 10	60	11
Steel rules	70, 7½ and 10	70 and 7½	11
Steel squares	75, 10 and 10	75 and 10	11
Soap boxes and racks, metal	25, 10 and 2	25	17
Stoves, crucible or scorcher	10 and 2	Net.	17
Scales, brass scoop, spring or platform	60 and 10	60	11
Sausage stuffers	55 and 10	55	11
Screen-door handles	50 and 5	40	11
Shutter screw rings	50, 10 and 10	50	23
Spring hinges	60, 10 and 10	60 and 10	11
Screen-door sets	60, 10, 10 and 10	60, 10 and 10	11
Shutter bolts	40, 10 and 10	40 and 10	11
Screen catches	60, 10 and 10	60 and 10	11
Store door handles	60, 10, 10 and 10	60, 10 and 10	11
Shutter knobs and sash pulls	60, 10 and 10	60 and 10	11
Sash rails and shutter sheaves	60 and 10	60	11
Sash rollers	60, 10, 10 and 10	60, 10 and 10	11
Shutter sheaves	60 and 10	60	11
Screw pulleys	70 and 10	70	11
Shelf brackets	80 and 10	80	11
Shutter rings, cord irons	60, 10 and 10	60 and 10	11
Screw and stair-rod eyes	90, 25 and 10	90 and 25	11
Safety chain, brass	66⅔ and 10	66⅔	11
Sheep bells	70, 10, 5 and 10	70, 10 and 5	11
Sad-iron stands	50, 5 and 10	50 and 5	11
Saw rods	80, 10 and 10	80 and 10	11
Twine boxes	70, 10 and 10	70 and 10	11
Telegraph hooks	66⅔ and 10	66⅔	11
Trucks, grocery	75 and 5	60	60
Trucks, baggage	65 and 5	50	50
Trucks, store	70	60 and 10	20
Tongs, blacksmiths'	75, 10, 5 and 10	75, 10 and 5	11
Tortilla mills	10	Net.	11
Tack hammers	60 and 10	60	11
Tacks, double pointed	{80, 10, 10, 10.\ 10 and 10}	80, 10, 10 and 10	23
Tree pruners, standard	80, 10, 10 and 5	80 and 10	17
Tree pruners, telephone	75	60 and 10	44
Trimmers, bent, japanned	75 and 5	70	26
Trimmers, bent, nickel	70	60	33⅓
Tinners' snips, forged steel	50 and 10	50	11
Trucks, barrel, No. 950	50	40	20
Tobacco cutters	40, 5 and 10	40	17
Tills, tool racks, and towel rollers	50	40	20
Towel bars	50 and 5	40	26
Transom butts and tub handles	60, 10 and 10	60 and 10	11
Transom catches and chains	60 and 10	60	11
Towel and toilet hooks	60 and 10	60	11
Tackle pulleys	70 and 10	70	11
Turn-buckles	60, 10 and 10	60 and 10	11
Umbrella stands, iron	60, 10 and 10	60 and 10	11
Vise boxes and screws	33⅓	25	13
Vises, solid box, 25 to 100 lbs	60, 10 and 5	60	17
Vises, solid box, 140 to 200 lbs	60	50	25
Veneer points	60, 10 and 10	60 and 10	11
Wrenches, Sargent's	75, 10, 5 and 10	75, 10 and 5	11
Wrenches, Coes, Star	40, 10, 7½, 7½, 5 and 5	40, 10, 5 and 5	10
Weather strips, flexible	75	60 and 10	44
Window cleaners and wagon stake irons	50 and 10	60	11
Well wheels	70, 5 and 10	70 and 5	11
Washers, bright	22½ and 10	22½	11
Washers, cutters	60, 10, 10 and 10	60, 10 and 10	11
Whip racks and wheel guards	25, 10 and 2	25	17
Watering troughs, iron	30, 10 and 2	30	17
Yoke hooks	25, 10 and 2	25	17

TABLE II.—*Showing difference between export and home prices of certain specified articles.*

Articles and description.	Export price.	Home price.	Difference.
			Per cent.
Boring machines, upright, each	$2.25	$2.50	11
Boring machines, angular, do	2.40	2.75	14
Crowbars, 10 to 40 lbs, per 100 pounds	2.35	3.25	38
Track wrenches, single, do	5.00	5.75	15
Lining bars, do	2.60	3.25	25
Tamping bars, do	3.15	3.50	11
Nail sets, No. 15, per gross	3.50	4.00	14
Saw sets, No. 1, per doz	3.00	3.50	16
Saw sets, Taintor, do	5.00	6.75	35
Box scrapers, No. 21, do	2.25	2.50	30
Revolving punches, No. 26, do	3.25	3.50	8
Saddler's punches, Nos. 1 to 6, do	.65	.75	10
Box hooks, 10-inch, do	2.25	2.50	11
Carpet stretchers, No. 66, do	1.75	1.90	9
Tack claws, No. 68, per gross	5.50	6.00	10
Gimlets, No. 18, do	4.25	4.60	8
Gimlets, German pattern, do	4.85	5.75	19
Can openers, No. 98, do	9.00	10.00	11
Sardine scissors, per doz	2.50	3.00	20
Cold chisels, ½ inch, per lb	.17	.19	12
Spoke shaves, No. 0, per doz	1.12	1.25	12
Plows, disc No. 1, each	32.50	40.00	25
Harrows, 25-tooth, do	18.25	22.00	25
Harrows, wood-frame, 18-tooth, do	7.50	9.00	20
Cultivators, wheel, No. 61, do	4.00	5.00	25
Plows, shovel, No. 20, do	2.15	2.50	16
Hoes, berry and grape, do	7.00	8.00	15
Hoes, potato, No. 1, do	4.75	5.50	16
Wheelbarrows, wood, bolted, per doz	14.50	16.00	11
Wheelbarrows, mortar, do	18.00	20.00	11
Wheelbarrows, stone, do	17.50	19.00	11
Wheelbarrows, garden, wood-wheel, each	2.50	3.00	20
Road scrapers, No. 1, do	4.00	5.00	25
Shoes, horse, per 100 pounds	3.38	3.90	15
Shoes, mule, do	3.38	3.90	15
Calks, toe, do	3.00	3.90	30
Threshers, grain, horse or steam power, 32-in, each	300.00	400.00	33⅓
Straw stackers, 18-ft, do	25.00	30.00	20
Grain weigher and bagger, do	45.00	60.00	33⅓
Rubber belting, 6-in, per ft	.39	.30	33⅓
Clover hullers, 32-in, each	338.00	450.00	33⅓
Horsepowers, 10-horse, do	143.00	190.00	33⅓
Sawmills, 24-ft. carriage, do	244.00	325.00	33⅓
Pumps, jet, do	3.00	4.00	33⅓
Engines, traction, 8-horsepower, do	917.00	1,225.00	33⅓
Engines, Farm, 8-horsepower, do	563.00	750.00	33⅓
Clothes wringers, 10 by 1¾, per doz	18.70	22.50	20
Scales, wagon and hay, 3 tons, each	67.50	75.00	11
Scales, depot, 4 tons, do	162.00	180.00	11
Scales, platform, with wheels, 800 lbs, do	17.10	19.00	11
Scales, grocer's, brass scoop, 244 lbs, do	8.10	9.00	11
Incubators, No. 1, do	15.00	20.00	33⅓
Brooders, 200 chicks, do	9.20	11.50	25
Potato planters, plain, do	45.00	50.00	11
Potato diggers, do	90.00	100.00	11
Forges, machinists, portable, do	14.50	16.80	20
Shovels, D handle, square point, No. 2, per doz	8.25	11.00	33⅓

TABLE II.—*Showing difference between export and home prices of certain specified articles*—Continued.

Articles and description.	Export price.	Home price.	Difference.
			Per cent.
Spades, D handle, No. 2, per doz	$9.00	$12.00	33⅓
Watches, 23 jewel Vanguard, nickel case, each	22.47	26.23	16
Watches, 21 jewel Vanguard, nickel case, do	19.07	24.11	26
Watches, 21 jewel Crescent st., nickel case, do	15.43	19.88	28
Watches, 17 jewel Premier, nickel case, do	14.12	16.50	16
Watches, 23 jewel Riverside Maximus case, do	31.77	43.15	35
Watches, 19 jewel Riverside, nickel case, do	14.69	18.19	23
Watches, 21 jewel Father Time, nickel case, do	14.42	19.89	38
Beds, brass, 1½ inch pillars, do	22.67	27.50	5
Beds, brass, cribs, 1-inch pillars, do	20.00	22.50	11
Beds, enameled, 1-inch pillars, do	8.00	9.00	12
Bed springs, woven wire, do	2.70	3.04	13
Bull rings, steel, 2½-in, per doz	.67	.75	12
Bull rings, copper, 2½-in, per gross	10.85	13.45	24
Cattle leaders, No. 2, do	6.00	7.20	20
Corn hooks, serrated blade, do	23.70	25.20	7
Knives, kitchen, do	12.00	16.00	33⅓
Auger bits, Snells, ½-in, per doz	1.62	2.40	48
Auger bits, Jennings, ½-in, do	1.21	2.00	60
Auger bits, Kings, ½-in, do	1.71	2.00	17
Auger bits, Star, ½-in, do	1.37	1.60	17
Auger bits, Mathieson, 1-in, do	3.08	3.60	48
Pulleys, axle, 2½-in, do	.72	.80	11
Pulleys, hothouse, 2½-in, do	.81	.90	11
Bits, expansive, Clark Brown, do	4.86	8.10	66
Bits, expansive, cutters, ½ to ¾-in, do	.81	1.35	66
Locks, rim, 5-in, do	3.60	4.01	11
Locks, mortise, No. 4607, do	3.24	3.60	11
Locks, padlocks, assorted, No. 5, per gross	3.89	4.32	11
Springs, coil, steel, ½-in, per doz	.48	.54	11
Springs, coil, brass, 2-in, do	.40	.45	11
Keys, door, No. 105, per gross	.80	.90	11
Keys, padlock, No. 20, do	1.77	1.97	11
Wagon stake irons, 2-in, per doz	.77	.86	11
Staples, in kegs, 1-in, per keg	4.80	5.30	11
Shears, barbers, 8-in, Japanned, per doz	3.80	4.80	26
Shears, tailors, 13-in, per pair	3.60	4.32	20
Shears, tinner's snips, 13-in, do	.90	1.00	11
Shears, pruning, 9-in, per doz	13.50	16.20	20
Soap, toilet, Violet, per gross	32.00	40.80	25
Soap, toilet, Jockey Club, do	23.87	28.05	25
Soap, toilet, Lettuce, do	19.50	22.44	15
Soap, toilet, Vioris, large, do	16.62	19.12	15
Soap, toilet, Sweet Lavender, do	14.04	19.12	35
Soap, toilet, Shaving stick, large, do	13.00	16.74	30
Soap, toilet, Honey, do	11.11	12.75	15
Soap, toilet, Cashmere Bouquet, do	20.48	30.24	48
Soap, toilet white Castile, do	9.94	12.11	25
Soap, toilets Glycerine, do	8.34	12.75	52
Flavoring extract, vanilla ½ pints, per doz	7.58	8.43	11
Flavoring extract, lemon pints, do	9.65	10.88	12
Florida water, per case	2.75	5.00	81
Perumery Edition de Luxe, 4 oz, per doz	15.60	17.85	15
Perfumery, violet, 2 oz, do	11.70	13.38	15
Talcum powder, violet, large, do	1.39	1.60	16
Vaseline No. 2, do	.58	.70	20

EXHIBIT 13.

Dingley prohibitive duties.

[See H. R. Doc. 1504, 60th Cong., 2d sess., for reduction in these revenues.]

Payne-Aldrich bill.	Article.	Duty.	Ad valorem.	Revenue, 1907.	Evans's Imports and Duties, 1894-1907.
			Per cent.		*Table No.*
Par.	Barley	30 cents per bushel	53.64	$8,544	148
423	Buttons:				
	Bone	¼ cent per line plus 15 per cent	66.45	631	181
	Horn and vegetable ivory	⅜ cent per line plus 15 per cent	71.88	49,270	182
	Nickel bar	½ cent per line plus 15 per cent	73.79	601	185
	Pearl shell	1½ cents per line plus 15 per cent	57.40	94,219	189
	Shoe buttons	1 cent per gross	44.92	84	190
1	Acid, salicylic	10 cents per pound	38.30	918	234
	Acids, n. s. p. f	25 per cent	25.00	12,435	242
59	Potash, chlorate of	2½ cents per pound	34.61	514	459
58	Potash, chromate and bichromate	3 cents per pound	41.14	283	460
68	Soda-bicarbonate, etc	¼ cent per pound	23.87	1,020	484
73	Soda ash	¼ cent per pound	34.63	25,295	500
81	Vanillin	80 cents per ounce	320.00	80	537
287	Chicory root	1 cent per pound	64.25	26,778	540
91	Clock cases, with or without movements, composed of china, porcelain, bisque, etc.	60 per cent	60.00	156	580
290	Dandelion root and other articles used as substitutes for coffee, n. s. p. f	2½ cents per pound	37.00	8,309	614
425	Corks three-fourths inch or less in diameter	25 cents per pound	42.08	22,898	642
323	Plushes, velvets, and other pile fabrics of cotton, etc., dyed, colored, etc	12 cents per yard plus 25 per cent	58.42	257,088	1174
323	Corduroys of cloth, dyed, colored, etc	12 cents per yard plus 25 per cent	58.10	1,704	1178
344	Collars and cuffs of cotton	45 cents per dozen plus 15 per cent	58.68	650	1220
	Corsets, n. s. p. f	50 per cent	50.00	37,244	1221
344	Collars and cuffs, part linen	40 cents per dozen plus 20 per cent	49.60	25,787	1637
353	Manufactures of flax, n. s. p. f	45 per cent	45.00	362,528	1700
273	Oranges	1 cent per pound	59.69	207,828	1792
	Lemons				
	Oilcloth				

Dingley prohibitive duties—Continued.

Payne-Aldrich bill.	Article.	Duty.	Ad valorem.	Revenue, 1907.	Evans's Imports and Duties, 1894–1907.
Par.					*Table No.*
97	Glass:		*Per cent.*		
	Cylinder, crowned, common window glass, unpolished—				
	Above 16 by 24 inches, not exceeding 24 by 30 inches	2⅜ cents per pound	74.32	$82,569	1921
	Above 24 by 30 inches, not exceeding 24 by 36 inches	2¾ cents per pound	78.69	26,970	1922
98, 99, 100, 101	Plate, cast, polished, silvered, etc.—				
	Not exceeding 16 by 24 inches	11 cents per square foot	43.80	78	1973
	Above 16 by 24 inches and not above 24 by 30 inches	13 cents per square foot	39.44	469	[a]1974
441	Haircloth, crinoline cloth	10 cents per square yard	65.68	228	2029
254	Hay	$4 per ton	50.18	251,280	2067
151	Table, carving, cooks, kitchen, etc., knives, forks, and steels, with handles, n. s. p. f.	1½ cents each plus 15 per cent	60.43	17,554	2397
150	Tubes and tubing for cycles	35 per cent	35.00	9,324	2472
450, 451	Gloves, ladies' and children's:				
	Schmaschen, glace finish, not over 14 inches in length, unlined	$1.75 per dozen	41.63	182,722	2527
	Lamb or sheep, glace finish, not over 14 inches in length, unlined	$2.50 per dozen	49.48	548,208	2543
	Of sheep origin, with exterior grain surface, not over 17 inches in length, unlined.	$2.50 per dozen	41.64	9,040	2560
	Goat, kid, or other leather than sheep, glace finish, not over 14 inches in length, unlined.	$3 per dozen	43.34	126,570	2573
	Goat, etc., with exterior surface removed, not over 14 inches in length, unlined.	$3 per dozen	41.41	5,634	2591
306	Malt extract in casks (fluid)	20 cents per gallon	33.37	265	2672
418	Manufactures of palm leaf, n. s. p. f.	30 per cent	30.00	3,698	2881
457	Masks of paper or pulp	35 per cent	35.00	282	2911
464	Slate pencils, all other	3 cents per 100	59.77	6,471	2956
302, 304	Bay rum or bay water	$1.50 per proof gallon	331.84	2,021	2961
216	Rice, cleaned	2 cents per pound	62.66	539,061	3022
215	Saccharine	$1.50 per pound plus 10 per cent	216.71	847	3064
397	Silk goods, ornamented with beads or spangles	60 per cent	60.00	3,293	3155
395	All other manufactures of silk, n. s. p. f.	50 per cent	50.00	637,337	3162
	Spar, manufactures of	50 per cent	50.00	699	3171
455	Straw and grass manufactures, n. s. p. f.	30 per cent	30.00	200,820	3226
213	Sugar, refined	1.95 cents per pound	72.57	84,220	3295
198	Sticks for umbrellas, parasols, and sunshades	40 per cent	40.00	2,977	3351
250	Cabbage	3 cents per head	44.58	174	3355
	Spirits				
356, 357, 365	Wool, Class I:				
362	Washed	22 cents per pound	61.32	309	3498
362	Scoured	33 cents per pound	87.50	2,079	3499
	Wool, Class II:				
362, 365	Scoured	36 cents per pound		[b]	3511
	Wool, Class III:				
362, 366	Scoured	12 and 21 cents per pound		[b]	3530, 3535
373	Yarns, valued not more than 30 cents per pound	27½ cents per pound plus 40 per cent	143.02	31	3562
375	Blankets—				
	Valued more than 30 cents and not more than 40 cents per pound	22 cents per pound plus 30 per cent	107.60	340	3565
375	Valued more than 40 cents and not more than 50 cents per pound	33 cents per pound plus 35 per cent	106.12	232	3567
375	Over 3 yards long, valued not more than 40 cents per pound	33 cents per pound plus 50 per cent	165.42	67	3571
375	Valued more than 40 cents, not more than 70 cents per pound	44 cents per pound plus 50 per cent	120.98	4,438	3572
	Valued more than 70 cents per pound	44 cents per pound plus 55 per cent	104.55	8,591	3573
382	Carpets—				
	Brussels	44 cents per square yard plus 40 per cent	75.81	8,645	3577
384	Wool, Dutch and 2-ply ingrain	18 cents per square yard plus 40 per cent	58.63	903	3584
	Tapestry, Brussels	28 cents per square yard plus 40 per cent	60.73	1	3581
375	Flannels for underwear—				
	Valued over 30 cents, not over 40 cents per pound	22 cents per pound plus 50 per cent	143.67	24	3623
	Valued over 40 cents, not over 50 cents per pound	33 cents per pound plus 35 per cent	101.26	130	3625
	Valued over 50 cents, not over 70 cents per pound	11 cents per square yard plus 50 per cent	105.49	117	3626
	Valued over 70 cents per pound	11 cents per square yard plus 55 per cent	86.39	5,217	3627
	Weighing over 4 ounces per square yard, valued more than 50 cents and not more than 70 cents per pound.	44 cents per pound plus 50 per cent	125.80	5,481	3630
378	Knit fabrics—				
	Valued not over 40 cents per pound	33 cents per pound plus 50 per cent	141.00	1	3635
	Valued over 40 cents, less than 70 cents per pound	44 cents per pound plus 50 per cent	119.06	642	3636
	Valued above 70 cents per pound	44 cents per pound plus 55 per cent	95.67	9,255	3673
378	Hats of wool, valued over 50 cents per pound	44 cents per pound plus 60 per cent	86.61	13,771	3648
378	Shawls, knitted or woven	44 cents per pound plus 60 per cent	92.70	57,813	3654

[a] See others.

[b] More imported.

EXHIBIT 14.

Estimate of reductions in duties of H. R. 1438 as reported from the Committee on Finance, United States Senate, compared with the present tariff law, showing percentages of decrease.

[Prepared under direction of the Senate Committee on Finance, Sixty-first Congress, first session.]

SCHEDULE A.—CHEMICALS, OILS, AND PAINTS.

Paragraph of Senate bill.	Article.	Rates of duty—		Percentage of reduction.	Total imports, by value, 1907.
		Present law.	Senate bill.		
1	Acids:				
	Boracic	5 cents per pound	2 cents per pound	60.00	$28,425.00
	Chromic	3 cents per pound	do	33.33	303.00
	Gallic	10 cents per pound	8 cents per pound	20.00	7,086.00
	Lactic, containing not over 40 per cent of actual lactic acid	3 cents per pound	2 cents per pound	33.33	
	Salicylic	10 cents per pound	5 cents per pound	50.00	2,397.00
	Tannic, or tannin	50 cents per pound	35 cents per pound	30.00	2,797.00
	Tartaric	7 cents per pound	5 cents per pound	28.57	3,876.00

Estimate of reductions in duties of H. R. 1438 as reported from the Committee on Finance, United States Senate, etc.—Continued.

SCHEDULE A—CHEMICALS, OILS, AND PAINTS—continued.

Paragraph of Senate bill.	Article.	Rates of duty— Present law.	Rates of duty— Senate bill.	Percentage of reduction.	Total imports by value, 1907.
2	Alcoholic compounds	60 cents per pound and 45 per cent.	60 cents per pound and 25 per cent.	20.09	$1,365.30
4	Alumina, hydrate of, containing not more than 64 per cent of alumina	$\frac{1}{10}$ cent per pound	$\frac{1}{10}$ cent per pound[a]	33.33	1,296.00
	Alum, alum cake, etc.:				
	Containing less than 15 per cent of alumina and more than $\frac{1}{10}$ of 1 percent of iron oxide.	$\frac{1}{4}$ cent per pound	$\frac{1}{2}$ cent per pound	50.00	24,582.30
	Containing more than 15 per cent of alumina or less than $\frac{1}{10}$ of 1 per cent of iron oxide.	do	$\frac{1}{4}$ cent per pound	25.00	
5	Ammonia, sulphate of	$\frac{1}{10}$ cent per pound	$\frac{1}{10}$ cent per pound	33.33	1,770,222.00
6	Argols, crude:				
	Containing not more than 40 per cent of bitartrate of potash	1 cent per pound	5 per cent	85.26	114.00
	Containing more than 40 per cent of bitartrate of potash	$1\frac{1}{2}$ cents per pound	do	65.59	10,443.00
	Argols, partly refined:				
	Containing not more than 90 per cent of bitartrate of potash	4 cents per pound	3 cents per pound	25.00	2,634.00
	Containing more than 90 per cent of bitartrate of potash	5 cents per pound	4 cents per pound	20.00	1.00
	Tartrate of soda, or potassa, or Rochelle salts	4 cents per pound	3 cents per pound	25.00	76.00
	Cream of tartar, and patent tartar	6 cents per pound	5 cents per pound	16.67	614.00
9	Blue vitriol	$\frac{1}{2}$ cent per pound	$\frac{1}{2}$ cent per pound[a]	50.00	75,650.50
11	Borax	3 cents per pound	2 cents per pound	60.00	48,118.00
	Borates of lime or soda:				
	Containing not more than 36 per cent of anhydrous boracic acid	3 cents per pound	$1\frac{1}{2}$ cents per pound	58.33	346.00
	Containing more than 36 per cent of anhydrous boracic acid	4 cents per pound	do	68.75	2,325.00
14	Chloroform	20 cents per pound	10 cents per pound	50.00	1,575.00
17	Collodion, etc.:				
	Collodion and all compounds of pyroxylin	50 cents per pound	40 cents per pound	20.00	2,195.00
	Rolled, or in sheets, unpolished and not made up into articles	60 cents per pound	45 cents per pound	25.00	205.00
538	Copperas, or sulphate of iron	$\frac{1}{4}$ cent per pound	Free of duty	100.00	89.00
20	Ethers:				
	Sulphuric	40 cents per pound	8 cents per pound	80.00	372.00
	Nitrous, spirits of	25 cents per pound	20 cents per pound	20.00	
	Fruit ethers, oils, or essences	$2 per pound	$1 per pound	50.00	1,439.00
	Other, n. s. p. f.	$1 per pound	50 cents per pound	50.00	1,012.00
21	Extracts of mangrove bark	$\frac{1}{4}$ cent per pound	$\frac{1}{4}$ cent per pound	37.50	42.46
22	Gelatin, fish glue, or isinglass, prepared fish bladders and fish sounds, valued not above 10 cents.	$2\frac{1}{2}$ cents per pound	2 cents[a]	20.00	
27	Iodoform	$1 per pound	75 cents per pound	25.00	59.00
	Licorice, extracts of	$4\frac{1}{2}$ cents per pound	20 per cent	49.77	77,984.00
3	Croton oil	20 cents per pound	25 per cent	22.88	1.10
	Cotton-seed oil	4 cents per gallon	3 cents per gallon[a]	25.00	9,342.00
33	Flaxseed or linseed oil	20 cents per gallon	15 cents per gallon	25.00	5,712.00
	Poppy-seed oil	do	do	25.00	3,243.00
37	Peppermint oil	50 cents per pound	25 cents per pound	50.00	18,539.00
45	Ocher and ochery earths, ground in oil or water	$1\frac{1}{2}$ cents per pound	1 cent per pound	33.33	
	Sienna and sienna earths, ground in oil or water	do	do	33.33	
	Umber and umber earths, ground in oil or water	do	do	33.33	
48	Ultramarine, dry, in pulp, or mixed with water	$3\frac{1}{2}$ cents per pound	3 cents per pound	20.00	66,758.00
	Wash blue containing ultramarine	do	do	20.00	28,623.00
49	Varnishes, spirit	$1.32 per gallon and 35 per cent.	35 per cent	66.38	5,154.00
52	Whiting, ground in oil (putty)	1 cent per pound	$\frac{1}{4}$ cent per pound	25.00	143.00
58	Potash:				
	Bichromate and chromate of	3 cents per pound	$2\frac{1}{2}$ cents per pound	25.00	685.00
59	Chlorate of	$2\frac{1}{2}$ cents per pound	2 cents per pound	20.00	
61	Nitrate of, or saltpeter, refined	$\frac{1}{2}$ cent per pound	Free of duty	100.00	15,833.12
64	Plasters, healing or curative, and court-plaster	35 per cent	25 per cent	28.57	9,468.50
68	Soda:				
	Bicarbonate of, or supercarbonate of, or saleratus, etc.	$\frac{1}{4}$ cent per pound	$\frac{1}{4}$ cent per pound	16.67	4,274.00
	Bichromate and chromate of	2 cents per pound	$1\frac{1}{2}$ cents per pound	12.50	425.00
70	Crystal carbonate of, etc	$\frac{1}{10}$ cent per pound	$\frac{1}{2}$ cent per pound	16.67	2,625.00
	Chlorate of	2 cents per pound	$1\frac{1}{2}$ cents per pound	25.00	
71	Hydrate of, or caustic	$\frac{1}{2}$ cent per pound	$\frac{1}{4}$ cent per pound	33.33	39,336.00
	Nitrite of	$2\frac{1}{2}$ cents per pound	2 cents per pound	20.00	37,623.00
	Hyposulphite of	$\frac{1}{4}$ cent per pound	$\frac{1}{4}$ cent per pound	25.00	1,093.00
	Sulphide of	do	do	25.00	20,988.00
72	Sal, or soda crystals	$\frac{1}{10}$ cent per pound	$\frac{1}{2}$ cent per pound	16.67	4,771.00
73	Soda ash	$\frac{1}{2}$ cent per pound	$\frac{1}{2}$ cent per pound	33.33	73,052.00
	Arseniate of	$1\frac{1}{2}$ cents per pound	1 cent per pound	20.00	9,306.00
74	Silicate of	$\frac{1}{4}$ cent per pound	$\frac{1}{4}$ cent per pound	25.00	11,461.00
75	Sulphate of—				
	Glauber salts	$1.25 per ton	$1 per ton	20.00	4,974.00
	Salt cake, or niter cake	do	do	20.00	37,679.00
76	Moss, sea	10 per cent	Free of duty	100.00	17,567.00
	Prepared	20 per cent	10 per cent	50.00	12,029.00
77	Sponges, manufactures of, n. s. p. f.	40 per cent	30 per cent	25.00	45.00
78	Strychnia, or strychnine, and salts of	30 cents per ounce	15 cents per ounce	50.00	336.00
79	Sulphur:				
	Refined	$8 per ton	$6 per ton	25.00	18,080.00
	Sublimed	do	do	25.00	41,501.00
81	Vanillin	80 cents per ounce	25 cents per ounce	68.75	25.00

SCHEDULE B—EARTHS, EARTHENWARE, AND GLASSWARE.

82	Brick, fire, not more than 10 pounds each: Glazed, enameled, etc	45 per cent	35 per cent	22.22	$20.00
	Weighing more than 10 pounds each, not glazed	35 per cent	30 per cent	14.28	
	Weighing more than 10 pounds each, glazed	45 per cent	35 per cent	22.22	
	Brick, other than fire: Glazed, enameled, etc	do	do	22.22	7,665.00
86	Plaster rock or gypsum:				
	Crude	50 cents per ton	20 cents per ton	60.00	457,047.00
	Ground or calcined	$2.25 per ton	$1.75 per ton	22.22	21,807.00
89	Mica:				
	Unmanufactured or rough trimmed only	6 cents perpound and 20 per cent.	5 cents per pound and 20 per cent.	7.58	1,116,320.25
	Cut or trimmed	12 cents per pound and 20 per cent.	10 cents per pound and 20 per cent.	7.47	73,364.00
90	Rockingham ware, decorated	60 per cent	40 per cent	33.33	
94	Carbons for electric lighting	90 cents per 100	70 cents per 100 feet	[b]22.22	157,311.00
	Filter tubs	45 per cent	35 per cent	22.22	1,755.00

[a] Amendment to be submitted by committee.

[b] Estimated.

Estimate of reductions in duties of H. R. 1438 as reported from the Committee on Finance, United States Senate, etc.—Continued.

SCHEDULE B—EARTHS, EARTHENWARE, AND GLASSWARE—continued.

Paragraph of Senate bill.	Article.	Rates of duty— Present law.	Rates of duty— Senate bill.	Percentage of reduction.	Total imports, by value, 1907.
97	Cylinder, crown, and common window glass, unpolished:				
	Above 24 by 30 and not exceeding 24 by 36 inches	2½ cents per pound	2⅜ cents per pound	4.00	$34,273.37
	Above 24 by 36 and not exceeding 30 by 40 inches	3¼ cents per pound	3⅛ cents per pound	3.70	26,346.45
	Above 30 by 40 and not exceeding 40 by 60 inches	4 cents per pound	3⅞ cents per pound	3.23	11,698.00
	Above 40 by 60 inches	4½ cents per pound	4⅜ cents per pound	2.86	93.00
98	Cylinder and crown glass, polished, unsilvered:				
	Above 24 by 30 and not exceeding 24 by 60 inches	15 cents per square foot.	12 cents per square foot.	20.00	.....
	Above 24 by 60 inches	20 cents per square foot.	15 cents per square foot.	25.00	.....
99	Plate glass, fluted, rolled, etc.: Above 24 by 60 inches	35 cents per square foot.	22½ cents per square foot.	35.71	1,613.00
100	Plate glass, cast, polished, unsilvered: Above 24 by 60 inches	....do	....do	35.71	40,687.00
101	Plate glass, cast, polished, silvered, and looking-glass plates: Above 24 by 60 inches	38 cents per square foot.	25 cents per square foot.	34.21	1,944.00
	Cylinder and crown glass, polished, silvered, and looking-glass plates: Above 24 by 60 inches.	....do	....do	34.21	1,173.00
102	Plate glass, cast, polished, silvered, when bent, etc., above 24 by 60 inches	38 cents per square foot and 5 per cent.	25 cents per square foot and 5 per cent.	31.26	45.00
	Plate glass, cast, polished, unsilvered, when bent, etc., above 24 by 60 inches	35 cents per square foot and 5 per cent.	22½ cents per square foot and 5 per cent.	33.65	6,324.00
	Cylinder, crown, and common window glass, unpolished, when bent, etc.:				
	Above 24 by 30 and not exceeding 24 by 36 inches	2⅞ cents per pound and 5 per cent.	2⅜ cents per pound and 5 per cent.	4.04	1,731.00
	Above 24 by 36 and not exceeding 30 by 40 inches	3¼ cents per pound and 5 per cent.	3⅛ cents per pound and 5 per cent.	3.38	1,668.00
	Above 30 by 40 and not exceeding 40 by 60 inches	3⅞ cents per pound and 5 per cent.	3⅝ cents per pound and 5 per cent.	3.05	15,173.00
	Above 40 by 60 inches	4½ cents per pound and 5 per cent.	4⅜ cents per pound and 5 per cent.	[a]2.00	.....
	Cylinder and crown glass, polished, silvered, when ground, bent, etc., above 24 by 60 inches.	38 cents per square foot and 5 per cent.	25 cents per square foot and 5 per cent.	30.64	18.00
	Cylinder and crown glass, polished, unsilvered, when ground, bent, etc., above 24 by 30 and not exceeding 24 by 60 inches.	15 cents per square foot and 5 per cent.	12 cents per square foot and 5 per cent.	18.18	208.00
109	Marble:				
	Sawed or dressed, over 2 inches in thickness	$1.10 per cubic foot	$1 per cubic foot	9.09	360.00
	Slabs or paving tiles—				
	Not more than 1 inch in thickness—				
	Unrubbed	12 cents per superficial foot.	8 cents per superficial foot.	33.30	48,593.00
	Rubbed	15 cents per superficial foot.	10 cents per superficial foot.	33.33	16,686.00
	More than 1 inch and not more than 1½ inches thick—				
	Unrubbed	....do	....do	20.00	8,212.00
	Rubbed	18 cents per superficial foot.	12 cents per superficial foot.	33.33	724.00
	More than 1½ inches and not more than 2 inches thick—				
	Unrubbed	....do	12½ cents per superficial foot.	30.55	202.00
	Rubbed	21 cents per superficial foot.	14½ cents per superficial foot.	30.91	.....
	Onyx:				
	In block, rough or squared	$1.50 per cubic foot	65 cents per cubic foot.	56.67	71,437.00
	Sawed or dressed, over 2 inches in thickness	$1.10 per cubic foot	$1 per cubic foot	9.09	.....
	Mosaic cubes of marble, onyx, or stone, not exceeding 2 inches in size, loose	1 cent per pound and 20 per cent.	½ cent per pound and 20 per cent.	58.59	49,405.00
	Attached to paper or other material	20 cents per superficial foot and 35 per cent.	5 cents per superficial foot and 35 per cent.	[a]7.08	.....

SCHEDULE C—METALS, AND MANUFACTURES OF.

115½	Iron ore	40 cents per ton	25 cents per ton	37.50	$1,212,607.00
576	Basic slag	$1 per ton	Free of duty	100.00	8,197.00
116	Iron in pigs:				
	Ferromanganese	$4 per ton	$2.50 per ton	37.50	6,027,240.00
	Spiegeleisen	....do	....do	37.50	2,486,086.00
	All other (except ferrosilicon)	....do	....do	37.50	5,862,930.00
	Scrap iron and steel:				
	Iron, wrought and cast	....do	....do	37.50	198,973.22
	Steel	....do	....do	37.50	100,996.00
117	Bar iron:				
	Rolled or hammered, comprising—				
	Flats not less than 1 inch wide nor less than ⅛ of 1 inch thick	$\frac{5}{10}$ cent per pound	$\frac{5}{10}$ cent per pound	50.00	5,647.00
	Round iron not less than $\frac{7}{10}$ of 1 inch in diameter	....do	....do	50.00	163,050.00
	Square iron	....do	....do	50.00	8,115.10
118	Bars or shapes of rolled or hammered iron n. s. p. f., and round iron in coils or rods, less than $\frac{7}{10}$ of 1 inch in diameter.	$\frac{4}{10}$ cent per pound	$\frac{4}{10}$ cent per pound	25.00	7,195.92
	Slabs, blooms, loops, or other forms less finished than iron in bars and more advanced than pig, except castings.	$\frac{5}{10}$ cent per pound	$\frac{5}{10}$ cent per pound	20.00	1,090.00
	Bars, blooms, billets, slabs, or loops in the manufacture of which charcoal is used as fuel.	$12 per ton	$8 per ton	33.33	1,495,326.00
119	Beams, girders, joists, etc., and all other structural shapes of iron or steel	$\frac{5}{10}$ cent per pound	$\frac{4}{10}$ cent per pound	20.00	467,466.00
120	Boiler or other plate iron or steel (except crucible plate steel and saw plates), etc.:				
	Valued 1 cent per pound or less	....do	$\frac{3}{10}$ cent per pound	40.00	.....
	Valued above 1 cent and not above 2 cents per pound	$\frac{3}{10}$ cent per pound	$\frac{2}{10}$ cent per pound	33.33	7,667.00
	Valued above 2 cents and not above 4 cents per pound	1 cent per pound	$\frac{7}{10}$ cent per pound	30.00	1,307.00
	Valued above 4 cents per pound	25 per cent	20 per cent	20.00	.....
	Cold rolled, smoothed only, valued above 2 cents and not above 4 cents per pound.	1$\frac{5}{10}$ cents per pound	$\frac{9}{10}$ cent per pound	25.00	2,198.00
121	Anchors, or parts of	1½ cents per pound	1 cent per pound	33.33	2,308.50
	Forgings of iron or steel or combined iron or steel	35 per cent	30 per pound	14.28	190,105.49
122	Hoop, band, or scroll iron or steel n. o. p. f., etc.:				
	Not thinner than No. 10 wire gauge	$\frac{5}{10}$ cent per pound	$\frac{3}{10}$ cent per pound	40.00	3,479.00
	Thinner than No. 10 and not thinner than No. 20 wire gauge	$\frac{3}{10}$ cent per pound	$\frac{2}{10}$ cent per pound	33.33	95.90
	Thinner than No. 20 wire gauge	$\frac{4}{10}$ cent per pound	$\frac{3}{10}$ cent per pound	25.00	3,769.00
	Hoop or band iron, or hoop or band steel, flared, splayed, or punched, etc.:				
	Not thinner than No. 10 wire gauge	$\frac{5}{10}$ cent per pound	$\frac{3}{10}$ cent per pound	33.33	390.00
	Thinner than No. 10 and not thinner than No. 20 wire gauge	$\frac{7}{10}$ cent per pound	$\frac{5}{10}$ cent per pound	28.57	.....
	Bands or strips of steel, suitable for making band saws: [b]				
	Untempered	3 cents per pound and 20 per cent.	1$\frac{7}{10}$ cents per pound [a]	63.06	3,602.00
	Tempered, or tempered and polished	6 cents per pound and 20 per cent.	3$\frac{7}{10}$ cents per pound [a]	64.77	11,589.00

[a] Estimated. [b] Not enumerated in Senate bill.

Estimate of reductions in duties of H. R. 1438 as reported from the Committee on Finance, United States Senate, etc.—Continued.

SCHEDULE C—METALS, AND MANUFACTURES OF—continued.

Paragraph of Senate bill.	Article.	Rates of duty— Present law.	Rates of duty— Senate bill.	Percentage of reduction.	Total imports, by value, 1907.
123	Hoop or band iron, or hoop or band steel, cut to lengths, wholly or partly manufactured into hoops or ties, etc.	$\frac{1}{10}$ cent per pound	$\frac{1}{10}$ cent per pound	40.00	$20,805.00
124	Bars or rails for railways:				
	Iron	$7.84 per ton	$3.92 per ton	50.00	824.00
	Steel	do	do	50.00	106,484.00
	Railway fish plates or splice bars of iron or steel	$\frac{1}{10}$ cent per pound	$\frac{1}{10}$ cent per pound	50.00	11,998.00
125	Sheets of iron or steel, common or black, and skelp iron or steel, etc.:				
	Thinner than No. 10 and not thinner than No. 20 wire gauge	$\frac{7}{10}$ cent per pound	$\frac{5}{10}$ cent per pound	28.57	22,643.00
	Thinner than No. 20 and not thinner than No. 25 wire gauge	$\frac{8}{10}$ cent per pound	$\frac{6}{10}$ cent per pound	25.00	7,890.00
	Thinner than No. 25 and not thinner than No. 32 wire gauge	$1\frac{1}{10}$ cents per pound	$\frac{8}{10}$ cent per pound	27.27	
	Thinner than No. 32 wire gauge	$1\frac{4}{10}$ cents per pound	$\frac{8}{10}$ cent per pound	25.00	
	Sheet iron or sheet steel, corrugated or crimped	$1\frac{1}{10}$ cents per pound	$\frac{8}{10}$ cent per pound	27.27	205.00
126	Hoop, band, or scroll, iron or steel (excepting tin plates, etc.), galvanized or coated, etc.:				
	Not thinner than No. 10 wire gauge	$\frac{7}{10}$ cent per pound	$\frac{5}{10}$ cent per pound	28.57	1,429.00
	Thinner than No. 10 and not thinner than No. 20 wire gauge	$\frac{8}{10}$ cent per pound	$\frac{6}{10}$ cent per pound	25.00	1,477.00
	Thinner than No. 20 wire gauge	1 cent per pound	$\frac{8}{10}$ cent per pound	20.00	4,599.00
	Sheets or plates of iron or steel (except tin plates, etc.), galvanized or coated, etc.:				
	Thinner than No. 10 and not thinner than No. 20 wire gauge	$\frac{9}{10}$ cent per pound	$\frac{7}{10}$ cent per pound	22.22	342.00
	Thinner than No. 20 and not thinner than No. 25 wire gauge	1 cent per pound	$\frac{8}{10}$ cent per pound	20.00	917.10
	Thinner than No. 25 and not thinner than No. 32 wire gauge	$1\frac{1}{10}$ cents per pound	1 cent per pound	23.08	5,967.00
	Thinner than No. 32 wire gauge	$1\frac{4}{10}$ cents per pound	$1\frac{1}{10}$ cents per pound	21.43	1.00
	Sheet iron or sheet steel, corrugated or crimped, galvanized, etc.	$1\frac{1}{10}$ cents per pound	1 cent per pound	23.08	
	Sheets or plates composed of iron, steel, copper, nickel, or other metal, with layers of other metal imposed by forging, etc.	45 per cent	40 per cent	11.11	4,804.00
127	Sheet iron or sheet steel, polished, planished, or glanced	2 cents per pound	$1\frac{3}{4}$ cents per pound	25.00	8,834.00
	Sheets or plates, pickled or cleaned by acid, etc.:				
	Thinner than No. 10 and not thinner than No. 20 wire gauge	$\frac{9}{10}$ cent per pound	$\frac{7}{10}$ cent per pound	22.22	305.00
	Thinner than No. 20 and not thinner than No. 25 wire gauge	1 cent per pound	$\frac{8}{10}$ cent per pound	20.00	
	Thinner than No. 25 and not thinner than No. 32 wire gauge	$1\frac{1}{10}$ cents per pound	1 cent per pound	23.08	429.00
	Sheets of iron or steel, common or black, etc., cold rolled, smoothed only, not polished:				
	Thinner than No. 10 and not thinner than No. 20 wire gauge	$\frac{9}{10}$ cent per pound	$\frac{7}{10}$ cent per pound	22.22	3,117.00
	Thinner than No. 20 and not thinner than No. 25 wire gauge	1 cent per pound	$\frac{8}{10}$ cent per pound	20.00	611.00
	Thinner than No. 25 and not thinner than No. 32 wire gauge	$1\frac{1}{10}$ cents per pound	1 cent per pound	23.08	623.00
128	Tin plates, etc.:				
	Lighter than 63 pounds per 100 square feet	$1\frac{1}{2}$ cents per pound	$1\frac{1}{10}$ cents per pound	20.00	4,009,312.00
	All other	do	do	20.00	623,409.00
129	Steel ingots, cogged ingots, blooms and slabs, etc.:				
	Valued above $\frac{1}{2}$ and not above $1\frac{1}{10}$ cents per pound	$\frac{5}{10}$ cent per pound	$\frac{3}{10}$ cent per pound	25.00	171,370.00
	Valued above $1\frac{1}{10}$ and not above $1\frac{4}{10}$ cents per pound	$\frac{6}{10}$ cent per pound	$\frac{4}{10}$ cent per pound	16.67	12,134.00
	Valued above $1\frac{4}{10}$ and not above $2\frac{1}{10}$ cents per pound	$\frac{7}{10}$ cent per pound	$\frac{5}{10}$ cent per pound	14.28	
	Valued above $2\frac{1}{10}$ and not above 3 cents per pound	$\frac{9}{10}$ cent per pound	$\frac{8}{10}$ cent per pound	11.11	
	Valued above 3 and not above 4 cents per pound	$1\frac{1}{10}$ cents per pound	$1\frac{1}{10}$ cents per pound	8.33	
	Valued above 4 and not above 7 cents per pound	$1\frac{4}{10}$ cents per pound	$1\frac{3}{10}$ cents per pound	7.69	
	Valued above 7 and not above 10 cents per pound	2 cents per pound	$1\frac{8}{10}$ cents per pound	5.00	
	Valued above 10 and not above 13 cents per pound	$2\frac{4}{10}$ cents per pound	$2\frac{1}{10}$ cents per pound	4.17	
	Valued above 13 and not above 16 cents per pound	$2\frac{8}{10}$ cents per pound	$2\frac{1}{10}$ cents per pound	3.57	
	Sheets and plates n. s. p. f., and saw plates of steel wholly or partially manufactured:				
	Valued $\frac{1}{2}$ cent per pound or less	$\frac{7}{10}$ cent per pound	$\frac{5}{10}$ cent per pound	41.66	
	Valued above $1\frac{4}{10}$ and not above $2\frac{1}{10}$ cents per pound	$\frac{9}{10}$ cent per pound	$\frac{7}{10}$ cent per pound	14.28	5,088.00
	Valued above $2\frac{1}{10}$ and not above 3 cents per pound	$\frac{9}{10}$ cent per pound	$\frac{8}{10}$ cent per pound	11.11	541.00
	Valued above 3 and not above 4 cents per pound	$1\frac{1}{10}$ cents per pound	$1\frac{1}{10}$ cents per pound	8.33	1,366.00
	Valued above 4 and not above 7 cents per pound	$1\frac{4}{10}$ cents per pound	$1\frac{3}{10}$ cents per pound	7.69	69,154.00
	Valued above 7 and not above 10 cents per pound	2 cents per pound	$1\frac{8}{10}$ cents per pound	5.00	43,488.00
	Valued above 10 and not above 13 cents per pound	$2\frac{4}{10}$ cents per pound	$2\frac{1}{10}$ cents per pound	4.17	3,995.00
	Valued above 13 and not above 16 cents per pound	$2\frac{8}{10}$ cents per pound	$2\frac{1}{10}$ cents per pound	3.57	30,905.00
	Sheets and plates n. s. p. f. and saw plates of steel, cold rolled, smoothed only, not polished:				
	Valued above $1\frac{4}{10}$ and not above $2\frac{1}{10}$ cents per pound	$\frac{9}{10}$ cent per pound	$\frac{8}{10}$ cent per pound	11.11	24.00
	Valued above 3 and not above 4 cents per pound	$1\frac{1}{10}$ cents per pound	$1\frac{1}{10}$ cents per pound	7.14	695.00
	Valued above 4 and not above 7 cents per pound	$1\frac{4}{10}$ cents per pound	$1\frac{4}{10}$ cents per pound	6.67	31.00
	Valued above 7 and not above 10 cents per pound	$2\frac{1}{10}$ cents per pound	$2\frac{1}{10}$ cents per pound	4.54	2,367.00
	Valued above 10 and not above 13 cents per pound	$2\frac{4}{10}$ cents per pound	$2\frac{4}{10}$ cents per pound	3.85	346.00
	Valued above 13 and not above 16 cents per pound	3 cents per pound	$2\frac{8}{10}$ cents per pound	3.33	744.00
	Valued above 16 and not above 24 cents per pound	$4\frac{8}{10}$ cents per pound	$4\frac{1}{10}$ cents per pound	2.04	2,074.00
133	Wire rods, etc.:				
	Untempered or untreated—				
	Valued 4 cents or less per pound	$\frac{8}{10}$ cent per pound	$\frac{6}{10}$ cent per pound	25.00	$52,080.00
	Valued over 4 cents per pound	1 cent per pound	$\frac{8}{10}$ cent per pound	20.00	23,341.00
	Tempered or treated or partly manufactured—				
	Valued 4 cents or less per pound	$\frac{9}{10}$ cent per pound	$\frac{8}{10}$ cent per pound	11.11	6.00
	Manufactures of, valued over 4 cents per pound	$2\frac{1}{4}$ cents per pound	$2\frac{7}{10}$ cents per pound	6.00	297.00
134	Round iron or steel wire:				
	Valued 4 cents per pound or less—				
	Not smaller than No. 13 wire gauge	$1\frac{1}{2}$ cents per pound	1 cent per pound	20.00	52,172.00
	Smaller than No. 13 and not smaller than No. 16 wire gauge	$1\frac{1}{2}$ cents per pound	$1\frac{1}{2}$ cents per pound	16.67	76,607.50
	Smaller than No. 16 wire gauge	2 cents per pound	$1\frac{3}{4}$ cents per pound	12.50	79,783.00
	Manufactures of—				
	Not smaller than No. 13 wire gauge	$2\frac{1}{4}$ cents per pound	$2\frac{1}{2}$ cents per pound	10.00	9,385.00
	Smaller than No. 13 and not smaller than No. 16 wire gauge	$2\frac{1}{2}$ cents per pound	$2\frac{1}{4}$ cents per pound	9.09	16,571.46
	Smaller than No. 16 wire gauge	$3\frac{1}{4}$ cents per pound	3 cents per pound	7.69	6,809.92
	Cold rolled, etc., blued, brightened, tempered, etc., manufactures of, smaller than, No. 13 and not smaller than No. 16 wire gauge.	$3\frac{1}{4}$ cents per pound	$2\frac{7}{10}$ cents per pound	22.67	27.00
	Hat, bonnet, crinoline, etc., and all wire n. s. p. f., valued more than 4 cents per pound.	45 per cent	40 per cent	11.11	198,489.00
	Do. (manufactures of)	45 per cent plus $1\frac{1}{2}$ cents per pound.	40 per cent plus $1\frac{1}{2}$ cents per pound.	10.60	23,318.43
	Do. (coated with zinc or tin, etc.)	45 per cent plus $\frac{8}{10}$ cent per pound.	40 per cent plus $\frac{8}{10}$ cent per pound.	10.60	333.10
	Do. (coated with zinc, etc., manufactures of)	45 per cent and $1\frac{4}{10}$ cents per pound.	40 per cent plus $1\frac{3}{10}$ cents per pound.	9.34	372.00
	Brass wire, manufactures of	45 per cent plus $1\frac{1}{2}$ cents per pound.	40 per cent plus $1\frac{1}{2}$ cents per pound.	10.74	20,062.00
	Copper wire, manufactures of	45 per cent plus $1\frac{1}{2}$ cents per pound.	40 per cent plus $1\frac{1}{2}$ cents per pound.	10.34	55.00
	Corset clasps, corset steels, and sheet steel in strips, etc	45 per cent	40 per cent	11.11	48,470.00
	Do. (manufactures of)	45 per cent plus $1\frac{1}{2}$ cents per pound.	40 per cent plus $1\frac{1}{2}$ cents per pound.	10.63	6,880.00
	Do. (cold rolled, etc., blued, brightened, tempered, etc.)	45 per cent plus 1 cent per pound.	40 per cent plus $\frac{8}{10}$ cent per pound.	16.07	3,343.00

Estimate of reductions in duties of H. R. 1438 as reported from the Committee on Finance, United States Senate, etc.—Continued.

SCHEDULE C—METALS, AND MANUFACTURES OF—continued.

Paragraph of Senate bill.	Article.	Rates of duty— Present law.	Rates of duty— Senate bill.	Percentage of reduction.	Total imports, by value, 1907.
	Wire of iron or steel, coated with zinc, etc.:				
	Not smaller than No. 13 wire gauge	1 7/10 cents per pound	1 7/10 cents per pound	17.24	$321.00
	Smaller than No. 16 wire gauge	2 7/10 cents per pound	1 13/16 cents per pound	11.36	2,581.00
	Manufactures of—				
	Not smaller than No. 13 wire gauge	2 7/10 cents per pound	2 4/10 cents per pound	9.26	79.00
	Smaller than No. 13 and not smaller than No. 16 wire gauge	2 13/16 cents per pound	2 7/10 cents per pound	8.47	9.00
	Smaller than No. 16 wire gauge	3 7/10 cents per pound	3 7/10 cents per pound	7.25	6,966.00
	Wire rope and wire strand:				
	Made of iron and steel wire—				
	Not smaller than No. 13 wire gauge	2½ cents per pound	1¾ cents per pound	22.22	738.00
	Smaller than No. 13 and not smaller than No. 16 wire gauge	2½ cents per pound	2 cents per pound	20.00	1,980.00
	Smaller than No. 16 wire gauge	3 cents per pound	2½ cents per pound	16.67	6,278.00
	All valued more than 4 cents per pound	40 per cent plus 1 cent per pound.	40 per cent plus ½ cent per pound.	6.10	21,726.00
	All valued more than 4 cents per pound, n. s. p. f	45 per cent plus 1 cent per pound.	....do	13.64	24,981.56
	Made of iron or steel wire, coated with zinc, etc.—				
	Not smaller than No. 13 wire gauge	2 7/10 cents per pound	1 13/16 cents per pound	20.41	1,654.00
	Smaller than No. 13 and not smaller than No. 16 wire gauge	2 7/10 cents per pound	2 7/10 cents per pound	18.52	1,077.00
	Smaller than No. 16 wire gauge	3 7/10 cents per pound	2 7/10 cents per pound	15.62	5,078.00
	All valued more than 4 cents per pound	40 per cent plus 1 7/10 cents per pound.	40 per cent plus 1 3/8 cent per pound.	5.28	7,379.00
136	Steel ingots, cogged ingots, blooms and slabs, etc., cold rolled, etc., galvanized or coated with zinc, etc., valued above 7 and not above 10 cents per pound.	2 7/10 cents per pound	2 7/10 cents per pound	4.54	674.00
	Sheets and plates, n. s. p. f., and saw plates of steel, etc., cold rolled, cold hammered, blued, brightened, tempered, etc.:				
	Valued above 2 7/10 and not above 3 cents per pound	1 7/10 cents per pound	1 7/10 cents per pound	36.84	112.36
	Valued above 3 and not above 4 cents per pound	2 7/10 cents per pound	1 7/10 cents per pound	31.81	3,072.43
	Valued above 4 and not above 7 cents per pound	2 7/10 cents per pound	1 7/10 cents per pound	30.43	58.00
	Valued above 7 and not above 10 cents per pound	3 cents per pound	2 7/10 cents per pound	23.33	2,359.00
	Valued above 10 and not above 13 cents per pound	3 7/10 cents per pound	2 7/10 cents per pound	20.59	676.00
	Valued above 13 and not above 16 cents per pound	3 7/10 cents per pound	3 1/10 cents per pound	18.42	745.00
	Steel circular saw plates:				
	Valued above 4 and not above 7 cents per pound	1 7/10 cents per pound	1 5/8 cents per pound	19.44	16,038.00
	Valued above 7 and not above 10 cents per pound	2½ cents per pound	2 7/10 cents per pound	14.00	51,199.00
	Valued above 10 and not above 13 cents per pound	2 7/10 cents per pound	2 1/10 cents per pound	12.07	6,005.00
139	Anvils	1½ cents per pound	1¼ cents per pound	13.33	43,629.00
141	Axles, or parts of, axle bars, etc	1 cent per pound	¾ cent per pound	25.00	36,825.00
142	Hammers and sledges, etc	1⅓ cents per pound	1⅛ cents per pound	8.33	4,286.05
143	Bolts, etc	....do	1½ cents per pound	25.00	14,993.95
	Castings:				
145	Cast-iron pipe of every description	4/10 cent per pound	⅜ cent per pound	37.50	23,775.50
146	Cast-iron vessels, not above 2 cents per pound	4/10 cent per pound	⅜ cent per pound	37.50	.....
	Chiseled, drilled, machined, or otherwise advanced	....do	1/10 cent per pound	12.50	.....
147	Malleable-iron castings, n. s. p. f	4/10 cent per pound	....do	22.22	45,085.86
148	Hollow ware, coated, glazed, or tinned	2 cents per pound	1½ cents per pound	25.00	743.00
	Chain or chains, made of iron or steel:				
149	Not less than ¾ inch in diameter	1½ cents per pound	⅞ cent per pound	22.22	629.00
	Less than ¾ inch and not less than ⅜ inch in diameter	1½ cents per pound	1¼ cents per pound	16.16	131.00
	Less than ⅜ inch and not less than 7/16 inch in diameter	1⅞ cents per pound	1⅝ cents per pound	6.67	26.00
150	Boiler tubes, pipes, flues, or stays, etc.:				
	Not less than ¾ inch in diameter	2 cents per pound	1 cent per pound	50.00	.....
	Less than ¾ inch and not less than ⅜ inch in diameter	....do	1¾ cents per pound	12.50	.....
	Cylindrical or tubular tanks, etc	45 per cent per pound.	30 per cent	33.33	.....
	Flexible metal tubing or hose, n. s. p. f	35 per cent per pound.	....do	14.29	.....
	Welded cylindrical furnaces, made from plate metal	2½ cents per pound	2 cents per pound	20.00	4,274.00
	Tubes and tubing for cycles	35 per cent	30 per cent	14.29	26,640.00
	Tubes, finished, n. s. p. f	....do	....do	14.29	63,830.00
153	Table, carving, cooks', etc., knives, forks, and steels, etc.:				
	With handles of mother-of-pearl, shell, or ivory (silver, etc.)	16 cents per piece and 15 per cent.	14 cents each and 15 per cent.	9.30	4,740.00
	With handles of deerhorn	12 cents per piece and 15 per cent.	10 cents each and 15 per cent.	12.67	7,863.00
	With handles of hard rubber, solid bone, celluloid, or any pyroxylin material	5 cents per piece and 15 per cent.	4 cents each and 15 per cent.	14.31	5,537.00
	With handles of any other material	1½ cents per piece and 15 per cent.	1 cent each and 15 per cent.	26.14	25,283.94
	Butchers', hunting, plumbers', painters', etc., knives, etc.:				
	With handles of mother-of-pearl, shell, or ivory (silver, etc.)	16 cents per piece and 15 per cent.	14 cents each and 15 per cent.	8.91	69.00
	With handles of deerhorn	12 cents per piece and 15 per cent.	10 cents each and 15 per cent.	14.11	11.00
	With handles of hard rubber, solid bone, celluloid, or any pyroxylin material	5 cents per piece and 15 per cent.	4 cents each and 15 per cent.	15.41	72.50
	With handles of any other material	1½ cents per piece and 15 per cent.	1 cent each and 15 per cent.	25.25	322.85
154	Files, file blanks, rasps, and floats:				
	2½ inches in length and under	30 cents per dozen	40 per cent	50.79	4,951.61
	Over 2½ and not over 4½ inches in length	50 cents per dozen	....do	52.32	26,484.00
	Over 4½ and under 7 inches in length	75 cents per dozen	....do	54.27	36,919.32
	Nails, spikes, and tacks:				
158	Nails and spikes, cut, of iron and steel	4/10 cent per pound	4/10 cent per pound	33.33	1,792.00
159	Nails, horseshoe, hob, and all other wrought-iron or steel nails, n. s. p. f	2½ cents per pound	1½ cents per pound	33.33	83.00
160	Nails, wire, made of wrought iron or steel—				
	Not less than 1 inch in length and not lighter than No. 16 wire gauge	½ cent per pound	½ cent per pound	50.00	3,288.00
161	Spikes of wrought iron or steel	1 cent per pound	¾ cent per pound	25.00	738.30
	Nuts and washers, of wrought iron or steel	....do	....do	25.00	2,553.00
	Horse, mule, or ox shoes, of wrought iron or steel	....do	....do	25.00	34.00
162	Tacks, brads, or sprigs, cut—				
	Not exceeding 16 ounces to the thousand	1½ cents per pound	¾ cent per pound	50.00	140.00
	Exceeding 16 ounces to the thousand	1½ cents per pound	¾ cent per pound	50.00	2.00
165	Rivets, of iron or steel	2 cents per pound	1¼ cents per pound	37.50	5,430.00
166	Saws:				
	Circular saws	25 per cent	20 per cent	20.00	884.00
	Crosscut saws	6 cents per linear foot.	5 cents per linear foot.	16.67	2,384.00
	Hand, back, and other saws, n. s. p. f	30 per cent	25 per cent	16.67	32,564.50
	Mill saws	10 cents per linear foot	8 cents per linear foot.	20.00	.....
	Pit and drag saws	8 cents per linear foot.	6 cents per linear foot.	25.00	205.00
	Steel band saws, etc	10 cents per pound and 20 per cent.	5 cents per pound and 20 per cent.	23.22	1,706.00
					62.00

Estimate of reductions in duties of H. R. 1438 as reported from the Committee on Finance, United States Senate, etc.—Continued.

SCHEDULE C—METALS, AND MANUFACTURES OF—continued.

Paragraph of Senate bill.	Article.	Rates of duty. Present law.	Rates of duty. Senate bill.	Percentage of reduction.	Total imports, by value, 1907.
167	Screws, wood:				
	Over ¼ inch and not more than 1 inch in length	8½ cents per pound	8 cents per pound	5.88	
	Over 1 inch and not more than 2 inches in length	6 cents per pound	5 cents per pound	16.67	$107.00
	More than 2 inches in length	4 cents per pound	3½ cents per pound	12.50	36.00
169	Wheels, or parts of, etc	1½ cents per pound	1½ cents per pound	16.67	158,550.00
	Ingots, etc., for railway wheels or tires, etc	1¼ cents per pound	1 cent per pound	20.00	
170	Aluminum:				
	In crude form, etc	8 cents per pound	7 cents per pound	12.50	258,601.40
	Plates, sheets, etc	13 cents per pound	11 cents per pound	15.38	7,333.00
176	Silver leaf in packs of 500 leaves	75 cents per pack	50 cents per pack	33.33	804.00
178	Hooks and eyes, metallic, etc	5¼ cents per pound and 15 per cent.	4 cents per pound and 15 per cent.	17.55	$4,702.00
181	Monazite sand and thorite	6 cents per pound	4 cents per pound	33.33	
186	Agraffes, barettes, bars, etc., not jewelry	45 per cent	40 per cent	11.11	
191	Zinc:				
	In blocks or pigs	1½ cents per pound	1 cent per pound	33.33	95,069.00
	In sheets	2 cents per pound	1½ cents per pound	37.50	5,256.00
194	Cash registers, linotype and all typesetting machines	45 per cent	30 per cent	33.33	
195	Aluminum rope (made from aluminum wire)	45 per cent plus 1 cent per pound.	40 per cent plus ¾ cent per pound.	11.98	1,913.00

SCHEDULE D—WOOD, AND MANUFACTURES OF.

196	Timber:				
	Round, used for spars, etc	1 cent per cubic foot	½ cent per cubic foot	50.00	$25,902.86
	Hewn, squared, or sided, etc	do	do	50.00	49,811.78
197	Lumber:				
	Boards, planks, etc., whitewood, etc.—				
	Not planed or finished	$1 per M feet	50 cents per M feet	50.00	211,967.74
	Planed or finished on two sides	$2 per M feet	$1.50 per M feet	25.00	12,302.00
	Planed on one side and tongued and grooved	do	do	25.00	
	Planed on two sides and tongued and grooved	$2.50 per M feet	$2 per M feet	20.00	
	Sawed lumber n. o. p. f.—				
	Not planed or finished	$2 per M feet	$1 per M feet	50.00	14,623,256.00
	Planed or finished on one side	$2.50 per M feet	$1.50 per M feet	40.00	239,649.28
	Planed or finished on two sides	$3 per M feet	$2 per M feet	33.33	48,348.91
	Planed or finished on three sides	$3.50 per M feet	$2.50 per M feet	28.57	34.00
	Planed or finished on four sides	$4 per M feet	$3 per M feet	25.00	1,224.00
	Planed on one side and tongued and grooved	$3 per M feet	$2 per M feet	33.33	83,415.75
	Planed on two sides and tongued and grooved	$3.50 per M feet	$2.50 per M feet	28.57	15,482.78
200	Paving posts, railroad ties, etc	20 per cent	10 per cent	50.00	570,323.41
201	Clapboards:				
	Pine	$1.50 per thousand	$1 per thousand	33.33	7,391.20
	Spruce	do	do	33.33	149,609.30
558	Fence posts	10 per cent	Free	100.00	16,620.34
203	Laths	25 cents per thousand.	20 cents per thousand.	20.00	1,736,525.17

SCHEDULE E—SUGAR, MOLASSES, AND MANUFACTURES OF.

213	Sugar, Dutch standard in color, above No. 16, etc	1.95 cents per pound	1.90 cents per pound	2.56	$116,000.70
215	Saccharine	1.50 per pound and 10 per cent.	75 cents per pound	52.32	391.00

SCHEDULE G—AGRICULTURAL PRODUCTS AND PROVISIONS.

232	Corn meal	20 cents per bu. of 48 lbs	40 cents per 100 pounds	4.00	$87.50
258	Peas, green, in bulk, etc	40 cents per bushel	25 cents per bushel	37.50	2,910.03
262	Seeds: Celery	30 per cent	10 cents per pound	51.07	92.95
	Canary	do	Free of duty	100.00	96,145.00
266	Fish: Anchovies, etc., in other packages	40 per cent	30 per cent	25.00	105,462.50
286	Tallow	¼ cent per pound	⅛ cent per pound	33.33	29,733.00
	Wool grease, etc., crude and not refined	¼ cent per pound	⅛ cent per pound	50.00	
292	Starch, all other than potato	1½ cents per pound	1 cent per pound	33.33	51,973.00
293	Dextrine, etc	2 cents per pound	1½ cents per pound	25.00	142,320.00

SCHEDULE H—SPIRITS, WINES, AND OTHER BEVERAGES.

309	Ginger wine or ginger cordial:				
	In casks or packages other than bottles or jugs—				
	Containing 14 per cent or less of absolute alcohol	40 cents per gallon	$2.60 per proof gallon	35.00	(a)
	Do. (reciprocity)	35 cents per gallon	do	26.71	$13,303.00
	In bottles or jugs, containing each more than 1 pint and not more than 1 quart	$1.60 per dozen	do	2.38	6,983.00

SCHEDULE J—FLAX, HEMP, AND JUTE, AND MANUFACTURES OF.

334	Yarns, of jute, single, finer than 5 lea or number	35 per cent	30 per cent	14.28	$68,354.50
335	Cables and cordage composed of istle or tampico fiber, etc	1 cent per pound	¾ cent per pound	25.00	8,577.50
336	Threads, twines, etc.:				
	Made from yarn not finer than—				
	5 lea or number	13 cents per pound	10 cents per pound	23.08	8,100.00
	10 lea or number	16¾ cents per pound	13¾ cents per pound	17.91	1,017.00
	[Senate rate on these threads is 3 cents per pound less than present rate for each corresponding lea or number.]				
337	Yarns of flax, hemp, or ramie, etc., single in the gray, not finer than 8 lea or number	7 cents per pound	6 cents per pound	14.28	14,305.00
338	Gill netting, etc.:				
	Made of thread, twines, etc., not finer than—				
	5 lea or number	13 cents per pound and 25 per cent.	10 cents per pound and 20 per cent.	22.44	3,205.75

(a) None.

Estimate of reductions in duties of H. R. 1438 as reported from the Committee on Finance, United States Senate, etc.—Continued.

SCHEDULE J—FLAX, HEMP, AND JUTE, AND MANUFACTURES OF—continued.

Paragraph of Senate bill.	Article.	Rates of duty— Present law.	Rates of duty— Senate bill.	Percentage of reduction.	Total imports by value, 1907.
338	Gill netting, etc.—Continued.				
	Made of thread, twine, etc.—Continued.				
	6 lea or number	13½ cents per pound and 25 per cent.	10½ cents per pound and 20 per cent.	21.01	$4.00
	[Senate rate on this gill netting is 3 cents per pound and 5 per cent less than the present rate for each corresponding lea or number of the thread from which made.]				
340	Carpets, etc., of flax, etc.:				
	Value not exceeding 15 cents per square yard	5 cents per square yard and 35 per cent.	4 cents per square yard and 30 per cent.	17.42	350.00
	Valued over 15 cents per square yard	10 cents per square yard and 35 per cent.	8 cents per square yard and 30 per cent.	16.43	71,361.00
341	Hose, hydraulic, etc	20 cents per pound	15 cents per pound	25.00	1,758.00
343	Oilcloths, etc., 12 feet and over in width	20 cents per square yard and 20 per cent.	12 cents per square yard and 15 per cent.	34.65	89,396.00
	SCHEDULE L—SILKS AND SILK GOODS.				
392	Silk partly manufactured from cocoons, etc	40 cents per pound	35 cents per pound	12.50	$295.05
395	Plushes on which ordinary duty does not amount to 50 per cent	50 per cent	$1.85 per pound [a]	.90	11,481.00
	Other, on which ordinary duty does not amount to 50 per cent	do	$2.50 per pound [a]	40.64	453.06
	Fabrics weighing not over ¼ ounce per square yard	$4.50 per pound	$4 per pound	11.11	459,925.00
396	Handkerchiefs:				
	Not hemmed or hemmed only—				
	Weighing ¼ ounce to 1½ ounces per square yard—				
	Boiled off	$3 per pound	50 per cent	15.25	8,520.00
	Dyed or printed in the piece	$3.25 per pound	do	18.41	4,282.00
	Weighing 1½ ounces to 8 ounces—				
	Dyed in the piece, etc., containing over 45 per cent in weight of silk	$3 per pound	do	32.83	3,151.00
	Dyed in the thread, etc., containing 30 per cent to 45 per cent in weight of silk.	$1.30 per pound	do	10.71	9.00
	Hemstitched, etc.—				
	Weighing ¼ ounce to 1½ ounces per square yard, boiled off	$3 per pound and 10 per cent.	60 per cent	5.50	20,304.00
	Weighing 1½ ounces to 8 ounces per square yard, dyed in the piece, etc., containing over 45 per cent in weight of silk	do	do	23.28	4,133.00
	SCHEDULE M—PULP, PAPERS, AND BOOKS.				
405	Printing paper, book paper, etc.:				
	Valued 2 to 2½ cents per pound	$\frac{1}{10}$ cent per pound	$\frac{1}{10}$ cent per pound	25.00	$3,634.00
	Valued above 3 and not above 4 cents per pound	$\frac{1}{10}$ cent per pound	$\frac{1}{10}$ cent per pound [b]	16.67	
408	Lithographic prints, etc.:				
	On paper, etc.—				
	Exceeding $\frac{1}{1000}$ to $\frac{12}{1000}$ inch in thickness—				
	Exceeding 35 to 400 square inches	8 cents per pound	7 cents per pound	12.50	423,019.00
	Exceeding 400 square inches	35 per cent	do	52.17	9,764.62
	SCHEDULE N—SUNDRIES.				
431	Gunpowder, etc.:				
	Valued 20 cents or less per pound	4 cents per pound	2 cents per pound	50.00	$291.00
	Valued over 20 cents per pound	6 cents per pound	4 cents per pound	33.33	213,303.00
432	Matches:				
	In boxes	8 cents per gross	6 cents per gross	25.00	197,816.00
	Otherwise	1 cent per thousand	¾ cent per thousand	25.00	10,183.00
433	Blasting caps	$2.36 per thousand	$2 per thousand	15.25	15,982.00
	Cartridges	35 per cent	30 per cent	14.28	101,482.57
	Mining and blasting fuse	do	do	14.28	14,063.00
441	Haircloth, known as crinoline	10 cents per square yard.	8 cents per square yard.	20.00	347.00
442	Hats, bonnets, etc., of fur, etc.:				
	Valued not over $5 per dozen	$2 per dozen and 20 per cent.	$1.25 per dozen and 15 per cent.	34.92	4,907.25
	Valued $5 to $10 per dozen	$3 per dozen and 20 per cent.	$2.25 per dozen and 15 per cent.	25.00	77,155.41
	Valued $10 to $20 per dozen	$5 per dozen and 20 per cent.	$4 per dozen and 15 per cent.	21.76	69,032.24
	Valued over $20 per dozen	$7 per dozen and 20 per cent.	$5.50 per dozen and 15 per cent.	22.92	82,402.44
448	Leather band or belting	20 per cent	5 per cent	75.00	61,739.11
	Upper, dressed	do	15 per cent	25.00	2,167,945.75
	All other	do	do	25.00	1,231,369.25
	Calfskins, tanned, etc	do	do	25.00	276,854.00
	Skins dressed and finished other than chamois	do	do	25.00	806,589.75
	Skins for morocco—				
	Finished	do	do	25.00	41,697.58
	Tanned	10 per cent	5 per cent	50.00	3,112,821.75
	Patent leather, etc.—				
	Weighing not over 10 pounds per dozen skins	30 cents per pound and 20 per cent.	27 cents per pound and 15 per cent.	18.31	216,113.00
	Weighing 10 pounds to 25 pounds per dozen skins	30 cents per pound and 10 per cent.	27 cents per pound and 8 per cent.	13.07	92,185.00
	Pianoforte leather	35 per cent	20 per cent	42.86	
	Boots and shoes	25 per cent	15 per cent	40.00	161,509.30
	Shoe laces	50 cents per gross and 20 per cent.	50 cents per gross and 10 per cent.	25.20	343.00
453	Harnesses, etc	45 per cent	35 per cent	22.22	160,632.83
462	Paintings, etc	20 per cent	15 per cent	25.00	2,544,262.08
	Statuary	do	do	25.00	9,138.00
468	Agricultural implements, etc	do	do	25.00	28,643.79

[a] Estimated.

[b] Amendment to be submitted by committee.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). The question is on the amendment submitted by the Senator from Florida [Mr. FLETCHER] to the amendment of the committee.

Mr. FOSTER. I will state that it was my purpose to address myself to this amendment——

Mr. STONE. Mr. President, I make the point of no quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Guggenheim	Page
Bacon	Crane	Heyburn	Paynter
Beveridge	Crawford	Hughes	Perkins
Borah	Cullom	Johnson, N. Dak.	Piles
Brandegee	Cummins	Johnston, Ala.	Root
Briggs	Curtis	Jones	Smoot
Bristow	Davis	Kean	Stone
Brown	Dick	La Follette	Sutherland
Bulkeley	Dillingham	Lodge	Taliaferro
Burkett	Dolliver	McCumber	Tillman
Burnham	du Pont	McEnery	Warner
Burrows	Fletcher	Martin	Warren
Burton	Flint	Nelson	Wetmore
Carter	Foster	Newlands	
Chamberlain	Gallinger	Overman	
Clapp	Gore	Owen	

The PRESIDING OFFICER. Sixty-one Senators have answered to their names. A quorum of the Senate is present. The Senator from Louisiana is recognized.

Mr. FOSTER. I will state that it will be impossible for me at this hour to conclude my remarks to-day, and if it does not put the chairman of the committee to any special or great inconvenience——

Mr. ALDRICH. Not at all.

Mr. FOSTER. I will request that he take up some other item of the bill.

Mr. ALDRICH. Mr. President, that is quite agreeable to me.

Mr. FOSTER. I thank the Senator.

Mr. ALDRICH. Mr. President, there are several verbal changes, and two or three changes in rates which the Committee on Finance have decided should be made in the silk schedule. The phraseology in several paragraphs is defective, and I think perhaps that I might offer this modification, and have it read. I call the attention of the Senator from Iowa [Mr. CUMMINS] to some of the changes which have been made in the velvet provisions. The only changes made are reductions and changes in phraseology. I offer this now as a substitute for the proposition as originally introduced, and I ask that it may be read. I shall not ask to have it acted on to-night. I ask the Senator from Iowa to examine it before morning, so that he can see the changes which have taken place.

Mr. CUMMINS. I hope that, after it has been read, it may be printed, so that we may examine it.

Mr. ALDRICH. It is already in print, and I send a copy of it to the Senator.

The PRESIDING OFFICER. The Senator from Rhode Island submits an amendment, which will be stated.

The SECRETARY. On page 135, after line 13, it is proposed to insert:

SCHEDULE L.—SILK AND SILK GOODS.

302. Silk partially manufactured from cocoons or from waste silk, and not further advanced or manufactured than carded or combed silk, 35 cents per pound.

303. Spun silk or schappe silk yarn, valued at not exceeding $1 per pound, whether in singles, or advanced beyond the condition of singles by grouping or twisting two or more yarns together, 35 cents per pound; if valued at exceeding $1 per pound, in the gray, in skeins, warps, or cops, if in singles or not advanced beyond the condition of singles by grouping or twisting two or more yarns together, on all numbers up to and including No. 205, 45 cents per pound, and in addition thereto ten one-hundredths of 1 cent per number per pound; exceeding No. 205, 45 cents per pound, and in addition thereto fifteen one-hundredths of 1 cent per number per pound; if advanced beyond the condition of singles by grouping or twisting two or more yarns together, on all numbers up to and including No. 205, 50 cents per pound, and in addition thereto ten one-hundredths of 1 cent per number per pound; exceeding No. 205, 50 cents per pound, and in addition thereto fifteen one-hundredths of 1 cent per number per pound; if valued at exceeding $1 per pound, in the gray, on bobbins, spools, or beams, if in singles or not advanced beyond the condition of singles by grouping or twisting two or more yarns together, on all numbers to and including No. 205, 55 cents per pound, and in addition thereto ten one-hundredths of 1 cent per number per pound; exceeding No. 205, 55 cents per pound, and in addition thereto fifteen one-hundredths of 1 cent per number per pound; if advanced beyond the condition of singles by grouping or twisting two or more yarns together, on all numbers up to and including No. 205, 60 cents per pound, and in addition thereto ten one-hundredths of 1 cent per number per pound; exceeding No. 205, 60 cents per pound, and in addition thereto fifteen one-hundredths of 1 cent per number per pound; if valued at exceeding $1 per pound, colored, bleached, or dyed, in skeins or warps, if in singles or not advanced beyond the condition of singles by grouping or twisting two or more yarns together, on all numbers up to and including No. 205, 55 cents per pound, and in addition thereto ten one-hundredths of 1 cent per number per pound; exceeding No. 205, 55 cents per pound, and in addition thereto fifteen one-hundredths of 1 cent per number per pound; if advanced beyond the condition of singles by grouping or twisting two or more yarns together, on all numbers up to and including No. 205, 60 cents per pound, and in addition thereto ten one-hundredths of 1 cent per number per pound; exceeding No. 205, 60 cents per pound, and in addition thereto fifteen one-hundredths of 1 cent per number per pound; if valued at exceeding $1 per pound, colored, bleached, or dyed, on bobbins, cops, spools, or beams, if in singles or not advanced beyond the condition of singles by grouping or twisting two or more yarns together, on all numbers up to and including No. 205, 65 cents per pound, and in addition thereto ten one-hundredths of 1 cent per number per pound; exceeding No. 205, 65 cents per pound, and in addition thereto fifteen one-hundredths of 1 cent per number per pound; if advanced beyond the condition of singles by grouping or twisting two or more yarns together, on all numbers up to and including No. 205, 70 cents per pound, and in addition thereto ten one-hundredths of 1 cent per number per pound; on all numbers exceeding No. 205, 70 cents per pound, and in addition thereto fifteen one-hundredths of 1 cent per number per pound. In assessing duty on all spun silk or schappe silk yarn, the number indicating the size of the yarn shall be taken according to the metric or French system, and shall, in all cases, refer to the size of the singles: *Provided*, That in no case shall the duty be assessed on a less number of yards than is marked on the skeins, bobbins, cops, spools, or beams. But in no case shall any of the goods enumerated in this paragraph pay less rate of duty than 37½ per cent ad valorem.

304. Thrown silk in the gum, if singles, 50 cents per pound; if tram, 75 cents per pound; if organsine, $1 per pound; and if ungummed, wholly or in part, or if further advanced by any process of manufacture, in addition to the rates herein provided, 50 cents per pound. Sewing silk, twist, floss, and silk threads or yarns of any description made from raw silk, not specially provided for in this section, if in the gum, $1 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture, $1.50 per pound, *Provided*, That in no case shall duty be assessed on a less number of yards than is marked on the skeins, bobbins, cops, spools, or beams.

305. Velvets, chenilles, and other pile fabrics, not specially provided for in this section, cut or uncut, composed wholly or in chief value of silk, weighing not less than 5½ ounces per square yard, $1.50 per pound; weighing less than 5½ ounces per square yard, but not less than 4 ounces, and having more than 130 picks per inch, or if all the filling is not cotton, $2.75 per pound; if having 130 picks per inch or less, and if all the filling is cotton, $2 per pound; all the foregoing weighing less than 4 ounces to the square yard, $4 per pound. Plushes, cut or uncut, composed wholly or in chief value of silk, weighing not less than 9½ ounces per square yard, $1 per pound; weighing less than 9½ ounces per square yard, $2.40 per pound. Measurements to ascertain widths of goods for determining weight per square yard of the foregoing articles shall not include the selvedges, but the duty shall be levied upon the total weight of goods, including the selvedges. The distinction between "plushes" and "velvets" shall be determined by the length of the pile; those having pile exceeding one-seventh of an inch in length, to be taken as "plushes;" those having pile one-seventh of 1 inch or less in length, shall be taken as "velvets." The distance from the end of the pile to the bottom of the first binding pick shall be considered as the length of the pile. Velvet or plush ribbons, or other pile fabrics not over 12 inches and not less than three-fourths of 1 inch in width, cut or uncut, of which silk is the component material of chief value, not specially provided for in this section, containing no silk except that in the pile and selvedges; if black, $1.60 per pound; if other than black, $1.75 per pound; if containing silk other than that in the pile and selvedges; if black, $2 per pound; if other than black, $2.25 per pound; for each one-fourth of 1 inch or fraction thereof, less than three-fourths of 1 inch in width, there shall be paid in addition to the above rates, 40 cents per pound. Woven fabrics in the piece, composed wholly or in chief value of silk, not specially provided for in this section, weighing not more than one-third of 1 ounce per square yard, $4 per pound; weighing more than one-third of 1 ounce, but not more than two-thirds of 1 ounce per square yard; if in the gum, $3 per pound; if ungummed, wholly or in part, $3.25 per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $3.50 per pound; if weighing more than two-thirds of 1 ounce but not more than 1 ounce per square yard; if in the gum, $2.65 per pound; if ungummed, wholly or in part, $3 per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $3.25 per pound; if weighing more than 1 ounce but not more than 1¼ ounces per square yard; if in the gum, $2.50 per pound; if ungummed, wholly or in part, $2.85 cents per pound; if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $3.10 per pound; if weighing more than 1¼ ounces, but not more than 2 ounces, and if containing not more than 20 per cent in weight of silk, if in the gum, 70 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 85 cents per pound; if containing more than 20 per cent, but not more than 30 per cent in weight of silk; if in the gum, 85 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.10 per pound; if containing more than 30 per cent, but not more than 40 per cent in weight of silk; if in the gum, $1.05 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.25 per pound; if containing more than 40 per cent, but not more than 50 per cent in weight of silk; if in the gum, $1.25 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.50 per pound; if containing more than 50 per cent in weight of silk or if wholly of silk; if in the gum, $2.50 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $3 per pound; if weighing more than 2 ounces, but not more than 8 ounces per square yard, and if containing not more than 20 per cent in weight of silk; if in the gum, 57½ cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 70 cents per pound; if containing more than 20 per cent, but not more than 30 per cent in weight of silk; if in the gum, 75 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, 90 cents per pound; if containing more than 30 per cent, but not more than 40 per cent in weight of silk; if in the gum, 90 cents per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.10 per pound; if containing more than 40 per cent, but not more than 50 per

cent in weight of silk; if in the gum, $1.10 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture or otherwise, or if dyed or printed in the piece, $1.30 per pound; if containing more than 50 per cent in weight of silk, or if wholly of silk; if in the gum, $2.25 per pound; if ungummed, wholly or in part, or if further advanced by any process of manufacture, or otherwise, or if dyed or printed in the piece, $2.75 per pound. Woven fabrics in the piece, composed wholly or of chief value of silk, if dyed in the thread or yarn, and the weight is not increased in dyeing beyond the original weight of raw silk, if containing less than 30 per cent in silk, $1.25 per pound; if containing more than 30 per cent but not more than 45 per cent in weight of silk, $1.60 per pound; if containing more than 45 per cent in weight of silk, $3 per pound; if weight is increased in dyeing beyond the original weight of raw silk; if weighing more than one-third of 1 ounce, but not more than 1 ounce, per square yard; if black (except selvedges), $2.25 per pound; if other than black, $3 per pound; if weighing more than 1 ounce, but not more than 1¼ ounces per square yard; if black (except selvedges), $2 per pound; if other than black, $2.75 per pound; if weighing more than 1¼ but not more than 2½ ounces per square yard; if black (except selvedges), $1.80 per pound; if other than black, $2.50 per pound; if weighing more than 1½ but not more than 2 ounces per square yard; if black (except selvedges), $1.65 per pound; if other than black, $2.25 per pound; if weighing more than 2 but not more than 8 ounces per square yard, and if containing not more than 30 per cent in weight of silk; if black (except selvedges), 75 cents per pound; if other than black, 90 cents per pound; if containing more than 30 per cent but not more than 45 per cent in weight of silk; if black (except selvedges), $1.10 per pound; if other than black, $1.30 per pound; if containing more than 45 per cent in weight of silk but not more than 60 per cent; if black (except selvedges), $1.40 per pound; if other than black, $1.60 per pound; if containing more than 60 per cent in weight of silk, or if composed wholly of silk, and if having not more than 220 single threads to the inch in the warp; if black (except selvedges), $1.50 per pound; if other than black, $2 per pound; if having more than 220 but not more than 300 single threads to the inch in the warp; if black (except selvedges), $1.65 per pound; if other than black, $2.25 per pound; if having more than 300 but not more than 380 single threads to the inch in the warp; if black (except selvedges), $1.80 per pound; if other than black, $2.50 per pound; if having more than 380 but not more than 460 single threads to the inch in the warp; if black (except selvedges), $2 per pound; if other than black, $2.75 per pound; if having more than 460 single threads to the inch in the warp; if black (except selvedges), $2.25 per pound; if other than black, $3 per pound; if printed in the warp and weighing not more than 1¼ ounces per square yard, $3.50 per pound; weighing more than 1¼ but not more than 2 ounces per square yard, $3.25 per pound; weighing more than 2 ounces per square yard, $2.75 per pound. But in no case shall any goods made on Jacquard looms or any goods containing more than one color in the filling, or any of the goods enumerated in this paragraph, including such as have india rubber as a component material, pay a less rate of duty than 45 per cent ad valorem.

396. Handkerchiefs or mufflers composed wholly or in chief value of silk, finished or unfinished, if cut, not hemmed or hemmed only, shall pay 50 per cent ad valorem; if such handkerchiefs or mufflers are hemstitched or imitation hemstitched, or revered, or have drawn threads, or are embroidered in any manner, whether with an initial letter, monogram, or otherwise, by hand or machinery, or are tamboured, appliquéed, or having tucking or insertion, 60 per cent ad valorem.

397. Ribbons, bandings, including hatbands, beitings, bindings, all of the foregoing not exceeding 12 inches in width, and if with fast edges, bone casings, braces, cords, cords and tassels, garters, gorings, suspenders, tubings, and webs and webbings, composed wholly or in chief value of silk, and whether composed in any part of india rubber or otherwise, if not embroidered in any manner, by hand or machinery, 50 per cent ad valorem.

398. Laces, edgings, insertings, galloons, flouncings, neck ruffiings, ruchings, braids, fringes, trimmings, ornaments, nets or nettings, veils or veilings, and articles made wholly or in part of any of the foregoing, or of chiffons, embroideries and articles embroidered by hand or machinery, or tamboured or appliquéed, clothing ready made, and articles of wearing apparel of every description, including knit goods, made up or manufactured in whole or in part by the tailor, seamstress, or manufacturer; all of the foregoing composed of silk, or of silk and metal, or of which silk is the component material of chief value, whether in part of india rubber or otherwise and braid composed in part of india rubber, not specially provided for in this section, and silk goods ornamented with beads or spangles, 60 per cent ad valorem: *Provided*, That articles composed wholly or in chief value of any of the materials or goods dutiable under this paragraph shall pay not less than the rate of duty imposed upon such materials or goods by this section: *Provided further*, That tamboured or appliquéed articles or fabrics shall pay no less rate of duty than that imposed upon the material if not so tamboured or appliquéed.

399. All manufactures of silk, or of which silk is the component material of chief value, including such as have india rubber as a component material, not specially provided for in this section, 50 per cent ad valorem: *Provided*, That all manufactures of silk enumerated under any paragraph of this schedule, if composed in any part of wool, shall be classified and assessed for duty as manufactures of wool.

400. In ascertaining the weight of silk under the provisions of this schedule, either in the threads, yarns, or fabrics, the weight shall be taken in the condition in which found in the goods, without deductions therefrom for any dye, coloring matter, or other foreign substance or material. In ascertaining the number of single-warp threads to the inch under the provisions of this schedule, the number of all warp single or two or more ply threads shall be determined by the singles.

401. Yarns, threads, filaments of artificial or imitation silk, or of artificial or imitation horsehair, by whatever name known, and by whatever process made, if in the form of singles, 45 cents per pound; if in the form of tram, 50 cents per pound; if in the form of organzine, 60 cents per pound: *Provided*, That in no case shall any yarns, threads, or filaments of artificial or imitation silk or imitation horsehair, or any yarns, threads, or filaments made from waste of such materials, pay a less rate of duty than 30 per cent ad valorem; braids, laces, embroideries, galloons, neck ruffiings, ruchings, fringes, trimmings, beitings, cords, tassels, ribbons, or other articles or fabrics composed wholly or in chief value of yarns, threads, filaments, or fibers of artificial or imitation silk or of artificial or imitation horsehair, by whatever name known, and by whatever process made, 45 cents per pound, and in addition thereto, 60 per cent ad valorem.

Mr. ALDRICH. I shall not call this up for action now, but when I do I shall explain the changes which have taken place. As I have stated, they are mostly changes in phraseology. The only changes in rates are reductions upon some of the velvet items.

Mr. CUMMINS. I should like to ask the chairman of the Committee on Finance whether there will be printed a comparison between the schedule as now framed and the proposed law that will take the place of the tariff now in force?

Mr. ALDRICH. Does the Senator mean the provisions that are already in the bill as reported from the Committee on Finance?

Mr. CUMMINS. I mean the same comparison which has already been instituted between the bill as reported and the Dingley rates which we have. In so far as there has been a change of duties, will the Committee on Finance present a similar comparison? This is a complicated schedule, and it is a little difficult to those who have not given a great deal of study to the matter to make that comparison.

Mr. ALDRICH. It will be easier to have a comparison made and printed between the paragraphs as originally reported from the Committee on Finance and the proposition which is now made.

I think perhaps that had better be ordered. We will have that printed, so that Senators can see the changes which have been made from our original report. It will be impossible to have any sort of a comparison that would be intelligible between this plan of assessing duties and the original law, for the reason that they are based upon an entirely different plan. These duties are entirely specific.

Mr. CUMMINS. I understand that.

Mr. ALDRICH. And the others are compound.

Mr. CUMMINS. The committee did institute that comparison?

Mr. ALDRICH. Yes. I can state in general terms what the differences are, and I shall do so when the matter is up for consideration.

Mr. CUMMINS. So far as the changes now made are concerned, the committee will compare them with the original report, so they can be seen at a glance?

Mr. ALDRICH. Yes; I will have this printed as an amendment. I ask that it may be printed as an amendment to the bill, with the changes printed in italics.

The PRESIDING OFFICER. Without objection, that order will be made.

Mr. BACON. Mr. President, with the permission of the Senator, I desire to ask that certain amendments which I propose to offer may lie on the table and be printed.

Mr. ALDRICH. I have several suggested changes, largely of a verbal character, which I think might be disposed of now. I think there will be no objection to any of them. I send the amendments to the desk.

The PRESIDING OFFICER. The Senator from Georgia [Mr. BACON] requests that the amendments which he submitted may be printed and lie on the table.

Mr. BACON. Yes, sir; in order that I may offer them at the proper time.

The PRESIDING OFFICER. That order will be made.

Mr. ALDRICH. I wish to move an amendment on page 8, line 16. I ask first that the vote by which the paragraph was agreed to may be reconsidered.

The PRESIDING OFFICER. Without objection, the vote by which the paragraph was agreed to will be reconsidered. The Chair hears none. The amendment proposed by the Senator from Rhode Island will be stated.

The SECRETARY. On page 8, line 16, after the word "gelatin," it is proposed to strike out the comma and the word "edible."

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Rhode Island.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. In paragraph 40 I withdraw the committee amendment, or I will ask that it be disagreed to. The paragraph has been passed over in this case. I think it has never been acted upon.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. On page 11, line 23, paragraph 40, the Committee on Finance reported an amendment to strike out the words "one dollar and fifty," and to insert "seventy-five."

The PRESIDING OFFICER. The question is on the amendment.

Mr. LA FOLLETTE. What is the proposition, Mr. President?

Mr. SCOTT. I understand the amendment is withdrawn.

Mr. ALDRICH. I ask that the amendment heretofore proposed by the committee may be disagreed to. It amounts to the same thing.

The PRESIDING OFFICER. The amendment can not be withdrawn. The Chair will put the question to the Senate.

Mr. ALDRICH. I ask that the Senate disagree to the amendment.

The amendment was rejected.

Mr. SCOTT. Am I to understand that that restores the duty to $1.50?

Mr. ALDRICH. It does.

I ask that paragraph 49 be amended so as to read as proposed in the amendment which I send to the desk.

The PRESIDING OFFICER. Without objection, the vote by which paragraph 49 was agreed to will be reconsidered. The amendment proposed by the Senator from Rhode Island will now be stated.

The SECRETARY. On page 13, after line 3, it is proposed to insert as a substitute for the House text and the Senate committee amendment the following:

49. Varnishes, including so-called gold size or Japan, and spirit varnishes or enamel paints made with varnishes containing 5 per cent or more of methyl alcohol, 35 per cent ad valorem.

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Rhode Island.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. On the same page, in line 24, paragraph 54, I move to strike out the words "including oxide of iron pigment and oxide of iron polishing powder."

The PRESIDING OFFICER. Without objection, the paragraph will be reconsidered. The Senator from Rhode Island now offers an amendment to it, which will be stated.

The SECRETARY. On page 13, line 24, strike out the words "including oxide of iron pigment and oxide of iron polishing powder."

Mr. BURKETT. Where will those articles come in if those words are stricken out?

Mr. ALDRICH. They will come in in the iron paragraph or under the chemical paragraph, where they ought to be anyhow. They ought not to be here.

The PRESIDING OFFICER. The question is on the amendment submitted by the Senator from Rhode Island.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. In paragraph 93, page 23, after line 11, I move to insert the words I send to the desk.

The PRESIDING OFFICER. In the absence of objection, the vote whereby the paragraph was agreed to will be reconsidered. The Senator from Rhode Island offers an amendment, which will be stated.

The SECRETARY. On page 23, at the end of paragraph 93 as amended, it is proposed to insert a semicolon and the following:

Electrodes, brushes, plates, and disks, all the foregoing composed wholly or in chief value of carbon, 30 per cent ad valorem.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. In paragraph 97, on page 26, the Senator from North Dakota [Mr. MCCUMBER] has an amendment to offer.

Mr. McCUMBER. I offer the amendment which I send to the desk as a substitute for paragraph 97.

The PRESIDING OFFICER. The amendment submitted by the Senator from North Dakota will be stated.

The SECRETARY. On page 26, in lieu of paragraph 97, as printed in the bill, it is proposed to insert:

97. Unpolished, cylinder, crown, and common window glass, not exceeding 150 square inches, valued at not more than 1½ cents per pound, 1⅝ cents per pound; valued at more than 1⅝ cents per pound, 1⅞ cents per pound; above that, and not exceeding 384 square inches, valued at not more than 1⅞ cents per pound, 1⅞ cents per pound; valued at more than 1⅞ cents per pound, 1⅞ cents per pound; above that, and not exceeding 720 square inches, valued at not more than 2⅛ cents per pound, 1⅞ cents per pound; valued at more than 2⅛ cents per pound, 2⅜ cents per pound; above that, and not exceeding 864 square inches, valued at not more than 2⅛ cents per pound, 2⅜ cents per pound; valued at more than 2⅛ cents per pound, 2⅜ cents per pound; above that, and not exceeding 1,200 square inches, valued at not more than 2⅛ cents per pound, 2⅜ cents per pound; valued at more than 2⅛ cents per pound, 2⅜ cents per pound; above that, and not exceeding 2,400 square inches, valued at not more than 2⅜ cents per pound, 3⅛ cents per pound; valued at more than 2⅜ cents per pound, 3⅜ cents per pound; above that, valued at not more than 3 cents per pound, 3⅛ cents per pound; valued at more than 3 cents per pound, 3⅜ cents per pound: *Provided*, That unpolished cylinder, crown, and common window glass, imported in boxes, shall contain 50 square feet, as nearly as sizes will permit, and the duty shall be computed thereon according to the actual weight of glass.

Mr. NELSON. Mr. President, this is a very complicated and lengthy amendment, and I should be glad to have it explained, so as to be informed whether it is an increase or a decrease.

Mr. ALDRICH. It decreases the duty upon common window glass.

Mr. NELSON. What is the effect on the other kinds of glass? There are a large number of classifications not contained in the original amendment.

Mr. ALDRICH. The Senator from North Dakota [Mr. MCCUMBER] will explain it.

The PRESIDING OFFICER. The Chair will call the attention of the Senator from North Dakota to the fact that the amendment as sent to the desk includes paragraph 98. Does the Senator desire to have that considered as part of his amendment?

Mr. ALDRICH. No; only paragraph 97 at present.

The PRESIDING OFFICER. The question is upon the amendment submitted by the Senator from North Dakota [Mr. MCCUMBER] as a substitute for paragraph 97.

Mr. SCOTT. Mr. President, I am utterly opposed to this amendment if it reduces the duty; and from the mere reading at the desk no one can tell what effect it will have upon paragraph 97 as it is now in the bill. I think it is only fair that it should go over and be printed.

Mr. McCUMBER. I can say, Mr. President, that it reduces the duty on all classes of glass from the rates of the Dingley law as well as the rates of the pending bill as it came from the House.

Mr. NELSON. On all these brackets?

Mr. McCUMBER. On all these brackets, as will be seen when it is printed. It provides for very slight reductions in the higher grades.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Iowa?

Mr. McCUMBER. I yield.

Mr. CUMMINS. It will be remembered that I raised the question with reference to the duties on glass in this paragraph. I have examined the amendment offered by the Senator from North Dakota. The general tendency of the amendment is to reduce the duties upon the low-priced glass, with very slight reductions upon the higher-priced glass. While I would have been better satisfied if the reductions had been made without introducing the element of value into the subject at all, yet, upon the whole, I believe that this is a fair reduction of the rates on glass of this kind and will fairly meet the demand that exists for reduction in common window glass.

Mr. DICK. Mr. President, I ask the Senator in charge of the amendment to explain, if he will, the ratio of reduction.

Mr. McCUMBER. Mr. President, I can give it. For instance, on glass not exceeding 150 square inches the Dingley rate is 1⅝ cents; the rate as fixed by the bill as it came from the House is 1⅜ cents; and the amendment makes the rate 1½ cents on glass valued at not over 1½ cents per pound and 1⅝ cents when it is of a higher value, the higher value, as has been shown, being glass used for pictures mainly, and the other is used in window frames, and each of the brackets is divided into those two classes.

We will take the next class, glass over 150 square inches and not exceeding 384 square inches, the Dingley rate on which was 1⅞ cents per pound, and the rate of the House bill was the same. The rate as fixed by this amendment is 1⅝ cents when valued at not over 1¾ cents per pound, and 1⅞ cents if valued at over 1¾ cents per pound. You may take each of the brackets as they follow on, and in no instance is the rate greater than the rate fixed by the House bill, and on the cheaper glass the rate is lower than the rate fixed by the House bill.

Mr. NELSON. As I understand, Mr. President, with the permission of the Senator, the paragraph has been divided into two brackets in each case?

Mr. McCUMBER. Yes.

Mr. NELSON. And in each of the first brackets the rate has been made lower?

Mr. McCUMBER. Yes.

Mr. NELSON. And the higher brackets have not gone over the Dingley rates?

Mr. McCUMBER. That is correct. In the second bracket and in the third, fourth, fifth, sixth, and seventh the rates are lower than the Dingley rates, even on the higher grades of glass.

Mr. DICK. If I understand the Senator correctly, he states that all the rates have been reduced both as compared with the Dingley law and as compared with the bill as it came from the House. Am I right about that?

Mr. McCUMBER. Every bracket has been reduced on a portion of the glass that would come in under that bracket; that is, on that which would be denominated "common window glass" the rates have all been reduced; and when we get up to the larger sizes, they have been reduced both as to the higher and

the lower brackets. In other words, an investigation showed that the rates could be reduced without injury to the higher class on both values; but upon the lower class of glass we thought that the rates could not be reduced except as to window glass. The amendment may seem to be rather complicated, but I can go through it and explain each subdivision if the Senator so desires.

Mr. DICK. No; I do not care so much about that as to know where the deepest cut was made.

Mr. McCUMBER. The deepest cut was made in the larger sizes.

Mr. DICK. But in the effort to equalize, no sizes have been increased?

Mr. McCUMBER. No sizes have been increased.

Mr. SCOTT. Mr. President, I do not intend that this amendment shall be adopted if I can help it. West Virginia has been pretty patient. This is one of her chief industries; and I know of my own personal knowledge that those engaged in the manufacture of window glass in my State have not only not made any money, but that they have been making window glass at a loss. Why we should be picked out and discriminated against in this bill by a member of the committee, I can not understand. I shall insist that the amendment go over until we have an opportunity to examine it, or I shall try to talk upon it until 7 o'clock.

Mr. ALDRICH. Mr. President, the amendment provides a much better adjustment of the rates upon various classes of glass than the provision originally presented. It is true that it does reduce the duties upon common window glass, but I think the reduction has been pretty fairly done and that the rates are preserved sufficiently to be protective. I do not think that any interest will seriously suffer if this paragraph shall be adopted.

Mr. McCUMBER. I want to call the Senator's attention to the fact that in no case is the duty less than 100 per cent. Take glass valued a not over 1½ cents. On such glass the duty is 1½ cents per pound. That is a pretty fair duty. I appreciate the fact that common window glass is sold exceedingly low. There is no great demand for glass of 150 square inches; it is not used in building homes to any extent. The small-size glass is used in factories, mills, and places of that kind. The glass provided for in the next bracket below that is used in factories and mills as well as in the building of dwelling houses, but in no instance do we find the duty much less than 100 per cent on that class.

Mr. ALDRICH. I suggest to the Senator from West Virginia, in order to facilitate the transaction of business, that he allow this to be agreed to, and if to-morrow morning he finds that he is injured, I will be very glad to have the paragraph reopened.

Mr. SCOTT. I have no objection to that, and I do not want to be an obstructionist; but I do want to say the fact that the Senator from North Dakota informed the Senate that it is 100 per cent does not make any difference to me. If it takes 200 per cent to protect the glass industry of my State and other States, I am in favor of putting it on. That is no argument at all. I know that the window-glass industry is in a languishing condition, and I do know those engaged in it have lost money. Why should this industry be selected for a reduction?

I am willing to let this matter go over until to-morrow, with the understanding that I shall have the opportunity to call it up.

Mr. ALDRICH. I ask that the amendment may be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from North Dakota.

Mr. BACON. What is the amendment?

The VICE-PRESIDENT. Without objection, the Secretary will again state the amendment.

Several SENATORS. No.

Mr. BACON. If it is too long to be read——

Mr. ALDRICH. It is in regard to window glass.

Mr. ROOT. Before this matter goes over, I wish to call the attention of the Senator from West Virginia to a fact which was well understood when this was up in the Senate before. It was generally agreed that the importations of window glass which appear in our statistical tables were entirely of glass not used for glazing windows, but used for photographic plates and in picture frames and for similar purposes, and that there was no importation whatever of common window glass. So it seemed to be the general understanding that the committee would undertake to find a way of discriminating between these two different products and would arrange the duties so that the smaller duties would be upon the cheaper glass of more common use. As the duty now stands, it permits the introduction of high-grade glass, coming under the head of window glass, and is absolutely prohibitive upon the real window glass.

This amendment discriminates between the duties, so that the duty upon the high-grade glass, of which there is already a large importation, will be left practically as it is, and the duty upon the low-grade glass, which is now practically prohibited, shall be reduced, so that it will practically have the same relation to the production and importation of that kind of glass that the other duty has to the high grade of glass.

Mr. SCOTT. Mr. President, if I understood correctly the Senator who introduced this amendment, he said that the amendment would reduce all sizes, kinds, and characters of window glass. There have been several weeks of discussion here on the tariff bill, and I am glad in one sense that the committee is willing at last to agree with the gentlemen who have been trying to revise downward, and it happens to be on window glass, a product of an industry in my State that is languishing now, as I stated before, and can scarcely keep its head above water. I do not think that is fair. Of course there must be a victim. There has to be a reduction downward. Now, I suppose they have struck the place where the victim is to be offered up as a sacrifice.

Mr. McCUMBER. May I ask the Senator a question?

Mr. SCOTT. Certainly.

Mr. McCUMBER. The Senator says the trade in window glass is languishing. I want to ask the Senator if it is languishing by reason of the importation of window glass or its overproduction. If I understand correctly, there are no importations whatever of this lower class of glass. I do understand there is an overproduction at the present time.

Mr. SCOTT. So far as I am concerned, I am perfectly willing always to accommodate the chairman of the Finance Committee, a gentleman who has been overworked, and who I know has done the very best he could for us all. But I want it distinctly understood that it goes over, so far as I am concerned, with the privilege, when I see the amendment in print, to ask, if I object to it, that it be reconsidered, and that there will be no objection.

Mr. ALDRICH. That was my statement.

The VICE-PRESIDENT. The question then is——

Mr. DICK. The chairman of the committee can speak for himself with reference to that single objection. But somebody else can make it. The Senator from West Virginia reserves no right except that which the chairman of the committee, in making this concession, is willing to surrender. I see no advantage to the committee in having it at once agreed to, if the privilege is to be open to have it reconsidered when once the amendment is printed.

Mr. ALDRICH. I ask that it may go over, in order that it may be disposed of. I am anxious to get ahead with the bill.

The VICE-PRESIDENT. The Senator from Rhode Island asks unanimous consent that the schedule, or the paragraph——

Mr. ALDRICH. The paragraph.

The VICE-PRESIDENT. May go over until to-morrow. In the absence of objection, it is so ordered.

Mr. ALDRICH. On page 71, paragraph 208, I offer the amendment which I send to the desk.

The SECRETARY. On page 71, paragraph 208, line 19, after the word "cane," insert the words "or reeds;" and in line 22, strike out "twenty-five," and insert "twenty."

Mr. OVERMAN. The words "or reeds" are in the paragraph now. What is the change?

Mr. LODGE and others. No.

Mr. ALDRICH. It is in line 19, after the word "cane" to insert "or reeds."

The amendment was agreed to.

The SECRETARY. In lines 23 and 24, strike out "forty-five" and insert "forty."

The amendment was agreed to.

Mr. ALDRICH. Mr. President——

The VICE-PRESIDENT. Are there other amendments to this paragraph?

Mr. ALDRICH. No.

Mr. TALIAFERRO. I wish to ask if paragraph 207 has not been passed over?

The VICE-PRESIDENT. On the first reading it was. Without objection, paragraph 208 as amended is agreed to. No objection is heard.

Mr. SCOTT. I wish to ask the chairman a question. If I recollect aright, I have a promise out from him. I refer to paragraph 199, in reference to brier root, where I am trying to get in my laurel root, of which to make pipes.

Mr. ALDRICH. I think the Senator has a right to go back to that whenever he feels like. However, I will ask that the amendment which I send up be considered.

The SECRETARY. In paragraph 210, page 72, line 3, after the word "blinds," insert "baskets."

The amendment was agreed to.

The SECRETARY. In line 5——

Mr. SCOTT. I will now offer my amendment to paragraph 199, by consent.

Mr. ALDRICH. The committee will take it up later.

Mr. SCOTT. I always get that.

The SECRETARY. In line 5, strike out the words "natural or raw;" and in lines 5, 6, and 7, strike out the words "if stained, dyed, painted, printed, polished, grained, or creosoted, 40 per cent ad valorem."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. I move to strike out paragraph 212. I call the attention of the Senator from Minnesota to the amendment.

The amendment was agreed to.

Mr. SCOTT. Now, will the Senator allow me to offer an amendment to paragraph 199, on page 70?

Mr. ALDRICH. Not the amendment which he suggested, because the committee will take it up and consider it; but if he has another, I will be very glad to have him offer it.

In paragraph 260 I offer an amendment which makes some modifications both in rates and in language. The Senator from Kansas [Mr. CURTIS] is interested in this amendment, and I ask him to give attention to it while it is being read.

The SECRETARY. In lieu of paragraph 260, as printed in the bill, it is proposed to insert:

260. Stocks, cuttings, or seedlings of Myrobolan plum, Mahaleb or Mazzard cherry, Manetti multiflora and briar rose, 3 years old or less, $1 per thousand plants; stocks, cuttings, or seedlings of pear, apple, quince, and the St. Julien plum, and evergreen seedlings, 3 years old or less, $2 per thousand plants; rose plants, budded, grafted, or grown on their own roots, 4 cents each; stocks, cuttings, and seedlings of all fruit and ornamental trees, deciduous and evergreen, shrubs and vines, and all trees, shrubs, plants, and vines commonly known as "nursery" or "greenhouse" stock, not specially provided for in this section, 25 per cent ad valorem.

Mr. BACON. Mr. President, I do not understand this paragraph. After we pass line 15 there are duties imposed upon general classes of plants, and I presume there is a good reason for the special duties upon those found in lines 10, 11, 12, 13, 14, and 15. But it seems there are certain particular varieties of plum trees and cherry trees which are selected for this duty. As to pear, apple, and quince, they are general, and as to all other classes they seem to be general. But there is no duty on plum trees generally. There are, however, two or three kinds of plum trees selected, and upon them a duty is placed. I suppose it is quite a trivial matter. Still it is something out of the ordinary, to my mind. I have no doubt there is an explanation for it, and I should be very glad if the Senator would give it.

Mr. ALDRICH. The designations which the Senator alludes to are the present law and have been for some time. There are some few designations of important plum trees or trees of various kinds that are new, and it is thought best by the people interested——

Mr. BACON. I can not hear the Senator to save my life. I beg his pardon.

Mr. ALDRICH. The men who are interested in nurseries have asked the committee to make these changes, to designate certain trees and shrubs and plants which are not designated in the paragraph as it stands.

So far as the rates are concerned, I think they are without exception reductions. The Senator from Kansas can give us some information on the subject.

Mr. BACON. I do not know that I made myself entirely clear to the Senator. I am not objecting to the rate, although it may be high. I do not know. I have not examined it.

The only fact that struck me was that whereas as to other plants the imposition of a duty is general, when you come to plum trees the amendment picks out two or three particular classes of plum trees. If it said plum trees, just as it says pear and quince trees, I would not ask any questions. But my curiosity was excited to know what there was in this particular variety of plum trees which entitled them to a duty when the other plum trees did not have a duty imposed.

Mr. ALDRICH. They are 3-year old trees; rare trees; that is all.

Mr. BACON. If they are rare, that is the very reason why they should come in free, instead of being selected to pay a duty. Although of course I know that the committee has had no such desire, it looks very much to me as though some of these horticulturists or those interested in fruit trees must have a particular interest in a particular kind of plum tree. I can not imagine anything else. If there is any other good reason, I will be very willing to accept it.

Mr. CURTIS. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Kansas?

Mr. BACON. I do.

Mr. CURTIS. This amendment was suggested by the American Association of Nurserymen. Its object is to change from the mixed specific and ad valorem duty of the Dingley law to a specific duty. I do not know why certain plum trees are named, unless the nurserymen desire protection against the importation of those varieties.

Mr. BACON. I should like to know from the Senator whether there is any reason why these plum trees should have a protective duty other than plum trees generally? Why not have all plum trees included, unless it be that there is some particular interest in that kind of a tree.

Mr. CURTIS. I regret not to be able to give the Senator the information he desires.

Mr. BACON. I do not think there is any doubt about the fact—of course I am not going to offer any amendment—that somebody has got a special job in this particular class of plum tree.

Mr. GALLINGER. It may be a political plum tree.

Mr. BACON. Possibly. They seem to be given out here with a good deal of freedom and very much partiality.

Mr. CURTIS. No, Mr. President, in all seriousness, so far as plum trees are concerned, I have not the data. I proposed the amendment at the request of the nurserymen's association. The data furnished me was turned over to the Senator from Pennsylvania. I notice that these plum trees were specifically named in the Dingley law.

Mr. ALDRICH. I ask that the amendment may be agreed to.

Mr. BACON. Without——

Mr. ALDRICH. If the Senator from Georgia was only a farmer, he would not be obliged to ask all these questions.

Mr. BACON. It is because I am one and live on a farm that I am interested in this matter.

The VICE-PRESIDENT. The question is on agreeing——

Mr. BACON. But I confess that my curiosity has not been gratified, and I am still left to a surmise—a surmise which I think is very well founded—that somebody has a monopoly of this particular kind of plum trees.

Mr. ALDRICH. When the Senator from Pennsylvania returns to the city I will see that he informs the Senator from Georgia in regard to this matter.

Mr. BACON. In the meantime does the Senator propose that the amendment shall be adopted by the Senate?

Mr. ALDRICH. Yes.

Mr. BACON. Very well.

Mr. DANIEL. I ask that the amendment be again read.

The VICE-PRESIDENT. Without objection, the Secretary will, at the request of the Senator from Virginia, again report the amendment.

The SECRETARY. It is proposed to strike out paragraph 260, on page 80, and insert in lieu thereof the following:

260. Stocks, cuttings, or seedlings of Myrobolan plum, Mahaleb or Mazzard cherry, Manetti multiflora, and briar rose, 3 years old or less, $1 per thousand plants; stocks, cuttings, or seedlings of pear, apple, quince, and the St. Julien plum, and evergreen seedlings, 3 years old or less, $2 per thousand plants; rose plants, budded, grafted, or grown on their own roots, 4 cents each; stocks, cuttings, and seedlings of all fruit and ornamental trees, deciduous and evergreen, shrubs and vines of all trees, shrubs, plants, and vines commonly known as "nursery" or "greenhouse" stock, not specially provided for in this section, 25 per cent ad valorem.

The VICE-PRESIDENT. The question is on agreeing to the amendment.

Mr. NELSON. I find that duty on this variety of plum trees and cherry trees here described is increased from 50 cents, under the Dingley law, to $1, an increase of 100 per cent. That bothers me more than the characteristic of the plum tree. I should like to hear an explanation why the duty is doubled in this case.

Mr. ALDRICH. As long as the agriculturist of the committee, the Senator from Pennsylvania, is absent, I will let this go over until to-morrow.

What is the plum the Senator refers to? The rate under the Dingley law is practically the same as it is here.

Mr. NELSON. No; under the first bracket it is 50 cents.

Mr. ALDRICH. Three years old or less, 50 cents per thousand plants and 15 per cent ad valorem.

Mr. NELSON. It is 50 cents a thousand and 15 per cent under the Dingley law.

Mr. ALDRICH. It is not doubling the duty. The present duty is 50 cents and 15 per cent ad valorem, which may be more or less than a dollar.

Mr. NELSON. But you now have it $1 and 15 per cent ad valorem.

Mr. ALDRICH. No; a dollar without the 15 per cent. It is impossible to say at this moment whether it is an increase or a decrease. It certainly is not doubling the rate.

Mr. ROOT. Mr. President, I can contribute an item of information, although I do not want to be asked any questions. I have had many communications from nurserymen on the subject of this paragraph. Some of them are gentlemen of very high character, people from whom I have been buying nursery stock for many years and whom I know very well.

Mr. BACON. Without asking the Senator a question——

Mr. ROOT. I hope the Senator will not——

Mr. BACON. I am not going to ask a question. I just want to observe the number of farmers there are in this body.

Mr. ROOT. I hope the Senator will respect my request. The effect of the communications was that it would contribute greatly to the convenience both of the nurserymen raising this stock in this country and the importer if the compound duty could be changed to a simple specific duty by count. Elwanger & Barry and other great nurserymen have been writing to me on that subject, and their letters contain statements based upon evidence that this specific duty would be the equivalent of the 15 per cent ad valorem. This duty has been placed at the equivalent of the old duty. On the basis of this testimony, which I think is as good evidence as it is possible to get, the duty which is reported in this amendment will be the exact equivalent of the compound duty as it exists in the Payne bill.

Mr. BURKETT. I will say to the Senator that if he will look at the imports, on the valuation there, the highest of which it seems last year was $2.74, 15 per cent would be about 31 or 32 cents. Added to the 50 cents, it would make it 82 cents. The importations in 1906 were $1.58 on the average.

Mr. ALDRICH. The Senator, with all his accomplishments, is not a mathematician. Fifteen per cent of $2.74 is a good deal more than 30 cents.

Mr. BURKETT. It is somewhere between 30 and 40.

Mr. ALDRICH. It is 42 or 43 cents, and 50 cents and 41 or 42 cents would make 91 or 92 cents in place of a dollar. It shows that the statement of the Senator from New York is approximately correct—that these new rates are approximately the old ones.

Mr. BURKETT. That is the highest rate. The year before it was $1.58. The valuation varies a good deal.

Mr. BACON. I understood the Senator from Rhode Island to say the matter was to go over for the purpose——

Mr. ALDRICH. I ask that it may be agreed to and then go over.

Mr. BACON. I hope that before this important matter is disposed of we will know why it is that two classes of plum trees and one kind of cherry tree are picked out for this particular duty.

Mr. ALDRICH. I ask that the amendment may be agreed to.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Rhode Island.

The amendment was agreed to.

EXECUTIVE SESSION.

Mr. ALDRICH. Several Senators desire an executive session. Therefore I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After three minutes spent in executive session the doors were reopened, and (at 7 o'clock p. m.) the Senate adjourned until to-morrow, Wednesday, June 16, 1909, at 10 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate June 15, 1909.

COLLECTORS OF CUSTOMS.

Lawrence Bailliere, of Maryland, to be collector of customs for the district of Annapolis, in the State of Maryland. (Reappointment.)

Orlando V. Hurt, of Oregon, to be collector of customs for the district of Yaquina, in the State of Oregon, in place of Charles B. Cresno, whose term of service expired by limitation January 26, 1909.

COMMISSIONER OF INDIAN AFFAIRS.

Robert G. Valentine, of Holliston, Mass. (now Assistant Commissioner of Indian Affairs), to be Commissioner of Indian Affairs, vice Francis E. Leupp, resigned.

PROMOTIONS IN THE ARMY.

ORDNANCE DEPARTMENT.

Lieut. Col. Lawrence L. Bruff, Ordnance Department, to be colonel from June 13, 1909, vice Col. Frank Heath, retired from active service on that date.

Maj. Charles B. Wheeler, Ordnance Department, to be lieutenant-colonel from June 13, 1909, vice Lieut. Col. Lawrence L. Bruff, promoted.

APPOINTMENT IN THE ARMY.

CHAPLAIN.

Rev. Marinius Martin Londahl, of Minnesota, to be chaplain with the rank of first lieutenant from June 2, 1909, vice Patrick P. Carey, Coast Artillery Corps, who was retired from active service on December 2, 1908.

POSTMASTERS.

CONNECTICUT.

Leonard H. Forbes to be postmaster at Burnside, Conn. Office becomes presidential July 1, 1909.

HAWAII.

Arthur Waal to be postmaster at Labaina, Hawaii, in place of Arthur Waal. Incumbent's commission expired January 12, 1909.

ILLINOIS.

Moses C. Smith to be postmaster at Newman, Ill., in place of Charles Q. Whallon. Incumbent's commission expired December 12, 1908.

IDAHO.

Orin H. Barber to be postmaster at American Falls, Idaho. Office becomes presidential July 1, 1909.

John T. Witty to be postmaster at Shoshone, Idaho, in place of Henry A. Brown, resigned.

INDIANA.

Samuel E. Nicoles to be postmaster at Medaryville, Ind. Office became presidential January 1, 1909.

MICHIGAN.

Gilbert H. Hudson to be postmaster at Bloomingdale, Mich. Office becomes presidential July 1, 1909.

NEW JERSEY.

Ralph M. Collins to be postmaster at Barnegat, N. J. Office becomes presidential July 1, 1909.

Morris Davis to be postmaster at Bridgeton, N. J., in place of Henry Graham. Incumbent's commission expired January 20, 1909.

NEW YORK.

Charles J. Quick to be postmaster at Lestershire, N. Y., in place of William H. Hill, resigned.

OKLAHOMA.

James B. Miller to be postmaster at Fort Gibson, Okla., in place of Hubbard Ross. Incumbent's commission expired January 25, 1908.

PENNSYLVANIA.

R. K. Godding to be postmaster at Kane, Pa., in place of Lucius Rogers, deceased.

C. Penrose Hipple to be postmaster at Marietta, Pa., in place of Daniel G. Engle. Incumbent's commission expired April 27, 1908.

Jerome B. Lahr to be postmaster at Millerstown, Pa. Office becomes presidential July 1, 1909.

SOUTH DAKOTA.

Albert H. J. George to be postmaster at White Lake, S. Dak. Office became presidential July 1, 1907.

TENNESSEE.

William F. Littleton to be postmaster at Kingston, Tenn., in place of Gillis T. Johnston, removed.

Elisha Thomas McKinney to be postmaster at Harriman, Tenn., in place of Reuben Hurtt, removed.

Frank J. Nunn to be postmaster at Brownsville, Tenn., in place of Giles Rives, resigned.

Charles Shelley Wortham to be postmaster at Tullahoma, Tenn., in place of Abe L. Davidson, resigned.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 15, 1909.

PROMOTIONS IN THE NAVY.

The following-named midshipmen to be ensigns in the navy:

Richard S. Galloway,
Clarence N. Hincamp,
Edgar A. Ewing,
Riley F. McConnell,
Joseph W. Jewell,
Ralph R. Stewart,
Robert L. Montgomery,
Charles E. Hovey,
Ralph C. Parker,
Ezra G. Allen,
Emanuel A. Lofquist,

Jere H. Brooks,
Henry C. Gearing, jr.,
Elmer W. Tod,
Thaddeus A. Thomson, jr.,
Virginius E. Clark,
George W. Simpson,
Reuben R. Smith,
Homer H. Norton,
Alfred H. Miles,
Reginald E. Gillmor,
Carl C. Krakow,
James Parker, jr.,
Charles F. Pousland,
John F. Cox,
Grattan C. Dichman,
Harry A. McClure,
Louis J. Gulliver,
Cortlandt C. Baughman,
Richard B. Coffman,
Jonas H. Ingram,
Emory F. Clement,
Robert F. Gross,
Patrick N. L. Bellinger,
William T. Mallison,
Philip O. Griffiths,
Newton H. White, jr.,
Burton A. Strait,
Herbert A. Jones,
Samuel A. Clement, and
Richard F. Bernard.

First Lieut. William E. Smith to be a captain in the Marine Corps.

The following-named machinists to be chief machinists in the navy:

James H. Morrison,
Edward A. Manck,
Thomas O'Donnell,
Arthur Cottrell,
Kellum D. Grant, and
Ellwood W. Andrews.

WITHDRAWAL.

Executive nomination withdrawn from the Senate June 15, 1909.

G. L. Hamrick to be postmaster at Tuttle, in the State of Oklahoma.

SENATE.

WEDNESDAY, *June 16, 1909.*

The Senate met at 10 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, D. D., of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

PETITIONS AND MEMORIALS.

Mr. JONES. I present a letter from the secretary of the transportation bureau of the Seattle Chamber of Commerce, of Washington, together with a series of resolutions, relative to the valuation of railroad properties in the United States. I ask that the letter and accompanying resolutions be printed in the RECORD and referred to the Committee on Interstate Commerce.

There being no objection, the letter and accompanying resolutions were referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

TRANSPORTATION BUREAU OF THE
SEATTLE CHAMBER OF COMMERCE,
Seattle, Wash., June 11, 1909.

Hon. WESLEY L. JONES,
United States Senate, Washington, D. C.

DEAR SIR: Herewith copy of set of resolutions passed by the transportation bureau of the Seattle Chamber of Commerce at their meeting June 10, 1909.

You will note we request you to give your support to a bill making necessary appropriation to enable the Interstate Commerce Commission to have valuations made on all railroad properties in the United States.

The writer has had personal experience as to the testimony introduced by the railroads in such matters, having been one of the witnesses in both of the Spokane cases, and having heard the testimony (in the last hearing of the Spokane case in Portland, Oreg., in the spring of 1907) of the engineers of the Northern Pacific and Great Northern railways, wherein they placed the valuation on their lines between four and five hundred million dollars for each road. This testimony was so manifestly colored that perhaps it defeated the object. Nevertheless, it has been found practically impossible to get reliable data as to the original cost of the Northern Pacific or Great Northern railway, or the cost of reproducing same upon the present scale of prices.

The question of what is a just and reasonable rate can never be settled until some authoritative body has appraised railroad properties and it becomes definitely known what revenue they should receive in order to recompense the stockholders on a reasonable basis.

Trusting that you will vote for and use every effort possible to have this bill passed, I remain,

Yours, truly, W. A. MEARS, *Manager.*

Whereas the United States Supreme Court has held that in determining a reasonable rate for freight and passengers, the tribunal before which the case is tried must consider the cost of reproduction of the transportation line involved; and

Whereas on the hearing of various cases before the Interstate Commerce Commission the railroad companies have submitted evidence that seems not to be governed by actual statistics, but by the individual opinion of the person testifying; and

Whereas this testimony has been of such character as to warrant the belief that it is greatly exaggerated as to the amount, and is apparently put at as high a figure as possible, the method of producing such results appearing purely arbitrary; and

Whereas the information as to the cost of such roads lies wholly within the knowledge of the railroad companies, and it is manifestly impossible for an individual litigant to secure even an approximate estimate of the cost of rebuilding a railroad; and

Whereas no satisfactory knowledge upon this subject can be obtained until public authorities make a detailed valuation upon a uniform basis; and

Whereas the Interstate Commerce Commission now has authority to make such valuation, but has not the necessary money to have such valuations made: Now therefore be it

Resolved by the transportation bureau of the Seattle Chamber of Commerce:

First. That we urge upon the Congress of the United States to grant the necessary appropriation to enable the Interstate Commerce Commission to have such valuations made as soon as possible.

Second. That we respectfully request and urge upon our Senators and Members of Congress to support such appropriation and aid in every legitimate way in securing prompt enactment of legislation to this end.

Mr. DICK presented a petition of 49 members of Typographical Union No. 117, of Springfield, Ohio, praying that the change proposed by the Senate Finance Committee relative to the duty on print paper and wood pulp be accepted and approved, which was ordered to lie on the table.

Mr. DEPEW presented memorials of sundry citizens of New York, remonstrating against any reduction in the duty from the Dingley rates on news print paper and wood pulp, which were ordered to lie on the table.

He also presented petitions of sundry citizens of New York, praying that a higher duty be placed on steel rails than proposed in the pending tariff bill, which were ordered to lie on the table.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE:

A bill (S. 2621) granting an increase of pension to Don Carlos Sinclair (with the accompanying papers); and

A bill (S. 2622) granting an increase of pension to Winfield S. Robinson (with the accompanying papers); to the Committee on Pensions.

By Mr. BOURNE:

A bill (S. 2623) to provide for the disposal of lands chiefly valuable for oil; to the Committee on Public Lands.

A bill (S. 2624) granting a pension to Jane Jameson (with the accompanying papers); to the Committee on Pensions.

THE LEATHER AND SHOE INDUSTRY.

On motion of Mr. DICK, it was

Ordered, That 5,000 copies of Senate Document No. 72, Sixty-first Congress, first session, entitled "Shall Hides Be Free?" be printed.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the first bill on the calendar will be proceeded with.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. FOSTER. Mr. President——

Mr. PAYNTER. I desire to call attention to the fact that there is not a quorum of the Senate present.

The VICE-PRESIDENT. Apparently. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Bacon	Clay	Frye	Oliver
Borah	Crane	Gallinger	Page
Brandegee	Crawford	Gamble	Paynter
Briggs	Cullom	Hale	Perkins
Bristow	Cummins	Hughes	Scott
Brown	Curtis	Johnson, N. Dak.	Simmons
Bulkeley	Davis	Jones	Smoot
Burkett	Dick	Kean	Stone
Burnham	Dillingham	La Follette	Sutherland
Burrows	Dolliver	McCumber	Tillman
Burton	Elkins	McLaurin	Warner
Carter	Fletcher	Martin	
Chamberlain	Flint	Nelson	
Clark, Wyo.	Foster	Nixon	

Mr. PAYNTER. I desire to state that my colleague [Mr. BRADLEY] is ill and unable to be present this morning.

Mr. JONES. My colleague [Mr. PILES] is temporarily detained from the Chamber on important public business.

The VICE-PRESIDENT. Fifty-three Senators have answered to the roll call. A quorum of the Senate is present.

Mr. SCOTT. Will the Senator from Louisiana yield to me for a moment before proceeding?

Mr. FOSTER. Certainly.

Mr. SCOTT. I should like to have the Secretary read the clipping I send to the desk.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

GOES TO THE WALL—STATE WINDOW GLASS COMPANY, OF BUCKHANNON, FILES BANKRUPTCY PETITION IN FEDERAL COURT.

PARKERSBURG, W. VA., *June 14.*

A voluntary petition in bankruptcy was filed before Judge Dayton in the United States court here this evening by the State Window Glass Company, of Buckhannon.

The assets and liabilities were not stated, but the latter are in the neighborhood of $75,000, it is said. Attorney F. C. Sifer, of Buckhannon, filed the petition.

The VICE-PRESIDENT. The Senator from Louisiana will proceed.

Mr. FOSTER. Mr. President, in supporting the amendment offered by the Senator from Florida [Mr. FLETCHER], I think I fully understand and appreciate the situation in this body.

I know that the President of the United States favors this provision of the bill, and that he earnestly desires its passage. I know he does not believe that the importation of the amount of sugar and tobacco provided for, free of duty, will in any manner affect injuriously those industries in this country, while, on the other hand, it will prove of immense benefit to the people of the Philippines.

I wish that I could agree with him, for I have the highest respect for his judgment and the greatest confidence and faith in his wisdom and patriotism. My opposition to, and convictions against, such legislation, however, are so deep and fixed that I feel it due to myself to protest against the adoption of such a policy by this Congress.

I am opposed to this paragraph for many reasons. In the first place, I am opposed to a policy on the part of this Government which will admit to the American markets any products of the Philippines, whether manufactured or agricultural, free of duty, when such products come in competition with similar products raised in this country, mainly on the ground that the American laborer, manufacturer, and farmer can not successfully compete with the cheap labor of the Orient.

In the second place, I am opposed to such a policy, because if we admit annually 300,000 tons of sugar, 300,000 pounds of wrapper tobacco, 2,000,000 pounds of filler tobacco, and 70,000,000 cigars, such legislation must logically culminate in the admission of all the sugar and tobacco raised in those islands free of duty.

Finally, my opposition is based on the belief that such a policy will ultimately result in the permanent annexation and incorporation of those islands and their people as an integral part of our territory and of our people, and thus destroy all hopes or prospects of their independence.

Mr. President, if the course we are about to follow was at all uncertain, if there was no warning light to guide us upon the troubled shore, if our fears were merely born of doubts, and this were in the nature of an experiment, I would willingly defer to the judgment of the President and his advisers.

But there can be no question as to what the future holds in store when we take this step. An accurate estimate of the results to be expected politically, industrially, and economically can be had when we consider other experiments where the conditions were almost similar.

Let us first see if our experience in other tropical adventures undertaken in recent years do not justify the gravest fears for our domestic industries as a result of this proposed legislation. We will first begin with Porto Rico. When that island was acquired in 1898, as part of the booty of the Spanish war, the production of sugar amounted to 53,000 tons. This has expanded by leaps and bounds until the crop of 1907–8 reached 217,000 tons, an increase of over 300 per cent in ten years, and it is still increasing.

Most Senators are familiar with the case of Cuba. You will recall the tearful stories of distress; the humbug about the moral obligations of this country; the glittering promises of trade; all of which was to be our own, in return for concessions to Cuban sugar. In response to those appeals the Cuban reciprocity treaty was entered into by the Fifty-seventh Congress, by which a reduction of 20 per cent was allowed on the importations from that island.

The trade monopoly that was to have been ours has proven a veritable will-o'-the-wisp. We have received no benefits other than would have come in the natural course of expanding trade, while, on the other hand, we have poured a golden stream into that island year after year without receiving any adequate benefits from the concessions we have made. The production of sugar has increased from 975,000 tons in 1893 to 1,449,316 tons in 1907, all of which has been exported to this country.

In the history of Hawaii, and especially in the commercial treaty we had with those islands and their final annexation, we should read a lesson and a warning against this legislation. I think it may be well to go back and examine with the resultant effects that first legislation enacted in behalf of foreign sugar.

When Hawaii was knocking at our door in 1876 for trade concessions, an act of Congress was necessary before the treaty could be made, inasmuch as the revenues were affected, and the debate, especially in the House, is full of interest, as indicating how conditions and the point of view have changed, as well as illustrating how completely the men who favored the treaty were mistaken or deceived.

On January 6, 1876, Mr. Luttrell, of California, introduced a bill to carry the convention into effect. It was reported favorably on March 2, and as the remission of duty on Hawaiian sugar was the principal change effected by the treaty, the majority report was an effort to prove that the limit of production had already been nearly reached; that the American domestic producers could not possibly be affected injuriously; and that the isolated condition of the people on the Pacific coast made it imperative that this source of supply be opened up to them.

The Pacific States are to receive from those islands—

Said the report—

what they do not produce, and the islands are to receive from the Pacific States in exchange therefor what they do not produce. * * * As sugar is the principal article released, it may be well to consider it especially in this connection. Some fears have been expressed as to the effect of this release from duty on the like products of the United States. * * * It can not be said that the admission of Hawaiian sugar will have the least influence upon the sugar market in the United States, for it is impossible that this sugar can in any way come in competition with it. * * * Imports of sugar from all countries into the Pacific States in the fiscal year ending June 30, 1875, was 66,446,470 pounds—33,000 tons—while the importation from the islands to the Pacific States was 17,888,000 pounds—8,944 tons—a trifle over one-quarter of the whole importation; so it will be seen that the whole importation from the islands can not affect the market in the Atlantic States. It is not possible that the Hawaiian sugar can ever find its way into the Atlantic States—the cost of transportation would exclude it; nor can there be fear of any great increase in the production of this sugar, in view of the steadily diminishing population of the islands.

Much weight was attached to a letter from the Secretary of the Treasury, in which, after pointing out that this country only imported 8,944 tons from the islands in 1875, he said:

The lack of natural facilities for developing the production of sugar in the islands would keep down the future importations.

He also placed the limit of stimulation as a result of free entry into this country at 12,500 tons.

Mr. Wood, of New York, who opened the debate in favor of the treaty, said:

There has been a gradual extinction of population, a gradual obliteration of the natives of the islands, leaving them as it were a prey to some more powerful nation to come in and occupy the ground which Providence has determined in His wisdom that they shall occupy no longer; and yet gentlemen are frightened at this product of a handful of starving natives, lest it will interfere with the revenue of this Nation. The population has decreased from 400,000 in 1779 to less than 50,000, including 6,000 foreigners, in 1875. And it was the native population that furnished the labor. No sugar can be produced except by the manual labor of the natives of those islands. The decrease in the population is a painfully remarkable fact. In round numbers, omitting fractions, in 1779 it was 400,000, 1832 it was 130,000, 1850 it was 84,000, in 1853 it was 73,000, in 1860 it was 69,000, in 1866 it was 62,000, in 1872 it was 49,044, of which 6,853 were foreigners, leaving only a little over 42,000 as a total native population of the Sandwich Islands.

The United States Government has continued this narrative of "a vanishing race" from the place where the gentleman left off in 1872. The sequel is even sadder than the narrative of Mr. Wood when we reflect what it means to American labor, American ideals of living, and American institutions. The story has been brought down to date, and later on I am going to read a brief extract from what the Bureau of Labor has to say about it.

There might have been some excuse for the legislation by which that treaty was entered into, however, as it was our first experience in exploiting the Tropics, but there is none for

this. Congress, too, was then influenced by domestic conditions that no longer exist, as is amply indicated by that debate.

There was at that time but one railroad to the Pacific, and in opening the discussion in favor of the treaty the hope was expressed that the child had already been born who would live to see other roads completed, while the support of western Congressmen was sought on the plea that at the preceding session friends of the treaty supported the bill to extend a telegraph line to the western border of Texas so the authorities might be informed of any Indian uprising.

Congress, therefore, in the exuberance of expanding strength, manifested in many ways at the time, frankly agreed to reverse our fiscal policy, to disregard the economic laws practiced in the east, and by entering into the Hawaiian treaty furnish the people of our western coast with a supply of sugar that it was thought could never be produced at home.

Even in that day, however, the danger of embarking upon an imperialistic course with respect to the islands of the Pacific was understood by some men with prophetic vision and statesmanlike views in both political parties.

Mr. Morrison, of Illinois, one of the most distinguished members of the House at that time and author of the tariff bill that bears his name, combated the proposition with all of his earnestness. He cited the opposition of Senators Fessenden and Grimes in 1867–68 to such a treaty, and quoted from a New England Senator as follows:

Our market for their sugars is the best they can possibly have, treaty or no treaty, charged with duty or not. The duty is a sheer loss to us and a sheer gain to the 25 owners of the sugar plantations, whether they reside in Hawaii or elsewhere. It is an immense subsidy to these wholly private interests and far more obnoxious than any subsidy which has heretofore found congressional advocates. However honestly intended by the parties to the negotiation, I feel constrained to denounce it as a job, the chief result of which will be to put money into the purses of a few Hawaiian sugar planters, who have captured a good enough king to march at the head of their triumphant procession through the country at our expense, and who by and by is to issue his royal proclamation ratifying the treaty.

In discussing the Hawaiian treaty, and bearing upon this same thought, President Garfield, who participated in the debate, said:

I do not approve of the Hawaiian treaty, because it looks in the direction of securing possession of those islands. I wish to state distinctly on the general question of annexation of outlying islands or territory, except in the North—I make an exception there—that I trust we have seen the last of our annexation, and in this remark I include the whole group of West India Islands and the whole of the Mexican territory contiguous to the United States, inhabited, as it is, by a portion of the Latin races, strangely mixed and degenerated by their mixture with native races; a population occupying a belt of territory that naturally enfeebles man; a population and a territory that I earnestly hope may never be made an integral part of the people and territory of the United States. I can not more strongly state my view of that subject than by saying that if the island of Cuba was offered to us by the consent of all the powers of the world and $100,000,000 in gold offered as a bonus for its acceptance by the United States, I would unhesitatingly vote to decline the offer. We occupy a portion of that great northern zone which girdles the world, and which has been the theater of the greatest achievements of civilization, especially in the history of the Anglo-Saxon races; but should we extend our possessions into the tropical belt we should weaken the powers of our people and Government.

Hon. John H. Reagan, of Texas, then serving in the House, in warning his colleagues against the measure, said:

The sugar planters, when this treaty is made, will consult their own pecuniary interests, and not our national aggrandizement. What will their pecuniary interest rightly and necessarily induce them to do? They stand upon the half-way station between the western coast of America and the teeming millions of Asia, where labor is cheap. When those men go to make sugar, will they take there those engaged in the industrial pursuits of America to Americanize that island, so as to fit it to become an American colony at some future day? Who believes that they will pay double to American citizens less qualified for the duty than they would pay to the Asiatics, as well or better qualified for that duty? If then the capacity of that territory is sufficient to develop a large production of sugar and molasses—on which I do not propose to speak, for I have not informed myself particularly on that subject—the sugar planters there, following the instincts of interest, will apply to Asia for the labor that is to make the sugar and molasses which are to come here free. If they do that, and if there are productive fields in the Hawaiian Islands open for a large population, that population, instead of being American, will be Asiatic; and when once that Asiatic population is planted upon the Hawaiian Islands in large numbers, American emigration, except such capitalists as may proceed there who are connected with commerce or the sugar-producing interests, will not go there, can not go there, can not and will not mingle with the Asiatic population where it is in the ascendency, as the policy of this treaty in my judgment will place it. If I am right in this, we are not going to make an American colony on the Hawaiian Islands westward toward Asia, but we are to make an Asiatic colony eastward to the Hawaiian Islands, and plant there a population which will in future exclude the possibility of making there an American colony.

There was a good deal of mawkish sentiment indulged in about "the vanishing race of Sandwich Islanders," first mentioned by Mr. Wood, and it was claimed that their places would be taken by sturdy American colonists.

How this prophecy has been fulfilled is shown by the Third Report on Hawaii issued by the Bureau of Labor in September, 1906.

At page 11 it says:

Not only is the plantation working force overwhelmingly Asiatic, but a secondary Asiatic population, living largely on the first and supplying its needs, has come into the islands, has invaded all lines of industry, and the two combined now form the largest element in the total population. From a total Asiatic population of less than 6,000 in 1878, forming only 10.2 per cent of the population of the islands, the number of Asiatics had increased to 18,000 in 1884, and formed over 22 per cent of the total population. By 1890 the foreign-born Asiatics had increased to 27,000, and constituted over 30 per cent of the population. During the next six years their numbers had increased to over 41,000, and they formed over 38 per cent of the population. In June, 1900, the month in which the organic act creating Hawaii a Territory went into effect, the number of foreign-born Asiatics had increased to over 77,000, and formed more than 50 per cent of the entire population.

* * *

The Asiatic preponderance in the population of Hawaii appears still more significantly in the figures giving adult males alone. In 1900 the total male population 18 years of age or over was 85,136, of which number Chinese and Japanese made up 63,444, or 74.52 per cent of the total.

The document says that "the total increase in the Caucasian population through immigration has been small at the best, and the figures of arrivals are, to a considerable extent, offset by the steady departure of whites, which has been going on since the cessation of the excitement attending annexation." The report says that out of a population of 106,369 males, the native and foreign born Asiatics taken together represent 69,804, or 65.6 per cent of the total population, as shown by the following figures taken from the Twelfth Census:

Population in 1900, by sex and color or race.

[The data included in this table have been taken from the records of the Twelfth Census.]

Color or race.	Males.	Females.	Total.
Hawaiian	15,642	14,157	29,799
Part Hawaiian	3,971	3,886	7,857
Caucasian	16,531	12,288	28,819
South Sea Islander	263	152	415
Negro	158	75	233
Chinese	22,296	3,471	25,767
Japanese	47,508	13,603	61,111
Total	106,369	47,632	154,001

The report of the bureau also says:

The preponderance of Asiatics is even more marked in the last census figures, taken in 1900, and showing sex. As will be seen from the following table, out of a population of 106,369 males, the native and foreign born Asiatic element taken together represent 69,804, or 65.6 per cent of the total male population:

Before leaving this phase of the question I wish to invite your attention to the figures given by Mr. Lorrin A. Thurston in a paper read before the Social Science Club of Honolulu, in April, 1906. He shows that the "Number and nationality of labor immigrants to Hawaii, 1852 to 1905, both inclusive," was as follows:

Koreans	6,908
Chinese (including Manchurians)	44,494
Japanese	111,137
South Sea Islanders	2,448
Norwegians	615
Germans	1,279
Italians	84
Austrians (Galicians)	372
Portuguese	11,440
Porto Ricans	5,000
Negroes	200
White Americans	100
Russians (February, 1906)	110
Total	184,187

Let us now see how the production of sugar has been stimulated by the introduction of this Asiatic horde. It has already been shown that when the treaty was being urged in 1876 the production of the islands was something less than 9,000 tons, and the Secretary of the Treasury solemnly assured Congress that the limit of production was 12,500 tons. How little he knew of what he spoke is illustrated by the fact that in thirty-two years the crop had expanded more than 40 times over, having reached a total of 441,000 tons in 1907, while the crop for 1908 is estimated at more than 500,000 tons.

The report of the Bureau of Labor from which I have just quoted says:

Almost all the business of the Territory is carried on by organized partnerships or joint stock companies. The number of general corporations in force August 28, 1901, was 314, their aggregate paid-up capital being $90,432,825; the number of foreign corporations in force on that date was 11, their aggregate paid-up capital being $29,036,500—

About a third of the whole. These figures do not include railroad corporations, and relate almost exclusively to the sugar industry.

The latest available official figures, showing how the holdings on the islands are divided, are to be found in the House

executive documents for the Fifty-third Congress. In a table of 22 unincorporated plantations, with an estimated value of $3,000,000, the various interests are classified as follows: American, $415,000; Hawaiian-born Americans, $500,000; British, $1,195,000; German, $515,000; Norwegian, $375,000.

Then follows a table showing the holdings in the 40 incorporated planting companies, with a capitalization of $28,594,695, which is divided as follows: American, $18,594,695; Hawaiian-born American, $2,960,280; American Hawaiian (half-caste), $88,900; British, $4,303,218; Hawaiian-born British, $196,200; British Hawaiian (half-caste), $160,098; German, $1,233,935; Hawaiian-born German, $39,165; German Hawaiian (half-caste), $2,058; Hawaiian, $38,991; Chinese, $259,700; Chinese Hawaiian and Portuguese Hawaiian (half-caste), $34,000; Portuguese, $49,500; all other foreign, $3,550; total amount stock issued, $27,964,290.

The statement issued by the Hawaiian and California Sugar Association, January 1, 1906, places the total amount then invested in the Hawaiian plantations at $83,000,000.

I wish now to invite the attention of the Senate to the enormous loss in revenue that this country has suffered from this so-called "reciprocal trade arrangement." The duty remitted on Hawaiian sugar, according to the statement furnished by the Bureau of Statistics, by this Government from 1876 to January 1, 1909, aggregates $193,151,634, and there has been a regular and progressive growth of these annual remissions, beginning with the year 1877, when they amounted to $986,475, until they reached the sum of $17,241,130 in 1908.

From the standpoint of trade alone the experiment has been disappointing if not disastrous, as will be demonstrated by the following facts:

In 1876, the year of the treaty, the imports into those islands amounted to $1,811,771, while the exports amounted to $2,241,042. Almost all of this trade was with the United States.

In 1898, the year of annexation, the imports from the United States were $8,695,592, and the exports to this country amounted to $17,256,084, while in 1908, the importations from the United States amounted to $15,038,155, while the exports to this country had grown to $41,636,505. The value of the imports those islands received from us that year was almost two and a half millions of dollars less than the duty that would have been collected on their sugar for that year alone, had their products not been admitted to this country free. In other words, we give them more than a dollar in order to sell them a dollar's worth of goods.

These figures show at a glance how much there has been in this arrangement for the Hawaiian planters and how little for the people of the United States.

A summary of the foregoing facts shows that since the ratification of the treaty with Hawaii the production of sugar in those islands has increased from 9,000 to 500,000 tons. The duty remitted on the sugar imported into this country during that period has amounted to $193,151,643.77, and the amount remitted during the year 1908 was $17,241,130, a sum greater by more than $2,000,000 than the entire exports to those islands during that year.

To whom has this money gone? To a little coterie of sugar planters, some of whom are foreigners, and the others American citizens who are exploiting the islands, and to the Japanese and Chinese, who constitute the bulk of the population.

Millions of dollars, the product of American skill and labor, are annually drained from the wealth of this country to maintain a few individuals in their ever-increasing riches and to support this Asiatic labor.

Instead of establishing an American colony, we have established a colony of Asiatics. Instead of opening up the wonderfully productive fields of those islands for the American citizen to build American homes, we have actually opened them for the Orientals. Instead of planting a colony where the spirit of American institutions will live and breathe and grow strong as the years roll by, we have been building up a colony of Orientals, who are opposed to every form and feature of our system of government, and who add nothing and can add nothing to the support or perpetuation of our republican institutions.

No white race is taking the place of the vanishing Hawaiian people. No American citizens are there to add to the wealth and prosperity of our country in time of peace, or to defend our country's flag in time of war.

Should the rude alarum of war be sounded over our land and the President of the United States issue his proclamation for volunteers to defend the country's honor and to uphold our nation's flag, not a battalion of American soldiers could be mustered in those far-off possessions.

Mr. President, this policy and its disastrous results ought to bring to reflecting people a realization of the consequences of such ill-advised legislation and mistaken policy.

The history of the development of cane culture in these tropical islands indisputably establishes the fact that they are susceptible of unlimited production; that the beneficiaries of such development are a few exploiters; that labor is abundant and cheap; that the white man can never colonize them, and that the system produces but two classes, the very rich and the very poor, or the master and the serf.

What has been said about the effect on the sugar industry and industrial conditions in these islands, especially Hawaii, will apply with equal force and truth to all the other islands of the sea we have been gathering in our train since Admiral Dewey steamed into Manila Bay that May morning eleven years ago, and the American people proceeded forthwith to forsake the warning of Washington and the fathers; decided to extend our institutions to the heterogeneous races of the Caribbean and the Pacific, and, flying in the face of universal experience, to neglect this great industry at home, while indulging a pleasing fancy beyond the seas.

Still, using Hawaii for the purpose of comparison, as conditions in that group more nearly approach those in the Philippines than do those of any of our other colonies, I call attention to the fact that the Philippines have a population of 7,635,426 as against 200,000 in Hawaii. There is an area of 73,345,415 acres awaiting exploitation in the Philippines, 68,405,415 of which are owned by the Government, and the evidence shows that 50,000,000 acres of this land are richer than the lands of either Hawaii or the United States.

According to the reports of the Bureau of Labor, the number of persons in these islands engaged in gainful occupations is over 3,000,000, or more than 43 per cent of the civilized population. The average monthly earnings of all classes of both sexes is $4.50 per month in gold, including rations. The number of males engaged in agriculture is over 1,000,000; in manufacturing and mechanical pursuits nearly 250,000; in domestic and personal service nearly 500,000; and in trade and transportation over 150,000.

The method of cultivation in the past has been of the crudest and most primitive nature, just as it was in Java and Hawaii, before the Dutch Government and our own introduced scientific and modern methods into those possessions. From a statement of the Manila Bulletin which is appended, it will be seen that with the introduction of the steam plow and modern methods of cultivation the production per acre in the Philippines will equal that of Hawaii and exceed that of Java. And why not? The soil, the labor, the climatic conditions are just as favorable in those islands as in the groups mentioned.

With these advantages and an additional bonus of $10,000,000 in the way of remission of duties, which goes to the producers of sugar and not to the Filipino people, it is almost an assured fact that the production in the Philippines will reach the 300,000 tons in a very few years, and when that amount is reached, I have no doubt but that all tariff restrictions will be removed from the importation of sugar and tobacco into this country free from those islands. This looks to me logical and inevitable.

The most avowed partisan of the Filipino must admit that as the sugar industry is developed in those islands the industry is threatened to that extent in our own country. There will be no diminution of production in Cuba, none in Hawaii, none in Porto Rico, but not so with our domestic industry.

In a few years the demands of the country for sugar will be supplied from these sources, while that great industry in this country must necessarily dwindle away and perish.

Why should we enter upon such a policy? We have already given the Filipino free markets in this country for all his noncompetitive products and have reduced the tariff 25 per cent on his sugar and tobacco.

It is true we have conquered these people; that we have taken possession of their territory, and national honor and national justice demand that we should treat them fairly and justly.

But our first duty is to our own country and our own people, and there is no law of good morals or of nations which requires us to sacrifice our industries or our people to them.

If it be for trade and commerce alone that this sacrifice is to be made, then I submit that after ten years' possession of the islands our experience does not warrant or justify such a policy.

The statistics submitted by the Department of Commerce and Labor, which I herewith append, show that the imports from

this country for the year 1907 amounted to $5,000,000, whereas their exports to this country amounted to some $12,000,000; while the last British Consular Reports, an extract from which is also appended, shows that the trade of these islands in cotton goods and yarns goes almost entirely to Great Britain and Japan; that their trade in iron and steel is almost equally divided between Great Britain and this country; that the trade in horses and cattle is exclusively with Australia and China, while Australian flour has almost banished American flour from the Filipino market, the importations having increased from 1½ per cent in 1903 to 62 per cent in 1907.

Now, Mr. President, I ask, in all fairness, should our own people, in the face of this showing, be called upon to make this tremendous sacrifice for the Filipino people?

It will be seen by reference to the appendix that instead of having deprived them of a market, we have always taken the bulk of their sugar, even under Spanish rule, although instead of turning their duties into our own coffers, as the Spaniards did, we have remitted a quarter of this tax to assist their planters, and sent back all that actually was collected to Manila, to be applied to the expenses of their local government.

This of itself is a heavy competing burden to place upon the American producer, who annually makes a new crop with the most expensive class of agricultural labor.

You now intend to inflict upon the American sugar producer a double calamity. You propose to strike off all of the duty just when the Filipino planters are beginning to follow in the path of modern and improved methods (see appendix)—when they are beginning to supplement their farm labor costing 10 cents per diem with steam plows that do the work of "100 carabao and 50 men and are operated for about 20 pesos per day."

Mr. President, in pursuit of the mistaken policy we are now asked to further enlarge upon, in the interest of the Philippine Islands, this country has already remitted to the Hawaiian group, to Porto Rico, Cuba, and the Philippines the enormous sum of $274,544,256.77 for sugar alone in a comparatively few years, and of this sum $32,891,304 was remitted in the fiscal year 1908.

Had the proper duties been imposed upon this tropical sugar, produced by pauper and cooly labor, and brought into this country to compete with the American farmer and laborer, we would now have a surplus instead of an empty Treasury; if we applied to sugar and the other products of these islands the rates exacted of our best customers among the nations of the earth when they send their produce to our shores, there would be, in contrast with the paralysis that now marks all of the departments for want of funds, a handsome balance in the Public Treasury insuring against a suspension of public work, and the Senate would not now be in a quandary as to what it should tax next, inheritances, incomes, or corporations, in order to raise sufficient revenue.

Does any Senator believe that this or any other nation can afford to indefinitely continue such a drain on its resources?

We saw when the sugar tariffs of Europe were being discussed a few days ago that not one of those countries admitted the products of its over-sea possessions to the full benefits of the home market, and that France is the only one that allows her colonies any concessions whatever.

When we began this short-sighted policy, a third of a century ago, there were some palliating circumstances, as we have seen, but they have ceased to exist at the present time.

At the time Hawaii was knocking at our door our country spread away in almost unbroken stretches from the Missouri to the Rockies, and herds of buffalo roamed the plains not yet wrested from hostile bands of Indians. Bismarck, who was overshadowing Europe like some Colossus, had just said that no other country could do what we had accomplished—disband the two greatest armies the world had yet seen without disturbance, and find homes for all of them, as well as for every immigrant who reached our shores.

Land was abundant, distances immense, and transportation crude. Our natural resources were as yet almost untouched, while many industries that to-day support millions of our people and annually add other millions to our wealth had scarcely started, much less been developed. The American sugar industry had not even made its appearance in the West or on the coast, except as an experiment.

To-day all the conditions that prompted that treaty are changed. From less than 44,000,000 our population has more than doubled; herds of buffalo no longer roam the western plains; the bands of hostile Indians have followed them to the "happy hunting grounds," and our lands have all been taken. Our forests have been cut down, and alarms are still vibrating that were sounded at the Congress for the Conservation of our Natural Resources held in this city a few weeks ago. Not only have children then born, but men who participated in that debate and are still here have lived to see half a dozen great railway systems span this continent to the coast, all clamorous for the trade of the Hawaiian planter, who lays his sugar down at Missouri River points and competes even in New York with the home producer for the American trade.

We are no longer the strident young giant of the West. We can no longer frankly and buoyantly disregard the economic and natural laws, feeling that there is an unlimited reserve to draw upon. We have filled up our waste places with a crowding population, whose wants are now taxing Congress to provide a revenue; we have joined the old nations of Europe in a scramble for colonies, and are now engaged in reaching out into the Pacific, beyond Hawaii, toward the teeming coasts of Asia.

I have heretofore dealt with the commercial and industrial aspect of the Philippine problem. I shall now deal with it from a broader point of view.

In my humble judgment, Mr. President, the ratification of the treaty of Paris, by which this Government acquired the Philippine Archipelago was, next to the fifteenth amendment to the Constitution, the greatest economic and political blunder that can be charged against the dominant party.

I believe that the fundamental principles upon which this Republic is founded can only be supported, maintained, and perpetuated by a people capable of self-government; that there is no other people upon the face of the earth except the white man competent to exercise this highest type of human government, and that whenever we seek to incorporate into the body politic of this Republic any people except the Caucasian we weaken the powers of our people and our Government. Whenever we attempt to govern a people other than by their consent, we depart from the constitutional landmarks of the Republic and menace the basic and structural principle of our free institutions.

Sovereignty under our form of government is lodged in the people. I do not want that sovereignty lodged in any other hands than those of the white man, because I honestly believe that only in such hands can the destiny of our Republic be safely confided.

I do not want this Government to hold any colony or any possession or any territory to which the white man of our country can not go and build up his home, and carry with him and plant there the great and sublime and inestimable principles of our Republic.

Mr. President, it is utterly impossible to build up a colony of Americans in any of the islands of the Philippines. Climatic conditions forbid it, and local environments would prevent it.

I have visited those islands, Mr. President, and their agricultural possibilities are practically unlimited. Those people are strictly Asiatics. They are Asiatic in their national life, in their civilization, in their hopes and aspirations, in their social usages and practices, and in their political thought. We can never impress upon those people the civilization and national ideals and aspirations of the western world.

I saw the splendid and humane work which our President, as governor, inaugurated years ago taken up and carried on by the civil officials of the insular government. I saw courts established for the administration of law and justice meted out to the poor peon and rich landowner alike. I saw schools established all over those islands, and thousands of children given the advantage of a public-school education. I saw the humane philanthropist at work in every direction, and a corps of able and learned army and civilian physicians mastering the deadly plagues that for centuries have afflicted those islands.

And yet, Mr. President, I saw a discontented, a restless, and a sullen people, whose opposition to our control was as great, if not greater, than it had been to the Spanish rule, and who would in a day throw off American supremacy were it not for the presence of the American Army in sufficient force to repress any uprising.

For over three hundred years these people were under the dominion of Spain. Whether right or wrong, they believed that they would have achieved their independence had Dewey's guns never been heard over the bright waters of Manila Bay. They believe to-day that they are capable of governing themselves in a manner best suited to their own advancement, interest, and happiness. Even "as the hart panteth after the water brooks," so these people yearn for freedom; and they will never be contented or satisfied until they achieve that freedom and their independence.

But what appealed to me as an insurmountable obstacle and difficulty in the solution of the Philippine problem was the bitter and irreconcilable race antagonism which exists between

the American and the Filipino. This prejudice is found in all stations and conditions of life. Instead of diminishing, it is becoming more intense and acute. It is as deep, if not deeper, and more bitter between the American and Filipino than between the white man and the negro in the South. It is deep seated and ineradicable. It is not only racial rivalry, but racial hatred, and will never be extinguished, eradicated, or mitigated. On the contrary, in my judgment, it will grow and increase as the years go by.

General Smith, the retiring governor-general of the Philippines, is quoted as saying in the course of a recent address before the Quill Club, of Manila:

> The man who will soon occupy the place I am now filling will have to contend with a thousand and one difficulties. Slowly but surely, and much to my deep regret, I have watched for the last few years the growing separation between the American and Filipino races. It is developing into bitter race prejudice.

The same idea is forcibly expressed in the following extract from a recent editorial in a Filipino newspaper:

> The least effort to promote the interests of the country was at first received with gratitude, for such an act of generosity and justice was most deeply felt. With childlike simplicity the people listened to hopeful assurances which fell like a benevolent rain upon their hearts. They applauded them and offered their help to give them practical form. * * * But now the racial division, which was nothing but a dividing line in the beginning, has grown into a mountain range, separating the nation from the Government, the Americans from the Filipinos.

The Anglo-Saxon, Mr. President, is a masterful race. The dynamic forces of his civilization brook no opposition, and wherever he plants his foot, whether upon line or pole, he will dominate and rule; and as long as this Government holds possession of that archipelago, just so long will the Americans rule and dominate that people as a subject race. If he does not rule the Filipino, the Filipino will certainly rule him. In my judgment there will never be a political or social equality between the two peoples.

The only method, however, of maintaining American supremacy is by force, and the presence of the United States Army is not only required for the present, but will be required as long as we hold these possessions and maintain our supremacy over these people.

Mr. President, I do not like the idea of governing any people by force and that force the American Army. It is contrary to the genius of our institutions; and if we must keep the people of those islands in subjection, it will not only cost us millions and hundreds of millions of dollars and the untimely death of thousands of our soldiers, but I am afraid that it will gradually undermine that respect and weaken that confidence which we have for a free government.

While the love and confidence of a people can not always be won by the application of just laws and fair treatment, yet the great mass of people are often influenced and dominated through their business and commercial interests. Open up the rich markets of this country to the products of the Philippines and we will in a very few years establish a commercial union which, in my judgment, is bound to beget a political union. Unite the people of these islands to us by the ligaments of trade and the bonds of commerce; complicate the fiscal systems of the two countries; establish interdependent trade relations between the two peoples by tariff laws, navigation laws, and other laws, and you make it almost impossible to sever the political ties which these conditions have produced. The commercial interests of this country and of the archipelago, looking to their own selfish aggrandizement, will insist and demand not only the maintenance of a commercial union, but a closer political union than now exists.

The history of the Philippines will be exactly what the history of Hawaii has been—we will have no Americans there except those who go to exploit these islands. We will have no great middle class of white men to enrich them by their labors and their endeavors. We will have but two classes—the very rich, composed of the American, the English, and the German exploiters, and the very poor, composed of the native Filipinos. We will have the product of oriental labor brought into competition with the products of our own labor. We will have the sugar and tobacco and other agricultural products of that country coming into competition with our own, and you practically bring in the Oriental himself when you bring in his products in free competition with the American laborer and the American farmer.

In response to an overwhelming demand of the American people, we excluded the Chinese from our shores because his presence was a menace and a danger to the American laborer. Our Government is to-day making an effort to circumscribe, if not prohibit, the Japanese laborer from our country.

The same objection would be offered to the Filipino as to the Japanese and the Chinese if he would come here in sufficient numbers. Our tariff laws are specially constructed so as to prevent the free importation of Chinese and Japanese products in competition with those of our own land. If we had no such provision in our tariff law, our country would be inundated by the products of these two countries.

What a paradox it is to levy a tariff upon articles produced in China and Japan in order to exclude the products of the cheap labor of those countries from competing with the labor of this country and yet admit the products of the same class of labor from the Philippine Islands to come in competition with similar products raised in this country by American laborers and American farmers!

Give the security to capital and it will seek those fields of investment which will yield the best returns. Protect with the United States Army the sugar and tobacco exploiters in those islands, and at the same time permit their products a free market in our country, and you will find that capital not only from this country, but from England and Germany, organizing into powerful corporations and flowing to those islands for investment.

With the soil, the climate, and labor conditions, development will be phenomenal, and in a few years the similar industries in this country will be annihilated. The great agricultural interests of this country can not compete with the natural and labor conditions of those islands. The American laborer and the American farmer can not compete with the peon labor of the Philippines.

Mr. President, stimulate the development of the sugar and tobacco interests of those islands and open up free markets to their products in this country and similar industries in America will be overwhelmed and destroyed.

Mr. President, we can not raise sugar in this country, beet or cane, in competition with the cheap labor of the Tropics. It is no use to disguise this fact. The Philippines to-day, with proper cultivation, can ship their sugar into this market and pay the tariff and undersell the American producer; and I predict that with the encouragement of free trade this sugar in less than a decade will destroy the immense beet and cane interests of this country.

And, Mr. President, if the Philippine Islands themselves will not furnish sufficient labor for the full development of these agricultural interests, mark my prediction, Japan will do it, just as in Hawaii; or if Japan does not do it, the laws of this country will be so changed as to admit the Chinese.

The same virile forces which opposed Chinese immigration into this country will not be present to make similar opposition to their introduction into the Philippines. The great labor interests will not be there to oppose them. There will not be the potential opposition of the white man; but, on the other hand, large corporate interests that have located there will be demanding that the bars be lifted to admit Chinese laborers to cultivate and develop those fertile fields.

Mr. President, give these people free markets in this country, just as we did Hawaii under our first convention, and, just as in that case the concession was followed by annexation, as Mr. Garfield foresaw, so when you give the Filipinos the markets of this country free there will be interests springing up advocating a perpetual political union between this country and those islands.

These interests will oppose the independence of the islands. Their greed and lust for money and markets will be the mainspring of their action. These island interests will find able cohorts and powerful allies in this country. The refining interests, backed up by the great sugar trust and the great tobacco trust, want free raw materials, and with their potential influences will strike hands with similar powerful interests in the Philippines, and demand not only a closer commercial union, but a closer political union.

Mr. President, do not misunderstand me; as long as our Government has possession and holds these islands I want these people to receive a square deal; I want to see them treated justly, and every aid given them in the improvement of their social and governmental conditions, and every encourage-

ment extended them for the development of their business and commerce. I wish to see everything done to promote social order for the establishment of orderly conduct in the affairs of the Government. But what I do mean to say is that I do not wish to see any interest of that country erected upon the ruins and destruction of similar interests in my country. I do not wish to see the farming interest of the American sacrificed to the farming interest of the Filipino. I do not wish to see the sugar interest forced into such an unequal contest. It is not fair to the American interest; it is not just to our own people. No other government in the world gives the people of its colonies a preference, or even equality, in its own markets with its own people.

Mr. President, reverse this proposition. Suppose these islands were a manufacturing instead of an agricultural people. Suppose they had cotton, wool, silk, paper, machinery, and other manufacturing industries, as in Japan; would the great manufacturing interests of this country for a moment tolerate the importation of the output of these factories free of duty? There would be thunders of protests from every labor union between the Atlantic and the Pacific denouncing such a policy, and every manufacturer from every section of the country would justly and loudly protest against such unjust legislation.

I do not wish this Congress to adopt any policy which will tend to strengthen the political ties between this country and the islands and which will make it more difficult to sever the bonds that now unite us. No matter how long we remain we will not establish an American colony in those far-off waters friendly and loyal to our free institutions, but, just as General Reagan said as to Hawaii, we will establish an Asiatic colony, bound to us by no ties of race or blood, hostile and antagonistic, and a colony that in years to come will prove a source of weakness instead of strength to our people and Government.

Mr. President, I want this Government to get out of the Philippines. Their people and enfeebling climate offer nothing of honor or profit to our people. We could not withdraw while the insurrection lasted; and our people then were also fired with the appeal that while any of our sons lay buried along the sands of Luzon no other flag should float above them to greet the morning in the Philippines.

Since then we have learned what a hollow mockery any military achievement is against these peoples in this age of scientific warfare. We have sickened at the idea of slaughtering with United States troops savage men, savage women, and even savage children armed with primitive bows and arrows, bolos, spears, and bamboo cannon.

And yet, as long as we stay there this warfare will continue. Race hatred and the deepest human passions will perpetuate the hostile feeling. The metropolitan journals are replete with trouble in our far-away possessions in the Pacific. From Hawaii comes the report of wholesale arrests of Japanese and the denial of writs of habeas corpus and possible international complications. From the Philippines we learn of the Visayan constabulary deserting our standard and retreating to their native fastnesses in the interior with their arms and accouterments.

Of course there can be no doubt as to what the result will be. There never has been and there never will be when the white man copes with the colored races; and the Japanese disturbers and the Filipino mutineers will learn that they must bear our presence in sullen silence as long as we care to remain in the Orient.

But, Mr. President, what profit is there in continuing to keep these people in subjection? To continue to stay there means to destroy the very traditions under which this Republic was born and has grown to its present commanding position among the nations of the earth.

If we stay there, we will have no American colony loyal to our country and faithful to its institutions, but an oriental colony, hostile to our Government and despising its flag.

As the years go by, their opposition to our rule will grow stronger; their hostility to our people will increase; the race war between the white man and the yellow man will become more bitter as the two peoples grow wider and wider apart.

The American and the Filipino never can and ought never to be assimilated. The immutable laws of nature forbid it. The two people can never be united; the twain can never meet. As Kipling has said:

East is East, and West is West,
And never the twain shall meet,
Till earth and sky stand presently
At God's great judgment seat.

APPENDIX A.

The compensation paid on the sugar plantations of Hawaii to the labor that has been brought to that group of islands, principally from Asia, to compete with the American farm labor engaged in the domestic-sugar industry is shown in the following table taken from the third report of the Bureau of Labor on Hawaii. The Caucasians mentioned were usually employed at special tasks requiring technical skill, which accounts for the higher wages.

Occupation.	Employees.	Sex.	Nationality.	Days per week.	Average wages per day.
Field hands	1,218	M.	Chinese	6	$0.65
	22	M.	German	6	.71½
	338	M.	Hawaiian	6	.74
	1	F.	do	6	.46
	1	M.	Part Hawaiian	6	.77
	2	M.	Italian	6	1.00
	11,820	M.	Japanese	6	.65
	2,091	F.	do	6	.44½
	3,039	M.	Korean	6	.65
	44	F.	do	6	.49
	1	M.	Polish	6	.84½
	1,005	M.	Porto Rican	6	.64

How completely orientalized the islands have become is also shown by the following table, giving distribution of labor on Hawaiian sugar plantations, by groups of occupations and nationality, 1902 and 1905:

Nationality.	Administration.	Cultivation.	Irrigation.	Manufacture.	Mechanical trades.
Caucasian: [a]					
1902	173	107	51	146	129
1905	195	96	38	146	114
Portuguese:					
1902	43	2,011	54	63	148
1905	43	2,076	49	85	154
Porto Ricans:					
1902	4	1,962	1	10	18
1905	4	1,722		70	4
Hawaiians and part Hawaiians:					
1902	30	994	51	32	87
1905	39	861	36	39	84
South Sea Islanders and negroes:					
1902 [b]		33			5
1905 [c]		22			2
Chinese:					
1902	11	3,294	134	286	33
1905	5	3,962	69	269	11
Japanese:					
1902 [d]	121	25,849	869	1,640	751
1905	132	23,461	608	2,830	590
Koreans:					
1902					
1905	10	4,384	1	19	
Totals:					
1902	382	34,250	1,160	2,177	1,171
1905	428	36,584	801	3,458	959

Nationality.	Superintendence.	Transportation.	Unclassified.	Total.
Caucasian: [a]				
1902	353	50	23	1,032
1905	328	42	47	1,006
Portuguese:				
1902	202	117	31	2,669
1905	266	171	161	3,005
Porto Ricans:				
1902	11	29	1	2,036
1905	7	79	21	1,907
Hawaiians and part Hawaiians:				
1902	103	154	42	1,493
1905	114	193	86	1,452
South Sea Islanders and negroes:				
1902 [b]		2	6	46
1905 [c]	1	4	3	32
Chinese:				
1902	28	64	31	3,881
1905	23	39	31	4,409
Japanese:				
1902 [d]	129	1,627	99	31,085
1905	121	3,709	284	31,735
Koreans:				
1902				
1905	4	248	17	4,683
Totals:				
1902	826	2,043	233	42,242
1905	864	4,485	650	48,229

[a] Not including Porto Ricans and Portuguese.
[b] Including 7 Filipinos.
[c] Including 4 Filipinos.
[d] Including 445 Chinese and Japanese employed in cultivating; mostly Japanese.

The report of the Bureau of Labor for 1906 says:

The preponderance of Asiatics is even more marked in the last census figures, taken in 1900, and showing sex. As will be seen from the following table, out of a population of 106,369 males, the native and foreign-born Asiatic element taken together represent 69,804, or 65.6 per cent of the total male population:

APPENDIX B.

The enormous expansion of the sugar industry in Hawaii, especially since the ratification of the reciprocity treaty in 1875, by which the products of the islands were admitted to this country duty free, is shown in the following table taken from the December issue of the Planters' Monthly, of Honolulu. From 1837, the earliest available record, to 1877 the growth is shown at intervals of ten years, and the growth is shown by pounds from 1837 to 1891; subsequent to that date it is given in tons:

	Pounds.
1837	4,286
1847	594,816
1857	700,556
1867	17,127,187
1877	25,575,965
1878	38,431,458
1879	49,020,072
1880	63,584,871
1881	93,789,483
1882	114,177,938
1883	114,107,155
1884	142,654,923
1885	171,350,314
1886	216,223,615
1887	212,763,647
1888	235,888,346
1889	242,165,835
1890	259,789,462
1891	274,983,580

From 1891 to 1907 the production is shown in tons by the following table:

	Tons.
1891	146,174
1892	122,279
1893	152,621
1894	166,432
1895	149,627
1896	225,828
1897	251,126
1898	229,414
1899	282,807
1900	289,544
1901	360,038
1902	355,611
1903	437,991
1904	367,475
1905	426,248
1906	429,213
1907	440,017

APPENDIX C.

The duty remitted on Hawaiian sugar, according to the statement furnished by the Bureau of Statistics, by this Government from 1876 to January 1, 1909, aggregates $193,151,634, in the following annual amounts:

1877	$986,475
1878	989,602
1879	1,266,554
1880	1,881,563
1881	2,427,777
1882	3,314,938
1883	3,554,139
1884	2,959,913
1885	3,937,947
1886	4,435,091
1887	5,016,380
1888	5,007,200
1889	5,210,049
1890	4,804,477
1891	5,544,150
1892	(*)
1893	(*)
1894	(*)
1895	(*)
1896	4,535,392
1897	5,265,751
1898	7,996,269
1899	7,396,798
1900	8,075,410
1901	11,054,093
1902	11,528,854
1903	12,397,207
1904	11,783,873
1905	13,323,542
1906	11,945,642
1907	13,136,237
1908	17,241,130
1909 (six months)	6,135,181
Total	193,151,634

This, remember, was an outright gift, a bonus added to the purchase price of this sugar after it had been thrown upon the markets of the world and the American consumer had been compelled to buy it in open competition with the balance of mankind.

* Period of free imports of raw sugar.

APPENDIX D.

The Philippines have a population of 7,635,426 as against 200,000 in Hawaii. The last available figures show that there were 99,916 acres of sugar under cultivation in Hawaii, while Mr. W. C. Welborn, the government director of agriculture in the Philippines, when before the Senate committee in 1906 gave the following figures showing the area then in a crude state of cultivation in those islands: Sugar, 180,000 acres; rice, 1,600,000 acres; tobacco, 80,000 acres; sweet potatoes, 60,000 acres; plantains, 85,000 acres; hemp, 550,000 acres; cocoanuts, 375,000 acres; corn, 267,000 acres. "I made those figures myself," said Mr. Welborn, "and they are correct."

There has been a great deal of conflicting testimony as to the yield to be expected of this land, but perhaps there is no better way of approximating it than to hear what Mr. H. C. Prinsen-Geerligs, one of the authorities on sugar production in the Orient, has to say.

When the sugar fields of Java were threatened with extinction by a blight that struck that country, in the latter part of the eighties, the Javan planters appealed to the mother country for aid, and this distinguished scientist was sent out by the Holland Government to save the industry. He not only accomplished this, but built up the yield from a few hundred thousand tons to a million and a quarter tons, making Java the second tropical sugar-producing country in the world.

Mr. Truman G. Palmer, secretary of the American Beet Sugar Association, when that industry was threatened by importations from our island possessions, went abroad to discuss the sugar situation with the leading experts of all the continental countries and the Orient, including this distinguished Dutch scientist, Mr. Prinsen-Geerligs, who said:

They (the 177 Javan sugar planters, whose estates last year produced 1,210,197 tons of sugar) are all independent financially, but are all members of the Sugar Planters' Association and work together. Practically all of them live in Holland. They have all made money, but the people of the islands are just as poor as ever—30,000,000 natives, 60,000 Hollanders and half-castes. Thirty thousand Dutch and native soldiers in all the Dutch possessions. Wage rate: Men, 6d.; women, 2½d.; boys, 2d. per day. Women and boys do only light work. Abundance of people. When planters want laborers they send criers through the towns and get all they want. Pay off every few days, and natives spend their money quickly. The country was occupied one thousand two hundred years ago, but was given up later on. Ruins of most beautiful palaces are still there, but the natives deteriorated as soon as left to themselves. Every inch of ground now cultivated. One who had not been there in ten years would not recognize it. Far more generally cultivated than Holland and Belgium, yet believes that if left to themselves for ten years only rusty railroad tracks and ruins would indicate that civilization had ever been there. The Filipinos are practically the same race of people. Holland can not colonize Java; can merely hold it. The soil is very poor, far inferior to that of the Philippines, which is exceedingly rich. Largely by fertilization have doubled the sugar crop without greatly increasing the acreage. Use much ammonia and oil cake. Without any tariff favors Philippines can compete with the world in sugar production. In no event will the building up of the sugar industry benefit the people of the Philippines. The money will all go to absentee people of wealth. Java enjoys no tariff concessions and asks for none. She has driven European sugar out of China, largely out of India, and partly out of Persia. At 1½ cents per pound Java can make 40 per cent profit, and the Philippines can do much better with modern methods. Fears large production in Formosa. Java has good climate for sugar—always warm—but soil is very poor. Parties wanted him to go into a sugar enterprise in Porto Rico, but he declined for reason that we had not settled Philippine matters, and that if we encouraged Philippines they would eventually ruin Porto Rican sugar industry, as well as home beet and cane and Hawaii.

APPENDIX E.

In the various hearings had in both Houses of Congress, ample evidence has been adduced that agricultural labor is plentiful at 10 cents a day and up.

The government report on the labor conditions in the Philippines, issued in 1905, says that—

The number engaged in gainful occupations is 3,037,880, or 43.5 per cent of the total civilized population, as compared with 39.6 per cent in Cuba and 33.1 per cent in Porto Rico. The proportion of females is very large among the workers, but this is chiefly due to the fact that they are engaged in the domestic manufacture of textiles. Women are not employed largely in agricultural labor in the Philippines. The percentage of total population engaged in gainful occupations, according to sex and maturity, in the United States, Philippines, and West Indies is as follows:

Per cent of males and females and of children 10 to 14 years of age employed in gainful occupations in the Philippines, United States, Porto Rico, and Cuba.

Country.	Males.	Females.	10 to 14 years of age.
Philippines (1903)	57.6	29.4	16.8
United States (1900)	61.2	14.3	14.8
Porto Rico (1899)	56.9	9.9	22.4
Cuba (1899)	68.2	8.8	24.6

The following table shows the number employed, by sexes, in the 5 groups of occupations presented in the census classification:

Number and per cent of males and females employed in each group of occupations in the Philippines, 1903.

Occupation group.	Males.		Females.		Total.
	Number.	Per cent.	Number.	Per cent.	
Agriculture	1,163,777	92.8	90,286	7.2	1,254,063
Professional service	23,358	91.1	2,279	8.9	25,637
Domestic and personal service	431,388	75.4	140,567	24.6	571,955
Trade and transportation	150,980	66.6	75,566	33.4	226,555
Manufacturing and mechanical pursuits	243,081	25.3	716,589	74.7	959,670
Total	2,012,593	66.2	1,025,287	33.8	3,037,880
Not gainful	1,484,059	37.6	2,465,747	62.4	3,949,806

Per cent of persons in gainful occupations in the Philippines, Cuba, and the United States, by groups.

Occupation group.	Philippines (1903).			Cuba (1899).	United States (1900).
	Male.	Female.	Total.		
Agriculture	57.8	8.8	41.3	48.1	35.7
Professional service	1.2	.2	.8	1.4	4.3
Domestic and personal service	21.4	13.7	18.8	22.8	19.2
Trade and transportation	7.5	7.4	7.5	12.8	16.4
Manufacturing and mechanical pursuits	12.1	69.9	31.6	14.9	24.4

The Philippines, therefore, appear to stand about midway between the United States and Cuba in the proportion of workers employed in agriculture.

The average monthly earnings of workers of all classes and both sexes are 8.59 pesos. In the Philippine currency now in use, the cost of plantation and mill labor would be under the equivalent of $4.50 a month in gold. This rate is stated by the census authorities to include the value of rations served to the laborers.

Area and product of chief cultivated crops.

Crop.	Area cultivated (acres).	Product.
Rice	1,464,725	24,402,368 bushels.
Hemp	538,190	147,172,166 pounds.
Cocoanuts	[a] 366,313	94,434,707 pounds copra.[b]
Indian corn	266,821	3,391,776 bushels.
Sugar cane	177,628	397,311,047 pounds sugar.[c]
Tobacco	77,631	37,499,043 pounds.
Cotton	7,544	2,914,769 pounds.
Coffee	2,469	164,431 quarts.

[a] Not including isolated trees and uncultivated groves.
[b] Not including 12,033,765 quarts tuba, 1,660,162 quarts oil, and 2,323,148 nuts from the estimated annual product of cultivated trees.
[c] Unrefined sugar, not including 471,385 gallons of molasses.

The report continues:

The chief industries of the Philippines are agricultural, and the most important of these is the planting of hemp, sugar, tobacco, and cocoanuts—of the four industries thus emphasized, the cultivation of sugar presents the most conditions analogous to those occurring in other countries, where the problem of labor for tropical agriculture is important. It is the one that affords the most satisfactory data for a comparison of wages, labor efficiency, and standards of living with those prevailing elsewhere or at former periods in the same islands.

Sugar was for many years the most important article of export from the Philippines, and the United States was the principal buyer of this product. For the five years ending with 1887 the average annual exports were 175,775,792 kilos (193,759 tons), of which the United States took 115,252,460 kilos (127,044 tons), or over 65 per cent. During the subsequent five years the average yearly exports increased to 185,062,816 kilos (203,997 tons), but the American purchases fell to 67,303,243 kilos (74,189 tons) per annum, though they still exceeded by nearly 9,000,000 kilos (nearly 10,000 tons) those of any other single country and were fifteen times as great as those of Spain. * * * In Pampanga, which in 1890 exported $2,000,000 worth of sugar, wages, when hired labor was employed, were 25 cents silver currency a day, or at the rate of exchange then prevailing about 19 cents American currency. Sugar boilers were paid 75 cents silver currency a day, this probably being the highest plantation wage. At the present time wages in the Luzon sugar provinces are 40 to 50 cents silver currency (17 to 21 cents American currency) a day, not really higher than in 1890–1894, prior to the American occupation, though nominally nearly twice the former amount. The system of wages that has until recently prevailed on the sugar plantation of Negros is thus described:

Wage men were lodged in cuarteis, or barracks, and received a rice or maize ration of 5 chupas (3¾ pints), worth about 6 cents silver currency, and 3 or 4 cents' worth of fish. The cash wages, in addition to rations, were from $0.75 to $1.50 silver currency (approximately $0.56 to $1.12½ American currency) a week, and were paid monthly in money.

The actual cash wage of a field laborer is the same or less for a week in the Philippines than for a day in the Hawaiian Islands. Though rations are provided in the former country and not in the latter, the Hawaiian planter has a far greater expense for importing labor, medical attendance, and for quarters and other living conveniences than has his Filipino rival, and he must pay interest on a much higher investment for each ton of sugar produced. The writer saw a nipa barrack capable of accommodating 50 Filipino plantation laborers that cost the planter between $25 and $30 American currency. The cost of producing a picul (one-sixteenth of a short ton) of muscovado sugar was given by the proprietors of two plantations in different locations and of different capacity at $3 silver currency ($1.26 American currency) a picul, and the cost of marketing at Iloilo at 50 cents silver currency (21 cents American currency) in each case. This would make the cost in American currency of sugar placed in the shipping market about $23.50 a ton as against an average cost—for a somewhat higher grade sugar—of over $45 a ton in Hawaii and $28 a ton in Java. The average selling price of sugar in the Iloilo market in the autumn of 1903 was about $32 American currency a ton.

The following comparative figures, in American currency, allow some inference to be made as to the relative cost of labor and the profits in sugar production in the Visayan district prior and subsequent to the American occupation:

Wages of field hands and profits in sugar production in Visayan district, 1893 and 1903.

	1893.	1903.
Weekly wages of field hands	$0.56 to $1.125	$0.42 to $0.63
Weekly rations of field hands	.50	.70
Iloilo price of sugar per ton	48.00	32.00
Planter's cost of sugar per ton	24.00	24.00
Planter's profit per ton	24.00	8.00

The imperfect methods of manufacture employed in the Philippines are the occasion of great waste, and the product of cane per acre might be indefinitely increased by scientific fertilizing, stripping, irrigation, cane selection, and possibly by deeper plowing and more thorough cultivation. On a single plantation visited the writer estimated that sugar to the value of $45,000 American currency was being burned up in the bagasse through imperfect extraction alone, and the governor of the province estimated that the loss from this source averaged 45 per cent of the sugar content of the cane. Foreman gives the averaged juice extraction as 56.37 per cent of the full weight of the cane and the weight of the dry bagasse as 26.84 per cent. This would mean that slightly more than 70 per cent of the total juice was extracted, as against 96½ per cent on Ewa plantation in Hawaii; but it is very doubtful if there is more than 55 to 60 per cent extracted in a majority of the Philippine mills.

The following table shows the wages given in the sugar producing provinces:

Average daily wages in selected occupations, by provinces and comandancias, 1903.

[From the Philippine census. The figures are given in pesos and equivalents in United States currency have not been computed on account of the fluctuations in value of the Philippine currency, as shown on page 739.]

Province or comandancia.	Average wages per day, in pesos, of—					
	Farm laborers.	Ordinary laborers.	Carpenters.	Masons.	Painters.	Blacksmiths.
Antique	0.52	0.30	0.51	0.42	0.71	
Bataan	.71	.54	1.04	.90	1.01	2.00
Ilocos Sur	.46	.35	.67	.50	.84	.79
Iloilo	.44	.31	.53	.70	.82	.92
Negros Occidental	.33	.37	.54	.67	.91	1.05
Negros Oriental	.33	.34	.65	.63	.63	1.09
Nueva Ecija	.43	.40	.70	.63	.83	.90
Pampanga	.78	.43	.65	.78	1.01	.78
Pangasinan	.53	.45	.70	.71	.70	.70
Paragua	.25	.26	.33	.28	.25	.38
Rizal	1.00	.79	1.33	1.35	1.28	1.41
Philippine Islands	.55	.51	.90	.89	1.06	1.11

APPENDIX F.

What is being done to develop the sugar industry in the Philippines by modern methods is shown by the following extract from the Manila Bulletin for 1907:

THE EMPLOYMENT OF AMERICAN STEAM PLOWS IN THE DISTRICT HAS GREATLY INCREASED THE SUGAR OUTPUT, AND THE PLANTERS ARE NOW TRYING TO GET CAPITAL FOR A CENTRAL MILL.

Glance at the map of Negros. About three-fourths of the way down the east coast you will see two islands and back of them, on the mainland, the town of Bais. The level alluvial plain surrounding the town includes some 7,500 acres of the best sugar land, which at present, owing to conditions of capital, labor, tariff, etc., produces less than 90,000 piculs annually, while it might easily produce three times the amount.

Perhaps nowhere in the archipelago is the yield per acre greater than in this district. The hacenderos claim that the soil in the vicinity of Bais is, in many places, more than 12 feet deep. It is a rich black loam. Some of it has been under cultivation for thirty-five years and is still producing. When it is considered that with the obsolete wooden plows still much in use the soil is but poorly turned, the showing is remarkable. Two planters of Bais, however, have modern steam plows that plow to the depth of 14 inches, and their fields are producing like virgin soil.

Don Joaquin Montenegro was among the earliest settlers. He came to the Philippines as mate on shipboard and decided to cast his lot in the country. When he retired from active service, a few years ago, he divided a handsome fortune among his children, but retained his favorite hacienda, Cambuilao, adjoining the the town of Bais, which is now farmed by his son, Señor Felix Montenegro, and is the largest producing property in the district.

Cambuilao contains 500 hectares, or about 12,500 acres, of rich sugar land, which now produces about 25,000 piculs of sugar annually.

Señor Felix Montenegro is not quite 30 years of age. He is progressive and a hard worker, and is considered one of the most up-to-date hacenderos on the island.

Señor Jose Bocanegra, a Spanish hacendero who is noted for his practical ideas, was the first to substitute a steam plow for the carabao. His brother-in-law, Señor Felix Montenegro, followed his example, and the modern implements have proven a grand success in every way. Señor Bocanegra's machine is a Buffalo-Pitts 35-horsepower traction engine, drawing a gang of six plows. It is really too big for his place, but he leases adjoining lands. The plow can turn the soil to a depth of 14 inches and breaks it up so thoroughly that no additional plowing and harrowing are necessary to prepare the ground for planting. The machine does the work of 100 carabao and 50 men, and can be operated for about 20 pesos per day.

Señor Montenegro's engine is of the same type, but of only 22 horsepower. He would not trade it for all the carabao in the country. He had a field of 7 hectares in which the land appeared to be worn out. Seven times he plowed it with the old-fashioned Chinese plow, but still it refused to yield. Last year the steam plow went over it once, plowing to a depth of 14 inches, and Señor Montenegro has just taken from the field a yield of 1,500 piculs of sugar. This year it has been replanted without additional plowing.

Neighboring planters have offered Señor Montenegro as high as 25 pesos per hectare to plow for them. The machine can do from 2½ to 3 hectares per day, managed and controlled entirely by Filipino labor. Such machines cost, delivered at Bais, about 9,500 pesos each.

In Bais the cane reaches its full strength in from twelve to fourteen months from planting. In most haciendas two rattoon crops are taken off before the ground is replanted. Señor Bocanegro says that if only a handful of fertilizer was put on each plant after the secnod rattoon, another crop could be taken off equal to the first.

The planters of Bais want capital to erect a central mill in the district, so that they can get out of the milling business and devote all of their time and efforts to planting cane.

APPENDIX G.

It is interesting to note what the Philippine Islands have been doing in the way of trade when their necessities have drawn them into the markets of the world to purchase those articles they do not produce at home to satisfy their limited wants.

There has been so much misinformation published to the American people concerning our trade relations with the islands, and the possibilities of its expansion, that it is well to look to some disinterested source for a true statement of these conditions. The plain unvarnished tale, given in the official language of the British diplomatic and consular reports, makes very different reading from the glowing accounts given to the American public by interests bent on exploiting the islands for their private gain.

In a "Report for the year 1907 on the trade and commerce of the Philippine Islands, edited at the foreign office and the board of trade * * * and presented to both Houses of Parliament by command of His Majesty, November, 1908," being No. 4171 of the series, we find the following:

The customs returns for the calendar year 1907, from which statistics are taken for this report, show a total trade volume of £12,711,135 ($63,555,675), with a balance of £528,011 ($2,640,055) in favor of the islands. These figures do not include gold and silver or government free entries. Imports exceed by £810,798 those of 1906, which was a year of depression, and revert to the figures of 1905. There is an increase of £91,005 in exports, which also revert to the position of 1905. The increase in imports is general, though marked activity is noted in cotton goods, which show an increase of nearly £400,000. * * * In 1907 the United Kingdom occupied the leading position in the trade of the islands, with a total of £3,237,399 ($16,186,995). The gain in 1907, was therefore £185,221 ($926,105). There were large increases in the importation of British cotton yarn and thread. Iron sheets and plates and condensed milk show large figures. With these exceptions, and the cruder forms of iron and steel, there are no articles peculiarly British, the trade with the United Kingdom being general rather than particular.

The American farmer will be especially interested to know where the Filipino makes his purchases when he goes into the markets to buy agricultural produce, as between our British cousins and ourselves. Take flour, for example. This official British publication says:

In 1903 the proportion of Australian flour was 1¼ per cent of the whole imports, while the figures for 1907 show that 62 per cent of the flour imports come from Australia. The following table will show clearly how Australia continues to advance steadily in the wheat-flour market, which in former years was exclusively American.

Country.	1903.	1904.	1905.	1906.	1907.
	£.	£.	£.	£.	£.
United States	161,302	143,747	104,573	90,464	78,230
Australia	237	7,231	48,404	86,425	129,940
Other countries	31	14	1,025	126	594
Total	161,570	150,992	154,002	177,015	208,764

Hear what the report says about timber:

Australia held the leading position in this trade in 1905, but fell away in 1906 in favor of America. In 1907 Australia again occupies the leading position.

FRUITS.

Though the importation of fresh fruits from Australia increases constantly, yet the figures are far from satisfactory. It must, of course, be remembered that California is a competitor in this market, but this is not sufficient reason for the backward state of the fruit trade with the South.

HORSES.

Practically all the foreign horses used in the islands, exclusive of the military stock, comes from Australia, and recently orders have been placed at Brisbane for the supply of over 600 horses for cavalry purposes. It is probable that the army mounts will in future be almost entirely obtained from Australia.

CATTLE.

Almost all the importations of cattle to the Philippine Islands come from southern China via Hongkong.

If these figures have little of consolation for the American farmer in them, there is if anything even less satisfaction for the American manufacturer in this British report, as will be seen from the the following excerpts:

CANNED SALMON.

Canada supplied 197,094 pounds of canned salmon, valued at £2,823, in 1907, thus marking her entry into a field which has been distinctively American hitherto.

IRON AND STEEL.

The imports of iron and steel are valued at nearly £500,000, over £50,000 in advance of the figures for 1906. The United Kingdom and the United States share about 70 per cent of this total, with a slight advantage in favor of the former. An examination of the remarks column of the imports table No. 1 will reveal the preponderance of the British trade in the cruder forms of these metals, while the United States is credited with manufactured articles of a more advanced degree. Germany is the only other competitor of importance, with a total of over £75,000.

COTTON PIECE GOODS AND YARNS.

In bleached goods, such as shirtings, drills, and yarns, imports are still almost exclusively British, but in gray goods (drills and sheetings) our manufactures are gradually disappearing from the market, finding it harder each year, apparently, to compete against the local mill (which is under British management) and Japan; while in gray yarns Japan seems to have largely monopolized the trade.

Competition from this quarter (Japan) would appear to be growing steadily, and by the introduction of certain fancy cloths (peculiarly Japanese) a considerable business is being worked up.

The official figures of this Government published in the Statistical Abstract, issued by the Department of Commerce and Labor, show how the balance of trade between this country and the Philippines has been steadily against the United States since we acquired that archipelago:

Imports and exports of merchandise into and from the Philippine Islands: Values, 1884 to 1907.

Year.	Imports.			Exports.		
	From United States.	From other countries.	Total.	To United States.	To other countries.	Total.
1884	$398,215	$18,149,753	$18,547,968			
1885	129,117	15,917,402	16,046,519			
1886	424,097	15,272,857	15,697,554			
1887	403,034	13,149,125	13,552,159			
1888	462,926	15,950,402	16,413,338			
1889	558,254	16,678,002	17,236,256			
1890	540,506	15,343,554	15,884,060			
1891	347,328	16,450,951	16,798,289			
1892	308,392	16,106,509	16,314,901			
1893	956,706	14,933,796	15,890,502			
1894	1,150,613	11,962,397	13,113,010	$3,540,894	$8,826,018	$12,366,912
1900	1,657,701	18,943,735	20,601,436	3,522,160	16,228,908	19,751,068
1901	2,855,685	27,423,721	30,279,406	2,572,021	20,642,927	23,214,948
1902	4,035,243	28,106,599	32,141,842	7,691,743	16,235,936	23,927,679
1903	3,944,099	29,027,784	32,971,882	13,863,059	19,258,721	33,121,780
1904	4,633,216	28,587,545	33,220,761	11,102,775	19,147,852	30,250,627
1905	5,761,499	25,114,852	30,876,350	15,668,026	16,684,589	32,352,615
1906	4,333,896	21,465,373	25,799,266	11,579,411	20,337,723	31,917,134
1907	5,155,359	23,630,496	28,785,855	12,079,204	21,634,153	33,713,357

This report shows that out of the total imports into the islands during the year 1907, amounting to $28,785,855, only $5,155,359 came from the United States, as against $23,630,496 from other countries, while the exports to the United States exceeded $12,000,000.

The VICE-PRESIDENT. The amendment offered by the Senator from Florida [Mr. FLETCHER] is the pending question. The Secretary will state it.

The SECRETARY. It is proposed to amend the substitute paragraph, on page 1, line 5, by striking out the colon after the word "countries" and adding the words "except as provided by existing law now in force," and by striking out the remainder of the substitute, so that it will read:

471d. There shall be levied, collected, and paid upon all articles coming into the United States from the Philippine Islands the rates of duty which are required to be levied, collected, and paid upon like articles imported from foreign countries, except as provided by existing law now in force.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Florida.

Mr. FLETCHER. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. GAMBLE (when his name was called). I am paired with the junior Senator from Indiana [Mr. SHIVELY]. I transfer my pair to the senior Senator from New York [Mr. DEPEW] and vote "nay."

The roll call was concluded.

Mr. NEWLANDS (after having voted in the affirmative). I find that I am paired with the senior Senator from Pennsylvania [Mr. PENROSE], and I withdraw my vote.

Mr. FOSTER (after having voted in the affirmative). I find that the Senator from North Dakota [Mr. MCCUMBER], with whom I am paired, is absent, and I withdraw my vote.

Mr. MONEY (after having voted in the affirmative). I find that the Senator from Wyoming [Mr. WARREN], with whom I am paired, is absent, so I withdraw my vote.

Mr. STONE (after having voted in the affirmative). I find that the Senator from Wyoming [Mr. CLARK], with whom I am paired, is absent. I withdraw my vote.

Mr. CLAY (after having voted in the affirmative). The Senator from Louisiana [Mr. FOSTER] is exceedingly anxious to be recorded on this vote. I myself will stand paired with the Senator from North Dakota [Mr. MCCUMBER], and the Senator from Louisiana can vote.

The VICE-PRESIDENT. The Senator from Georgia withdraws his vote.

Mr. FOSTER. I vote "yea."

The result was announced—yeas 26, nays 43, as follows:

YEAS—26.

Bacon	Davis	La Follette	Simmons
Bailey	Dixon	McEnery	Smith, Md.
Bankhead	Fletcher	Martin	Smith, S. C.
Borah	Foster	Overman	Taliaferro
Bristow	Gore	Owen	Tillman
Chamberlain	Hughes	Paynter	
Clapp	Johnston, Ala.	Rayner	

NAYS—43.

Aldrich	Carter	Frye	Oliver
Beveridge	Crane	Gallinger	Page
Bourne	Crawford	Gamble	Perkins
Brandegee	Cullom	Guggenheim	Piles
Briggs	Cummins	Heyburn	Root
Brown	Curtis	Johnson, N. Dak.	Scott
Bulkeley	Dick	Jones	Smoot
Burkett	Dillingham	Kean	Sutherland
Burnham	Dolliver	Lodge	Warner
Burrows	du Pont	Nelson	Wetmore
Burton	Elkins	Nixon	

NOT VOTING—22.

Bradley	Depew	Money	Stephenson
Clark, Wyo.	Flint	Newlands	Stone
Clarke, Ark.	Frazier	Penrose	Taylor
Clay	Hale	Richardson	Warren.
Culberson	McCumber	Shively	
Daniel	McLaurin	Smith, Mich.	

So Mr. FLETCHER's amendment was rejected.

Mr. ALDRICH. I ask that the paragraph as amended be agreed to.

The VICE-PRESIDENT. Without objection, the paragraph as amended will be agreed to.

Mr. BRANDEGEE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Connecticut desire to offer an amendment to the paragraph?

Mr. BRANDEGEE. Yes, sir.

The VICE-PRESIDENT. The paragraph, then, is not agreed to. The Senator from Connecticut offers an amendment to the paragraph.

Mr. BRANDEGEE. I suggest to the chairman of the committee that on page 2 of the proposed amendment, at the end of line 16, the word "tons" is used, while in every other part of the proposed amendment, except in the instance to which I refer, in speaking of the number of tons the words "gross tons" are used. I do not know that it has any particular significance, but I think the language ought to be uniform in every case.

Mr. ALDRICH. What is the Senator's suggestion?

Mr. BRANDEGEE. The Senator from Rhode Island will notice on the first page of the amendment, in line 11, for instance, it says "gross tons."

Mr. ALDRICH. I think it should read "gross tons" in line 16.

Mr. BRANDEGEE. I suggest that the same language be employed in line 16.

Mr. ALDRICH. Very well.

The VICE-PRESIDENT. The amendment proposed by the Senator from Connecticut will be stated.

The SECRETARY. On page 2, line 16, after the words "five hundred," add the word "gross."

The amendment was agreed to.

Mr. BRANDEGEE. I suggest also, in line 18, on page 2, that the word "exemptions" should be changed to the word "exceptions," because, if the Senator from Rhode Island will turn to page 1 of the proposed amendment, in line 9 it provides that these articles shall pay the regular rate, except, and so forth. It seems to me we should use the word "exceptions."

Mr. ALDRICH. There is no objection to that change.

The VICE-PRESIDENT. The Secretary will state the amendment.

The SECRETARY. On page 2 of the printed amendment, line 18, strike out "exemptions" and insert in lieu the word "exceptions."

The amendment was agreed to.

Mr. GORE. The pending motion now is on agreeing to the amendment as amended?

The VICE-PRESIDENT. The pending proposition is to agree to the paragraph as amended.

Mr. GORE. I desire to submit an amendment to the paragraph.

The VICE-PRESIDENT. The Secretary will read the amendment.

The SECRETARY. On line 9, page 1, of the printed committee amendment strike out all after the second word, "except," in that line, down to and including the words "gross tons," on line 11, and insert:

Except sugar in excess of 300,000 gross tons during any one fiscal year: *Provided, however*, That the free importation of 300,000 gross tons per fiscal year shall not extend beyond July 1, 1911.

Mr. GORE. Mr. President, I wish to say that I would vote for any amendment to the pending bill which had any tendency, either direct or indirect, to cheapen the price of sugar to the American people. I will not, however, vote for any amendment which has a direct tendency to enhance the power and profits of the sugar trust without a compensating advantage to the American consumer. The chairman of the Finance Committee has admitted that this amendment, if adopted, will not reduce the price of sugar to the American people. He has also admitted that the adoption of this amendment will reduce the revenues coming into the Treasury of the United States.

Mr. President, it is suggested by the chairman that the only effect and the only benefit resulting from this amendment will inure to the people of the Philippine Islands. Sir, I cherish a deep and abiding sympathy for the unfortunate people of those islands, but I regret that these overflowing sympathies for those stricken people come into the Senate under a guise which justifies the belief that this sympathy for the Filipinos will be worth some eight or ten million dollars to the sugar trust.

I differ from the chairman of the Finance Committee. He believes that the benefits of this amendment will inure to the people of the Philippine Islands. For my own part, I believe that the principal, if not the only, beneficiary of this amendment will be the American sugar trust. During the last six or seven years we have admitted millions of pounds of sugar from Porto Rico free of duty, losing to our Treasury some $19,000,000 during that period. This concession to the sugar trust, while enhancing their profits, has not reduced the price of sugar to the consumer. We have granted a concession to Cuban sugar of 20 per cent below the Dingley rates. That concession, sir, has operated almost exclusively to the benefit of the sugar trust, and it has not conferred any substantial advantage upon the consumers of sugar in the United States.

I fear that the same consequences will flow from the pending amendment. It remits a duty, or will ultimately remit a duty, aggregating some eight or ten millions per annum. I believe, sir, that is a gift, a gratuity, to the American Sugar Refining Company, and will but slightly benefit the people of the Philippine Islands, and will in no measure prove beneficial to the people of this country.

Now, sir, I am not disposed to confer special favors upon this gigantic, upon this criminal, trust. I am aware that epithets can never take the place of arguments. Intemperate and violent language usually disappoints its own objects, but it is hard to speak with moderation of such immoderate plunderers. Sir,

I arraign the sugar trust at the bar of the Senate as a colossal thief.

That is not an idle, it is not an unsupported accusation. Only a few years ago the sugar trust was caught in the act of stealing water from the city of Brooklyn. It tapped the water main and actually stole water—the paltry pittance resulting from a cheapened water bill from the city which in part vouchsafed protection to its valuable properties. Not only that, Mr. President, but less than two years ago this sugar trust was a convicted criminal, and it paid fines and penalties amounting to $168,000 for criminal rebates received from the railroads. That is not the only count in this indictment, and it is not the only conviction or confession.

Within the last two months the American sugar trust has paid into the Treasury of the United States some two or three million dollars, stolen—deliberately stolen—from the Treasury, from the people, from the taxpayers of this country; stolen by falsifying its weights, a crime that belongs to the dark ages and which civilization has rarely heard of for the last two or three centuries, yet this colossal trust stands at the bar of the Senate and confesses theft to the amount of two or three million dollars.

These are the three counts which I desire here and now to urge against this mighty criminal. I have not yet heard that they have been accused of robbing a henroost or of rifling a grave, but perhaps they have been more fortunate and have merely escaped detection. It may be, in sooth, that the trust engages in these peculations in order to pay higher wages to its employees.

Now, sir, this issue is presented, in my judgment, by the pending amendment: Shall we confer a gratuity upon the sugar trust eventually amounting to eight or ten million dollars a year? Shall we confer that gift upon the trust at the expense of the Treasury and at the expense of the taxpayers? For if we remit this revenue on sugar, we must make it up by increasing taxes upon other necessaries of life. That is the issue presented.

If we desire to bestow this bounty upon this offending trust, then, sir, we ought to vote "yea," in favor of the committee's amendment. If we are not willing to augment their illicit loot by a gift of eight or ten million dollars, we ought to vote "nay."

The amendment which I have offered limits the operation of this committee amendment to two years. It would expire by the operation of law on July 1, 1911. That will afford us an opportunity to observe the practical results of this amendment. If it secures any advantages to the American people, there will be no difficulty in then extending it for a limited time or even indefinitely. If its operation inures to the benefit of the Filipinos, then, sir, it could easily be extended; but if this loot is limited to the sugar trust—if neither the American people nor the Filipinos are to be benefited by this gratuity—then let the gift terminate by the operation of law. Let us mark its practical operation, and if the committee has erred in their judgment and generosity, let this limitation be affixed to the pending amendment.

Mr. President, as shedding a little light on the sugar trust, I ask to have printed in the RECORD two clippings from newspapers of to-day and yesterday. I shall not tax the time of the Senate by asking to have them read.

The VICE-PRESIDENT. Without objection, the articles referred to by the Senator will be printed in the RECORD.

Mr. GORE. Mr. President, these articles illustrate what kindly consideration and indulgence have been manifested toward this trust in days gone by, and show that there is less excuse for the valuable favors about to be conferred upon that concern by the pending amendment.

Let me say here there is one character worse than the criminal himself, and that is the officer of the law charged with the prosecution of crime who neglects his duty, who winks at lawlessness, and who suffers the known criminal to go unwhipped of justice.

In 1894 a scandal grew out of sugar legislation in the United States Senate. Senators from two great States did not escape without soiled reputations. Profits were made, fortunes were enhanced by speculating in sugar stocks on the part of Senators who had inside information. Those practices belong to another and to a different age. No Senator in these times would be guilty of such reprehensible conduct; but speculators on the outside may avail themselves of the advantages of now investing in the securities of the American Sugar Refining Company.

If this amendment is adopted, I predict—and I am not familiar with stock juggling—that it will eventuate in enhancing the values of sugar stocks and securities, in the enhancement of their profits, and will result in absolutely no permanent advantage either to the people of the United States or to the unfortunate people of the Philippine Islands.

The articles referred to are as follows:

BIG TRUSTS LET ALONE—UNTERMYER SAYS GOVERNMENT HAS NOT ENFORCED LAW—RUNS FROM PUNISHING CRIME—SUGAR TRUST, ACCORDING TO NEW YORK CORPORATION LAWYER, A LAWBREAKER FROM ITS BIRTH, IS NOW A SCAPEGOAT, SINCE ITS "PRINCIPAL OFFENDERS ARE DEAD"—USELESS TO PUSH CHARGE.

[From the Washington Post.]

NEW YORK, *June 15.*

Before sailing for Europe on the *Kronprinzessin Cecilie* to-day, Samuel Untermyer, who was counsel for Adolph Segal in the recent suit against the sugar trust, has a few things to say in a typewritten statement about the possible prosecution of the trust on criminal charges. Mr. Untermyer issued the statement in reply to inquiries whether his client had decided to press such a prosecution or to take any active part in aiding it. Instead of answering these questions directly, Mr. Untermyer's statement consisted chiefly of an airing of his views on the general subject of "corporate dishonesty."

Said he, referring to the possibility of criminal prosecution of the sugar trust:

"What would be the use? The sugar company has been a consistent lawbreaker ever since its birth. Its activities in Congress have been one of the scandals of the country for many years. It has robbed the public and ruined its would-be competitors. But it is no worse than many of the others in its criminal methods, and not quite as bad as some.

NOW IT IS THE SCAPEGOAT.

"This suddenly aroused virtuous abhorrence of its methods is amusing. It accidentally happens at the moment to be the scapegoat, but as the Government has waited until after the principal offenders are dead, it does not much matter. Whenever the Government really wants to bring the criminal rich who are managing these conspiracies that are notoriously violating the criminal law within the penalties of that law, it will not be difficult. There never has been an honest, intelligent effort to enforce the ample provisions of the law against any of the monster monopolies.

"The Government has had no trouble in convicting and driving out of business a few poor, struggling, comparatively harmless combinations that were put together to prevent bankruptcy and secure a small profit. But the financial 'buccaneers' who have been holding up the country in the necessities of life, keeping out foreign competition through the tariff at one end and crushing home competition at the other, until the increase in the cost of living is alarming, have remained immune until every lawyer who has had to deal with this big question knows that the pretended enforcement of the law is a huge farce.

"Every time the Government has had a chance to enforce the criminal provisions of the law (which constitute the only effective part, the others being mainly academic), it has run.

MANY REASONS FOR NOT ACTING.

"There are always so many reasons for not doing things that it is never difficult to find one. We learned that lesson in the recent ventilation of corporate dishonesty, when every exposed criminal went unpunished—the most of them back at the old game on slightly modified lines, including the subsidizing of a part of the press through extravagant advertising at the policy holders' expense and jeering at discomfited muck rakers."

Mr. Untermyer adds that the evidence of criminal pools and conspiracies to control prices and restrict production have for years been available in this city if the public authorities had gone about their task with the energy that they do in ferreting out smugglers, counterfeiters, post-office thieves, and other classes of criminals. Mr. Untermyer feels sorry for the future, if it is true, as some Wall street men seem to think, that there has been a reaction in the public in regard to the attacks against criminal corporations. Says he:

"These pools and combinations are growing stronger and more numerous. Individual enterprise is being strangled. Unless they are brought within the clutch of the criminal law and destroyed, the future is fraught with danger. The only way to regulate them is to bury them. So long as the President of the United States can defy the law by giving them immunity and go unrebuked the sentiment of the country is callous. But until the public mind is aroused to a recognition of the extent of the evils from which we are suffering and the far greater dangers that are threatening us it is useless to attempt to bring these men within the law."

WEIGHERS' TRIALS MAY BE PUT OFF.

Whether the trial of the seven sugar-trust weighers, under indictment for conspiracy to defraud the Government, which was set to begin Thursday before Judge Holt in the United States court, will be begun Thursday or will be postponed is at present a matter of doubt. Counsel for the indicted weighers may apply for a postponement on the ground that just at this time their clients might suffer unjustly on trial, owing to the aroused public feeling against the American Sugar Refining Company. On the other hand, the government prosecutor believes that the trial should proceed.

The seven weighers are accused of using fraudulent scales on the docks of the American Sugar Refining Company at Williamsburg. Spitzer was superintendent of the Havemeyer and Elder docks for many years. The other six men were employed by the American Sugar Refining Company as checkers and weighers.

ROOSEVELT WAS WARNED IN 1906 OF SUGAR FRAUDS—RECEIVER EARLE ADMITS HE PLEADED WITH ADMINISTRATION TO PROSECUTE AND THAT HE DIVULGED BOTH THE WEIGHING FRAUDS IN NEW YORK AND THE REBATE PRACTICES—NOTHING IN FICTION TO EQUAL IT, SAYS EARLE—"MOST DRAMATIC, INTENSE, INTRICATE CRIME IN CUNNING EVER BROUGHT BEFORE ANY COURT IN MY TIME"—"I HAVE DETAILS; I IMPERATIVELY NEED YOUR AID," HE WROTE PRESIDENT.

[From the New York World.]

PHILADELPHIA, *June 15.*

"In common with every other good citizen, I am at the service of my country," said George H. Earle, jr., receiver of the Pennsylvania Sugar Refining Company, to-day, when asked whether he would aid the Government in a criminal prosecution directed against the heads of the sugar trust.

Those who know Mr. Earle keenly appreciated the irony of his remark when they recalled that he had pleaded with and petitioned President Roosevelt and Attorney-General Bonaparte in vain to institute or to permit him to institute just such criminal proceedings as are now threatened by the present Department of Justice. As long ago as November, 1906, Mr. Earle now admits, he warned President Roosevelt and his Attorney-General of the weighing frauds in New York and rebating practiced by the sugar trust, but no action was taken.

EARLE'S PERSONALITY.

Mr. Earle is the son of the late George H. Earle, sr., one of the foremost lawyers of the Philadelphia bar. The son, himself a lawyer, is the executive head of five of the largest banks in the city. He has rescued many concerns from the graveyard of high finance, was too busy to be mayor of Philadelphia, is not "against" trusts, is worth $5,000,000, but lives on one of his many salaries, and his hobbies are coins, first prints, and a model farm. He was offered $100,000 for reviving the Real Estate Trust Company and went into court and told the judge that his services were worth only $50,000, and he has not yet collected the $50,000 because "the company needs the money more than I do."

While a financial genius Mr. Earle has absolutely no ambition for great wealth or political preferment and no desire for social glories. Upon his unsupported word the 55,500 depositors of the defunct Real Estate Trust Company turned over to him all that was left of $7,500,000 deposits at the time of the crash, August 28, 1906, and every stockholder in the company assigned his property to Mr. Earle without "recourse or recovery," without a scratch of a pen to safeguard the equity.

"It would be manifestly improper for me to discuss any phase of the sugar-trust case at this time," said Mr. Earle, "because I am still an officer of the court in my capacity as receiver of the Pennsylvania Sugar Refining Company."

"Does the same apply to the Government and its agents?" he was asked.

"Oh, yes; I suppose so. They did not care to discuss the case two or three years ago, and I prefer not to talk about it now, for the more particular reason that we have agreed upon a settlement, and I consider it hardly fair to agree to a settlement and then participate in an exposé of the other party to the bargain. Then, too, I must keep in mind the fact that the court has yet to review the terms and conditions of our settlement, and I might be subjected to some criticism for commenting upon the case at this time."

GAVE WARNING IN 1906.

"Have you had any conferences with J. H. Graves, special assistant United States Attorney-General, or with E. V. Roadstrum, the special agent, both of whom are supposed to be gathering evidence against the sugar trust management with a view to criminal prosecutions?"

"Neither of the gentlemen you name have called upon me. I suppose they are studying up the documents in the case, which are full of meaty evidence."

"Is it true that you directed the attention of the Government to the scale frauds and rebating more than two years ago?"

"Mr. Frank L. Neall, of Peter Wright's Sons, told me about these frauds so long ago that I can not now fix the date, but I certainly wrote to the Attorney-General about them on November 8, 1906, as the papers in the Pennsylvania Refinery case show."

"Do you consider President Roosevelt and Mr. Bonaparte as being directly responsible for throttling a proper inquiry in 1906?"

"I am not fixing responsibilities. I am not naming men who performed their duties, nor am I pointing out anyone who failed to measure up to their responsibilities. I am merely 'pointing with pride' to the papers in the case, and, otherwise, I am engaged in preparing memoranda upon which to base my report to the court that named me receiver.

"I must not be placed in the position of discussing this case in any phase for publication. It would be discourteous to the court. What I have said I will stand by. What I would like to say is another matter. I will repeat, however, that fiction knows no story equal to the cold-blooded facts in the conspiracy which has been proved in this case, and I shall always consider myself amply repaid for my work in this matter if I get nothing more out of it than the satisfaction of having been a player in what I consider the most dramatic, intense, intricate crime in cunning ever brought before any court in my time.

"I am prepared to substantiate every charge I have made, but I will not enter into any discussion of the matter outside of the court for the reasons I have stated; first, because it would be discourteous to the court, and, next, it would be unkind, if not unfair, to those who have agreed to effect a satisfactory settlement of this issue."

If the managers of the sugar trust were cunning in devising the plan to gain control of the Pennsylvania Sugar Refining Company, to close up the great plant before steam was ever generated in one of its boilers, and to pave the way for disaster, disgrace, dishonesty, and death, George H. Earle, jr., was supercunning in getting the facts before the country first and then before the courts.

SPREAD ON SENATE RECORDS.

When President Roosevelt and Attorney-General Bonaparte declined or neglected to publish Mr. Earle's letters in the early days of this case, Senator CULBERSON, of Texas, asked in the Senate for all the documents in the case. Pennsylvania was represented in the Senate by Philander C. KNOX, now Secretary of State, and BOIES PENROSE, whom Mr. Earle has known all his life. Just why the Senator from Texas should concern himself about a matter so intimately connected with Philadelphia and Pennsylvania is one more mystery of the many in the case. President Roosevelt and his Attorney-General, Mr. Bonaparte, forwarded the documents, as CULBERSON requested, and by this proceeding Mr. Earle spread upon the records the fact that the President was in possession of the cardinal facts in two great suspected crimes, and that neither he nor the Attorney-General had shown an inclination to act in the case.

That Mr. Earle put this "crime in cunning" squarely up to President Roosevelt soon after he learned of it is proved by his letter, dated September 21, 1906, in which Mr. Earle, addressing the President by name, said:

"I have all the details of this conspiracy. I believe I know all the individuals responsible for it. If I am to take this journey alone, I am determined to discharge the duties that my conscience places upon me without regard to the results to me personally; but I have every reason to believe that you whom I address are fortunately a man of like mettle, and I am absolutely convinced that you have a larger and greater duty to the public than I myself.

"I represent but a body of innocent stockholders and creditors, who have incidentally been crushed by an effort to plunder the whole people. You represent that people. I imperatively need your aid and cooperation. With it I feel assured that justice will be done; without it I may be myself crushed in the effort to obtain justice for the smaller body which I represent; but with it or without it, no consideration that I have been able to give this subject has enabled me to feel that I can possibly absolve myself from the duty of going on—with you, if such good fortune awaits me; without you, I must act alone.

DOCUMENTARY EVIDENCE.

"I have not gone into the details of this matter. The details I have, and they are at your service or that of the Attorney-General of the United States. Of course you will understand that all this I have upon information; but one of the peculiarities of this crime has been that the parties engaged in it, whether made reckless by past successes and immunities or not, have left a perfectly inconceivable amount of documentary evidence of what I believe to be their crimes.

"I am overwhelmed with the duties of this receivership. It is complicated and trying beyond words. But I trust that you will understand that I shall at any moment give up any time necessary to inform you of the conditions that I have found existing.

"One thing I wish to guard you against, and that is the impression that I am actuated in my part of this because of a prejudice against the sugar or any other trust, for I believe a large cooperation to be an absolutely essential thing in so great a country as ours. Cooperation means power and power advances the undertakings of man and civilization; but while I believe in creating and fostering the greatest amount of energy possible, I as strongly believe that the energy will become a curse instead of a blessing if it be permitted to be turned to base and criminal ends, by men intrusted with such duties as yourself on behalf of that greater power which is made up of all the people, cooperating through the state, of which you are the chief. And so I now appeal to you."

This letter to the President was written by one of the most learned lawyers in the land, by a man of many millions, and one whose word is good with more than 1,000,000 people in his home town.

EARLE APPEALED TO MOODY.

President Roosevelt acknowledged the receipt of the document through his secretary's secretary. Six weeks later Mr. Earle addressed a last appeal to the then Attorney-General, William A. Moody, who now sits upon the Supreme Bench of the United States. In his letter of appeal Mr. Earle gave Attorney-General Moody an outline of the essential evidence in his possession, and in closing said:

"Standing alone, is this a case that the Government of the United States can afford to ignore? Has there ever been another like it in wickedness?"

In justice to Mr. Moody, it is right to set out with particular emphasis the fact that he was then about to retire from the Roosevelt Cabinet to go upon the Supreme Court Bench.

It was agreed by all parties concerned that it would be manifestly improper for him as Attorney-General to pass upon a case which he, as a justice of the highest court in the land, might later have to pass upon as a judge.

In this same letter to Attorney-General Moody, which saw the light of day after Senator CULBERSON had demanded its publication, Mr. Earle, with brutal frankness, described the incidents that immediately led up to the suicide of Frank K. Hipple, president of the Real Estate Trust Company, in this city, the wreck of the Pennsylvania Sugar Refining Company, the collapse of all the great enterprises of Adolph Segal, except the Hotel Majestic, and many domestic tragedies.

Months later Attorney-General Bonaparte, after carefuly reviewing the correspondence and without calling for the more detailed evidence at hand and at his service, solemnly wrote to Mr. Earle, setting out his belief "that the Knight case finally disposed of the matter under discussion." That was the end of it, so far as Mr. Bonaparte figured in the case. In the Knight case the essential point hinged on a question of legal or illegal consolidations.

In another communication addressed to the Attorney-General Mr. Earle said in part:

"My embarrassment does not result from scarcity of material, but from the fact that I do not wish to engage in writing what must read like a French detective story of crime, for in all my experience I have never known of anything quite so infamous as the case I have now to present to you. * * *

"I have come upon evidence that justifies the suspicion that they are strengthening their monopoly, not merely by rebating and like infractions of the law, but by the most serious frauds upon the customs of the Government.

"The brief which I am preparing for you as to the law is nearly completed. * * *

"I have written the President and your department again and again that we hold this evidence, and a mass of it, and have again and again requested that it be examined."

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Oklahoma [Mr. GORE].

Mr. GORE. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. CRAWFORD. Mr. President, just for information, I ask if, this amendment should be voted down, it would leave the original one hundred and fifty millions to be imported?

The VICE-PRESIDENT. It would leave the amendment as it was before the amendment of the Senator from Oklahoma was proposed.

The Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I am paired with the senior Senator from Texas [Mr. CULBERSON]. In his absence, I withhold my vote. If he were present, I should vote "nay."

Mr. FRYE (when his name was called). I transfer my pair with the senior Senator from Virginia [Mr. DANIEL] to my colleague [Mr. HALE] and vote. I vote "nay."

Mr. OLIVER (when Mr. PENROSE's name was called). I wish to state that my colleague [Mr. PENROSE] is necessarily absent to-day. He is paired with the Senator from Nevada [Mr. NEWLANDS].

Mr. BURROWS (when the name of Mr. SMITH of Michigan was called). My colleague [Mr. SMITH of Michigan] is paired with the Senator from Mississippi [Mr. MCLAURIN].

The roll call was concluded.

Mr. MONEY. My colleague [Mr. MCLAURIN] is necessarily absent for a moment. He is paired, as has just been stated, with the Senator from Michigan [Mr. SMITH]. If present, my colleague would vote "yea."

Mr. FOSTER (after having voted in the affirmative). In the absence of the Senator from North Dakota [Mr. McCUMBER], with whom I am paired, I withdraw my vote.

Mr. STONE (after having voted in the affirmative). I have just been informed that the Senator from Wyoming [Mr. CLARK], with whom I am paired, has not voted.

The VICE-PRESIDENT. The Senator from Wyoming has not voted.

Mr. STONE. Then, I withdraw my vote.

The result was announced—yeas 25, nays 43, as follows:

YEAS—25.

Bacon	Davis	Martin	Smith, Md.
Bailey	Fletcher	Money	Smith, S. C.
Bankhead	Gore	Overman	Taliaferro
Bristow	Hughes	Owen	Tillman
Chamberlain	Johnston, Ala.	Paynter	
Clapp	La Follette	Rayner	
Cummins	McEnery	Simmons	

NAYS—43.

Aldrich	Crane	Gallinger	Page
Bourne	Crawford	Gamble	Perkins
Brandegee	Cullom	Guggenheim	Piles
Briggs	Curtis	Heyburn	Root
Brown	Dick	Johnson, N. Dak.	Scott
Bulkeley	Dillingham	Jones	Smoot
Burkett	Dixon	Kean	Sutherland
Burnham	Dolliver	Lodge	Warner
Burrows	du Pont	Nelson	Warren
Burton	Elkins	Nixon	Wetmore
Carter	Frye	Oliver	

NOT VOTING—23.

Beveridge	Culberson	Hale	Shively
Borah	Daniel	McCumber	Smith, Mich.
Bradley	Depew	McLaurin	Stephenson
Clark, Wyo.	Flint	Newlands	Stone
Clarke, Ark.	Foster	Penrose	Taylor
Clay	Frazier	Richardson	

So Mr. GORE's amendment was rejected.

Mr. DICK. I desire to offer the amendment which I send to the desk.

The VICE-PRESIDENT. The amendment proposed by the Senator from Ohio will be stated.

The SECRETARY. It is proposed to amend an amendment offered by Mr. SMOOT on the 11th day of June to paragraph 471d, page 189, by striking out commencing with the word "wrapper," in line 11, page 1, to and including the word "prescribed," in lines 4 and 5, page 2; and also the words "and tobacco," in line 6, page 2; and the words "and tobacco," in line 9, page 2.

Mr. DICK. Mr. President, the purpose of the amendment is to eliminate wrapper tobacco, filler tobacco, and manufactured cigars from the operation of the pending amendment if it be finally adopted.

The VICE-FRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Ohio.

The amendment was rejected.

The VICE-PRESIDENT. The question is on agreeing to the paragraph as amended.

Mr. ALDRICH and Mr. BACON called for the yeas and nays, and they were ordered.

Mr. BACON. Mr. President, there is a misapprehension as to what the vote is to be taken on.

The VICE-PRESIDENT. The question is on agreeing to the paragraph as amended.

Mr. CRAWFORD. The paragraph as amended, as I understand, reduces the number of cigars which may be imported to 70,000,000?

Mr. ALDRICH. The question is on the paragraph as amended.

The VICE-PRESIDENT. The vote is now on agreeing to the paragraph as amended.

Mr. ALDRICH. The entire scheme.

Mr. CRAWFORD. As amended, it reduces the importation of cigars, as I understand, to 70,000,000.

The VICE-PRESIDENT. Certainly.

Mr. GALLINGER. Regular order!

The Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I again announce my pair with the senior Senator from Texas [Mr. CULBERSON]. If he were present, I should vote "yea."

Mr. MONEY (when Mr. MCLAURIN's name was called). My colleague [Mr. MCLAURIN] is necessarily absent, and is paired with the Senator from Michigan [Mr. SMITH]. If my colleague were present, he would vote "nay."

Mr. STONE (when his name was called). I have a general pair with the Senator from Wyoming [Mr. CLARK]. In his absence, I withhold my vote. If the Senator from Wyoming were present, I should vote "nay."

The roll call was concluded.

Mr. FOSTER. In the absence of my pair, the senior Senator from North Dakota [Mr. McCUMBER], I withhold my vote. If he were present, I should vote "nay."

Mr. NEWLANDS (after having voted in the negative). In the absence of my pair, the senior Senator from Pennsylvania [Mr. PENROSE], I withdraw my vote.

Mr. DANIEL (after having voted in the negative). I am paired with the senior Senator from Maine [Mr. HALE], and therefore desire to withdraw my vote. When I voted I did not notice the Senator from Maine was absent.

Mr. FLINT. I desire to transfer my pair with the senior Senator from Texas [Mr. CULBERSON] to the senior Senator from New York [Mr. DEPEW] and vote. I vote "yea."

The result was announced—yeas 42, nays 28, as follows:

YEAS—42.

Aldrich	Crane	Frye	Page
Bourne	Cullom	Gallinger	Perkins
Brandegee	Cummins	Guggenheim	Piles
Briggs	Curtis	Heyburn	Scott
Brown	Dick	Johnson, N. Dak.	Smoot
Bulkeley	Dillingham	Jones	Sutherland
Burkett	Dixon	Kean	Warner
Burnham	Dolliver	Lodge	Warren
Burrows	du Pont	Nelson	Wetmore
Burton	Elkins	Nixon	
Carter	Flint	Oliver	

NAYS—28.

Bacon	Clay	La Follette	Rayner
Bailey	Crawford	McEnery	Root
Bankhead	Davis	Martin	Simmons
Borah	Fletcher	Money	Smith, Md.
Bristow	Gore	Overman	Smith, S. C.
Chamberlain	Hughes	Owen	Taliaferro
Clapp	Johnston, Ala.	Paynter	Tillman

NOT VOTING—21.

Beveridge	Depew	McLaurin	Stephenson
Bradley	Foster	Newlands	Stone
Clark, Wyo.	Frazier	Penrose	Taylor
Clarke, Ark.	Gamble	Richardson	
Culberson	Hale	Shively	
Daniel	McCumber	Smith, Mich.	

So the paragraph as amended was agreed to.

Mr. PAYNTER obtained the floor.

Mr. ALDRICH. I ask the Senator to yield to me for a moment for the purpose of offering an amendment.

Mr. PAYNTER. Certainly; I yield to the Senator.

Mr. ALDRICH. In accordance with previous notice, I ask now to take up paragraph 190, on pages 66 and 67.

The VICE-PRESIDENT. In the absence of objection, paragraph 190 will now be taken up.

Mr. ALDRICH. I offer a substitute for paragraph 190.

The VICE-PRESIDENT. The Secretary will state the proposed substitute.

The SECRETARY. On page 66, paragraph 190, zinc, strike out paragraph 190, and insert in lieu thereof the following:

190. Zinc-bearing ore of all kinds, including calamine, containing less than 10 per cent of zinc, shall be admitted free of duty; containing 10 per cent or more of zinc and less than 20 per cent, one-quarter of 1 cent per pound on the zinc contained therein; containing 20 per cent or more of zinc and less than 25 per cent, one-half of 1 cent per pound on the zinc contained therein; containing 25 per cent of zinc, or more, 1 cent per pound on the zinc contained therein: *Provided*, That on all importations of zinc-bearing ores the duties shall be estimated at the port of entry, and a bond given in double the amount of such estimated duties for the transportation of the ores by common carriers bonded for the transportation of appraised or unappraised merchandise to properly equipped sampling or smelting establishments, whether designated as bonded warehouses or otherwise. On the arrival of the ores at such establishments they shall be sampled according to commercial methods under the supervision of government officers, who shall be stationed at such establishments, and who shall submit the samples thus obtained to a government assayer, designated by the Secretary of the Treasury, who shall make a proper assay of the sample, and report the result to the proper customs officers, and the import entries shall be liquidated thereon, except in case of ores that shall be removed to a bonded warehouse to be refined for exportation as provided by law. And the Secretary of the Treasury is authorized to make all necessary regulations to enforce the provisions of this paragraph.

Mr. STONE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Kentucky yield to the Senator from Missouri?

Mr. PAYNTER. I yield to the Senator from Missouri.

Mr. STONE. I offer the amendment which I send to the desk as an amendment to the amendment.

The VICE-PRESIDENT. The amendment to the amendment will be stated.

The SECRETARY. After the figures "190," numbering the paragraph, strike out the remainder of the paragraph and insert:

Zinc in blocks or pigs; zinc, old and worn-out, fit only to be manufactured; oxide of zinc in whatever form or combination; and all manufactures made wholly of zinc, or of which zinc is a material component, shall be admitted free of duty.

Mr. PAYNTER. Mr. President, I shall detain the Senate but for a few moments; and I desire to express my regret that I have even to do that, as I trust our labors may be soon completed in the consideration of this bill.

It is not so much my purpose to make a defense of my vote to place a duty of 25 cents per ton on iron ore as it is to give the Senate some information which I have acquired. In the first

tariff bill a duty was placed on iron ore, and a much higher one than the one for which I voted has been maintained by all subsequent revenue bills, including the Wilson bill, which placed it at 40 cents per ton. Every Democrat in the Senate except one during the consideration of the Wilson bill voted against admitting iron ore free of duty. It has not been asserted in this Chamber that the duty of 25 cents per ton, which is about 8 to 10 per cent ad valorem, is anything but a revenue duty and that the imposition of which is not in accord with the repeated declarations of the Democratic party that the tariff duties should be levied and collected on a revenue basis. A free list has always been and will be maintained. As to what imported articles should be placed upon it is necessarily a matter for individual opinion and judgment of the members of the Democratic party who believe in imposing duties for revenue only.

A certain amount of revenue must be raised by means of tariff duties. If we increase the free list, we necessarily must make good the loss of revenue resulting from the free list by increasing the duty on other imported products, perhaps on cotton or woolen goods, thus increasing the cost of clothing to the consumers. So far as I am concerned, I would prefer to see the duty that will be collected on iron ore go into the Treasury than to see its equivalent go into the pockets of the manufacturers, as it would certainly go there if the ore is admitted free. No mathematician or statesman can show, by figures or otherwise, that the consumers would be able to buy the product of the iron manufacturer at a price that would save them the amount of duty paid on the iron ore from which it was produced. The manufacturers would be the gainers to the extent they did not pay a duty on iron ore, and the taxpayers would be compelled to make good the loss in the revenues. It would seem that to give the manufacturer free iron ore and protection on his manufactured product is the bestowal of a double blessing in the way of protection. At the time the Democratic party declared in favor of free raw material it was demanding that there should be a radical reduction in the duties on the manufactured product, the idea being that the manufacturer could stand the reduction on the manufactured product if he could get the raw material at a reduced price, and by that process enable the consumer to buy the product of the mills and factories cheaper.

No such reduction in the manufactured product has been made in the bill under consideration, nor will any subsequent reduction be made thereby; hence, the scheme has failed. It is folly to proclaim that duties are too high, that the manufacturers are overprotected, and then allow the duties which give protection to remain and pretend to give relief to the consumers by giving the favored manufacturers their raw material free, for in doing so there is an addition to his protection. The giving of free raw material does not compel the manufacturer to sell the manufactured product at a reduced price. It does not produce competition in the manufactured article. There may be cases where an exception to this rule should be recognized, as in the cases of monopolies. If the raw material in this country was controlled by a monopoly, or the finished product was so controlled, I should be inclined to vote in a way so as to destroy such monopoly. This statement brings me to the real question I arose to discuss.

As no Democratic Senator voted against placing iron ore on the dutiable list because 25 cents per ton was in excess of a revenue duty he must have been influenced to do so by some other cause. The junior Senator from Maryland [Mr. SMITH] did so because he was under the impression that the United States Steel Corporation wanted a duty on iron ore and the independent concerns wanted it free of duty. At the time I voted to place a duty on it, I did not know the wishes of the United States Steel Corporation or those of the independent concerns, as no one representing either had interviewed me upon the subject.

I was influenced entirely by the consideration that, as the Government needed the revenue, it was better to place the amounts that would result from a duty collected on iron ore in the depleted Treasury that must be replenished than to place it in the pockets of the United States Steel Corporation or those of the independent producers of iron or steel. After the junior Senator from Maryland [Mr. SMITH] made a statement as to what induced him to vote for free iron ore, I began a little investigation to see if I had made a mistake in casting my vote. I think I owe it to the country and to the Members of this body to give the result of my investigations. Mr. Joseph G. Butler, jr., represented before the Ways and Means Committee the independent iron-ore producers and 90 per cent of the manufacturers of merchant pig iron. After learning this fact, I approached him in quest of information. He answered my inquiries, and I requested him to do so by letter, which he did. I send to the Clerk's desk a copy of his letter and ask that it be read.

The VICE-PRESIDENT. Without objection, the Secretary will read.

The Secretary read as follows:

YOUNGSTOWN, OHIO.

MY DEAR SENATOR PAYNTER: Referring to our conversations of Thursday and Friday last, I write to say that at a meeting of iron-ore producers and merchant pig-iron manufacturers held in New York City on November 24, 1908, I was selected to represent the above interests and appear before the Ways and Means Committee.

At subsequent meetings, held on March 24 and on April 14, this authority was confirmed and continued, and at the last-named meeting there was added to the committee Mr. F. S. Witherbee, Mr. Leonard Packitt, and Mr. J. H. Frantz.

Briefs were submitted on January 20, 1909, March 30, 1909, and April 29, 1909, and copies sent to all the United States Senators.

* * * * * * *

The independent iron-ore interests which I represent believe that the duty of 25 cents per ton as fixed in the Senate Finance bill is fair and equitable, and it meets with the approval of all the independent producers of iron ore and more than 90 per cent of the manufacturers of merchant pig iron. I consider, and the independent interests I represent believe, that it is inconsistent for the manufacturers of iron and steel in this country to ask and insist upon iron ore coming in free of duty and at the same time insist on their finished product bearing duty.

The assertion has frequently been made in the United States Senate that the United States Steel Corporation owns 80 per cent to 85 per cent of the iron ore in the United States. This statement is absolutely untrue, and I am hoping to be able to send you within a very few days a statement showing as nearly as it can be estimated the amount of available ore by districts in the United States and the ownership therein of the United States Steel Corporation.

I can say frankly now that in my judgment the United States Steel Corporation, I do not believe, owns more than 25 per cent of the iron ore in the United States, and I hope, when I obtain further figures added to those now in my possession, that I may be able to write you and give you a very close estimate.

I will be pleased to have your acknowledgment of this letter.

J. G. BUTLER, Jr.

Hon. T. H. PAYNTER,
Washington, D. C.

Mr. SMITH of Maryland. The statement I made was not that the United States Steel Corporation owned 80 or 85 per cent, but it was that it controlled 80 or 85 per cent of that west of the Allegheny Mountains. I did not state that they owned that much, but that they controlled it, which is a very different proposition.

Mr. PAYNTER. I did not quote the Senator at all upon that proposition.

Mr. SMITH of Maryland. This letter does.

Mr. PAYNTER. This letter does not quote the Senator from Maryland at all, and I was not pretending to give the words, but to give the effect of his statement as to what induced his vote on that question, not with a view of criticising the Senator from Maryland, but to show one of the considerations that influenced Senators upon the question.

Rogers, Brown & Co., whose principal office is in Cincinnati, conducts the largest iron-commission business in the world; they belong to the class known as the "independent" producers of iron, and are interested in 10 different furnace stacks.

I think their output is over 3,000 tons daily, and so I sought from them some information upon this subject, and in response to it I have this letter, which I send to the clerk's desk and ask to have read.

The Secretary read as follows:

ROGERS, BROWN & CO.,
Cincinnati, May 25, 1909.

Hon. T. H. PAYNTER,
Washington, D. C.

DEAR SIR: We most respectfully call your attention to the proposed reduction in the duty on iron ore. It has been expected that the tariff would be reduced and the iron men generally of the country have conceded that a cut of 15 cents per ton, from 40 cents down to 25 cents, could be made without serious detriment to the mining interests of the United States, and at this figure during the coming years the revenue to the Government may possibly be increased somewhat.

There seems to be an impression that any duty retained on ore will inure to the special benefit of the Steel Corporation, and that the independent interests of the country might be helped if the duty was entirely removed. The fact is, however, that during recent years the independent companies have made the bulk of the pig iron for the open market and have to a large extent interested themselves in ore properties and have put up many millions of dollars to develop them so that they would have sources of supply.

The furnace companies in which we are interested, with 10 different stacks, located in Illinois, Ohio, New York, and Pennsylvania, formed a company some time ago with $1,000,000 capital, and since then have formed another with $300,000 capital for the purpose of developing mines in the Lake Superior district. The Empire Steel and Iron Company, in Pennsylvania, of which the writer is a director, owning 8 blast furnaces, has spent a large amount of money also in developing local ore mines for its own use, and what we have done has been done by other blast-furnace people on a large scale.

While the Steel Corporation may be benefited by a duty on ore, its position is such that we believe it can do business at a profit at prices which would put the rest of us out of the running, and it is in behalf of the independents that we are writing you.

So far as we are able to learn free ore might help a few of the steel plants that have blast furnaces located on the seaboard or in the extreme East, who would draw their supply from Cuba and other points where they could get their mining done at prices for labor impossible in this country. If reports are true, those parties can well afford to pay a duty of 25 cents per ton on the ores they may bring in from Cuba and Spain, and the Government, we believe, is justly entitled to that amount of revenue from the ore imported. There is certainly no reason why the United States should foster and help develop mines in

other countries and by so doing either shut down the mines here or force a radical cut in wages.

We believe that a duty on ore is a legitimate means of raising money to help pay the expenses of the Government, and that it is a tax that is borne in a very slight degree, if at all, by the workingmen of this country, while to the extent that it increases our mining interests at home it is a direct benefit to the working classes.

We trust you may find it consistent to vote for a duty of 25 cents per ton on ore.

There has been considerable discussion about reducing the rate on imported scrap down to 50 cents per ton. This has apparently been brought about by the efforts of a comparatively few consumers in the East, who get protection on their manufactured output, but who desire to get their so-called "raw material" free. We believe that an investigation of this subject will convince you that as scrap is used in the place of pig iron it should bear the same rate of duty that may be fixed on pig iron, which we trust will not be less than $3 per ton.

Kindly pardon us for writing you at such length, but these matters directly concern hundreds of thousands of employees and many millions of dollars that have been invested by the manufacturers.

Very truly, yours.

ROGERS, BROWN & CO.,
By D. B. MEACHAM.

Mr. PAYNTER. From this letter it appears that Mr. D. B. Meacham, a member of the firm of Rogers, Brown & Co., is also a director in another corporation which owns some furnaces. These letters not only show that the independent iron manufacturers, except a few along the Atlantic coast, did not want free iron ore, but were of the opinion that it was inconsistent to ask for free iron ore and, at the same time, receive ample protection on their manufactured product. I regard the letters which I have had read as a valuable contribution to the discussion of the question, and that they will serve a useful purpose to preserve historical accuracy.

I hold in my hand an article from the Manufacturers' Record of May 27, 1909, which gives some very interesting information on the subject of iron ore. It is stated that the Spanish-American Iron Company (the stock of which is owned by the Pennsylvania Steel Company) owns 27,000 acres of iron-ore-bearing lands in Cuba; that the ore beds average from 10 to 19 feet in thickness; that it is estimated they contain 600,000,000 tons; that the ore can be mined and put on the cars with a steam shovel at a cost of 10 cents per ton; that the Pennsylvania Steel Company is under contract with the Spanish-American Company to take not less than 1,000,000 tons per annum, and that the Pennsylvania Steel Company is owned by the Pennsylvania Railroad Company and the Reading Company.

It also appears that the Bethlehem Steel Company, headed by Charles M. Schwab, owns a quantity of ore-bearing lands in Cuba equal in quantity and richness to that of the Spanish-American company, and that Mr. Carnegie is said to be backing the latter concern. The aggregate quantity of iron ore owned in Cuba by the two concerns named is said to be equal to the holdings of the United States Steel Corporation in the Lake Superior district.

The Pennsylvania Steel Company and the Bethlehem Steel Company might, perhaps, want free iron ore, because if they import as much iron ore as is predicted by the Manufacturers' Record they would save making a yearly contribution to the United States Treasury of the sum of $500,000, while the consumers of iron would not be benefited by granting them such privilege.

I ask to have the article from the Manufacturers' Record printed with my remarks, without reading.

Mr. BACON. Let it be read.

Mr. PAYNTER. It is a pretty long article, and I dislike to interrupt the proceedings of the Senate to that extent.

The VICE-PRESIDENT. Without objection, the article will be inserted in the RECORD.

The article referred to is as follows:

POSSIBLE RESULTS THAT WOULD FOLLOW A REDUCTION OF DUTY ON IRON ORE.

[Reprinted from Manufacturers' Record, May 27, 1909.]

The Pennsylvania Steel Company is under contract with the bondholders of the Spanish-American Iron Company to import not less than 1,000,000 tons of Cuban ore annually. This contract was made when the bonds of the Spanish-American Iron Company, the stock of which is owned by the Pennsylvania Steel Company, were sold to the public last year. Thus, regardless of whether the duty on these ores be 25 cents or 75 cents a ton, this million tons will come into the country. The agreement was that the Pennsylvania Steel Company would "take and pay for a minimum of 1,000,000 tons of ore annually." The aggregate might run far beyond 1,000,000 tons. There is no condition to the contract with relation to the question of duty. With an estimated quantity of 600,000,000 tons of high-grade ore which can be mined by steam shovels at a very low cost, a duty of 75 cents a ton would no more interfere with the incoming of this ore than would a duty of 25 cents a ton. The contract stands without any loophole, and, as the Pennsylvania Steel Company is practically owned by the Pennsylvania Railroad and the Reading Railroad, there is ample financial backing to carry out not only this contract, but any other contract that this company might desire to make. This ore is a great bed, covering many thousands of acres. It has no overburden and can be scooped up by steam shovels as easily as could a bed of gravel. A large contractor who has made a personal study of it says the ore can be put on the cars at a cost of 10 cents a ton for the steam shoveling. The Pennsylvania Company owns 27,000 acres of it, averaging 18 to 19 feet thick, and fully tested by thousands of drill holes.

Mr. Charles M. Schwab in his testimony before the Ways and Means Committee of the House of Representatives stated that the Bethlehem Steel Company had ceased to use domestic ore and was using nothing but Cuban ore. With a view to the use of Cuban ore the Bethlehem Steel Company has within the last year or two expended $17,000,000 or $18,000,000 in building new furnaces and in the enlargement of its plant. When this vast expenditure was made there was no reason to suppose that there would be any reduction in the duty on iron ore. In fact, Mr. Schwab at the same time testified that Cuban ore could be landed on the Atlantic coast and carried by rail to Pittsburg and delivered there as cheaply as Lake ores. His company claims to own as much Cuban ore as the Pennsylvania Steel Company has definitely proved up, or a minimum of 600,000,000 tons.

These are interesting facts previously published in the Manufacturers' Record, but they are worth repeating. With the Pennsylvania Steel Company committed to the use annually of 1,000,000 tons of Cuban ore as a minimum, and with the Bethlehem Steel Company spending $17,000,000 or $18,000,000 on the enlargement of its plant with a view to using Cuban ores exclusively, these two concerns would necessarily have to consume about 2,000,000 tons of Cuban ore as a minimum. They could afford to do so even with a duty of 75 cents a ton and thus add to the revenue of the Government to that extent. These two vast concerns—one backed by the Pennsylvania and the Reading railroads and the other supposedly backed by Mr. Carnegie—own, according to their own statements, about 600,000,000 tons each of Cuban ore, or in the aggregate about as much as the Steel Corporation is supposed to own in the Lake Superior district, even including the ores leased from Mr. James J. Hill and the Great Northern Railroad. These ores are mined in Cuba by poorly paid labor as compared with the wages of American miners. They are delivered on the Atlantic coast by water transportation. To the extent of the needs of these two companies these ores will be brought to this country, even if the duty should be 75 cents a ton. Moreover, on all of the finished products made out of these ores and exported there is a drawback of 99 per cent of the duty on the ores, so that the foreign trade of these two companies, already very large, would reduce the actual amount of duty paid by them to practically nothing on their foreign shipments. A reduction of the duty to 25 cents a ton would simply to that extent increase the value of the holdings of these two companies and give them the whip handle over the independent iron and steel people who are not so fortunate as to own Cuban ores.

It is not at all improbable that if a reduction of the duty on ore could be brought about these two companies might be in a situation to practically force a deal by which the United States Steel Corporation, in order to secure their vast holdings of iron ore, might be willing to pay them almost fabulous prices for their properties. Should this be done, the Steel Corporation would be still further strengthened in its iron-ore holdings and would then have a complete mastery practically of the world's iron and steel trade, and the independent iron and steel people in the North and West and South would then be able to live only by sufferance. Those who have been favoring free ore or a reduction might in this case be proven by time to have been working, wittingly or unwittingly, for the benefit of the Steel Corporation.

With vast supplies of ore in the South awaiting development, why should this section or any other part of America be willing to injure itself by voting for a reduction of the duty on ore simply to benefit the Pennsylvania and Reading railroads as owners of the Pennsylvania Steel Company and the Bethlehem Steel Company, which, judged by all indications, is being financially backed by Mr. Carnegie? On the strictly revenue-producing basis, a fairer basis of duty on iron ore would be 75 cents a ton instead of 25 cents. The Pennsylvania Steel Company, the Bethlehem Steel Company, and their allied interests, who are working for free ore for their own profit, regardless of the welfare of others, are injuring the whole iron and steel trade of the country by giving ground for the growing feeling that the duty on finished products should be reduced just as largely as the duty on the ore. They stand to lose far more in this way than they will gain by a reduction on ore, unless, perchance, their fight should result in forcing the Steel Corporation to buy them in order to control their ores. This would be a disaster to the whole country, for every section would feel its dire effects.

Mr. PAYNTER. Mr. President, I have said all I desire to say on this subject.

The VICE-PRESIDENT. The question is on agreeing to the substitute offered by the Senator from Missouri for the substitute offered by the Senator from Rhode Island.

Mr. KEAN. Let it be read.

The SECRETARY. After the figure "190," numbering the paragraph, strike out the remainder of the paragraph and insert:

Zinc in blocks or pigs; zinc, old and worn out, fit only to be manufactured; oxide of zinc in whatever form or combination; and all manufactures made wholly of zinc, or of which zinc is a material component, shall be admitted free of duty.

Mr. KEAN. I should like to ask the Senator from Missouri what is the object of the amendment?

Mr. STONE. The amendment speaks for itself.

Mr. ALDRICH. It seems to be perfectly clear and definite to my mind.

Mr. KEAN. I supposed it was for no other purpose than to try to put a duty on zinc ore.

Mr. STONE. Mr. President, zinc ore under existing law is on the free list. The House bill, known as the "Payne bill," fixed a duty on the zinc content of ore at 1 cent per pound. The amendment proposed by the Finance Committee provides for a graduated scale. If the amendment I offer should be agreed to, it would leave zinc ore still on the free list, and would in addition send the chief manufactures of zinc to the free list also, to keep company with the ore.

Mr. President, since this question has been under consideration by the committees of the two Houses there have been some powerful interests at work here to keep zinc ore on the free list. What is commonly known as the "zinc trust," located

in New Jersey, has been very persistent in the advocacy of free ore, and others have joined in that contention. I wish now to put these interests, and those who agree with them, to the test. I propose to leave zinc ore on the free list if the chief products of zinc shall also be placed on the free list. Are you willing to do that? If so, then vote for my amendment. Why should not that be done?

Mr. President, zinc mining represents a very large investment of both capital and labor. Moreover, the business of zinc mining is precarious; it involves more of chance as an investment than does the business of zinc manufacturing. It costs a large amount to prospect, to drill, to sink shafts, and to operate mines. The element of chance is always present, for there is always a probability of a quick exhaustion of the mine even after its development. And then the number of men employed as miners is very large, running into many thousands, and the perils of this class of labor are too well known to be elaborated. Whenever a miner goes down a shaft to do his day's work he takes his life in his hands, and the repeated disasters resulting in the loss of life and limb too well illustrate the hazardous character of this employment. The risk to investment in manufacturing is less, and the risk of life and limb to those employed in manufacturing is less. You could not run your zinc mills if there were no miners. Why should the mill be given a preference over the mine? If those who purchase and utilize the products of the mines want free ore I am willing that they shall have it on condition that the products of the mills shall be put upon an equal footing with the products of the mines.

Mr. KEAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Missouri yield to the Senator from New Jersey?

Mr. STONE. Certainly.

Mr. KEAN. I merely want to ask the Senator from Missouri if they do not have free zinc at the present time?

Mr. STONE. If the Senator from New Jersey is asking for information, if he does not know, I will inform him that under the present law zinc ore comes in free of duty.

Mr. KEAN. And has anyone suffered by reason of it?

Mr. STONE. There are many who think they have suffered by reason of it.

Mr. KEAN. But has the Senator been able to find anyone who has suffered by it?

Mr. STONE. I have found many who say they have.

Mr. HUGHES. Mr. President——

The VICE-PRESIDENT. Does the Senator from Missouri yield to the Senator from Colorado?

Mr. STONE. In a moment; as soon as the Senator from New Jersey has completed his inquiry.

Mr. KEAN. I only wanted to say to the Senator, as representing a State that produces more zinc ore than any other State, that we have never suffered from foreign importations, nor are we in favor at the present time of a duty on zinc ore. We have never had any suffering because of the importation of zinc into this country, because the country at the present time does not produce sufficient to meet the demand.

Mr. STONE. Mr. President, I do not care now to discuss the question suggested by the Senator from New Jersey. That would be foreign to my present purpose. If my amendment is disagreed to, I may then have something to say about the supply and consumption of zinc in this country. I can better do that when I discuss the amendment proposed by the Finance Committee fixing a duty on zinc ore, which will come up if my proposition is voted down. What I am now striving to do is to get free zinc manufactures as well as free zinc ore for the benefit of American consumers.

Mr. KEAN. I am perfectly willing that the amendment of the Senator from Missouri shall be disposed of at any moment.

Mr. STONE. Very well; so am I. And so, Mr. President, I close by saying that if zinc ore is to be kept on the free list at the behest of this great New Jersey concern—aye, if it is desired to have the product of the Missouri zinc miner free, I will consent if you will also make free the products of your New Jersey mills. I am willing; are you? I am ready to vote.

Mr. BURTON. Mr. President, I desire to present an amendment.

Mr. KEAN. I suggest to the Senator from Ohio that we might as well dispose of the amendment of the Senator from Missouri.

Mr. BURTON. I merely wish to have it stated.

The VICE-PRESIDENT. Is it an amendment to the amendment of the Senator from Missouri?

Mr. BURTON. It is not. I ask that it be stated so that it may be understood.

The VICE-PRESIDENT. Without objection, the amendment proposed by the Senator from Ohio will be stated.

The SECRETARY. It is proposed to strike out the whole of paragraph 190.

The VICE-PRESIDENT. Of course the paragraph must be perfected before a motion to strike out is in order. The question is on agreeing to the substitute offered by the Senator from Missouri [Mr. STONE] to the substitute offered by the Senator from Rhode Island [Mr. ALDRICH].

Mr. ALDRICH. On that I ask for the yeas and nays.

The yeas and nays were ordered, and the Secretary proceeded to call the roll.

Mr. FLINT (when his name was called). I again announce my pair with the senior Senator from Texas [Mr. CULBERSON] and the transfer of that pair to the senior Senator from New York [Mr. DEPEW]. I vote "nay."

The roll call was concluded.

Mr. GAMBLE (after having voted in the negative). I voted "nay," but there seems to be some misunderstanding about my pair with the junior Senator from Indiana [Mr. SHIVELY]. I will withdraw my vote. It was my understanding that the pair terminated this morning.

Mr. MONEY. My colleague [Mr. MCLAURIN] is absent and is paired with the junior Senator from Michigan [Mr. SMITH]. If my colleague were present, he would vote "yea."

Mr. DILLINGHAM (after having voted in the negative). I inquire if the senior Senator from South Carolina [Mr. TILLMAN] has voted.

The VICE-PRESIDENT. The senior Senator from South Carolina has not voted.

Mr. DILLINGHAM. Then I will withdraw my vote, having a general pair with that Senator.

The result was announced—yeas 16, nays 49, as follows:

YEAS—16.

Bacon	Davis	Money	Simmons
Chamberlain	Fletcher	Overman	Smith, S. C.
Clay	Foster	Owen	Stone
Daniel	Martin	Paynter	Taliaferro

NAYS—49.

Aldrich	Clapp	Gallinger	Page
Borah	Clark, Wyo.	Guggenheim	Perkins
Bourne	Crane	Heyburn	Piles
Brandegee	Crawford	Hughes	Root
Briggs	Cummins	Johnson, N. Dak.	Scott
Bristow	Curtis	Jones	Smoot
Brown	Dick	Kean	Sutherland
Bulkeley	Dixon	Lodge	Warner
Burkett	Dolliver	McCumber	Warren
Burnham	du Pont	McEnery	Wetmore
Burrows	Elkins	Nelson	
Burton	Flint	Nixon	
Carter	Frye	Oliver	

NOT VOTING—26.

Bailey	Depew	La Follette	Smith, Md.
Bankhead	Dillingham	McLaurin	Smith, Mich.
Beveridge	Frazier	Newlands	Stephenson
Bradley	Gamble	Penrose	Taylor
Clarke, Ark.	Gore	Rayner	Tillman
Culberson	Hale	Richardson	
Cullom	Johnston, Ala.	Shively	

So Mr. STONE'S amendment to the amendment was rejected.

The VICE-PRESIDENT. The question is on agreeing to the substitute offered by the Senator from Rhode Island.

Mr. CURTIS. I should like to have read at this time a resolution of the legislature of the State of Kansas on this subject.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

House concurrent resolution 25 relating to tariff on zinc ores—Westcott.

Resolved by the house of representatives of Kansas (the senate concurring therein):

Whereas a large amount of the spelter manufactured in the United States is produced from ores mined in the State of Kansas; and

Whereas no zinc ore was imported prior to the year 1905, and during the last four years over 300,000 tons of Mexican zinc ores have been imported, which ores are produced by peon labor at one-third the cost of producing ores in the State of Kansas; and

Whereas the result of said importations of foreign ores is the curtailment of development and operation of zinc mines in the State of Kansas, and has recently resulted in the material reduction of wages, throwing out of employment a large number of wage-earners and the closing of many zinc mines in this State; and

Whereas no tariff, up to the present time, has been asked on zinc ores, owing to the fact that no foreign ores have been imported until recently; and

Whereas for the last forty years lead ore has been subject to an adequate tariff duty, the result of which is that the State of Kansas is to-day one of the largest lead-producing States in the Union, and since the cost of producing lead ore and zinc ore in the State of Kansas is the same: Now therefore be it

Resolved by the house of representatives (the senate concurring therein), That we favor a just and equitable import duty on all zinc ores, and that we request our Senators in the Senate of the United States and our Members of Congress to work and vote for such legislation as will save this important industry from destruction and produce a substantial revenue to the Government.

The above concurrent resolution was offered in the house, rules suspended, emergency declared, read second time, and adopted February 11, 1909. Message to senate read first time, rules suspended, emergency declared, read second time, and adopted February 11, 1909.

J. N. DOLLEY,
Speaker of House.

Attest:
W. T. BECK,
Chief Clerk of House.

W. J. FITZGERALD,
President of Senate.

Attest:
Z. E. WYANT,
Secretary of Senate.

Mr. SCOTT. I desire to have read a very short communication from the president of one of the largest foundries in this country, who had a contract to furnish the foundry work of the Pennsylvania Railroad Company in their effort to get into New York City.

The VICE-PRESIDENT. Without objection, the Secretary will read as requested.

The Secretary read as follows:

(Copy of telegram.)

CHICAGO, ILL., *April 14, 1909.*

WHEELING MOLD AND FOUNDRY COMPANY,
Wheeling, W. Va.:

If proposed tariff on zinc ores, hitherto admitted free of duty, is passed, it will make it impossible for us to operate intended plant. Are therefore obliged to ask that you cancel our contract for construction material.

MINERAL POINT ZINC CO.

WHEELING MOLD AND FOUNDRY COMPANY,
Wheeling, W. Va., April 15, 1909.

Hon. N. B. SCOTT,
United States Senate, Washington, D. C.

DEAR SIR: Inclosed please find copy of telegram received to-day, which is self-explanatory.

I will not go into the merits of tariff or free trade. That is too big a subject, but I will say that unless you have positive proof that a whole lot of good can be accomplished by changing the tariff I think it is a great mistake to agitate the subject.

This country, as far as I can see, has been, on an average, about as prosperous as any other in the world under the present tariff. It is, of course, all right to correct a real evil, but I do not see any use in disturbing things just for the sake of a change, especially when the first effect of such a change is from bad to worse usually.

Very respectfully, yours,

C. E. BLUE.

Mr. SCOTT. Without reading, I ask that the following letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WHEELING CORRUGATING COMPANY,
Wheeling, W. Va., April 24, 1909.

Hon. N. B. SCOTT,
Washington, D. C.

DEAR SENATOR: For our annual production of about 50,000 tons of galvanized sheets, galvanized roofings, and galvanized household ware we require 6,000 to 8,000 tons of spelter (zinc), or about 3 per cent to 4 per cent of all the zinc smelted in this country; and understanding that the Payne bill as it now stands provides for a duty of 1 cent per pound on the zinc contents of zinc ores, we ask that you use your influence to have these ores admitted free, or, at the most, with not more than one-fourth cent per pound tariff.

If the 1-cent rate becomes effective, it will be very hard on us, for under normal business conditions this country can not, so we understand and believe, produce enough ore to meet the demand for spelter, and, therefore, the importation of foreign ores is absolutely necessary, and it follows that the price of spelter will be very high, working a double hardship on us through having to pay a higher rate for spelter and having a lower rate fixed on galvanized sheets which are coated with it.

If a 1-cent per pound tax is levied on the zinc contents of foreign ores, it will probably mean an increase of about $25 per ton in the price of spelter, and this would make an increased cost on galvanized sheets of $4 to $5 per ton, and on galvanized ware, such as pails, tubs, and similar household articles, of $6 to $9 per ton.

We believe in the protection of American labor, but a duty of 1 cent per pound on the zinc contents of zinc ores will protect labor beyond all reasonable bounds, and back of this movement for this much of a duty are the mine owners, who own the zinc-bearing ground and charge all the way from 20 per cent to 25 per cent royalty on all ores taken from it. It is this outrageous tax levied by the mine owners that is working such a hardship on the actual miners, and it is the mine owners, not the miners, who will get most of the benefit if this proposed duty is made effective; but irrespective of who may receive the benefit of such an unnecessarily high duty, there is no doubt but what we will be very seriously injured. Therefore, if you can consistently use your influence in our behalf, it will be very much appreciated. We are to-day writing to Senator ELKINS and Mr. HUBBARD upon the same subject.

Because a large part of the spelter we use is consumed at our Martins Ferry (Ohio) works, we think it quite likely that the Senators from Ohio may feel disposed to work with you toward permitting foreign ores to be brought in free, or at the most with a duty of not more than one-fourth cent per pound on the zinc contents of zinc ores levied against them.

Very truly, yours,

WHEELING CORRUGATING COMPANY,
ALEX. GLASS, *Secretary.*

Mr. BURTON. Mr. President, it is hardly possible to frame a tariff act which will be entirely satisfactory to a majority or even to any of those who support it. Such a measure must include so great a variety of interests and of items that it must necessarily, to a considerable degree, be the result of compromise.

In my own judgment, the most objectionable feature which is likely to appear in the pending bill is the relation between raw materials and the finished product. Every country—at any rate, every European country—of advanced economic development has shown a general tendency toward freer raw material and, for the most part, to lower duties on food products and the elementary materials of life. For instance, seventy years ago there was a duty on wheat, or corn, as they call it in Great Britain, which was adjusted according to the price; it might reach a maximum of 77 cents per bushel. There was a similar duty on other kinds of grain. These duties have all been abolished.

There was also a duty on almost every variety of ore. But the duties on ores have not only been abandoned in England, but in France and Germany, so that zinc ore, lead ore, iron ore, and other like materials for manufacture all enter free of duty.

It should be stated also that in those countries, as compared with our own, there is a scarcity of these articles, a fact which affords some arguments for and some arguments against a duty here, though it certainly should be said that with the great abundance in our own country there is not the same basis for a protective duty on these ores as would be afforded by the conditions in Germany and France, or even in England.

I desire to state briefly some illustrations of the relation between raw and finished material in the pending bill. The duty of 1½ cents on lead ore is figured at 78.8 per cent. The duty on white lead is about 50 per cent. On pig lead and other less advanced forms it is somewhat less than that. So here the duty on the raw ore is twice as great as the average duty on the finished product.

This proposed duty furnishes a more serious incongruity than that, for if the duty proposed in this paragraph is adopted, the ad valorem rate of duty on zinc ore will approximate 84 per cent, while the duty on the spelter, or pig zinc, will be slightly in excess of 20 per cent. Such a difference is not only an incongruity; it is an absurdity; because with every improved process by manufacture there is an increment of labor; an increased investment of capital is required, and an additional duty is demanded. That is the general rule running through this tariff bill and through every other tariff bill which has stood the test.

I do not deny that there should in some cases be duties on raw materials; that those which exist should be continued at lesser or greater rates; and that where a valid reason exists, even in case one has not already been imposed, one might be imposed. This statement, however, should be coupled with another, to the effect that the whole tendency in the most rational tariff legislation has been toward the removal of duties on raw materials.

Whatever may be the general principle, there is no justification whatever for a duty on zinc ore. Why is it needed? I want to give a few facts and figures. In the year 1900 the average price of ore at the Joplin mines was $26.50 per ton. The average price in 1907 was $44.36 a ton. Here was an increase in value in seven years of 67 per cent, or approximately from $26 to $44.

In 1897, when the Dingley bill was passed, the price at Joplin was $22.28. In 1894 it was $13.60. In thirteen years the price as compared with 1894 increased from $13.60 to $44.36, or to more than three times as much. Under these circumstances what need is there of any duty?

What is the reason for this increase in price? It is because of the healthy development of the industry of smelting zinc into spelter and into zinc sheets, and the very large use of these zinc products for brass, which requires about 16 per cent of the zinc made in the country; for galvanizing iron and steel, which requires about 65 per cent; and for zinc sheets, requiring about 13 per cent.

The industry of manufacturing spelter is protected by a duty of 1¼ cents for the zinc spelter or pig zinc, and 2 cents per pound for the sheet zinc. The price of the spelter has been slightly higher than that in the foreign market, usually about one-half of a cent per pound, thereby showing very conclusively that there has been no trust or combination in this business, because the producers have not taken advantage of the duty of 1¼ cents in the price which they have charged.

It will be noticed that the production of spelter has increased altogether out of proportion to the increase in zinc ore. Zinc ore in the Joplin district was worth, in 1900, $26.50, as I have said; and it is now worth $44.36. The mining or production has increased from 248,000 tons to 286,000 tons. The spelter produced in the United States has increased from 123,000 tons to 249,000 tons. It will thus be noticed that the Joplin ore has

increased in production only 15 per cent, while the production of spelter has increased 102 per cent. One has increased not quite one-sixth—that is, the ore—while the spelter has more than doubled.

This explains the increase in price. The manufacturers of the spelter have found it difficult, if not impossible, to obtain a sufficient supply in this country. While their production has doubled, their prices have increased only 35.8 per cent, as against an increase of 67 per cent in the price of the ore. That made it necessary to obtain sources of ore from other States or countries.

It is true this amendment differs somewhat from the House bill in the lower grades up to 25 per cent. There is a lower duty on the zinc contents, but that means nothing to the smelting trade. It may mean something to the manufacturer of zinc oxide, but in the manufacture of spelter anything under 20 per cent is mere dust; it is not available for the manufacture of zinc, and no ore under about 30 per cent can be profitably utilized for the manufacture of zinc spelter.

It has been necessary to go further afield, to go to Mexico and to other places, to obtain supplies of this ore. The manufacturers of zinc have not gone there because they desired to. Why? The Joplin or Missouri ore contains about 60 per cent of pure zinc; the Mexican ore only 30 to 35 per cent. That means that the cost is nearly twice as great in the smelting of the ore into the zinc. It means, in the next place, as against the whole proposition of imported Mexican ore, that they must pay $6.50 a ton for bringing in the ore from Mexico. It would seem that this alone was protection enough for domestic producers, the cost of freight on 3 tons or more of ore from Mexico amounting to $19.50.

So notwithstanding this rising market, in which zinc ore has increased from $13.60 in 1894 to $44.36 in 1907, they are not able to obtain sufficient for the smelters in the United States, and the owners of smelters have been forced to go outside. They have built up this business; they have increased the demand; and now what is the proposition pending here before you? Because these smelters have increased the production of zinc ore, because by their industry they have raised the price threefold, they must be fined for what they have accomplished by the imposition of a duty which will make their business not only much less prosperous, but perhaps absolutely unprofitable.

Mr. President, I protest against this. If it was an ore, or grain, or any raw product that was going down in price, if it was an article that merely held its own in price, or where the cost of labor had greatly increased, there might be some justification for putting on a duty; but when the price has increased so largely contemporaneously with an insufficient supply there is no justification whatever for placing this ore on the dutiable list.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER (Mr. ROOT in the chair). Does the Senator from Ohio yield to the Senator from Montana?

Mr. BURTON. Certainly.

Mr. DIXON. The Senator from Ohio states that the freight on the Mexican ore of $6 a ton ought to be protection enough. Applying the same rule, would not the freight on the Mexican spelter be protection enough for the spelter in this country?

Mr. BURTON. In the first place the spelter weighs only a third as much as the ore, and thus it could be transported much more readily; but I take it the Senator from Montana does not want to have the industry transferred to Mexico.

Mr. DIXON. The Senator from Ohio is perfectly right. Neither do I want the industry of mining zinc ore transferred to Mexico. I think that one position is just as tenable as the other.

Mr. BURTON. Mr. President, I have already shown—and I think the Senator from Montana will readily agree with me—that it is no desire to go to Mexico that has caused this importation, but it is because of the scarcity of the local supply; and the only effect of imposing this duty will be to raise the price to unusual figures.

What will be some of the results of this? First of all, there is a liability that this industry will be transferred to other countries, a liability that the ore of Mexico and of other countries may be taken to Belgium, and there made into spelter, and brought into the United States; for, when you raise the price of this ore beyond a certain figure, it is no longer profitable to reduce it in the United States.

But there is another fact in this connection which, it seems to me, is readily demonstrable—the very persons advocating this duty would find their object destroyed by its imposition. This is a great country of ours; we have metallic products, and when any one article reaches an unreasonable price, substitutes for it can be found. There are substitutes for sheet iron and for galvanized iron, such as the black iron, the terneplate; and if these prices go a little higher the demand for galvanized iron and the other products of which zinc is a part will fall off and other articles will take their place. Glass has been used as a substitute in certain cases. The imposition of this duty would mean that this article would rise in price out of all proportion to any other article in the metallic schedule; and, as it rises in price, and other articles do not show the same increase, the result will be that other metallic substances will be used in place of zinc and its price will fall. I make the prediction with entire confidence that if these prices continue rising—and they are increasing very rapidly now—the increased manufacture of zinc and the increased demand for it, which have both been characteristic of the trade in the last five or ten years, will experience a change; so that, instead of its being on an ascending plane, it will go on a descending plane.

There are some other things about the cost of zinc in this Missouri locality. I have received many letters from members of investing firms from my own State asking me to vote for this duty on zinc ore. What is the reason? An unusual number of mines, not all of them profitable for working, are being exploited by brokers and others. Again, an unduly high royalty is paid to the farmers or owners of the ground. It is in the first instance about 15 per cent of the value of the gross product.

Then, these leases, in which 15 per cent is the amount to be paid to the owner, have been frequently sublet. Each sublessee gets some added price—5 per cent more, then another 5 per cent—so that in some cases the price obtained by the owner of the fee is 25 per cent of the total gross value of the ore. I think I may challenge the citation of a case in this country where any mineral is mined and the percentage given to the owner of the ground is so large.

Mr. GUGGENHEIM. Mr. President——

The PRESIDING OFFICER. Does the Senator from Ohio yield to the Senator from Colorado?

Mr. BURTON. I do.

Mr. GUGGENHEIM. I am obliged to challenge the statement of the Senator from Ohio so far as the Rocky Mountain section is concerned.

I wish to remind the Senator that the conditions of which he speaks refer not to Colorado, but probably to Missouri. We do not pay such royalties in the Rocky Mountain mining region. Therefore the Senator's remarks should be confined to Missouri, and possibly to Kansas, in regard to the royalties.

Mr. BURTON. It is a very lean ore you have out there in Colorado, is it not?

Mr. GUGGENHEIM. We have a lean ore; and it is for that reason we require protection.

Mr. BURTON. Is it not true that the makers, both of spelter and oxide of zinc, have exploited some of those mines in the Senator's locality and given up trying to use them? I do not want to say anything derogatory to mines in the Senator's State, but I ask him if that is not true?

Mr. GUGGENHEIM. I will reply to that by saying that last year Colorado produced 25,000 tons of spelter, and that it is the second largest producer of zinc ore in this country. Therefore the Senator must be mistaken in his statement.

Mr. BURTON. Will the Senator not state whether they did not bring some of that ore in from outside the State?

Mr. GUGGENHEIM. There were no zinc oxide or sulphide ores brought from Mexico to Colorado. We are not dependent in Colorado on Mexican ores.

Mr. BURTON. It was brought in from States of the Union other than Colorado?

Mr. GUGGENHEIM. No. Most of the ore smelted in Colorado comes from Colorado mines; that is to say, zinc mines. The zinc manufactured is mined and mostly smelted in the State of Colorado.

Mr. BURTON. Do I understand the Senator from Colorado to say that 25,000 tons of ordinary zinc spelter were produced in his State, or were produced last year?

Mr. GUGGENHEIM. According to the statement of the Geological Survey for the year 1908, Colorado produced 24,885 tons of spelter, or about 150,000 tons of ore.

Mr. BURTON. Can the Senator state in what town that smelting is done?

Mr. GUGGENHEIM. Some of it is done in Canyon City and some in Pueblo, Colo.

Mr. BURTON. I must say to the Senator that I have not found those figures in any other work pertaining to the subject. I have the utmost respect for the Geological Survey, and they may be correct; but I have not found those figures elsewhere.

There is another phase of this question, to which I wish to call attention. This zinc ore is used very largely for galvanizing. There is a very large industry in the State of Ohio en-

gaged in the manufacture of galvanized sheet iron and sheet steel. I am receiving telegrams from those people to the effect that this rise in the cost of spelter, which has already occurred, increases very greatly the cost of galvanizing steel and iron sheets.

The average quantity of zinc used in galvanizing a ton of sheet steel or sheet iron is 325 pounds. This spelter has increased of late about $10 a ton, which means an increase per ton of their material, as they estimate, of nearly $2 a ton. There is a differential in paragraph 126 of this bill between ungalvanized and galvanized of two-tenths of a cent a pound. It was no doubt intended that a large share of that two-tenths of a cent would provide for additional labor; but if this duty is imposed the price of zinc will so increase that the actual difference in the material will be more than two-tenths of a cent a pound. So I must ask, if any duty is imposed, that the schedule with reference to galvanized iron shall be changed to meet the changed conditions.

Mr. President, the principle of protection does not demand that this duty be imposed. It is not a languishing industry; it is not an industry that requires a penny of duty to make it profitable and increasingly profitable in the years to come.

While its imposition will tend to destroy secondary industries which depend upon this for their raw material, the increase in price will also threaten not only a decrease in the quantity made, in the zinc that is smelted, and thus in the zinc ore which is taken from the mines, but the very decadence and almost destruction of the industry itself. I can hardly understand how those who are interested in zinc ore, who have certainly as profitable mining interests as any in the United States, the one that has shown the greatest increase in profits, should be coming here to Congress and asking for this absolutely unnecessary duty—a duty not only unnecessary to themselves, but hurtful to all the related industries. So I trust, Mr. President, that this paragraph will be stricken out of the bill, and that the law will be left as it is.

Mr. HEYBURN. Mr. President——

The PRESIDING OFFICER. The Chair lays before the Senate a message from the President of the United States, which will be read:

Mr. LODGE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clark, Wyo.	Gamble	Overman
Bacon	Clay	Gore	Page
Bailey	Crane	Guggenheim	Paynter
Bankhead	Crawford	Heyburn	Perkins
Borah	Culberson	Hughes	Piles
Bourne	Cullom	Johnson, N. Dak.	Rayner
Brandegee	Cummins	Johnston, Ala.	Root
Briggs	Curtis	Jones	Scott
Bristow	Daniel	Kean	Simmons
Brown	Davis	La Follette	Smith, Md.
Bulkeley	Dick	Lodge	Smith, S. C.
Burkett	Dillingham	McCumber	Smoot
Burnham	Dixon	McLaurin	Sutherland
Burrows	Dolliver	Martin	Taliaferro
Burton	du Pont	Money	Tillman
Carter	Elkins	Nelson	Warner
Chamberlain	Flint	Newlands	Wetmore
Clapp	Gallinger	Nixon	

The PRESIDING OFFICER. Seventy-one Senators have answered to their names. A quorum of the Senate is present. The Secretary will read the message from the President of the United States.

The Secretary read as follows:

To the Senate and House of Representatives:

It is the constitutional duty of the President from time to time to recommend to the consideration of Congress such measures as he shall judge necessary and expedient. In my inaugural address, immediately preceding this present extraordinary session of Congress, I invited attention to the necessity for a revision of the tariff at this session, and stated the principles upon which I thought the revision should be effected. I referred to the then rapidly increasing deficit and pointed out the obligation on the part of the framers of the tariff bill to arrange the duty so as to secure an adequate income, and suggested that if it was not possible to do so by import duties, new kinds of taxation must be adopted, and among them I recommended a graduated inheritance tax as correct in principle and as certain and easy of collection. The House of Representatives has adopted the suggestion, and has provided in the bill it passed for the collection of such a tax. In the Senate the action of its Finance Committee and the course of the debate indicate that it may not agree to this provision, and it is now proposed to make up the deficit by the imposition of a general income tax, in form and substance of almost exactly the same character as that which in the case of Pollock *v.* Farmers' Loan and Trust Company (157 U. S., 429) was held by the Supreme Court to be a direct tax, and therefore not within the power of the Federal Government to impose unless apportioned among the several States according to population. This new proposal, which I did not discuss in my inaugural address or in my message at the opening of the present session, makes it appropriate for me to submit to the Congress certain additional recommendations.

The decision of the Supreme Court in the income-tax cases deprived the National Government of a power which, by reason of previous decisions of the court, it was generally supposed that Government had. It is undoubtedly a power the National Government ought to have. It might be indispensable to the Nation's life in great crises. Although I have not considered a constitutional amendment as necessary to the exercise of certain phases of this power, a mature consideration has satisfied me that an amendment is the only proper course for its establishment to its full extent. I therefore recommend to the Congress that both Houses, by a two-thirds vote, shall propose an amendment to the Constitution conferring the power to levy an income tax upon the National Government without apportionment among the States in proportion to population.

This course is much to be preferred to the one proposed of reenacting a law once judicially declared to be unconstitutional. For the Congress to assume that the court will reverse itself, and to enact legislation on such an assumption, will not strengthen popular confidence in the stability of judicial construction of the Constitution. It is much wiser policy to accept the decision and remedy the defect by amendment in due and regular course.

Again, it is clear that by the enactment of the proposed law the Congress will not be bringing money into the Treasury to meet the present deficiency, but by putting on the statute book a law already there and never repealed will simply be suggesting to the executive officers of the Government their possible duty to invoke litigation. If the court should maintain its former view, no tax would be collected at all. If it should ultimately reverse itself, still no taxes would have been collected until after protracted delay.

It is said the difficulty and delay in securing the approval of three-fourths of the States will destroy all chance of adopting the amendment. Of course, no one can speak with certainty upon this point, but I have become convinced that a great majority of the people of this country are in favor of vesting the National Government with power to levy an income tax, and that they will secure the adoption of the amendment in the States, if proposed to them.

Second, the decision in the Pollock case left power in the National Government to levy an excise tax, which accomplishes the same purpose as a corporation income tax and is free from certain objections urged to the proposed income-tax measure.

I therefore recommend an amendment to the tariff bill imposing upon all corporations and joint stock companies for profit, except national banks (otherwise taxed), savings banks, and building and loan associations, an excise tax measured by 2 per cent on the net income of such corporations. This is an excise tax upon the privilege of doing business as an artificial entity and of freedom from a general partnership liability enjoyed by those who own the stock.

I am informed that a 2 per cent tax of this character would bring into the Treasury of the United States not less than $25,000,000.

The decision of the Supreme Court in the case of Spreckels Sugar Refining Company against McClain (192 U. S., 397) seems clearly to establish the principle that such a tax as this is an excise tax upon privilege and not a direct tax on property, and is within the federal power without apportionment according to population. The tax on net income is preferable to one proportionate to a percentage of the gross receipts, because it is a tax upon success and not failure. It imposes a burden at the source of the income at a time when the corporation is well able to pay and when collection is easy.

Another merit of this tax is the federal supervision which must be exercised in order to make the law effective over the annual accounts and business transactions of all corporations. While the faculty of assuming a corporate form has been of the utmost utility in the business world, it is also true that substantially all of the abuses and all of the evils which have aroused the public to the necessity of reform were made possible by the use of this very faculty. If now, by a perfectly legitimate and effective system of taxation, we are incidentally able to possess the Government and the stockholders and the public of the knowledge of the real business transactions and the gains and profits of every corporation in the country, we have made a long step toward that supervisory control of corporations which may prevent a further abuse of power.

I recommend, then, first, the adoption of a joint resolution by two-thirds of both Houses, proposing to the States an amendment to the Constitution granting to the Federal Government the right to levy and collect an income tax without apportionment among the States according to population; and, second, the enactment, as part of the pending revenue measure, either as a substitute for, or in addition to, the inheritance tax, of an excise tax upon all corporations, measured by 2 per cent of their net income.

WM. H. TAFT.

THE WHITE HOUSE, *June 16, 1909.*

The PRESIDING OFFICER. Without objection, the message will be printed (S. Doc. No. 98) and referred to the Committee on Finance.

Mr. HEYBURN and Mr. GORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho [Mr. HEYBURN] has the floor. He rose first, and has been recognized.

Mr. HEYBURN. I think I was recognized before the message was received.

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Oklahoma?

Mr. HEYBURN. For what purpose?

Mr. GORE. I wish to object to the reference. I should like to make a suggestion.

Mr. HEYBURN. I yield for the Senator to make his objection.

Mr. GORE. I desire to make a motion, Mr. President. I inquire if the Senator from Idaho has yielded?

The PRESIDING OFFICER. The Senator has yielded.

Mr. GORE. Mr. President, as I understand, the Chair proposed——

Mr. HEYBURN. I did not yield for remarks accompanying the motion. I thought the Senator merely desired an opportunity to object. I have the floor for the purpose of discussing another matter.

Mr. GORE. Mr. President, I did not want the announcement made that the message was referred, because I desired——

Mr. ALDRICH. It has already been referred.

The PRESIDING OFFICER. The reference has already been made, and the Senator from Idaho has been recognized upon another subject.

Mr. GORE. I was trying to get the attention of the Chair.

Mr. BACON. Mr. President, if you will pardon me a suggestion, the question of reference of a measure of any kind is always in the control of the Senate. It is the custom to yield that to the Chair, subject, of course, to the right of the Senate to decide that matter. I submit to the Chair that the Senator from Oklahoma was in time, because the Chair did not put any question with reference to it and there was no opportunity to make any objection.

Mr. HEYBURN. Mr. President, I had asked for and obtained recognition, if I am not entirely mistaken, before the message from the President was received.

Mr. BACON. Very well.

Mr. HEYBURN. And I merely yielded the floor for the purpose of having the message received and read.

The PRESIDING OFFICER. The Chair is of the opinion that the question of reference may be considered open. The Senator from Idaho [Mr. HEYBURN] had the floor. He yielded for the reading of the message, and if the yielding of the Senator from Idaho gave room for the reference of the message by consent, it gave room also for a motion regarding the reference or for an objection. So the Chair does not think that the question ought to be considered closed by the rather peremptory treatment of the subject, which is customary, and which ordinarily is treated as being subject to being open for any objection or motion. The Chair will recognize the Senator from Oklahoma for the purpose of making an objection to the reference of the message or a motion in regard to it.

Mr. GORE. Then, I move that the President's message just read be referred to the Committee on Finance, with instructions to that committee to report, on or before Friday next, a joint resolution proposing an amendment to the Constitution of the United States authorizing the levy and collection of an income tax in accordance with this message.

Mr. HEYBURN. I retain the floor, Mr. President.

Mr. McLAURIN. Is that debatable?

Mr. HEYBURN. If it is debatable, I have the floor.

Mr. McLAURIN. I understand.

Mr. ALDRICH. I move to lay the amendment upon the table.

Mr. GORE. I wish to modify the motion by striking out "in accordance with this message."

Mr. ALDRICH. I move to lay the motion on the table.

The PRESIDING OFFICER. The Senator will modify his motion in accordance with his own wishes. The question then will be upon agreeing to the motion of the Senator from Rhode Island.

Mr. ALDRICH. To lay the motion for instructions upon the table.

Mr. LODGE. To lay the motion for instructions upon the table.

Mr. GORE. Mr. President——

Mr. LODGE. That is not debatable.

Mr. GORE. Under the motion to table I have no right to discuss it, but by unanimous consent——

Mr. LODGE. The motion is to refer to the Committee on Finance. The Senator from Oklahoma proposes to amend it by adding instructions. The motion of the Senator from Rhode Island is to lay the amendment on the table.

Mr. TILLMAN. I think the Senator from Massachusetts is in error there. There is no motion in regard to this message at all, but it is the action of the Chair in having under the ordinary course referred it to the committee without a motion.

Mr. ALDRICH. The Senator, I think, is mistaken in that. The suggestion was made that it be referred to the Committee on Finance.

Mr. TILLMAN. By whom?

Mr. ALDRICH. By the Chair.

Mr. TILLMAN. But the Chair can not make a motion.

Mr. ALDRICH. That is the motion.

Mr. MONEY. I rise to a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. ALDRICH. It goes there under the rule.

Mr. TILLMAN. But there is no motion.

Mr. MONEY. I understood that the Senator from Oklahoma had the floor to make a motion. He had a right to move, and he had a right to say what he pleased upon that subject; and who could take him off the floor by a motion to table? He had the floor. The motion to refer is not privileged. You can not take a Senator off the floor who has it by the recognition of the Chair——

Mr. HEYBURN. He had it by unanimous consent.

Mr. MONEY. Not by unanimous consent, but by the recognition of the Chair. You were on the floor for something else, as you stated yourself, and the Chair ruled you were not in order or did not have the floor because the matter of reference had not been concluded. The Chair then recognized the Senator from Oklahoma, who proceeded in his own right to make a motion to refer with instructions; and he has the right to say what he chooses on that subject, and can not be taken off the floor by some other Senator who wants to make a motion to table.

Mr. ALDRICH. The Senator from Oklahoma had taken his seat, and I was recognized in due course by the presiding officer and made the motion.

Mr. HEYBURN. I——

Mr. MONEY. I did not know that was the fact. I thought the Senator from Oklahoma was standing all the time——

Mr. ALDRICH. Oh, no.

Mr. MONEY (continuing). And waiting an opportunity to continue what he had to say. Of course if he had taken his seat and abandoned the floor, that is another question.

Mr. HEYBURN. I yielded the floor for a purpose that was expressed and limited. I had the floor before the message came into the Senate.

Mr. MONEY. I know you had.

Mr. HEYBURN. I yielded for the purpose of receiving it. I did not yield for the purpose of considering the question whether it should go to this committee or that committee, and all that has intervened since the reading of the message was concluded has been under a waiver on my part, as a matter of courtesy. I was proceeding to speak upon the question under consideration, which is not the message——

Mr. MONEY. The Chair has already ruled, as I understand, against the position of the Senator from Idaho; but whether he has or not, he certainly will rule that way when his attention is called to it, because, having the message here, the Senator can not resume the floor upon another question, and thus interrupt the proper reference of that message. He has no right to the floor until that is disposed of.

Mr. HEYBURN. The disposition of a message is not privileged. The receiving of a message is. I yielded to privileged business. I had not yielded to the question of the disposition of this message. That might involve a week's discussion; and having had the floor, I am entitled to retain it. I may yield

it within the rules of the Senate for a limited purpose, for a question, or for a more extended purpose. That is entirely——

The PRESIDING OFFICER. The Chair is of the opinion that the——

Mr. NELSON. I rise to a point of order.

The PRESIDING OFFICER. The Senator from Minnesota will state his point of order.

Mr. NELSON. I make this suggestion to the Senator from Rhode Island: A motion to lay this amendment on the table lays the whole proposition on the table. That is the general rule of parliamentary law.

Mr. KEAN. Not in the Senate.

Mr. NELSON. The only exception to the rule is found in Rule XVI:

> Any amendment to a general appropriation bill may be laid on the table without prejudice to the bill.

This is not a general appropriation bill, and it does not come within the rule.

Mr. LODGE. If the Senator will excuse me, he is not quoting the rule which applies. It reads:

> When an amendment proposed to any pending measure is laid on the table, it shall not carry with it, or prejudice, such measure.

"Any pending measure."

Mr. NELSON. This is a motion to refer.

Mr. LODGE. This is a pending measure.

The PRESIDING OFFICER. The Chair is of the opinion that since the Senator from Idaho yielded to permit the reading of the message of the President and the reference of the message to the appropriate committee, or other disposition of the message, it is no longer within his power so to limit the opportunity as to say whether or not the Senator from Oklahoma has the right to discuss the proposition for the reference of the message. The Chair, however, understood the Senator from Oklahoma, having offered his resolution, which was in the nature of an amendment of the proposition to refer the message of the President to the Finance Committee, to yield the floor. He refrained from supplementing his motion by any observations.

Thereupon the Senator from Rhode Island rose and moved to lay on the table the amendment offered by the Senator from Oklahoma. That motion having been made, the Chair is of the opinion that it must be voted on by the Senate without debate, and that if the Senate refuses to lay the motion of the Senator from Oklahoma on the table, the Senator will then have the right to discuss it at such length as he desires.

Mr. McLAURIN. I should like to hear the motion of the Senator from Oklahoma reported.

Mr. MONEY. Wait a moment.

The PRESIDING OFFICER. The Secretary will report the motion of the Senator from Oklahoma.

Mr. MONEY. One moment.

Mr. HEYBURN. I will inquire of the Chair as to the status of my right to the floor. Have I lost it? If so, when?

The PRESIDING OFFICER. The Senator from Idaho has the floor, subject to the disposition by the Senate of the message of the President which has been read.

Mr. HEYBURN. I will resume the floor when that is concluded.

The PRESIDING OFFICER. The Secretary will report the resolution offered by the Senator from Oklahoma.

The SECRETARY. That the Finance Committee be instructed——

Mr. MONEY. Mr. President, I have something to say, if you will permit me for a moment. I want to explain to the Senate and the Chair that I think the Chair has ruled correctly upon this matter throughout. I apologize to the Senator from Rhode Island, because I was not aware that the Senator from Oklahoma had yielded the floor. I did not see him sit down, and consequently I was under the mistake of supposing that he was still on the floor, with the intention of submitting some remarks on this subject.

The PRESIDING OFFICER. The Secretary will report the resolution.

The SECRETARY. The Senator from Oklahoma moves that the Finance Committee be instructed to report on or before Friday, June 18 next, an income-tax amendment in accordance with the recommendations in the message of the President.

Mr. GORE. Mr. President——

Mr. McLAURIN. I just want to say that, as I caught the motion of the Senator from Oklahoma—and that is the reason I called for the reading of the motion—his motion was to refer to the Committee on Finance, and with these instructions. I think the stenographer's notes will bear that out.

Mr. ALDRICH. Question!

Mr. GORE. The statement made by the Secretary does not quite state my motion.

Mr. ALDRICH. I insist upon the regular order, Mr. President.

Mr. GORE. I wish to reform my motion.

Mr. ALDRICH. That is not possible now.

Mr. BAILEY. I hope the Senator from Rhode Island will not object to that. I will not vote for this motion as it is worded, because if they are to report a constitutional amendment to the Senate I shall insist on giving Congress the power to graduate the income tax, and I think we will give Senators on the other side a little more than they bargain for when we get to that proposition. The Senator from Oklahoma, I am sure, agrees with me that if we are to have the necessity of a long and tedious constitutional amendment it shall be one that will not need to be amended for many years to come.

I hope the Senator from Rhode Island will not insist upon the technical rule which will prevent the reformation of the Senator's motion in accordance with the Senator's views.

The PRESIDING OFFICER. The Chair is of the opinion that while the Senator from Oklahoma is not now at liberty to vary in any respect the motion which he actually made, if the Secretary has failed to correctly record the motion which was made, the Senator from Oklahoma may correct it.

Mr. GORE. I withdraw it, and make it in this shape. In fact, the Secretary did not report it as I suggested it. The motion was to instruct the Finance Committee to report a joint resolution submitting a constitutional amendment. The Secretary did not read it in that way. I wish to submit the motion in this shape, that the Finance Committee shall be instructed to report, on or before Friday next, a joint resolution submitting a constitutional amendment authorizing the levy and collection of an income tax.

Mr. CLAPP. The Senator from Oklahoma will allow me to call his attention——

Mr. ALDRICH. I must insist upon the regular order.

Mr. CLAPP. I rise to a point of order.

The PRESIDING OFFICER. The Senator will state his point of order.

Mr. CLAPP. The point of order is that the Chair had already announced in pro forma manner that the message would be referred to the Finance Committee. The Senator from Oklahoma rose, and when he got the opportunity to make his motion, his first words were—they struck some of us with surprise, because we supposed he wanted to refer the message to some other committee—that he moved to refer it to the Committee on Finance, with instructions.

Mr. McLAURIN. That is correct.

Mr. CLAPP. That is not an amendment to anything. There was no proposition before the Senate to refer it to any committee.

Mr. ALDRICH. I am quite willing that the vote shall be taken upon the proposition now made by the Senator from Oklahoma.

The PRESIDING OFFICER. The Chair is of the opinion that the message of the President having been referred to the Finance Committee without objection——

Mr. GORE. It was not without objection.

The PRESIDING OFFICER. The Senator will suspend for a minute until the Chair has stated the matter fully. That has been, by common consent, regarded as open, for the purpose of an objection or a motion in respect to the reference of the message. Inasmuch as the Senator from Oklahoma does not object to the reference to the Finance Committee or propose any other reference, his motion must be regarded as a motion pure and simple to instruct the Finance Committee. The question is now upon the motion of the Senator from Rhode Island to lay on the table the motion of the Senator from Oklahoma.

Mr. GORE. I desire the yeas and nays.

The yeas and nays were ordered.

Mr. GORE. I wish it understood——

The Secretary proceeded to call the roll.

Mr. GAMBLE (when his name was called). I am temporarily paired with the junior Senator from Indiana [Mr. SHIVELY]. I transfer the pair to the senior Senator from New York [Mr. DEPEW]. I make this announcement for the day. I will vote. I vote "yea."

Mr. McLAURIN (when his name was called). I am paired on this vote with the junior Senator from Michigan [Mr. SMITH]. If he were present, I should vote "nay." I announce this pair for the day.

Mr. NEWLANDS (when his name was called). I am paired with the senior Senator from Pennsylvania [Mr. PENROSE]. I transfer the pair to the senior Senator from Oklahoma [Mr. OWEN], and will vote. I vote "nay."

The roll call having been concluded, the result was announced—yeas 51, nays 25, as follows:

YEAS—51.

Aldrich	Clark, Wyo.	Frye	Nixon
Borah	Crane	Gallinger	Oliver
Brandegee	Crawford	Gamble	Page
Briggs	Cullom	Guggenheim	Perkins
Bristow	Cummins	Hale	Piles
Brown	Curtis	Heyburn	Root
Bulkeley	Dick	Johnson, N. Dak.	Scott
Burkett	Dillingham	Jones	Smoot
Burnham	Dixon	Kean	Sutherland
Burrows	Dolliver	La Follette	Warner
Burton	du Pont	Lodge	Warren
Carter	Elkins	McCumber	Wetmore
Clapp	Flint	Nelson	

NAYS—25.

Bacon	Davis	Martin	Smith, S. C.
Bailey	Fletcher	Money	Stone
Bankhead	Foster	Newlands	Taliaferro
Chamberlain	Gore	Overman	Tillman
Clay	Hughes	Paynter	
Culberson	Johnston, Ala.	Rayner	
Daniel	McEnery	Simmons	

NOT VOTING—15.

Beveridge	Depew	Penrose	Smith, Mich.
Bourne	Frazier	Richardson	Stephenson
Bradley	McLaurin	Shively	Taylor
Clarke, Ark.	Owen	Smith, Md.	

So the motion to table was agreed to.

The PRESIDING OFFICER. The message stands referred as upon the original declaration, and the Senator from Idaho is recognized.

Mr. BEVERIDGE subsequently said: Mr. President, I was necessarily absent when the vote was taken on the motion of the Senator from Oklahoma [Mr. GORE]. If I had been present, I should have voted "yea" upon the motion of the Senator from Rhode Island to lay that motion on the table.

Mr. HEYBURN. Mr. President——

Mr. BROWN. Will the Senator yield to me for a moment?

Mr. HEYBURN. I will yield for a moment, but for nothing that will displace the pending business.

Mr. BROWN. Out of order I offer a joint resolution.

The PRESIDING OFFICER. Does the Senator from Idaho yield to the Senator from Nebraska?

Mr. HEYBURN. I yield for the purpose of allowing the Senator to introduce a joint resolution.

The PRESIDING OFFICER. Out of order the Secretary will——

Mr. HEYBURN. Not for any comment.

Mr. BROWN. No.

Mr. BACON. Under the rule, the Senator can not yield for that purpose.

Mr. ALDRICH. That is true.

Mr. HEYBURN. I think that is true, but I did not care to suggest it.

The PRESIDING OFFICER. Except by unanimous consent——

Mr. BROWN. I ask unanimous consent.

Mr. BACON. The rule is that the Chair shall enforce it without any point of order being raised.

Mr. BROWN. I ask unanimous consent that the joint resolution——

Mr. HEYBURN. It can not be given.

The PRESIDING OFFICER. The Chair is of the opinion that it can not be done until the Senator from Idaho has yielded the floor and the Senator from Nebraska proceeds in his own right.

Mr. HEYBURN. Mr. President, I do not suppose there ever was an occasion in the history of the Senate where the conditions that confronted us and the questions to be determined changed so radically between the time that a Senator was recognized and the time that he came back five minutes later upon the floor. We were engaged in considering how we might raise revenue to conduct the affairs of this Government and, incidentally, protect the American people in the field of competition against foreigners.

Since I first addressed the Chair, about ten minutes ago, it would seem that one of these great questions was pretty nearly eliminated from consideration. When the Finance Committee first reported this bill, they reported correctly, in my judgment, that it would provide the revenue necessary to conduct the affairs of the Government. If that is true, and I believe it is true, where is the necessity of proposing these statutes providing for a tax upon the incomes of the people or a tax upon the gross earnings of corporations, or any other kind of a tax, in addition to those proposed in the bill, which already provides a sufficient fund for this Government?

I have never known such a revolution to occur in proposed legislation in the few minutes that have elapsed. I feel as though the Republican party were brought up in this moment face to face with the question whether or not they shall maintain the old protective tariff policy or whether they shall step aside and seek to carry out the vagaries of those whose idea of government is to get what the other man has and to keep all they themselves have. In other words, to make the statutes that are intended to affect the civil rights of the citizens penal statutes. In other words, to see whether or not you can not devise some means here to meet the demand not of those who think and who benefit by thinking, but of the great mass whose cry goes up at the dictate of a local leader. What occasion can there be, if the Government is provided with sufficient revenue under this law, of enacting some additional law that will provide a larger sum of money? What are we going to do with it? Has some one some covert idea of a new plan of government, by which we are going to branch out and spend more money than is required under the present system? If so, it should be disclosed.

What would you do with the revenue that was received from an income tax when you already have money enough in the Treasury to meet the Government's necessities? There is in my untamed bosom an idea. I would like to see an income tax levied upon certain things and for certain purposes and within certain limitations, but it does not emanate from the conscientious idea that I have of the duty which confronts me. We were not called together here for the purpose of getting even with somebody or punishing somebody. We were called together for the purpose of revising the revenue law that provides the money for the expenses of the Government, and in doing that the man who would allow the spirit of resentment or the spirit of opposition to interest to enter into it—well, in my judgment, he would have forgotten the duty that rested upon him.

I rose to discuss the zinc item in this bill, and in doing so it was my purpose to discuss it, first, from the standpoint of the revenue which we are here to provide, and, second, in its relation to those interested in that enterprise; and I will leave further consideration of the suggestions contained in the message for a future occasion. It may be that we will not succeed in passing any bill that will provide enough revenue through our custom-houses, and then we would be compelled to go out and resort to some other kind of taxation. But the founders of the Government never intended that that should be true. I was proposing to discuss this question along the lines of first intention on the part of the founders of the Government; and I will not enter upon a discussion of the principle of protection at this time, because we have already discussed that question.

Mr. President, it is my purpose to offer an amendment to the substitute offered by the Senator from Rhode Island, my amendment to provide in the beginning of the paragraph—

Zinc contents contained in zinc-bearing ores of all kinds, 1 cent per pound.

I intend, if I can, to have the attention of those who will vote upon this question. I will not spend one minute upon this floor in order to make a record of what I say. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Idaho suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Frye	Page
Bacon	Crane	Gallinger	Paynter
Bailey	Crawford	Gamble	Rayner
Bankhead	Culberson	Gore	Root
Borah	Cullom	Guggenheim	Scott
Brandegee	Cummins	Heyburn	Simmons
Briggs	Curtis	Johnson, N. Dak.	Smith, Md.
Brown	Daniel	Johnston, Ala.	Smith, S. C.
Bulkeley	Davis	Jones	Smoot
Burkett	Dick	Kean	Stone
Burnham	Dixon	La Follette	Sutherland
Burrows	Dolliver	McCumber	Taliaferro
Burton	du Pont	McEnery	Tillman
Carter	Elkins	McLaurin	Warner
Chamberlain	Fletcher	Money	Warren
Clapp	Flint	Oliver	
Clark, Wyo.	Foster	Overman	

The VICE-PRESIDENT. Sixty-six Senators have answered to the roll call. A quorum of the Senate is present. The Senator from Idaho will proceed.

Mr. HEYBURN. Mr. President, if I can have the attention of the Senate, the item of zinc in ore is as important as that of the cotton schedule, the wool schedule, the lumber schedule, or of any other schedule; and those who produce it and are interested in it are as large in numbers as those interested in other schedules.

The committee reported a duty of 1 cent per pound on the zinc contents of ore. We had a right to believe that the committee would stand for that report, first, because it was the report of the committee, and as well because it was just.

Mr. ALDRICH. Mr. President, in justice to the committee, I will have to say that the committee have on several occasions stated that they had not arrived at any conclusion about the duty on zinc ore. They made no report upon the subject until this one.

Mr. HEYBURN. Paragraph 190 in the bill provides for a duty on zinc ore.

Mr. ALDRICH. That is the House provision.

Mr. HEYBURN. It was reported here by the Senate committee, and it is figured out with considerable detail and care in the book of imports that accompanies it.

Mr. ALDRICH. Technically, of course, the Senator from Idaho is correct to that extent; but I think there is no Member of this body who does not know that the Committee on Finance have been struggling with this question ever since the bill was reported.

Mr. HEYBURN. I know it.

Mr. ALDRICH. It is the most difficult problem in the whole bill, and if we have satisfied any one Senator outside of the committee I shall be more or less disappointed. The committee, nevertheless, have presented their report, and have done the best they could in this provision.

Mr. HEYBURN. I welcome the statement of the Senator from Rhode Island that this is one of the most important items in the bill.

Mr. ALDRICH. What I said was the most difficult.

Mr. HEYBURN. Yes; and important.

Mr. ALDRICH. I will agree that it is important.

Mr. HEYBURN. It is not a trifling item in the commercial world of this country. For that reason, I took the liberty of inviting Senators who I am quite sure did not know it was under consideration to come in, that they might have an opportunity, at least, of being present.

The danger always in enacting this class of legislation is that when the bill gets well along in consideration so many people have obtained the concessions they want and have such a comfortable feeling about it they can not realize that anybody else can possibly want anything, and they rather feel as though we were all ready to go home because they have what they want. Now, we have in the air the lumber item, which affects a vast number of people. It might have been disposed of——

Mr. BACON. If the Senator will permit me to interrupt him for just a moment, I desire to say that the Senator in the last sentences has given a more important illustration of the relation which all these various interests bear to a protective tariff than any I have heretofore heard in the Senate.

Mr. HEYBURN. Yet I am not inclined at all——

Mr. BACON. A general graft game.

Mr. HEYBURN. I will indorse the first statement made by the Senator and which was doubtless made in sober thought, but the last one I will not indorse. There is a great deal of objection being made by a good many people who have very little interest and take very little interest in it to the time that is being consumed in considering this bill.

The joke sifters in the gallery, I will not say whose daily bread, but whose popularity at least is with the newspapers that they represent, are not interested in the zinc schedule. If you can get up some diverting controversy here that would verge upon a disregard of the rules of the body, then they are happy. I saw an item in the editorial column of a paper this morning—I think I threw it in my desk—which illustrates what I mean very well. I will find it. It suggested an ad valorem duty upon speeches made in the United States Senate. It came in the editorial columns of one of the daily morning papers published in this city, whose representative, by the courtesy of the Senate, occupies palatial and luxurious quarters here, and who is only here by the courtesy of the Senate, and whose other representatives, through some idea that I am not able to understand, walk on the floor of the Senate. They put themselves in the position of the guest who ridicules his host. When you see that in the fugitive columns of a paper away from editorial responsibility you do not pay any attention to it, because, as I say, we know that it merely comes from where it comes from; but when a newspaper editorially undertakes to criticise this body in the responsible performance of its duty, then it places itself in the position of a guest who misbehaves himself at his host's table.

Mr. President, zinc is produced under such a variety of circumstances that you can not possibly determine this question by the consideration of any one condition. I do not believe with those who say that a tariff must be regulated upon the basis of the most prosperous of those who are affected by it, but I believe that just the contrary is the rule. Idaho is a zinc-producing State. Some may possibly say, with some reason, that I bring Idaho into these debates pretty often, but I bring it in when it is a good illustration of the principle. We had not been importing zinc into the United States from Mexico; until within the last five years we never imported any at all. At the time the last tariff bill was enacted there was no occasion for mentioning it, because it was not an item in existence. You have been told here a dozen times within twenty-four hours that zinc in ore had always been on the free list, but no one has before suggested or seemed to understand that the reason why it was on the free list was because there was no zinc ore imported at the time of the enactment of the existing tariff law, or for many years afterwards.

The necessity had not arisen. It has arisen now. There have been developed in Mexico bodies of zinc ore that can be scooped up and put on the cars in vast quantities, and brought into this country, either in the shape of zinc or spelter. They can either bring it here as ore, or they can reduce it to spelter on that side of the line and bring in the spelter. In either event it comes into our market. When it comes into our market it comes in to undersell our product.

What if they can produce ore in certain zinc mines in the United States for practically a little more than it is produced in Mexico? Is the line of protection only to extend to that class of mines? There are zinc bodies in the United States where zinc can be produced nearly as cheaply as in those in Mexico. There is very little money invested in them. They require very little expense. But we have also in this country, and particularly in the State I represent, zinc ores that have to be mined, where, before you take out a pound of zinc, you must expend some hundreds of thousands of dollars. I speak of the Success mines, where the depth already reached is something over 700 feet, and they propose 400 more immediately. It is a mine equipped with a modern, up-to-date plant, for the purpose of concentrating and reducing the zinc, at an expense of some hundreds of thousands of dollars. Would you put those people on a plane with the Mexican zinc industry that can scoop it up and put it on the car for $2 a ton or $2.50? The Mexican zinc ore is nearly all produced in connection with lead ores. The lead is a by-product of value, which more than compensates them for the production of the zinc.

That is not true with our mines. I have here an accurate statement that I telegraphed for as to the character of those mines. I telegraphed to Mr. Samuels, who owns the Success mine, one of our foremost business men, a man who has been mining right in that camp for twenty years, and who is mining on a large scale and knows what he is talking about. He says:

The Success mine zinc ore averages 10 to 15 per cent.

That is the crude ore as it comes out of the ground.

A ton of ore would have from 100 to 150 pounds of zinc in it. Concentrates average 45 per cent.

It takes 4 tons of crude ore on that basis to make 1 ton of concentrates, 45 per cent zinc, and the balance waste. That is the kind of zinc mining we are compelled to do. He says:

Mill complete, ready to start at any time and ship 2,000 tons of concentrates per month—

That is the capacity of that mill and that mine—

when the price of zinc justifies—

That is when they can do it. They can not ship that zinc except the price justifies them in doing so—

150,000 tons of ore blocked out.

That means that it has been blocked out in mining, levels run under it and above it, and up and down through it, until they are able to measure up the cubic feet of ore of a given quality in that mine, and all they have to do is to take it out. Of course they will not take it out until they know they have a market for it. Otherwise it would be a dead product on their hands.

He refers me to the official report of the mining inspector of Idaho for 1907 to verify these facts.

The Sunset district, also Pine Creek, average 10 per cent zinc.

Now, the ores on Sunset Mountain and in Pine Creek are of immense value, but it is difficult, of course, to say how valuable a mine is until the ore has been explored and blocked out. He says:

They are lying idle because of the low price of zinc; 1 cent duty, and all these properties will commence working.

Mr. President, that is a live transaction. Here is the statement made by another about that mine:

The Success mine, on Nine-Mile, will not be operated until the tariff question is settled and the price of spelter not less than $5.25 per hundred at St. Louis, and $5.50 per hundred at New York, and a steady market assured.

That is the situation up there.

Can Senators wonder that we have a cause here and that we insist on presenting it? Why not protect zinc if you protect lead? Why not protect lead if you protect wheat or cotton or wool or anything? The conditions of zinc mining are exactly those of lead mining. These men are compelled to pay the same wages; the machinery is as expensive; the daily cost is as great as in any other mining.

Deep-shaft mining means expensive pumps, heavy hoisting machinery; and it not only means that, but it means transportation; it means concentration; and up until the time you have reduced that to a concentrate, you have to multiply the cost of producing one ton of ore by four, because it takes four tons of ore to make a ton of concentrates.

Now, it is proposed here to bring in all ore under 10 per cent zinc free of duty. That would exclude these mines from operation.

Mr. SUTHERLAND. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Utah?

Mr. HEYBURN. I yield.

Mr. SUTHERLAND. As the Senator from Idaho knows, I am just as anxious to protect these zinc-ore producers in this country as he is. I want to ask the Senator whether he thinks any ore can be imported into this country from Mexico or Australia or anywhere else carrying less than 10 per cent?

Mr. HEYBURN. Yes; it can be imported into this country from Mexico at great profit carrying less than 10 per cent. Ten per cent would be 200 pounds of zinc, and that would be about $12. It can be mined for $2 or two and a half, and can be brought into this country for about $4.75. There is more profit in $10 ore free or duty from Mexico than there is in $30 ore in our mining camp.

Mr. SUTHERLAND. Let me ask the Senator whether any such ore has ever been imported heretofore?

Mr. HEYBURN. There is no basis to refer to in the question of zinc ore. There was no zinc ore brought from Mexico four years ago.

Mr. SUTHERLAND. That is true.

Mr. HEYBURN. This proposition is all new; it is of yesterday.

Mr. SUTHERLAND. Will the Senator permit me still further?

Mr. HEYBURN. Yes.

Mr. SUTHERLAND. I call the Senator's attention to a very recent report made by the Department of Commerce, issued during the present year, dated February 28, 1909, dealing particularly with the zinc ores of Mexico. In the course of that report it stated:

> The average percentage of zinc content as shipped is between 35 and 40. The very best ore may have 45 per cent; the lowest grade contains rarely under 30 per cent. All ore has to be taken down carefully and sacked in the mine or hand sorted on the dump.

Mr. HEYBURN. That is all qualified by the two words "as shipped."

Mr. SUTHERLAND. My understanding is that up to the present time there has been no ore shipped into this country from Mexico which carries 10 per cent or under; that because of the freight rate it is impossible to do it. I think the Senator will agree with me that it is a practical impossibility to ship ore from his own State or to ship ore from the State of Utah to the Kansas smelters or any other smelters outside of the State in which it is mined.

Mr. HEYBURN. They are shipping it there already at a profit. I have the freight rates. I confess I am absolutely unable to understand the position of the Senator from Utah. While conditions are not just the same there as those existing elsewhere, yet there is a great degree of similarity between them. I have had all these arguments thrust at me that have been running around here for the last week. I suppose there has been more zinc in the air than there has been ozone in this city for the last ten days. I do not think there is any theory that has escaped my notice.

Mr. SUTHERLAND. Will the Senator answer my question?

Mr. HEYBURN. But the question would have to be a little more concrete than the Senator stated.

Mr. SUTHERLAND. My suggestion, rather. Is it possible to ship ore from Idaho to the Kansas smelters or to the Colorado smelters or any place outside of the Senator's own State?

Mr. HEYBURN. Does the Senator mean whether it is possible to ship ore concentrate to be smelted?

Mr. SUTHERLAND. I refer to ore carrying 10 per cent zinc. Is it possible to ship that ore at a profit? Is it not necessary, before the ore can be shipped, to concentrate it?

Mr. HEYBURN. Yes.

Mr. SUTHERLAND. The concentrates will carry 50 or 60 per cent?

Mr. HEYBURN. Yes.

Mr. SUTHERLAND. Then, if that is true, is it not equally true that it would be exceedingly unprofitable for the Mexican producer to ship crude ore containing 10 per cent or under to this country? In other words, is he not in the same position in that respect as we would be, and would it not be necessary for him to concentrate that character of ore there, which would carry 25 or 30 or 40 per cent, before it would be at all profitable for him to ship it into this country?

Mr. HEYBURN. No; there is no analogy between the two things at all. In the first place, a ton of ore produced at the Success mine represents the cost of mining 4 tons of ore, while a ton of ore produced in Mexico represents the cost of mining 1 ton of ore.

Mr. SMOOT. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Utah?

Mr. HEYBURN. I do.

Mr. SMOOT. Mr. President, I think the Senator from Idaho has not taken into consideration all the expenses on 10 per cent ore coming from Mexico. Ten per cent ore coming from Mexico would have 200 pounds of zinc contents, and the Senator figures now that upon the value of spelter, which is $5.30 per hundred, the value would be $10.60 per ton reduced to spelter; but he must understand that we first have to pay the freight rate from Mexico to the smelter, and then, in addition to that, we have to pay the smelting charges, and $10.60 would hardly be enough to pay those charges. So he must certainly see that it would be absolutely impossible to ship 10 per cent zinc ore from Mexico to any smelter in this country and get expenses back.

Mr. HEYBURN. Yes; I have allowed $22.43 for all those things. I have figured them all up. I have those figures.

Mr. SMOOT. It is 10 per cent ore.

Mr. HEYBURN. We can not reduce the ore for $2.43 a ton. You can not do it under any circumstances that exist or have existed.

Mr. SMOOT. The question was as to whether we could ship profitably 10 per cent zinc ore from Mexico. That is utterly impossible.

Mr. HEYBURN. It is easy to say that a thing is impossible.

Mr. SMOOT. I mean profitably.

Mr. HEYBURN. I understand that. It is not an argument to say that a thing is so. That argument involves the stating of why it is so. I have taken the items the Senator has stated. I am in a most peculiar position here. These Senators have gotten together and have agreed upon something that suits them, and they are undertaking to compel Idaho to submit to it. I propose to make a record of the proceedings in connection with this measure so that it will be a lasting one. I am speaking for Idaho and Idaho's product. Now, if they can live under such conditions as they represent, then they will make more money than Idaho does, but I propose that Idaho shall be in this procession of zinc producing.

Mr. GUGGENHEIM. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Colorado?

Mr. HEYBURN. I do.

Mr. GUGGENHEIM. If that ore was shipped from Idaho or Mexico to any smelter, instead of being paid for the ore they would have to pay a bonus for the purpose of having it treated.

Mr. HEYBURN. Yes; I heard all that in the discussion of the lead schedule.

Mr. GUGGENHEIM. There is not a man who knows anything about mining who would ship ore of that kind.

Mr. HEYBURN. I have heard all that discussed in connection with the lead schedule. I have, perhaps, been intimately connected with mining quite as long as any of the Senators who are speaking, and I have had occasion to keep pretty well informed about it.

Mr. SMOOT. Mr. President, in answer to the Senator from Idaho, when he states that we have got together and agreed upon some proposition that would suit us, I want to say that, if there was only the question of manufacturing spelter, I would be perhaps in the same position as the Senator from Idaho.

Mr. HEYBURN. The Senator from Utah was in the same position until a day or two ago.

Mr. SMOOT. Oh, no, Mr. President. I offered an amendment here over a month ago, proposing a graduated scale. So the statement made by the Senator from Idaho is not altogether correct. But I want to say that there are other interests outside of the smelting interests which are concerned here. I refer to the oxide interest.

Mr. HEYBURN. I shall have to ask the Senator to defer the oxide question until he has the floor. I am not speaking for the oxide people; I am not speaking for the spelter people; but I am speaking for the men who own and work mines.

Mr. SMOOT. I was speaking for all the interests of the United States—every one of them—and that is what we had to take into consideration.

Mr. HEYBURN. If the Senator will permit me, I am not going to spend very much time on this question, because, inasmuch as these other zinc-producing States have made up their game, I am only going to make up my record.

Mr. KEAN. I have not made up mine yet.

Mr. HEYBURN. Yes; the Senator from New Jersey comes in with an entirely new proposition that is as wide as the poles apart from that submitted by this amicable arrangement between Utah and Colorado.

Mr. President, if Idaho stands alone to-day in a position peculiar to itself under the rule of protection, it is entitled to consideration. It may make for other States a little too much money. I do not object to the Senator from Colorado [Mr. GUGGENHEIM] or his constituents making a little more than they would make otherwise, or the Senator from Utah [Mr. SMOOT]. If they make a little more because it is necessary that they should do so in order that Idaho should make any at all, I will let them have the benefit of it. Why they should stand here and attempt to whittle and hew down a kindred interest in another State I am unable to understand. I might understand it probably if I were to investigate it.

Mr. President, I am going, at the proper time, to offer an amendment to restore the Dingley rates upon spelter and upon zinc products, and to amend by retaining the rate proposed in this bill as reported. I shall offer that amendment at the proper time. I am sorry that New York and Pennsylvania and Ohio and Illinois and some other States do not produce zinc. They would probably be more interested in it if they did. I do not know whether the great State of Rhode Island produces zinc or not. I have not heard the Senator from that State say whether it did produce zinc, but I infer from the circumstances surrounding the consideration of this question that that great Commonwealth does not produce zinc, Mr. President. [Laughter.]

Mr. KEAN. I did not quite understand the Senator. Did he refer to the State of New Jersey?

Mr. HEYBURN. No; I referred to Colorado and some States that are not known to produce zinc, and did not include the State so ably represented by the Senator from New Jersey.

I am watching this question of the enactment of a tariff law under the alias of "revision of the tariff" with a great deal of interest. I am beginning to realize that the Republican party organization will have to put out some watchmen and station some guards pretty soon, or the old lines will be lost. This is a question of protecting an interest that is of such vast importance to a State, where one mine will ship 250,000 tons of ore product every month in the year, and when, simply because some other States represented upon this floor by the members of the Finance Committee do not happen to produce that particular article, but do produce others. I think that the old Republican doctrine of protection, that should spread like a mantle over all the interests of the country, needs guards.

Mr. KEAN. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from New Jersey?

Mr. HEYBURN. I do.

Mr. KEAN. Would it interrupt the Senator if I asked him what the production of zinc ore was in Idaho?

Mr. HEYBURN. I call the Senator's attention—and I am only speaking now for one camp—to the fact that the Success mine, with the ore blocked out, the mill erected, and concentrators erected, has concentrated a very large quantity of ore, and can ship 2,000 tons of concentrates per month. That is 24,000 tons of concentrates that that one mill can ship in a year. There are a dozen others that can be put into the same position before the snow flies if the Republican party, true to its history and its principles, will protect that interest.

Mr. KEAN. Mr. President, I only had before me what I supposed to be the production of zinc ore, and I find that Idaho in 1904 produced none.

Mr. HEYBURN. No.

Mr. KEAN. In 1905 it produced 1,700 tons; in 1906, 2,150 tons; and in 1907 it produced 11,847 tons.

Mr. HEYBURN. The increase in Idaho, according to this same official table, was 600 per cent last year.

Mr. KEAN. What is the last year for which the Senator has the figures—1908?

Mr. HEYBURN. I have not the figures for 1908. I know what they are. They do not represent an increase of less than 600 per cent in that year.

We do not make comparisons against States here, because of a very wise rule that no Senator shall reflect upon a State represented by another, and I do not want, under any circumstances, to do it. But the increase in the production in the States of Missouri and Kansas was 9 per cent, in New Jersey it was 32 per cent, in Wisconsin it was 174 per cent, in Arkansas it was 115 per cent, and in Colorado it was 51 per cent. But it is a real, live, growing industry in Idaho. It increased 600 per cent in a year, and it would increase a great many times 600 per cent if you could get interest enough in this subject to treat it just as you treat other metals similarly situated. That is the proposition.

I do not know what has come over the spirit of the dream of Colorado and Utah in this matter. I am of an inquiring turn of mind and probably will know. When lead was at issue in this Chamber they were alive and awake, because that was an industry the development of which is not shrouded in any doubt or uncertainty.

I would not for a moment charge that any of these interests own mines in Mexico or are interested in the zinc business in Mexico; but if it should be that the interests did extend over the line, then I might understand it. I might understand how, with free ore, smelters would be constructed on the Rio Grande River, which is less than 60 miles from the great deposits of raw ore that can be put to the Rio Grande River—mining, freight, and everything—for $4 a ton, and there reduced to spelter that will come into the markets of this country without any duty whatever. It will be American-produced spelter out of free Mexican ore. Is not that plain enough to everyone?

It may be that men or combinations of men do want free ore because they own the ore fields and they can bring the ore across the line and save themselves against the spelter duty, but that is not Republican tariff making.

Mr. President, I have reached a period where I do not feel in quite so great a hurry as some of my associates in regard to the disposition of this question. It seems to me that this tariff bill has reached a position something like that described in the Pauper's Funeral. Great items and great interests are satisfied, and now they are rattling his bones over the stones to get him out of the way.

So far as I am concerned, I have time enough to perform what I conceive to be my duty in this legislation; and I shall take the liberty of occupying it even though they put an ad valorem duty on speeches. [Laughter.] I am going to give those who are present here an opportunity to hear and to think, and I am going to give those who are not present an opportunity to think, and they will come in and vote, I presume, on this question.

Mr. President, I propose the amendment which I send to the desk.

Mr. NELSON. Mr. President——

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. NELSON. Will the Senator allow me to suggest the absence of a quorum?

Mr. HEYBURN. If it would——

Mr. NELSON. If it is not disagreeable to the Senator——

Mr. HEYBURN. Not at all. I should rather see Senators here.

Mr. NELSON. I suggest the absence of a quorum, Mr. President.

The VICE-PRESIDENT. The absence of a quorum being suggested, the Secretary will call the roll.

The SECRETARY called the roll, and the following Senators answered to their names:

Aldrich	Clay	Guggenheim	Paynter
Bacon	Crane	Hale	Perkins
Bailey	Culberson	Heyburn	Piles
Bankhead	Cullom	Hughes	Rayner
Borah	Cummins	Johnson, N. Dak.	Root
Brandegee	Curtis	Johnston, Ala.	Scott
Briggs	Daniel	Jones	Simmons
Brown	Davis	Kean	Smith, Md.
Bulkeley	Dick	La Follette	Smoot
Burkett	Dillingham	McLaurin	Sutherland
Burnham	Dolliver	Martin	Taliaferro
Burrows	du Pont	Nelson	Tillman
Burton	Elkins	Newlands	Warner
Carter	Fletcher	Nixon	Wetmore
Chamberlain	Flint	Oliver	
Clapp	Gamble	Overman	
Clark, Wyo.	Gore	Page	

The VICE-PRESIDENT. Sixty-five Senators have answered to the roll call. A quorum of the Senate is present. The amendment proposed by the Senator from Idaho will be stated.

The SECRETARY. On page 66, paragraph 190, lines 14 and 15, strike out down to and including the word "therein," in line 15, and insert:

Zinc contents contained in zinc-bearing ores of all kinds, 1 cent per pound.

Mr. HEYBURN. Mr. President, that is the language contained in the lead schedule, and there is no reason why it is not appropriate in the zinc schedule. If it is not appropriate in one, it is not appropriate in the other. We are competing against the wage scale of Mexico as much in zinc as we are in lead. We are competing against exactly the same conditions, and we are not asking as much by this amendment on zinc as was asked on lead, although we would be entirely justified in doing so. I will undertake to say that had there been any necessity of doing so at the time that the Dingley law was enacted, the same duty would have been put upon the zinc contents of the ore as was put upon the lead contents of the ore, because they were then dealing with a clear field; they were making a Republican tariff, and not revising one.

I notice that there is not that outspoken patriotic spirit of Republicanism displayed in revising this tariff that there was in making the existing law. They had then, right close in their memories, the experience of four years of Democratic tariff. It had been a lesson to them in every State in the Union, especially in the mining States; and when they were looking for the right thing to do they were not embarrassed by existing conditions. They were rather aided by the comparison between poverty and prosperity in those sections. That is what I am standing for to-day. A new condition has arisen demanding the same class of relief and assistance as existed at the time of the making of the Dingley law.

Mr. President, does anybody suppose that there would have been a Republican vote against this amendment had it been offered at the time of the making of the Dingley bill? No one would have been able to give a reason for it at all. Why do Senators oppose it? Do you want wages paid to the foreign miner and leave our own zinc ore in the ground? What for? On the ground of the conservation of the natural resources of the country? I can think of no other ground. Of course it would stay there all right. It would not rot like timber; it would not burn up like forests; and there is no Senator here on either side who would for a moment, after due consideration of this question, say that anyone would be benefited by leaving this ore in the ground and going down into American pockets and taking the price of your corn or your wheat to buy foreign zinc that represented foreign wages and foreign investments.

Mr. NELSON. Mr. President, will the Senator yield to me for a moment?

The VICE-PRESIDENT. Does the Senator from Idaho yield to the Senator from Minnesota?

Mr. HEYBURN. Certainly.

Mr. NELSON. I have looked over this book of Tariff Notes, and I do not find Idaho listed among the States producing zinc ore. Therefore I am very much surprised at the statement of the Senator from Idaho about the quantity of ore produced there. What I should like to know is, what is the grade of that ore? Is it a low-grade ore, spelter ore, or oxide ore?

Mr. HEYBURN. I will tell the Senator. First, there are two kinds of States—there are States that have a history and States that have a future. [Laughter.] Some have both. I was reading from the official report of the production, and, leaving out the Joplin district, Idaho stands on the Government's report as the third largest zinc-producing State in the Union. The Senator may not find it in the "Book of Estimates." I looked for some things there when that came here as the concentrated wisdom of the distinguished body at the other end of the Capitol. I did not find some things which I should have been very glad to have found there, and I found some things I regretted to find there. But we are here to act upon our wisdom, not the wisdom of the House. I will not say that I do not care for their opinion, for I care for the opinion of every man who has given any consideration to a question; but I am not bound by it.

I heard it stated here early in the consideration of this tariff bill that the presumption was in favor of the House bill. With all due consideration to the House and its prerogatives, I deny it. The presumption is in favor of the wisdom of the existing law. You can not get away from that proposition. Every presumption here is in favor of the sufficiency and the appropriateness of the existing tariff law, and I "must be shown" before I vote to change a single duty now provided for. Where new industries have grown up, they should be incorporated into the scheme of protection. I am not willing to join with those who would have you believe that at the time of the meeting of the Republican party in Chicago the country was in bankruptcy and in poverty. It was not. I am not one who will join with those who denounce the Dingley tariff law. It was and has been the best and greatest tariff law that ever was enacted, because it had the benefit of the experience of the time that had gone before, and it was the result of tried conditions.

And that a Republican should stand up here and attempt either to apologize for it or to denounce it puts me upon inquiry as to the conditon of his mind when he said to the constituents who elected him to participate in the proceedings of Congress that the Republican party was entitled to their suffrage and that he represented the principles of it, and that he would stand for them. If there is a man in this House or in the other who apologizes for the Republican party, he is not worthy to wear the honors that the people gave him. I am tired of these half-stated and often insinuated apologies for the wisdom of the party.

Mr. President, if you do not deal fairly with all the people of the country, you will only make the task the harder for those of us who participate in the political campaigns that result in Republican supremacy. If you think you can throw this State down and this interest down, remember you have to pay for it in some States in votes. I do not think you will have to pay for it in votes in Idaho, because the protective-tariff system is their law and their gospel, and no man can ever go into that State and make those people believe that it will not ultimately prevail. You may shake their confidence by slurring over this zinc schedule, and we may have to explain your action and apologize for it, but they will still vote the Republican ticket, having faith that the time will come when there will be a Republican party in Congress which will know Republicanism and how to apply it.

You want the lumber of Washington protected. Where would you sell it if you bankrupt a whole community? You would sell it to some other. Where, if you bankrupt the other? The prosperity of one community depends upon that of another. We are your market; you are our market, living only across the line.

Mr. President, I do not know that I can say much on this occasion that will influence the minds of those who are to determine it, but I have never believed in shirking a responsibility or a duty because some one else was apt to forget his. I never did take my moral code from somebody else, and I do not propose to take my political code from somebody else. This is the center of responsibility for legislation, right here upon this floor. Our judgment must control, and not that of any other. I am not going to vote for any alternative provision, with a view of supplying money to pay the expenses of this Government, until we have exhausted the constitutional method of providing that money through the custom-houses of the country and the internal-revenue resources. If, after we have enacted a revenue bill and it has been in operation for the period between now and the next session of Congress, it should be proved by experience that we did not have revenue enough, I would then be willing to take up any legitimate proposition for the purpose of meeting the deficit. But until that is demonstrated—demonstrated, not claimed or asserted, but demonstrated—I shall not support any of these measures that are recommended. If I had no other reason than that of sustaining the judgment of those who are responsible for this bill as it was presented to us, I would sustain them. I have supported them, not always with perfect accord, but I have supported them because that support was a part of a systematic method of enacting a sufficient statute to meet the requirements of the Government. I realize that legislation, as everything else in life, must be a matter of yielding some here and some there by either party. Otherwise it would mean that men were all of one mind, which they are not, and never will be, and should never be. Out of the differences of minds we gather that average wisdom which is best.

Mr. President, I am content to leave the zinc schedule, with the amendments which I have offered and two other amendments that I will now offer, for the consideration of the Senate, unless something should occur to prompt me to say something more.

The VICE-PRESIDENT. The Secretary will state the amendment submitted by the Senator from Idaho.

The SECRETARY. On page 66, lines 14 and 15, strike out down to and including the word "therein" in line 15 and insert "zinc contents contained in zinc-bearing ores of all kinds, 1 cent per pound."

Mr. HEYBURN. That simply restores the Dingley rate.

The VICE-PRESIDENT. For the information of the Senate, the Secretary will now state the other amendment.

Mr. KEAN. Does the Senator desire to have a vote on his amendment now?

The VICE-PRESIDENT. The Senator from Missouri desires to be heard prior to a vote.

Mr. HEYBURN. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Idaho suggests the absence of a quorum. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Crane	Gamble	Perkins
Bacon	Crawford	Guggenheim	Piles
Bankhead	Culberson	Heyburn	Rayner
Borah	Cummins	Hughes	Root
Brandegee	Curtis	Johnson, N. Dak.	Scott
Briggs	Daniel	Johnston, Ala.	Simmons
Bristow	Davis	Jones	Smith, Md.
Brown	Dick	Kean	Smoot
Bulkeley	Dillingham	La Follette	Stone
Burkett	Dixon	Lodge	Sutherland
Burnham	Dolliver	McEnery	Taliaferro
Burton	Elkins	McLaurin	Taylor
Carter	Fletcher	Martin	Warner
Chamberlain	Flint	Nelson	Warren
Clapp	Foster	Overman	Wetmore
Clark, Wyo.	Frye	Page	
Clay	Gallinger	Paynter	

The VICE-PRESIDENT. Sixty-six Senators have answered to the roll call. A quorum of the Senate is present.

Mr. STONE. I desire to ask the Senator from Idaho just what would be the difference in the effect between his amendment now pending and the provision in the House bill fixing the duty on zinc contents at 1 cent per pound?

Mr. HEYBURN. The provision in the House bill fails to include all classes of ores. The language is not so full and comprehensive as to fully protect against all zinc contents in zinc ores. The language was correctly stated in the lead schedule. It is merely made more comprehensive, so that there may be no opportunity for an adverse ruling on the question whether all zinc contents, in whatever form, are subject to a duty. Fully one-half are calamine. It is divided about evenly into two classes of ore.

Mr. STONE. Yes. I wish to inquire if the House provision should be agreed to and if the amendment proposed by the Finance Committee is voted down, what contents of what zinc ores would escape that tax?

Mr. HEYBURN. Is the Senator now referring to the provision suggested by the committee or to the House bill as it came over?

Mr. STONE. The House bill is the bill before the Senate.

Mr. HEYBURN. But the committee has submitted a substitute——

Mr. STONE. Yes.

Mr. HEYBURN (continuing). Which classifies the ore on the 10, 20, 25, and 40 per cent basis.

Mr. STONE. I understand that. If that is disagreed to, then the House provision would stand.

Mr. HEYBURN. Then the House bill should be amended as suggested by the amendment I have introduced, which is only in the interest of making the duty certain and making it cover all classes of contents.

Mr. STONE. The point I had in mind was that the amendment proposed by the Senator from Idaho would leave the matter substantially where it is under the House bill.

Mr. HEYBURN. No. The House bill is not sufficiently expressive to include the two principal classes of zinc ore which, so far as the zinc producer is concerned, stand upon the same basis, so far as the need of protection goes. Zinc ore is of a peculiar character. There is one class of zinc ore that has always been so classified, and the other has not been included in that classification. The Senator will find it is necessary, because of the classification of the ores.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Idaho.

Mr. KEAN. Would the Senator like to have a vote on the amendment?

Mr. HEYBURN. I expect it will be voted on at the proper time. I did not offer the amendment to lay it on the table. Whenever, in the orderly procedure of the disposition of this matter, the amendment comes to be voted on, I desire a vote.

The VICE-PRESIDENT. A vote is in order now unless some Senator wants to debate it. The question is on agreeing to the amendment of the Senator from Idaho.

The amendment was rejected.

The VICE-PRESIDENT. The other two amendments proposed by the Senator from Idaho seem to be to the following paragraphs and not to this paragraph.

Mr. HEYBURN. I see.

The VICE-PRESIDENT. The question is on agreeing to the paragraph as amended.

Mr. KEAN. This is——

The VICE-PRESIDENT. Paragraph 190, the substitute of the committee.

Mr. KEAN. I understand the amendment before the Senate is the amendment offered by the Senator from Rhode Island.

Mr. ALDRICH. The substitute.

The VICE-PRESIDENT. As a substitute for the paragraph.

Mr. ALDRICH. Offered by me for the committee.

Mr. KEAN. So I understand.

Mr. President, I shall be brief. Zinc ore has never been on the dutiable list in any tariff of the United States save in the tariff acts of 1846 and 1857. It has always been free, and this departure, taking it from the free list to the dutiable list, to my mind is an extraordinary proceeding. I do not think it can be justified on any showing of facts or that any reason can be advanced for it, either in the interest of the producer of ore or in the use of the manufactured article. I believe the situation of the mines is such, with the freight rates against foreign ores, that a duty on the ore is unnecessary. I suppose the committee's amendment is a little better than the bill as it came from the House. But I do not see that it is very much better.

Zinc-bearing ore of all kinds, including calamine, containing less than 10 per cent of zinc, shall be admitted free of duty.

To my mind zinc ore, and so forth, containing less than 10 per cent of zinc, is nothing but dirt. But there are admitted into the United States some foreign ores that are smelted—of silver, gold, and copper—that have some 10 per cent of zinc in them. This exempts that class of ores, but I must say also that I think it is impossible for the smelter of that ore to save that 10 per cent of zinc, because it goes up in the furnace; it is lost. The next provision is:

Containing 20 per cent or more of zinc and less than 25 per cent—one-fourth of 1 cent.

That is ore which does not exist and is not used. It is not commercial in any way. It is not transported.

Containing 10 per cent or more of zinc and less than 20 per cent, one-half of 1 cent per pound on the zinc contained therein.

That duty would be absolutely prohibitory. No one could bring it in. And so on, up to 1 cent per pound for zinc, which is practically a duty of $12 a ton on 60 per cent ore, which is ordinarily known as the ore of commerce from the Joplin district of Missouri.

Mr. BURKETT. Let me ask the Senator a question. As the House passed the bill, it put all this ore at 1 cent a pound?

Mr. KEAN. It did. So far as the commercial aspect is concerned, it is generally rated at 60 per cent ore. That would be $12 a ton.

Mr. BURKETT. As I understood the Senator to state, the amendment which the committee have now suggested puts the highest grade, 25 per cent or above, at 1 cent a pound, and that which is less than that at something less than that rate.

Mr. KEAN. On the highest-grade ore, after it gets to 25 per cent, the rate is 1 cent per pound. That is really the only commercial ore. From 25 per cent up to 60 per cent is the only commercial ore. I know that the Senator from Colorado will say there are other ores, and so on, but they are not transported.

Mr. GUGGENHEIM. Mr. President——

Mr. BURKETT. Let me ask one more question in continuation. As a matter of practical purpose, while this appears to be a reduction it is practically the same as the bill as sent over from the House, if I understand what the Senator from New Jersey states.

Mr. KEAN. I think it is, almost.

Mr. BURKETT. If there are no imports below 25 per cent, if the importation of such grades is impracticable on account of business reasons, either because it is not transported or otherwise, then the rates are not reduced.

Mr. KEAN. I think the Mexican ores run from 28 to 35 per cent.

Mr. BURKETT. That would take the cent rate.

Mr. WARNER. I think the plea of the New Jersey people themselves before the Finance Committee was that they wanted these low-grade ores in order to make zinc oxides. I think I am right. Not that the zinc smelters wanted the graded scale, for they protested against it. But the committee thought it to be an act of justice to all.

Mr. KEAN. Does the Senator from Missouri contend that ore containing less than 20 per cent is commercial ore?

Mr. WARNER. I do, from the outside. It is only a question of getting it cheaply; and with the freight aside, I not only so contend, but the record will show, that these ores can be obtained from mines in old Mexico for 50 cents a ton; and if you get it free on board of the cars at $2—the cheap ore—the freight from the shipping point to the mines in Missouri is $6.50.

Mr. GUGGENHEIM. To remove an erroneous impression, I wish to say that the zinc ores of Missouri, known as "Joplin ores," and concentrated, contain about 1,200 pounds of metallic zinc. At 1 cent per pound, the duty would be about $12 per ton.

But the zinc ores from Mexico contain on an average 600 pounds of zinc. Therefore the duty under this bill would be $6 a ton.

Mr. KEAN. Not at all.

While the Senator from Ohio was speaking to-day the Senator from Colorado called attention to the production of spelter in the United States. He stated that there were 24,885 tons of spelter made in Colorado.

Mr. GUGGENHEIM. How many?

Mr. KEAN. Twenty-four thousand eight hundred and eighty-five tons. According to the statement which he read, and which I have here, he did not read the top of the page where it says "apportioned according to source of ore." That means there were 24,885 tons of spelter made in the United States out of ores that came from Colorado.

Mr. GUGGENHEIM. I was connected at one time with a zinc plant in Colorado that did produce and is producing now about 15,000 tons of spelter from Colorado ores. It is immaterial whether this ore was smelted in Colorado or not. Some of the ore does go to Illinois, Wisconsin, and Kansas. My statement about it having been produced in Colorado has nothing to do with this case, because it is really the amount of ore produced in the State of Colorado.

Mr. KEAN. Then also in this table I find "apportioned according to locality in which smelted." In the Eastern, Southern, and Western States there were smelted 35,817 tons; in Illinois, 50,244 tons; in Kansas, 99,298 tons; in Missouri, 10,201 tons; in Oklahoma, 14,864 tons; making a total of 210,424 tons.

Mr. GUGGENHEIM. Spelter?

Mr. KEAN. The ore smelted aggregated 210,424 tons. I fail to see that Colorado had any at all.

Mr. HUGHES. I should like to inquire of the Senator from New Jersey if he means to claim that they do not?

Mr. KEAN. Oh, no; nothing of the kind.

Mr. HUGHES. Those of us who live there——

Mr. KEAN. I know there is.

Mr. HUGHES. Know that the amount stated by the Senator from Colorado is under the quantity rather than over it.

Mr. KEAN. I only took the figures from the report of the Geological Survey.

Mr. GUGGENHEIM. Mr. President——

Mr. HUGHES. Was it for the purpose of giving information or misinformation?

Mr. GUGGENHEIM. I suggest that the Senator from New Jersey ask the Senators from Colorado for the facts.

Mr. DIXON. I merely want to ask my friend, the Senator from New Jersey——

The VICE-PRESIDENT. Does the Senator from New Jersey yield to the Senator from Montana?

Mr. KEAN. Certainly. I will try to answer the question.

Mr. DIXON. I wish to ask a question or two before he closes his argument. I have been very much interested in the mental attitude of the Senator from New Jersey and am a little bit surprised to see a new recruit to the tariff-revision-downward element of the Senate.

Mr. KEAN. I do not belong to the element the Senator thinks I do.

Mr. DIXON. I notice that paragraph 53 of the bill reads:

> Zinc, oxide of, and white pigment containing zinc, but not containing lead, dry, 1 cent per pound; ground in oil, 1¼ cents per pound; sulfid of zinc white, or white sulphide of zinc, 1¼ cents per pound; chloride of zinc and sulphate of zinc, 1 cent per pound.

I should like to inquire of the Senator from New Jersey whether, in his opinion, the duties fixed on oxide and the manufactures of zinc are too high?

Mr. KEAN. As I understand it, if a duty is put on zinc ore another amendment will be reported changing those rates.

Mr. DIXON. No; but the Senator does not think that the duty fixed on oxide of zinc is at all too high?

Mr. KEAN. I am not discussing the question of oxide of zinc at present.

Mr. WARNER. Those articles are of common use.

Mr. KEAN. Of very common use; we are aware of that. But they have to be made from zinc ore. If you are going to put all the price on the zinc ore, how are you going to get the other things out of it?

Mr. DIXON. I really have been somewhat impressed with the universal line of fairness and consistency that I think the Finance Committee has pursued in the preparation of the bill. I think all along the line the general plan has been to give all things that we produce in this country a fair degree of protection, where it has been demonstrated that a difference in cost exists between here and abroad. I think that is the only theory on which the Senate can ever pass a protective-tariff bill. I can not conceive of the argument that where an industry is protected in its manufactured products it must not consistently carry a relative duty on the raw products of that industry. If the tariff duty on zinc oxide and the other products of zinc and pig zinc is to stand as parts of the protective tariff, the very small duty now carried by the Senate committee amendment certainly ought to go through in the same schedule.

Mr. KEAN. The Senator interrupted me for a question to make his little speech, which I am glad to have interjected into my few disconnected remarks.

Mr. President, I am opposed to this amendment because, in the first place, it puts zinc ore on the dutiable list and imposes a prohibitory duty on it. In the second place, I think the imposition of the duty is intended to protect the miners of the Joplin district and of the district in Idaho, and I do not believe they will ever get any benefit therefrom.

Mr. HEYBURN. Mr. President, that is a most astounding statement. The Senator from New Jersey says it must be admitted that the purpose of this amendment is to protect the zinc miners in Missouri and in Idaho, and he does not think they ought to be protected.

Mr. KEAN. I did not say that. I think that they will not receive the benefit of it.

Mr. HEYBURN. That is a subsequent statement. The Senator says he does not think the miners in Idaho and in Missouri would receive the benefit. Who would?

Mr. KEAN. Does the Senator want to know who I think would receive it? I think the foreign smelters would receive it.

Mr. HEYBURN. I think probably certain zinc institutions in New Jersey would receive the benefit of it.

Mr. WARNER. Mr. President——

The PRESIDING OFFICER (Mr. CARTER in the chair). Will the Senator from New Jersey yield to the Senator from Missouri?

Mr. KEAN. Certainly.

Mr. WARNER. The Senator says that the miners of Missouri would not get the benefit of this duty?

Mr. KEAN. I said, in my opinion, they would not.

Mr. WARNER. I do not know what information the Senator has as to the class of men who constitute the miners of the Joplin district in Missouri. There are 11,000 men there as intelligent and bright as any class of business men you could find in the State of New Jersey.

Mr. KEAN. Mr. President, I have no object in the world in reflecting upon citizens of Missouri.

Mr. WARNER. You could not.

Mr. KEAN. I would not want to. I think they are very hard working; they have built up a wonderful industry in Joplin. The zinc industry is a very marvelous production, and they have worked very hard to build it up. I think the freight rate on the Mexican ore is a sufficient protection for all. The freight rate on Mexican ore is about 60 per cent of the value of the ore, and therefore it is nearly within 25 per cent of the selling price of the manufactured product.

Then, again, there is not sufficient zinc ore produced in this country to supply the demand, and some has to be imported. Of course, after the Senator from Idaho gets that wonderful production of his State, producing 1,700 per cent more, perhaps they will be able to supply the home demand.

Mr. HEYBURN. The increase of 600 per cent is present history; the 1,700 per cent is assured future. We have already produced 11,000 tons. That is not a guess.

Mr. KEAN. I knew the past was secure, but I did not know the future was.

Then again, zinc ore is the only article in the tariff bill, I think, which has been taken out of the free list and at the same time has had really a prohibitive duty placed upon it. The reason why I say it is a prohibitive duty is because one of the chief witnesses in advocating a duty on zinc ore before the Committee on Ways and Means was a gentleman from Joplin, Mo., named A. O. Ihlseng. He seems to be an active gentleman, desiring to purchase ore. He seems to have come down here to Washington and to have made himself rather secure in his position, because he returned to Joplin, Mo., and he writes his friend down in Chihuahua, Mexico, stating what he proposes to do. He says:

> JOPLIN, MO., *May 21, 1909.*
>
> DEAR SIR: Some time since I had a communication from you with reference to zinc carbonates.
>
> The tariff situation is such that it will be necessary to ship all these ores to Europe, and I should be pleased to hear from you as to what tonnage you can furnish on a long-time contract, sending me a general sample of your ore and an analysis.
>
> Yours, very truly, A. O. IHLSENG.

The letter is signed by the gentleman who was so desirous of having a duty put upon Mexican ores in order, to all appearances, that he might buy up Mexican ores and take them to Europe, thereby enhancing the price not only of our ores, but of the Mexican ores.

These facts, I think, are all I desire to state, except to offer the amendment which I send to the desk.

The PRESIDING OFFICER. The amendment offered by the Senator from New Jersey will be read by the Secretary.

The SECRETARY. On pages 66 and 67 strike out paragraph 190 and insert in lieu thereof a new paragraph, as follows:

190. Zinc ore and calamine containing not over 30 per cent zinc, 50 cents per ton; containing more than 30 per cent zinc and not over 40 per cent zinc, $1 per ton; containing more than 40 per cent zinc and not over 50 per cent zinc, $2 per ton; containing more than 50 per cent zinc and not over 55 per cent zinc, $3 per ton; containing more than 55 per cent zinc, $4 per ton.

Mr. SMOOT. Is the Senator from New Jersey through?

Mr. KEAN. Except that I have here a statement that I should like to have published in the RECORD.

The PRESIDING OFFICER. In the absence of objection, it is so ordered.

The statement referred to is as follows:

ZINC ORE UNDER THE PAYNE TARIFF BILL.

The production of zinc ore in the United States in the years 1904 to 1907 appears from the following table, taken from Mineral Industry for 1907 (Vol. XVI), at page 904:

State.	1904.	1905.	1906.	1907.
	Tons.	Tons.	Tons.	Tons.
Arkansas	[a]1,000	2,200	4,200	4,088
Colorado	[b]94,000	105,500	114,000	142,510
Idaho		1,700	2,150	11,847
Kentucky	[c]958	[c]414	975	1,005
Missouri-Kansas	[d]273,238	[d]258,500	[d]280,260	297,126
Montana		2,000	4,900	1,218
Nevada			7,080	4,593
New Mexico	[e]21,000	17,800	30,000	4,281
New Jersey	[e]280,029	[e]361,829	404,690	368,710
Oklahoma				3,240
Utah		9,265	10,700	9,043
Wisconsin	[e]19,300	32,690	42,130	53,011
Others	[b]2,600	[f]3,800	[g]850	[g]2,241
Total	693,025	795,698	905,175	902,923

[a] According to H. F. Bain, "Contributions to Economic Geology," 1904.
[b] Estimated.
[c] Report of state geologist; crude ore.
[d] Production of Joplin district plus output of southeastern Missouri, the latter as reported by the state mine inspector.
[e] Partly estimated.
[f] Arizona, Nevada, Illinois, Iowa, Tennessee, and Virginia.
[g] Virginia, Arizona, and California.

The above ores are of two kinds, viz, blende, which is the ore containing sulphide of zinc, and calamine, which includes the ore containing carbonates and silicates of zinc. Calamine has been on the free list in all the tariff acts since 1792, except in the tariff acts of 1846 and 1857. Originally, and until comparatively recent years, the term calamine has included all the ores of zinc that were commercially valuable. It is only within the past thirty-five years that the blende ores—that is, the ores containing sulphide of zinc—have been considered commercially valuable. Blende ores have been admitted free of duty under section 614 of the Dingley Act as crude minerals not otherwise provided for. It has, therefore, been the apparent policy of the Government from the earliest time to admit zinc ores free of duty; and experience has shown that this policy of the Government is sound. It has never appeared to be in any way a menace to domestic enterprises, and there is no ground for alarm on this score in the future.

I.

THE PRODUCTION OF ZINC ORE FROM THE JOPLIN DISTRICT, WHICH IS THE CHIEF DOMESTIC SOURCE OF SUPPLY OF ORE FOR METALLIC ZINC, HAS FALLEN FAR SHORT OF THE DEMAND.

The rapid development of domestic manufactures in which zinc is used has made the question of ore supply important. The following table shows that the production of domestic spelter, i. e., metallic zinc, has increased much more rapidly than the production of zinc ore from the Joplin district, in spite of the fact that the price of such ore has increased much more than the price of spelter. The figures are compiled from "Mineral Industry" for 1907.

Year.	Zinc ore produced in Joplin district (actual shipments).	Average price of ore at Joplin.	Spelter produced in United States.	Average price of spelter at New York.
1900	248,446	26.50	123,321	4.39
1901	258,306	24.21	140,822	4.07
1902	262,545	20.73	158,239	4.84
1903	284,873	34.44	158,502	5.40
1904	267,940	37.40	181,803	5.10
1905	252,435	47.40	201,749	5.98
1906	278,980	44.82	225,494	6.19
1907	286,589	44.36	249,612	5.96

It must be borne in mind that about 2 tons of Joplin ore are required to make 1 ton of spelter.

This table shows that while spelter production in the United States has increased 102.4 per cent in the past eight years, with an increase in price of 35.8 per cent, Joplin ore has increased in production by only 15.4 per cent, although its price has increased 67.4 per cent.

In 1907 the highest price paid for Joplin ores was $53.50, and in 1903, $47.

The striking discrepancy between the enormous increase in Joplin ore prices and the slight increase in the spelter prices shows that the smelters have given to the miners almost all the increase in profit due to improvements in smelting and increased demand for the metal. This condition has been unavoidable on account of the fierce competition for the ore and the shortage in the ore supply.

In addition to the figures given above, which tell their own story, it has been notorious in the trade that from a period long before the imported ores of Mexico and British Columbia were a subject of much interest the Joplin district was failing to meet the increasing demands upon its mines. We have not attempted to collect all the evidence on this subject, but we have collected a number of items from the Engineering and Mining Journal, an impartial and recognized authority, showing the conditions of the Joplin ore supply in the years 1904, 1905, and 1906. These items follow:

EXTRACTS FROM ENGINEERING AND MINING JOURNAL OF VARIOUS DATES.

January 7, 1904—Page 15.—Zinc in 1903, by W. R. Ingalls. "The decline in production in the Joplin district was due partly to the very wet weather in the spring which interfered with operations to some extent, but the chief cause is obviously the inability of the mines of the district to do any more than they have been doing. It appears that the productive capacity of the Joplin district has attained its maximum, even if it be not already on the wane."

August 4, 1904—Page 205.—Missouri ore market (special correspondent). * * * "Even then, with the new smelters in the field for the product of the Missouri mines, the output will barely meet the urgent demands of the capacity of all the works drawing a supply from this district."

September 8, 1904—Page 414.—Missouri ore market (special correspondent). * * * "As has been previously outlined in the Journal, the output is insufficient to meet the demand of the increased smelting capacity drawing a supply from this district, and in consequence the ore price has been about $4 per ton higher than the metal market for two months."

September 29, 1904—Page 534.—Missouri ore market. * * * "The effort to supply the demand of approximately 6,000 tons per week, with an output of approximately 5,000 tons, has resulted in cleaning up all the reserve ore in the district and forced buyers to contract largely ahead of the output."

October 6, 1904—Page 573.—Missouri ore market (special correspondent). * * * "There are just two things there is no apparent question about in the ore situation—the scarcity of zinc ore and the need of zinc ore."

November 24, 1904—Page 854.—Missouri ore market (special correspondent). * * * "The capacity of the smelters drawing ore from the Joplin district is greater than the mines are outputting, a fact that was pointed out in this column last July."

January 5, 1905—Page 14.—Zinc, by W. R. Ingalls. * * * "The direct cause of this has been of course the insufficiency of the Joplin ore supply to meet the present demand for spelter for consumption."

March 16, 1905—Page 543.—Missouri ore market. * * * "It was noted in this column last year that it was apparently a physical impossibility for this district to supply all the zinc ore needed to manufacture all spelter demanded by American consumers. Consequently, as this district does not keep pace with the increasing output of spelter, it becomes necessary each year to procure a larger proportion from some other source."

June 29, 1905—Page 1269.—Missouri ore market. * * * "So far the imported ore is of a grade that does not compare with the poorest ore of this district, and it is handled only because the output of this district is insufficient to meet the requirements of the smelter capacity of the United States."

January 6, 1906—Page 13.—Zinc. By W. R. Ingalls. * * * "It appears to be recognized that this district is now affording as large an output of ore as can reasonably be expected from it, and further supplies must be looked for in other quarters."

February 3, 1906—Page 234.—The Joplin district (editorial). * * * "It is to be feared that there will be a further falling off in the output of zinc ore this year, even if the price continues high, for the reason that the new openings of ore are not compensating for the exhaustion of the older mines."

Nearly all of the New Jersey zinc ore and some of the ore from other States goes into the manufacture of oxide of zinc.

We may conclude this point by repeating that it is and for years has been notorious in the trade that the United States can not produce enough zinc ore to keep the smelters supplied under normal business conditions, and this situation is pretty clearly demonstrated under the next heading.

II.

ENOUGH ORE IS NOT PRODUCED IN THE UNITED STATES TO KEEP THE SMELTERS SUPPLIED WHEN RUNNING AT FULL TIME.

According to Volume XVI of Mineral Industry, page 899, the spelter retorts in the United States number 89,560. The average consumption of ore is 40 pounds per diem for each retort. The capacity of the retorts in a year of three hundred and sixty days is 644,760 tons of ore. Before used in the retort all blende ore has to be roasted and in that process loses a percentage of weight, so that to keep the smelters in operation it would require not less than 758,000 tons of blende per annum. The largest production of domestic ore was in 1906, when 905,175 tons were produced. Of this production, after deducting only such portion of the New Jersey ores used chiefly for the manufacture of oxide of zinc and not available for spelter, and assuming what is beyond the fact, that every pound of other ore went to the smelters, there remain but 553,960 tons available for the smelters. This shows a balance of 204,040 tons of ore available for spelter to be produced from some source outside of the United States if all the smelters are in operation. The following table gives the foregoing facts in condensed form:

Total spelter retorts in United States in 1907		89,560
Average charge roasted ore per retort	pounds per diem	40
Capacity of spelter retorts per year, roasted ore	tons	644,760
Equivalent to	tons blende unroasted	758,000
Total spelter ores produced in United States in 1906 (which was the year of largest production)	tons	553,960
Ore required as above	do	758,000
Ore available as above	do	553,960
Ore which must be secured outside United States	do	204,040

It must be borne in mind that the western manufacturers of oxide of zinc have also to be supplied. They purchased in 1907 93,000 tons of

zinc ore, which reduced, by that amount, the ore available for spelter manufacture. It should also not be overlooked that it is only the Joplin ores which can produce spelter at the rate of 1 ton for each 2 tons of ore. The ores from Wisconsin, Colorado, and all other districts are much leaner and must be used in much larger quantities to get the same yield of metal that the Joplin blende will produce.

It has been objected by Joplin interests that all the smelters have not been in operation at one time and that they are producing spelter in unnecessarily large quantities. The answer is that in eight years the consumption of spelter has doubled and that if the ore is obtainable there is no reason to doubt that the use of spelter will continue to increase in volume and in the same proportion. It is absurd to say that the smelter will knowingly make more spelter than the market will stand. It is equally absurd to say that there would be enough domestic ore if the smelters made less metal. Within the past eight years there has been no year in which the domestic consumption of spelter fell appreciably short of the domestic production of spelter, except in the year 1903, when great depression in the metal and all other industries caused the exportation of about 10,000 tons of spelter early in 1904. An accumulation of spelter again occurred with the advent of the panic of 1907. On September 1 of that year there was no stock of spelter. During the four following months practically 40,000 tons accumulated, but no reasonable person can dispute that the trade conditions at that time were abnormal in all industries and can not be attributed to the importation of Mexican zinc ore.

III.

THE JOPLIN DISTRICT IS SAFE FROM FOREIGN COMPETITION WITHOUT A PROTECTIVE TARIFF.

The inland location of the Joplin mines and the proximity of the smelters furnish Joplin with abundant protection.

The smelters of one-half the spelter produced in America are located close to Joplin in the Kansas gas belt. The freight from Mexico to Kansas for each ton of ore averages $6.50, or about 10 times the Joplin-Kansas rate.

The Joplin ores, which are the richest in the world, average, when concentrated for the market, about 57 per cent zinc contents and are sold on a basis of 60 per cent zinc contents, which is the standard. They often run even higher. The ores from Mexico may average about 35 per cent zinc. They may occasionally run to 40 per cent, while a large tonnage figures at only 32–33 per cent, and some even lower.

C. E. Siebenthal, Assistant Geologist of the United States Geological Survey, writes as follows:

"I have yours of March 15, inclosing clipping from the Joplin Globe, in which the statement is made that Mexican zinc ores imported in 1908 averaged 43 per cent zinc. The mining editor of the Globe evidently arrived at this result by dividing the spelter made from Mexican ores during 1908 by the importation of Mexican ores during that time. This makes two assumptions which are not warranted: (1) That all the zinc ore imported from Mexico is used in making spelter, which is not the fact; (2) that the spelter produced during 1908 was derived from ores imported during that year alone, which takes no account of stocks of ore on hand at the beginning of the year. According to the reports of the zinc smelters to me from 1907 and 1908, the average recovery of zinc from Mexican ore was 27 per cent for 1907 and 30½ per cent for 1908. Assuming that the smelting losses were 15 per cent, this would make the zinc contents of the ore approximately 32 per cent in 1907 and 36 per cent in 1908."

It is thus apparent that to get from Mexican ore the same amount of metal that a smelter can get from 1 ton of Joplin ore he must use more than 1 ton of Mexican ore. Taking, therefore, 1 ton of Joplin ore of the 60 per cent standard, it would take 1½ of the 40 per cent Mexican ore and nearly 2 tons of the 32 per cent Mexican ore to carry the same amount of zinc, according to the assay. There is another advantage in the Joplin ore, viz: The most efficient smelting practice may gain from the Joplin ore a maximum of 87½ per cent of the theoretical zinc contents, while equally efficient smelting of Mexican ore will yield a maximum of but 85 per cent of the theoretical zinc contents. The difference is due to the difference in the character of the ores. Still further, the furnace space required for the lean Mexican ores is obviously greater than that required for the richer Joplin ores to get approximately the same yield. This involves greater cost. The smelting charge of a ton of Joplin 60 per cent ore is $10.50. To get the same amount of metal from 40 per cent Mexican ore the smelter must treat 1½ tons, at a corresponding cost of over $15.75. To summarize: (1) The freight rates are against the Mexican ores; (2) The Mexican ores are leaner; (3) it is impossible to gain from the Mexican ores more than 85 per cent of their theoretical zinc contents; (4) there is greater cost in handling the Mexican ore in furnaces.

Let us consider the following examples:

EXAMPLE A.

In May, 1908, competent parties made an elaborate investigation of the cost of mining and concentrating at Joplin and the surrounding camps, which showed that the cost of a ton of concentrates averaged $28.54, excluding royalty. The average product of the district was 1 ton of galena (lead) to 7 tons of blende (zinc). Lead ore is now worth $52 a ton, so that the one-eighth ton of lead concentrates in each ton of concentrates is worth $6.50. Deducting this from the cost gives $22.04 as the net cost of seven-eighths of 1 tone of zinc concentrates, or $25.19 for 1 ton of blende, when all profits are deducted.

The blende concentrates average 57 per cent zinc. Spelter would then cost:

One ton of blende	$25.19
Freight to works	.65
Smelting	10.50
Total	36.34

One ton of 57 per cent ore contains 1,140 pounds of zinc, of which 87½ per cent is obtained as spelter, or 997½ pounds, costing 3.644 cents per pound.

One ton of 35 per cent Mexican ore will give a yield of 85 per cent, or 595 pounds of spelter. To make this at the same cost as the spelter made from Joplin ore as above—3.644 cents per pound—would give a total cost of $21.68. The costs to be deducted from this are:

Cartage to railroad	$4.00
Freight to smelter	6.50
Smelting	10.50
Total	21.00

Twenty-one dollars and sixty-eight cents less $21 leaves 68 cents as the cost of producing 1 ton of Mexican ore, which is impossible, and shows that Joplin needs no protection.

Or, taking the cost of producing a ton of Mexican ore at $4 (which is the figure put forward by the Joplin interests), the cost of spelter made from it would be:

Producing ore	$4.00
Cartage to railroad	4.00
Freight to smelter	6.50
Smelting	10.50
Total	25.00

make 595 pounds at a cost of 4.20 cents per pound, or higher than the cost of spelter made from Joplin ore when all profits are deducted.

EXAMPLE B.

Again, take actual market prices of a few days ago and compare the costs of Joplin and Mexican ores:

Joplin.

1 ton 60 per cent ore, delivered	$39.75
Smelting cost, 1 ton	10.50
Total	50.25

From this the smelter may get a maximum of 87½ per cent, 1,050 pounds of spelter.

Now, take Mexican ore, running 40 per cent zinc, which is far above the average. Obviously the smelter must buy 1½ tons of this to equal the metallic contents of his 1 ton of 60 per cent Joplin ore.

Mexico.

1 ton 40 per cent ore, delivered	$22.50
One-half ton 40 per cent ore, delivered	11.25
Smelting cost, 1½ tons	15.75
Total	49.50

From this the smelter may get a maximum of 85 per cent, or 1,020 pounds of spelter.

On the above figures, it would appear that the cost of Joplin spelter and Mexican spelter, when one had the benefit of the best Mexican ore, stood about as follows: Joplin, 0.478; Mexico, 0.485; giving Joplin an advantage of about one-tenth of a cent to every pound of spelter.

EXAMPLE C.

It takes approximately 2 tons of 60 per cent Joplin ore to make 1 ton of spelter. Therefore the smelter must charge against each ton of spelter made from Joplin ore the following sums in addition to the price of the ore:

Joplin:	
Freight to Kansas, 2 tons, at 65 cents per ton	$1.30
Smelting charges, 2 tons, at $10.50 per ton	21.00
Total	22.30

It takes approximately 3½ tons of 35 per cent Mexican ore to make 1 ton of spelter. Therefore the smelter must charge against each ton of spelter made from Mexican ore the following sums in addition to the price of the ore:

Mexico:	
Freight to Kansas, 3½ tons, at $6.50 per ton	$21.67
Smelting charges, 3½ tons, at $10.50 per ton	35.00
Total	56.67

This demonstration shows that there is a natural protection on the Joplin ore of $34.37 for each ton of spelter, or about 1¾ cents for each pound of spelter made from Joplin ores as against the Mexican ores.

In neither case has any charge been made for cartage or expense in buying, but in both these items the amounts are heavily against the Mexican ores.

EXAMPLE D.

Lead-bearing ores of all kinds bear a duty of 1½ cents per pound on the lead contained therein. All Mexican zinc ore carries lead, and it averages about 4 per cent of the contents. The government assayers allow hereon 1½ units in the assay, so that only an average lead content of 2½ per cent is assessed for duty. This amounts to an assessment of 1½ cents per pound on 50 pounds in each ton, or 75 cents duty, collected on each ton, on the average. This item, though small, is a constant burden on the importation of Mexican zinc ores.

IV.

THE REAL SITUATION IN JOPLIN.

The entire zinc industry, including the Joplin producers, felt the depression of 1907–8, but they are in error in ascribing it to the importation of Mexican ore, if, as might have been inferred from the arguments of Mr. S. Duffield Mitchell and Mr. A. O. Ihlseng, they do ascribe it. It is our belief that, had business remained normal during 1907 and 1908, the Joplin ore producers would not have noticed the importations of zinc ore. That it is an afterthought on the part of some of the interested parties to place the cause of poor business in 1907 and 1908 on Mexican ore is clear to anyone who will read the leading article in the Joplin Daily Globe of January 26, 1908. We quote from it the following:

"The panic has proved that the ores of Mexico can not be produced under a 5-cent spelter market, according to the highest authority, and correspondence from a leading reliable source conveys the information that the halcyon days of the Mexican production are of the past—a history and recollection only—that the immediate future has little hopes in store for an early resumption of outputting, while transportation matters have become a serious problem, except through a few months of the summer.

"The producing areas of the Rocky Mountain States practically ceased their production early in the panic; Wisconsin, with Joplin, continuing a small output to the end of the year.

"In writing of the year's record of zinc-ore production, Walter Renton Ingalls, in the Engineering and Mining Journal, concludes his resumé in these words: 'In any event, the experience of 1907 seems to show that these foreign ores are not serious competitors of the American, duty or no duty.' Mr. Ingalls might have added that no importations of ores were made except to supply a demand in excess of the domestic production.

"While the recent panic has proved that Mexican ores can not be produced under a 5-cent spelter market, it might be added thereto that Mexican ores are no competition to superior grade of ores mined in the

Joplin district, at any price for spelter. These ores will be imported only when the domestic supply of zinc is less than the demand of the smelters.

"Another lesson the panic has forced home to the producer of the Joplin district, and to the smelters reducing the ore of this district, is the fact that the market for Joplin zinc ore rules the price of spelter in normal conditions of business. This means that with conservative production the producers of the zinc ore of this district can maintain their own price for their commodity, without reference to any other producing area under the sun, so long as those demands are in harmony with the general business conditions of the country at large. * * *

"At the end of the first half of the year 1907 this average price was $46.82 per ton, and with anything like normal conditions during the last half of the year the average would have exceeded the banner year of 1905, notwithstanding the fact that the importations during 1907 were more than double the previous year."

This article we believe reflects the more intelligent sentiment of the United States ore producers, including those in Joplin. It should be appreciated, however, that if, as is generally understood, Mr. A. O. Ihlseng, who has been foremost in the demand for a duty on zinc ore, is largely interested in the buying of Mexican ore as the agent of European smelters, he and others similarly situated would derive a peculiar benefit from a duty which would cut out the United States as a competitive buyer of Mexican ore, but we do not feel that an agent for foreign ore buyers should receive special consideration from Congress.

Under free trade in zinc ore during 1907 the Joplin district produced 286,589 tons, its maximum production, and during that year the imports of foreign ore reached their maximum tonnage, viz, 109,957 tons. In 1908, when all industries suffered greatly, the Joplin ore production fell off only about 12½ per cent, while the importations of foreign ore fell off over 50 per cent.

But the most significant feature is the manner in which the Joplin zinc ores held up in price during 1908 as compared with the lead ores from that district. The average price in 1907 for Joplin zinc ore carrying 60 per cent zinc (which is the standard of ore on which prices are fixed) was $44.36. The average price of all zinc ores was $43.68. The average price of lead ores was $68.90. In 1908 these ores averaged in price $36.63, $34.31, and $53.90, respectively. It thus appears that the lead ores, protected by a duty of 1½ cents per pound on the lead contents, which is the highest protection the Joplin zinc miners have ever suggested for zinc contents in ore, suffered a greater loss in price in 1908 as against 1907 than did the zinc ores which were admitted free of duty. Joplin ores running 60 per cent zinc fell off in price 17.4 per cent; zinc ores generally fell off 21.4 per cent; and lead ores fell off 21.7 per cent. (See Engineering and Mining Journal, Jan. 30, 1909, p. 297.) This seems in itself to refute clearly the need or value of protection on zinc ore.

We quote again from the Joplin Globe. In the issue of May 2, 1909, we read in large headlines: "District is now producing at the greatest rate in its history. Zinc ore market holds very steady at the $41 level throughout the week." In the text of the article we find that the highest price paid was $43.50. It should be borne in mind that this steady buying of Joplin ore and the high range of prices are maintained in the face of absolutely free importation of Mexican ore, stimulated by the threat of absolute prohibition of importation in the near future.

V.

IMPORTED ORE HAS NOT DIMINISHED THE OUTPUT OF THE JOPLIN DISTRICT.

Imports of zinc ore into the United States.

[In tons of 2,000 pounds.]

Source.	1904.	1905.	1906.	1907.
British Columbia	2,100	8,561	600	1,157
Mexico	(?)	*32,164	*88,900	108,800
Total	(?)	40,725	89,500	109,957

* The actual tonnage of ore imported was somewhat greater than this figure, but it included some mixed ore, which, for statistical purposes, has been reduced to the zinc equivalent. This table is based on reports from the smelters of the ore received by them form these countries. (From "Mineral Industry," Vol. XVI, p. 904.)

From this last table it appears that the imports of 1907 exceeded those of 1906 by about 20,000 tons. Nevertheless, as appears by the first table, the Joplin district increased its production in 1907 over 1906 by 17,000 tons, while other districts seem to hold their own also. It would therefore seem clear that imported ore had not interfered with the domestic ore producers.

According to the Department of Commerce and Labor, only 46,351 tons of zinc ore were imported in 1908.

VI.

THE DANGER OF EXCLUDING AMERICAN ORE BUYERS FROM MEXICO.

It is clear that a duty which precludes our smelters from buying Mexican ores would directly result in depressing the price of the ores in Mexico and expose them for sale at a figure far below what European smelters must now pay for them. If the European smelters can get Mexican ore at a less price, they will make spelter for less, and may thus be able to put European spelter on the American market, in spite of the present spelter tariff of 1½ cents per pound, at a figure below that at which our smelters can produce it.

These are dangers which must not be lost sight of. They have been most ably treated in a brief prepared by the Grasselli Chemical Company, of Cleveland, Ohio.

In view of recent great discoveries of cheap fuel in the shape of oil, gas, and coal near the Mexican mining centers, and if Mexico has the great deposits of zinc which the Joplin miners claim, there is grave danger that, with an import duty on ore, smelters will be established in Mexico and will ship spelter by water to New York, Boston, and Philadelphia, and enter it there, in spite of import duty, for sale at a less price than the domestic product can be sold for.

Realizing that it takes 3½ tons of 55 per cent Mexican ore to make 1 ton of spelter, the saving of freight in smelting the ore at the mining centers would be $21.67 for each ton of spelter, or 1.08 cents per pound of spelter. The freight on spelter from Mexico to the American market is no higher than the freight from Kansas to the same market. Therefore the result of the proposed duty on ore would be to bring in Mexican ore in the form of spelter and thus defeat the very purpose of the Joplin mine owners. To prevent this and European importation, a prohibitive duty on spelter would be necessary, but such a duty on spelter would create inflated prices of spelter, work hardship to the consumers, and ultimately drive the consumers to the use of cheaper substitutes and completely check the development of the industry. This would necessarily injure the miner as well as the smelter.

The Monterey dispatches of April 29, 1909, report that a concession for the manufacture of spelter in Mexico has just been granted by the Mexican Government.

It will hardly be gainsaid that a restriction of the zinc-ore supply by a prohibitory tariff or the imposition of any duty at all will enhance the price of spelter to the consumers. With the very slight disparity heretofore existing betwen the price of spelter here and abroad it has been of some advantage to import spelter for the purposes of domestic manufactures and secure drawback on the exportation of the manufactured product. It is not known in what arts this practice has been followed, but the Treasury Department statistics show that drawbacks amounting to $10,610.13 were paid on the exportation of foreign-made spelter in 1906. If this practice has been profitable in the past, it will become much more profitable in the future if there is an import duty on ore and the price of domestic spelter rises, as it must, to a figure creating a much greater difference between it and the European spelter price. The natural effect of this practice on the American smelters and miners is clear.

VII.

EXPORTATION OF ZINC ORE.

A point has been made of the figures showing exportation of zinc ore from America. The exported ore consists wholly, we believe, of (1) ore sent from the Joplin district for the express purpose of creating a shortage in the domestic supply and thereby enhancing the price, and (2) willemite, a mineral produced from New Jersey ore by magnetic separation. Willemite is used only for one purpose, viz., the making of metal known in the trade as "high-grade" spelter. The demand for this material is very limited, and all that the domestic market will stand is manufactured each year. The surplus willemite is marketed to the best advantage abroad, where it is manufactured into "high-grade" spelter for the foreign market. Outside the items above mentioned, we believe there is no exportation of zinc ore.

VIII.

THE MEXICAN ZINC DEPOSITS.

The zinc ore heretofore imported from Mexico has consisted largely of gleanings from dumps of tailings at the old lead mines and from abandoned lead mines, where the ores were found to run too high in zinc for the uses of the lead smelters. From both of such sources the zinc ore was, from a mining standpoint, cheaply obtained, because the tailings were piled on the surface and had only to be shoveled into carts, or because the mine was already opened and ready for operation. For obvious reasons these two sources of zinc ore supply are but temporary, and are now, as we are advised, rapidly approaching an end. The alleged new discoveries of zinc deposits in Mexico have been greatly exaggerated. We have gone to considerable expense in the past five years in sending experts to search for such deposits in Mexico, but the results have been very disappointing. The known zinc deposits of importance in Mexico are comparatively few, and their working is sure to entail much greater expense than the working of the tailings dumps and the abandoned lead mines. In the majority of zinc-ore propositions in Mexico transportation has been, and for many years will be, a matter of serious moment.

We should think it a simple matter for the committee, through a disinterested expert who is acquainted with conditions in Mexico, to verify the above statements.

There is some pretense that a sincere effort was made to obtain reliable statistics regarding zinc-ore production in Mexico, and the Daily Consular Report of December 7, 1908, is brought forward by the Joplin interests as embodying the results of that effort. This report contained a letter from the United States consul at Chihuahua, Mexico, and purported to give a true statement of zinc-ore mines and costs of production of zinc ore in Mexico. The consul was not an expert, and he took as his authority one H. B. Pulsifer, an alleged mining expert. It now apears from the Chihuahua Enterprise of January 2, 1909, that the request for the consul's report emanated from Congressman Hackney, of the Joplin district, and that Pulsifer's expenses were paid by the Joplin mine owners.

IX.

SPELTER.

Spelter is the trade name of metallic zinc. It is made in the form of slabs. According to Mineral Industry for 1907, about 66 per cent of the spelter is used by the galvanizers, about 17 per cent by the brass makers, and 13 per cent by the sheet zinc makers. Its present price is a little under 5 cents per pound at St. Louis.

X.

ORE-BUYING.

The rule in the trade is that the price of ore varies with the price of spelter, and the smelter pays for his ore between 75 per cent and 80 per cent of what he gets for his spelter. If spelter sells for, say, 5 cents per pound, the smelter must pay for Joplin ore, assaying 60 per cent zinc contents, about $40 per ton. When spelter sells at 6 cents a pound, he must pay about $48 per ton for his ore. This is the rule under normal conditions. There is a variation of $1 for each 1 per cent variation in zinc contents up or down.

To explain the calculation, it may be assumed that the smelter gains from the ore a maximum of 87½ per cent of the metallic contents. Taking, then, 1 ton of 60 per cent ore containing 1,200 pounds of metal, the smelter could gain about 1,050 pounds of spelter, or about one-half ton. This he could sell at a 5-cent market for about $52.50. Seventy-six per cent of the sum would be about $40, the amount to be paid for 1 ton of ore.

The smelter, out of the 24 per cent left, i. e., $12.50, after paying for the ore, must pay freight on ore and spelter, smelting costs, interest on investment in plant, etc.

XI.

JOPLIN ROYALTY AND COSTS.

The brief of Otto Ruhl, editor of the Joplin Globe, says the average cost of Joplin ore is $37.29 delivered. He apparently would deduct 50 cents for hauling and 66 cents freight and get a result of $36.13 for the average cost in Joplin bins.

The brief of Messrs. Robinson and Caulkins, of Joplin, states that the average cost of mining Joplin ore is $37.78.

The brief of the Granby Smelting and Mining Company states that the cost of mining Joplin ore is $35.

A very careful investigation of this subject has shown that the average cost of Joplin zinc ore is but $25.19. The discrepancy is largely accounted for by two items improperly included as costs by the Joplin brief writers: (1) The royalty of approximately 15 per cent on the gross selling price, which is paid to the landowner and which is obviously a profit, and (2) the allowance for the lead concentrates amounting to about one-eighth of a ton in each ton of concentrates, worth $6.50. Fifteen per cent royalty on a selling price of $40 is $6, so that the total of the two items erroneously included in the costs of the Joplin brief writers is $12.50.

Taking, then, our figures of $25.19 as the real cost of a ton of zinc blende in Joplin bins and adding the items for lead profit and royalty, we have $37.69, which tallies approximately with the figures of Robinson and Caulkins and exceeds the figures of the two other briefs.

The fallacy of figuring the royalty as a cost arises from the circumstances that the owner of the fee and the owner of the mining lease are usually separate persons. If they are the same person, it would appear clearly that the item of royalty would be included in the mining profit.

XII.

A PROTECTIVE TARIFF ON ORES IS ECONOMICALLY UNSOUND.

A protective tariff on ores is equivalent to a premium on the speedy exhaustion of certain natural resources, which, once used, can never be reproduced. This objection has been urged against a duty on lumber which in time will grow again, but it applies most strongly to ores which do not grow.

Furthermore, if, as is claimed, the cost of mining in Joplin is greater than formerly, and if the call for protection is based on such claim, what limit can there be to the rate of duty? The cost of mining, as the miner is forced to deeper or leaner ground, is bound to increase. The theory of protection is to build up industries which can be helped. It is a prostitution of the theory of protection to apply it to an industry which from natural causes must inevitably work its own destruction. Mines are unlike factories. There must come a time when, with all the protection in the world, there is nothing left of a mine but a hole in the ground. Surely it can not seriously be claimed that the Government must follow the Joplin mines with a wall of protection reaching to the center of the earth. The truth is that the only legitimate protection that can be given to mines is the protection on the products. Zinc metal has been protected, and this has afforded protection to the zinc mines. The zinc-metal industry, with the protective tariff on zinc metal, has been the sole cause of the development of the Joplin zinc mines. Without the protection on the metal the mines would never have been opened. Mine owner and smelter have shared, but not equally, the benefits of the duty on spelter, most of the benefit having gone to the miner. A higher price for spelter means a corresponding increase in the price of ore and all possible additional profit is absorbed exclusively by the miner. It is quite without reason that the mine owners say they are without protection while the smelters are protected. A cutting off of the duty on spelter would quickly bring this home to every zinc mine owner in America.

CONCLUSION.

Zinc ore, a raw material, free of import duty for fifty years, is now scheduled for an absolutely prohibitory duty while the United States is unable to produce enough of this ore to meet the demand. The estimates of revenue under the Payne bill figure nearly $1,000,000 as the revenue likely to accrue from zinc ore on importations. This, while showing that a shortage of domestic ores is contemplated, is utterly beyond reason so far as the revenue item goes, for no ore can be imported at that rate of duty. The estimates are also misleading as to revenue under the existing law, for, while certain duties were collected, they were paid under protest, and the court has ordered a reliquidation with no duty. The estimates of the Finance Committee show that the proposed duty reaches an approximate ad valorem duty of 84 per cent, as against free entry for the past fifty years. It is believed that there is no other case similar to this in the entire Payne bill, and the feature is thrown into more glaring relief by the proposed large reduction in the duty on spelter and sheet zinc. (Dated Washington, D. C., May 10, 1909.)

Mr. SMOOT. Mr. President, I have given a great deal of time to this paragraph. I have had before me, as a member of the Finance Committee, all of the interests—the miners, the smelter men, the purchasers of spelter and people interested in oxide. I think I have given more time to this particular paragraph than to any other in the whole bill.

Mr. BURTON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Ohio?

Mr. SMOOT. Certainly.

Mr. BURTON. I wish to ask a question for information: Did the manufacturers of galvanized steel sheet and iron sheet, or galvanized iron, appear before the committee?

Mr. SMOOT. At no meeting were the galvanized-iron men present.

Mr. HUGHES. Mr. President——

Mr. SMOOT. I yield to the Senator from Colorado.

Mr. HUGHES. I should like to inquire whether at any time anybody claiming to represent those who mine zinc in Colorado were either before the committee or were heard upon the graduation of the duty as set forth in the committee's amendment?

Mr. SMOOT. I can not call to mind now any miner who appeared before the committee, but if they did not it was not because they did not have a chance, because in the public press notices were given of the meetings and intended meetings. I think as far as the miners generally were concerned they were very well represented.

Mr. HUGHES. I ask the question because——

Mr. SMOOT. I will say further to the Senator that in several of the hearings we had before us many of the Senators interested, and the senior Senator from Colorado was present at different times.

Mr. HUGHES. Did he represent the miners? That is my question.

Mr. SMOOT. From the position he has taken right along, I should think he did.

Mr. HUGHES. I know that the amendment as framed by the committee is not satisfactory to those who dig the ore, especially the low-grade part of it. It gives the higher duties to the ore that is needed least and gives the lower duty to the ore that needs protection most. That is the objection I have had presented to me by them when they heard of the form of amendment reported by the committee.

Mr. SMOOT. I think, if the Senator will wait until I finish, I will explain to his satisfaction the reason of this graduation. I am just as much interested in the mining of zinc ore as the Senator from Colorado, and if the mining of zinc ore was exactly in the same condition as the mining of lead ore, I would be occupying the same position as the Senator from Idaho to-day.

Mr. HEYBURN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. SMOOT. Certainly.

Mr. HEYBURN. Wherein does it differ?

Mr. SMOOT. I will explain to the Senator wherein it differs.

Mr. HEYBURN. It does not differ in Idaho.

Mr. SMOOT. I will explain to the Senator wherein it differs; and I think as far as that is concerned, we are here legislating for the whole country and not for any one particular place.

Mr. HEYBURN. Idaho is a part of the country.

Mr. SMOOT. Absolutely, and so is every other State. Therefore we are legislating to take care of Idaho as well as all other States.

With this graduated scale I claim that Idaho will not be hurt, or Colorado or Utah. I will tell you wherein there is a difference. There is a difference in this particular, that in the zinc ores there are two classes of users—one is the oxide manufacturer and the other is the spelter manufacturer.

Now, Mr. President, I want to say that the low-grade ores according to the graduation proposed allows all ores below 10 per cent to come in free, and in so doing can hurt nobody, no State, no miner in the United States.

Mr. HEYBURN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. SMOOT. I yield.

Mr. HEYBURN. There would not be any mine to hurt in Idaho if you let the Mexican ore in here on the basis you propose. There would not be any zinc mines in Idaho. They probably would be raising wheat down in the Pelouse country.

Mr. SMOOT. I can explain it to the Senator in detail. Ten per cent ore means 200 pounds of zinc contents to the ton. Spelter to-day is worth $5.30 per hundred, so the 200 pounds would be worth $10.30 when converted into spelter. The Senator does not think for a moment that we can pay $6.85 a ton freight and pay for the smelting charges of the ore for $10.30? It will cost more than $10.30 for freight and smelting. Therefore no mine producing 10 per cent ore in the United States would be hurt by allowing 10 per cent ore to come in free.

There is another reason why the committee decided to let 10 per cent ore in free. Copper ores are imported into this country carrying sometimes as high as 10 per cent of zinc. In the smelting of copper ores it is impossible to recover the zinc, so the committee thought it was not right to have copper ores smelted in this country with 10 per cent of zinc content pay a duty when none of the zinc was recovered, so they decided that it would hurt no interest to allow 10 per cent zinc ores to come in free.

Mr. KEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Jersey?

Mr. SMOOT. Certainly.

Mr. KEAN. In other words, as I understand the Senator, if the 10 per cent exception was not made there would be a duty on copper ore that contained zinc.

Mr. SMOOT. They would have to pay the duty on the zinc contents, at whatever rate we may fix.

Mr. KEAN. But, as I understand it, the zinc content of 10 per cent is so small that in the smelting it is impossible to retain the zinc.

Mr. SMOOT. It is not a question of being so small.

Mr. KEAN. It goes off in fumes.

Mr. SMOOT. It is a question of the mode of smelting that the zinc goes off into fumes. Now, referring to ores above 10 per cent and less than 20 per cent, we decided the duty ought to be a quarter of a cent a pound on the zinc contents.

I will state the reason for that. We wanted to put a duty on that class of ore sufficient to prevent it being brought into the country just across the border and concentrated and shipped to the smelter as concentrated ore.

Mr. HEYBURN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Idaho?

Mr. SMOOT. Certainly.

Mr. HEYBURN. Are we to understand that the first 10 per cent of the zinc in the copper ore would all be lost in smelting and go off in fumes?

Mr. SMOOT. Absolutely all of it in copper ores.

Mr. HEYBURN. So, if the ore would have only 10 per cent zinc, it would not then have any zinc in it at all?

Mr. SMOOT. You would not recover any zinc.

Mr. KEAN. Unless some method was discovered by which it was done.

Mr. HEYBURN. If it had 15 per cent zinc, it would still lose 10 per cent and have 5 per cent left?

Mr. SMOOT. The history shows that copper ores shipped to the United States for smelting do not carry 15 per cent in zinc, and I am only speaking of copper ores.

Mr. HEYBURN. The Senator is speaking of history. I can without any difficulty show him that some copper ore has more than 10 per cent.

Mr. SMOOT. The only protected copper ores that come in have 10 per cent of zinc in them.

Mr. KEAN. The Senator does not mean protected copper ores.

Mr. SMOOT. I mean protected in this way, by compelling them to pay a duty on the zinc that they do not recover.

Mr. HEYBURN. Oh, I see; this amendment is in the interest of the smelters.

Mr. SMOOT. It is in the interest of no one except the American workingman.

Mr. HEYBURN. He would not be benefited by vulcanizing this 10 per cent of zinc out of copper ore. How is he benefited?

Mr. SMOOT. If there was 10 per cent of zinc in the copper ore and the smelter was made to pay a cent a pound——

Mr. HEYBURN. Who would pay?

Mr. SMOOT. The smelters who imported their ores.

Mr. HEYBURN. I am not worrying about those miners if they are in some other country.

Mr. SMOOT. Nor am I.

Mr. HEYBURN. How are the American miners compelled to pay for it?

Mr. SMOOT. If the Senator will only wait a minute, I will tell him. If in the copper ore there was 10 per cent of zinc and the smelter had to pay a cent a pound on the zinc contents, every ton of that copper ore would have to pay $2 for the zinc contained in the copper ore that could not be recovered.

Mr. HEYBURN. Then the foreigner would have to pay it.

Mr. SMOOT. Wait a minute. Certainly the American smelting people would have to pay it, provided it was smelted in America, and if a provision is placed in this bill compelling them to pay $2, the ore would go to some foreign country to be smelted, because that country would have the advantage of the American smelter of $2 a ton. Therefore, instead of smelting that ore in this country, it would be smelted in a foreign country. That is how the American workingman gets the advantage in the smelting of this class of ore.

Mr. HEYBURN. I would be glad if the Senator would tell us where the American ore producer comes in—whether he would not have the market after we get these other people out of it?

Mr. SMOOT. There has never been a pound of zinc ore yet mined in America that was of sufficient value to profitably smelter or concentrate as in the Joplin district that has not found a ready market in this country, I care not how many tons mined. The fault that is found here is that there is not enough ore mined in this country, and the opponents of this measure claim that they should be allowed to go to Mexico to purchase ores, because they can not get ores produced in this country in sufficient quantities.

Mr. HEYBURN. I would ask the Senator, then, if he thinks it would be well——

Mr. GUGGENHEIM. Mr. President——

The PRESIDING OFFICER. Will the Senator yield, and to whom?

Mr. SMOOT. Certainly; to either Senator.

Mr. GUGGENHEIM. The ore in question, to which the Senator from Utah refers, I judge from what was said to me, is an exceptional ore. This copper ore is mined in South America and, containing zinc, does run exceeding 10 per cent zinc. The Senator from Idaho need have no fear that the copper ore in his State contains any zinc, for no such ore is known to exist at this time. However, under the circumstances, I think it is advisable to have the copper ores mentioned imported to this country, rather than to have them go to Europe, particularly Germany and England, where there is extreme competition for that class of material.

Mr. HEYBURN. I was just wondering, hearing the argument of the Senator from Utah, whether it would not be better for us to consider first how we can take care of the product of zinc of other countries, and then, should there not be enough brought in, mine some of our own.

Mr. SMOOT. In this bill we are taking care of the zinc product of this country.

Now, in relation to the ores carrying 20 to 25 per cent of zinc——

Mr. HUGHES. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Colorado?

Mr. SMOOT. Certainly.

Mr. HUGHES. Before the Senator leaves that point, I wish to inquire whether it is his understanding that all of the ore bearing less than 10 per cent is copper ore, and if he does not know it to be true that there is much more zinc under 10 per cent than there is in copper ore brought in?

Mr. SMOOT. But it is a question of smelting. You can smelt the lead ores that have zinc and recover the lead and zinc, but you can not recover the zinc in copper ores.

Mr. HUGHES. But you recover the zinc contained in the lead ore.

Mr. SMOOT. Certainly, and recover the lead, too; but in the copper ores you can only recover the copper and not the zinc.

Mr. HUGHES. Then why does not the committee exclude copper ore bearing 10 per cent zinc which can not be recovered, if smelting is now conducted in that way, but which can be and is recovered——

Mr. SMOOT. Copper ore is on the free list to-day.

Mr. HUGHES. I understand.

Mr. KEAN. That is where zinc ore ought to be.

Mr. SMOOT. That is the Senator's opinion, of course.

Mr. HUGHES. That is the opinion of the free trader from New Jersey, but not of the tariff-for-revenue Democrat from Colorado.

Mr. KEAN. I beg the Senator's pardon; I did not hear what he said

Mr. HUGHES. I said, in the opinion of the free-trade Senator from New Jersey, zinc ought to be on the free list, but it is not where the tariff-for-revenue Democrat of Colorado would place it.

Mr. KEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New Jersey?

Mr. SMOOT. Certainly.

Mr. KEAN. Mr. President, I do not know whether the Senator from Colorado is a free trader or a tariff-for-revenue Democrat. I know what he always votes for. It is to put the highest possible duty on every product of the State of Colorado.

Mr. HUGHES. Not yet. I will say, however, that I do object to a classification of a duty which is pretending to give some service to the State and yet by its classifications largely destroys it, because I know that in the State of Colorado there is some zinc and some lead and a little silver, and that makes it possible to operate the mines. If the value is taken out of any one of the three components, they can not be operated. I know, further, that there is no industry in America which pays as high duties upon everything it uses, including its powder, its iron, its steel, its fuse, and everything else, as the mining industry of Colorado.

Mr. SMOOT. Mr. President, I know positively that the graduated scale here is not going to hurt the miners of the Joplin district, and it is not going to hurt the miners in Colorado, nor in any other State in the Union.

Mr. HEYBURN. What is it for?

Mr. SMOOT. I will tell the Senator what it is for. It is for the very purpose of allowing the oxide people who use the low-grade zinc ores to get their zinc ores from Mexico if they can not purchase them in the United States.

Mr. HEYBURN. The state engineer and geologist says that there are a million tons of ore in one district ready for mining if we can simply get the Mexican put to bed.

Mr. SMOOT. The Mexican never shipped a pound of ore here until a few years ago.

Mr. HEYBURN. He did not know that he had it.

Mr. SMOOT. Of course he did not know that he had it, and the reason why we are putting a duty to-day upon the ore is

because of the very fact that he has it and is shipping it here and displacing American ore. As far as I am concerned, I want the duty so high that he can not interfere with any miner in this country, and at the same time I do not want to destroy any industry in this country. If it were not for the oxide people requiring low-grade ores, I would be exactly in the same position as the Senator from Idaho, who claims it is necessary to have 1 cent a pound on the zinc contents no matter what percentage of zinc the ore may carry.

Mr. HEYBURN. I should like to know if the Senator then candidly proposes to let in that oxide ore free.

Mr. SMOOT. They will never ship that oxide ore here if they can get enough ores from the United States.

Mr. HEYBURN. But then——

Mr. SMOOT. But to-day they can not get it; it can not be purchased. The only place they can purchase it is in Mexico.

Mr. HEYBURN. Four years ago they did not know that it was in Mexico.

Mr. SMOOT. Many of the mines that they used to purchase from in Wisconsin they can not purchase from to-day, because conditions in the mines have changed. The ore is mined to-day below water level and the ores are sulphide ores and can not be used to manufacture oxide of zinc. This will be the case in almost every mining district in the United States

Mr. HEYBURN. I should like to ask the Senator candidly, then, if he does not propose to let in this Mexican ore because of its being oxide?

Mr. SMOOT. I propose that the ores that will not come in competition with ores that go into spelter shall come in here at the duty we have provided.

Mr. HEYBURN. That is the old story; I know just where they stand. They propose to cut our zinc market in two, because it is just about one-half on one side and one-half on the other. And they propose to give it to some interest that owns the mines in Mexico. They are not Mexicans. I know who own them.

Mr. SMOOT. The statement made by the Senator is drawn from his own imagination. No statement of that kind has ever been presented to the committee. No thought has ever come to the minds of the committee, and no smelter man even has suggested it.

Mr. HEYBURN. They generally do not suggest it.

Mr. SMOOT. They certainly suggest wherever their interests require.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Montana?

Mr. SMOOT. Certainly.

Mr. DIXON. I suggest, in connection with what the Senator from Utah has stated, that in copper ores, carrying a small per cent of zinc, the whole percentage of zinc is lost in smelting, and it would not be a matter of justice to charge the copper ore up with duty on the zinc contents, amounting in the case of 10 per cent zinc to $2 a ton, and then lose the entire contents in smelting. I want to suggest to the Senator from Idaho [Mr. HEYBURN], if he does not know it as a matter of fact, that in all the low-grade lead ores that carry 8 or 10 per cent of zinc, the smelters put on a penalty for the zinc contents. Instead of being added to the value of the ore, they always penalize lead ores that carry 8 or 10 per cent of zinc.

Mr. HEYBURN. With the consent of the Senator from Utah——

Mr. DIXON. That is what they do. They penalize at the rate of $1 a ton for each unit of zinc.

Mr. HEYBURN. I will answer the question that was suggested by the Senator from Montana. In the first place, what copper ores are shipped into this country that would come under this provision?

Mr. DIXON. I could not specify them, exactly.

Mr. HEYBURN. There are not enough of them to make figures for.

Mr. DIXON. I think the Senator is mistaken. I have always understood that there was a large importation of copper ore from Chile that carries a low per cent of zinc, which was lost in smelting, and which if not brought into this country to smelt here would go to European smelters.

Mr. HEYBURN. They would go up the chimney of the smelter. I know all about penalizing for zinc. We lived under those conditions for twenty years, when every calculation that was made as to what a carload of ore would pay in the net, we had, of course, to make deductions for the zinc; but that has passed.

Mr. DIXON. In some ores.

Mr. HEYBURN. It is in certain iron ores.

Mr. SMOOT. I know that it has not passed, because we are penalized to-day for every unit of the zinc in the recovery of ore in our State. That is the case; and it has been for years.

Mr. President, the committee also decided that there should be a proper differential between what was charged upon the ore and the spelter.

We went into the question carefully, and from all the testimony we decided the differential on the zinc in blocks or pigs should be one-third of a cent, or one and one-third of a cent on zinc spelter; on sheets, three-fourths of a cent; and so reported the amendment. The changes from the House bill were made by adding the differential, which was absolutely necessary in order to allow the smelting of the ores in this country and to prevent shipments of spelter from foreign countries.

Mr. President, I do not know that I have anything more to say on this subject, but I will add that I feel that the committee have taken all interests into consideration, not the mining interests alone, not the smelter interests only, not simply the owner of the mine, but all interests—the oxide manufacturers, the spelter manufacturers, the miner, and everyone who is interested in this question. So far as it was possible, we have given the Senate the facts as they were presented to us, and we hope and trust that the Senate will support the amendment as offered by the committee.

Mr. BURTON. Mr. President, I would say to the Senator from Utah that I have given my attention to opposing the duty on zinc ore, but it seems to me that it would be manifestly unjust to leave the differential between zinc ore and zinc in the pig at one-third of a cent a pound. I will ask the Senator from Utah is it not true that the actual amount of zinc obtained from a theoretical ton of zinc as represented by ore is only 87½ per cent?

Mr. SMOOT. That is absolutely true. I have always understood it was 87 per cent, but some say it is 87½ per cent. Granting, however, that it is 87 per cent, then it is also true that that recovery of ore is the same in all countries; in other words, if the ore is smelted in Germany, all they recover there is 87 per cent.

Mr. BURTON. I would suggest to the Senator from Utah that this is not really the question. The question is, At what price can zinc spelter be produced abroad? Is it not probable, with this high duty, which will be prohibitory on Mexican ores, that those ores and others will go to Europe to be smelted, and so be produced at a lower rate than ever before, and that one-third of a cent per pound would be absolutely inadequate?

Will the Senator from Utah state any other case in which the differential between the crude material or the ore and the finished material, the pig zinc or the spelter, is so small as one-third of a cent a pound either in the tariff of the United States or in the tariff of any other country?

Mr. SMOOT. Mr. President, we considered that question very thoroughly. I had the testimony of the smelter men themselves as to what the real difference was between the smelting of zinc ore in this country and abroad; and it runs all the way from 13 cents to 33 cents. Some claim that we can smelt zinc ore in this country cheaper than it can be smelted at any other place in the world. They give as the reason the fact that in Oklahoma and in Kansas, where most of the smelters are located, they have the cheapest gas on earth, and therefore can smelt ore as cheaply as can be done in any other country. But, Mr. President, the greater part of the testimony did not show that to be the fact. The committee wanted to allow a rate of duty sufficient to protect all interests, and decided a differential of one-third of a cent was necessary.

Mr. GUGGENHEIM. That is per pound, I believe?

Mr. SMOOT. That is per pound.

Mr. HEYBURN. One-third of a cent.

Mr. SMOOT. One-third of a cent a pound.

Mr. HEYBURN. I would say to the Senator from Utah that no such differential as that would cover the difference between the cost of the raw material and the finished material, in the expense of obtaining it or in maintaining a differential between the foreign cost and the domestic cost, or in the markets that will work out practically. It is conceded that the cost per ton is $10.50 for the reduction. All seem to agree upon the fact that it is $10.50 a ton of ore, which is very much higher, manifestly, than would be the foreign cost, which is estimated to be $7.28 to $8 a ton.

Mr. SMOOT. Mr. President, I will state to the Senator from Idaho that I talked with the smelter men themselves upon the subject. We took into consideration what the freight was from Mexico to our smelters, and what the freight rate was from the Mexican mines to Germany, and the freight back upon the spelter from Germany. We also took into consideration

the freight rate from the smelter to the place of sale, or, in other words, to the centers where the spelter is used; and there was no case in which it amounted to more than one-third of a cent, as I said before. So I feel absolutely certain that the spelter people will not be hurt with this differential of one-third of a cent per pound.

The PRESIDING OFFICER. The question is on the substitute offered by the Senator from New Jersey [Mr. KEAN] for the amendment proposed by the committee.

Mr. WARNER. Mr. President, I am reluctant to occupy the time of the Senate even for a minute, and I should not do so were it not for the deep interest which the people of my State have in this question; deeper, I think, than in any other schedule in the pending tariff bill, for the reason that in what is known as "the Joplin district," composing portions of Missouri, Kansas, Oklahoma, and Arkansas, 70 per cent of the spelter which is used in the United States is produced. Over 11,000 men, nearly all Americans, are engaged there in the mining industry. They are among the best paid laborers in the world; they are independent laborers; they are home builders, having their permanent residence in the mining district.

This and the importance of the zinc-mining industry in my State is enough to make me say something. But, Mr. President, back of that there is a bit of sentiment, from the fact that my father was a day laborer in the mines in Wisconsin, and as a boy I worked in and about the mines; and the deepest regret of my life, I think, was when, well-nigh three score years ago, I parted company at the mouth of the shaft from the old blind horse that I had for two years led in the winters' snows and the summers' suns in operating the whipsey-derry of a lead mine. I have therefore some familiarity with the mining industry.

And I have been hopeful that justice would be done to every section of this country in the matter of the duties on zinc. I have believed, and believe now, that the Committee on Ways and Means of the House of Representatives should have acceded to the claims of the miners, and that the committee should have given them the same protection that it gave the lead industry. The Ways and Means Committee, after careful consideration, placed the duty on zinc ore at 1 cent a pound. The bill giving that protection came over to the Senate. In my judgment, the Senate Committee on Finance should have reported the duty at 1 cent a pound on the zinc contents contained in the ore. It may be that I am overzealous on behalf of the men who work in the mines. Yet, while not getting all that I believe they should have gotten, I do not think any interest has received more careful consideration at the hands of the committee than has the zinc industry, taking into consideration even the men who are fighting it to-day—the oxide-zinc people and the smelters—who are here fighting against the granting of protection to the men who work in the mines, yet always looking for and demanding protection to their own interests.

Mr. President, I am no better protectionist than many other Republicans; but, sir, for nearly as long as the children of Israel wandered in the wilderness I have fought the battles of protection in Missouri against what seemed to be a hopeless majority, and I have yet to learn that free raw material is a cardinal principle of faith of the Republican party.

I regret that my genial friend, the distinguished Senator from New Jersey [Mr. KEAN], has appeared in a new rôle. The amendment which he has offered does not propose free trade; nor would it afford protection; but, in the language of the Good Book, it is neither hot nor cold, offering, as it does, the munificent sum—I will not go through with all the figures before me—of 50 cents a ton for certain grades of ore.

Mr. KEAN. It is $4 for the Missouri ore.

Mr. WARNER. Four dollars—most generous! But the Senator must know that no ore of that grade is imported. If there is a State in this Union that has its industries protected, New Jersey is that State. I am not here to complain of that; I am not here to complain because the industry of any State in this Union is protected, but I am here to demand that no industry in my State be penalized because it comes in conflict with the oxide interest of New Jersey or the galvanized-iron interests of Ohio or any other State. I think we have a right to ask for imposition on imported zinc ore of a duty that will equalize the wage scale in the zinc mines of the United States with that in the mines of Mexico—the rule of protection that has been our guide in determining the rate of duty applied to other industries affected by the pending bill.

I had laid out a good many papers here for a set speech, with statistics, but, if you will take my word for it without the statistics, I think it can be absolutely demonstrated that the duty of 1 cent a pound proposed by the committee is not an adequate protection under the rule which, I think, we have heard proclaimed many times in this Chamber during the past month. That is "in all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between cost of production at home and abroad, together with a reasonable profit to American industries." I demand the application of this rule that a square deal may be given to the zinc industry of Missouri.

In Mexico they dig 45 per cent zinc ore out of the side of the mountain, with a tunnel, using not a cent's worth of machinery, and at an expense of approximately $2 a ton. They carry it on the backs of burros and by ox teams, or on the backs of peons a few miles, and place it upon the railroad train. It costs them only $6.50 a ton to get that ore from the place where it is put on the train to the smelter in Kansas, Missouri, or Oklahoma; and to-day under this rate of duty 35 per cent Mexican ore has the advantage over 55 per cent Joplin ore. However, I shall not go into that.

It has been said that we have had no protection. The fact is we thought we had protection for zinc under the Dingley bill, and the Treasury Department thought we had protection amounting to 20 per cent ad valorem. The Treasury Department ruled to that effect in construing that act, but the importers sought to have that ruling set aside, and they succeeded in doing so in the courts. The case was decided in the district court, and, in January, in the court of appeals, in favor of the smelters; and up to the 20th of last month we had returned to the smelters in refunds out of the duties they had paid over $73,000. The importation of zinc ore continued, and had the 20 per cent ad valorem been collected upon the imports the amount collected would have equaled substantially the duty imposed upon such imports by the pending bill as sought to be amended by the pending amendment.

It was not until 1904 that a pound of Mexican zinc ore was shipped into the United States, and then there were shipped from Mexico 2,264 tons. In 1905 there were shipped from that country 18,074 tons, and in 1906 54,991 tons. It was then that the miners in the Joplin district began to see that they were being swamped with this foreign ore. It was brought here not for the purpose of being manufactured into oxide, but it was brought here by the smelters to be smelted to spelter, in competition with our own ores. In 1907 102,000 tons were imported from Mexico, and in 1908, when we had a slump, 46,000 tons.

Let me give a few figures more to show the importance of this matter. I became a little curious to know what our disinterested smelter friends were doing this year, in view of the prospective legislation putting a duty upon zinc ore. I find that in January they shipped 312 cars, or 9,360 tons, of Mexican ore. For February I have not the figures. In March they shipped 258 cars, or 7,740 tons; in April, 350 cars, or 10,500 tons. In May—mark it—531 cars, containing 18,585 tons.

At the rate of this importation from Mexico they would ship here in a year an amount equal to 223,000 tons, an amount equal to the entire output of the Joplin district last year, the chief zinc-producing section of the country, producing, as is suggested by the Senator from Utah [Mr. SUTHERLAND], about 70 per cent of the zinc ore of the United States.

According to the figures, the ore at the border cost the smelter, upon his own valuation, only $8.50.

There is one other item to be taken into consideration, and it has an influence in this case. The freight rate is $6.50 a ton for shipping zinc ore from any points of shipment in Mexico to the smelter in Oklahoma or Kansas. The railroads have not been idle. The annual shipments, according to the May figures, are 223,020 tons. Multiply that by $6.50, and, if my computation is correct, you have the comfortable sum paid to the lines of railroad for freight upon that ore of $1,449,000. I say to you, Senators, this freight rate of $6.50 will not be maintained. The railways will want this long haul, and they will adjust their rates to meet changed conditions so as not to lose this business.

I have no complaint to make of anything. I would have preferred the 1-cent rate. But I was looking, possibly, at one interest too much, just as a lawyer in trying a case differs from the judge upon the bench.

The committee investigated the entire question, consulted with the oxide people, the smelters, the producers, and the importers of copper, and came to the conclusion as reported here. Perhaps I ought to say that I am for a rate of 1 cent or nothing; but I am here to-day to say that I believe the adjustment made of this question by the Committee on Finance will not injure any American mine or industry, but will preserve to the American miner the wage advantage which he now possesses, and I shall therefore support the committee's amendment.

Mr. GUGGENHEIM. Mr. President, having the honor to represent in part the State of Colorado, which is interested in this schedule, I hope the Senate will not adopt the amendment proposed by the Senator from New Jersey [Mr. KEAN].

Colorado, as I previously stated, excluding the zinc-oxide product of New Jersey, is the second largest producer of zinc ores in the United States. Having had some personal business experience in the Republic of Mexico, residing some time there, also having mined in that country up to a few years ago and knowing the conditions prevailing, I trust that the producers of the United States will not have to longer meet the keen competition of the producers in the Republic of Mexico.

The Senator from New Jersey has made the statement that heretofore no duty has been imposed on zinc ores. That is true; but it has not been necessary to impose a duty on these ores up to the present time.

The zinc-ore shipments began coming from Mexico, as was stated by the Senator from Missouri [Mr. WARNER], in 1904, reaching a point when, in 1907, they amounted for that year to something like 110,000 tons.

From what I know of mining conditions in Mexico, its producers can just as readily ship 250,000 to 300,000 tons of ore annually from that Republic. Knowing mining conditions in the West, due in part to the higher wages we pay the miners in the mining of zinc ores, which are the same wages paid as in the mining of lead ores, I know such importations would be a menace before long and would probably close a great many zinc properties in the Rocky Mountain mining region if we do not impose a duty sufficient at least to protect the interests of the American producer and enable him to continue paying the present wage schedule, which at the best is not too remunerative for the American miner.

Personally, I should like to have seen the rate 1 cent per pound on all grades of zinc ore, but as the Committee on Finance have in their wisdom seen fit to make a slight reduction from the rate fixed by the House, I am willing to accept the rate now offered, feeling that it will not work any great injury to the mining interests of the West.

The zinc industry in Colorado and in the Rocky Mountain section is in its infancy. It is not so in Missouri, for zinc ores have been mined there for a great many years. We were obliged to take up the mining of zinc ores in Colorado and in the other Rocky Mountain States on account of the low price of silver. Many silver mines have been closed because of the low price, which at the present time is about 52 cents an ounce, a drop of 13 cents in the past two years. Now, I ask the Senate not to menace our zinc industry, which is in its infancy, but to give the State and the West all the protection to which they are justly entitled.

Within a few years zinc smelters have been established in Colorado. None had existed up to a few years ago; neither had the magnetic separators been installed, which are developing the zinc industry very rapidly and extensively. Therefore I want to say to those people now engaged in zinc smelting in Illinois, Kansas, Wisconsin, and elsewhere that they need not fear that they will not obtain sufficient ores in this country. The ore exists. All we want is a chance to develop it. The only reason some of those smelters to-day are making the keen and active fight to bring in the ores from Mexico practically free is the fact that they have gone to that Republic and made extensive and cheap contracts. Zinc ores exist there in large quantities, and as there are no zinc smelters and no home market the American buyers have gone there and made advantageous contracts.

It is therefore natural that they should be here to-day protesting against even a slight duty on zinc ores. If we are given a chance to develop the zinc industry in the Rocky Mountain region it will not be necessary for the Middle West smelters to go to Mexico for ores, as they will be able to get all the necessary ores in this country, and thereby enable us to build up our home industry and also protect the American miner.

The present contention of the smelting companies reminds me of the trouble that the Congress had in framing the tariff bills of 1890 and 1894. The lead-smelter owners at that time made the statement that it was necessary to import lead ore from Mexico for fluxing purposes. It was then stated by the American producers that with a proper tariff there would be sufficient lead ore produced in this country. That has proved to be the fact, for the reasonable duty imposed then upon importations of lead ore has stimulated lead-ore mining. I now make the statement unequivocally that such will be the result in the zinc-mining industry in this country if my appeal for a fair duty on zinc ores is granted and Colorado and other Western States accorded their just rights.

Mr. BURTON. Mr. President, I do not desire to detain the Senate for any length of time, but I am unwilling to see this item go on the dutiable list without a further statement of the case. If zinc ore, under the circumstances now existing, should be made dutiable, the Senate should impose a duty on copper ore, on tin ore, even on gold and silver ore. If any Senator votes for this duty, I do not see how he can refuse to vote for a duty on cotton as well.

With few exceptions, which have been named, the tariffs of 1846 and of 1857, this article has never been on the dutiable list. In 1890, when the McKinley bill was framed, when the price of ore was $20.90, it needed no protection. In 1894, when the price had fallen to $13.60, it obtained no protection. In 1897, when the price was $22.28, it needed no protection.

But now, when the price is almost exactly twice what it was in 1897, the insistent demand is made that there must be a duty of a cent a pound on the zinc contents of zinc ore.

I make bold to say that the imposition of such a duty would help no one and would seriously injure various lines of industry.

There is a principle which has been intimated, if not boldly advocated, this afternooon, to which I certainly can not give acceptance, and I think no one else should. It is that in framing a tariff bill you must arrange your schedules so as to enable the leanest and poorest mine to do business—not the best mine, not the average mine, but that mine which would not naturally be worked in any country and perhaps exists only in the imagination of some promoter.

If these mines were profitable nine years ago, in 1900, at $26.50; eight years ago, in 1901, at the price of $24.21, why do they need protection now at the price of $45? The plain reason is, as I stated in my remarks made earlier in the day, there has been a great increase in the manufacture of spelter and the products of zinc. We might as well eliminate all this confusion about the manufacturers of zinc oxide and the manufacturers of spelter. It is a plain business or economic proposition. Is the Senate willing to impose now practically for the first time on another article of raw material a duty which it did not receive when the price was half what it is now, or even less?

In order to show the increased demand, I will read briefly from the Engineering and Mining Journal, a standard publication, which has the confidence of all in the mining business. In 1904 it says this of the situation at Joplin:

> Even then, with the new smelters in the field for the product of the Missouri mines, the output will barely meet the urgent demands of the capacity of all the works drawing a supply from this district.

A little further on it says:

> As has been previously outlined in the Journal, the output is insufficient to meet the demand of the increased smelting capacity drawing a supply from this district, and in consequence the ore price has been about $4 per ton higher than the metal market for two months.

In 1905 it said:

> The direct cause of this has been, of course, the insufficiency of the Joplin ore supply to meet the present demand for spelter for consumption.

Again, in 1906:

> It is to be feared that there will be a further falling off in the output of zinc ore this year, even if the price continues high, for the reason that the new openings of ore are not compensating for the exhaustion of the older mines.

I would not wish to throw one obstacle in the way of the miners or others, for whom my friend the Senator from Missouri has made such an appeal. But are they not prosperous enough already? Is there any business in the country where the price of the product has increased more than it has in this instance? And it has increased by natural causes, by the added demand for the product. I submit it is hardly fair to insinuate that there is a conspiracy on the part of those who obtain ores from Mexico. They had no desire to go to Mexico; far from it. But the insufficiency of the supply of ores here made it necessary for them to go outside of the State and outside of the United States to seek another supply.

Mr. President, in any revision of the tariff it will be found that one of the chief obstacles arises from existing duties on raw material. No one who looks at this question as a business proposition will deny that the added labor of the factory, all the increased values given by labor, entitle the one who is engaged in manufacturing to an additional duty. There is a difference between the duty on a lump of iron ore as compared with that on a steel watch spring. The intervening rates are determined according to the amount of labor applied and the amount of capital invested.

Now, when the basis—the raw material—carries a high duty, it is extremely difficult to reduce the succeeding rates.

I have sometimes said that the tariff on raw wool was the sustaining arch of protection in this country. I think there are very few advocates on this floor of the removal or substantial reduction of the duties on wool. Why? Because it is so general an interest in the country, because the farmer, the manufacturer, and all these varied lines of activity have adjusted themselves to that duty.

The value of sheep, the value of land, all, in great degree, depend upon the duty on wool. But so long as the present duty on wool continues it will be extremely difficult, if not impossible, to decrease the duty on woolen goods.

For one I am decidedly opposed to bringing into the category of dutiable articles further items of raw material, because that will still further add to the difficulty of any reduction in duties. In saying that I do not mean to ignore for a minute the propriety or indeed the necessity of imposing duties on raw material when there is a proper ground for it, but in this case I believe there is no demand whatever. It will do no good to those who seek it, because it will lead to a reduced consumption of zinc and an increased consumption of competitive articles, because you are going to put this article up in price, clear out of proportion with competing products, and those competing products will displace the zinc, and the very men who are seeking the imposition of this duty will in the long run find they gain no benefit from it.

Mr. DANIEL. I wished very much to ask the Senator from Colorado, before he took his seat, the amount of freight that Mexican zinc ore would have to pay before it reaches a furnace in Colorado.

The PRESIDING OFFICER. The Senator from Virginia requests the attention of the Senator from Colorado.

Mr. DANIEL. I wish to ask the Senator a question. He can probably answer me. What is the amount of freight on the Mexican ore before it reaches the furnace in Colorado?

Mr. GUGGENHEIM. That ore does not go to Colorado. It is shipped to Illinois and Kansas.

Mr. DANIEL. How much would it have to pay from Mexico to the point where it is smelted?

Mr. GUGGENHEIM. I have a pamphlet in my desk stating that it is $3.85 per ton from the border to Kansas City. I get that from the pamphlet. Personally I do not know the exact rate.

Mr. WARNER. My information, after giving some attention to this subject, is that it is $2.65 from the other side to the border and $3.85 from the border to the smelter in Kansas.

Mr. DANIEL. Two dollars and sixty-five cents?

Mr. WARNER. Two dollars and sixty-five cents to the border of Mexico and $3.85 from the border to the smelter.

Mr. DANIEL. Two dollars and sixty-five cents to the border of the United States and $3.85 thereafter. If the advantage of $6 and upward per ton on ore, which exists in favor of this country, does not constitute a pretty high protection, I do not know what would be. As it seems to me, the attempt to put a cent a pound on this crude zinc ore coming into a country that needs it is nothing but the hard and cruel tax of a severe taskmaster, and that it should be done, and by a party that called for revision down, or aided and abetted by another which has historically stood for low taxes, is a paradox of political complication such as we had no right to expect to meet. The zinc makers of this country and the users of the ore are thirsty for it. They are crying aloud in the land for it. The manufacturers of the country are thirsty for it, and we are told here in the Senate of the United States, by a party that calls for revision down, that we must take a leap upward, high over the natural bulwarks and mountains and rivers and streams and oceans that lie between, and select this identical article for a specific tax on the pound. There is nothing more paradoxical in history, in politics, or even in tariffs, where we can find almost everything.

Mr. STONE. Mr. President, I believe in the old Democratic doctrine of a tariff for revenue, and not in levying a tax for protection per se. If the Democratic party was in control of Congress and making a tariff bill, I would favor imposing import duties on as great a number and variety of articles as possible, both raw material and manufactured products, varying the amount of the duty according to the circumstances of each case, having always in view the necessities of the Government for money with which to administer its great affairs. I would endeavor to secure a due proportion of that revenue through the imposition of revenue duties on imports.

I do not, as a general proposition, look with favor upon the notion of free raw material, and certainly not when the products of the raw material are highly protected; and still less when the manufactured products are not only protected, but are controlled, or largely controlled, by a monopoly. The mere fact that a given article may have been put on the free list in one tariff law, or more than one tariff law, or the mere fact that a given article may have been on the dutiable list in one or more tariff laws, is not of itself in either case a matter of particular importance.

There may be at one time well-founded reasons for putting an article on the free list or for putting it on the dutiable list, according to the circumstances existing at the time. At one time the circumstances might be such as naturally and properly to take a given article to the free list, while ten years later the conditions might be wholly changed, and, vice versa, conditions might so change as to make it advisable to take some article from the free list to the dutiable list. That has been done in both ways over and over again in the course of tariff legislation. I see nothing, therefore, in the argument that zinc ore should forever remain on the free list because it is now on the free list. One thing is sure, that, no matter what party is in power, and no matter whether a tariff law is made on protective lines or revenue lines, we are bound to raise several hundred million dollars every year by the collection of tariff duties for the uses of the Treasury. The line of party cleavage lies between protective rates, with incidental revenue, on the one hand, and revenue rates, with incidental protection, on the other hand. Moreover, whether a tariff law be drawn on protection lines or revenue lines, it should be symmetrical and impartial. The case in hand furnishes an example. The law imposes a highly protective duty on the manufactured products of zinc, but we find those engaged in zinc manufacturing and who benefit by the tariff on their products are clamorous for no tariff on zinc as it comes from the mines. They have been here urging free trade on what they buy and protection on what they sell. I do not believe in that sort of thing. I have said to them that I would consent to free ore if they would consent to free manufactures of zinc ore. And so this morning, with a view of testing the question and trying the good faith of the protected manufacturers, I proposed an amendment leaving zinc ore on the free list and putting zinc oxide and other zinc manufactures on the free list and the amendment was defeated, the Democrats voting aye and the Republicans voting no. I knew, of course, that the Senators from New Jersey would object to putting zinc oxide on the free list. I knew that because zinc oxide is made by a great organization in that State, which, in large measure, dominates the zinc industry of this country. That organization has a high duty upon its productions, and, of course, it wants zinc ore to remain on the free list, or, failing in that, to have the rate placed as near to the line of no duty as possible. I have no antagonism to those who buy zinc ore and use it in any grade of manufacturing, but I believe in fair play, I believe in equality, and that all people should be treated alike and dealt with upon a plane of common justice. Mr. President, let us look at this subject a moment from this standpoint and make some comparisons. The Senate has put a duty of a cent and one-half per pound upon the lead contents of lead ore.

The House put a cent and one-half upon lead ore and a cent per pound on zinc ore. The House also fixed a duty of 1½ cents per pound on pig lead and 1 cent per pound on zinc spelter. The Senate has left the House rate of a cent and a half per pound on lead ore, but, against my protest, raised the duty on pig lead to 2½ cents per pound, and the bill stands in that form to-day in so far as it affects lead ore and lead bullion. But now it is proposed by the Senate committee to change the duty fixed on zinc ore in the House bill by arranging a graduated scale of duties; that is, by imposing a duty of 1 cent per pound on zinc ore when the ore contains 25 per cent and over of zinc metal, and lower graduated rates upon lower grades containing less than 25 per cent of metal; and it is also proposed to raise the duty fixed in the House bill on spelter. Mr. President, I can see no good reason for imposing one rate upon one pound of zinc and a different rate upon another pound of zinc. I can, of course, understand why the New Jersey corporation wants that done, but I can see no other reason for it. And especially, Mr. President, am I unable to see why this marked discrimination should be made in favor of lead and against zinc. Both metals are mined on a large scale in Missouri. I am of course wholly impartial as between them. Each is a great industry, and combined they constitute one of the most important industries of the Commonwealth in which I live. Mr. President, Democrats are not making this bill; Republicans are making it; but I insist that it be framed so as to treat all alike, and deal with one as you deal with another. You can not conceive two mining propositions more nearly identical than the mining of lead and zinc. The same processes are employed. They prospect alike; they drill alike; they sink shafts alike, and men go down into

the subterranean dungeons they make to mine the one metal as they mine the other.

In the Joplin district lead and zinc are ordinarily taken from the same mine and are afterwards separated. Now you give to lead ore 1¼ cents duty per pound, while you propose to give to zinc ore more than a third less than that. The duty is a cent and a half in the one case, and less than a cent in the other case.

Mr. President, still greater quantities of lead are mined in the southeastern part of Missouri than in the southwestern, or Joplin, district. The lead ore taken from the mines of the Joplin district is of a higher grade than that mined in the southeast. The Joplin product will run approximately from 70 to 80 per cent lead.

Mr. SMOOT. Eighty per cent?

Mr. STONE. I am informed it often runs from 75 to 80 per cent lead in the Joplin mines. In the southeastern mines the quantity of lead runs less to the ton of ore.

Now, sir, here we find two mining propositions almost identical in the method of operating, in the cost of operating, and in the value of production. Recent Joplin quotations gave the current price of a ton of Joplin zinc ore, estimated to contain about 60 per cent of metal, at $38 to $39 per ton. At the same time a ton of lead ore running at about 55 to 60 per cent of metal was worth from $43 to $45 a ton. Joplin lead ore was quoted higher than that.

The Joplin ore is worth more because of its richness; but what I am trying to show is that if we compare the value of a ton of lead ore to that of a ton of zinc ore, the two tons running about the same per cent of metal, the ton of lead ore will sell for from $3 to $5 more than the ton of zinc ore; but after the two have been smelted, one put into lead bullion and the other into spelter, the spelter will have a higher market value than the pig lead.

After smelting the situation changes and the pig lead becomes less valuable than the zinc spelter, whereas the lead ore is more valuable than the zinc ore. That is due to the fact that it costs less to smelt the lead than it does to smelt the zinc, and there is less of waste in smelting lead than zinc.

Mr. President, I can not understand the theory upon which the Finance Committee or the Ways and Means Committee constructed these schedules. Dealing with two propositions so essentially the same, why should such a marked partiality be shown for the one over the other?

I do not know what influences operated to bring this about. The lead trust permeates the whole country. It is very powerful, and it ramifies everywhere. Years ago it succeeded in putting this duty of 1¼ cents on lead and higher rates upon the manufactured products of lead; and now the controlling organization in this zinc industry contends here first for free zinc ore, and failing in that, advocates an amendment which approximates as nearly as a duty could to the level of free ores.

Mr. President, I am opposed to that sort of discrimination. If we are to take zinc ore out of the free list and put it on the dutiable list, and I think zinc ought to be made dutiable for the revenue it would produce if for nothing else, it ought to be put on a par with lead ore when duties are laid. There is no justification for this wide and gross discrimination. I do not care on what theory a tariff law is made, whether primarily for protection or for revenue, these two propositions should be treated substantially alike.

Mr. President, I am going to vote for the House proposition, for as between the two I think it in every way the better one. Not only is it better in itself, but it would be an easier law to administer. To prevent fraud in administration, the flat rate is infinitely better than the graduated rate. And I am going to vote for the House rate because, under the circumstances of the case, I believe it would produce a larger revenue for the relief of the Treasury, now sorely distressed. I am a Democrat, in the minority, but still I am a Senator, interested in sensible legislation. Besides, the lower rate proposed for the lower grades of ore is not in the public interest, but in the interest of the New Jersey zinc trust.

Years ago when a high duty was laid on lead ore it was done, so it was said, to protect our lead mines against foreign competition. If so, then where did that competition come from? From Mexico, chiefly. Mr. President, if that was sound doctrine, then the economic conditions now prevailing make that old reasoning as applicable to zinc ore as to lead ore. I do not believe in protection per se, but I do think that even Republicans should show some respect for consistency. Ten years ago and less no zinc ore was imported into this country. Then a tariff on zinc would have made no difference, either as a matter of protection or of revenue. As no ore was imported, there was nothing to protect, and nothing from which to exact a revenue. But conditions in that behalf have changed wonderfully within the last five or six years. Enormous zinc deposits have been recently discovered in Mexico, where they are cheaply mined, and large quantities of this Mexican ore are now being annually imported into the United States. The situation is wholly changed from what it was a few years since. The lead situation and the zinc situation in this respect are again identical. Now a tariff on zinc ore to produce a needed public revenue might be levied, whereas ten years ago a tariff would have produced no revenue because then there were no importations.

Mr. President, the Senator from Ohio [Mr. BURTON], and the Senator from New Jersey [Mr. KEAN], who represent zinc manufacturers, said that the consumers of zinc ores went to Mexico for supplies because they could not obtain enough to meet their demand at home. That rests too much in mere assertion. I conferred with numerous gentlemen who came here representing both sides of this contention, many being constituents of mine. Of course both sides had their personal and selfish interests at heart. I have weighed what they said as well as I could. One or two men talked to me who impressed me as being particularly fair and impartial. One of them is the president of the Granby Mining and Smelting Company, one of the oldest and strongest institutions of that kind in the Middle West. This gentleman has had a long and varied experience in this business. He has been a student of it and is familiar with its every detail. He is interested on a large scale both in the mining and in the smelting of both lead and zinc. His company has large investments in mining both and in smelting both. With him I examined statistics he produced. On this particular question of American production and American consumption of zinc, he showed from authentic statistical data, this, among other things, that the total production of zinc in the United States in 1907 was 534,213 tons of ore. Calling this 50 per cent zinc, with an extraction of 85 per cent, there was produced that year 227,040 tons of spelter against a consumption that year of 222,494 tons, which was the year of our largest consumption.

This calculation leaves out of consideration the New Jersey zinc company's zinc production from its New Jersey mines, which amounted in 1907 to 368,710 tons of zinc ore. That, he said, should be eliminated in all fairness to the smelters, for but little of that production goes into the manufacture of spelter; the bulk going into zinc oxide, and the remainder being exported. It cuts but little or no figure in this discussion and should be eliminated.

Mr. President, I believe that the amount of revenue that would be realized for our hard-pressed Treasury from a 1-cent flat rate would be greater than would be derived from the graduated rate proposed by the committee; and when we take that into consideration in connection with the other considerations to which I have invited attention, it seems to me that the House proposition is in every way preferable.

Mr. President, since we are to have these duties on both lead and zinc, speaking for a constituency interested in both, I insist on equality of treatment in whatever you do, and I shall stand for that which approaches nearest to that level. I do not think it right or fair or just to make a discrimination against the zinc miners in favor of the lead miners, or in favor of the zinc miners against the lead miners. I want to see both treated alike and with absolute impartiality. So far as the ultimate consumers are concerned, the result will be the same whether you put on the one duty or the other. The form in which zinc reaches them is in paints, galvanized wire, zinc sheets, and the like. These manufactured products are highly protected, and most of them are controlled by monopolies. The same is true of lead and lead products. The price to the final consumer of these commodities will not, under existing economic conditions, be affected. From this point of view, the great question is whether these manufacturing monopolies shall have free raw materials on the one hand and tariff rates so high as to protect their products from foreign competition on the other hand; and that is a proposition wholly abhorrent to my sense of justice and fair play.

Mr. LA FOLLETTE. Mr. President, as I am confident that the amendment offered by the committee will be adopted, I shall take the time of the Senate to submit a brief statement.

The Senator from Ohio [Mr. BURTON] argued strongly against the duty upon the ground that when the value of the ore was very much less than at present no duty was required or sought. Why, sir, at that time there were no importations, and consequently no reason to ask Congress for a protective duty.

I know something of the cost of mining zinc ore in Wisconsin. With respect to Joplin, the cost of mining ore is fully

stated in the testimony taken by the Committee on Ways and Means.

A few years ago the cost of mining in Wisconsin was very much less than it is now. The mining was near the surface. At present it is from 100 to 200 feet below the surface, and in going down the miners encounter heavy water, which makes the mining very expensive.

The duty should be based on the difference in the cost of producing in this country and Mexico. The cost of production in both countries is definitely ascertained. It costs, in round numbers, $35 more per ton to lay down a ton of Wisconsin or Joplin ore at the Kansas smelter than a ton of Mexican ore. The labor cost in a ton of ore in Wisconsin is $24. A protective duty measuring the difference between the cost of production in Mexico and in Wisconsin, and in Joplin as well, would require a higher duty than that fixed by the House, and a higher duty than that submitted by the Senate committee to-day. With these facts before the Senate it can not refuse to adopt the committee amendment.

Mr. President, for reasons which I stated when the paragraph on lead ore was under consideration I am compelled to withhold my vote on all questions or amendments offered as to paragraph 190.

I am interested in property which I believe will be increased in value if zinc ore is made dutiable, as provided in the amendment proposed by the Finance Committee. For that reason I will ask to be excused from voting.

The PRESIDING OFFICER. Without objection, the Senator from Wisconsin will be excused.

The question is on agreeing to the amendment of the Senator from New Jersey [Mr. KEAN] as a substitute for the committee amendment.

Mr. KEAN. On that I ask for the yeas and nays.

The yeas and nays were not ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was rejected.

The PRESIDING OFFICER. The question recurs on agreeing to the amendment proposed by the committee, striking out paragraph 190 and inserting a substitute therefor.

The amendment was agreed to.

Mr. ALDRICH. The next amendment I offer is to paragraph 191.

The PRESIDING OFFICER. The amendment proposed by the committee to paragraph 191 will be read by the Secretary.

The SECRETARY. It is proposed to strike out the paragraph as printed in the bill and to insert in lieu thereof:

191. Zinc in blocks or pigs and zinc dust, 1½ cents per pound; in sheets, 1¾ cents per pound; in sheets, coated or plated with nickel or other metal or solutions, 2 cents per pound; old and worn out, fit only to be remanufactured, 1 cent per pound.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. CURTIS. Is there not an amendment pending to that paragraph?

The PRESIDING OFFICER. There is not.

Mr. CURTIS. I understood that the Senator from Idaho [Mr. HEYBURN] had offered an amendment to it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

Mr. ALDRICH. I ask that the paragraphs of the silk schedule, numbering from 392 to 401, inclusive, reported from the committee yesterday, be adopted.

The PRESIDING OFFICER. The Senator from Rhode Island moves that the paragraphs referred to be adopted.

Mr. CUMMINS. Before that motion is put to the Senate, I should like to ask the chairman of the committee a question with reference to the amendments that were proposed yesterday.

Mr. BRISTOW. Mr. President, I desire to inquire what is the question now pending before the Senate?

The PRESIDING OFFICER. The question is on certain silk paragraphs offered by the chairman of the Committee on Finance, which he now moves be adopted.

Mr. CUMMINS. Mr. President, originally the Finance Committee reported that the equivalent ad valorem duty upon all the articles in this schedule in the present law was 52.33 per cent, and that the equivalent ad valorem that had been substituted by the Senate committee was 60.76 per cent, thus showing an increase of 8.43 per cent, or an increase over the former rates of substantially 16 per cent. The committee has now proposed to reduce some of these rates, which is very gratifying, I think, to all of us—and very justly to reduce them—but I should like to know how the reductions which are now proposed affect the general increase that I have mentioned.

Mr. ALDRICH. Mr. President, the reductions have been all along the line, as the Senator perhaps has seen from the statement which was furnished to him. I should think that the rates now before the Senate are not much, if any, in excess of the present law. The Senator from Utah [Mr. SMOOT] has a detailed statement of the reductions, which he can submit to the Senate. Of course, just what the effect will be no one can precisely tell; but I can say that the general effect of the silk schedule, if it is adopted as now presented, will be very little, if any, increase over the existing law.

Mr. CUMMINS. Mr. President, I have not had opportunity, even if I had the skill, to apply these rates to the importations of 1907. My view of it was that there was no occasion for materially increasing the duties upon either silk threads or silk fabrics. With the assurance which has just been given by the chairman of the Committee on Finance, which I understand is also the view of the Senator from Utah, I do not intend to urge any amendment to the silk schedule, although it was my original purpose to do so, in order that we might bring the duties more nearly to the law as it now is.

The PRESIDING OFFICER. In the absence of objection, the paragraphs referred to will be considered as agreed to.

Mr. KEAN. Mr. President, I desire to present a petition of the silk manufacturers of the United States, and ask that it may be printed in the RECORD. I shall not detain the Senate by asking that it be read.

The PRESIDING OFFICER. In the absence of objection, the petition will be printed in the RECORD.

The petition referred to is as follows:

Hon. JOHN KEAN,
United States Senate, Washington, D. C.:

The petition of the undersigned silk manufacturers of the United States of America respectfully represents as follows:

Whereas an effort is being made by importing interests to reduce the 50 per cent ad valorem clause contained in the silk schedule now before your honorable body;

Whereas a 50 per cent rate is needed to properly protect the silk industry of the United States and to offset the difference between cost of production in Europe and the United States;

Whereas the specific rates in the proposed silk schedule are of tremendous value to the silk industry, inasmuch as they prevent undervaluations which are of frequent occurrence, particularly in high-grade and fancy silks; and

Whereas an effort is now being made to have some of these specific rates reduced, on the plea that they amount to 70 or 80 per cent ad valorem;

Whereas they do in reality average no more than 40 per cent ad valorem, and in but few instances reach 50 per cent:

Therefore, we, the undersigned silk manufacturers of the United States, respectfully request that the silk schedule now before the Senate be passed without any changes in rates and with the 50 per cent ad valorem clause, as originally proposed by the Finance Committee of the United States Senate.

McCollom & Post, Paterson, N. J.; Cardinal & Becker; John Hollbach & Co.; Favorita Silk Company; T. J. Mitchell Company; Pelgram & Meyer; Collins Silk Company; Sheldon & Leach; Samuel J. Aronsohn (Incorporated); Imperial Silk Company; The Hill Silk Manufacturing Company; Hamicheu Brothers Silk Company; Progressive Silk Company; Godfrey Widener; Phoenix Silk Manufacturing Company; The Holzman Silk Manufacturing Company; Baker & Schofield Company, J. A. O'B. Baker, president; Appel Brothers Manufacturing Company, per Jos. Appel, president; Brilliant Silk Company, per W. E. Eaton; Kattermann & Mitchell Company; Naef Brothers Company, A. Schlaepfer, treasurer; Neuberger, Phillips Silk Company; Victory Silk Company, Samuel Bentley, president; Fred Schofield; Wolff & Silber; Paterson Silk Manufacturing Company, Ben S. Salkowitz, secretary and treasurer; Luvan Silk Company, Herbert Lubelski, president; Guthrie Silk Manufacturing Company, William Guthrie, president; Kane & Wilkinson Silk Company, John A. Kane, president; Enterprise Silk Company; David Lindsay; Holmes Silk Company, W. B. Phillips, president; Bentley Silk Company, John Bentley, secretary; American Silk Manufacturing Company, M. Wolf, vice-president; Siff & Cohen; Stern & Pohly, Paterson, N. J.; Israel R. Cohen; Schuh & Michels Manufacturing Company; H. Miedendorp; L. Lemieux & Co.; Doherty & Wadsworth Company, H. Grouney, secretary; Berwyn Silk Company, J. B. Cooke, president; Post & Sheldon Corporation; Westerhoff Brothers & Napier Company, Peter D. Westerhoff, president; Reliance Silk Company, James F. Yates, president; Henry Doherty Silk Company, by Henry Doherty, president; Cardinal Silk Company, A. Cardinal, president; Spoer & McGinley; John Hand & Sons (Incorporated), William Hand, treasurer; Lake View Silk Mills, Geo. R. Meyers, manager; Jansen & Pretzfeld, S. Scheller, superintendent; Manhattan Silk Manufacturing Company; Ashley & Bailey Company; Givernaud Brothers; Audiger & Meyer Silk Company; F. Neuenhaus; B. Edmund David; Joseph Paura; Schottland & Young; A. Schottland; J. M. Potts Silk Company; Armor Silk Company, A. Wolf; Kaufman Brothers; Heubert Silk

Company; Continental Silk Mills; Aronsohn Bloom Silk Company; Aronsohn Brothers Silk Company, B. Aronsohn, treasurer; Cedar Cliff Silk Company; Haledon Tapestry Company; Quakertown Silk Company, per W. Little, president; W. Little & Co., Paterson, N. J.; John Schwartz, jr., Silk Company, Paterson, N. J.; Demarest Silk Company, G. W. E. Demarest, treasurer; Relling & Schoen.

Mr. ALDRICH. On page 87, in line 4, after the word "including," in paragraph 289——

The PRESIDING OFFICER. Will the Senator from Rhode Island kindly indicate to the Secretary the paragraphs covered in the silk schedule as approved?

Mr. ALDRICH. I have indicated them.

The SECRETARY. From paragraph 392 to paragraph 401, inclusive.

Mr. DOLLIVER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Iowa?

Mr. ALDRICH. I do.

Mr. DOLLIVER. Before the silk schedule is disposed of, I desire to call the attention of the chairman of the committee to a memorial, in the nature of a complaint, against the rates proposed between lines 12 and 23 of the committee amendment as printed, beginning with the words:

If weighing more than 2 ounces, but not more than 8 ounces per square yard——

The memorial to which I desire to call the Senator's attention is a memorial of a large number of people engaged in manufacturing umbrellas. They claim that these rates are substantial increases over the existing tariff. It appears, also, that the rates are very much higher in this cloth than the rates provided for on the finished product, I think the finished product being assessed at 45 per cent as a nonenumerated manufacture of silk; but these rates running up as high as 80 per cent, they seem to think that is not a proper adjustment.

Mr. ALDRICH. If the Senator from Iowa will send the memorial which he has to the committee we will examine the subject.

Mr. SMOOT. I call the attention of the Senator now to the fact that the rates on these very silks have been reduced. We have reduced the rates from $3.20 to $2.75 and from $2.50 to $2 in our proposed amendment, those being reductions from the rates fixed in the House bill.

Mr. ALDRICH. I think the memorial which the Senator has is based upon the rates as originally reported.

Mr. DOLLIVER. It is.

Mr. ALDRICH. If the Senator will give us the memorial, we will examine it.

Mr. DOLLIVER. The rates which are proposed in the last committee amendment for the whole schedule are in excess of the existing rates.

Mr. ALDRICH. The committee will make an examination and see.

Mr. DOLLIVER. I shall be glad to have this memorial printed in the RECORD, and to have the committee look into the matter.

Mr. ALDRICH. The committee will examine it.

The PRESIDING OFFICER. In the absence of objection, the memorial will be printed in the RECORD.

The memorial referred to is as follows:

NEW YORK, *March*, 1909.

Hon. S. E. PAYNE,
Chairman of the Committee on Ways and Means,
Washington, D. C.

DEAR SIR: The undersigned umbrella manufacturers of the United States hereby beg to strongly protest against the proposed increase in the pound duty on silk and cotton-mixed goods used in the manufacture of umbrellas.

As the present specific tariff rates are prohibitive on the lower grades, the increase proposed in the schedule presented by the committee of the Silk Association of America would seriously affect the better grades and interfere with our business to a very large extent.

Schedule L.—Woven fabrics in the piece, weighing not less than 1½ ounces and not over 8 ounces per square yard, if containing not more than 20 per cent in weight of silk—

	Cents.
Present tariff:	
If in the gum, per pound	50
If dyed in the piece, per pound	60
Proposed tariff:	
If in the gum, per pound	57½
If dyed in the piece, per pound	70

If containing over 20 per cent and not over 30 per cent in weight of silk—

	Cents.
Present tariff:	
If in the gum, per pound	65
If dyed in the piece, per pound	80
Proposed tariff:	
If in the gum, per pound	75
If dyed in the piece, per pound	90

NOTE.—The proposed tariff reads: "Weighing not less than 2 ounces per square yard." But we beg to state that the above goods used for umbrellas all weigh from 2 to 8 ounces per square yard.

Very respectfully, yours,

Allison & Lamson, 405 Broadway, New York City; Gans Brothers, Baltimore, Md.; B. O. Wright & Co., 385 Broadway, New York City; Rose Brothers & Co., Lancaster, Pa.; Simons & McGill, 58 White street, New York City; Arnold, Schiff & Co., 107–113 Franklin street, New York City; United States Umbrella Company, Elizabethport, N. J.; Anton Russy & Co., Excelsior Umbrella Manufacturing Company, Boston, Mass.; William H. Rich & Son, New York City; Kiel & Arthe Company, Edward Kiel, president, New York City; Stoopack & Garbat, New York City; Connor Wallace & Co., New York City; Suplee, Reeves Whiting Company, F. P. Mitchell, treasurer, New York and Philadelphia; James Stokley & Co., Philadelphia; W. N. Stevenson & Co., New York City; Hulse Brothers & Daniel Company, New York City; L. P. Henryson & Co., New York City; Miller Brothers & Co., New York City; Peltz & Biderman, New York City; Kraut & Finver Brothers, New York City; I. H. Weinberg & Co., New York City; Kreis & Hubbard, Chicago, Ill.; E. C. Kuhn, Cincinnati, Ohio; Hull Brothers Umbrella Company, Toledo, Ohio; J. Lazarus & Co., New York City; Herman Bamberger, New York City; Bogen, Berman & Co., New York City; Louis Heynman & Bros., New York City; W. W. Harrison Company, New York City; John H. Maloy, New York City; Moxey, Howlett & Co., Philadelphia, Pa.; Ades Brothers, Baltimore, Md.; William H. Beehler, Baltimore, Md.; Polan, Katz & Co., Baltimore, Md.

Mr. GORE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Oklahoma?

Mr. ALDRICH. For what purpose?

Mr. GORE. Mr. President, I merely wish to say, before we finally pass from the silk schedule, that I desire to offer an amendment in the form of an additional paragraph.

Mr. ALDRICH. The Senator from Oklahoma might as well offer it now as at any other time.

Mr. GORE. Very well. I offer the amendment which I send to the desk.

The VICE-PRESIDENT. The amendment offered by the Senator from Oklahoma will be stated.

The SECRETARY. It is proposed to insert as a new paragraph the following:

—. All silks manufactured or otherwise imported into the United States in pursuance of this act which shall contain more than 20 per cent of other substances than pure silk shall be subjected to an additional duty amounting to three times the duty imposed by this act, and all silks fabricated or manufactured in the United States which shall contain more than 20 per cent of other substances than pure silk shall be subjected to an excise tax amounting to three times the duty imposed by this act on imported silks of the same character and description.

Mr. GORE. Mr. President, I shall say but a word in regard to this amendment. I feel sure that it will be voted down; but my object is to call attention to the fact that silk imported and manufactured in this country contains sometimes as much as 63 per cent of other substances than silk. The silks purchased by our grandmothers lasted for a generation; the silks now purchased by their granddaughters hardly last for a single season. The silkworm, however, is as good a spinner as in ancient times. The fault is attributable to the weaver of the present times; it is attributable to the manufacturer.

The same spirit that has changed the weights in our sugar, the same spirit which necessitated the enactment of a pure-food law to prevent the adulteration of food, has adulterated silks in this country. Mr. President, I hold in my hand a test made by the Bureau of Standards of the United States. I hold here [exhibiting] a sample of black silk. The analysis and test of this black silk discloses that there is only 37 per cent of real silk in the finished product. A great portion of the adulterant is tin oxide, gum, and grease of various kinds. When the bonnie brides of the country are rustling in imaginary silk, in fact it is tin which is affording the music which inspires their bridal march. [Laughter.]

I think the practice ought to be stopped, and I have proposed an amendment which will limit adulterations to not exceeding 20 per cent. I believe that usually there is about 10 per cent water in silk; but I desire to cut out this oxide of tin and these various other substances, which are introduced into the silk to give it weight and apparent substance. It is purely a fraud on the purchaser, and explains why silk now lasts so brief a time. It is a cheat which chivalry on the part of manhood ought to stop in behalf of beauty. I trust that the gallantry of the Committee on Finance will actuate them to accept this amendment.

I have several other samples of silk. Here [exhibiting] is the silk before the test was made and here [exhibiting] is the silk after the test was made. You see that its beauty, like the

glories of Ichabod, has departed. I do not know; perhaps we ought to allow them to cheat more than 20 per cent. I am willing to indulge a reasonable amount of fraud in this matter; but we ought to draw a line somewhere below 63 per cent. Therefore I offer the amendment, which has been read, and I ask to have printed in the RECORD this official test made by the Bureau of Standards of the Government of the United States.

The PRESIDING OFFICER. In the absence of objection, the document referred to will be printed in the RECORD.

The paper referred to is as follows:

DEPARTMENT OF COMMERCE AND LABOR,
BUREAU OF STANDARDS,
Washington, June 12, 1909.

Hon. T. P. GORE,
United States Senate, Washington, D. C.

DEAR SIR: The accompanying table gives the results of a partial analysis of three samples of silk recently submitted by you for examination.

We hope that this information will prove satisfactory to you.

Very truly, yours,

E. B. ROSA, *Acting Director.*

Report on the chemical analysis of three samples of silk submitted by Hon. T. P. Gore, United States Senate.

Color of sample.	White.	Black.	Brown.
	Per cent.	*Per cent.*	*Per cent.*
Ash (including ash of pure silk)	29.1	15.9	31.5
Moisture	9.5	12.0	9.0
Silk	58.4	37.3	54.1
Total determined	97.0	65.2	94.6
Undetermined material	3.0	34.8	5.4
Ratio of ash to weight of finished silk	29:100	16:100	32:100
Ratio of ash to weight of pure silk found	50:100	43:100	58:100
Material extracted by hot, 1 per cent, hydrochloric acid	24.5	27.8	23.5
The ash of pure silk is never more than 1 per cent. Deducting this maximum amount from the amount of ash found above, we get			
Mineral weighting matter	28.1	14.9	30.5
Ratio of mineral weighting to finished silk	28:100	15:100	31:100
Ratio of mineral weighting to pure silk found	48:100	40:100	56:100

The weighting material of mineral nature is tin oxide. This is deposited on the fiber from various tin salts. From the finished product it is impossible to say whether the chloride, sulphate, or some other salt of tin was used in the weighting process.

Moisture: Above 15 per cent is an abnormal content of water.

Silk: The percentage of pure silk was calculated from the nitrogen content. Pure silk contains 18.33 per cent of nitrogen.

Undetermined material: Probably organic weighting material, such as gum, grease, etc.

E. B. ROSA, *Acting Director.*

The PRESIDING OFFICER. The question is on the amendment proposed by the Senator from Oklahoma [Mr. GORE].

The amendment was rejected.

Mr. ALDRICH. I now move the amendment which I send to the desk to paragraph 289, on page 87.

The SECRETARY. In paragraph 289, page 87, line 4, strike out the word "including" and insert in lieu thereof "refined, deodorized cocoanut oil, and."

The VICE-PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. I now ask that we take up the paragraphs in the paper schedule, commencing with paragraph 407.

Mr. BRISTOW. Mr. President, I inquire what has been done with the silk schedule.

Mr. ALDRICH. It has been agreed to.

The PRESIDING OFFICER. The paragraphs in the silk schedule have been agreed to. The Secretary will state the amendment proposed by the Senator from Rhode Island [Mr. ALDRICH].

The SECRETARY. On page 159, the committee proposes to strike out paragraph 407, as printed in the House text, and to insert a new paragraph 407—surface-coated paper, and so forth.

Mr. ALDRICH. I send the modified paragraph to the desk to be read in place of the printed amendment.

The PRESIDING OFFICER. The modification of the amendment will be stated.

The SECRETARY. It is proposed to modify the amendment of the committee by inserting a new paragraph in lieu of paragraph 407, as follows:

Amendment reported by Mr. ALDRICH, from the Committee on Finance, to the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes: Insert in lieu of paragraph 407 the following:

407. Flint glazed papers, 2½ cents per pound and 15 per cent ad valorem; all other surface-coated papers, not specially provided for in this section, 5 cents per pound; if printed by other than lithographic process, or wholly or partly covered with metal or its solutions, or with gelatin or flock, and marbled or marbleized hand-dipped paper, 5 cents per pound and 20 per cent ad valorem; parchment papers, imitation parchment and greaseproof papers, supercalendered or otherwise, by whatever name known, weighing 10 or more pounds per ream of 480 sheets, 20 by 30 inches in dimensions, 2 cents per pound and 10 per cent ad valorem; bags and envelopes made wholly or in chief value of imitation parchment or greaseproof paper, 2 cents per pound and 20 per cent ad valorem; plain basic photographic papers for albumenizing, sensitizing or baryta coating, and basic papers for solar and other light printing, valued at 20 cents per pound or more, 3 cents per pound and 10 per cent ad valorem; valued at less than 20 cents per pound, 25 per cent ad valorem; albumenized or sensitized paper, or paper otherwise surface coated for photographic purposes, 30 per cent ad valorem.

Mr. NELSON. Mr. President, it seems to me that we ought to have some explanation of this matter. It is quite a change from paragraph 407 as originally reported by the committee; and from what I could catch from the reading, I am satisfied it greatly increases the rates; at all events, the first portion of it does.

Mr. ALDRICH. No; the Senator is mistaken about that. It is not an increase; it is a readjustment and a rearrangement of the various items; but it is not an increase over the rates as presented by the committee originally. It is intended to be a better classification and a more accurate fixing of the various classes of paper which it covers. Of course the Senator——

Mr. NELSON. Wherein does it differ from the Payne bill?

Mr. ALDRICH. It is much better arranged and much better classified.

Mr. NELSON. Are the rates any higher than those of the original House bill?

Mr. ALDRICH. No; they are not.

Mr. NELSON. Are they any higher than the Dingley rates?

Mr. ALDRICH. They are higher than some Dingley rates and lower than others.

Mr. BACON. If the Senator will permit me——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Georgia?

Mr. NELSON. I simply rose to say that I should like to have some explanation. This is a very complicated and extended amendment involving a new classification. I now yield the floor.

Mr. BRISTOW. I followed as carefully as I could the Dingley rates on the reading of the amendment at the desk, and I am very confident that there are some duties increased over those of the Dingley law.

Mr. ALDRICH. Mr. President, there are some rates unquestionably above the Dingley rates, but they are few; and there are some reductions below the Dingley rates. It is, in the opinion of the committee, a much better arranged and classified paragraph than the paragraph of the Dingley law. The fact is that of these manufactures of paper there are constantly new articles being imported. There has been a wonderful change in the last twelve years in the character of articles that are covered by this paragraph. Some of these surface-coated papers are artistic productions of the highest class, and——

Mr. BRISTOW. Could not the modified amendment be printed?

Mr. ALDRICH (continuing). And I think the Senator will find, by careful examination of the paragraph, that on the average the rates proposed are not increases over the present rates.

Mr. BRISTOW. Could it not be printed?

Mr. ALDRICH. The Senator from Utah [Mr. SMOOT] can give an explanation of some of the changes.

Mr. SMOOT. Mr. President, it will be noted from the amendment that there are different brackets on surface-coated paper. In the original amendment the rate was 2½ cents and 15 per cent ad valorem. The manufacture of surface-coated papers in this country is on the wane. As everybody knows, the industry is being curtailed and given up by reason of the immense increase of foreign importations. The House fixed the duty at 5 cents a pound on surface-coated papers of all kinds. We propose to change it to 2½ cents per pound and 15 per cent ad valorem, as first reported, by making two brackets, fixing a duty on part of them at 2½ cents and 15 per cent ad valorem, and the balance at 5 cents per pound, the rate the House had fixed on all of them.

Mr. BRISTOW. Mr. President, if the Senator——

Mr. SMOOT. Certainly, as a whole, it is a reduction from the House bill.

Mr. BRISTOW. Of course, I know there are a great many varieties of surface-coated paper. That is why I suggested that the amendment be printed, so that we could study it. Five cents a pound on surface-coated paper might be practically 100

per cent on its value, and it might not be. I am confident that there is a great deal of surface-coated paper upon which there is no occasion whatever for an increase of duty.

Mr. SMOOT. That is just what the committee has already done. They have separated them. They have put the lower grade at 2½ cents per pound and 15 per cent ad valorem, and the higher grade of surface-coated papers at 5 cents a pound, as I said before, reducing the rates on the lower grades from those which the House bill provides.

Mr. BRISTOW. If the amendment could be printed so that we could examine it, probably it might save a good deal of time.

Mr. ALDRICH. I have no objection to that course being taken. Let it be printed in the RECORD and printed as an amendment; and I can ask to have it taken up to-morrow morning.

Mr. BRISTOW. All right.

Mr. ALDRICH. But I desire to impress upon the Senate the fact that in all the kinds of paper covered by paragraphs 407, 408, and 409, the Germans have been rapidly encroaching upon the American manufacturers in the American markets. The importations are simply immense in some of these lines; and we have either got to strengthen our tariff by imposing specific duties, with increases in many cases, or else we have got to surrender this very valuable industry to our competitors abroad. Of course these papers call for the greatest amount of artistic talent in their preparation.

This paragraph covers thousands and thousands of different articles, many of which were not in use, not manufactured, and not known at all when the tariff act of 1897 was passed. Of course the same thing is much truer about the act of 1894 and the act of 1890. Under those acts there were one or two simple paragraphs in regard to paper, but now we have hundreds and thousands of different articles, all requiring different treatment. The committee, with the experts, with the manufacturers, and with the importers, have given a great deal of time and attention to the preparation of these three paragraphs, namely, 407, 408, and 409; and if there are any mistakes in them, if the rates are either too high or too low, the committee will be glad to consider any suggestion. We have given much thought and great time to all these paragraphs.

Mr. NELSON. Mr. President, do I understand the chairman of the committee correctly, to say that the pending amendment is a substitute for these three sections?

Mr. ALDRICH. Not for 409. We have no substitute for paragraph 409.

Mr. NELSON. Has the committee a substitute for paragraph 408?

Mr. ALDRICH. We have a substitute for paragraph 408.

Mr. NELSON. I suggest that it be submitted, so that it can be printed in order that we may have the benefit of it to-morrow.

Mr. BURKETT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Nebraska?

Mr. ALDRICH. I yield to the Senator from Nebraska.

Mr. BURKETT. As I understand, paragraph 408 is the one which covers lithographs?

Mr. ALDRICH. Lithographs, view cards, and so forth.

Mr. BURKETT. I will say that I have had several letters from the larger newspapers of my State, calling attention to the fact that the Senate committee bill as originally drawn did not extend to them the proper protection they should have. They stated that the House bill had in a measure done so, but that the Senate bill had changed the provisions and had put back the troublesome conditions of the Dingley law. I suppose the Senator has probably had similar communications from other publishers, printers, or lithographers, and has made these slight corrections in the amendments which he offers to-night.

Mr. ALDRICH. That has been arranged for, I think, to the satisfaction of all interests. We have tried as far as possible in these three paragraphs to compose the conflicting views of the parties in interest, having in mind all the time the carrying on of this industry in a reasonable and profitable way in the United States.

Mr. GALLINGER. Mr. President, I simply want to say, in a word, that I feel a very great interest in the lithographing industry, and I trust that the substitute the committee have prepared will take adequate care of that industry, which is now greatly imperiled.

The National Association of Employing Lithographers met in this city a little over a month ago, and they have given some statistics that are quite startling to me. They call attention to the very thing that the Senator from Nebraska suggested. They say:

> The Payne bill, with two exceptions, provides a fair measure of protection to the lithographic industry. The Senate bill as introduced perpetuates the wrongs of the Dingley bill, which almost ruined an old industry; fair play demands a fair protection; we plead for it.

They show that this is an industry employing $50,000,000 capital and 20,000 workmen. In 1899 the imports were $799,745; in 1907, $3,968,542; and in 1908, $4,911,102; showing that in nine years the imports have increased almost seven times what they were in 1899. A great many lithographers, to my knowledge, are out of employment in this country. We are being flooded with German lithographic cards and every possible device, furnished to our people much cheaper than they can be produced in the United States.

I want, in just a word, to plead the cause of these skilled workmen and experts, and I hope that the committee have given them fair and adequate protection. I presume the committee have undertaken to do that.

Mr. SMOOT. Mr. President, answering the Senator from New Hampshire [Mr. GALLINGER], I will say that the committee have taken all the demands of the lithographers into consideration, and had meeting after meeting with them. While we could not consistently grant all that they demanded, we did finally report, or will report, amendments that are acceptable to that class of workmen.

Mr. ROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. Certainly.

Mr. ROOT. Mr. President, I share the interest of the Senator from New Hampshire in the lithographic industry. There is, however, another class of workers in whom I am much interested, and those are the cigar makers; and there is a question arising under paragraph 408 that is many, many times more important to them than all this Philippine-cigar business that we have been talking about here for several days, and that is the question of the duty upon cigar bands and labels, which they are practically compelled to use by the fashion of the day. The labels injure the cigars, to my thinking, but the purchasing public does not seem to think so; so the makers have to use them.

The duty on those articles is now very high, and the imported bands are sold now at a much higher price than the domestic. I send up to the desk a number of petitions signed by cigar makers, and I ask to have one of them, for they are identical in terms, printed in the RECORD.

I hope that the committee has exercised a kindly protection for the interests of the cigar makers in the amendment which they are proposing to introduce.

The PRESIDING OFFICER. In the absence of objection, one of the petitions will be printed in the RECORD, as requested by the Senator from New York.

The petition is as follows:

JUNE 10, 1909.

HON. ELIHU ROOT,
United States Senate, Washington, D. C.

SIR: The undersigned cigar manufacturers and cigar-box manufacturers of New York desire to call your attention to the effort which is being made in the interest of the lithographic trust to have the tariff on cigar labels, flaps, and bands increased above the already high Dingley rates in order to monopolize the whole business and be in a position to dictate prices and terms to the cigar and cigar-box manufacturers.

Under the existing law those articles are universally offered to us by the American manufacturers at prices much less than the prices of foreign cigar labels and bands, showing clearly that on these articles the American lithographic industry already has more than sufficient protection under the existing law. By reason of being able to undersell the foreign goods, the few American factories engaged in making cigar labels, flaps, and bands already control at least nine-tenths of the business in the United States, which is surely enough. Any increase, even the slightest, will mean a monopoly for these few factories, and the high rates which they have succeeded in getting into the Aldrich bill are proposed for this very purpose. They have taken advantage of unsatisfactory conditions in certain other parts of the lithographic industry to have the rates increased without discrimination on these articles, which are already overtaxed.

It may seem to you a small matter, but this one-tenth of imported cigar labels and bands is very important to us whether we use domestic goods or foreign goods in our business, since this remnant of possible competition is the only check on the trust to prevent it from arbitrarily dictating terms and prices to the cigar manufacturers, reducing the quality of the goods offered, and preventing the cigar manufacturers and box makers from obtaining the high-grade labels and bands which they consider essential to their industry.

We beg that you will use every effort to prevent any increase whatever from the Dingley rates, and we urge upon you to use your endeavors to obtain, if possible, a reduction in the existing rates on labels (as disfinguished from bands) since the ad valorem tax on labels is very high and not more than one-tenth of the total importation consists of labels.

The following schedule shows the present duties and their ad valorem equivalents as well as the rates in the proposed Aldrich bill with their

ad valorem equivalents, and the rates which we petition to be adopted, with corresponding ad valorem equivalents:

	Rates which we ask.	Equivalent ad valorem.	Senate bill.	Equivalent ad valorem.	Dingley bill.	Equivalent ad valorem.
	Cents.	*Per et.*	*Cents.*	*Per et.*	*Cents.*	*Per et.*
Labels, less than 8 colors	15	34½	25	57½	20	46
Bands, less than 8 colors	20	23	30	34½	20	23
Labels, 8 or more colors	25	48	30	57	30	57
Bands, 8 or more colors	30	33	35	38½	30	33
Labels, metal leaf	40	40	50	50	50	50
Bands, metal leaf	45	30	55	30	50	33

Bronze to be counted as two colors, as under the Dingley tariff.

There are 5,265 cigar factories in New York State, according to the report of the Commissioner of Internal Revenue for 1908, manufacturing more than a billion and a half of cigars, besides a large number of cigar-box factories, and these factories employ many thousands of workmen. You will therefore see that the interest of New York State in this matter is a very large one and entitled to protection from the rapacious demands of a few lithographic factories.

We beg that you will take up this question and prevent the Republican party from making a mistake which will cost it many thousands of votes. This petition, owing to the shortness of time still remaining for action, is signed only by a number of representative firms, but your assistance is asked for in the interest of all the cigar and cigar-box manufacturers of the State of New York.

Fitzpatrick & Draper, O'Connor & Elkenburgh, J. H. Broderick, J. J. Conway Tobacco Company, James McGahan & Brother, Quinn Brothers, Hess Brothers, Troy, N. Y.; J. W. Stevens, Metzner Brothers, B. Payn's Sons' Tobacco Company, Lawrence Goldberg, Dearstyno Brothers Tobacco Company, George B. Russell & Sons, John A. Davison Cigar Box Factory, White Brothers, Albany, N. Y.

Mr. SMOOT. The amendment that will be offered by the committee, so far as the labels and flaps are concerned, will be the old Dingley rate. But as far as the bands are concerned, there is an advance upon them; and I will state also that the cigar makers themselves, or representatives from the cigar makers, admitted that the rate upon the bands was too low. The importations show that.

There is another thing which must be taken into consideration, and that is this: When the law was enacted, the bands came in in a square shape. The white part of the band was cut out or cut away from the printed part. But now they print them in the figure in the band and cut every particle of the weight of the paper outside of just the printed or lithographed part, and the weight of the band has been reduced almost half. It is for that reason that the cigar makers themselves admit that the rate is too low, and that is the reason why we advance the rate upon the bands. But on the flaps and labels the rates are the same as the Dingley rate.

Mr. BACON. Will the Senator permit me to ask him a question?

Mr. SMOOT. Certainly.

Mr. BACON. Are the bands which accompany the foreign cigars printed also in this country?

Mr. SMOOT. On a foreign cigar? Oh, no.

Mr. BACON. Is it a band which represents them as a foreign cigar?

Mr. SMOOT. No; it does not represent them as a foreign cigar, but the band itself is a foreign band, and it is imported here because they want that particular kind of band.

Mr. LODGE. They are imported in large sheets.

Mr. BACON. I understand.

Mr. LODGE. For use on American cigars.

Mr. BACON. They are put upon American cigars and they are represented as American cigars?

Mr. LODGE. I suppose so.

Mr. BACON. The bands represent them as American cigars?

Mr. ALDRICH. Not necessarily.

Mr. LODGE. Not necessarily.

Mr. BACON. That is the point. It is whether or not the bands imported from abroad are brought here for the purpose of imposition, by placing them upon domestic cigars and thus palming them off as foreign cigars.

Mr. LODGE. I suppose they put on any effigy or sign the maker desires.

Mr. BACON. That is the point of the inquiry I made—whether those bands were bands printed abroad and representing the cigars to which they are affixed to be foreign cigars.

Mr. SMOOT. I never heard of any charge to that effect, even from the American lithographers. So I do not think it has ever been done.

Mr. BACON. Then there is no, or is there any, competition between these foreign bands and the domestic bands?

Mr. SMOOT. Oh, very strong competition, and of late years the importations have increased several hundred times over.

Mr. BACON. Then it must be that these are bands for domestic cigars and are so represented.

Mr. SMOOT. That is what I said before.

Mr. BACON. That is the point I was after.

Mr. LODGE. That is it.

Mr. ALDRICH. I send to the desk and ask to have read a proposed amendment to paragraph 408. After it is read, I will ask that it may go over.

Mr. SCOTT. Mr. Chairman, will you not have it printed?

Mr. ALDRICH. Let it be printed in the RECORD and as an amendment.

The SECRETARY. In lieu of the substitute for paragraph 408 insert:

408. Pictures, calendars, cards, labels, flaps, cigar bands, placards, and other articles, composed wholly or in chief value of paper lithographically printed in whole or in part from stone, metal, or material other than gelatin (except boxes, views of American scenery or objects, and music, and illustrations when forming part of a periodical or newspaper, or of bound or unbound books, accompanying the same, not specially provided for in this section), shall pay duty at the following rates: Labels and flaps, printed in less than eight colors (bronze printing to be counted as two colors), but not printed in whole or in part in metal leaf, 20 cents per pound; cigar bands, of the same number of colors and printings, 30 cents per pound; labels and flaps printed in eight or more colors, but not printed in whole or in part in metal leaf, 30 cents per pound; cigar bands of the same number of colors and printings, 40 cents per pound; labels and flaps, printed in whole or in part in metal leaf, 50 cents per pound; cigar bands, printed in whole or in part in metal leaf, 55 cents per pound; all labels, flaps, and bands not exceeding 10 square inches cutting size in dimensions, if embossed or die cut, shall pay the same rate of duty as hereinbefore provided for cigar bands of the same number of colors and printings (but no extra duty shall be assessed on labels, flaps, and bands for embossing or die cutting); booklets, 7 cents per pound; books of paper or other material for children's use, not exceeding in weight 24 ounces each, 6 cents per pound; fashion magazines or periodicals, printed in whole or in part by lithographic process, or decorated by hand, 8 cents per pound; booklets, decorated in whole or in part by hand or by spraying, whether or not lithographed, 15 cents per pound; decalcomanias in ceramic colors, weighing not over 100 pounds per thousand sheets 20 by 30 inches in dimensions, 70 cents per pound and 15 per cent ad valorem; weighing over 100 pounds per thousand sheets 20 by 30 inches in dimensions, 22 cents per pound and 15 per cent ad valorem; if backed with metal leaf, 65 cents per pound; all other decalcomanias, except toy decalcomanias, 40 cents per pound; but all the foregoing, if containing less than one-half of 1 inch margin on any side, shall pay in addition to the rates herein provided, 10 per cent ad valorem; all other articles than those hereinbefore specifically provided for in this paragraph, not exceeding eight one-thousandths of 1 inch in thickness, 20 cents per pound; exceeding eight and not exceeding twenty one-thousandths of 1 inch in thickness, and less than 35 square inches cutting size in dimensions, 8½ cents per pound; exceeding 35 square inches cutting size in dimensions, 8 cents per pound, and in addition thereto on all of said articles exceeding eight and not exceeding twenty one-thousandths of 1 inch in thickness, if either die cut or embossed, one-half of 1 cent per pound; if both die cut and embossed, 1 cent per pound; exceeding twenty one-thousandths of 1 inch in thickness, 6 cents per pound: *Provided*, That in the case of articles hereinbefore specified the thickness which shall determine the rate of duty to be imposed shall be that of the thinnest material found in the article; but for the purposes of this paragraph the thickness of lithographs mounted or pasted upon paper, cardboard, or other material shall be the combined thickness of the lithograph and the foundation on which it is mounted or pasted.

The PRESIDING OFFICER. The amendment will be printed and the paragraph passed over.

Mr. ALDRICH. For paragraph 409 we have no substitute, but I ask to amend the paragraph in line 11 by striking out, after the word "three," the words "and one-half."

The SECRETARY. On page 165 in the committee amendment, line 11, after the word "three," strike out the words "and one-half," so as to read "3 cents per pound."

The amendment was agreed to.

The PRESIDING OFFICER. Without objection, the paragraph as amended will be agreed to.

Mr. PILES. I should like to look into the matter. I have had some communications on the subject.

Mr. ALDRICH. If the Senator desires to have it go over until to-morrow, I am willing.

Mr. PILES. I should like to have it go over.

Mr. ALDRICH. Very well. Then I will ask that paragraph 410 be agreed to.

Mr. BROWN. I should like to ask the chairman of the committee——

The PRESIDING OFFICER. Paragraph 410 has been agreed to.

Mr. ALDRICH. On page 165, line 26, after the words "ad valorem," insert the words I send to the desk.

The SECRETARY. On page 165, paragraph 411, in line 25, after the words "ad valorem" and the semicolon, insert "cardboard and bristol board."

The amendment was agreed to.

The SECRETARY. On page 166, line 2, after the word "hanging," insert "with paper back or composed."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. We have an amendment to paragraph 412, in regard to view cards, which I send to the desk to be read. I shall not ask to have it acted upon to-night, but I ask that it may be printed with a view of having it brought to the attention of the Senate.

Mr. CLAY. With the Senator's permission, since he has asked that the amendment be printed, I ask the Senator whether or not the committee has agreed to make any changes in paragraph 405; and if so, has the Finance Committee reported the amendments to the Senate and have they been printed?

Mr. ALDRICH. The committee will take that matter up to-night, and I hope we will be able to report an amendment to-morrow morning.

Mr. CLAY. It is an important paragraph, and I have had many inquiries from my State in regard to it. I think we ought to know what amendment the committee agrees on, so that we may have it before us before it will be necessary to act upon it.

Mr. ALDRICH. The committee will take up that matter to-night and try to report the amendment to-morrow.

The PRESIDING OFFICER. The Secretary will read the amendment proposed by the Senator from Rhode Island.

The SECRETARY. At the end of paragraph 412, strike out the period and insert a semicolon and the following:

Views of any landscape, scene, building, place, or locality in the United States, on cardboard or paper, not thinner than eight one-thousandths of 1 inch, by whatever process printed or produced, including those wholly or in part produced by either lithographic or photogelatin process, except show cards and panels, occupying 35 square inches or less of surface per view, bound or unbound, or in any other form, 15 cents per pound and 25 per cent ad valorem; thinner than eight one-thousandths of 1 inch, $2 per thousand.

Mr. LODGE. I wish to offer an amendment to paragraph 657, to make it read correctly. We did not get it right. I want to strike out "regalia and gems," so that this paragraph will begin with the word "Statuary," with a capital S, and read "Statuary, and casts of sculpture, for use as models or for art or educational purposes only;" then insert "regalia and gems;" then at the end of the paragraph, line 24, insert "rosaries not composed wholly or in part of gold or precious stones."

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. ALDRICH. On page 117, line 5, paragraph 334, the 30 per cent ad valorem should be made 35 per cent ad valorem. The bill, as it passed the House, put flax, and so forth, on the free list, and the committee recommended that it be restored to the dutiable list. The Senate has voted in accordance with their suggestion. It was the intention of the committee to restore the duties, or some of the duties, on yarns and cloths to the rates which they bore under the old law, when there was a duty upon flax. But this one was omitted. It should be 35 per cent instead of 30 on yarns finer than No. 5.

The SECRETARY. On page 117, paragraph 334, line 5, strike out the word "thirty" and insert "thirty-five," so that it will read:

If finer than 5 lea or number, 35 per cent ad valorem.

The amendment was agreed to.

The paragraph as amended was agreed to.

Mr. NELSON. I offer an amendment, to be inserted at the appropriate place in the administrative paragraphs of the bill. I think there is no objection to it. It is similar to the provisions in the existing law in reference to the St. Johns and St. Croix rivers in Maine. I offer it as an amendment, to be acted upon now, to be inserted at the proper place in the bill when it is made up.

Mr. ALDRICH. It may go into the free list, and we will put it in the right place hereafter.

Mr. NELSON. Yes; put it at the end of the free list now, and it can be put in at the proper place when they make up the bill finally.

Mr. KEAN. Let it be read.

The SECRETARY. It is proposed to insert the following:

That the produce of the forests of the State of Minnesota upon the Rainy River and its tributaries owned by American citizens and sawed or hewed or mechanically ground in the Province of Ontario by American citizens, the same being otherwise unmanufactured in whole or in part, shall be admitted into the ports of the United States free of duty, under such regulations as the Secretary of the Treasury shall from time to time prescribe.

Mr. ALDRICH. There is no objection to that; it is the same provision, that applies to the St. Croix River and the St. Johns River, in Maine. It may be agreed to.

The amendment was agreed to.

Mr. BURKETT. The Senate was on paragraph 657 a moment ago. I want to suggest an amendment in there, including the regalia, the paraphernalia, and so forth, of fraternal or beneficial organizations.

Mr. LODGE. Those are included now.

Mr. ALDRICH. I think so.

Mr. BURKETT. I have understood they were, but I have had some correspondence with the heads of some of those organizations, and they fear they are not included, and ask that they be enumerated.

Mr. GALLINGER. They ought to go in.

Mr. BURKETT. I have understood they were intended to be included, and I think, perhaps, there would be no objection to inserting in line 15 the words "fraternal or beneficial organizations," or "societies." "Fraternal and beneficial associations" probably would be better.

Mr. ALDRICH. There is no objection to that.

Mr. BURKETT. Let it come in in line 15.

Mr. ROOT. I suggest that it is a little dangerous to specify any organization. Here is a provision which has been the substance of the law for a long time. It has been applied generally to a certain number of organizations, and it is a dangerous thing to specify one lest you exclude the others.

Mr. BACON. I would like to suggest to the Senator from New York that we set the precedent when we specified certain kinds of plum trees.

Mr. ROOT. I understand the Senator from Kansas has discovered what that plum tree is.

Mr. BURKETT. I will not name any particular organization.

Mr. LODGE. Such as the Masonic order——

Mr. BURKETT. No; I shall not ask the insertion of the name of any particular organization. I have a letter from the head of an organization suggesting that they have had trouble with Canada over this matter—the admission of their paraphernalia there—and that if the words could be put in it would relieve the situation. The special order that I have in mind is that of the Modern Woodmen, I will say. The head of that organization wrote me.

Mr. LODGE. Fraternal associations.

Mr. BURKETT. Fraternal and beneficial associations.

Mr. GALLINGER. "Societies or associations."

Mr. LODGE. I want to say that my understanding of this paragraph is that the regalias of these orders—Masonic orders and the other orders—all come in free under this paragraph. I did not suppose any would be excluded. If it needs amendment, it ought to be in that direction.

Mr. BURKETT. I will be glad if this matter could go over, and I can sit down with the Senator in a moment and get the proper wording.

Mr. LODGE. Very well. If the Senator will let it go over, and if an amendment is necessary, we can agree on its proper wording.

REPORT UPON GERMAN MANUFACTURES.

The PRESIDING OFFICER laid before the Senate a message from the President of the United States, which was read.

Mr. LA FOLLETTE. I ask that the message and the accompanying correspondence be printed as a document.

Mr. STONE. Just a moment. I should like to inquire if the present occupant of the chair can give the Senate any information as to when that German report will be laid before the Senate?

Mr. ALDRICH. I think the German report which the Senator from Missouri has in mind was printed eight or ten days ago, or two weeks perhaps. I have been expecting to have the attention of the Senate called to it by the Senator from Missouri.

Mr. STONE. There was a little pamphlet printed, that was prepared by the Senate Finance Committee.

Mr. ALDRICH. Oh, no; the report itself has been printed.

Mr. STONE. The entire report?

Mr. ALDRICH. I thought it had been received. I was not certain about it. It seems I am mistaken. The translation has not been completed. It is in the hands of the State Department for translation.

Mr. STONE. Can the Senator give me any information that will enlighten me?

Mr. ALDRICH. I will try to have some by to-morrow morning.

Mr. GALLINGER. I suggest to the Senator from Wisconsin that as this correspondence is not at all voluminous it be printed in the RECORD as well as in the form of a document (S. Doc. No. 99). It might take several days to get the document.

Mr. LA FOLLETTE. I think that is a good suggestion, and I include it in my request.

Mr. GALLINGER. I make that request.

The PRESIDING OFFICER. In the absence of objection, the request of the Senator from New Hampshire is agreed to.

To the Senate:

In response to the Senate's resolution of June 4, 1909, requesting the President, "if not incompatible in his judgment with the public interest, to transmit to the Senate copies of all the correspondence which passed between the Department of State and the German Government, or between any representative of the United States and officials of the German Government, having relation to the report upon German manufactures furnished by the German Government to the United States," I transmit herewith a report by the Acting Secretary of State, with accompanying papers.

WM. H. TAFT.

THE WHITE HOUSE, *June 16, 1909.*

The PRESIDENT:

The undersigned, Acting Secretary of State, to whom was referred the resolution adopted by the Senate on June 4, 1909, requesting the President, if not incompatible, in his judgment, with the public interest, "to transmit to the Senate copies of all the correspondence which passed between the Department of State and the German Government, or between any representative of the United States and officials of the German Government, having relation to the report upon German manufactures furnished by the German Government to the United States," has the honor to submit herewith the copies requested and to report as follows:

Toward the end of the first session of the Sixtieth Congress, the House of Representatives, by resolution, authorized the Committee on Ways and Means to sit during the recess of Congress and to gather such information through United States government agents or otherwise as it might see fit looking to the preparation of a bill for the revision of the tariff.

On June 1, 1908, the chairman of the Committee on Ways and Means addressed the President in the following terms:

"It is the desire of the committee to obtain information from the various representatives abroad in regard to the cost of production, including the price of labor, rates of interest, and so forth, and the committee will be very glad to have the cooperation of the State Department in order to obtain this information. When reports are received from the various representatives of the Government abroad, it will be necessary to have them tabulated. If these reports can be placed at the disposal of the committee as soon as received, we could then take measures for their tabulation, and it is desirable that the committee be authorized to call upon any bureau of the Department of Commerce and Labor for this purpose."

The letter was referred by the President to the Secretary of State, by whose direction a circular instruction was prepared by the Bureau of Trade Relations of the Department of State, in collaboration with the clerk of the Committee on Ways and Means and the Bureau of Labor of the Department of Commerce and Labor, calling upon the consular officers to prepare and transmit at the earliest practicable date a report containing answers to certain questions concerning industries, labor conditions, cost of production, prices, exports to the United States, and foreign tariffs. This circular, a copy of which is among the papers submitted, was not confined to the consular officers in Germany, but was sent to all the principal American consular officers throughout the world. The reports were sent as received to the Committee on Ways and Means of the House of Representatives.

It appearing from a report from the consul-general at Berlin that, with respect to Germany, so much of the information sought by the Ways and Means Committee as related to cost of production could best be obtained through the diplomatic channel, the American ambassador at Berlin, acting under instructions from the department, presented the matter to the German Government. That Government responded favorably, and obtained the information on the understanding that the names of the individual establishments furnishing it would not be disclosed and that the information would not be used for administrative purposes.

The information thus courteously furnished by the German Government was received by the department in duplicate, one set through the American ambassador at Berlin and the other through the German ambassador at Washington. The department was thus enabled to supply a set not only to the Committee on Ways and Means, but to the Senate Committee on Finance as well.

This was the situation when, on May 25, 1909, the Senate, by resolution, requested the President, "if not incompatible, in his judgment, with the public interest, to transmit to the Senate the statement of the German Government or its officers in relation to the wages paid to German workmen, for the use of the Senate in connection with its consideration of the pending tariff bill."

Consequently, the Secretary of State, in reply to the reference of this resolution to him, was obliged to report to the President that all the information on this subject which had been received from the German Government had been transmitted by the Department of State to the Committee on Finance of the Senate. This report was transmitted to the Senate by the President on May 28, 1909. Later on that day the papers were returned to the Department of State from the Committee on Finance and were transmitted by the President to the Senate in further response to its resolution, and they are now before that body.

Respectfully submitted.

HUNTINGTON WILSON,
Acting Secretary of State.

DEPARTMENT OF STATE,
Washington, June 14, 1909.

LIST OF PAPERS.

Circular instruction to American consular officers, June 15, 1908.
Mr. Thackara (consul-general at Berlin) to Mr. Bacon, No. 178, September 10, 1908.
Mr. Adee to Mr. Cortelyou, October 31, 1908.
Mr. Cortelyou to Mr. ROOT, November 9, 1908.
Mr. Bacon to Mr. Hill, November 18, 1908.
Mr. Guenther (consul-general at Frankfort) to Mr. Bacon, November 28, 1908.
Mr. ROOT to Mr. Guenther, No. 305, December 18, 1908.
Mr. Hill to Mr. ROOT, No. 164, December 11, 1908.
Mr. Hill to Mr. KNOX, No. 254, March 27, 1909.
Count von Bernstorff to Mr. Knox, March 31, 1909.
Mr. Hill to Mr. Knox, No. 264, April 13, 1909.
Mr. Hill to Mr. Knox, No. 266, April 13, 1909.
Count von Bernstorff to Mr. Knox, April 23, 1909.
Mr. Wilson to Count von Bernstorff, No. 48, April 23, 1909.
Mr. Wilson to Mr. Hill, No. 153, April 23, 1909.
Mr. Hill to Mr. Knox, May 6, 1909.

In reply refer to file No. 13911.

INDUSTRIAL CONDITIONS IN FOREIGN COUNTRIES.

DEPARTMENT OF STATE,
Washington, June 15, 1908.

To the American Consular Officers.

GENTLEMEN: The Committee on Ways and Means of the House of Representatives having been authorized to sit during the recess of Congress and to gather such information, through government agents or otherwise, as to it may seem fit looking toward the preparation of a bill for the revision of the tariff of the United States, you are instructed, at the request of its chairman, the Hon. SERENO E. PAYNE, Member of Congress, to prepare and transmit, at the earliest practicable date, a report, in duplicate, containing answers to the following questions:

I. INDUSTRIES.

(1) Describe briefly the principal industries of your respective districts, specifying, in the case of manufactures, the kind of goods manufactured; in agriculture, the articles produced; in mining, the product mined, etc.

(2) Principal foreign markets of such products as are exported in considerable quantities from your district.

(3) Sources of raw materials used by the manufacturing industries of your district.

(4) Mention any noteworthy changes that have taken place in the various manufacturing industries of your district since 1897, and explain the causes.

II. LABOR CONDITIONS.

(1) The department desires to obtain the prevailing rates of wages, the hours of labor per day, and the days usually worked per week, in the occupations named in Schedule A inclosed herewith.

The information should be obtained from employers directly or from authentic statistical reports of the locality, and for the year 1907 if possible.

Care should be taken that data are reported only for regular journeymen in the trades to which such term applies. For example, bakers (bread) should not include bakers' helpers, laborers, apprentices, or any persons employed in a bakery who are not journeymen bakers. Miners' laborers are called for specially. Notes are desired concerning farm laborers, stating the crops tended and the kind of work done. Extended notes are desired for coffee, rice, and sugar raising. The rates stated in the schedule proper should be for ordinary farm labor. If materially different rates are paid according to the season of the year, the facts should be noted.

The customary days worked per week are asked for each occupation. The desire is to ascertain the extent to which there is no rest day during the week.

Under "Hours worked per day" give the hours usually worked on the regular full day. If shorter hours are worked on any day of the week—for example, Saturday—the facts should be clearly stated in a note. "Hours worked" should be interpreted as in the United States, i. e., the hours the employees are on duty and presumably at work. Meal, lunch, or general resting time should not be included as hours worked.

Under "Rate of wages or earnings on full time" enter the prevailing wages for a full day's work or a full week's work, inserting the word day or week after the word "per." If there is a range of rates from a general low rate to a general high rate, the low and high rates may be given, but they should be followed always by the average rate; that is, the rate obtained by adding rates of the several employees and dividing the sum by the number of employees. Extreme high and low rates which are exceptional rather than representative should not be entered as high and low rates.

Perquisites and gratuities allowed in addition to rates shown should be set forth fully in notes, with estimates as to their value.

(2) To what extent is (*a*) female labor and (*b*) child labor employed in the different manufacturing industries of your district?

(3) Describe briefly the general condition of the working people in your district; cost and style of living; their homes, food, and clothes, and their ability to accumulate something for old age or sickness. The department desires that your reply to this question shall give a comprehensive view of the conditions surrounding and affecting labor in your district in order that a comparison of these conditions may be made with those which prevail in the United States.

III. COST OF PRODUCTION.

It is desired to obtain the cost of production of each of the articles named in the following list, and, in addition, of any other articles that are exported in considerable quantities from your district to the United States:

Automobiles; brass goods; brushes; buttons; carpets and rugs; cement; coal-tar colors and dyes; soda, nitrate of; chocolate; clocks and watches; bituminous coal; coke; cocoa, prepared; coffee; copper ore; copper, bars, ingots, or plates; cork, manufactures of; cotton—cotton cloth, knit goods and hosiery, laces; china, porcelain, parian, and bisque ware; fertilizers; fibers—flax fiber, hemp fiber, jute fiber; burlap; linen goods; fish, cured or preserved; glass, window; glass, bottles; glassware; fruit, prepared or preserved; hair; hats; india-rubber goods; iron ore; iron, manufactures of—pig iron, bar iron, steel ingots, blooms, etc. tin and terne plates, steel rails, cutlery, machinery, needles; jewelry; lead ore; lead, pig and bar; leather and hides; matting; dairy products—butter, cheese; musical instruments; oil-cloths; paint; paper; pencils; perfumery; rice milling; shoes; silk throwing; silk goods; stone quarrying; liquors—malt liquors, distilled liquors, wines; sugar—sugar making, sugar refining; tobacco—tobacco, chewing and smoking, cigars; toys; vegetables, prepared or preserved; wood, manufactures of—log cutting, lumber mills, wood pulp; woolen and worsted goods; and wool scouring.

You are instructed to obtain this information from the producing establishments in your district or from any other sources that may be available to you. Blank copies of Schedule B are inclosed herewith, upon which you are instructed to make returns.

The name of the establishment will not be disclosed. It is needed only for identification in case of further correspondence. The article

should be stated specifically; as, ladies' fine shoes, unbleached cotton sheetings, Bessemer steel rails.

The cost may be shown in some cases for one article, but generally it will be given for a quantity, as 1 ton (2,240 lbs.), 1 gross, 1,000 yards, etc.

Care should be taken to describe each article accurately and completely, in order that it may be recognized from the description. Consideration should be given to quality, style, size, finish, fineness of goods, etc. For example, in textiles give the number of yarn used in weft and warp, the picks to the inch of warp and weft, weight per square yard and grade of material used. When practicable, submit a sample or a picture of the article produced.

In the best regulated establishments cost sheets are frequently worked out. Such sheets should be inquired for and used in preparing the schedules.

Printed or written matter available relating to the subject should be submitted with the schedules.

When single articles are produced the getting of cost should be easy. When several articles are being produced at the same time in an establishment the task will be more difficult, and a prorated estimate may have to be made for the particular article reported.

The year for which the figures are given should be stated, preferably the latest for which data are available.

The period on which the cost is based should be, if possible, not less than three months; it need not exceed one year.

The two items *a* and *g* are vital and without replies thereto these schedules will be of no value; *b* to *f* may be combined if not obtainable separately; *h*, *i*, and *j* are wanted, if obtainable.

The cost of material means the cost as delivered at the establishment.

The cost shown at *g* means the money actually expended in producing the article itself. The total at *g* should show what the article could be sold for at the establishment without either profit or loss on the items named from *a* to *f*.

The grand total at *k* should not include profit or loss, but show only cost for items *a* to *f* and *h* to *j*.

In one factory material may be received in more finished form than another. The facts should be set forth under description of material, as one factory making cotton cloth may start from the bale of cotton, the other may buy its yarn and weave only. The quality of the material should be described as fully as the article produced. It is desired that your own statement shall accompany each schedule, giving your opinion as to the probable correctness of the statements on the schedule.

In filling out the schedule great care should be exercised to observe that the cost of items in inquiry 8 be for the quantity of the articles stated in inquiry 5. For example, if inquiry 5 reports 1,000 yards for which cost is shown, item *a* under inquiry 8 should report the cost of the labor in producing 1,000 yards.

IV. PRICES.

(1) Prices at date of your report in the currency of the country and in the United States equivalents of the necessaries of life and of industry, such as articles of clothing, tools and implements, hardware, drugs and medicines, and raw materials for manufacture.

(2) If these prices have been affected appreciably by the tariffs of the country in the last few years enumerate the articles and state to what extent prices have been affected.

V. EXPORTS TO THE UNITED STATES.

(1) Give comparative itemized statement of quantities and values of declared exports of merchandise from your district to the United States for the calendar years 1897 and 1907, showing the increase or decrease in any particular item.

(2) What effect, if any, has the present tariff of the United States had upon exportations from your district to the United States?

(3) Are there any items in the list of declared exports for 1907 that would be increased to any considerable extent, in your opinion, if the existing American duties thereon were reduced?

(4) Are there any articles of merchandise not appearing in the list of declared exports from your district which would probably be exported to the United States if the American duties were lower than at present?

VI. FOREIGN TARIFFS.

(1) Transmit a copy of the complete customs tariff of the country in which you are stationed, with all amendments up to date, including export duties, if any, as well as import duties, the customs regulations, and any bounty legislation relating to export of domestic products in the country of your official residence. This material may be sent as printed in the language of the country. In case an accurate English translation exists, it should be sent with the original text.

(2) Transmit a complete statement of the octrol and other local charges, other than regular customs duties, imposed on goods of foreign origin entering into consumption in your district.

In order to avoid needless duplication, the information relative to foreign tariffs need be furnished only by the consul-general or consul stationed at the capital of each country or colony, or, in the absence of such officer, by the consul-general or consul stationed at the principal commercial city of the country or colony.

The department desires that your report in answer to this circular instruction shall present a comprehensive, clear, and accurate picture of the general industrial conditions prevailing in your district. It should be transmitted to the department as soon as practicable in order that it may be placed at the disposition of the Committee on Ways and Means in time to afford opportunity for study and analysis of the material prior to the opening of the Congress in December, 1908.

I am, gentlemen,

Your obedient servant (for the Secretary of State),

WILBUR J. CARR, *Chief Clerk.*

Inclosures: Schedules.

SCHEDULE A.

WAGES AND HOURS OF LABOR.

Name of officer: ——— ———.
Official title: ——— ———.
Station: ——— ———.
Prevailing conditions as to wages and hours of labor at ——— in 190—, in specified occupations.
Source of information: ———.

Occupation.	Sex.	Days worked per week.	Hours worked per day.	Rates of wages or earnings on full time. (Note all gratuities.)
Bakers, bread	M.			
Building trades:				
Bricklayers	M.			
Carpenters	M.			
Laborers	M.			
Painters	M.			
Plumbers	M.			
Stonecutters	M.			
Cigar makers	M.			
Clothing factory:				
Sewers, hand	F.			
Sewing-machine operators	F.			
Coal miners	M.			
Coal miners' laborers	M.			
Compositors	M.			
Farm laborers[a]	M.			
	F.			
Glass blowers:				
Flint bottle	M.			
Green bottle	M.			
Window	M.			
Horseshoers	M.			
Iron blowers, Bessemer	M.			
Iron heaters, bar iron	M.			
Iron rollers:				
Bar iron	M.			
Steel rail	M.			
Iron-vessel men, Bessemer	M.			
Kettle men, brewery	M.			
Jigger men, pottery	M.			
Laborers on street, hired by city	M.			
Lumber:				
Choppers and sawyers in forest	M.			
Sawyers, lumber mill	M.			
Machinery, etc.:				
Blacksmiths	M.			
Iron molders	M.			
Machinists	M.			
Paper mill:				
Beater tenders	M.			
Paper-machine tenders	M.			
Tanyard hands, tannery	M.			
Pattern makers, wood	M.			
Shoes:				
Closers on[b]	M.			
Upper cutters	M.			
Silk culture	M.			
	F.			
Textiles:				
Cotton spinners	M.			
	F.			
Silk spinners	M.			
	F.			
Woolen spinners	M.			
	F.			
Cotton weavers	M.			
	F.			
Silk weavers	M.			
	F.			
Woolen weavers	M.			
	F.			
Woodworking-machine tenders	M.			

[a] See instruction as to this occupation.
[b] Sewing linings to uppers, machine work.

SCHEDULE B.

COST OF PRODUCTION.

Name of officer: ——— ———.
Official title: ——— ———.
Station: ——— ———.
1. Country: ———.
2. Locality: ———.
3. Name of establishment: ———.
4. Article produced: ———.
5. Quantity of article for which cost is shown: ———.
6. Complete description of article: ———.
7. Year and length of period on which cost is based: ———.
8. Items of cost: ———.

	Cost for quantity named in question 5.
(a) Cost of labor	
(b) Cost of materials, net	
(c) Officials and clerks	
(d) Fuel or water power (specify which)	
(e) Supplies and repairs	
(f) Taxes	
(g) Total actual cost (a to f)	
(h) Interest on investment (— per cent)	
(i) Depreciation (— per cent)	
(j) Insurance	
(k) Grand total of cost (g to j)	

9. Description of material used and extent to which manufactured when received at this establishment: ——— ———.
10. Actual working days in period named in question 7 ———
11. Total expenditure for labor in period:
Males 16 and over ———
Females 16 and over ———
Children under 16 ———
Total ———
12. Average number of persons employed during period:
Males 16 and over ———
Females 16 and over ———
Children under 16 ———
Total ———
13. Hours of labor per day in this establishment ———
14. Days worked per week in this establishment ———
15. Hours of labor per week in this establishment ———

No. 178.

AMERICAN CONSULATE-GENERAL,
Berlin, Germany, September 10, 1908.

To the honorable the ASSISTANT SECRETARY OF STATE,
Washington.

SIR: Referring to department's circular instruction of June 15 last (File No. 13911), "Industrial conditions in foreign countries," I have the honor to state that, in my opinion, the most effective method of obtaining accurate and trustworthy information necessary to furnish the date asked for under Article III of said circular, "Cost of production," would be to cooperate with the German chambers of commerce.

Under the existing commercial agreement between the United States and Germany (Par. E, letter of the Secretary of State to the imperial German ambassador at Washington of April 22, 1907), the confidential agents of the Treasury Department in their investigations of questions bearing upon customs administrations, are instructed to act in conjunction with the chambers of commerce of the districts in which the agents are located. Up to the present, at least as far as the confidential agent at Berlin is concerned, the practice has worked admirably. German manufacturers will open up their books more readily when asked to do so by their own chamber of commerce than when approached by a foreign outsider.

I have personally seen the president and secretary of the Berlin chamber, and both of these officers have informed me that they would aid me in the delicate and difficult task of getting the costs of production of certain German manufacturers, but that their organization being a semiofficial one, under the administration of the ministry of commerce, permission would have to be obtained from the higher authority. Unofficially I called upon one of the officials of the ministry and asked him if the desired permission could be obtained. He stated that the question was of such importance that he would have to consult his chief, the minister of commerce. Yesterday I received a note from the gentleman on whom I had called, in which he stated that as the matter was of great importance it should be brought to the attention of the German Government through diplomatic channels.

In a recent conversation with Mr. Hill, our ambassador, he fully agreed with me that the best, if not the only, method of obtaining the desired information would be through the chambers of commerce, and that if the department was in favor of this means of procedure, he would send a note to the imperial foreign office, asking that the chambers of commerce be requested to render the necessary assistance to American consular officers in their endeavors to obtain reliable and accurate data relating to the costs of production in Germany.

I would therefore respectfully ask the department, if the suggestion that the cooperation of the German chambers of commerce be requested meets with its approval, that cable instructions be sent to Ambassador Hill to make the necessary overtures to the German Government.

I have the honor to be, sir,
Your obedient servant,

A. M. THACKARA, *Consul-General.*

DEPARTMENT OF STATE,
Washington, October 31, 1908.

The honorable the SECRETARY OF THE TREASURY.

SIR: Referring to a circular instruction issued by the department to all American consular officers, under date of June 15, 1908, directing them to procure and transmit certain information for the use of the Committee on Ways and Means of the House of Representatives in connection with the proposed revision by the Congress of the tariff of the United States, copy of which circular is inclosed herewith for the confidential information of your department, I have the honor to transmit herewith copy of a dispatch from the American consul-general at Berlin, Germany, dated September 10, 1908, relative to the proposed cooperation of American consular officers with the German chambers of commerce in obtaining costs of production in Germany. It is suggested therein that the American ambassador at Berlin be instructed to take the matter up with the German Government, inviting the cooperation of the German chambers of commerce with the object stated.

The department would be pleased to have an expression of your views as to the expediency and feasibility of the plan proposed in the inclosed dispatch. An early reply would be much appreciated.

I have the honor to be, sir, your obedient servant,

ALVEY A. ADEE,
Acting Secretary.

Inclosures: 1. Circular to consular officers, June 15, 1908. 2. Dispatch No. 178, September 10, 1908, from American consulate-general at Berlin.

TREASURY DEPARTMENT,
OFFICE OF THE SECRETARY,
Washington, November 9, 1908.

The honorable the SECRETARY OF STATE.

SIR: I have the honor to acknowledge receipt of your letter of the 31st ultimo, transmitting, for an expression of my views, a copy of a communication from the consul-general at Berlin, in which, referring to the State Department's circular of June 15 last, calling for data of costs of production for the Ways and Means Committee, he proposes that the German foreign office be requested to ask the chambers of commerce to cooperate with the American officers in securing such data.

The importance of the matter appears to justify the course proposed by the consul-general, which is doubtless the one best calculated to obtain the desired results. It is suggested, however, that the overtures made to the German Government be accompanied by assurances that the names of industrial establishments will not be disclosed and that the information sought is for the legislative branch, not for the use of the customs officers under section 8 of the customs administrative act.

Respectfully,

GEO. B. CORTELYOU, *Secretary.*

No inclosure.

DEPARTMENT OF STATE,
Washington, November 18, 1908.

The Hon. DAVID J. HILL,
American Ambassador, Berlin.

SIR: The department incloses herewith copy of a dispatch from the American consul-general at Berlin, in which, referring to the department's circular of June 15, calling for data on costs of production for the Ways and Means Committee, he proposes that the German foreign office be requested to ask the chambers of commerce to cooperate with the American consular officers in securing such data. The department also incloses copy of a letter from the Secretary of the Treasury in regard to this proposition.

Understanding that you have advocated this course in your conference with the consul-general, the department authorizes you, in the exercise of your judgment as to its expediency, to present the matter to the German Government, with assurances, however, that the names of the industrial establishments will not be disclosed and that the information sought is for the legislative branch and not for the use of customs officers of the United States under section 8 of our customs administrative act.

I am, sir,
Your obedient servant,

ROBERT BACON,
Acting Secretary.

Inclosures: 1. Dispatch from American consulate-general, No. 178, September 10, 1908. 2. Secretary of the Treasury to Secretary of State, November 9, 1908.

No. 580.

AMERICAN CONSULATE-GENERAL,
Frankfort-on-the-Main, November 28, 1908.

The honorable ASSISTANT SECRETARY OF STATE,
Washington, D. C.

SIR: On October 9, 1908, I addressed a letter to each of the chambers of commerce in my consular district, namely, those at Frankfort, Hanau, Offenbach, Aschaffenburg, Darmstadt, Cassel, Wiesbaden, Mainz, Bingen, Coblenz, Trier, and Limburg, stating that I would be under great obligations if I could receive answers to certain questions contained under 1 and 2 (Industries and Labor Conditions), of department's circular of June 15, 1908, file No. 13911, Industrial Conditions in Foreign Countries, stating that I had been instructed by my Government to answer these questions for the use of the Committee on Ways and Means of the United States House of Representatives for the purpose of framing a bill for the revision of the United States tariff. Of the chambers of commerce addressed I received replies from only six of them, the chamber of commerce at Aschaffenburg stating, under date of October 30, that they were not in a position to make answers; the chamber of commerce at Darmstadt, which, under date of November 2, sent me the annual report of the Hessian Chambers of Commerce, and stated that they were not able to answer my questions except in a very unsatisfactory manner, and that therefore they believed it best not to attempt it. The chamber of commerce of this city wrote me on November 19 that in answer of my letter of October 9 they regretted not to be able to answer the questions submitted, but they would leave it to me to apply to the Government with reference to the subject; the three original letters from the chambers of commerce at Cassel, Mainz, and Offenbach I transmitted to the department with my report of October 22, 1908.

On November 23, I received a letter from the royal police presidency of this city, requesting me, in very polite language, to call at the office with reference to a matter of a confidential nature.

I complied with the request at once, and was told that the office had received a communication from the ministry at Berlin informing the police presidency that I had addressed a number of chambers of commerce stating the request contained in these letters; that the police president was instructed to furnish me with the information asked for, if such were available. I was informed that to their great regret they could not do so, as the necessary material was not available, except such data as I undoubtedly possessed myself.

I was also informed that in future similar information from the chambers of commerce or other public authorities should be procured through the diplomatic channel.

I have the honor to be, sir,
Your obedient servant,

RICHARD GUENTHER,
Consul-General.

DEPARTMENT OF STATE,
Washington, December 18, 1908.

RICHARD GUENTHER, Esq.,
American Consul-General,
Frankfort-on-Main, Germany.

SIR: I have to acknowledge the receipt of your dispatch, No. 580, of the 28th ultimo, procuring information regarding the cost of production, price of labor, etc.

In reply, I have to say that the ambassador at Berlin has been duly instructed in regard to approaching the German Government in the matter, at the suggestion of the consul-general at Berlin.

I am, sir,
Your obedient servant (for the Secretary of State),

W. J. CARR, *Chief Clerk.*

No. 164.

EMBASSY OF THE UNITED STATES,
Berlin, December 11, 1908.

The Hon. ELIHU ROOT,
Secretary of State, Washington, D. C.

SIR: I have the honor to acknowledge the receipt of the department's instruction of the 18th ultimo, authorizing me, in the exercise of my judgment as to its expediency, to present to the German Government a request that the German chambers of commerce cooperate with our

consular officers in this country with a view to securing the data relating to costs of production called for by the department's circular of June 15 last for the use for the Committee on Ways and Means of the House of Representatives.

After careful consideration and further conference with the consul-general in Berlin, I have addressed a note on the subject to the foreign office, of which a copy is appended hereto.

While this request may not result in procuring all the information desired, which it is probably impossible to obtain by any method, it will certainly not diminish the chances of obtaining it, and will, it is believed, leave the whole matter in a better position than it otherwise would be by showing that no secret inquisition has been intended. It will also exclude the possibility of complaint that our Government has employed untrustworthy data, since it will have employed all that can be obtained through official channels.

I have the honor to be, sir, your obedient servant,

DAVID J. HILL.

No. 193. (To accompany dispatch No. 164.)

EMBASSY OF THE UNITED STATES OF AMERICA,
Berlin, December 10, 1908.

The undersigned American ambassador has the honor to inform his excellency the imperial German secretary of state for foreign affairs that the Government of the United States of America, being about to consider the revision of its customs tariff, desires to obtain such authentic information as will best aid it in making such changes as the industrial and commercial conditions of the present time may seem to justify, and as will be most just toward other countries.

To this end the Committee on Ways and Means of the House of Representatives, which has this subject in charge, has requested such data to be collected as may be available regarding the cost of production of certain specified articles or classes of articles in foreign countries. It was at first thought that the most direct and convenient method of procuring this information might be through the immediate application of the consular officers of the United States to those manufacturers who might be able and willing to furnish it. In order to give more unity to the method of inquiry, to secure more uniform results, and to accompany the requests for information with proper assurances of the purposes for which it is intended to be used, the undersigned is directed to state that it is desired that this investigation be conducted under the observation, with the approval, and, it is hoped, with the cooperation of the various chambers of commerce. The undersigned therefore has the honor to lay before his excellency the request of his Government that the permission of the Imperial German Government be given to the chambers of commerce in the Empire to cooperate with the consular officers of the United States in this matter, and that the assurance may be communicated to the chambers of commerce, and through them to the various producers concerned, that the information sought is for the legislative branch, and not for the use of customs officers of the United States under section 8 of our customs administrative act. The undersigned is also authorized to say that the names of the industrial establishments furnishing the information desired will be treated confidentially and not disclosed.

The undersigned avails himself of the opportunity to renew to his excellency the assurance of his highest consideration.

DAVID J. HILL.

To his Excellency HERR VON SCHOEN,
Imperial Secretary of State for Foreign Affairs, etc.

No. 254.

EMBASSY OF THE UNITED STATES,
Berlin, March 27, 1909.

The Hon. P. C. KNOX,
Secretary of State, Washington, D. C.

SIR: With reference to the department's unnumbered instruction of November 18, 1908 (file No. —), authorizing me to endeavor to secure through the foreign office the data as to costs of production in Germany, called for by the department's circular instruction of June 15, 1908, for the use of the Ways and Means Committee, I have the honor to inform you that I have this morning received a note from the foreign office, of which a copy with translation is inclosed herewith, transmitting the data in question, which have been collected by the various German governments through the chambers of commerce and from individual firms. It will also be observed that the chambers of commerce have examined the reports of the hearings before the Ways and Means Committee and take exception to the accuracy and completeness of the material there presented.

In view of the fact that the embassy's mail pouch leaves this afternoon and that the material furnished by the foreign office will be of little use unless it reaches the committee promptly, I inclose only one copy of the same, without translation, retaining the other pending the receipt of instructions as to whether it should be translated at this embassy, where the facilities for executing such voluminous and technical translations with promptness and accuracy are limited, or whether it should also be forwarded without the English rendering.

I have the honor to be, sir,
Your obedient servant,

DAVID J. HILL.

Accompanying: 1. The German minister for foreign affairs to Mr. Hill, March 25, 1909. 2. One set of the duplicate inclosures accompanying the same.

(To accompany dispatch No. 254.)

Translation of a note from the Imperial German Foreign Office, dated March 25, 1909.

FOREIGN OFFICE.

With reference to the note of the 10th of December last, F. O. No. 193, on the subject of inquiries relative to the costs of production of the principal articles exported from Germany to the United States, and in supplement to the note of the foreign office dated January 13 last, No. 11 U 85, the undersigned has the honor to inform His Excellency Mr. David Jayne Hill, ambassador extraordinary and plenipotentiary of the United States of America, that the proper internal quarters have placed themselves in communication with the chambers of commerce and industrial associations concerned through the agency of the various federal governments. These have collected the pertinent material, which is inclosed in duplicate, together with three samples of silk embroidery (in an envelope, Schedule L).

The undersigned begs to make the following remarks on the subject: The chambers of commerce and industrial associations in collecting the material have consulted the protocols of the tariff hearings before the Committee on Ways and Means of the American House of Representatives, and have examined the statements contained therein relative to the costs of production in Germany. This examination has led to numerous exceptions to the statements asserted by the committee. Especially the following general points of view are continually brought up:

In the comparative tables on wages in the United States of America and Germany data concerning the German conditions have in many cases been utilized which cover conditions of many years ago and have no longer any significance for the present day; in calculating American wages the highest rates have been taken as a basis, while in computing German wages the lowest rates have been taken; the increase in cost of German production by social burdens has been left out of consideration; the comparison of absolute earnings gives an inaccurate impression, because the work accomplished by American laborers is perceptibly greater than that of the German laborers, partly in itself and partly through the more comprehensive employment of machine work; if the wages for piecework to be used for the manufacture of the separate article are calculated, the difference between the German and American wages is perceptibly less than would appear from the statements concerning wages on time; in comparing wages on time attention should be paid to the fact that it is customary in America to discharge a large number of the laborers in times of economic depression, and under certain circumstances to stop work wholly, while in Germany the employers restrict as far as possible the discharge of workmen and they use all possible means to keep the workmen in employment even during depression in business. It is often in Germany the case that old workmen who are no longer wholly capable continue to be employed under full wages. A number of firms which complained of insufficient tariff protection before the Committee on Ways and Means underbid German manufacturers in the interior market of Germany as well as in the American market (cf., among the inclosures the printed document relative to duties on productions of lithography, pp. 6 and 7, and the two inclosures belonging thereto). In many cases inaccurate statements have been made concerning the extent and duration of female and child labor, in contradiction to the regulations now in force in Germany.

As regards the last point, reference should be made to the statutory regulations concerning female and child labor in Germany (Reichsgesetzblatt No. 14, April 2, 1903, and supplement to No. 2 of the Ministerialblatt der Handels und Gewerbeverwaltung, January 23, 1909), two copies of which are attached, and to the compilation of the statutory regulations and ordinances of the federal council which, together with the law relative to child labor in industrial concerns, dated March 30, 1903, have remained in force; two copies of the compilation are inclosed. Since from this the employment of children under the age of 13 and of children of school age over 13 in factories, as well as in establishments mentioned in the compilation under I and in section 4 of the children's protection law, is absolutely prohibited; now, since compulsory school attendance generally lasts to the completion of the fourteenth year, the employment of children under the age of 14 in factories and the industrial establishments mentioned is only a matter of a small number of children who for some special reasons have finished school before the completion of the fourteenth year, and even then it is only the question of a period of a few months. In so far as the employment of children in factories and the industrial establishments named comes into question at all according to the said laws, it is subject to restrictions laid down for youthful workmen mentioned under II in the compilation.

The undersigned avails himself of this opportunity to renew to his excellency the expression of his most distinguished consideration.

SCHOEN.

His Excellency Mr. DAVID JAYNE HILL,
Ambassador of the United States of America.

(Translation.)

GERMAN EMBASSY,
Washington, March 31, 1909.

Mr. SECRETARY OF STATE:

The United States ambassador at Berlin sometime ago requested the foreign office to procure reliable information regarding the cost of production of goods exported by Germany chiefly to the United States.

I took the liberty recently to transmit to the State Department duplicate copies of the matter which was furnished to His Excellency Mr. Hill, at Berlin, in compliance with his request.

I have the honor to inclose to your excellency some further information of this character which has been compiled by German commercial associations and officials.

In view of the present tariff discussion in Congress, I assume that these data will also be of interest to the United States Government.

Please accept, Mr. Secretary of State, the renewed assurance of my most distinguished consideration.

BERNSTORFF.

His Excellency Mr. P. C. KNOX,
Secretary of State of the United States, Washington, D. C.

EMBASSY OF THE UNITED STATES,
Berlin, April 13, 1909.

The Hon. P. C. KNOX,
Secretary of State, Washington, D. C.

SIR: Referring to my dispatch, No. 254, of March 27, 1909, and my telegram of the same date, I have the honor to inform you that, receiving no reply in answer to the question whether it was desired that the voluminous and technical inclosures from the German Government be translated here, I have sent the duplicate copy to the department by the hand of Consul-General Thackara, who wished to have the opportunity to examine them during his voyage to the United States. It is expected that he will have delivered the duplicate inclosures before the arrival of this dispatch.

It may be of interest to know that the German press has not entirely approved the action of the Imperial Government in furnishing for the use of the United States Congress the facts regarding cost of production of certain German manufactures, as is evident from the inclosure transmitted herewith, with translation, taken from the Berliner Tageblatt.

With regard to the insinuation that this informaion was sought in order to be given out by the American Government for the benefit of various American industries, these critics are probably not aware of the

terms of absolute confidence upon which these facts were asked for and furnished, by which a point of national honor is involved in the use made of the information given. It is not impossible that some of the facts stated in these documents may be given to the public at the instance of the German Government itself. In that case it would be advantageous, if possible, to know by whom and under what circumstances they were published, in order that the charge of bad faith on our side might not be made.

The attitude of the German Imperial Government toward the criticisms above cited is shown in the inclosed semiofficial statement made in the Berliner Lokal Anzeiger, of which a translation is also inclosed. It will be noticed that in this statement the motive which actuated the German Government in furnishing the information is said to be the desire to rectify and explain the erroneous data upon which it was believed our Congress was basing its conclusions.

I have the honor to be, sir,
Your obedient servant,
DAVID J. HILL.

(To accompany dispatch No. 264.)

EXTRACT FROM THE BERLINER TAGEBLATT, EVENING EDITION OF APRIL 10, 1909—THE GERMAN GOVERNMENT AS A FELLOW-WORKER OF THE AMERICAN TARIFF BILL.

The Deutsche Exportrevue brings no less a charge against the foreign office than that of having given up the business secrets of the German industries so that they can be used in the preparation of the tariff bill. The article is based on an extract from the American Association of Commerce and Trade, issued in Berlin, and which in its last semimonthly bulletin, of April 1, 1909, says:

"The German foreign office has, at the request of the American Department of State, forwarded to the American embassy in Berlin a typewritten folio document of several inches in thickness, giving official information about wages and other costs of production of German manufactures which are affected by the American tariff.

"As the State Department came to the conclusion that the answers of the consuls to the circular issued in June of 1908 were not satisfactory, because the French, British, and German manufacturers were unwilling to give a trade rival facts on which to base a hostile tariff, therefore the State Department instructed the American ambassadors to obtain this information through the foreign offices of those countries to which they are accredited.

"It is understood that Ambassador Hill, in the beginning of December, approached the foreign office with the proposition that it would be to the interest of Germany to openly lay before the American Congress statements showing the cost of production of manufactures instead of only partial statements. The German foreign office accepted this view, and requested the governments of the confederation to gather the information, which had previously been requested of the chambers of commerce."

The Exportrevue makes the point that the tariff revision was only used as a blind, and that the entire action had primarily for its object, in an official way, to gather material which would be useful to American industries as against their competitors after the German and other manufacturers had refused to give up the desired information, which meant an exposition of their most essential business secrets. Even if the pretext were true, that this information was to be used by Congress as an aid in the discussion of the tariff revision, it would only result in an increase of the duties on such articles which can be manufactured much cheaper in Germany than in the United States; therefore the interests of the German industries would in all probability be considerably harmed. Unquestionably this information would be given to various American industries, which would make it easy for them to overcome the German industries exporting to the United States, and, eventually, to fight them on their own ground. It would be unheard of if the German foreign office had not taken such results into consideration, and it is hoped that the publication of the "American association" will meet with a decided denial.

We are informed that the Imperial Government will give out an official explanation of the matter.

(To accompany dispatch No. 264.)

TRANSLATION OF AN EXTRACT FROM THE BERLINER LOKAL-ANZEIGER OF APRIL 13, 1909.

With reference to the complaint that the foreign office had imparted to the American Government extensive material in regard to cost of production especially of goods exported to the United States and had exposed the business secrets of the German industries, it is semiofficially announced as follows: At the hearings in the fall of last year, which were had before the Finance Committee of the American House of Representatives, which committee was charged with the duty of revising the tariff, numerous mistaken statements were made by the manufacturers of America about the cost of production, and especially as to the wages paid to workmen, in that the costs were considerably underestimated. These facts, which the secretary of state of the foreign office explained, in answer to a question by a member of the Reichstag Stresemann, at the session of the Reichstag held on the 31st of last month, have been given special attention by the officials, and everything requisite was done to correct these mistakes through the chambers of commerce. The material sent in by the chambers of commerce was submitted to the American ambassador in Berlin, who had expressed the wish that trustworthy compilations of the questions at issue be submitted. The imperial ambassador in Washington also submitted this material to the American Department of State.

No. 266.

EMBASSY OF THE UNITED STATES,
Berlin, April 13, 1909.

(Confidential.)

The Hon. P. C. KNOX,
Secretary of State, Washington.

SIR: With reference to the department's unnumbered instruction of November 18, 1908 (File No. —), authorizing me to endeavor to secure through the foreign office the data as to costs of production in Germany, called for by the department's circular instruction of June 15, 1908, for the use of the Ways and Means Committee, I have the honor to inform you that I have received a note from the foreign office, of which a copy with translation is inclosed herewith, transmitting the further data in question, which have been collected by the various federated German Governments through the chambers of commerce and from individual firms.

In view of the fact that this matter has to be forwarded at once in order to be of value to the committee, I inclose only one copy of the same, without translation, retaining the other pending the receipt of instructions as to whether it should be translated at this embassy, where the facilities for executing such voluminous and technical translations with promptness and accuracy are limited, or whether it should also be forwarded without the English rendering.

It will be recalled that the terms upon which this information is furnished, like that which has preceded, are strictly confidential, the data being for the use of Congress only.

I have the honor to be, sir,
Your obedient servant,
DAVID J. HILL.

Accompanying: 1. Note verbale of the German foreign office. 2. One set of the duplicate inclosures accompanying the same.

(To accompany dispatch No. 266.)

TRANSLATION OF A NOTE FROM THE IMPERIAL GERMAN FOREIGN OFFICE DATED APRIL 9, 1909—NOTE VERBALE.

The foreign office has the honor to forward to the embassy of the United States of America, as an addition to the note of March 25—II. U. 1642—the following additional matter in regard to the cost of production of especially those goods exported to the United States of America, appending hereto two copies. The compilations regarding the lithographic products in these supplementary documents, are an addendum to the memorial on the same subject submitted by the * * *.

BERLIN, *April 9, 1909.*

To the EMBASSY OF THE UNITED STATES OF AMERICA.

(Translation.)

IMPERAL GERMAN EMBASSY,
Washington, D. C., April 23, 1909.

MR. SECRETARY OF STATE: In continuation of my letter of the 31st ultimo, I have the honor to forward herewith inclosed to your excellency a few additional reports complied by German commercial companies and officials concerning the cost of production of various articles in Germany. This same material has been placed at the disposal of His Excellency Mr. Hill, in Berlin, and forms a supplement to the information furnished by me in due course to your excellency.

Accept, Mr. Secretary of State, the renewed assurance of my most distinguished high consideration.

For the Imperial Ambassador.

WEDEL.

Serial No. 48.] DEPARTMENT OF STATE,
Washington, April 23, 1909.

His Excellency Count J. H. VON BERNSTORFF,
Imperial German Ambassador.

EXCELLENCY: I have the honor to acknowledge the receipt of your note of the 31st ultimo, with which you were so good as to transmit duplicate copies of papers, furnished by your Government to the American ambassador at Berlin, with reference to costs of production in Germany, which data were desired for the use of the Committee on Ways and Means of the House of Representatives.

In reply I have the honor to say that, by reason of the additional copies of the documents furnished by you, the department was enabled not only to supply the needs of the Committee on Ways and Means, but those of the Committee on Finance of the Senate as well. Accordingly the department has to-day addressed an instruction to the American ambassador at Berlin, directing him to advise the Imperial Government of the disposition made of this material, at the same time conveying an expression of this Government's appreciation of and thanks for the courteous compliance with this department's request. In addition, I have the honor to express to you the department's thanks for the embassy's kindness in the matter.

Accept, excellency, the renewed assurances of my highest consideration.

HUNTINGTON WILSON,
Acting Secretary.

Serial No. 153.] DEPARTMENT OF STATE,
Washington, April 23, 1909.

The Hon. DAVID J. HILL,
American Ambassador, Berlin.

SIR: I have to acknowledge the receipt of your No. 254 of the 27th ultimo, wherein, with reference to the department's unnumbered instruction of November 18, 1908, directing you to procure for the use of the Committee on Ways and Means certain data as to costs of production in Germany, you inclose translation of a note from the foreign office, transmitting the data in question, collected by the various German governments through the chambers of commerce and from individual firms.

Additional copies of the papers sent with your dispatch were also received by the department from the German embassy at this capital, so that the department was enabled to supply not only the Committee on Ways and Means with copies, but the Committee on Finance of the Senate as well.

You will advise the German Government of the disposition of this material, at the same time expressing this Government's appreciation of and thanks for its courteous compliance with the department's request.

I am, sir,
Your obedient servant,
HUNTINGTON WILSON,
Acting Secretary.

EMBASSY OF THE UNITED STATES,
Berlin, May 6, 1909.

The Hon. P. C. KNOX,
Secretary of State, Washington, D. C.

SIR: I have the honor to acknowledge the receipt of the department's instruction of the 23d ultimo (Serial No. 153, file No. 13911/805–807), relative to the data furnished by the German Government as to costs of production in Germany, and to inform you that I have not failed to advise the foreign office of the disposition of this material, at the same time expressing our Government's appreciation of and thanks for its courteous compliance with the department's request.

I have the honor to be, sir,
Your obedient servant,
DAVID J. HILL.

Mr. ALDRICH. It is my purpose to take up to-morrow the glass paragraphs, which have been passed over, and the matter of a duty on hides, and perhaps the paper paragraphs, and such other paragraphs as can be disposed of to-morrow.

Mr. GALLINGER. All to-morrow?

Mr. ALDRICH. I hope all to-morrow.

Mr. BACON. I would inquire whether it would be practicable, in connection with the window-glass amendment, to give us the ad valorem which is represented by these combined duties? I am not asking the Senator to make any reply, but if it is practicable, I should like to have that information.

Mr. ALDRICH. I think it is not practicable. We have changed the form of the classification. We put in paragraphs as to value per pound. I think it is not possible to make a comparison. It is possible, though, to compare the rates, because the rates are reduced, say, from 1⅞ to 1½ cents on a certain paragraph.

Mr. BACON. There is an ad valorem equivalent specified in this document—Estimates of Revenues.

Mr. ALDRICH. Those are on the importations under the old law.

Mr. BACON. Yes.

Mr. ALDRICH. But there is a considerable reduction upon all the brackets in the new paragraphs.

EXECUTIVE SESSION.

Mr. KEAN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After one minute spent in executive session the doors were reopened, and (at 7 o'clock p. m.) the Senate adjourned until to-morrow, Thursday, June 17, 1909, at 10 o'clock a. m.

NOMINATIONS.

Executive nominations received by the Senate June 16, 1909.

PROMOTIONS IN THE NAVY.

Lieut. Commander Harold K. Hines to be a commander in the navy from the 16th day of June, 1909, vice Commander Francis H. Sherman, promoted.

Ensigns Chandler K. Jones and Herbert H. Michael to be lieutenants (junior grade) in the navy from the 2d day of February, 1909, upon the completion of three years' service in present grade.

Lieuts. (Junior Grade) Chandler K. Jones and Herbert H. Michael to be lieutenants in the navy from the 2d day of February, 1909, to fill vacancies existing in that grade on that date.

Surgs. Robert E. Ledbetter and Charles St. J. Butler to be surgeons in the navy from the 16th day of September, 1908, and the 19th day of September, 1908, respectively, to correct the date from which they take rank as previously confirmed.

Passed Asst. Surg. Fred M. Bogan to be a surgeon in the navy from the 2d day of September, 1908, vice Surg. Henry T. Percy, promoted.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 16, 1909.

DISTRICT JUDGES.

George W. Woodruff to be district judge for the Territory of Hawaii.

Peter D. Overfield to be judge of the district of Alaska, division No. 4.

UNITED STATES MARSHAL.

Thomas Cader Powell to be United States marshal for the district of Alaska, division No. 2.

COMMISSIONER OF INDIAN AFFAIRS.

Robert G. Valentine to be Commissioner of Indian Affairs.

PROMOTIONS IN THE ARMY.

GENERAL OFFICER.

Col. Marion P. Maus to be brigadier-general.

INFANTRY ARM.

Lieut. Col. Arthur Williams to be colonel.
Maj. Hunter Liggett to be lieutenant-colonel.
Capt. Frank L. Winn to be major.
First Lieut. Will H. Point to be captain.
First Lieut. Henry M. Bankhead to be captain.
First Lieut. Henry F. McFeely to be captain.
Second Lieut. Joseph M. Cummins to be first lieutenant.
Second Lieut. Thomas C. Musgrave to be first lieutenant.
Second Lieut. Converse R. Lewis to be first lieutenant.

MEDICAL CORPS.

The following-named first lieutenants to be first lieutenants in the Medical Corps of the Army:

Henry Clay Coburn, jr.,
Arnold Dwight Tuttle,
John Brockenbrough Harvie Waring,
William Richard Dear,
Charles Edward Doerr,
Daniel Parker Card,
Ralph Harvard Goldthwaite,
Frederick Starr Wright,
Daniel Warwick Harmon,
James Carre Magee,
Corydon Goodrich Snow,
Norman Lincoln McDiarmid,
Clarence Albert Treuholtz,
Eben Clayton Hill,
George Hudson McLellan,
Alexander Dwight Parce,
James Arthur Wilson,
Armin Mueller,
Thomas James Leary,
Morrison Clay Stayer,
Robert William Kerr,
Lee Roy Dunbar,
Leon Connallin Garcia,
William Stephens Shields,
Addison Dimmitt Davis,
William Hope Smith,
Clarence Elmer Fronk,
Rozier Clagett Bayly, and
George Dawson Heath, jr.

APPOINTMENT IN THE ARMY.

Rev. Robert R. Fleming, jr., to be chaplain.

PROMOTIONS IN THE NAVY.

Lieut. Commander Philip Andrews to be a commander.

The following-named lieutenant-commanders to be lieutenant-commanders (to correct the dates from which they take rank as previously confirmed):

Frank H. Brumby,
James P. Morton,
Frank P. Baldwin,
George L. P. Stone,
Rufus Z. Johnston, jr.,
Thomas D. Parker,
Jonas H. Holden,
Thomas T. Craven,
Daniel W. Wurtzbaugh,
Ralph Earle,
Gatewood S. Lincoln,
Ivan C. Wettengel,
Charles M. Tozer,
Wat T. Cluverius,
Albert W. Marshall,
Thomas A. Kearney,
Arthur MacArthur, jr., and
Frank E. Ridgely.

Lieut. Edward H. De Lany to be a lieutenant-commander.
Lieut. Cassius B. Barnes to be a lieutenant-commander.
Lieut. Michael J. McCormack to be a lieutenant-commander.
Lieut. Ernest F. Eckhardt to be a lieutenant-commander.
Lieut. Duncan M. Wood to be a lieutenant-commander.
Lieut. Leigh C. Palmer to be a lieutenant-commander.
Lieut. Dudley W. Knox to be a lieutenant-commander.
Lieut. Edward McCauley, jr., to be a lieutenant-commander.

The following-named ensigns to be lieutenants (junior grade):

Donald B. Craig,
Stanton L. H. Hazard,
Roscoe F. Dillen,
Benjamin K. Johnson, and
Walter A. Smead.

The following-named lieutenants (junior grade), to be lieutenants:

Donald B. Craig,
Stanton L. H. Hazard,
Roscoe F. Dillen,
Benjamin K. Johnson, and
Walter A. Smead.

The following-named paymasters to be paymasters (to correct the date from which they take rank as previously confirmed):

George G. Seibels,
Edmund W. Bonnaffon,
Joseph Fyffe,
John H. Merriam,
Timothy S. O'Leary,
George Brown, jr.,
Walter B. Izard,
David Potter,
Samuel Bryan,
Arthur F. Huntington,
Harry H. Balthis,
Charles Conard,
William T. Gray,
George P. Dyer,
John W. Morse,
Robert H. Woods,
Robert H. Orr,
William A. Merritt,
John Irwin, jr.,
Webb V. H. Rose,
William H. Doherty,
Charles Morris, jr.,
Frederick K. Perkins, and
George C. Schafer.

Asst. Paymaster Kenneth C. McIntosh to be a passed assistant paymaster.

Naval Constructors Stuart F. Smith and William G. Groesbeck to be naval constructors (to correct the date from which they take rank as previously confirmed).

Naval Constructor Richard H. Robinson to be a naval constructor (to correct the date from which he takes rank as previously confirmed).

The following-named machinists to be chief machinists:

John E. Cleary,
Richard Jeffares,
Charles Hammond,
James W. Murray,
John Dexter,
Martin J. Clancy,
John J. Fuller,
John T. Pennycook,
James A. Hickey,
John T. Riley,
Benjamin F. Beers,
David Purdon,
Bernard Gebhardt,
George C. Ellerton,
Charles H. Gilhuley,
Murray S. Holloway,
William B. Stork,
Clarence R. Johnson,
Ben Smith,
William James,
Patrick Fernan,
Frank Risser,
John Bryce,
Rasmus Iversen,
Henry E. White,
Charles C. Holland,
Cornelius J. Collins,
Lee Grossenbaker, and
Daniel C. Beach.

POSTMASTERS.

COLORADO.

Mary S. Clark, at Akron, Colo.

ILLINOIS.

Moses C. Smith, at Newman, Ill.

KANSAS.

Olga A. Krehbiel, at Moundridge, Kans.

NEBRASKA.

Walter L. Minor, at Morrill, Nebr.
William H. Rood, at North Loup, Nebr.

NEW JERSEY.

Morris Davis, at Bridgeton, N. J.

OKLAHOMA.

John C. Byrd, at Wagoner, Okla.

SOUTH CAROLINA.

Della D. Carter, at Lake City, S. C.

UTAH.

Clifford I. Goff, at Midvale, Utah.
Albert E. Hopkinson, at Sunnyside, Utah.

WISCONSIN.

Louisa Whitcomb, at Albany, Wis.

